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## **KINGBOARD CHEMICAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 148)**

## **EASE EVER INVESTMENTS LIMITED**

*(Incorporated in the British Virgin Islands with limited liability)*

**Voluntary conditional cash offers in Hong Kong by  
Citigroup Global Markets Asia Limited  
on behalf of**

**EASE EVER INVESTMENTS LIMITED,  
an indirectly wholly-owned subsidiary of  
Kingboard Chemical Holdings Limited,**

**to acquire all of the issued shares in the capital of,  
and for cancellation of all outstanding options of,  
ELEC & ELTEK INTERNATIONAL HOLDINGS LIMITED  
(other than those already owned by the Hong Kong Offeror or  
parties acting in concert with it)**

## **THE HONG KONG OFFERS BECOMING UNCONDITIONAL IN ALL RESPECTS EXTENSION OF THE CLOSING DATE OF THE HONG KONG OFFERS**

### **ACCEPTANCE LEVEL OF THE HONG KONG OFFERS**

As at 4:00 p.m. on 25 November 2004, valid acceptances have been received in respect of 534,629,876 E&E Shares (representing approximately 43.66% of the entire issued share capital of E&E) under the Hong Kong Share Offer. As at the date of the Offer Announcement, the Hong Kong Offeror and parties acting in concert with it were interested in an aggregate of 336,799,000 E&E Shares, representing approximately 27.50% of the entire issued share capital of E&E as at the date of this announcement. The number of E&E Shares held by the Hong Kong Offeror and parties acting in concert with it had remained unchanged throughout the period between the date of the Offer Announcement up to the date of this announcement. After taking into account the valid acceptances received under the Hong Kong Share Offer as at the date of this announcement, the Hong Kong Offeror and parties acting in concert with it together own 871,428,876 E&E Shares, representing approximately 71.16% of the entire issued share capital of E&E as at the date of this announcement. As at 4:00 p.m. on 25 November 2004, no holders of E&E Options have tendered their acceptances to the Hong Kong Option Offer.

### **THE HONG KONG OFFERS BECOMING UNCONDITIONAL IN ALL RESPECTS**

The Hong Kong Offers have become unconditional in all respects on 25 November 2004.

### **DIRECTORS AND MANAGEMENT OF E&E AND EEIC**

By a resolution of the board of directors of E&E dated 25 November 2004, subject to the cheque for the relevant offer price in respect of the EEI Shares being available for collection during banking hours by the Major Shareholder at the Registrar's office by no later than 4:00 p.m. on 29 November 2004, Messrs Cheung Kwok Wa and Mok Cham Hung, Chadwick had been appointed executive directors of E&E and Messrs Cheung Kwok Wing, Chan Wing Kwan and Chang Wing Yiu had been appointed non-executive directors of E&E, all with effect from the date on which the cheque for the relevant offer price in respect of the EEI Shares is available for collection by the Major Shareholder at the Registrar's office, which should be no later than 4:00 p.m. on 29 November 2004.

The majority of the existing directors of EEIC have provided irrevocable undertakings on 25 November 2004 to cause the appointment of Messrs. Cheung Kwok Wing, Chan Wing Kwan, Chang Wing Yiu, Cheung Kwok Wa and Mok Cham Hung, Chadwick, who are all nominated by the Singapore Offeror, to the board of directors of EEIC to take effect no later than the 3rd day after the Singapore Offer Document has been despatched to the shareholders of EEIC.

### **EXTENSION OF THE CLOSING DATE OF THE HONG KONG OFFERS**

Pursuant to the Takeovers Code, where the Hong Kong Offers become or are declared unconditional in all respects, they should remain open for acceptance for not less than 14 days thereafter. Accordingly, the Closing Date will be extended to 9 December 2004.

Reference is made to the announcements dated 12 October 2004 (the "Offer Announcement") and 19 November 2004 respectively issued by the Company and the offer document dated 1 November 2004 (the "Hong Kong Offer Document") issued by the Company and the Hong Kong Offeror in respect of, among other things, the Hong Kong Offers. Unless otherwise defined, terms defined in the Hong Kong Offer Document shall have the same meanings in this announcement.

## ACCEPTANCE LEVEL OF THE HONG KONG OFFERS

As at 4:00 p.m. on 25 November 2004, valid acceptances have been received in respect of 534,629,876 E&E Shares (representing approximately 43.66% of the entire issued share capital of E&E as at the date of this announcement) under the Hong Kong Share Offer.

As at the date of the Offer Announcement, the Hong Kong Offeror and parties acting in concert with it were interested in an aggregate of 336,799,000 E&E Shares, representing approximately 27.50% of the entire issued share capital of E&E as at the date of this announcement. The number of E&E Shares held by the Hong Kong Offeror and parties acting in concert with it had remained unchanged throughout the period between the date of the Offer Announcement up to the date of this announcement.

After taking into account the valid acceptances received under the Hong Kong Share Offer, the Hong Kong Offeror and parties acting in concert with it together own 871,428,876 E&E Shares, representing approximately 71.16% of the entire issued share capital of E&E as at the date of this announcement.

As at 4:00 p.m. on 25 November 2004, no holders of E&E Options have tendered their acceptances to the Hong Kong Option Offer.

## THE HONG KONG OFFERS BECOMING UNCONDITIONAL IN ALL RESPECTS

As disclosed in the announcement of the Company dated 19 November 2004, Condition (1) has been fulfilled on 19 November 2004. Conditions (2), (3) and (4)(iii) have been fulfilled and Conditions (4)(i)&(ii) have been waived on 25 November 2004. Accordingly, the Hong Kong Offeror announces that the Hong Kong Offers are declared unconditional in all respects on 25 November 2004.

## DIRECTORS AND MANAGEMENT OF E&E AND EEIC

By a resolution of the board of directors of E&E dated 25 November 2004, subject to the cheque for the relevant offer price in respect of the E&E Shares to be sold by Elec & Eltek Investments Limited (the "Major Shareholder") to the Hong Kong Offeror under the Hong Kong Offers (the "EEI Shares") being available for collection during banking hours by the Major Shareholder at the Registrar's office by no later than 4:00 p.m. on 29 November 2004, Messrs Cheung Kwok Wa and Mok Cham Hung, Chadwick had been appointed executive directors of E&E and Messrs Cheung Kwok Wing, Chan Wing Kwan and Chang Wing Yiu had been appointed non-executive directors of E&E, all with effect from the date on which the cheque for the relevant offer price in respect of the EEI Shares is available for collection by the Major Shareholder at the Registrar's office which should be no later than 4:00 p.m. on 29 November 2004. All E&E Shareholders who tender their acceptances to the Hong Kong Share Offer will be treated equally in relation to the time required for settlement of consideration.

The majority of the existing directors of EEIC have provided irrevocable undertakings on 25 November 2004 to cause the appointment of Messrs. Cheung Kwok Wing, Chan Wing Kwan, Chang Wing Yiu, Cheung Kwok Wa and Mok Cham Hung, Chadwick, who are all nominated by the Singapore Offeror, to the board of directors of EEIC to take effect no later than the 3rd day after the offer document in relation to the Singapore Share Offer (the "Singapore Offer Document") has been despatched to the shareholders of EEIC.

## COMPULSORY ACQUISITION AND MAINTAIN THE LISTING

As disclosed in the Offer Document, to the extent applicable and pursuant to the compulsory acquisition power under the Companies Act, if the Hong Kong Offeror acquires the prescribed percentage of E&E Shares as required by the relevant provisions of the Companies Act, the Company and the Hong Kong Offeror may consider exercising the compulsory acquisition power under the relevant provisions of the Companies Act. Assuming the Hong Kong Offers become unconditional in all respects but the Hong Kong Offeror does not effect the compulsory acquisition (whether by reason of not acquiring the requisite percentage as required under the Companies Act or otherwise), the Company and the Hong Kong Offeror will use its reasonable endeavours to maintain the listing of E&E on the Stock Exchange and will undertake to the Stock Exchange to use its reasonable endeavours following the closing of the Hong Kong Offers to ensure that not less than 25% of the E&E Shares will be held by the public by various means, including but not limited to placement of existing E&E Shares or issue of new E&E Shares as soon as possible in compliance with the Listing Rules.

As the Company and the Hong Kong Offeror have not decided whether to maintain the listing of E&E on the Stock Exchange or to effect the compulsory acquisition of E&E in the event that the Hong Kong Offeror is permitted to do so under the Companies Act, further announcement will be made as and when necessary.

## EXTENSION OF THE CLOSING DATE OF THE HONG KONG OFFERS

Pursuant to Rule 15.3 of the Takeovers Code, where the Hong Kong Offers become or are declared unconditional in all respects, they should remain open for acceptance for not less than 14 days thereafter. As defined in the Hong Kong Offer Document, the Closing Date means the First Closing Date of the Hong Kong Offers, namely 29 November 2004, or any subsequent closing date(s) as may be determined and announced by the Hong Kong Offeror with the consent of the Executive.

In light of the requirements as stated above, the Closing Date will be extended to Thursday, 9 December 2004 (or any subsequent date(s) as may be determined and announced by the Hong Kong Offeror with the consent of the Executive). Further announcement will be made by the Company and the Hong Kong Offeror as and when necessary.

By order of the board of  
**Kingboard Chemical Holdings Limited**  
**Cheung Kwok Wing**  
Chairman

By order of the board of  
**Ease Ever Investments Limited**  
**Chan Wing Kwan**  
Director

Hong Kong, 25 November 2004

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinion expressed in this announcement has been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the board of Directors consists of Messrs. Cheung Kwok Wing, Chan Wing Kwan, Lam Ka Po, Cheung Kwong Kwan, Cheung Kwok Wa, Cheung Kwok Ping, Cheung Kwok Keung, Chang Wing Yiu and Mok Cham Hung, Chadwick, being the executive Directors, Mr. Lum Gum Wun, being a non-executive Director and Messrs. Tsao Kwang Yung, Peter, Cheng Ming Fun, Paul and Tse Kam Hung, being the independent non-executive Directors.*

"Please also refer to the published version of this announcement in South China Morning Post."