

KB 建滔積層板控股有限公司

KINGBOARD LAMINATES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1888

LEADING THE FUTURE



2025
INTERIM REPORT



INTERIM RESULTS

The board of directors (the “Board”) of Kingboard Laminates Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024 as follows:

Condensed Consolidated Statement of Profit or Loss

		Six months ended 30 June	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	3	9,588,032	8,638,244
Cost of sales		(7,825,212)	(6,933,746)
Gross profit		1,762,820	1,704,498
Other income, gains and losses	5	33,828	48,900
Distribution expenses		(231,330)	(223,750)
Administrative expenses		(380,484)	(364,176)
Gain (loss) on fair value changes of equity instruments at fair value through profit or loss		73,173	(53,424)
Impairment losses under expected credit loss model on debt instruments at fair value through other comprehensive income		—	(742)
Finance costs	6	(86,720)	(153,841)
Profit before taxation		1,171,287	957,465
Income tax expense	8	(237,742)	(228,129)
Profit for the period		933,545	729,336
Profit for the period attributable to:			
Owners of the Company		933,317	727,797
Non-controlling interests		228	1,539
		933,545	729,336
Earnings per share	10		
– Basic		HK\$0.299	HK\$0.233
– Diluted		HK\$0.299	HK\$0.233

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit for the period	<u>933,545</u>	<u>729,336</u>
Other comprehensive income (expenses) for the period:		
<i>Item that will not be reclassified to profit or loss:</i>		
Translation reserve:		
Exchange differences arising from translation to presentation currency	<u>223,020</u>	<u>(132,768)</u>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Investment revaluation reserve:		
Impairment losses under expected credit loss model on debt instruments at fair value through other comprehensive income included in profit or loss	-	742
Fair value gain (loss) on debt instruments at fair value through other comprehensive income	<u>3,449</u>	<u>(3,115)</u>
	<u>3,449</u>	<u>(2,373)</u>
Other comprehensive income (expenses) for the period	<u>226,469</u>	<u>(135,141)</u>
Total comprehensive income for the period	<u><u>1,160,014</u></u>	<u><u>594,195</u></u>
Total comprehensive income for the period attributable to:		
Owners of the Company	<u>1,159,359</u>	<u>592,832</u>
Non-controlling interests	<u>655</u>	<u>1,363</u>
	<u><u>1,160,014</u></u>	<u><u>594,195</u></u>

Condensed Consolidated Statement of Financial Position

		30 June 2025	31 December 2024
	<i>Notes</i>	HK\$'000	HK\$'000
		(Unaudited)	(Audited)
Non-current assets			
Investment properties		1,229,547	1,229,135
Property, plant and equipment	11	7,050,183	6,921,000
Right-of-use assets		561,688	561,919
Equity instruments at fair value through profit or loss		519,990	263,931
Debt instruments at fair value through other comprehensive income		249,516	94,652
Deposits paid for acquisition of property, plant and equipment		194,851	236,254
Deferred tax assets		3,496	3,467
Goodwill		238	238
		9,809,509	9,310,596
Current assets			
Inventories		2,659,887	2,655,260
Trade and other receivables and prepayments	12	4,790,124	4,251,573
Bills receivables	12	3,636,465	2,786,704
Properties held for development		105,345	103,802
Equity instruments at fair value through profit or loss		1,754,172	1,539,515
Debt instruments at fair value through other comprehensive income		49	324
Amounts due from fellow subsidiaries		718,043	538,085
Cash and cash equivalents		1,461,212	1,924,271
		15,125,297	13,799,534

		30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
	Notes		
Current liabilities			
Trade and other payables	13	2,397,515	2,314,366
Bills payables	13	325,328	516,196
Contract liabilities		258,011	293,260
Dividend payable		1,560,000	374,400
Lease liabilities		285	554
Amounts due to fellow subsidiaries		46,531	46,681
Taxation payable		553,221	555,064
Bank borrowings – amount due within one year		3,357,547	1,662,897
		<u>8,498,438</u>	<u>5,763,418</u>
Net current assets		<u>6,626,859</u>	<u>8,036,116</u>
Total assets less current liabilities		<u>16,436,368</u>	<u>17,346,712</u>
Non-current liabilities			
Lease liabilities		853	843
Deferred tax liabilities		356,450	360,595
Bank borrowings – amount due after one year		1,109,162	1,615,385
		<u>1,466,465</u>	<u>1,976,823</u>
Net assets		<u>14,969,903</u>	<u>15,369,889</u>
Capital and reserves			
Share capital		312,000	312,000
Reserves		14,629,786	15,030,427
Equity attributable to owners of the Company		14,941,786	15,342,427
Non-controlling interests		28,117	27,462
Total equity		<u>14,696,903</u>	<u>15,369,889</u>

Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company											Non-controlling interests	Total equity
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Properties revaluation reserve HK\$'000	Investment revaluation reserve HK\$'000	Share-based payments reserve HK\$'000	Special reserve HK\$'000	Statutory reserve HK\$'000	Goodwill reserve HK\$'000	Retained profits HK\$'000	Sub-total HK\$'000		
							(note a)		(note b)				
Balance at 1 January 2025	312,000	2,131,768	(864,039)	7,268	6,876	96,750	757,689	2,463,173	256,911	10,194,031	15,342,427	27,462	15,369,889
Profit for the period	-	-	-	-	-	-	-	-	-	933,317	933,317	228	933,545
Exchange differences arising from translation of presentation currency	-	-	222,593	-	-	-	-	-	-	-	222,593	427	223,020
Fair value gain on debt instruments at fair value through other comprehensive income	-	-	-	-	3,449	-	-	-	-	-	3,449	-	3,449
Total comprehensive income for the period	-	-	222,593	-	3,449	-	-	-	-	933,317	1,159,359	655	1,160,014
Final dividend payable for the year ended 31 December 2024	-	-	-	-	-	-	-	-	-	(1,560,000)	(1,560,000)	-	(1,560,000)
Transfer to the reserve	-	-	-	-	-	-	-	76,817	-	(76,817)	-	-	-
	-	-	-	-	-	-	-	76,817	-	(1,636,817)	(1,560,000)	-	(1,560,000)
Balance at 30 June 2025	312,000	2,131,768	(661,446)	7,268	10,325	96,750	757,689	2,539,990	256,911	9,490,531	14,941,786	28,117	14,969,903

	Attributable to owners of the Company											Non-controlling interests	Total equity
	Share capital	Share premium	Translation reserve	Properties revaluation reserve	Investment revaluation reserve	Share-based payments reserve	Special reserve	Statutory reserve	Goodwill reserve	Retained profits	Sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
							(note a)		(note b)				
Balance at 1 January 2024	312,000	2,131,768	(554,077)	7,268	(74,582)	96,750	757,689	2,382,726	256,911	9,634,782	14,951,235	24,002	14,975,237
Profit for the period	-	-	-	-	-	-	-	-	-	727,797	727,797	1,539	729,336
Exchange differences arising from translation of presentation currency	-	-	(132,592)	-	-	-	-	-	-	-	(132,592)	(176)	(132,768)
Impairment losses under expected credit loss model on debt instruments at fair value through other comprehensive income included in profit or loss	-	-	-	-	742	-	-	-	-	-	742	-	742
Fair value loss on debt instruments at fair value through other comprehensive income	-	-	-	-	(3,115)	-	-	-	-	-	(3,115)	-	(3,115)
Total comprehensive (expenses) income for the period	-	-	(132,592)	-	(2,373)	-	-	-	-	727,797	592,832	1,363	594,195
Final dividend payable for the year ended 31 December 2023	-	-	-	-	-	-	-	-	-	(312,000)	(312,000)	-	(312,000)
Transfer to the reserve	-	-	-	-	-	-	-	56,959	-	(56,959)	-	-	-
	-	-	-	-	-	-	-	56,959	-	(368,959)	(312,000)	-	(312,000)
Balance at 30 June 2024	312,000	2,131,768	(686,669)	7,268	(76,955)	96,750	757,689	2,439,685	256,911	9,993,820	15,232,067	25,365	15,257,432

Notes:

- (a) Statutory reserve comprises statutory fund, which is non-distributable, and represents capitalisation of retained profits of certain subsidiaries established in the People's Republic of China (the "PRC") for capital re-investment in these subsidiaries and funds shall be used to (i) make up prior year losses or (ii) expand production operations.
- (b) Goodwill reserve represents the effect of changes in ownership in certain subsidiaries when there is no change in control.

Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Net cash (used in) from operating activities	(327,008)	302,740
Net cash used in investing activities	(896,531)	(159,209)
Net cash from financing activities	760,480	590,678
Net (decrease) increase in cash and cash equivalents	(463,059)	734,209
Cash and cash equivalents at the beginning of the period	1,924,271	2,027,179
Cash and cash equivalents at the end of the period	1,461,212	2,761,388

Notes:

1. Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited.

2. Principal accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

Other than additional accounting policies resulting from application of amendments to a HKFRS Accounting Standard and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on or after 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. Revenue

Analysis of revenue for the period is as follows:

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue recognised at a point in time		
Sales of laminates and its upstream materials (<i>Note a</i>)	8,718,166	7,832,585
Sales of properties	1,393	2,791
Sales of specialty resin (<i>Note a</i>)	651,552	591,481
Others	127,152	101,179
Revenue recognised overtime (<i>Note b</i>)	25,224	25,439
Revenue from contracts with customers	9,523,487	8,553,475
Rental income	17,331	30,224
Interest income from debt instruments	4,987	4,751
Dividend income	42,227	49,794
	9,588,032	8,638,244

Notes:

- (a) Sales of laminates, its upstream materials include sales of copper foil, epoxy resin, fibreglass fabric, fibreglass yarn and bleached kraft paper, and sales of specialty resin. The payment terms are ranged from 0 day to 120 days.
- (b) Income from hotel accommodation of HK\$25,224,000 (six months ended 30 June 2024: HK\$25,439,000).

4. Segment information

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by Chief Operating Decision Maker ("CODM") in order to allocate resources to segments and to assess their performance. Specifically, the Group's reportable segments under HKFRS 8 are organised into three main operating divisions – (i) manufacturing and sale of laminates; (ii) properties; and (iii) investments.

The accounting policies the Group used for segment reporting under HKFRS 8 are the same as those used in its HKFRS consolidated financial statements. Segment result represents the profit earned by or loss incurred from each segment with certain items not included (unallocated corporate income and expenses and finance costs). This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

4. Segment information – continued

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

Six months ended 30 June 2025	Laminates HK\$'000 (Unaudited)	Properties HK\$'000 (Unaudited)	Investments HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Segment revenue	<u>9,496,870</u>	<u>43,948</u>	<u>47,214</u>	<u>9,588,032</u>
Segment results	<u>1,171,968</u>	<u>10,126</u>	<u>119,522</u>	<u>1,301,616</u>
Unallocated corporate income				14,155
Unallocated corporate expenses				(57,764)
Finance costs				<u>(86,720)</u>
Profit before taxation				<u>1,171,287</u>
Six months ended 30 June 2024	Laminates HK\$'000 (Unaudited)	Properties HK\$'000 (Unaudited)	Investments HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Segment revenue	<u>8,525,245</u>	<u>58,454</u>	<u>54,545</u>	<u>8,638,244</u>
Segment results	<u>1,116,600</u>	<u>22,593</u>	<u>(788)</u>	<u>1,138,405</u>
Unallocated corporate income				20,164
Unallocated corporate expenses				(47,263)
Finance costs				<u>(153,841)</u>
Profit before taxation				<u>957,465</u>

For the six months ended 30 June 2025, revenue from one of the Group's customers, being Kingboard Holdings Limited's subsidiaries, in laminates segment, amounted to HK\$1,738,999,000 (six months ended 30 June 2024: HK\$1,765,743,000), which individually accounted for more than 10% of the Group's revenue for the period.

5. Other income, gains and losses

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Other income, gains and losses include:		
Interest income on bank balances and deposits	8,597	13,966
(Loss) gain on disposal and write off of property, plant and equipment	(5,537)	2,666
Government grants	23,396	24,855
Others	7,372	7,413
	<u>33,828</u>	<u>48,900</u>

6. Finance costs

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on bank borrowings	92,910	160,534
Interest on lease liabilities	31	37
Less: Amounts capitalised in the construction in progress	(6,221)	(6,730)
	<u>86,720</u>	<u>153,841</u>

7. Depreciation

During the reporting period, depreciation of approximately HK\$433,063,000 (six months ended 30 June 2024: HK\$450,060,000) was charged in respect of the Group's property, plant and equipment.

8. Income tax expense

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
The amount comprises:		
The People's Republic of China (the "PRC") Enterprise Income Tax	185,523	176,617
The PRC Land Appreciation Tax ("LAT")	–	141
Hong Kong Profits Tax	759	9,211
Taxation arising in other jurisdiction	723	1,794
Withholding tax in the PRC	46,563	17,670
	233,568	205,433
Deferred taxation		
Charge for the period	4,174	22,696
	237,742	228,129

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

Under the EIT Law, withholding tax of 5% to 10% is imposed on dividends declared in respect of profits earned by subsidiaries in Mainland China from 1 January 2008 onwards.

Pursuant to the EIT Law, a High-New Technology Enterprise shall be entitled to a preferential tax rate of 15% for three years since it was officially endorsed. Certain subsidiaries in the PRC obtained official endorsement as a High-New Technology Enterprise and with the expiry dates on or before 2026 (2024: 2025).

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been levied at progressive rates ranging from 30% to 60% on the appreciation of land value, represented by the excess of sales proceeds of properties over prescribed direct costs. Prescribed direct costs are defined to include costs of land, development and construction costs, as well as certain costs relating to the property development. According to the State Administration of Taxation's official circulars, LAT shall be payable provisionally upon sales of the properties, followed by final ascertainment of the gain at the completion of the properties development.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to income taxes under the Pillar Two Rules.

The Group is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

9. Interim Dividends

The Directors have resolved to declare an interim dividend for the six months ended 30 June 2025 of HK15.0 cents per share (six month ended 30 June 2024: interim dividend HK12.0 cents per share) to the shareholders whose names appear on the register of members of the Company on Wednesday, 17 December 2025. The dividend warrants will be dispatched on or around Tuesday, 6 January 2026.

10. Earnings per share

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Profit for the period attributable to owners of the Company	<u>933,317</u>	<u>727,797</u>
	Number of shares	
	30 June 2025 '000	30 June 2024 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	3,120,000	3,120,000
Effect of dilutive potential ordinary shares arising from share options (Note)	<u>1,117</u>	<u>—</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>3,121,117</u>	<u>3,120,000</u>

Note:

For the six months ended 30 June 2025, the computation of diluted earnings per share assumed the exercise of the Company's share options because the exercise price of these share options was lower than the average market price. The Company's share options can potentially dilute basic earnings per share in the future, but are not included in the calculation of diluted earnings per share because they are antidilutive for the six months ended 30 June 2024.

11. Additions to property, plant and equipment

During the reporting period, the Group had addition of approximately HK\$456,515,000 (six months ended 30 June 2024: HK\$195,371,000) on property, plant and equipment.

12. Trade and other receivables and prepayments and bills receivables

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables	4,556,080	4,061,223
Less: Allowance for credit losses	(498,145)	(444,041)
	<hr/>	<hr/>
Trade receivables, net	4,057,935	3,617,182
Advance to suppliers	172,566	129,906
Prepaid expenses and deposits	152,201	71,010
Value-added tax ("VAT") recoverable	213,762	239,463
Other receivables	193,660	194,012
	<hr/>	<hr/>
	4,790,124	4,251,573
Bills receivables	3,636,465	2,786,704
	<hr/>	<hr/>
	8,426,589	7,038,277
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As at 1 January 2024, the gross amount of trade receivables from contracts with customers amounted to HK\$3,565,346,000 with allowance for credit losses of HK\$464,189,000.

The Group allows credit periods of up to 120 days (31 December 2024: 120 days), depending on the products sold to its trade customers.

The following is an aging analysis of trade receivables net of allowance for credit losses based on invoice date at the end of the reporting period:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
0–90 days	3,314,356	3,098,773
91–180 days	673,639	467,055
Over 180 days	69,940	51,354
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	4,057,935	3,617,182
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Bills receivables of the Group are aged within 90 days (31 December 2024: 90 days) at the end of the reporting period. All bills received by the Group are with a maturity period of less than one year.

13. Trade and other payables and bills payables

	30 June 2025	31 December 2024
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Trade payables	777,940	775,711
Accrued expenses	519,324	519,989
Payables for acquisition of property, plant and equipment	167,954	119,523
Other tax payables	589,319	572,878
VAT payables	133,967	135,931
Other payables	209,011	190,334
	2,397,515	2,314,366
Bills payables (Note)	325,328	516,196
	2,722,843	2,830,562

Note:

Included in bills payables as at 30 June 2025 was payables for acquisition of property, plant and equipment of HK\$20,505,000 (31 December 2024: HK\$121,274,000).

The following is an aging analysis of trade payables based on the invoice date at the end of the reporting period:

	30 June 2025	31 December 2024
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
0–90 days	701,773	712,021
91–180 days	26,788	24,774
Over 180 days	49,379	38,916
	777,940	775,711

The average credit period on purchase of goods is 90 days (31 December 2024: 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

Bills payables of the Group related to trade payables in which the Group has issued bills to the relevant suppliers for future settlement of trade payables, which are aged within 90 days (31 December 2024: 90 days) at the end of the reporting period.

14. Share options

The share option scheme of the Company (the “Scheme”) was approved by the shareholders of the Company and the shareholders of Kingboard Holdings Limited (“KHL”) on 29 May 2017 and the Scheme took effect upon obtaining approval from the Listing Committee of the Stock Exchange on 2 November 2017. The purpose of the Scheme is to provide incentive or reward to the eligible participants of the Scheme (as listed below) for their contribution to, and continuing efforts to promote the interests of the Group.

The Scheme is valid for a period of ten years. The Board may, at its discretion, grant options to subscribe for shares in the Company to eligible participants who contribute to the long-term growth and profitability of the Company and include (i) any employee or proposed employee (whether full-time or part-time and including any executive director), consultants or advisers of or to the Company, any of its subsidiaries or any entity (“Invested Entity”) in which the Group holds an equity interest; (ii) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of the Group or any Invested Entity; (v) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and (vi) any shareholder of any member of the Group or any Invested Entity.

The exercise price of the Company’s share in respect of any option granted under the Scheme was determined with reference to the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average closing price of the shares of the Company as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of the shares of the Company. For details, please refer to the announcement of the Company dated 28 July 2023.

The option may be accepted by a participant within 28 days from the date of the offer for the grant of the option upon the payment of a consideration of HK\$1. An option may be exercised at any time during a period to be determined and notified by the Directors to each grantee, and in the absence of such determination, from the date upon which the offer for the grant of the option is accepted but shall end in any event not later than ten years from the date of grant of the option subject to the provisions for early termination thereof. The Directors may, at their absolute discretion, fix any minimum period for which an option must be held, any performance targets that must be achieved and any other conditions that must be fulfilled before the options can be exercised upon the grant of an option to a participant.

The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme (excluding, for this purpose, options lapsed in accordance with the terms of the Scheme and any other share option scheme of the Company) must not in aggregate exceed 10% of the total number of shares of the Company in issue as at the date of approval of the Scheme by the shareholders of the Company and the shareholders of KHL (i.e. 312,100,000 shares of the Company, representing 10.0% of the total issued share capital of the Company as at the date these condensed consolidated financial statements are authorised for issued).

The maximum number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not exceed 30% of the issued share capital of the Company from time to time.

The total number of shares of the Company issued and to be issued upon exercise of the options granted (including both exercised and outstanding options) to each participant in any 12-month period must not exceed 1% of the share capital of the Company then in issue unless approved by the shareholders of the Company and KHL in general meetings.

14. Share options – continued

A summary of movements of the number of options for the period is as follows:

	Date of grant	Outstanding as at 1 January 2025	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	Outstanding as at 30 June 2025	Exercise price per share	Exercisable period (Note i)
Directors								
Mr. Cheung Kwok Wa	23 June 2022	6,000,000	-	-	-	6,000,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	6,000,000	-	-	-	6,000,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Cheung Kwok Keung	23 June 2022	6,000,000	-	-	-	6,000,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	6,000,000	-	-	-	6,000,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Cheung Kwok Ping	23 June 2022	6,000,000	-	-	-	6,000,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	6,000,000	-	-	-	6,000,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Lam Ka Po	23 June 2022	6,000,000	-	-	-	6,000,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	6,000,000	-	-	-	6,000,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Cheung Ka Ho	23 June 2022	2,000,000	-	-	-	2,000,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	2,000,000	-	-	-	2,000,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Zhou Pei Feng	23 June 2022	1,000,000	-	-	-	1,000,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	1,000,000	-	-	-	1,000,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Ip Shu Kwan, Stephen	23 June 2022	500,000	-	-	-	500,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	500,000	-	-	-	500,000	HK\$7.800	28 July 2023 to 27 July 2033

14. Share options – continued

	Date of grant	Outstanding as at 1 January 2025	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	Outstanding as at 30 June 2025	Exercise price per share	Exercisable period (Note i)
Directors								
Mr. Zhang Lu Fu	23 June 2022	500,000	–	–	–	500,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	500,000	–	–	–	500,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Kung, Peter	23 June 2022	500,000	–	–	–	500,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	500,000	–	–	–	500,000	HK\$7.800	28 July 2023 to 27 July 2033
Mr. Ho Kwok Ming	23 June 2022	500,000	–	–	–	500,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	500,000	–	–	–	500,000	HK\$7.800	28 July 2023 to 27 July 2033
Subtotal		<u>58,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>58,000,000</u>		
Employees of the Company (Note ii)	23 June 2022	7,900,000	–	–	–	7,900,000	HK\$9.728	23 June 2022 to 22 June 2032
	28 July 2023	6,900,000	–	–	–	6,900,000	HK\$7.800	28 July 2023 to 27 July 2033
Subtotal		<u>14,800,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>14,800,000</u>		
Total		<u><u>72,800,000</u></u>	<u><u>–</u></u>	<u><u>–</u></u>	<u><u>–</u></u>	<u><u>72,800,000</u></u>		
Exercisable at								
1 January 2025		72,800,000						
30 June 2025		<u><u>72,800,000</u></u>						

14. Share options – continued

Notes:

- (i) All share options were vested on the date of grant and there was no vesting period attached to the options granted.
- (ii) Including the spouse of Mr. Ho Yin Sang, a Director of KHL, in respect of 10,800,000 options. Ms. Cheung Wai Kam also is an associate of Director by virtue of her relationship with several executive Directors of the Company. She is the sister of Mr. Cheung Kwok Wa, Mr. Cheung Kwok Keung and Mr. Cheung Kwok Ping. She is also an employee of the Company.

As at 30 June 2025, there was no participant with share options granted in excess of the individual limit.

During the Period, no option was granted, lapsed, cancelled or exercised under the Scheme.

The number of options available for grant under the Scheme is 196,300,000 as at 1 January 2025 and 30 June 2025.

15. Capital and other commitments

Capital expenditure contracted for but not provided in the consolidated financial statements for:
– acquisition of property, plant and equipment

30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
<u>24,128</u>	<u>78,675</u>

16. Contingent liabilities

The Group provided guarantees amounting to approximately HK\$6.9 million as at 30 June 2025 (31 December 2024: approximately HK\$8.2 million) in respect of bank mortgage loans granted to purchasers of the Group's properties. In the opinion of the Directors, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the Directors consider that the possibility of default of the parties involved is remote. Accordingly, no value has been recognised at the inception of the guarantee contracts and at the end of the reporting period as at 30 June 2025 and 31 December 2024.

Guarantees are given to banks with respect to loans procured by the purchasers of the Group's properties. Such guarantees will be released by banks upon delivery of the properties to the purchasers and completion of the registration of the relevant mortgaged properties.

17. Related party transactions

The Group entered into the following significant transactions with related parties during the period:

		Six months ended 30 June	
		2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
(i)	Sales of goods to fellow subsidiaries	<u>1,738,999</u>	<u>1,765,743</u>
(ii)	Purchases of goods from fellow subsidiaries	<u>405,876</u>	<u>382,721</u>
(iii)	Sales of laminates and copper to a shareholder with significant influence over the ultimate holding company	<u>197,048</u>	<u>216,091</u>
(iv)	Purchases of machineries from a shareholder with significant influence over the ultimate holding company	<u>8,290</u>	<u>58,690</u>

BUSINESS REVIEW

On behalf of the board of directors (the “Board”), I am delighted to present to our shareholders the results of Kingboard Laminates Holdings Limited and its subsidiaries (the “Group”) for the six months ended 30 June 2025 (the “Period”). During the first half of 2025, the electronics market saw strong demand, fuelled by rapid advancements in high-tech sectors such as artificial intelligence (AI). AI-enabled electronic products exhibited particularly robust demand, driving growth across the upstream-to-downstream chain of the laminates industry. The Group benefits from a vertically integrated supply chain and an extensive customer network. The proportion of high-end, high-value-added product sales continued to rise to meet evolving market demands, with capacity utilisation improving compared to the same period last year. Supported by product price increases, the Laminates Division achieved growth in both revenue and earnings during the Period. The Group’s investment business also posted an increased profit year-on-year. Group revenue grew by 11% year-on-year to HK\$9,588.0 million, with net profit attributable to the Company’s owners increasing by 28% to HK\$933.3 million. In view of the Group’s robust financial position, the Board has resolved to declare an interim dividend of HK15.0 cents per share.

Financial Highlights

	Six months ended 30 June		
	2025 HK\$'million	2024 HK\$'million	Change
Revenue	9,588.0	8,638.2	+11%
EBITDA	1,699.4	1,569.7	+8%
Profit before tax	1,171.3	957.5	+22%
Net profit attributable to owners of the Company	933.3	727.8	+28%
Basic earnings per share	HK29.9 cents	HK23.3 cents	+28%
Interim dividend per share	HK15.0 cents	HK12.0 cents	+25%
Net asset value per share	HK\$4.79	HK\$4.88	-2%
Net gearing	20%	17%	

PERFORMANCE

Laminates Division: During the Period, the positive effects of the central government's policies for stimulating electronics demand gradually materialised, boosting consumption in the traditional electronics market. This growth was further supported by rapid development in the AI industry and continued progress in the area of electric and smart vehicles, which increased demand for laminates. The Period thus saw a 5% year-on-year increase in shipment volume, averaging 9 million sheets monthly. The laminates market has now shifted towards small-volume, high-diversity production. In response, the division actively developed new products to meet varying customer requirements in terms of performance and cost, while exploring new market segments. These efforts resulted in steady progress in product mix optimisation. Growth in data centres and cloud computing drove significant increases in thick copper foil usage. The new phase of the Lianzhou facility, delivering a monthly capacity of 1,500 tonnes of copper foil, became fully operational in the first half of 2025. This expansion substantially improved the Group's cost efficiency. The Laminates Division reported a 11% increase in revenue to HK\$9,496.9 million. The professionalism of the Group's experienced management team contributed to these results through continuous improvements in production techniques that enhanced efficiency, reduced energy consumption, and lowered labour costs via increased automation. As a result, earnings before interest, taxes, depreciation and amortisation ("EBITDA") rose 3% to HK\$1,607.3 million.

Property Division: While the Group continued to pursue a development strategy focused on growing its laminates business, the Property Division derived its primary revenue from rental income during the Period. The division's revenue fell by 25% to HK\$43.9 million, while EBITDA declined by 46% to HK\$16.1 million.

INVESTMENTS

As at 30 June 2025, the Group had in aggregate approximately HK\$2,523,727,000 (31 December 2024: HK\$1,898,422,000) investments in securities instruments, representing approximately 10% (31 December 2024: approximately 8%) of the total asset of the Group as at 30 June 2025, which consist of mostly shares listed on the Main Board of The Stock Exchange of Hong Kong Limited and bonds issued by companies also listed on the Main Board of the Stock Exchange. The Group acquired such securities investments through on market purchase. The Group will from time to time monitor the price movement of prices in securities and may adjust its investment portfolio as and when appropriate.

In terms of bond investments, the Group retained a certain number of listed bonds in order to generate stable and fixed interest income as the investment strategy. The Group's bond portfolio totalled a fair value of HK\$249,565,000 as at 30 June 2025 and the corresponding total investment cost was HK\$505,102,000. During the Period, interest income from bond investments amounted to HK\$4,987,000 representing an increase of approximately 5% compared to HK\$4,751,000 with the corresponding period in 2024.

The Group's equity instruments consist primarily of listed shares of a cluster of wide-ranging primarily blue-chip listed issuers as at 30 June 2025. During the Period, the dividend income from equity instrument at fair value through profit or loss is HK\$42,227,000, and the amount of gain on fair value changes of equity instruments at fair value through profit or loss is HK\$73,173,000. The Group's investment strategy of these equity investments is to make mid-to long-term investments in the prospects of primarily reputable sizeable issuers on stock exchanges for creating values for the Group and its shareholders, with the risks involved balanced and moderated by the diversity of the portfolio and the corporate governance and disclosures of such issuers.

There was no investment in an investee company with a value of 5 per cent or more of the Group's total assets as at 30 June 2025.

The Group's Investment Strategy for These Investments

Our investment portfolio is comprised mainly of listed securities of a variety of blue-chip listed companies and debt securities issued by creditable listed companies in Hong Kong. Our investment objective is to generate stable interest and dividend income and create value of the Group and its shareholders.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this report, the Group did not have any other material acquisitions and disposal of subsidiaries, associated companies or joint ventures for the six months ended 30 June 2025.

LIQUIDITY AND CAPITAL RESOURCES

The Group's consolidated financial and liquidity position remained robust. As at 30 June 2025, Group's net current assets and current ratio (current assets divided by current liabilities) were approximately HK\$6,626.9 million (31 December 2024: HK\$8,036.1 million) and 1.78 (31 December 2024: 2.39) respectively.

The net working capital cycle increased from 116 days as at 31 December 2024 to 126 days as at 30 June 2025 on the following key metrics:

- Inventories, in terms of stock turnover days, were 62 days (31 December 2024: 63 days).
- Trade receivables, including amounts due from fellow subsidiaries, in terms of debtor turnover days, were 90 days (31 December 2024: 82 days).
- Trade and bills payables (excluding bills payable for property, plant and equipment), including amounts due to fellow subsidiaries, in terms of creditor turnover days, were 26 days (31 December 2024: 29 days).

As at 30 June 2025, the Group's net gearing ratio (ratio of bank borrowings net of bank balances and cash to total equity) was approximately 20% (31 December 2024: net gearing ratio of approximately 9%). The ratio of short-term to long-term bank borrowings stood at 75%:25% (31 December 2024: 51%:49%). During the Period, the Group invested approximately HK\$400 million in new production capacity. Backed by the management team's wealth of professional experience, a strong business foundation, and a solid financial position, management firmly believes these investments will generate stable and satisfactory long-term returns for shareholders. The Group continued to adopt a prudent financial management policy. Throughout the Period, the Group did not enter into any material derivative financial instruments, nor did it have any material foreign exchange exposure. The Group's revenue, mostly denominated in Hong Kong dollars, RMB and US dollars, was fairly matched with the currency requirements of its operating expenses. The Group possessed adequate financial resources in reserve to fulfil its requirements for future market developments.

DEBT MATURITY PROFILE

The maturity profile of the Group's borrowings is set out below:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within one year	3,357,547	1,662,897
Within a period of more than one year but not more than two years	1,076,923	1,076,923
Within a period of more than two years but not more than five years	32,239	538,462
	<u>4,466,709</u>	<u>3,278,282</u>
<i>Reclassification due to repayment on demand clause</i>		
Current	3,357,547	1,662,897
Non-current	1,109,162	1,615,385
	<u>4,466,709</u>	<u>3,278,282</u>

The Group's variable-rate bank borrowings as at 30 June 2025 carry interest ranging from HIBOR +0.60% to HIBOR +0.976% (31 December 2024: HIBOR +0.976%) per annum.

The effective interest rates (which are also equal to contracted interest rates) of the Group's bank borrowings as at 30 June 2025 is 2.00% (31 December 2024: 4.96%) per annum.

Included in bank borrowings are the following amounts denominated in currencies as indicated below:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
HK\$	2,253,846	2,692,308
RMB	2,212,863	553,626
Japanese Yen ("JPY")	—	32,348

CONTINGENT LIABILITIES

The Group provided guarantees amounting to approximately HK\$6.9 million in aggregate as at 30 June 2025 (31 December 2024: approximately HK\$8.2 million) in respect of bank mortgage loans granted to purchasers of the Group's properties. Please refer to Note 16 to the Group's unaudited condensed consolidated financial statements for the Period in this report for further details of such guarantees.

HUMAN RESOURCES

As at 30 June 2025, the Group employed a workforce of approximately 10,600 (31 December 2024: 9,900). In addition to offering competitive salary packages, the Group grants share options and discretionary bonuses to eligible employees based on the Group's overall financial achievements and employees' individual performance.

SUSTAINABLE DEVELOPMENT

Aligning with the national goals for energy conservation and emissions reduction, Kingboard Holdings Limited and its subsidiaries (including the Group) (collectively referred to as the "Kingboard Group") has adopted a professional and systematic approach to installing distributed solar photovoltaics in all buildable areas within its facilities. As at 30 June 2025, the Kingboard Group had invested a total of HK\$900 million in these initiatives. In the first half of 2025, these installations generated 100 million kWh of green electricity, yielding energy savings equivalent to 27,000 tonnes of standard coal and reducing carbon dioxide emissions by 60,000 tonnes. This translated into electricity cost savings of HK\$90 million based on current market rates. Furthermore, by 30 June 2025, the Kingboard Group had invested approximately HK\$250 million in thermal energy recovery facilities. In the first half of 2025, these facilities reduced carbon dioxide emissions by 37,000 tonnes, equivalent to energy savings of 15,000 tonnes of standard coal and cost savings of HK\$95 million. Combined with cumulative savings of HK\$480 million as at 31 December 2024, the Kingboard Group had achieved total savings of HK\$575 million by 30 June 2025. These initiatives will deliver sustained long-term benefits to the Kingboard Group, and underscore its full commitment to achieving all its environmental, social and governance (ESG) goals.

PROSPECTS

Entering 2025, robust demand from the electronics market, driven by the rise of AI technologies, has fueled the vigorous growth of multiple industry chains, including cloud data centres, robotics, autonomous driving, and smart wearable devices. The continuous upgrading of high-speed networks is further stimulating demand for electronic products. Downstream PCB customers have recently demonstrated strong business performance, which will serve as a catalyst for increased demand for laminates. High-performance, high-reliability, and high-stability laminates are set to represent the mainstream demand in the electronics market of the future. Benefiting from vertical integration and economies of scale, the Group is able to offer competitive product pricing. And through lean production, and a market-led and R&D-supported strategy, the Group is now expanding its market share of mid-to-high-end products, including high-frequency, high-speed, mid-to-high heat-resistant, halogen-free, and prepreg materials. The Group has also upgraded its laminates R&D centre, equipping it with cutting-edge technology. The centre has successfully developed various high-frequency, high-speed products for GPU motherboards in AI servers. Through coordinated development across its vertical industrial chain, the Group has engineered HVLP3 copper foil for AI servers and ultra-thin VLP copper foil for IC packaging substrates. By collaborating closely with premium customers, the Group has secured product certification among end-users. Its high-end laminate products have been certified for use by several world-leading Tier 1 automotive component manufacturers and key domestic and international telecommunications clients, positioning the Group to comprehensively meet the diverse needs of downstream customers into the future.

Low Dk fibreglass yarn, used in high-end telecommunications, particularly for 5G, 6G communications, and AI servers, is currently in high demand with supply falling short. To address this, the first kiln for producing low Dk fibreglass yarn at the Group's facility in Qingyuan City, Guangdong Province, already commenced production in the first half of 2025. Additional three kilns will begin producing low Dk fibreglass yarn in the second half of 2025, including higher-value-added, second-generation low Dk fibreglass yarn to meet the high-performance computing requirements driven by 5G, 6G communications and AI deployment. In 2026, the Group will construct a specialty fibreglass yarn factory within the Qingyuan industrial park, equipped with six kilns to produce low Dk, low CTE and Quartz fibreglass yarns, to expand its market share of high-end products and further strengthen its core competitiveness. Additionally, a project in Shaoguan City, Guangdong Province, with an annual capacity of 70,000 tonnes of electronic-grade fibreglass yarn and 96 million metres of electronic-grade fibreglass fabric, is scheduled to begin production in the second half of 2026. This project will alleviate capacity bottlenecks for downstream products, meet the growing demand for laminates and related electronic products, and reinforce Kingboard's leading position in the global laminates market, enabling it to maintain a competitive edge in a fiercely contested market. In 2024, the Group expanded its laminates production capacity in Thailand by 400,000 sheets per month, reaching a monthly capacity of 1 million sheets by the end of the year. The Group plans to further increase capacity in Thailand in two phases, each adding a further 400,000 sheets, to achieve upon completion a total monthly capacity of 1.8 million sheets. As the largest and most experienced laminate producer in Southeast Asia, the Group's capacity expansion is designed to meet the rising demand from overseas customers, including the international growth initiatives of PCB companies under Kingboard Holdings Limited.

We remain confident in the Group's growth trajectory. The Group's laminate products have continued to deliver consistent quality and reliable on-time delivery, attracting a growing base of satisfied customers. The Group's management will, as always, fulfil its responsibilities to create greater returns for shareholders.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, customers, banks, the management and employees for their unreserved support to the Group during the Period.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 16 December 2025 to Wednesday, 17 December 2025 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for receiving an interim dividend, the Company's shareholders are reminded to ensure all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:00 p.m. on Monday, 15 December 2025.

DIRECTORS' INTERESTS IN SHARES

As at 30 June 2025, the interests of the Directors (including the Managing Director of the Company) and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long Position

(a) Ordinary shares of HK\$0.10 each of the Company ("Shares")

Name of Director	Capacity	Number of issued shares held	Approximate percentage of the issued share capital of the Company %
Mr. Cheung Kwok Wa ¹	Beneficial owner/ Interest of spouse	9,517,000	0.305
Mr. Cheung Ka Ho	Beneficial owner	216,000	0.007
Mr. Cheung Kwok Keung	Beneficial owner	2,502,000	0.080
Mr. Cheung Kwok Ping	Beneficial owner	3,000,000	0.096
Ms. Cheung, Emily Chun Ming	Beneficial owner	5	0.000
Mr. Lam Ka Po	Beneficial owner	3,303,000	0.106
Mr. Ip Shu Kwan, Stephen	Beneficial owner	350,000	0.011

Note:

¹ 75,000 Shares were held by his spouse.

All Directors above also hold share options of the Company, details of which are mentioned in the section headed "Directors' interest in shares – Long position (b) Share options of the Company".

(b) Share options of the Company (“Share Options”)

Name of Director	Capacity	Interest in underlying shares pursuant to Share Options	Approximately percentage of the issued share capital of the Company %
Mr. Cheung Kwok Wa	Beneficial owner	12,000,000	0.385
Mr. Cheung Kwok Keung	Beneficial owner	12,000,000	0.385
Mr. Cheung Kwok Ping	Beneficial owner	12,000,000	0.385
Mr. Lam Ka Po	Beneficial owner	12,000,000	0.385
Mr. Cheung Ka Ho	Beneficial owner	4,000,000	0.128
Mr. Zhou Pei Feng	Beneficial owner	2,000,000	0.064
Mr. Ho Kwok Ming	Beneficial owner	1,000,000	0.032
Mr. Ip Shu Kwan, Stephen	Beneficial owner	1,000,000	0.032
Mr. Zhang Lu Fu	Beneficial owner	1,000,000	0.032
Mr. Kung, Peter	Beneficial owner	1,000,000	0.032

(c) Non-voting deferred shares of HK\$1 each of Kingboard Laminates Limited, a wholly-owned subsidiary of the Company

Name of Director	Capacity	Number of non-voting deferred shares held
Mr. Cheung Kwok Wa	Beneficial owner	1,058,000
Mr. Cheung Kwok Keung	Beneficial owner	529,000
Mr. Cheung Kwok Ping	Beneficial owner	952,200
Mr. Lam Ka Po	Beneficial owner	581,900

None of the non-voting deferred shares of Kingboard Laminates Limited are held by the Group. Such deferred shares carry no rights to receive notice of or to attend or vote at any general meeting of Kingboard Laminates Limited and have practically no rights to dividends or to participate in any distribution on winding up.

(d) **Ordinary shares of HK\$0.10 each of Kingboard Holdings Limited (“KHL”), the ultimate holding company of the Company**

Name of Director	Capacity	Number of issued ordinary shares held	Approximate percentage of the issued share capital of KHL %
Mr. Cheung Kwok Wa ¹	Beneficial owner/Interest of spouse	19,352,320	1.746
Mr. Cheung Kwok Keung	Beneficial owner	3,252,722	0.293
Mr. Cheung Kwok Ping ²	Beneficial owner/Interest of spouse	8,778,883	0.792
Mr. Lam Ka Po ³	Beneficial owner/Interest of spouse	3,442,500	0.311
Mr. Cheung Ka Ho	Beneficial owner	684,000	0.062
Ms. Cheung, Emily Chun Ming	Beneficial owner	6,530	0.001
Mr. Lo Ka Leong	Interest of spouse	50,000	0.005

Notes:

¹ 74,400 KHL's shares were held by his spouse.

² 36,000 KHL's shares were held by his spouse.

³ 942,500 KHL's shares were held by his spouse.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2025, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain Directors (including the Managing Director of the Company), the following shareholders had notified the Company of their relevant interests in the issued share capital of the Company.

Shares

Name of shareholder	Notes	Nature of interest	Number of issued shares held	Approximate percentage of the issued share capital of the Company %
Hallgain Management Limited ("Hallgain")	(a) & (b)	Interest of controlled corporations	2,301,434,000(L)	73.76
KHL	(c)	Beneficial owner Interest of controlled corporations	117,635,500(L) 2,183,798,500(L)	3.77 69.99
Jamplan (BVI) Limited ("Jamplan")	(d)	Beneficial owner Interest of controlled corporation	1,785,000,000(L) 398,798,500(L)	57.21 12.78
Capital Research and Management Company		Investment manager	177,205,851(L)	5.68

(L) The letter "L" denotes a long position.

Notes:

- (a) At 30 June 2025, (i) no shareholder of Hallgain was entitled to exercise, or control the exercise of, directly or indirectly, one-third or more of the voting power at general meetings of Hallgain, and Hallgain and its directors are not accustomed to act in accordance with any shareholder's direction; and (ii) Messrs. Cheung Kwok Wa, Cheung Kwok Ping and Lam Ka Po, all of whom are Directors, are also directors of Hallgain.
- (b) The interests are held by KHL directly and indirectly. KHL is owned as to approximately 42.94% by Hallgain as at 30 June 2025.
- (c) The interests are held by Jamplan directly and indirectly. Jamplan is a wholly-owned subsidiary of KHL. Mr. Lam Ka Po, being a Director, is also a director of Jamplan.
- (d) The interests are indirectly held by Jamplan through its wholly-owned subsidiary, Kingboard Investments Limited ("KIL"). Messrs. Cheung Kwok Wa and Cheung Kwok Ping, being Directors, are also directors of KIL.

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions which fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO in the issued share capital of the Company as at 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

There has been no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the six months ended 30 June 2025.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial statements of the Group for the six months ended 30 June 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles of corporate governance and complied with the code provisions as set out in the Corporate Governance Code under Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the period ended 30 June 2025.

COMPLIANCE WITH THE MODEL CODE

The Company had adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code"). Having made specific enquiry of all Directors, each Director has confirmed that he or she had complied with the required standard set out in the Model Code and the code of conduct regarding director's securities transactions adopted by the Company throughout the six months ended 30 June 2025.

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

Hong Kong, 25 August 2025

Board of Directors*Executive Directors*

Mr. Cheung Kwok Wa (*Chairman*)

Mr. Cheung Kwok Keung (*Managing Director*)

Mr. Cheung Kwok Ping

Mr. Lam Ka Po

Mr. Cheung Ka Ho

Ms. Cheung, Emily Chun Ming

Mr. Zhou Pei Feng

Non-executive Director

Mr. Lo Ka Leong

Independent non-executive Directors

Mr. Ip Shu Kwan, Stephen

Mr. Zhang Lu Fu

Mr. Kung, Peter

Mr. Ho Kwok Ming