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Elec & Eltek International Company Limited
依利安達集團有限公司*
(Incorporated in the Republic of Singapore with Limited Liability)
Singapore Company Registration Number: 199300005H
(Hong Kong Stock Code: 1151)
(Singapore Stock Code: E16.SI)

PROPOSED ADOPTION OF THE 2018 ELEC & ELTEK EMPLOYEES' SHARE OPTION SCHEME

RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED FOR THE LISTING AND QUOTATION OF NEW ORDINARY SHARES TO BE ISSUED PURSUANT TO THE 2018 ELEC & ELTEK EMPLOYEES' SHARE OPTION SCHEME

INTRODUCTION

The board of directors (the "**Board**") of Elec & Eltek International Company Limited (the "**Company**") announces that the Company is proposing to adopt an employees' share option scheme to be known as the 2018 Elec & Eltek Employees' Share Option Scheme (the "**2018 Share Option Scheme**").

THE PROPOSED ADOPTION OF THE 2018 SHARE OPTION SCHEME

The adoption of the 2018 Share Option Scheme is subject to the following conditions being fulfilled:

(1) the passing of the necessary resolutions to adopt the 2018 Share Option Scheme by the shareholders of the Company at the annual general meeting to be convened on 27 April 2018 ("**AGM**");

(2) the respective approvals in-principle of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and The Stock Exchange of Hong Kong Limited for the listing of, and quotation for, new ordinary shares (the "**New Shares**") in the capital of the Company to be issued pursuant to the proposed 2018 Share Option Scheme; and

(3) the passing of the necessary resolutions to adopt the 2018 Share Option Scheme by the shareholders of Kingboard Chemical Holdings Limited in its general meeting.

RECEIPT OF APPROVAL-IN-PRINCIPLE FROM THE SGX-ST

The Board is pleased to announce that the SGX-ST had, on 15 March 2018, granted its approval in-principle for the listing and quotation of the New Shares subject to the Company's compliance with:

(i) the SGX-ST's listing requirements and guidelines; and

(ii) independent shareholders' approval being obtained for the 2018 Share Option Scheme.

The approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the 2018 Share Option Scheme, the New Shares, the Company and/or its subsidiaries.

CIRCULAR TO SHAREHOLDERS

For further information relating to the 2018 Share Option Scheme, please refer to the circular dated 26 March 2018 containing, *inter alia,* the rationale and information relating to the 2018 Share Option Scheme.

By order of the Board
Elec & Eltek International Company Limited
依利安達集團有限公司*
Stephanie Cheung Wai Lin
Vice Chairman

Hong Kong, 27 March 2018

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:-
Stephanie Cheung Wai Lin *(Vice Chairman)*
Chang Wing Yiu
Ng Hon Chung

Non-executive Director:-
Cheung Kwok Wing *(Chairman)*

Independent Non-executive Directors:-
Stanley Chung Wai Cheong
Ong Shen Chieh
Kong Tze Wing

** For identification purpose only*