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**KINGBOARD CHEMICAL
HOLDINGS LIMITED**

建滔化工集團有限公司

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

(Stock Code: 148)

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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)

JOINT ANNOUNCEMENT

POSITIVE PROFIT ALERT

This announcement is jointly published by Kingboard Chemical Holdings Limited (“**KBC**”, together with its subsidiaries, “**KBC Group**”) and Kingboard Laminates Holdings Limited (“**KBL**”, together with its subsidiaries, “**KBL Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of KBC (the “**KBC Board**”) wishes to inform shareholders and potential investors of KBC that, based on the preliminary review of the unaudited management accounts of KBC Group (including KBL Group) for the year ended 31 December 2016 and the information currently available to KBC Board, KBC Group is expecting to record a significant increase in the net profit of approximately 190-200% for the year ended 31 December 2016 as compared with the corresponding period of 2015. The expected increase in the net profit of the KBC Group is mainly attributable to an one-off income attributable to the disposal of a wholly-owned subsidiary by KBL in May 2016, as more particularly disclosed in the joint announcement of KBC and KBL dated 13 May 2016 (the “**Discloseable Transaction Announcement**”). Without taking into account the aforesaid one-off income, the increase in net profit of KBC Group is expected to be approximately 90-100% for the year ended 31 December 2016 as compare with the corresponding period of 2015. The expected increase in the net profit of the KBC Group is mainly attributable to: (i) as disclosed in the joint announcement of KBC and KBL dated 18 July 2016 (the “**Positive Profit Alert Announcement**”), a strong sales in residential properties resulting in a significant increase in the recognition of sales of residential properties in its property development business; and (ii) the general increase in profit margin of the products manufactured and sold by the KBC Group.

The board of directors of KBL (the “**KBL Board**”) wishes to inform shareholders and potential investors of KBL that, based on the preliminary review of the unaudited management accounts of KBL Group for the year ended 31 December 2016 and the information currently available to KBL Board, KBL Group is expecting to record an increase in the net profit of approximately 210-220% for the year ended 31 December 2016 as compared with the corresponding period of 2015. The expected increase in the net profit of the KBL Group is mainly attributable to an one-off income attributable the disposal of its wholly-owned subsidiary in May 2016, as more particularly disclosed in the Discloseable Transaction Announcement. Without taking into account the aforesaid one-off income, the increase in net profit of KBL Group is expected to be approximately 50-60% for the year ended 31 December 2016 as compare with the corresponding period of 2015. The expected increase in the net profit of the KBL Group is mainly attributable to: (i) as disclosed in the Positive Profit Alert Announcement, the recognition of sales of residential properties in its property development business; and (ii) the general increase in profit margin of the products manufactured and sold by the KBL Group.

This positive profit alert announcement is only based on the preliminary assessment by KBC Board and KBL Board, respectively, with reference to their respective management accounts and the information currently available, which is subject to finalization and adjustments where necessary, and has not been reviewed or audited by the auditors or audit committee of KBC and KBL, respectively. KBC and KBL are still in the process of finalizing their respective annual results for the year ended 31 December 2016. Financial information and other details of KBC and KBL for year ended 31 December 2016 will be disclosed in their respective annual results announcement in accordance with the requirements of the Listing Rules.

The respective shareholders and potential investors of KBC and KBL are advised to read carefully the respective annual results announcement of KBC and KBL for the year ended 31 December 2016, which will be published before the end of March 2017 pursuant to the requirements of the Listing Rules.

By Order of the board of directors
Kingboard Chemical Holdings Limited
Lo Ka Leong
Company Secretary

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

Hong Kong, 16 January 2017

As at the date of this announcement, the board of directors of Kingboard Chemical Holdings Limited consists of Messrs. Cheung Kwok Wing, Chang Wing Yiu, Cheung Kwong Kwan, Ho Yin Sang, Cheung Wai Lin, Stephanie, Cheung Ka Shing and Chen Maosheng, being the executive directors and Messrs. Cheng Wai Chee, Christopher, Cheung Ming Man, Chong Kin Ki and Leung Tai Chiu being the independent non-executive directors.

As at the date of this announcement, the board of directors of Kingboard Laminates Holdings Limited consists of Messrs. Cheung Kwok Wa, Cheung Kwok Keung, Cheung Kwok Ping, Lam Ka Po, Cheung Ka Ho, Liu Min and Zhou Pei Feng, being the executive directors, Mr. Lo Ka Leong, being the non-executive director, and Messrs. Leung Tai Chiu, Ip Shu Kwan, Stephen, Zhang Lu Fu and Lau Ping Cheung, Kaizer, being the independent non-executive directors.