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**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**

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

KBCF announced its unaudited consolidated results for the year ended December 31, 2011 on the Singapore Exchange Securities Trading Limited on February 23, 2012.

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 year ended December 31, 2011 on the website of [www.sgx.com](http://www.sgx.com) of Singapore Exchange Securities Trading Limited on February 23, 2012. The results are prepared in accordance with Singapore Financial Reporting Standards and Interpretations of Financial Reporting Standards.

KBCF is an indirect 64.57%-owned subsidiary of Kingboard Laminates Holdings Limited (“Kingboard Laminates”). In turn, Kingboard Laminates is a 66.45%-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.

\* For identification purpose only

**“KINGBOARD COPPER FOIL HOLDINGS LIMITED  
FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR  
THE YEAR ENDED DECEMBER 31, 2011**

**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.**

	<b>Group Year ended</b>		<b>% Change</b>
	<b>December 31, 2011</b>	<b>December 31, 2010</b>	
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Revenue	2,745,252	4,274,035	-35.77%
Cost of sales	(2,580,194)	(3,921,318)	-34.20%
Gross profit	165,058	352,717	-53.20%
Other operating income	9,821	11,188	-12.22%
Distribution costs	(35,162)	(48,227)	-27.09%
Administrative expenses	(45,606)	(66,036)	-30.94%
Other operating expenses	(3,155)	(4,381)	-27.98%
Share of loss of an associate	(4,668)	–	NM
Finance costs – interest expenses paid to non-related companies	(5,364)	(1,417)	278.55%
Profit before tax	80,924	243,844	-66.81%
Income tax expense	(17,522)	(26,260)	-33.27%
Profit for the year	63,402	217,584	-70.86%
Attributable to:			
Owners of the Company	56,915	213,530	-73.35%
Non-controlling interests	6,487	4,054	60.01%

*NM: Not meaningful*

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

	<b>Group</b>		
	<b>Year ended</b>		
	<b>December 31,</b>	<b>December 31,</b>	<b>%</b>
	<b>2011</b>	<b>2010</b>	<b>Change</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Other operating income including interest income	(9,821)	(11,188)	-12.22%
Realised (gain) loss on derivative financial instruments	(1,984)	14,817	-113.39%
Loss on fair value changes of derivative financial instruments	–	33,493	-100.00%
Interest on bank borrowings	5,364	1,417	278.55%
Depreciation of property, plant and equipment	178,703	190,010	-5.95%
Amortisation of prepaid land use rights	1,081	1,030	4.95%
Allowance for doubtful debts	–	7	-100.00%

**1(b) (i) A statement of financial position (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</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and bank balances	553,415	265,108	–	–
Trade and other receivables and prepayments	132,357	362,906	585	4,731
Bills receivable	248,347	250,976	–	–
Prepaid land use rights	1,107	1,055	–	–
Inventories	33,573	878,339	–	–
Total current assets	968,799	1,758,384	585	4,731

	Group		Company	
	As at December 31, 2011 HK\$'000	As at December 31, 2010 HK\$'000	As at December 31, 2011 HK\$'000	As at December 31, 2010 HK\$'000
<b>Non-current assets:</b>				
Investment in subsidiaries	–	–	393,775	393,775
Investment in an associate	82,314	–	31,000	–
Due from a subsidiary	–	–	859,595	856,163
Investment property	6,270	5,974	–	–
Property, plant and equipment	1,086,326	1,192,555	–	–
Prepaid land use rights	43,870	42,852	–	–
Available-for-sale investments	–	36,000	–	36,000
Non-current deposits	5,245	5,655	–	–
Non-current other receivables	712,707	–	–	–
Goodwill	238	238	–	–
Total non-current assets	1,936,970	1,283,274	1,284,370	1,285,938
<b>Total assets</b>	<b>2,905,769</b>	<b>3,041,658</b>	<b>1,284,955</b>	<b>1,290,669</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Due to a subsidiary	–	–	2,721	2,645
Bank borrowings	–	133,104	–	–
Bills payable	3,886	41,329	–	–
Trade and other payables	89,893	160,063	363	754
Derivative financial instruments	–	33,493	–	–
Income tax payable	1,773	19,126	38	38
Total current liabilities	95,552	387,115	3,122	3,437
<b>Capital and reserves and non-controlling interests:</b>				
Issued capital	560,200	560,200	560,200	560,200
Reserves	2,214,307	2,064,886	721,633	727,032
Equity attributable to owners of the Company	2,774,507	2,625,086	1,281,833	1,287,232
Non-controlling interests	35,710	29,457	–	–
Total equity	2,810,217	2,654,543	1,281,833	1,287,232
<b>Total liabilities and equity</b>	<b>2,905,769</b>	<b>3,041,658</b>	<b>1,284,955</b>	<b>1,290,669</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, 2011		As at December 31, 2010	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
—	—	—	133,104

*Amount repayable after one year*

As at December 31, 2011		As at December 31, 2010	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
—	—	—	—

*Details of any collateral*

Not applicable.

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

	Year ended	
	December 31, 2011	December 31, 2010
	HK\$'000	HK\$'000
<b>Operating activities:</b>		
Profit before tax	80,924	243,844
Adjustments for:		
Depreciation of property, plant and equipment	178,703	190,010
Amortisation of prepaid land use rights	1,081	1,030
Reversal on impairment loss recognised on inventories	—	(49,326)
Interest expenses	5,364	1,417
Interest income	(2,503)	(1,696)
Allowance for doubtful debts	—	7
Loss on fair value changes of derivative financial instruments	—	33,493
Realised (gain) loss on derivative financial instruments	(1,984)	14,817
Loss on disposal of property, plant and equipment	66	1,481
Share of loss of an associate	4,668	—

	<b>Year ended</b>	
	<b>December 31,</b>	<b>December 31,</b>
	<b>2011</b>	<b>2010</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating cash flow before movements in working capital	266,319	435,077
Trade and other receivables and prepayments	227,301	(17,645)
Bills receivable	2,629	(7,811)
Inventories	176,832	(181,383)
Payment for settlement of derivative financial instruments	(31,509)	(26,445)
Trade and other payables	(77,106)	(60,419)
Bills payable	(37,443)	19,735
Cash generated from operations	527,023	161,109
Income tax paid	(36,161)	(44,065)
Withholding tax on distributed profit of a PRC subsidiary	(188)	–
Dividends paid	(9,031)	(14,450)
Interest paid	(5,364)	(1,417)
Interest received	2,503	1,696
Net cash generated from operating activities	478,782	102,873
<b>Investing activities:</b>		
Acquisition of investment in an associate	(51,724)	–
Purchase of property, plant and equipment	(18,999)	(21,766)
Deposits paid for acquisition of property, plant and equipment	–	(5,655)
Proceeds from disposal of property, plant and equipment	2,249	1,568
Net cash used in investing activities	(68,474)	(25,853)
<b>Financing activities:</b>		
Repayment of bank borrowings	(1,669,286)	(923,942)
New bank borrowings raised	1,536,182	801,867
Net cash used in financing activities	(133,104)	(122,075)
Net increase (decrease) in cash and bank balances	277,204	(45,055)
Cash and bank balances at the beginning of the year	265,108	308,894
Effects of exchange rate changes on cash and bank balances held in foreign currencies	11,103	1,269
<b>Cash and bank balances at the end of the year</b>	<b>553,415</b>	<b>265,108</b>

**1(d) A statement of comprehensive income (for the issuer and the group), together with a comparative statement for the corresponding period of the immediate preceding financial year.**

	Group Year ended		Company Year ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Profit for the year	63,402	217,584	1,826	15,401
Other comprehensive income:				
Exchange difference arising on translation to foreign operations	101,309	68,042	–	–
Share of other comprehensive loss of an associate	(6)	–	–	–
Total comprehensive income for the year	<u>164,705</u>	<u>285,626</u>	<u>1,826</u>	<u>15,401</u>
Total comprehensive income attributable to:				
Owners of the Company	156,646	280,624	1,826	15,401
Non-controlling interests	<u>8,059</u>	<u>5,002</u>	<u>–</u>	<u>–</u>
	<u>164,705</u>	<u>285,626</u>	<u>1,826</u>	<u>15,401</u>

**1(e)(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 owners of the Company						Non-controlling interests	Total equity
	Issued capital	Share premium	Capital reserves	Proposed dividend	Currency translation reserves	Accumulated profits		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Group</b>								
Balance at January 1, 2010	560,200	296,573	6,275	7,225	298,909	1,189,730	2,358,912	2,383,367
Total comprehensive income for the year	–	–	–	–	67,094	213,530	280,624	285,626
Dividend paid	–	–	–	(7,225)	–	–	(7,225)	(7,225)
Interim dividend paid	–	–	–	–	–	(7,225)	(7,225)	(7,225)
Proposed final dividend	–	–	–	7,225	–	(7,225)	–	–
Balance at December 31, 2010	<u>560,200</u>	<u>296,573</u>	<u>6,275</u>	<u>7,225</u>	<u>366,003</u>	<u>1,388,810</u>	<u>2,625,086</u>	<u>2,654,543</u>
Total comprehensive income for the year	–	–	–	–	99,731	56,915	156,646	164,705
Dividend paid to minority shareholders of a subsidiary	–	–	–	–	–	–	–	(1,806)
Dividend paid	–	–	–	(7,225)	–	–	(7,225)	(7,225)
Balance at December 31, 2011	<u>560,200</u>	<u>296,573</u>	<u>6,275</u>	<u>–</u>	<u>465,734</u>	<u>1,445,725</u>	<u>2,774,507</u>	<u>2,810,217</u>



Company	Issued capital HK\$'000	Share premium HK\$'000	Capital reserves HK\$'000	Proposed dividend HK\$'000	Accumulated profits HK\$'000	Total HK\$'000
Balance at January 1, 2010	560,200	296,573	6,275	7,225	416,008	1,286,281
Total comprehensive income for the year	–	–	–	–	15,401	15,401
Dividend paid	–	–	–	(7,225)	–	(7,225)
Interim dividend paid	–	–	–	–	(7,225)	(7,225)
Proposed final dividend	–	–	–	7,225	(7,225)	–
Balance at December 31, 2010	<u>560,200</u>	<u>296,573</u>	<u>6,275</u>	<u>7,225</u>	<u>416,959</u>	<u>1,287,232</u>
Total comprehensive income for the year	–	–	–	–	1,826	1,826
Dividend paid	–	–	–	(7,225)	–	(7,225)
Balance at December 31, 2011	<u>560,200</u>	<u>296,573</u>	<u>6,275</u>	<u>–</u>	<u>418,785</u>	<u>1,281,833</u>

- 1(e)(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, 2011.

- 1(e)(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, 2011 '000	As at December 31, 2010 '000	As at December 31, 2011 HK\$'000	As at December 31, 2010 HK\$'000
<b>Number of ordinary shares of US\$0.10 each</b>				
Authorised	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,550,000</u>	<u>1,550,000</u>
Issued and fully paid	<u>722,500</u>	<u>722,500</u>	<u>560,200</u>	<u>560,200</u>

- 1(e)(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 discuss in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those used in the audited financial statements for the year ended December 31, 2010.

**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.**

In the current financial year, the Group has adopted all the new and revised FRSs and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after January 1, 2011. 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 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, 2011</b>	<b>Year ended December 31, 2010</b>
Based on the weighted average number of ordinary shares in issue	7.88 HK cents	29.55 HK cents
On a fully diluted basis	7.88 HK cents	29.55 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.**

	<b>Group</b>		<b>Company</b>	
	<b>December 31, 2011</b>	<b>December 31, 2010</b>	<b>December 31, 2011</b>	<b>December 31, 2010</b>
Net asset value per ordinary share based on issued share capital at the end of the year reported on	384.01 HK cents	363.33 HK cents	177.42 HK cents	178.16 HK cents

**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.**

On behalf of the Board of Directors (“the Board”), it is my pleasure to present the financial results of Kingboard Copper Foil Holdings Limited (“the Company”) and its subsidiaries (“the Group”) for the year ended December 31, 2011 (“FY2011”). With eight months of normal copper foil business and four months of licensing fee income of HK\$10 million per month pursuant to the licensing arrangement which commenced on 1 September 2011, the Group's turnover decreased 36% to HK\$2,745 million against the same period last year. Impacted by (i) the electronic component shortage caused by the Japan earthquake in March 2011 and (ii) softened consumer demand as a result of the on-going European sovereign debt issues against a backdrop of slow global economic growth during FY2011, the average volume of copper shipment per month declined by over 22% in the first eight months in FY2011, against the same period in the previous year. Gross profit margin was down to 6% (FY2010: 8.3%). Net profit attributable to owners of the Company in FY2011 was HK\$56.9 million, representing a decline of 73% on a year-on-year basis. In view of the uncertainties faced by the Company's operations in 2012, the Board does not recommend payment of any final dividend for FY2011.

### **Financial Highlights**

- Turnover decreased 36% to HK\$2,745 million
- Profit attributable to owners of the Company amounted to HK\$56.9 million
- Earnings per share was HK7.88 cents, down 73%

## **Business Review**

With copper foil sales in the first eight months of FY2011, sales to external customers accounted for 19% of total sales (2010: 11%). In terms of product mix for the first eight months in FY2011, copper foil with thickness of 18-micron and below accounted for 37% of the total sales of copper foil products (2010: 28%) while copper foil with thickness of 35-micron and above accounted for 63% of the total sales of copper foil products (2010: 72%). As mentioned in the Company's 2004 Annual Report, the Group owns production facilities of polyvinyl butyral ("PVB") resin, a basic raw material for the production of PVB film which is used to produce reinforced glass for both automotive industry and buildings. As the Company has ceased operating the production and sale of copper foil since September 2011 due to the commencement of the licensing arrangement, the PVB business is expected to make a more significant contribution to the revenue and earnings of the Company in 2012.

Distribution costs in FY2011 decreased 27% to approximately HK\$35.2 million against the previous year, in line with lower shipment volume. Finance costs, mainly relating to trust receipt loans drawn to fund our working capital requirements, was HK\$5.4 million. After the commencement of the licensing agreement in September 2011, business activities slowed down in Q4 FY2011 and all outstanding bank borrowings, largely consisting of short-term trust receipt loans, were repaid due to the Company's reduced need for working capital.

## **Financial Position**

Due to the adoption of prudent financial management policies, our financial position remains solid. As at December 31, 2011, net current assets and current ratio were approximately HK\$873 million and 10.1 respectively. Current assets mainly comprised cash and bank balances of HK\$553.4 million, trade and other receivables and prepayments of HK\$132.4 million and bills receivable of HK\$248.3 million. Inventories decreased by around 96% to HK\$33.6 million as compared to December 31, 2010 as a result of the re-classification of copper foil related inventory of HK\$712.7 million to non-current other receivables as a result of the licensing arrangement. As at the end of FY2011, the Company's interest in Linkfit Investment Holdings Limited ("Linkfit"), a private company incorporated in Samoa, was 29.67%. The unquoted equity shares were stated at fair value at the end of the reporting period.

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

Not applicable.

**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.**

### **Prospects**

At the Annual General Meeting of the Company held on 29 April 2011, shareholders of the Company did not approve the renewal of the mandate (“Shareholders’ Mandate”) to enable the Group to enter into interested person transactions with Kingboard Chemical Holdings Limited (“Kingboard Chemical”) and its associates (together, the “Interested Persons”).

### **Licensing Arrangement**

As an interim measure, the Company has entered into a licensing arrangement to license the properties, inventory and machinery that were previously used for the production of copper foil to Harvest Resource Management Limited (“Harvest Resource”), an independent third party, in order to ensure that a steady stream of license fee is received by the Group without any further business transaction with Interested Persons. With the non-approval of Shareholders’ Mandate, the financial position of the Company will be adversely affected as the Company was unable to supply copper foil to its major customer – Kingboard Group, and it would suffer significant losses in the absence of any remedial actions taken by the Company. The Board was particularly mindful of its fiduciary duties to the Company’s shareholders and the need to act in the best interest of the Company. The current licensing arrangement is the only way, in the Company’s view, to keep the operations alive and avoid a fire sale or closing everything down.

The licensing arrangement will continue to be in place for the full year of 2012 (“FY2012”), revenue and earnings of the Group is expected to be significantly lower in FY2012 against that for FY2011.

In the foregoing event, the Group will continue to actively consider the appropriate actions that need to be taken in order to address the non-approval of the renewal of the Shareholders’ Mandate and will, in compliance with the Listing Manual, make relevant disclosures as and when appropriate.

## **Litigation in Bermuda**

On 3 August 2011, a petition was served by Annuity & Re Life Limited (“the Petitioner”) on the Company and its related companies Kingboard Chemical, Jamplan (BVI) Limited, Kingboard Laminates Holdings Limited and Excel First Investment Limited) in the Supreme Court of Bermuda (“the Petition”). The Petitioner alleged, among others, that the affairs of the Company and/or Kingboard Chemical and its subsidiaries, have been and/or are being conducted in a manner which is oppressive or unfairly prejudicial to the interests of the Petitioner by engaging in preferential transfer pricing in respect of the supply of copper foil to Kingboard Chemical and its subsidiaries other than the Company and its subsidiaries. The Petitioner is seeking, among others, an order that the Company and its related companies be made to purchase all of the shares held by the Petitioner at a price to be fixed by a valuer or the Bermuda Court.

The Company has discussed the Petition with its Bermuda lawyers and is of the view that the allegations are baseless and that the Petition is misconceived and without merit. The Company intends to vigorously defend the allegations and will take all necessary steps to oppose this Petition. The Company will make further announcements as and when necessary to keep shareholders informed of material developments in this matter.

## **Interests in Linkfit**

As stated above, the Company currently has a 29.67% interest in Linkfit, a company incorporated in Samoa on 17 December 2003. Linkfit is primarily engaged in investment holdings and its key investment relates to the Sofitel Qingyuan Riverside (“Sofitel”) which is a hotel situated in Guangdong province, the People’s Republic of China (the “PRC”). Linkfit derives its income mainly from the hotel operation of Sofitel.

The Company believes that the investment in Linkfit provides excellent opportunities for the Group to further expand its business scope. It believes that Linkfit’s key asset, the Sofitel, a hotel situated in Guangdong in the PRC, has good long term potential. The investment in Linkfit is strategic in nature and together with the economic growth of the PRC, the Group believes that it is a favourable time to invest in hospitality services in the PRC as demand for such services from foreigners and the local Chinese will continue to grow.

Further, given that the renewal of the Shareholders’ Mandate was not approved by the shareholders at the Annual General Meeting of the Company held on 29 April 2011, the Company believes that the interest in Linkfit will be a useful diversification of the business activities of the Company.

*This release may contain forward-looking statements that involves 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 statement 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? None.

*(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	HK 1.00 cent per ordinary share (tax not applicable)
Par value of shares	US\$0.10
Tax rate	Tax not applicable

*(c) Date Payable*

Not applicable.

*(d) Books closure date*

Not applicable.

**12 If no dividend has been declared/recommendeded, a statement to that effect.**

No final dividend has been proposed or declared for the year ended December 31, 2011.



**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 Group is organised into two operating segments namely copper foil and licence business, based on which information is prepared and reported to the Group's chief operating decision maker for the purpose of resource allocation and assessment of performance. Principal activities of each of the operating segments are as follows:

Copper foil business – manufacture and sales of copper foils and related products; and

Licence business – earning licence fee income from its Licenced Assets

	<b>Copper Foil Business HK\$'000</b>	<b>Licence Business HK\$'000</b>	<b>Total HK\$'000</b>
For the year ended December 31, 2011			
Turnover	<u>2,705,252</u>	<u>40,000</u>	<u>2,745,252</u>
Segment Result	95,528	(11,290)	84,238
Unallocated income			1,354
Share of loss of an associate			<u>(4,668)</u>
Profit before tax			80,924
Income tax expense			<u>(17,522)</u>
Profit for the year			<u>63,402</u>
	<b>Copper Foil Business HK\$'000</b>	<b>Licence Business HK\$'000</b>	<b>Total HK\$'000</b>
For the year ended December 31, 2010			
Turnover	<u>4,274,035</u>	<u>–</u>	<u>4,274,035</u>
Segment Result	<u>242,635</u>	<u>–</u>	242,635
Unallocated income			<u>1,209</u>
Profit before tax			243,844
Income tax expense			<u>(26,260)</u>
Profit for the year			<u>217,584</u>

- 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>Year Ended December 31, 2011 HK\$'000</b>	<b>Year Ended December 31, 2010 HK\$'000</b>	<b>% Change</b>
(a) Revenue reported for the first half year	1,895,380	1,996,782	-5.08%
(b) Operating profit after tax before deducting non-controlling interests reported for the first half year	51,958	117,145	-55.65%
(c) Revenue reported for the second half year	849,872	2,277,253	-62.68%
(d) Operating profit after tax before deducting non-controlling interests reported for the second half year	11,444	100,439	-88.61%

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

	<b>Latest Full Year HK\$'000</b>	<b>Previous Full Year HK\$'000</b>
Ordinary	—	14,450
Preference	—	—
<b>Total</b>	<b>—</b>	<b>14,450</b>

*Note:* Total Annual Dividend

In latest full year	
Interim Dividend:	—
Final Dividend:	—
<b>Total:</b>	<b>—</b>

In previous full year		
Interim Dividend:	HK\$7,225,000	@HK 1.0 cent per ordinary share
Final Dividend:	HK\$7,225,000	@HK 1.0 cent per ordinary share
<b>Total:</b>	<b>HK\$14,450,000</b>	

**17 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
<b>KINGBOARD COPPER FOIL HOLDINGS LIMITED</b> ("the Company")				
Cheung Kwok Ping	51	<b>Brother-in-law of:-</b> Ho Yin Sang – director of the Company.	<b>Position in the Company:</b> Executive Director since 25 January 2002.  <b>Duties:</b> Responsible for the Kingboard Copper Foil ("KBCF") Group's marketing operations.	No change
Ho Yin Sang	57	<b>Brother-in-law of:-</b> Cheung Kwok Ping – director of the Company.	<b>Position in the Company:</b> Non-Executive Director since 9 January 2007.  <b>Duties:</b> Strategic management & advisory on Group's production.	No change
<b>FOGANG KINGBOARD INDUSTRY LTD ("FKI")</b> A principal subsidiary of the Company				
Cheung Kwok Keung	59	<b>Brother of:-</b> Cheung Kwok Ping – director of the Company. <b>Brother-in-law of:-</b> Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Director since 13 July 1993.  <b>Duties:</b> Responsible for strategy management of FKI.	No change
Cheung Kwok Wa	48	<b>Brother of:-</b> Cheung Kwok Ping – director of the Company. <b>Brother-in-law of:-</b> Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Director since 13 July 1993.  <b>Duties:</b> Responsible for strategy management of FKI.	No change

Name	Age	Family relationship with any director and/or chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chang Wing Yiu	45	<b>Brother-in-law of:-</b> Cheung Kwok Ping – director of the Company. Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Director since 13 July 1993.  <b>Duties:</b> Responsible for strategy management of FKI.	No change
<b>KINGBOARD (LIANZHOU) COPPER FOIL LTD (“KLCF”)</b> A principal subsidiary of the Company				
Cheung Kwok Keung	59	<b>Brother of:-</b> Cheung Kwok Ping – director of the Company. <b>Brother-in-law of:-</b> Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Director since 5 November 2003.  <b>Duties:</b> Responsible for strategy management of KLCF.	No change
Cheung Kwok Wa	48	<b>Brother of:-</b> Cheung Kwok Ping – director of the Company. <b>Brother-in-law of:-</b> Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Director since 5 November 2003.  <b>Duties:</b> Responsible for strategy management of KLCF.	No change
Chang Wing Yiu	45	<b>Brother-in-law of:-</b> Cheung Kwok Ping – director of the Company. Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Director since 5 November 2003.  <b>Duties:</b> Responsible for strategy management of KLCF.	No change
<b>CHUNG SHUN COPPER FOIL (MACAO COMMERCIAL OFFSHORE) LIMITED (“CSMCO”)</b> A principal subsidiary of the Company				

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or chief executive officer and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Cheung Kwok Wing	56	<b>Brother of:-</b> Cheung Kwok Ping – director of the Company. <b>Brother-in-law of:-</b> Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Executive Director since 1 April 2005.  <b>Duties:</b> Responsible for strategy management of CSMCOL	No change
Cheung Kwok Ping	51	<b>Brother-in-law of:-</b> Ho Yin Sang – director of the Company.	<b>Position in the principal subsidiary:</b> Executive Director since 1 April 2005.  <b>Duties:</b> Responsible for strategy management of CSMCOL	No change
Ho Yin Sang	57	<b>Brother-in-law of:-</b> Cheung Kwok Ping – director of the Company.	<b>Position in the principal subsidiary:</b> Executive Director since 1 April 2005.  <b>Duties:</b> Responsible for strategy management of CSMCOL	No change

**18 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, 2011.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	HK\$'000	HK\$'000
Chung Shun Laminates (MCO) Limited	892	1,387,305
Kingboard Laminates (Kunshan) Company Limited	–	184,301
Kingboard Laminates (Jiangmen) Company Limited	–	181,288
Kunshan Yattoo Chemical Co. Ltd	–	130,890
Techwise (MCO) Circuits Limited	–	22,144
Guangzhou Elec & Eltek High Density Interconnect Technology No. 1 Co., Ltd.	–	27,102
Guangzhou Elec & Eltek Microvia Technology Co., Ltd.	–	3,054
Elec & Eltek (MCO) Limited	–	134,907
Shenzhen Pacific Insulating Material Co., Ltd.	–	103,122
Huizhou Chung Shun Chemical Co., Ltd.	–	4,327
Kaiping Pacific Insulating Material Co., Ltd.	–	28,923
Kai Ping Elec & Eltek Company Limited	–	11,080
Kaiping Elec & Eltek No. 3 Company Limited	–	18,539
Total	892	2,236,982

*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**  
**Lo Ka Leong**  
*Company Secretary*

BY ORDER OF THE BOARD  
**Kingboard Laminates Holdings Limited**  
**Tsoi Kin Lung**  
*Company Secretary*

Hong Kong, February 23, 2012

*As at the date of this announcement, the board of directors (“Board”) of Kingboard Chemical consists of 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 directors, Mr. Chan Wing Kwan, being the non-executive director, and Messrs. Lai Chung Wing, Robert, 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 Yue Kwong, Michael, Leung Tai Chiu, Mok Yiu Keung, Peter, and Ip Shu Kwan, Stephen being the independent non-executive directors.*