

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.

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

DISCLOSEABLE TRANSACTION ACQUISITION OF LAND

ACQUISITION OF LAND

Both the KBC Board and the KBL Board are pleased to announce that on 25 April 2012, Rising Grace, a wholly owned subsidiary of KBL, received a written notice from Kunshan Land Resources Bureau confirming that the bid made by Rising Grace of RMB968,600,000 for the land use right in respect of two plots of land with an aggregate site area of 215,244 m² situated at Huaqiao, Kunshan, Jiangsu, the PRC through a transfer by public listing process organised and held by Kunshan Land Resources Bureau was successful. It is a condition of the acquisition of the Land that Rising Grace shall enter into the Land Transfer Contract with Kunshan Land Resources Bureau and pay the Land Transfer Price on or before 3 May 2012, failing which the acquisition shall fall through.

The Land comprises Plot A and Plot B. Plot A is of a site area of 93,667 m² with planned total GFA of approximately 112,400 m² and Plot B is of a site area of 121,577 m² with planned total GFA of approximately 303,900 m². The KBL Group estimates that, after completion of construction, the total GFA for the project is approximately 416,300 m². The Land is permitted for residential use.

The KBL Group intends to acquire the land for the purpose of future development for sale.

* For identification purposes only

LISTING RULES IMPLICATIONS

KBL is a non-wholly owned subsidiary of KBC and Rising Grace is a wholly owned subsidiary of KBL and is a non-wholly owned subsidiary of KBC. As the applicable percentage ratios for each of KBC and KBL exceed 5% but less than 25%, the transaction contemplated under the Land Transfer Contract constitutes a discloseable transaction for each of KBC and KBL and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

A further joint announcement will be made by KBC and KBL setting out, among other things, the major terms of the Land Transfer Contract as soon as practicable after the Land Transfer Contract is entered into.

BACKGROUND

On 25 April 2012, Rising Grace, a wholly owned subsidiary of KBL, received a written notice from Kunshan Land Resources Bureau confirming that the bid made by Rising Grace of RMB968,600,000 for the land use right to the Land through a transfer by public listing process organised and held by Kunshan Land Resources Bureau was successful.

It is a condition of the acquisition of the Land that Rising Grace shall enter into the Land Transfer Contract with Kunshan Land Resources Bureau and pay the Land Transfer Price on or before 3 May 2012, failing which the acquisition shall fall through.

Term

The term of the land use right to the Land is 70 years.

Land Transfer Price

The Land Transfer Price for the acquisition of the land use right to the Land is RMB968,600,000, which shall be paid on or before 3 May 2012.

The Land Transfer Price was determined by reference to the recent market value of comparable land nearby the Land. The KBL Group took into account, among other things, the location of the Land and the potential for business expansion in the area where a building will be constructed. KBL intends to fund the Land Transfer Price by its internal resources.

Land Uses

The Land is permitted for residential use.

INFORMATION ON KBC, KBL AND RISING GRACE

The principal business of KBC is investment holding. The KBC Group is principally engaged in the production and sale of printed circuit boards, chemicals, liquid crystal displays, magnetic products and property development and investment business. The KBC Group has been continuously expanding its property development and investment business.

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

Rising Grace is a company incorporated in Hong Kong with limited liability and is a wholly owned subsidiary of KBL and is a non-wholly owned subsidiary of KBC. Rising Grace is principally engaged in real property development and investment management.

INFORMATION ON KUNSHAN LAND RESOURCES BUREAU AND THE LAND

Both the KBC Directors and the KBL Directors are informed that Kunshan Land Resources Bureau is responsible for organising and holding the transfer by public listing process for the land use right to the Land. To the best knowledge, information and belief of the KBC Directors and the KBL Directors having made all reasonable enquiries, Kunshan Land Resources Bureau and its ultimate beneficial owner(s) are third parties independent of each of KBC and KBL and their respective connected persons.

The Land comprises Plot A and Plot B. Plot A is of a site area of 93,667 m² with planned total GFA of approximately 112,400 m² and Plot B is of a site area of 121,577 m² with planned total GFA of approximately 303,900 m². The KBL Group estimates that, after completion of construction, the total GFA for the project is approximately 416,300 m². The Land is permitted for residential use.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LAND TRANSFER CONTRACT

The KBL Group intends to acquire the land for the purpose of future development for sale. The KBC Directors and the KBL Directors consider the acquisition of the Land pursuant to the Land Transfer Contract an opportunity for both the KBC Group and the KBL Group to expand their property investment portfolio and increase the income stream of both the KBC Group and the KBL Group. The KBC Directors and the KBL Directors consider that the Acquisition is in line with the development strategies and is in the interests of KBC and its shareholders as a whole, and also of KBL and its shareholders as a whole.

LISTING RULES IMPLICATIONS

KBL is a non-wholly owned subsidiary of KBC and Rising Grace is a wholly owned subsidiary of KBL and is a non-wholly owned subsidiary of KBC. As the applicable percentage ratios for each of KBC and KBL exceed 5% but less than 25%, the transaction contemplated under the Land Transfer Contract constitutes a discloseable transaction for each of KBC and KBL and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

A further joint announcement will be made by KBC and KBL setting out, among other things, the major terms of the Land Transfer Contract as soon as practicable after the Land Transfer Contract is entered into.

DEFINITIONS

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

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“GFA”	gross floor area
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“KBC”	Kingboard Chemical Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the main board of the Stock Exchange
“KBC Board”	the board of KBC Directors
“KBC Director(s)”	the director(s) of KBC
“KBC Group”	KBC and its subsidiaries, excluding the KBL Group
“KBL”	Kingboard Laminates Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the main board of the Stock Exchange

“KBL Board”	the board of KBL Directors
“KBL Director(s)”	the director(s) of KBL
“KBL Group”	KBL and its subsidiaries
“Kunshan Land Resources Bureau”	昆山市國土資源局 (Kunshan Land Resources Bureau)
“Land”	collectively, Plot A and Plot B with a total site area of 215,244 m ²
“Land Transfer Contract”	國有建設用地使用權出讓合同 (Contract for the transfer of the land use right of State-owned construction land) in respect of the Land to be entered into between Rising Grace as transferee and Kunshan Land Resources Bureau as transferor
“Land Transfer Price”	RMB968,600,000, being the price for the acquisition of the land use right in respect of the Land
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Plot A”	a plot of land with a site area of 93,667 m ² situated at Huaqiao, Kunshan, Jiangsu, the PRC
“Plot B”	a plot of land with a site area of 121,577 m ² situated at Huaqiao, Kunshan, Jiangsu, the PRC
“PRC”	the People’s Republic of China, which for the purposes of this announcement excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Rising Grace”	Rising Grace Limited (暉升有限公司), a company incorporated in Hong Kong with limited liability
“RMB”	Renminbi, the lawful currency of the PRC

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent
“m ² ”	square metre(s)

By Order of the board of
Kingboard Chemical Holdings Limited
Cheung Kwok Wing
Chairman

By Order of the board of
Kingboard Laminates Holdings Limited
Cheung Kwok Wa
Chairman

Hong Kong, 25 April 2012

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 Yue Kwong, Michael, Leung Tai Chiu, Mok Yiu Keung, Peter and Ip Shu Kwan, Stephen, being the independent non-executive KBL Directors.