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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)

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the prospectus of the Company dated 24 November 2006.

The Company and Kingboard entered into the Material Purchase Agreement on 5 November 2006, pursuant to which the Group agreed to purchase Chemicals and drill bits from the Retained Group.

The Company and Kingboard also entered into the Material Supply and Service Agreement on 5 November 2006, pursuant to which the Retained Group agreed to purchase laminate products and related upstream component materials (other than copper foil) from the Group and to engage the Group for the provision of drilling services.

Kingboard Copper Foil, a non wholly-owned subsidiary of the Company, and Kingboard entered into the Original Copper Foil Supply Agreement and Supplemental Copper Foil Supply Agreement on 29 November 1999 and 5 November 2006 respectively, pursuant to which Kingboard Copper Foil Group agreed to sell and Kingboard Group (excluding Kingboard Copper Foil Group itself) agreed to purchase copper foil on a continuing basis.

Kingboard is the ultimate holding company of the Company and owns, directly or indirectly, 74.77 per cent. of the issued share capital of the Company as at the date of this announcement. Accordingly, Kingboard is a connected person of the Company and members of the Retained Group and Kingboard Group will also constitute connected persons of the Company under the Listing Rules. Each of the above transactions constituted non-exempt continuing connected transactions of the Company under Rule 14A.35 of the Listing Rules, and were subject to the reporting, announcement and Independent Shareholders' approval requirements under Rules 14A.45 to 14A.48 and the annual review requirements under Rules 14A.37 and 14A.38 of the Listing Rules.

At the time of the initial listing of the shares of the Company on the Stock Exchange, the Company obtained from the Stock Exchange a waiver from strict compliance with the requirements under the Listing Rules in respect of the above continuing connected transactions and an annual cap was assigned to each of the above continuing connected transactions for each of the three financial years ended 31 December 2006, 2007 and 2008.

The above continuing connected transactions will continue following the expiration of the financial year ending 31 December 2008.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Since the Material Purchase Agreement and the Material Supply and Service Agreement will expire on 31 December 2008, the Company has on 13 December 2008 entered into the following agreements:

- (i) the New Material Purchase Agreement which sets out the general terms and conditions upon which the Group purchases Chemicals and drill bits from the Retained Group; and
- (ii) the New Material Supply and Service Agreement which sets out the general terms and conditions upon which the Group supplies laminate products and related upstream component materials (other than copper foil) and provides drilling services to the Retained Group,

for a term from 1 January 2009 to 31 December 2011. The New Material Purchase Agreement and the New Material Supply and Service Agreement are on terms identical to those set out in the Material Purchase Agreement and the Material Supply and Service Agreement (other than the term) respectively.

On 13 December 2008, Kingboard Copper Foil and Kingboard also entered into the Second Supplemental Copper Foil Supply Agreement to renew the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement, for three years beginning from 1 January 2009 to 31 December 2011.

On 13 December 2008, the Board approved the New Material Purchase Agreement, the New Material Supply and Service Agreement and the Second Supplemental Copper Foil Supply Agreement as set out in this announcement and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011.

The Directors (including the independent non-executive Directors) consider that the Continuing Connected Transactions have been conducted on normal commercial terms and in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and that the proposed annual caps for the Continuing Connected Transactions are fair and reasonable.

LISTING RULES IMPLICATIONS

The Continuing Connected Transactions and the proposed annual caps in respect of the Continuing Connected Transactions, constitute non-exempt continuing connected transactions under Rule 14A.35 of the Listing Rules, and are subject to the reporting, announcement and Independent Shareholders' approval requirements under Rules 14A.45 to 14A.48 and the annual review requirements under Rules 14A.37 and 14A.38 of the Listing Rules.

An Independent Board Committee has been formed to consider and advise the Independent Shareholders as to whether (1) the terms of the New Material Purchase Agreement, the New Material Supply and Service Agreement and the Second Supplemental Copper Foil Supply Agreement; and (2) the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011 are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM. Karl Thomson Financial Advisory Limited has been appointed as the independent financial adviser to the Company to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among other things, (i) details of the Continuing Connected Transactions and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011; (ii) a letter from Karl Thomson Financial Advisory Limited to the Independent Board Committee and the Independent Shareholders containing its advice on the Continuing Connected Transactions and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011; (iii) the recommendation of the Independent Board Committee in respect of the Continuing Connected Transactions and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011; and (iv) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable.

INTRODUCTION

Reference is made to the prospectus of the Company dated 24 November 2006.

The Company and Kingboard entered into the Material Purchase Agreement on 5 November 2006, pursuant to which the Group agreed to purchase Chemicals and drill bits from the Retained Group.

The Company and Kingboard also entered into the Material Supply and Service Agreement on 5 November 2006, pursuant to which the Retained Group agreed to purchase laminate products and related upstream component materials (other than copper foil) from the Group and to engage the Group for the provision of drilling services.

Kingboard Copper Foil, a non wholly-owned subsidiary of the Company, and Kingboard entered into the Original Copper Foil Supply Agreement and Supplemental Copper Foil Supply Agreement on 29 November 1999 and 5 November 2006 respectively, pursuant to which Kingboard Copper Foil Group agreed to sell and Kingboard Group (excluding Kingboard Copper Foil Group itself) agreed to purchase copper foil on a continuing basis.

Kingboard is the ultimate holding company of the Company and owns, directly or indirectly, 74.77 per cent. of the issued share capital of the Company as at the date of this announcement. Accordingly, Kingboard is a connected person of the Company and members of the Retained Group and Kingboard Group will also constitute connected persons of the Company under the Listing Rules. Each of the above transactions constituted non-exempt continuing connected transactions of the Company under Rule 14A.35 of the Listing Rules, and were subject to the reporting, announcement and Independent Shareholders' approval requirements under Rules 14A.45 to 14A.48 and the annual review requirements under Rules 14A.37 and 14A.38 of the Listing Rules.

At the time of the initial listing of the shares of the Company on the Stock Exchange, the Company obtained from the Stock Exchange a waiver from strict compliance with the requirements under the Listing Rules in respect of the above continuing connected transactions and an annual cap was assigned to each of the above continuing connected transactions for each of the three financial years ended 31 December 2006, 2007 and 2008.

The above continuing connected transactions will continue following the expiration of the financial year ending 31 December 2008.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Purchase of Chemicals and drill bits from the Retained Group

Details and reasons for the transaction:

Particulars of the New Material Purchase Agreement are set out below:

Date : 13 December 2008

Parties: (1) Kingboard
(2) the Company

Products to be purchased: purchase of Chemicals and drill bits from the Retained Group

Pricing: in accordance with the then-prevailing market prices, but in no event will the terms be less favourable to the Group than those offered to Independent Third Parties having regard to the quantity, quality and special specifications of the products and services ordered and other special circumstances

Term: from 1 January 2009 to 31 December 2011, both days inclusive

Under the New Material Purchase Agreement, the amount of Chemicals and drill bits are not fixed but are to be determined and agreed between the parties from time to time. The Group will not be obligated to purchase a minimum amount of Chemicals and drill bits from the Retained Group and the Retained Group will not be obligated to supply any set quantity of Chemicals or drill bits to the Group during the term of the New Material Purchase Agreement.

The terms of the New Material Purchase Agreement were arrived at after arm's length negotiation between the relevant parties. The Directors (including the independent non-executive Directors) are of the view that the terms of the New Material Purchase Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The transactions under the New Material Purchase Agreement are carried out in the ordinary and usual course of business of the Group.

The Chemicals are essential for the production of phenolic resin and epoxy resin and consequently for the production of laminates and related upstream component materials by the Group and the drill bits are essential machinery components for providing drilling services to customers. Although the Directors consider that the Group does not rely on the Retained Group for the purchase of Chemicals and drill bits since such Chemicals and drill bits are readily available from Independent Third Parties at comparable prices and terms, the purchase of Chemicals and drill bits from the Retained Group allows the Group to benefit from the economies of scale of the Retained Group.

Historical amounts and proposed annual caps:

The following table sets forth the historical purchases made by the Group and the proposed annual caps for the New Material Purchase Agreement:

	Financial year ended/ending 31 December		
	2006	2007	2008
Historical purchases (<i>HK\$'000</i>)	103,514	165,109	231,660*
	2006	2007	2008
Annual caps (<i>HK\$'000</i>)	113,000	200,000**	280,000**
	2009	2010	2011
Proposed annual caps (<i>HK\$'000</i>)	392,000	548,800	768,320

* Actual amount for the ten months ended 31 October 2008.

** As revised and approved by the Independent Shareholders on 10 December 2007.

The Board believes that the economic growth in the People's Republic of China will stimulate the demand for electronic products, such as mobile phones and consumer products, and as a result, there will be an increasing demand for laminates for the production of electronic products. As such, the increasing demand will lead to the corresponding increasing demand for chemicals which are used for the production of laminates. This also leads to the increasing demand for drill bits which are essential machinery components for the Group to provide drilling services to the Group's customers.

The strong market growth can be illustrated by the historical purchases made by the Group in 2006, 2007 and the first ten months of 2008. The actual transaction amounts under the Material Purchase Agreement in 2007 as compared to those in 2006 increased by approximately 60 per cent. As compared to the actual transaction amounts in 2007, the projected transaction amounts in 2008, being approximately HK\$277,992,000, also increased by approximately 68 per cent.

Having considered the above and the historical revenue, expected growth in production and sales, expected increase in demand, expected increase in production capacity of the Group, and taking into consideration the estimated increase in the price for the sale of Chemicals and drill bits by the Retained Group for the years ending 31 December 2009, 2010 and 2011, and on the assumption that there will be an annual increase of approximately 40 per cent. in 2009, 2010 and 2011, the Directors are of the view that the above proposed annual caps in respect of the purchases of Chemicals and drill bits by the Group from the Retained Group under the New Material Purchase Agreement are fair and reasonable.

2. Sale of laminates and related upstream component materials and provision of drilling services to the Retained Group

Details and reasons for the transaction:

Particulars of the New Material Supply and Service Agreement are set out below:

Date :	13 December 2008
Parties:	(1) Kingboard (2) the Company
Products and services to be supplied:	supply of laminate products and related upstream component materials (other than copper foil) and provision of drilling services by the Group to the Retained Group
Pricing:	in accordance with the then-prevailing market prices, but in no event will the terms be more favourable to the Retained Group than those offered by the Group to Independent Third Parties having regard to the quantity, quality and special specifications of the products and services ordered and other special circumstances
Term:	from 1 January 2009 to 31 December 2011, both days inclusive

Under the New Material Supply and Service Agreement, the amount of laminates and related upstream component materials (other than copper foil) to be sold and the drilling services to be provided are not fixed but are to be determined and agreed between the parties from time to time. The Group will not be obligated to supply a minimum amount of laminates and related upstream component materials or to provide drilling services to the Retained Group and the Retained Group will not be obligated to purchase any set quantity of laminates or related upstream component materials or to utilise the drilling services offered by the Group during the term of the New Material Supply and Service Agreement.

The terms of the New Material Supply and Service Agreement were arrived at after arm's length negotiation between the relevant parties. The Directors (including the independent non-executive Directors) are of the view that the terms of the New Material Supply and Service Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The transactions under the New Material Supply and Service Agreement are carried out in the ordinary and usual course of business of the Group.

In light of the terms and conditions of the New Materials Supply and Service Agreement, the Directors (including the independent non-executive Directors) believe that the Group does not rely on the Retained Group for the sale of laminates and related upstream component materials and provision of drilling services. However, the Group has established a close working relationship with the Retained Group and the continuation of the transactions under the New Material Supply and Service Agreement will enhance the revenue of the Group through increased sales and thus benefiting the Shareholders as a whole.

Historical amounts and proposed annual caps:

The following table sets forth the historical sales made to the Retained Group and the proposed annual caps for the New Material Supply and Service Agreement:

	Financial year ended/ending 31 December		
	2006	2007	2008
Historical sales (<i>HK\$'000</i>)	1,318,758	1,633,401	1,658,922*
	2006	2007	2008
Annual caps (<i>HK\$'000</i>)	1,560,000	2,180,000	3,050,000
	2009	2010	2011
Proposed annual caps (<i>HK\$'000</i>)	3,050,000	3,050,000	3,050,000

* Actual amount for the ten months ended 31 October 2008.

The Board noticed that the historical annual caps for the three financial years ended 31 December 2006, 2007 and 2008 were not fully utilised during the same period as a result of the slow down in demand by the Retained Group for laminate products and related upstream component materials and drilling services. The Board, however, anticipates that the economic growth in the People's Republic of China will stimulate the demand for laminate products and related upstream component materials and drilling services by the Retained Group in the three financial years ending 31 December 2009, 2010 and 2011.

Having considered the historical transaction amount and the estimated demand for laminate products and related upstream component materials and drilling services by the Retained Group for the three financial years ending 31 December 2009, 2010 and 2011, the Directors are of the view that the above proposed annual caps in respect of the sale of laminate products and related upstream component materials and provision of drilling services by the Group to the Retained Group under the New Material Supply and Service Agreement are sufficient, fair and reasonable.

3. Sale of copper foil to Kingboard Group (excluding Kingboard Copper Foil Group itself)

On 13 December 2008, Kingboard Copper Foil and Kingboard entered into the Second Supplemental Copper Foil Supply Agreement, pursuant to which the parties agreed to extend the term of the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement, for three years, beginning from 1 January 2009 to 31 December 2011.

The terms of the Second Supplemental Copper Foil Supply Agreement were arrived at after arm's length negotiation between the relevant parties. The Directors (including the independent non-executive Directors) are of the view that the terms of the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement and the Second Supplemental Copper Foil Supply Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The transactions under the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement and the Second Supplemental Copper Foil Supply Agreement are carried out in the ordinary and usual course of business of the Group.

In light of the terms and conditions of the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement and the Second Supplemental Copper Foil Supply Agreement, the Directors (including the independent non-executive Directors) believe that the Group does not rely on the Retained Group for the sale of copper foil. However, the Group has established a close working relationship with the Retained Group and the continuation of the transactions under the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement and the Second Supplemental Copper Foil Supply Agreement will enhance the revenue of the Group through increased sales and thus benefiting the Shareholders as a whole.

Historical amounts and proposed annual caps:

The following table sets forth the historical sales made to the Retained Group and the proposed annual caps for the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement and the Second Supplemental Copper Foil Supply Agreement:

	Financial year ended/ending 31 December		
	2006	2007	2008
Historical sales (<i>HK\$'000</i>)	396,218	448,982	337,442*
	2006	2007	2008
Annual caps (<i>HK\$'000</i>)	400,000	560,000	784,000
	2009	2010	2011
Proposed annual caps (<i>HK\$'000</i>)	784,000	784,000	784,000

* *Actual amount for the ten months ended 31 October 2008.*

The Board noticed that the historical annual caps for the three financial years ended 31 December 2006, 2007 and 2008 were not fully utilised during the same period as a result of the slow down in demand by the Retained Group for copper foil. The Board, however, anticipates that the economic growth in the People's Republic of China will stimulate the demand for copper foil by the Retained Group in the three financial years ending 31 December 2009, 2010 and 2011.

Having considered the historical transaction amount and the estimated demand for copper foil by the Retained Group for the years ending 31 December 2009, 2010 and 2011, the Directors are of the view that the above proposed annual caps in respect of the sale of copper foil by the Group to the Retained Group under the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement and the Second Supplemental Copper Foil Supply Agreement are sufficient, fair and reasonable.

LISTING RULES IMPLICATIONS

The Continuing Connected Transactions and the proposed annual caps in respect of the Continuing Connected Transactions, constitute non-exempt continuing connected transactions under Rule 14A.35 of the Listing Rules, and are subject to the reporting, announcement and Independent Shareholders' approval requirements under Rules 14A.45 to 14A.48 and the annual review requirements under Rules 14A.37 and 14A.38 of the Listing Rules.

On 13 December 2008, the Board approved the New Material Purchase Agreement, the New Material Supply and Service Agreement and the Second Supplemental Copper Foil Supply Agreement as set out in this announcement and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011.

An Independent Board Committee has been formed to consider and advise the Independent Shareholders as to whether (1) the terms of the New Material Purchase Agreement, the New Material Supply and Service Agreement and the Second Supplemental Copper Foil Supply Agreement; and (2) the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011 are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM. Karl Thomson Financial Advisory Limited has been appointed as the independent financial adviser to the Company to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among other things, (i) details of the Continuing Connected Transactions and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011; (ii) a letter from Karl Thomson Financial Advisory Limited to the Independent Board Committee and the Independent Shareholders containing its advice on the Continuing Connected Transactions and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011; (iii) the recommendation of the Independent Board Committee in respect of the Continuing Connected Transactions and the proposed annual caps for each of the Continuing Connected Transactions for each of the three financial years ending 31 December 2009, 2010 and 2011; and (iv) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable.

GENERAL

The principal business of the Company is investment holding. The Group is engaged principally in the manufacturing and sale of laminates and related upstream component materials.

The principal business of Kingboard is investment holding. The Retained Group is engaged principally in the production and sale of printed circuit boards and chemicals.

The principal business of Kingboard Copper Foil is investment holding. The Kingboard Copper Foil Group is engaged principally in the manufacturing and sale of copper foil.

DEFINITIONS

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

“associate(s)”	the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Chemicals”	chemicals including methanol, formalin, phenol, acetone, phenol resin and caustic soda;
“Company”	Kingboard Laminates Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	the meaning ascribed to it under the Listing Rules;
“Continuing Connected Transactions”	the transactions under the New Material Purchase Agreement, the New Material Supply and Service Agreement, and the Original Copper Foil Supply Agreement, as supplemented by the Supplemental Copper Foil Supply Agreement and the Second Supplemental Copper Foil Supply Agreement;
“Director(s)”	Director(s) of the Company;
“EGM”	extraordinary general meeting to be held by the Company to approve, among other things, the Continuing Connected Transactions and the proposed annual caps for the Continuing Connected Transactions;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	an independent committee of the Board composed of all independent non-executive Directors, namely Mr. Chan Charnwut Bernard, Mr. Chan Yue Kwong, Michael, Mr. Leung Tai Chiu and Mr. Mok Yiu Keung, Peter;
“Independent Shareholder(s)”	has the meaning ascribed to it under Rule 14A.10(5) of the Listing Rules, and in relation to the Company means the Shareholders other than Kingboard and its associates;

“Independent Third Party(ies)”	a person(s) or company(ies) who/which is or are independent of and not connected with the Company and its connected person(s);
“Kingboard”	Kingboard Chemical Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange, is the ultimate holding company of the Company;
“Kingboard Copper Foil”	Kingboard Copper Foil Holdings Limited, a company incorporated in Bermuda with limited liability and a 63.53 per cent. non wholly-owned subsidiary of the Company and whose shares are listed on the Singapore Exchange Securities Trading Limited;
“Kingboard Copper Foil Group”	Kingboard Copper Foil and its subsidiaries;
“Kingboard Group”	Kingboard and, as the context may require, its subsidiaries including the Group;
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange;
“Material Purchase Agreement”	an agreement dated 5 November 2006 made between the Company and Kingboard in relation to the purchase of Chemicals and drill bits from the Retained Group for a term from 5 November 2006 to 31 December 2008;
“Material Supply and Service Agreement”	an agreement dated 5 November 2006 made between the Company and Kingboard in relation to the supply of laminate products and related upstream component materials (other than copper foil) and the provision of drilling services by the Group to the Retained Group for a term from 5 November 2006 to 31 December 2008;
“New Material Purchase Agreement”	an agreement dated 13 December 2008 made between the Company and Kingboard in relation to the purchase of Chemicals and drill bits from the Retained Group for a term from 1 January 2009 to 31 December 2011;

“New Material Supply and Service Agreement”	an agreement dated 13 December 2008 made between the Company and Kingboard in relation to the supply of laminate products and related upstream component materials (other than copper foil) and provision of drilling services by the Group to the Retained Group for a term from 1 January 2009 to 31 December 2011;
“Original Copper Foil Supply Agreement”	an agreement dated 29 November 1999 made between Kingboard Copper Foil and Kingboard in relation to the supply of copper foil by Kingboard Copper Foil Group to Kingboard Group (excluding Kingboard Copper Foil Group itself);
“Retained Group”	Kingboard and its subsidiaries (excluding the Group);
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	the meaning ascribed to it under the Listing Rules;
“Second Supplemental Copper Foil Supply Agreement”	a second supplemental agreement dated 13 December 2008 made between Kingboard Copper Foil and Kingboard in relation to the supply of copper foil by Kingboard Copper Foil Group to the Retained Group for a term from 1 January 2009 to 31 December 2011;
“Supplemental Copper Foil Supply Agreement”	a supplemental agreement dated 5 November 2006 made between Kingboard Copper Foil and Kingboard in relation to the supply of copper foil by Kingboard Copper Foil Group to the Retained Group for a term from 1 January 2006 to 31 December 2008.

By Order of the Board
Kingboard Laminates Holdings Limited
Tsoi Kin Lung
Company Secretary

Hong Kong, 16 December 2008

As at the date of this announcement, the Board 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.