

*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.*

*This announcement does not constitute or form a part of any offer of securities for sale in the United States. The Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the “Securities Act”) and may not be offered or sold in the United States absent registration or an exception from registration under the Securities Act. No public offering of the Shares will be made in the United States.*

# KB

**KINGBOARD CHEMICAL  
HOLDINGS LIMITED**

**建滔化工集團\***

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

**(Stock Code: 148)**

# KB

**KINGBOARD LAMINATES  
HOLDINGS LIMITED**

**建滔積層板控股有限公司**

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

**(Stock Code: 1888)**

## **JOINT ANNOUNCEMENT**

### **DISPOSAL OF SHARES IN KINGBOARD LAMINATES HOLDINGS LIMITED BY KINGBOARD CHEMICAL HOLDINGS LIMITED**

### **ANNOUNCEMENT PURSUANT TO RULE 13.09(1) OF THE LISTING RULES**

This announcement is made by Kingboard Laminates pursuant to Rule 13.09(1) of the Listing Rules and made by Kingboard Chemical on a voluntary basis.

The Kingboard Chemical Board wishes to announce that on 18 September 2009, Kingboard Chemical and Jamplan (BVI), a wholly-owned subsidiary of Kingboard Chemical, entered into the Agreement with the Seller’s Agent pursuant to which Jamplan (BVI) appointed the Seller’s Agent to procure purchasers to purchase the Placing Shares at a Placing Price of HK\$4.92 per Placing Share. In consideration of services of the Seller’s Agent in relation to the Placing, the Seller’s Agent will receive a commission equal to 2.5% of the aggregate placing price, which is determined by multiplying the number of the Placing Shares sold by the Placing Price.

\* For identification purpose only

Kingboard Chemical has undertaken to act as guarantor to procure the due and punctual performance by Jamplan (BVI) of all its obligations, commitments and undertakings under the Agreement and guarantees, as sole or principal obligator, to the Seller's Agent, the due and punctual performance by Jamplan (BVI) of its obligations and the due and punctual payment by Jamplan (BVI) of any moneys payable by it for any breach of the Agreement.

The Kingboard Laminates Board wishes to announce that Kingboard Laminates has been informed by Kingboard Chemical, a substantial shareholder of Kingboard Laminates, that it has entered into the Agreement for the Placing.

This announcement is made by Kingboard Laminates pursuant to Rule 13.09(1) of the Listing Rules and made by Kingboard Chemical on a voluntary basis.

The Kingboard Chemical Board wishes to announce that on 18 September 2009, Kingboard Chemical and Jamplan (BVI), a wholly-owned subsidiary of Kingboard Chemical, entered into the Agreement with the Seller's Agent pursuant to which Jamplan (BVI) appointed the Seller's Agent to procure purchasers to purchase the Placing Shares at a Placing Price of HK\$4.92 per Placing Share. In consideration of services of the Seller's Agent in relation to the Placing, the Seller's Agent will receive a commission equal to 2.5% of the aggregate placing price, which is determined by multiplying the number of the Placing Shares sold by the Placing Price. The placees (with the exception of one placee) are not connected persons of Kingboard Chemical, nor connected persons or acting in concert with the existing substantial shareholders of Kingboard Chemical. Kingboard Chemical will publish an announcement in compliance with Chapter 14A of the Listing Rules shortly.

Kingboard Chemical has undertaken to act as guarantor to procure the due and punctual performance by Jamplan (BVI) of all its obligations, commitments and undertakings under the Agreement and guarantees, as sole or principal obligator, to the Seller's Agent, the due and punctual performance by Jamplan (BVI) of its obligations and the due and punctual payment by Jamplan (BVI) of any moneys payable by it for any breach of the Agreement.

The Kingboard Laminates Board wishes to announce that Kingboard Laminates has been informed by Kingboard Chemical, a substantial shareholder of Kingboard Laminates, that it has entered into the Agreement for the Placing.

The Placing Shares represent approximately 5.33% of the existing issued share capital of Kingboard Laminates. Prior to the Placing, Kingboard Chemical was directly and indirectly interested in 2,243,050,500 Kingboard Laminates Shares, representing approximately 74.77% of the existing issued share capital of Kingboard Laminates. Immediately upon completion of the Placing, assuming all the Placing Shares are placed, Kingboard Chemical will hold 2,083,050,500 Kingboard Laminates Shares, representing approximately 69.44% of the issued share capital of Kingboard Laminates.

The settlement of the Placing Shares will fall on the third HKSE Trading Day after the date of the Agreement ("**Closing Date**"). The Placing is subject to the following conditions:

- (i) that each of the representations and warranties of Kingboard Chemical and Jamplan (BVI) as set out in the Agreement are true and correct;

- (ii) that no material adverse change involving Kingboard Laminates and its subsidiaries have occurred or been announced since the date of the Agreement;
- (iii) that there are no force majeure events since the date of the Agreement; and
- (iv) that the Seller's Agent has received opinions of legal counsels reasonably acceptable to the Seller's Agent.

In the event that any of the Placing Shares are not delivered on behalf of Jamplan (BVI) as required by the Agreement, or any of the above conditions shall not have been satisfied (or waived in writing), by or at the Closing Date, the Seller's Agent may in its sole discretion elect to terminate the Agreement in which case the Agreement shall cease to have effect, except for the liability of Kingboard Chemical and Jamplan (BVI) arising before or in relation to such termination and as otherwise provided in the Agreement.

During the period ending 90 days after the date of the Agreement, neither Jamplan (BVI), Kingboard Chemical nor any of their respective affiliates will offer, sell, contract to sell, or grant any option to purchase or otherwise dispose of any Kingboard Laminates Shares.

The use of the net proceeds of approximately HK\$766.7 million from the Placing will be used by Kingboard Chemical to capitalize on any opportunities arising from the ongoing industry consolidation.

### Shareholding Structure

The following table sets out the shareholding structure of Kingboard Laminates (1) as at the date of this announcement and before completion of the Placing; and (2) after completion of the Placing and assuming all the Placing Shares are placed:

	As at the date of this announcement and before completion of the Placing		Immediately after completion of the Placing and assuming all the Placing Shares are placed	
	<i>No. of Kingboard Laminates Shares</i>	<i>Approximate %</i>	<i>No. of Kingboard Laminates Shares</i>	<i>Approximate %</i>
Kingboard Chemical	2,243,050,500	74.77	2,083,050,500	69.44
Public Shareholders				
Public	756,949,500	25.23	756,949,500	25.23
Placees	–	–	160,000,000	5.33
Sub-total	756,949,500	25.23	916,949,500	30.56
Total:	3,000,000,000	100	3,000,000,000	100

## **Information of Kingboard Chemical and Kingboard Laminates**

The principal business of Kingboard Chemical is investment holding. Kingboard Chemical and its subsidiaries are engaged principally in the manufacturing and sale of laminates, copper foil, glass fabric, glass yarn, bleached kraft paper, printed circuit boards, chemicals, liquid crystal displays and magnetic products.

The principal business of Kingboard Laminates is investment holding. Kingboard Laminates and its subsidiaries are engaged principally in the manufacturing and sale of laminates and related upstream component materials.

Kingboard Laminates confirms that there is no change in the existing business and the senior management of Kingboard Laminates (including directors of Kingboard Laminates) as a result of the disposal of Kingboard Laminates Shares by Kingboard Chemical. Kingboard Laminates will continue its existing business.

### **Definitions**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Agreement”	an agreement entered into between Kingboard Chemical and Jamplan (BVI) and the Seller’s Agent dated 18 September 2009 pursuant to which Jamplan (BVI) appointed the Seller’s Agent to procure purchasers for the Placing Shares for a commission equal to 2.5% of the aggregate placing price, which is determined by multiplying the number of the Placing Shares sold by the Placing Price
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSE Trading Day”	a day (other than a Saturday, Sunday or public holiday) on which (a) the Stock Exchange is opened for trading and settlement business at all times between 10:00 a.m. and 4:00 p.m. and (b) commercial banks in Hong Kong are opened for general banking business, in each case without any interruption or suspension
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Jamplan (BVI)”	Jamplan (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of Kingboard Chemical

“Kingboard Chemical”	Kingboard Chemical Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), is the ultimate holding company of Kingboard Laminates
“Kingboard Chemical Board”	board of directors of Kingboard Chemical
“Kingboard Laminates”	Kingboard Laminates Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Kingboard Laminates Board”	board of directors of Kingboard Laminates
“Kingboard Laminates Shares”	ordinary share(s) of HK\$0.10 each in the capital of Kingboard Laminates
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Placing”	placing of the Placing Shares pursuant to the Agreement
“Placing Price”	HK\$4.92 per Placing Share
“Placing Share(s)”	160,000,000 Kingboard Laminates Shares to be sold by Jamplan (BVI) pursuant to the Agreement, representing approximately 5.33% of the issued share capital of Kingboard Laminates
“Seller’s Agent”	Goldman Sachs (Asia) L.L.C.
“%”	percentage

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, 18 September 2009

*As at the date of this announcement, the Kingboard Chemical Board comprises 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 Wai Chee, Christopher, Henry Tan, Lai Chung Wing, Robert and Tse Kam Hung, being the independent non-executive directors.*

*As at the date of this announcement, the Kingboard Laminates Board comprises 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.*