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

VOLUNTARY UNCONDITIONAL CASH OFFER BY RELIGARE CAPITAL MARKETS CORPORATE FINANCE PTE. LIMITED, FOR AND ON BEHALF OF EXCEL FIRST INVESTMENTS LIMITED FOR ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

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1. INTRODUCTION

The board of directors (the "**Board**") of Kingboard Copper Foil Holdings Limited (the "**Company**") wishes to inform the shareholders of the Company ("**Shareholders**") that on 3 March 2017, Religare Capital Markets Corporate Finance Pte. Limited has, for and on behalf of Excel First Investments Limited 卓先投資有限公司 (the "**Offeror**") announced (the "**Offer Announcement**") that the Offeror intends to make a voluntary unconditional cash offer ("**Offer**") for all the issued and paid-up ordinary shares of a par value of US$0.10 each ("**Shares**") in the capital of the Company, other than those which are owned, controlled or agreed to be acquired by the Offeror or by parties acting in concert or deemed to be acting in concert with the Offeror in relation to the Offer, with a view to delist the Company from the Main Board of Singapore Exchange Securities Trading Limited ("**SGX-ST**").

A copy of the Offer Announcement is attached to this Announcement and is also available on the website of the SGX-ST at www.sgx.com. Shareholders are advised to review, in conjunction with this Announcement, the Offer Announcement in its entirety.

2. DESPATCH OF THE OFFER DOCUMENT

According to the Offer Announcement, the formal offer document (the "**Offer Document**") setting out the terms and conditions of the Offer and enclosing the relevant forms of acceptance and approval of the Offer, will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the date of the Offer Announcement.

3. INDEPENDENT FINANCIAL ADVISER

The Board will, in due course, appoint an independent financial adviser (the "**IFA**") to advise the directors of the Company (the "**Directors**") who are regarded as independent for the purposes of the Offer under the Singapore Code on Take-overs and Mergers (the "**Independent Directors**"). A circular (the "**Offeree Circular**") containing, *inter alia*, the advice of the IFA and the recommendation of the Independent Directors on the Offer will be sent to Shareholders within fourteen (14) days from the date of the despatch of the Offer Document to be issued by or on behalf of the Offeror.

In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the

information and the recommendations of the Independent Directors, as well as the advice of the IFA, which will be set out in the Offeree Circular to be issued in due course.

4. RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources (including without limitation, the Offer Announcement), the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Lam Ka Po
Chairman
05 March 2017

VOLUNTARY UNCONDITIONAL CASH OFFER

by

RELIGARE CAPITAL MARKETS CORPORATE FINANCE PTE. LIMITED

(Company Registration No. 200723018H)
(Incorporated in the Republic of Singapore)

for and on behalf of

EXCEL FIRST INVESTMENTS LIMITED
卓先投資有限公司

(BVI Company Number 1017021)
(Incorporated in the British Virgin Islands)

for all the issued and paid-up ordinary shares in the capital of

KINGBOARD COPPER FOIL HOLDINGS LIMITED

(Company Registration No. 26998)
(Incorporated in Bermuda)
(Singapore Stock Code: K14)

other than those which are owned, controlled or agreed to be acquired by the Offeror or by parties acting in concert or deemed to be acting in concert with the Offeror in relation to the Offer

OFFER ANNOUNCEMENT

1. INTRODUCTION

Religare Capital Markets Corporate Finance Pte. Limited ("**Religare**") announces, for and on behalf of Excel First Investments Limited 卓先投資有限公司 ("**Offeror**"), that the Offeror intends to make a voluntary unconditional cash offer ("**Offer**") for all the issued and paid-up ordinary shares of a par value of US$0.10 each ("**Shares**") in the capital of Kingboard Copper Foil Holdings Limited ("**Company**"), other than those which are owned, controlled or agreed to be acquired by the Offeror or by parties acting in concert or deemed to be acting in concert with the Offeror in relation to the Offer ("**Concert Parties**" and such Shares, "**Offer Shares**"), with a view to delist the Company from the Main Board of Singapore Exchange Securities Trading Limited ("**SGX-ST**").

2. OFFER

2.1 General

The Offer will be made on the terms and conditions set out in this Announcement and the offer document to be issued by Religare for and on behalf of the Offeror ("**Offer Document**"), and in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and the Singapore Code on Take-overs and Mergers.

2.2 Offer Price

The Offer will be made at:

S$0.40 in cash for each Offer Share ("**Offer Price**").

2.3 Offer Shares

The Offer will be extended to all the Offer Shares. The Offer does not extend to the Shares owned, controlled or agreed to be acquired by the Offeror or its Concert Parties, including the Shares held directly and indirectly by the Offeror and its Concert Parties as at the date hereof ("**Announcement Date**") as set out in **Schedule 1**.

2.4 Rights and Encumbrances

The Offer Shares will be acquired:

(a) fully paid;

(b) free from all claims, charges, liens, mortgages, encumbrances, hypothecations, retention of title, power of sale, equity, options, rights of pre-emption, rights of first refusal or other third party rights or interests of any nature whatsoever; and

(c) together with all rights, benefits and entitlements attached thereto as at the Announcement Date and hereafter attaching thereto, including the right to receive and retain all dividends, rights, other distributions and return of capital ("**Distribution**") (if any) which may be announced, declared, paid or made by the Company on or after the Announcement Date.

If any Distribution is announced, declared, paid or made by the Company on or after the Announcement Date, and the Offeror is not entitled to receive such Distribution in full in respect of any Offer Share tendered in acceptance of the Offer, the Offer Price payable in respect of such Offer Share will be reduced by the amount of such Distribution.

2.5 Offer Unconditional

The Offer will not be subject to any conditions and will be unconditional in all respects.

2.6 Offer Document.

Further information on the Offer shall be set out in the Offer Document to be issued by Religare for and on behalf of the Offeror.

3. INFORMATION ON THE OFFEROR

The Offeror is a BVI business company incorporated in the British Virgin Islands on 22 March 2006. Its principal activity is that of investment holding. As at the Announcement Date, the Offeror has issued only 1 share with a par value of US$1.00 per share. As at the Announcement Date, the directors of the Offeror ("**Directors**") are Mr. Cheung Kwok Wa, Mr. Cheung Kwok Ping and Mr. Cheung Ka Ho.

The Offeror is a wholly-owned subsidiary of Kingboard Laminates Holdings Limited ("**Kingboard Laminates**"), which is listed on Stock Exchange of Hong Kong Limited. As at the Announcement Date, the directors of Kingboard Laminates are Mr. Cheung Kwok Wa, Mr. Cheung Kwok Keung, Mr. Cheung Kwok Ping, Mr. Lam Ka Po, Mr. Cheung Ka Ho, Mr. Liu Min, Mr. Zhou Pei Feng, Mr. Lo Ka Leong, Mr. Leung Tai Chiu, Mr. Ip Shu Kwan, Stephen, Mr. Zhang Lu Fu and Mr. Lau Ping Cheung, Kaizer.

Kingboard Laminates is, in turn, a 72.59% owned subsidiary of Kingboard Chemical Holdings Limited ("**Kingboard Chemical**"), and also listed on Stock Exchange of Hong Kong Limited. The Kingboard Chemical group has business activities ranging from manufacture and sale of, among others, laminates, printed circuit boards, chemicals, liquid crystal displays and magnetic products, and property development and investment. As at the Announcement Date, the directors of Kingboard Chemical are Mr. Cheung Kwok Wing, Mr. Chang Wing Yiu, Mr. Cheung Kwong Kwan, Mr. Ho Yin Sang, Ms. Cheung Wai Lin, Stephanie, Mr. Cheung Ka Shing, Mr. Chen Maosheng, Dr. Cheng Wai Chee, Christopher, Mr. Cheung Ming Man, Dr. Chong Kin Ki and Mr. Leung Tai Chiu.

Additional information on Kingboard Laminates and Kingboard Chemical can be found at their websites at http://www.kblaminates.com and http://www.kingboard.com, respectively.

As at the Announcement Date, the direct and indirect shareholdings of the Offeror and its Concert Parties in the Company are set out in **Schedule 1**.

4. INFORMATION ON THE COMPANY

Based on publicly available information, the Company was incorporated in Bermuda on 10 September 1999 and is listed on the Main Board of the SGX-ST. It is an investment holding company, and its subsidiaries are engaged in the manufacture and trading of polyvinyl butyral and related products and licensing business.

As at the Announcement Date, the directors of the Company are Mr. Lam Ka Po, Mr. Cheung Kwok Ping, Mr. Ho Yin Sang, Mr. Ong Tiong Wee and Mr. Chim Hou Yan.

5. RATIONALE FOR OFFER

5.1 Intention to Delist and Privatise the Company

The Offeror intends to make the Offer with a view to delist the Company from the SGX-ST and, ultimately, to privatise the Company.

5.2 Opportunity for Minority Shareholders to Realise their Investment in the Shares at a Premium

The Offer Price is at a premium above the historical market prices of the Shares of over the last twelve-month period up to the prior to the Announcement Date. The Offer Price represents an approximately 17.6% premium above the closing price on the last traded day, being 27 February 2017, prior to this Announcement ("**Last Traded Day**"), and an approximately 28.3%, 32.9%, 39.5% and 49.1% premium above the volume weighted average price ("**VWAP**") per Share for the one-month, three-month, six-month and 12-month period prior to and including the Last Traded Day, respectively.

Shareholders who tender their Shares pursuant to the Offer will have an opportunity to realise their investment in the Company for a cash consideration at a premium above the historical market share prices, without incurring any brokerage and other trading costs.

5.3 Compliance Costs of Maintaining Listing.

The Company incurs compliance and other related costs associated with maintaining its listing status. The delisting of the Company will eliminate listing related expenses which can be channelled towards its business operations.

6. LISTING STATUS AND COMPULSORY ACQUISITION

6.1 Delisting

The Offeror does not intend to preserve the listing status of the Company. Under Rule 1105 of the Listing Manual of the SGX-ST ("**Listing Manual**"), upon announcement by the Offeror that acceptances have been received that bring the holdings of the Shares owned by the Offeror and its Concert Parties to above 90% of the total number of Shares in issue excluding treasury shares, the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time the SGX-ST is satisfied that at least 10% of the Shares in issue excluding treasury shares are held by at least 500 Shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares in issue excluding treasury Shares, thus causing the percentage of the total number of Shares in issue held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares on the SGX-ST at the close of the Offer.

Separately, Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of Shares in issue excluding treasury shares is at all times held by the public ("**Free Float Requirement**"). Rule 724 of the Listing Manual states that, if the Free Float Requirement is not met, the Company must, as soon as practicable, announce that fact, and the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

In the event that the Company does not meet the Free Float Requirement and the trading of the Shares on the SGX-ST is suspended, the Offeror does not intend to support any action or take any steps to maintain the listing status of the Company or to restore the Free Float Requirement, consistent with its intention to delist the Company from the SGX-ST.

6.2 Compulsory Acquisition

The Company is incorporated in Bermuda. Under Section 102 of the Companies Act 1981 of Bermuda ("**Bermuda Companies Act**"), where an offeror has, within four (4) months after the making of an offer under a scheme or contract:

(a) obtained acceptances from shareholders holding not less than 90% in value of the shares in a Bermuda-incorporated company ("**Target**") whose transfer is involved (other than shares already held, at the date of the offer, by the offeror, the offeror's subsidiaries, and nominees of the offeror or its subsidiaries); and

(b) where, at the date of the offer, shares in the Target whose transfer is involved, are already held by the offeror, the offeror's subsidiaries, and nominees of the offeror or its subsidiaries to a value greater than 10% of the total issued shares of the Target, such accepting shareholders also represent not less than 75% in number of the holders of such shares (other than shares already held as at the date of the offer, by the offeror, the offeror's subsidiaries, and nominees of the offeror or its subsidiaries), and further provided that the offeror must have made the offer on the same terms to all holders of the shares whose transfer is involved (other than those already held as aforesaid),

("**Approval Threshold**"), the offeror may at any time within two (2) months beginning from the date on which the Approval Threshold is achieved, give notice under Section 102(1) of the

Bermuda Companies Act to any dissenting shareholder that the offeror wishes to acquire his shares ("**Acquisition Notice**"). When such Acquisition Notice is given, upon the expiry of one (1) month from the date on which the notice was given, the offeror will be entitled and bound to acquire those shares on the same terms as the offer (unless an application is made by the dissenting shareholder(s) to the Supreme Court of Bermuda ("**Court**") within one (1) month from the date on which the notice was given and the Court thinks fit to order otherwise).

Section 102(2) of the Bermuda Companies Act provides that where, pursuant to such a scheme or contract, shares in the Target are transferred to an offeror or its nominee, and those shares together with any other shares in the Target held by, or by a nominee for, the offeror or its subsidiary comprise 90% in value of the shares in the Target, the offeror must within one (1) month from the date of the transfer give notice of that fact to the dissenting shareholder(s) of the Target, and any such shareholder may within three (3) months from the giving of the said notice to him, give notice (an "**Offeree Notice**") requiring the offeror to acquire his shares in the Target. Where a dissenting shareholder gives an Offeree Notice with respect to any shares in the Target, the offeror will be entitled and bound to acquire those shares on the same terms of the original offer (or on such other terms as may be agreed or as the Court, on the application of either the offeror or the dissenting shareholder, thinks fit to order).

Under Section 103 of the Bermuda Companies Act, the holders of not less than 95% of the shares in a Bermuda-incorporated company ("**Purchasers**") may give notice ("**Section 103 Acquisition Notice**") to the remaining shareholders of the intention to acquire their shares on the terms set out in the Section 103 Acquisition Notice. When such Section 103 Acquisition Notice is given, the Purchasers will be entitled and bound to acquire the shares of the remaining shareholders on the terms set out in the Section 103 Acquisition Notice unless a remaining shareholder applies to the Court to have the Court appraise the value of such shares.

The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, if entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 102 and Section 103 of the Bermuda Companies Act.**

Shareholders who are in doubt of their position under the Bermuda Companies Act are advised to seek their own independent legal advice.

7. FINANCIAL EVALUATION OF OFFER

The Offer Price represents the following premia over the prices of the Shares traded on the SGX-ST on the following date and over the following periods:

Reference Date / Period	Reference Price[(2)]	Offer Price Premium
Last traded price per Share on 27 February 2017, being the Last Traded Day	S$0.340	17.6%
Volume weighted average price ("**VWAP**")[(1)] per Share for the one-month period prior to and including the Last Traded Day	S$0.312	28.3%
VWAP per Share for the three-month period prior to and including the Last Traded Day	S$0.301	32.9%
VWAP per Share for the six-month period prior to and including the Last Traded Day	S$0.287	39.5%

VWAP per Share for the 12-month period prior to and including the Last Traded Day	S$0.268	49.1%

Notes:

(1) The figures are based on data extracted from Bloomberg L.P.

(2) Rounded to the nearest three (3) decimal places.

8. CONFIRMATION OF FINANCIAL RESOURCES

Religare, as financial adviser to the Offeror in relation to the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer for the Offer Shares at the Offer Price.

9. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

9.1 Share Capital

As at the Announcement Date:

(a) the Company has only one class of Shares in issue, the Shares, and there are 722,500,000 Shares in issue, none of which is held in treasury; and

(b) there are no instruments convertible into Shares, or any options, rights or warrants for the issuance of any new Shares, outstanding.

9.2 Disclosures

As at the Announcement Date, except as set out in **Schedule 1**, none of (i) the Offeror or the Directors, (ii) Kingboard Laminates and its directors, (iii) Kingboard Chemical and its directors, or (iv) Religare (as financial adviser to the Offeror in relation to the Offer) (each a "**Relevant Person**"):

(a) owns, controls or has agreed to acquire any (i) any Shares, (ii) any securities which carry voting rights in the Company and (iii) any convertible securities, warrants, options or derivatives in respect of any Shares or securities referred to in (i) and (ii) above ("**Relevant Securities**");

(b) has dealt for value in any Relevant Securities in the three-month period prior to this Announcement;

(c) has received any irrevocable undertaking from any person to accept, approve or reject the Offer in respect of any Relevant Securities;

(d) has entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Relevant Securities which might be material to the Offer;

(e) has granted any security interest in respect of any Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;

(f) has borrowed any Relevant Securities from any other person (excluding borrowed Relevant Securities which have been on-lent or sold); or

(g) has lent any Relevant Securities to any other person.

9.3 Confidentiality

In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who or which are or may be presumed to be Concert Parties. Further enquiries will be made of such persons after the Announcement Date and the relevant disclosures (if any) will be made in the Offer Document.

10. INDICATIVE TIMELINE

10.1 Offer Document

The Offer Document, setting out the terms and conditions of the Offer and enclosing the relevant forms of acceptance and approval of the Offer, will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Announcement Date.

10.2 Offer

The Offer will remain open for acceptances by Shareholders for a period of at least 28 days after the date on which the Offer Document is posted.

Shareholders of the Company should exercise caution and seek appropriate independent professional advice when dealing in the Shares.

11. OVERSEAS SHAREHOLDERS

The availability of the Offer to persons not resident in Singapore may be affected by the laws and regulations of the relevant jurisdiction. Shareholders who are not resident in Singapore should inform themselves about, and observe, any applicable requirements in their own jurisdiction. Further details in relation to such overseas Shareholders will be contained in the Offer Document.

12. RESPONSIBILITY STATEMENT

The directors of the Offeror, Kingboard Laminates and Kingboard Chemical (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources (including without limitation in relation to the Group), the sole responsibility of the directors of the Offeror, Kingboard Laminates and Kingboard Chemical has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

Issued by

Religare Capital Markets Corporate Finance Pte. Limited

For and on behalf of
Excel First Investments Limited
卓先投資有限公司

3 March 2017

Any enquiries relating to this Announcement or the Offer should be directed to the following:

Religare Capital Markets Corporate Finance Pte. Limited.

Jeffrey Wong
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Telephone: +65 66718010

Forward-looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" or "might". These statements reflect the Offeror's current expectations, beliefs, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements. Neither the Offeror nor Religare guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

Schedule 1
Holding and Dealings

Part 1 – Holdings

Name	Direct Interest		Indirect Interest	
	No. of Shares	%[1]	No. of Shares	%[1]
Offeror [2]	449,002,000	62.15	27,476,900	3.80
Kingboard Laminates [3]	-	-	476,478,900	65.95
Jamplan (BVI) Limited [4]	-	-	476,898,900	66.01
Kingboard Chemical [4]	-	-	476,898,900	66.01
Hallgain Management Limited [5]	-	-	476,898,900	66.01
Ho Yin Sang [6]	-	-	2,000	0.00

Notes:

(1) Calculated based on a total of 722,500,000 Shares in issue as at the Announcement Date.

(2) The Offeror is deemed to have an interest in the 27,476,900 Shares held by its subsidiary, Kingboard Laminates Limited, through nominees.

(3) The Offeror is 100% held by Kingboard Laminates.

(4) Kingboard Laminates is 69.61% held by Jamplan (BVI) Limited ("**Jamplan**") and 2.98% directly held by Kingboard Chemical. Jamplan is a wholly-owned subsidiary of Kingboard Chemical. Jamplan's subsidiary, Kingboard Investments Limited, also holds directly 420,000 Shares.

(5) Hallgain Management Limited has approximately 37.00% shareholding interest in Kingboard Chemical.

(6) Mr Ho Yin Sang, a director of the Company and Kingboard Chemical, has a deemed interest in 2,000 Shares via his spouse, Mdm Cheung Wai Kam.

Part 2 – Dealings

The Offeror and the Concert Parties have no dealings in the Relevant Securities in the three-month period prior to this Announcement.