KINGBOARD COPPER FOIL HOLDINGS LIMITED
(Incorporated in Bermuda)
(Company Registration No. 26998)
(the "**Company**")

LITIGATION IN BERMUDA – FILING OF DEFENCE

The Board of Directors of the Company refers to the Company's announcement on 12 November 2018 in relation to the receipt of a Writ of Summons in the Bermuda High Court filed by Annuity & Life Re Ltd and Pope Asset Management LLC (both collectively the "**Plaintiffs**") alleging a breach of the Settlement Agreement reached on or around 3 May 2018 with the Company and other defendants (the "**Defendants**").

The Company's Bermuda Counsel has on 27 November 2018 filed the defence (the "**Defence**") for and on behalf of the Defendants. The Defendants argued that, amongst others, that there is no reasonable cause of action and is accordingly liable to be struck out. In addition, the Defendants denied that they are in breach of any contractual obligations under the Settlement Agreement and stated that they have at all times performed their obligations under it .

The Company will release further announcements on any material developments in relation to the aforesaid matters as and when appropriate.

Shareholders and potential investors are advised to carefully read this announcement and any further announcements made by the Company. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

LAM KA PO
Chairman

4 December 2018