Subject matter:

Up to 130,000,000 Sale Shares to be purchased by the placees to be procured by the Placing Agent on a best effort basis at the Sale Price.

Consideration:

The Sale Price of HK$21.0 per Sale Share represents:

(i) a discount of approximately 8.7% to the closing price of HK$23.00 per KLHL Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 4.5% to the average closing price of HK$21.996 per KLHL Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Day; and

(iii) a discount of approximately 4.6% to the average closing price of HK$22.024 per KLHL Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days prior to and including the Last Trading Day.

The Sale Price was determined with reference to the prevailing market price of the KLHL Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the Sale Price and the terms and conditions of the Block Trade Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Sale Shares represent approximately 4.15% of the issued share capital of KLHL as at the date of this announcement.

Placees

The Sale Shares are expected to be placed to placees, who, together with their respective ultimate beneficial owners, are third parties independent of, and not connected with, the Company and the connected persons of the Company.

It is not expected that any placee will become a substantial shareholder of KLHL immediately upon completion of the Sale.

Conditions of the Sale

Closing is conditional upon the fulfilment of the following conditions:

(i) before the Closing, there shall not have occurred:

(a) any material adverse change, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of KLHL, or the KLHL Group taken as a whole; or

(b) any suspension or limitation of trading (1) in any of KLHL's securities by the Stock Exchange, or (2) generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the London Stock Exchange, the New York Stock Exchange or the Nasdaq National Market; or

(c) any outbreak or escalation of hostilities, act of terrorism, the declaration by Hong Kong, the PRC, Japan, Singapore, the United States or the United Kingdom of a national emergency or war or other calamity or crisis; or

(d) any material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the European Economic Area and/or a general moratorium on commercial banking activities having been declared by the relevant authorities in Hong Kong, the PRC, Japan, Singapore, the United States or the United Kingdom; or

(e) any material adverse change or development involving a prospective material adverse change in or affecting the financial markets in Hong Kong, the PRC, Japan, Singapore, the United States or the United Kingdom or in international financial, political or economic conditions, currency exchange rates, exchange controls or taxation,

that, in the sole judgment of the Placing Agent, would make the placement of the Sale Shares or the enforcement of contracts to purchase the Sale Shares impract7.62.5(the)1lh.5(c

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The Placing Agent in its sole discretion may waive any of the foregoing conditions, in whole or in part and with or without conditions, by notice to the Company. In the event that (a) any of the events set out in (i) above occurs at any time between the date of the Block Trade Agreement and the Closing Date, or (b) the Company does not deliver the Sale Shares on the Closing Date, or (c) any of conditions set out in (ii) to (iv) above has not been satisfied or waived in writing on the dates specified therein, the Placing Agent may elect, in its sole discretion, to terminate the Block Trade Agreement.

Closing

Conditional upon fulfillment (or waiver as applicable) of all of the conditions set out above, Completion of the Sale shall take place on 20 March 2026.

Lock-up undertakings

The Company shall not, and shall procure that none of its nominees, any person controlled by it, any trust associated with it or any person acting on its behalf shall, without the prior written consent of the Placing Agent, (i) offer, sell, lend, contract to sell, pledge, grant any option over or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition) (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Company, directly or indirectly, any KLHL Shares or any securities convertible into, or exercisable, or exchangeable for, KLHL Shares, (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such KLHL Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of KLHL Shares or such other securities, in cash or otherwise, or (iii) publicly announce an intention to effect any such

FINANCIAL EFFECTS ON THE SALE

Following the completion of the Sale and assuming all the Sale Shares are successfully placed, the issued share capital of KLHL directly and indirectly owned by the Group will be reduced from approximately 71.10% to approximately 66.95%. Accordingly, KLHL will remain to be a subsidiary of the Company upon completion of the Sale and its financial results will continue to be consolidated into the financial statements of the Group. Accordingly, the Sale will not result in recognizing any gains or losses in the Group's consolidated statement of profit or loss.

REASONS FOR AND BENEFITS OF THE SALE

The net proceeds from the Sale, after deducting the relevant transaction costs and expenses, are estimated to be approximately HK$2,720 million and are intended to be applied towards the general working capital of the Group. The Sale is expected to enhance the overall liquidity position of the Group, thereby providing the Group with additional financial resources to support its ongoing operations and future development.

The Board believes that the Sale will increase the trading liquidity of KLHL shares in the market and broaden the shareholder base of KLHL. A broader and more diverse shareholder base, together with a larger public float, is expected to promote more active trading in KLHL shares, which in turn should enhance the overall market profile of KLHL.

The Directors consider that the terms of the Block Trade Agreement (including the Sale Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As one or more applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in relation to the Sale, exceed 5% but all of them are less than 25%, the Sale constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INFORMATION ON THE COMPANY AND KLHL

The Company is an investment holding company and the principal activities of its subsidiaries are the manufacture and sales of laminates, printed circuit boards, chemicals, magnetic products, property development and investments and investment business.

KLHL is an investment holding company. The KLHL Group is principally engaged in the manufacture and sale of laminates and related upstream materials.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

"Block Trade Agreement"	the agreement entered into between the Company and the Placing Agent in relation to the Sale on 18 March 2026
"Board"	the board of Directors
"Closing"	closing of the Sale in accordance with the Block Trade Agreement
"Closing Date"	the date of the Closing
"Company"	Kingboard Holdings Limited, a company incorporated in the