

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

# KB

**KINGBOARD CHEMICAL  
HOLDINGS LIMITED**

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

**(Stock Code: 148)**

# KB

**KINGBOARD LAMINATES  
HOLDINGS LIMITED**

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

**(Stock Code: 1888)**

## **JOINT ANNOUNCEMENT**

### **ANNOUNCEMENT RELATED TO THE UNAUDITED CONSOLIDATED FULL YEAR RESULTS OF A SUBSIDIARY**

KBCF announced its unaudited consolidated results for the year ended December 31, 2008 on the Singapore Exchange Securities Trading Limited on February 26, 2009.

Pursuant to Rule 705 and Rule 920 (1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Kingboard Copper Foil Holdings Limited (“KBCF” or “the Company”), a public company listed on the Singapore Exchange Securities Trading Limited announced its unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the financial year ended December 31, 2008 on the website of [www.sgx.com](http://www.sgx.com) of Singapore Exchange Securities Trading Limited on February 26, 2009. The results are prepared in accordance with Singapore Financial Reporting Standards and Interpretations of Financial Reporting Standards.

KBCF is an indirect 63.97%-owned subsidiary of Kingboard Laminates Holdings Limited (“Kingboard Laminates”). In turn, Kingboard Laminates is an indirect 74.77%-owned subsidiary of Kingboard Chemical Holdings Limited (“Kingboard Chemical”). Both Kingboard Chemical and Kingboard Laminates are companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

This announcement is made pursuant to Rule 13.09 (2) of the Rules Governing the Listing of Securities on the Stock Exchange and is being released for information purpose only. The following is a reproduction of the results announcement of KBCF.

**“KINGBOARD COPPER FOIL HOLDINGS LIMITED  
FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR  
THE YEAR ENDED DECEMBER 31, 2008**

**PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY  
(Q1,Q2 &Q3) HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with a comparative statement  
for the corresponding period of the immediately preceding financial year.**

	Group		
	Year ended December 31, 2008 <i>HK\$'000</i>	Year ended December 31, 2007 <i>HK\$'000</i>	%
			Change
Revenue	3,360,726	3,582,815	-6.20%
Cost of sales	<u>(3,122,208)</u>	<u>(3,190,204)</u>	<u>-2.13%</u>
Gross profit	238,518	392,611	-39.25%
Other operating income	11,519	25,418	-54.68%
Distribution costs	(28,914)	(30,565)	-5.40%
Administrative expenses	(68,670)	(62,692)	9.54%
Other operating expenses	(9,268)	(4,251)	118.02%
Finance costs - interest expenses paid to non-related companies	<u>(10,477)</u>	<u>(18,700)</u>	<u>-43.97%</u>
Profit before tax	132,708	301,821	-56.03%
Income tax expense	<u>(12,309)</u>	<u>(24,918)</u>	<u>-50.60%</u>
Profit for the year	<u>120,399</u>	<u>276,903</u>	<u>-56.52%</u>
Attributable to:			
Equity holders of the Company	<u>120,180</u>	<u>275,840</u>	<u>-56.43%</u>
Minority interests	<u>219</u>	<u>1,063</u>	<u>-79.40%</u>

Profit for the year has been arrived at after (crediting)/charging:

	<b>Group</b>		<b>% Change</b>
	<b>Year ended December 31, 2008 HK\$'000</b>	<b>Year ended December 31, 2007 HK\$'000</b>	
Other operating income including interest income	(11,519)	(25,418)	-54.68%
Gain on fair value changes of derivative financial instruments	(2,454)	(368)	566.85%
Realised gain on derivative financial instruments	(50,676)	(12,472)	306.32%
Interest on bank borrowings	10,477	18,700	-43.97%
Depreciation of property, plant and equipment	172,550	154,137	11.95%
Amortisation of prepaid land use rights	1,252	905	38.34%
Allowance for doubtful debts	241	6,974	-96.54%
Impairment loss on inventories	76,620	–	N/A
Allowance for slow moving inventories	–	18,357	-100.00%

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	<b>Group</b>		<b>Company</b>	
	<b>As at December 31, 2008 HK\$'000</b>	<b>As at December 31, 2007 HK\$'000</b>	<b>As at December 31, 2008 HK\$'000</b>	<b>As at December 31, 2007 HK\$'000</b>
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and bank balances	372,828	237,356	–	–
Derivative financial instruments	2,454	368	–	–
Trade and other receivables and prepayments	349,268	705,597	17,681	14,881
Prepaid land use rights	1,018	958	–	–
Inventories	467,839	486,731	–	–
<b>Total current assets</b>	<b>1,193,407</b>	<b>1,431,010</b>	<b>17,681</b>	<b>14,881</b>
<b>Non-current assets:</b>				
Subsidiaries	–	–	393,775	393,775
Due from a subsidiary	–	–	862,983	865,259
Property, plant and equipment	1,432,327	1,184,286	–	–
Prepaid land use rights	43,376	42,045	–	–
Available-for-sale investments	19,800	19,800	19,800	19,800
Non-current deposits	8,328	54,613	–	–
Goodwill	238	238	–	–
<b>Total non-current assets</b>	<b>1,504,069</b>	<b>1,300,982</b>	<b>1,276,558</b>	<b>1,278,834</b>
<b>Total assets</b>	<b>2,697,476</b>	<b>2,731,992</b>	<b>1,294,239</b>	<b>1,293,715</b>

	Group		Company	
	As at December 31, 2008 HK\$'000	As at December 31, 2007 HK\$'000	As at December 31, 2008 HK\$'000	As at December 31, 2007 HK\$'000
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Due to a subsidiary	–	–	1,155	639
Bank borrowings	180,152	338,903	–	–
Trade payables	109,005	164,474	–	–
Income tax payable	49,296	55,419	38	–
Total current liabilities	338,453	558,796	1,193	639
<b>Capital and reserves and minority interests:</b>				
Issued capital	560,200	560,200	560,200	560,200
Reserves	1,775,865	1,591,164	732,846	732,876
Equity attributable to equity holders of the Company	2,336,065	2,151,364	1,293,046	1,293,076
Minority interests	22,958	21,832	–	–
Total equity	2,359,023	2,173,196	1,293,046	1,293,076
<b>Total liabilities and equity</b>	<b>2,697,476</b>	<b>2,731,992</b>	<b>1,294,239</b>	<b>1,293,715</b>

**1b(ii) Aggregate amount of group's borrowing and debt securities**

*Amount repayable in one year or less, or on demand*

As at December 31, 2008		As at December 31, 2007	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
–	180,152	–	338,903

*Amount repayable after one year*

As at December 31, 2008		As at December 31, 2007	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
–	–	–	–

*Details of any collateral*

Not applicable.

1(c)

**A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Year ended December 31, 2008 HK\$'000	Year ended December 31, 2007 HK\$'000
<b>Cash flows from operations:</b>		
Profit before tax	132,708	301,821
Adjustments for:		
Depreciation of property, plant and equipment	172,550	154,137
Amortisation of prepaid land use rights	1,252	905
Impairment loss on inventories	76,620	–
Allowance for slow moving inventories	–	18,357
Interest expenses and finance charges	10,477	18,700
Interest income	(5,248)	(7,765)
Allowance for doubtful debts	241	6,974
Gain on fair value changes of derivative financial instruments	(2,454)	(368)
Realised gain on derivative financial instruments	(50,676)	(12,472)
Loss on disposal of property, plant and equipment	183	20
	<hr/>	<hr/>
Operating cash flow before working capital changes	335,653	480,309
Trade and other receivables and prepayments	365,865	(81,757)
Inventories	(27,420)	(89,514)
Proceed from settlement of derivative financial instruments	51,044	12,472
Trade payables	(65,124)	32,640
	<hr/>	<hr/>
Cash generated from operations	660,018	354,150
Income tax paid	(20,567)	(8,398)
Dividends paid	(51,736)	(47,685)
Interest paid	(10,477)	(18,700)
Interest received	5,248	7,765
	<hr/>	<hr/>
Net cash generated from operating activities	<u>582,486</u>	<u>287,132</u>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of property, plant and equipment	463	526
Deposits paid for acquisition of property, plant and equipment	(8,328)	(54,613)
Acquisition of a subsidiary	–	(20,280)
Purchase of available-for-sale investments	–	(10,800)
Purchase of prepaid land use right	–	(1,433)
Purchase of property, plant and equipment	(287,266)	(107,838)
	<hr/>	<hr/>
Net cash used in investing activities	<u>(295,131)</u>	<u>(194,438)</u>
<b>Cash flows from financing activities:</b>		
Decrease in bank borrowings	(158,751)	(93,399)
	<hr/>	<hr/>
Net cash used in financing activities	<u>(158,751)</u>	<u>(93,399)</u>
<b>Effects of consolidating foreign subsidiaries</b>		
	<hr/>	<hr/>
Increase in cash and bank balances	135,472	28,794
Cash and bank balances at beginning of financial year	237,356	208,562
	<hr/>	<hr/>
<b>Cash and bank balances at end of financial year</b>	<u>372,828</u>	<u>237,356</u>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Attributable to equity holders of the Company								
	Issued capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Capital reserves <i>HK\$'000</i>	Proposed dividend <i>HK\$'000</i>	Currency translation reserves <i>HK\$'000</i>	Accumulated profits <i>HK\$'000</i>	Total <i>HK\$'000</i>	Minority interests <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
<b>Group</b>									
Balance at January 1, 2007	560,200	296,573	6,275	28,900	77,940	850,870	1,820,758	-	1,820,758
Profit for the financial year	-	-	-	-	-	275,840	275,840	1,063	276,903
Exchange difference arising on translations of foreign operations	-	-	-	-	102,451	-	102,451	1,164	103,615
Total recognised income and expense for the year	-	-	-	-	102,451	275,840	378,291	2,227	380,518
Acquisition of a subsidiary	-	-	-	-	-	-	-	19,605	19,605
Dividend paid	-	-	-	(28,900)	-	-	(28,900)	-	(28,900)
Interim dividend paid	-	-	-	-	-	(18,785)	(18,785)	-	(18,785)
Proposed final dividend	-	-	-	32,513	-	(32,513)	-	-	-
Balance at December 31, 2007	560,200	296,573	6,275	32,513	180,391	1,075,412	2,151,364	21,832	2,173,196
Profit for the financial year	-	-	-	-	-	120,180	120,180	219	120,399
Exchange difference arising on translations of foreign operations	-	-	-	-	115,819	-	115,819	1,345	117,164
Total recognised income and expense for the year	-	-	-	-	115,819	120,180	235,999	1,564	237,563
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	(438)	(438)
Dividend paid	-	-	-	(32,513)	-	-	(32,513)	-	(32,513)
Interim dividend paid	-	-	-	-	-	(18,785)	(18,785)	-	(18,785)
Proposed final dividend	-	-	-	7,225	-	(7,225)	-	-	-
Balance at December 31, 2008	<u>560,200</u>	<u>296,573</u>	<u>6,275</u>	<u>7,225</u>	<u>296,210</u>	<u>1,169,582</u>	<u>2,336,065</u>	<u>22,958</u>	<u>2,359,023</u>

	Issued capital HK\$'000	Share premium HK\$'000	Capital reserves HK\$'000	Proposed dividend HK\$'000	Accumulated profits HK\$'000	Total HK\$'000
<b>Company</b>						
Balance at January 1, 2007	560,200	296,573	6,275	28,900	111	892,059
Profit for the financial year	-	-	-	-	448,702	448,702
Dividend paid	-	-	-	(28,900)	-	(28,900)
Interim dividend paid	-	-	-	-	(18,785)	(18,785)
Proposed final dividend	-	-	-	32,513	(32,513)	-
Balance at December 31, 2007	560,200	296,573	6,275	32,513	397,515	1,293,076
Profit for the financial year	-	-	-	-	51,268	51,268
Dividend paid	-	-	-	(32,513)	-	(32,513)
Interim dividend paid	-	-	-	-	(18,785)	(18,785)
Proposed final dividend	-	-	-	7,225	(7,225)	-
Balance at December 31, 2008	560,200	296,573	6,275	7,225	422,773	1,293,046

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's issued share capital for the year ended December 31, 2008.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

### Share Capital

	As at December 31, 2008 '000	As at December 31, 2007 '000	As at December 31, 2008 HK\$'000	As at December 31, 2007 HK\$'000
<b>Number of ordinary shares of US\$0.10 each</b>				
<b>Authorised</b>	2,000,000	2,000,000	1,550,000	1,550,000
<b>Issued and fully paid</b>	722,500	722,500	560,200	560,200

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those used in the audited financial statements for the year ended December 31, 2007.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after January 1, 2008. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current year or prior years.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<b>Year Ended December 31, 2008</b>	<b>Year Ended December 31, 2007</b>
Based on the weighted average number of ordinary shares in issue	16.63 HK cents	38.18 HK cents
On a fully diluted basis	16.63 HK cents	38.18 HK cents

**7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and**
- (b) immediately preceding financial year.**

	Group		Company	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
Net asset value per ordinary share based on issued share capital at the end of the period reported on	323.33 HK cents	297.77 HK cents	178.97 HK cents	178.97 HK cents

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

## **RESULTS**

On behalf of the Board of Directors, it gives me great pleasure to present the financial results of Kingboard Copper Foil Holdings Limited ("the Group") for the year ended December 31, 2008. The Group chalked up modest growth in both revenue and net profit for the first half of 2008 on the back of stable business. However, as the effect of the financial turmoil started to spread to other world economic activities, both commodity price and end global consumer demand took a rapid downturn in the last quarter of 2008. As a result, the Group experienced a sharp decline in both revenue and profitability. In spite of this difficult business environment, the Group managed to achieve a satisfactory level of profit for the full year of 2008 and our financial position remained solid.

### **Financial Highlights**

- Turnover declined 6% to HK\$3,361 million
- Profit attributable to equity holders of the Company amounted to HK\$120 million, down 56%
- Earnings per share were HK16.63 cents, down 56%
- Final dividend per share is proposed at HK1.0 cent

The electronic industry in the last quarter of 2008 was very much affected by the global economic activities snowballed from the credit crunch faced by the banking systems in US and Europe. The contagion of this financial crisis has affected all countries and significantly slowdown the world electronics industry. In anticipation of weak consumer sentiment and overall decreased business activity, manufacturers in electronic supply chain reacted by scaling back production and cutting down excessive inventories aggressively in the last quarter of 2008.

During the period under review, raw material prices including copper remained volatile and fell by more than 50% in the last quarter of 2008 against its peak value around July 2008. With a sharp drop in market demand, our sales volume and average selling price in the fourth quarter was significantly lower than previous year. In addition, the relatively low utilization rate of our plants also imposed significant pressure on the profit margin.

Capacity expansion of 300 tonnes of copper foil per month in the first stage of Phase Three Lianzhou plant was completed in the third quarter of 2008. In light of the challenging market condition, the Board decided to defer the scheduled expansion plan of an additional 600 tonnes of copper foil per month production capacity. Nevertheless, new equipment in respect of the previously committed expansion is currently in safe storage at our Lianzhou plant premises and the Group is ready to reactivate with the capacity expansion once market condition shows positive sign of recovery.

Demand from multi-layer PCB customers and our affiliated companies of the parent group including Elec & Eltek group remained steady for the first three quarters in FY2008. Sales to external customers accounted for approximately 13% or HK\$436 million of the total sales (FY2007: 9%). In terms of product mix, 18-micron and below thickness copper foil accounted for approximately 30% of the total sales (FY2007: 25%) while 35-micron and above thickness copper foil accounted for 70% (FY2007: 75%).

The Group adopted prudent financial management policies and our financial position remained solid. As at December 31, 2008, net current assets and current ratio were approximately HK\$855 million and 3.5 respectively. Current assets included cash of HK\$373 million, trade and other receivables and prepayments of HK\$349 million, derivative financial instruments of HK\$2.5 million in relation to copper swap contracts entered by the Group and inventories of HK\$468 million. During the reporting year, we spent approximately HK\$287 million primarily for the Phase Three of the Lianzhou copper foil plant and made deposits of HK\$8 million for plant and equipment in order to support our capacity expansion. As at December 31, 2008, no significant assets had been pledged.

Due to lower shipment volume, distribution costs in FY2008 decreased by 5.4% to HK\$29 million. Administrative expenses increased by 9.5% as a result of higher labour costs. Finance cost significantly reduced to HK\$10 million, mainly relating to the trust receipt loans drawn to fund our working capital. Pre-tax profit margin was lowered to 3.9% as a result of volatility in copper price and low utilization rate of our plants in the last quarter of 2008.

The appreciation of Renminbi against the US dollar had minimum impact on the Group's performance as the Group's revenue are substantially denominated in Hong Kong dollar, US dollar and Renminbi in a proportion closely matching with the Group's operational expenses.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

In the Third Quarter Financial Statement Announcement made on November 10, 2008, the Directors anticipated that the Group would remain profitable in the fourth quarter ended December 31, 2008.

Subsequently, in light of the global financial crisis and the adverse operating environment, the Directors released an announcement on January 23, 2009 informing that the Group had incurred loss in the fourth quarter ended December 31, 2008, attributable mainly to lower revenue and lower selling price of copper foil.

However, for the full year ended December 31, 2008, in line with its announcement made on January 23, 2009, the Group has remained profitable.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Rising unemployment in the midst of the global economic crisis is expected to affect demand for consumer electronic products. Due to the seasonal effect of Chinese Lunar New Year in late January 2009 and uncertainties in end market demand, current order visibility of copper foil remained fairly low. Nevertheless, application of electronic products remains an essential part of our daily life. The enormous growth potential of the domestic China market coupled with the various economic stimulation measures as introduced by the Chinese government recently will definitely have a positive effect on the long term growth prospect of electronic industry we are operating in.

Shrinking end customer demand together with intense price competition will drive weaker competitors to either cut down manufacturing capacities or exit the market. Equipped with solid business fundamentals, the Group will continue to review and fortify our extensive business network so as to gain more market share and further sharpen our competitive edge. Given our leading position in copper foil market in China and sound financial strength backed by the strong support from our parent company, the Group has got the necessary wherewithal to survive this downturn and emerge even stronger as and when the market resumes its normal growth.

*This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economics conditions, shifts in customer demands, customers and partners, and government and policy changes. You are cautioned not to place undue reliance on these forward looking statements which are based on current view of management on future events.*

## **11 Dividend**

### *(a) Current Financial Period Reported on*

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	HK 1.00 cent per ordinary share (tax not applicable)
Par value of shares	US\$0.10
Tax Rate	Tax not applicable

### *(b) Corresponding Period of the Immediately Preceding Financial Year*

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	HK 4.50 cents per ordinary share (tax not applicable)
Par value of shares	US\$0.10
Tax Rate	Tax not applicable

### *(c) Date Payable*

The Dividend payment date will be announced at a later date.

### *(d) Books closure date*

Notice on the closure of Share Transfer Books and Register of Members of the Company to determine shareholders' entitlement to the recommended final dividend will be announced later.

## **12 If no dividend has been declared/recommended, a statement to that effect**

Not applicable.

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 and half year Results)**

- 13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

The operations of the Group are in the manufacturing and sale of copper foil in the People’s Republic of China (“PRC”) and most of the assets of the Group are deployed in these operations. Accordingly, the income and profits of the Group are derived substantially from this industry segment.

- 14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable.

- 15 A breakdown of sales**

		<b>Group</b>		
		<b>Year Ended December 31, 2008</b>	<b>Year Ended December 31, 2007</b>	<b>% Change</b>
		<i>HK\$’000</i>	<i>HK\$’000</i>	
(a)	Sales reported for the first half year	1,858,030	1,620,069	14.69%
(b)	Operating profit after tax before deducting minority interests reported for the first half year	109,370	108,041	1.23%
(c)	Sales reported for the second half year	1,502,696	1,962,746	-23.44%
(d)	Operating profit after tax before deducting minority interests reported for the second half year	11,029	168,862	-93.47%

**16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

*Total annual dividend (Refer to Para 16 of Appendix 7.2 for the required details)*

	<b>Latest Full Year HK\$'000</b>	<b>Previous Full Year HK\$'000</b>
Ordinary	26,010	51,298
Preference	<u>—</u>	<u>—</u>
<b>Total</b>	<b><u>26,010</u></b>	<b><u>51,298</u></b>

*Note:* Total Annual Dividend

In latest full year		
Interim Dividend:	HK\$18,785,000	@HK 2.6 cents per ordinary share
Final Dividend:	<u>HK\$7,225,000</u>	@HK 1.0 cent per ordinary share
<b>Total:</b>	<b><u>HK\$26,010,000</u></b>	
In previous full year		
Interim Dividend:	HK\$18,785,000	@HK 2.6 cents per ordinary share
Final Dividend:	<u>HK\$32,512,500</u>	@HK 4.5 cents per ordinary share
<b>Total:</b>	<b><u>HK\$51,297,500</u></b>	

**17 Interested Person Transactions – Pursuant to Rule 920(1)(a)(ii) of the Listing Manual.**

Aggregate value of interested person transactions entered for the year ended December 31, 2008.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) <i>HK\$'000</i>	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) <i>HK\$'000</i>
Kingboard Laminates (MCO) Limited	3,517	2,232,141
Kingboard Laminates (Kunshan) Company Limited	–	129,595
Kingboard Laminates (Jiangmen) Company Limited	–	55,440
Kunshan Yattao Chemical Company Limited	–	152,781
Techwise (MCO) Circuits Limited	–	34,750
King Board (Panyu) Chemical Company Limited	–	414
Hengyang Kingboard Chemical Co., Ltd.	–	933
Shanghai Zhan Bo Marketing Co., Ltd.	–	3,863
Huizhou Chung Shun Chemical Co., Ltd.	–	8,341
Nanjing Elec & Eltek Electronic Company Limited	–	1,491
Guangzhou Elec & Eltek High Density Interconnect Technology No. 1 Co., Ltd.	–	43,333
Guangzhou Elec & Eltek Microvia Technology Co., Ltd.	–	5,102
Elec & Eltek (MCO) Limited	–	145,061
Kaiping Pacific Insulating Material Co., Ltd.	–	12,957
Shenzhen Pacific Insulating Material Company Limited	–	79,607
Kai Ping Elec & Eltek Company Limited	–	7,415
Kaiping Elec & Eltek No. 2 Company Limited	–	10,358
Kaiping Elec & Eltek No. 3 Company Limited	–	19,730
Total	<u>3,517</u>	<u>2,943,312</u>

*Note:* All the above named companies are subsidiaries of Kingboard Chemical Holdings Limited, which is listed on the main board of The Stock Exchange of Hong Kong Limited and is the ultimate holding company of Kingboard Copper Foil Holdings Limited.”

BY ORDER OF THE BOARD  
**Kingboard Chemical Holdings Limited**  
**Chan Wing Kwan**  
*Managing Director*

BY ORDER OF THE BOARD  
**Kingboard Laminates Holdings Limited**  
**Cheung Kwok Keung**  
*Managing Director*

Hong Kong, February 26, 2009

*As at the date of this announcement, the board of directors (“Board”) of Kingboard Chemical consists of Messrs. Cheung Kwok Wing, Chan Wing Kwan, Chang Wing Yiu, Cheung Kwong Kwan, Ho Yin Sang, Cheung Wai Lin, Stephanie and Mok Cham Hung, Chadwick, being the executive directors, and Messrs. Cheng Ming Fun, Paul, Cheng Wai Chee, Christopher, Tse Kam Hung and Henry Tan, being the independent non-executive directors.*

*As at the date of this announcement, the Board of Kingboard Laminates consists of Messrs. Cheung Kwok Wa, Cheung Kwok Keung, Cheung Kwok Ping, Lam Ka Po, Cheung Ka Ho, Chan Sau Chi, Liu Min and Zhou Pei Feng, being the executive directors, Mr. Lo Ka Leong, being the non-executive director, and Messrs. Chan Charnwut Bernard, Chan Yue Kwong, Michael, Leung Tai Chiu and Mok Yiu Keung, Peter, being the independent non-executive directors.*