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**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 CLARIFICATION ANNOUNCEMENT

Reference is made to the joint announcement issued by Kingboard Chemical Holdings Limited and Kingboard Laminates Holdings Limited dated 1 April 2011 (the "Announcement"). Unless otherwise defined, terms used in this clarification announcement shall have the same meanings as those defined in the Announcement.

The KBC Board and the KBL Board would like to include the following information in the Announcement:

The KBC Board is of the opinion that the transactions under the KBL Agreements constitute connected transactions for KBC and therefore the KBL Agreements, the Proposed KBL Supply Annual Caps and Proposed KBL Purchase Annual Caps are subject to Independent KBC Shareholders' approval.

The KBC Board has approved the KBL Agreements and considered that the terms of the KBL Agreements are on normal commercial terms and are fair and reasonable and in the interests of KBC and the KBC Shareholders as a whole.

A KBC Independent Board Committee will be formed to consider and advise Independent KBC Shareholders as to whether (i) the terms of the Agreements; and (ii) the Proposed Annual Caps are fair and reasonable, and are in the interests of KBC and the KBC Shareholders as a whole, and to advise the Independent KBC Shareholders as to how to vote at the KBC EGM. Karl Thomson Financial Advisory Limited has been appointed as the independent financial adviser to KBC to advise the KBC Independent Board Committee and the Independent KBC Shareholders in this respect.

A circular, containing among others, (i) details of the Agreements and the Proposed Annual Caps; (ii) a letter from Karl Thomson Financial Advisory Limited to the KBC Independent Board Committee and the Independent KBC Shareholders containing its advice on the Agreements and the Proposed Annual Caps; (iii) the recommendation of the KBC Independent

* *For identification purpose only*

Board Committee in respect of the Agreements and the Proposed Annual Caps; and (iv) a notice convening the KBC EGM, will be despatched to the KBC Shareholders on or about 26 April 2011, instead of 18 April 2011.

A circular, containing among others, (i) details of the KBL Agreements, the Proposed KBL Supply Annual Caps and the Proposed KBL Purchase Annual Caps; (ii) a letter from Karl Thomson Financial Advisory Limited to the KBL Independent Board Committee and the Independent KBL Shareholders containing its advice on the KBL Agreements, the Proposed KBL Supply Annual Caps and the Proposed KBL Purchase Annual Caps; (iii) the recommendation of the KBL Independent Board Committee in respect of the KBL Agreements, the Proposed KBL Supply Annual Caps and the Proposed KBL Purchase Annual Caps; and (iv) a notice convening the KBL EGM, will be despatched to the KBL Shareholders on or about 26 April 2011, instead of 18 April 2011.

By Order of the KBC Board
Kingboard Chemical Holdings Limited
Lo Ka Leong
Company Secretary

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

Hong Kong, 13 April 2011

As at the date of this announcement, the KBC Board comprises Messrs. Cheung Kwok Wing, Chang Wing Yiu, Cheung Kwong Kwan, Ho Yin Sang, Cheung Wai Lin, Stephanie, Mok Cham Hung, Chadwick and Chen Maosheng, being the executive KBC Directors, Mr. Chan Wing Kwan, being the non-executive KBC Director, and Messrs. Cheng Wai Chee, Christopher, Henry Tan, Lai Chung Wing, Robert and Tse Kam Hung, being the independent non-executive KBC Directors.

As at the date of this announcement, the KBL 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 KBL Directors, Mr. Lo Ka Leong, being the non-executive KBL Director, and Messrs. Chan Charnwut Bernard, Chan Yue Kwong, Michael, Leung Tai Chiu and Mok Yiu Keung, Peter, being the independent non-executive KBL Directors.