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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Kingboard Laminates Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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KINGBOARD LAMINATES HOLDINGS LIMITED

建滔積層板控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1888)

**REVISION OF ANNUAL CAPS FOR AND RENEWAL OF
CONTINUING CONNECTED TRANSACTIONS**

**Independent Financial Adviser to the
Independent Board Committee and the Independent Shareholders**



高信融資服務有限公司

Karl Thomson Financial Advisory Limited

A letter from the Board is set out on pages 5 to 20 of this circular.

A letter of recommendation from the Independent Board Committee is set out on pages 21 to 22 of this circular and a letter of recommendation from Karl Thomson Financial Advisory Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, is set out on pages 23 to 49 of this circular.

A notice convening the EGM to be held at 25/F., Delta House, 3 On Yiu Street, Shek Mun, Shatin, New Territories, Hong Kong on 30 October 2026 at 11 a.m. is set out on pages 55 to 56 of this circular. Whether or not you intend to be present at the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

9 October 2026

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Branch Registrar”	Tricor Investor Services Limited, the Company’s branch share registrar in Hong Kong
“Chemicals”	chemicals including methanol, formalin, phenol, acetone, bisphenol A and caustic soda
“Company”	Kingboard Laminates Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting to be held by the Company to approve, among other things, the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder
“Existing Agreements”	the Existing Materials Purchase Framework Agreement and the Existing Supply Framework Agreement
“Existing Annual Caps”	the annual caps for the Existing Agreements for the years ended 31 December 2024, 2025 and the year ending 31 December 2026
“Existing Materials Purchase Framework Agreement”	the agreement dated 31 October 2023 entered into between KBH and the Company for the purchase of Chemicals by the Group from the KBH Group
“Existing Supply Framework Agreement”	the agreement dated 31 October 2023 entered into between KBH and the Company for the supply of laminates and related upstream materials by the Group to the KBH Group

DEFINITIONS

“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprised of all independent non-executive Directors
“Independent Financial Adviser” or “Karl Thomson”	Karl Thomson Financial Advisory Limited, a corporation licensed under the SFO to carry out type 6 regulated activities (advising on corporate finance), the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the New Agreements and the Proposed Revised Annual Caps and Proposed Annual Caps contemplated thereunder
“Independent Shareholder(s)”	Shareholder not required to abstain from voting at the EGM
“INEDs”	the independent non-executive Directors
“KBH”	Kingboard Holdings Limited (stock code: 148), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“KBH Group”	KBH and its subsidiaries, excluding the Group
“Latest Practicable Date”	7 October 2026, being the latest practicable date prior to the printing of this circular for the purpose of obtaining relevant information for inclusion herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Agreements”	the New Materials Purchase Framework Agreement and the New Supply Framework Agreement
“New Materials Purchase Framework Agreement”	the agreement entered into between the Company and KBH for the purchase of Chemicals by the Group from the KBH Group for a term from 1 January 2026 to 31 December 2028

DEFINITIONS

“New Supply Framework Agreement”	the agreement entered into between the Company and KBH for the supply of laminates and related upstream materials by the Group to the KBH Group for a term from 1 January 2026 to 31 December 2028
“PCB(s)”	acronym for printed circuit board, a flat panel composite with alternating layers of printed conductors and electrical insulation, typically interconnected by conductive holes; PCBs provide platforms to connect semiconductors and other electronic, optical or mechanical devices to form a circuit or functional system
“Proposed Annual Caps”	the Proposed KBH Purchase Annual Caps and the Proposed KBH Supply Annual Caps
“Proposed KBH Purchase Annual Caps”	the proposed annual caps for the transactions contemplated under the New Materials Purchase Framework Agreement for the years ending 31 December 2027 and 2028
“Proposed KBH Supply Annual Caps”	the proposed annual caps for the transactions contemplated under the New Supply Framework Agreement for the years ending 31 December 2027 and 2028
“Proposed Revised Annual Caps”	the Proposed Revised KBH Purchase Annual Cap and the Proposed Revised KBH Supply Annual Cap
“Proposed Revised KBH Purchase Annual Cap”	the proposed revised annual cap for the transactions contemplated under the New Materials Purchase Framework Agreement for the year ending 31 December 2026
“Proposed Revised KBH Supply Annual Cap”	the proposed revised annual cap for the transactions contemplated under the New Supply Framework Agreement for the year ending 31 December 2026
“Registrar’s Address”	17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified, or supplemented from time to time
“Share(s)”	ordinary share(s) of the Company

DEFINITIONS

“Shareholder(s)”

holder(s) of the Shares

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent



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)

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
Mr. Zhou Pei Feng

Non-executive Director:

Mr. Lo Ka Leong

Independent non-executive Directors:

Mr. Zhang Lu Fu
Mr. Kung, Peter
Mr. Ho Kwok Ming
Ms. Yung Hoi Yan

Registered Office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

*Head Office and Principal Place
of Business:*

23/F, Delta House
3 On Yiu Street
Shek Mun
Shatin, New Territories
Hong Kong

9 October 2026

To the Shareholders

Dear Sir or Madam

**REVISION OF ANNUAL CAPS FOR AND RENEWAL OF
CONTINUING CONNECTED TRANSACTIONS**

A. INTRODUCTION

Reference is made to the announcement of the Company dated 31 October 2023 and the circular of the Company dated 21 November 2023 in relation to the Existing Agreements and the announcement of the Company dated 16 September 2026 in relation to the New Agreements. The Existing Agreements were entered into for terms from 1 January 2024 to 31 December 2026. Taking into account the business needs of the Company, on 16 September 2026, the Company and KBH entered into the New Agreements to revise the annual caps for the year ending 31 December 2026 and renew the transactions contemplated under the Existing Agreements. Each of the New Agreements has a term from 1 January 2026 to 31 December 2028, both days inclusive. Save for (i) the Proposed Revised Annual Caps for the year ending 31 December 2026; (ii) the Proposed

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Annual Caps for the years ending 31 December 2027 and 2028; and (iii) the terms of the New Agreements, the New Agreements are substantially the same as the Existing Agreements.

The purpose of this circular is to provide you with, among other things, (i) details of the New Agreements and the Proposed Revised Annual Caps and Proposed Annual Caps contemplated thereunder; (ii) the recommendation of the Independent Board Committee in respect of the transactions under the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice on the transactions under the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder; and (iv) a notice convening the EGM.

B. NEW MATERIALS PURCHASE FRAMEWORK AGREEMENT

On 16 September 2026, KBH entered into the New Materials Purchase Framework Agreement with the Company in relation to the purchase of Chemicals by the Group from the KBH Group to revise the annual cap for the year ending 31 December 2026 and renew the transactions contemplated under the Existing Materials Purchase Framework Agreement. Details of the New Materials Purchase Framework Agreement are set out below:

Parties: (1) KBH

(2) the Company

Nature of transaction: Pursuant to the New Materials Purchase Framework Agreement, the Group will purchase Chemicals from the KBH Group.

The amount of Chemicals to be purchased is not fixed but is to be determined and agreed between the parties from time to time. The Group will not be obligated to purchase a minimum amount of materials from the KBH Group and the KBH Group will not be obligated to sell any set quantity of Chemicals to the Group during the term of the New Materials Purchase Framework Agreement.

The actual quantity, specification and price (with reference to the prevailing market price) of Chemicals under the New Materials Purchase Framework Agreement will be subject to the individual orders placed by the Group with the KBH Group.

Term: From 1 January 2026 to 31 December 2028, both days inclusive.

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Consideration:

The price at which the Chemicals are to be purchased will be at the then prevailing market prices, but in no event will the terms be less favourable to the Group than the terms available from independent third parties having regard to the quantity and other conditions of the purchase.

To facilitate the Group in determining the prevailing market price, each time an order is to be placed with the KBH Group, the purchase department of the Group will assess the prevailing market price by reference to: (i) pricing data published by ICIS (an independent commodity market intelligence platform which provides pricing data for petrochemicals and chemicals markets globally) and other independent industry data sources, as well as listed prices for comparable chemical products displayed on publicly available online market platforms; (ii) quotations obtained from independent third party suppliers of similar Chemicals (based on similar quantity and similar specifications), having regard to the product type, quantity, delivery terms and timing of the relevant order; and (iii) at least two comparable transactions with an independent third party supplier of the Group during the same period. Where no comparable transaction is available during the same period, the purchase department will conduct market research on the open market by coming into contact with and initiating business enquiries with potential sellers of Chemicals. Such potential suppliers are independent third parties of the Group and are market players which include the Group's suppliers. The prices and terms acceptable to such potential suppliers are recorded and a pricing research report is submitted to the head of the purchase department and/or the director-in-charge of the relevant operating subsidiary for their information and reference in considering the orders with the KBH Group under the New Materials Purchase Framework Agreement.

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The purchase department will also conduct monthly reviews to monitor movements in prevailing market prices. The head of the purchase department and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review each order with the KBH Group and compare it against the pricing information presented and reported by the purchase department personnel, taking into account the historical price of comparable transactions. Based on the pricing information obtained, the purchase price to be paid by the Group under the New Materials Purchase Framework Agreement will be set at or no more than the prevailing market prices and benchmark prices, and the terms shall be no more favourable to the KBH Group than the terms available from independent third party suppliers.

The KBH Group will grant a credit period of 30 days to the Group. The consideration will be settled in cash.

Historical figures, Existing Annual Caps, Proposed Revised Annual Cap and Proposed Annual Caps

The table below sets out the historical figures and the Existing Annual Caps under the Existing Materials Purchase Framework Agreement, and the Proposed Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps under the New Materials Purchase Framework Agreement. As at the date of this circular, the Existing Annual Cap for the year ending 31 December 2026 under the Existing Materials Purchase Framework Agreement has not been exceeded.

Year ended 31 December 2024		Year ended 31 December 2025		Year ending 31 December 2026			Year ending 31 December 2027	Year ending 31 December 2028	
Existing annual cap (HKD'000)	Actual amount	Existing annual cap (HKD'000)	Actual amount	Existing annual cap	Actual amount (up to 31 August 2026) (HKD'000)	Estimated amount (up to 31 December 2026) (Note)	Proposed revised annual cap	Proposed annual cap (HKD'000)	Proposed annual cap (HKD'000)
799,000	790,900	823,000	799,753	848,000	626,168	939,252	1,174,000	1,408,800	1,690,600

Note:

This is an estimated figure by straight-line multiplication from the actual transactions during the eight months ended 31 August 2026.

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The Proposed Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps under the New Materials Purchase Framework Agreement were determined with reference to the internal projection of the purchases having regard to (i) the historical amount of purchase of Chemicals for the production of laminates by the Group from the KBH Group; (ii) the anticipated growth in demand for Chemicals; (iii) the anticipated increase in market price of Chemicals; and (iv) inflation.

The purchase from the KBH Group for the year ending 31 December 2026 are estimated to be approximately HKD939,252,000 by annualising the sales amount for the eight months ended 31 August 2026. The increase in purchase from the KBH Group during the year ending 31 December 2026 was mainly due to the increase in the production volume of the laminates and related upstream materials products required more quantity of the chemicals used in the production and also the increase in the market selling price of the chemical products purchased from the KBH Group.

The Proposed Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps under the New Materials Purchase Framework Agreement are calculated based on: (i) for the Proposed Revised KBH Purchase Annual Cap for the year ending 31 December 2026, the estimated figure by straight-line multiplication from the actual transactions during the eight months ended 31 August 2026 plus a buffer of 25%; and (ii) for the Proposed KBH Purchase Annual Caps for the years ending 31 December 2027 and 2028, an annual growth rate of 20%.

The 25% buffer takes into account: (i) upward commodity price trends during the eight months ended 31 August 2026, in particular, the crude oil price (a key upstream cost driver for Chemicals) increased by approximately 32.5% between January and August 2026 and the purchasing price index for raw chemicals published by the National Bureau of Statistics of China increased by approximately 11.5% in mid-2026, indicating continued upward pressure on Chemical prices for the remaining four months of 2026; (ii) the fact that the average purchase price of Chemicals in September 2026 was higher than the average purchase price for the eight months ended 31 August 2026, such that the straight-line annualised figure for the eight months ended 31 August 2026 may understate the expected transaction amounts for the year ending 31 December 2026; and (iii) volume growth from increased laminate production, which requires a corresponding increase in the quantity of Chemicals to be purchased.

The 20% annual growth rate reflects: (i) projected volume growth of approximately 7.5% to 10%, having regard to the expected increase in the Group's laminate production capacity of approximately 10%; (ii) anticipated commodity price increases of approximately 8% to 10%, having regard to the 11.5% increase in the purchasing price index for raw chemicals in mid-2026; and (iii) general cost inflation of approximately 2% to 3%.

Having considered the above, the Directors (including the INEDs) are of the view that the Proposed Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps under the New Materials Purchase Framework Agreement are fair and reasonable.

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C. NEW SUPPLY FRAMEWORK AGREEMENT

On 16 September 2026, KBH entered into the New Supply Framework Agreement with the Company in relation to the supply of laminates and related upstream materials by the Group to the KBH Group to revise the annual cap for the year ending 31 December 2026 and renew the transactions contemplated under the Existing Supply Framework Agreement. Details of the New Supply Framework Agreement are set out below:

Parties:	(1) KBH (2) the Company
Nature of transaction:	Pursuant to the New Supply Framework Agreement, the Group will supply laminates and related upstream materials to the KBH Group. The amount of laminates and related upstream materials to be supplied is not fixed but is to be determined and agreed between the parties from time to time. The Group will not be obligated to supply a minimum amount of laminates and related upstream materials to the KBH Group and the KBH Group will not be obligated to purchase any set quantity of laminates and related upstream materials from the Group during the term of the New Supply Framework Agreement. The actual quantity, specification and price (with reference to the prevailing market price) of laminates and related upstream materials under the New Supply Framework Agreement will be subject to the individual orders placed by the KBH Group with the Group.
Term:	From 1 January 2026 to 31 December 2028, both days inclusive.
Consideration:	The price at which the materials are to be supplied will be at the then prevailing market prices, but in no event will the terms be less favourable to the Group than the terms available to independent third parties having regard to the quantity and other conditions of the sale.

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To facilitate the Group in determining the prevailing market price, each time an order is received from the KBH Group, the sales department of the Group will assess the prevailing market price by reference to: (i) the copper price quoted on the London Metal Exchange as a key reference indicator for the raw material cost component (as copper is the principal raw material for the production of laminates and related upstream materials), as well as listed prices for comparable products of similar types and specifications displayed on publicly available online market platforms (as copper-clad laminates are not a standardised commodity for which there is a publicly quoted exchange price or a dedicated commodity data provider); (ii) selling prices offered to independent third party customers for similar products (based on similar quantity and similar specifications), having regard to the product type, quantity, delivery terms and timing of the relevant order; and (iii) at least two comparable transactions with an independent third party customer of the Group during the same period. Where no comparable transaction is available during the same period, the sales department will conduct market research on the open market by coming into contact with and initiating business enquiries with potential buyers in relation to the goods contemplated under the New Supply Framework Agreement. Such potential buyers are independent third parties of the Group and are market players which include the Group's customers. The prices and terms acceptable to such potential buyers are recorded and a pricing research report is submitted to the head of the sales department and/or the director-in-charge of the relevant operating subsidiary for their information and reference in considering the orders with the KBH Group under the New Supply Framework Agreement.

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The sales department will also conduct monthly reviews to monitor movements in prevailing market prices. The head of the sales department and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review each order with the KBH Group and compare it against the pricing information presented and reported by the sales department personnel, taking into account the historical price of comparable transactions. Based on the pricing information obtained, the selling price to the KBH Group under the New Supply Framework Agreement will be set at or no less than the prevailing market prices and benchmark prices, and the terms will be no more favourable to the KBH Group than the terms available to independent third party customers.

The Group will grant a credit period of 90 days to the KBH Group. The consideration will be settled in cash.

Historical figures, Existing Annual Caps, Proposed Revised Annual Cap and Proposed Annual Caps

The table below sets out the historical figures and the Existing Annual Caps under the Existing Supply Framework Agreement, and the Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps for the years ending 31 December 2027 and 2028 under the New Supply Framework Agreement. As at the date of this circular, the Existing Annual Cap for the year ending 31 December 2026 under the Existing Supply Framework Agreement has not been exceeded.

								Year ending 31 December 2027	Year ending 31 December 2028
Year ended 31 December 2024		Year ended 31 December 2025		Year ending 31 December 2026					
Existing annual cap (HKD'000)	Actual amount	Existing annual cap (HKD'000)	Actual amount	Existing annual cap	Actual amount (up to 31 August 2026)	Estimated amount (up to 31 December 2026) (Note)	Proposed	Proposed annual cap (HKD'000)	Proposed annual cap (HKD'000)
							revised annual cap		
4,491,000	4,096,187	4,626,000	3,801,834	4,765,000	3,702,167	5,553,251	6,941,600	8,329,900	9,995,900

Note:

This is an estimated figure by straight-line multiplication from the actual transactions during the eight months ended 31 August 2026.

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The Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps under the New Supply Framework Agreement were determined with reference to the internal projection of the supplies to be made having regard to (i) the historical amount of the sales of laminates and related upstream materials by the Group to the KBH Group; (ii) the anticipated demand of such materials for the four months ending 31 December 2026 and the years ending 31 December 2027 and 2028; (iii) the anticipated increase in market price of such materials; (iv) the expected increase in the production capacity of PCBs of the KBH Group; and (v) inflation.

The sales to the KBH Group for the year ending 31 December 2026 are estimated to be approximately HKD5,553,251,000 by annualising the sales amount for the eight months ended 31 August 2026. The significant increase in sales to the KBH Group during the year ending 31 December 2026 was mainly due to the significant increase in the market selling price of the laminates and related upstream materials products supplied to KBH Group.

Among the goods to be supplied to KBH Group, laminates and related upstream materials are mainly produced from copper. The price fluctuations in copper would have significant impact on the selling price of the goods, which in turn would affect the Proposed Annual Caps. Based on the historical copper price quoted on the London Metal Exchange (<https://www.lme.com/>) in US Dollar (“USD”) per tonne, the copper price exhibited an aggressive upward trend between January and August 2026, surging by over 11.5% from around USD13,000 per tonne early in the year to record highs above USD14,500 per tonne by August. By early August, the copper price crested at an all-time peak of USD14,533 per tonne. Such significant price surge was driven by the combination effect of massive warehouse stockpiling in response to US tariff delays and strong physical demand from artificial intelligence infrastructure, such as AI data center expansions and power grid builds. AI data centers require thick copper wiring to supply massive electrical power and copper plumbing systems to keep the hardware from overheating. This surging structural demand pushes market prices higher and drives severe cost inflation across the entire electronic supply chain from raw laminates up to finished PCBs.

The Company anticipates higher demand for laminates and related upstream materials from KBH Group, as KBH Group expands its PCB production capacity. The current total production capacity of PCBs of KBH Group as at 30 June 2026 was 20 million square feet per month. With an aim of increasing the market penetration of PCBs, KBH Group has brought in 600,000 square feet of additional monthly capacity for multi-layered PCBs in Vietnam starting from the fourth quarter of the year 2026. With the new capacity, it is expected that the production capacity for PCBs of KBH Group will be increased by around 3% from the year ended 31 December 2025.

The Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps under the New Supply Framework Agreement are calculated based on: (i) for the Proposed Revised KBH Supply Annual Cap for the year ending 31 December 2026, the estimated figure by straight-line multiplication from the

LETTER FROM THE BOARD

actual transactions during the eight months ended 31 August 2026 plus a buffer of 25%; and (ii) for the Proposed KBH Supply Annual Caps for the years ending 31 December 2027 and 2028, an annual growth rate of 20%.

The 25% buffer takes into account: (i) upward commodity price trends during the eight months ended 31 August 2026, in particular, the LME copper price (a key raw material for the production of laminates) increased by approximately 11.5% between January and August 2026, driven by strong physical demand from AI data centre infrastructure, electric vehicle development and renewable energy applications; (ii) the fact that the average selling price of laminates and related upstream materials in September 2026 was higher than the average selling price for the eight months ended 31 August 2026, such that the straight-line annualised figure for the year ending 31 December 2026 may understate the expected transaction amounts for the remaining four months of 2026; and (iii) the commissioning of 600,000 square feet per month of additional PCB production capacity by the KBH Group in Vietnam in the fourth quarter of 2026 (representing an approximately 3% increase in the KBH Group's total PCB production capacity), which is expected to drive additional demand for laminates and related upstream materials from the Group.

The 20% annual growth rate reflects: (i) projected volume growth of approximately 7.5% to 10%, having regard to the expected increase in the KBH Group's PCB production capacity of approximately 7.5% and the Group's laminate production capacity of approximately 10%; (ii) anticipated commodity price increases of approximately 8% to 10%; and (iii) general cost inflation of approximately 2% to 3%. This is consistent with the compound annual growth rate of historical sales amounts for the three years ended 31 December 2025 of approximately 16.44%.

Having considered the above, the Directors (including the INEDs) are of the view that the Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps under the New Supply Framework Agreement are fair and reasonable.

D. REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW AGREEMENTS

The Group is engaged in, among other things, the manufacturing and sale of laminates and related products, which require materials such as the Chemicals for its production.

The Group purchases materials such as the Chemicals for the production of laminates from time to time. The purchase of the Chemicals by the Group from the KBH Group under the New Materials Purchase Framework Agreement secures a steady supply of the materials from the KBH Group, which facilitates the Group's production of laminates. Although the Group does not rely on the KBH Group for the purchase of Chemicals since such Chemicals are readily available from independent third parties at comparable prices and terms, the purchase of Chemicals from the KBH Group allows the Group to benefit from the economies of scale of the KBH Group.

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Further, the Group considers that the KBH Group is a reliable business cooperation partner and such co-operation is beneficial to the business of the Group. The Group has been operating its laminates business as principal business. The Group anticipates that materials such as the Chemicals for the manufacture of laminates will be required for it to further expand its business. Taking into account a range of factors including the reduction in transportation costs, the quality and the price of the Chemicals supplied by the KBH Group for the production of laminates, the Group considers that the purchase of materials under the New Materials Purchase Framework Agreement will facilitate its business plan and will improve the competitiveness and the quality of the laminates manufactured by the Group.

The New Supply Framework Agreement provides flexibility for the Group to supply laminates and related upstream materials to the KBH Group. While the Group does not rely on the KBH Group for the sale of laminates and related upstream materials, given that the Group has established a close working relationship with the KBH Group, the Company believes that transactions under the New Supply Framework Agreement will enhance the revenue of the Group through increased sales and thus benefit the Company and the Shareholders as a whole.

The transactions contemplated under the New Agreements are of a recurrent revenue nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group. The New Agreements provide a framework for purchases and supplies (as the case may be) from time to time on a non-exclusive basis and regulate the business relationship between the Group and the KBH Group in relation to the transactions thereunder.

The Company implements the following internal control measures to monitor its continuing connected transactions with a view to ensuring that these transactions are on normal commercial terms, fair and reasonable and no more favourable to the connected persons than those independent customers or suppliers (as the case may be):

- the finance department of the Group would review the implementation of the annual caps of the continuing connected transactions on a monthly basis to ensure the transaction amounts would not exceed the approved annual caps;
- the audit committee of the Board would review the abovementioned work of the finance department to ensure that the annual caps have not been exceeded and to review internal control procedures of the Company to ensure that connected transactions are effected at arm's length prices. The INEDs would give their views on the continuing connected transactions, including, among others, whether the continuing connected transactions are fair and reasonable, and whether the actual transaction amounts incurred by the continuing connected transactions are within the approved annual caps pursuant to the requirements of the Listing Rules;
- the external auditor of the Group would review the continuing connected transactions and report the factual findings to the management of the Group on an annual basis, and review the implementation of the continuing

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connected transactions by the Company, including, among others, whether anything has come to the external auditor's attention that causes it to believe that the continuing connected transactions are not, in all material respects, in accordance with the pricing policies of the Group, and whether the amounts incurred by the continuing connected transactions are within the annual caps during the relevant year, pursuant to the requirements of the Listing Rules;

- the Company's internal audit team conducts reviews of the continuing connected transactions of the Group. Such reviews include (a) on-site inspections at the Group's production facilities to examine transaction records and supporting documentation; (b) verification of compliance with the pricing policies and internal control procedures described above, including checking whether the relevant pricing references, quotations and comparable transaction data have been properly obtained, recorded and approved; and (c) reporting findings and recommendations to the management and the director-in-charge;
- the purchase department, as a result of its extensive experience in the industry, will obtain quotations from independent third party suppliers of similar Chemicals where appropriate, compare the relevant quantities and specifications, and consider at least two comparable transactions during the same period where applicable. The head of the purchase department and/or the director-in-charge of the relevant operating subsidiary, as the case may be, would review and approve each order under the New Materials Purchase Framework Agreement to ensure that the transactions contemplated thereunder are conducted in accordance with the pricing policies and on normal commercial terms or better; and
- the sales department, as a result of its extensive experience in the industry, is familiar with the market information of the goods contemplated under the New Supply Framework Agreement. Based on the price comparisons disclosed above, the Company would be able to assess whether the relevant selling prices to the KBH Group are in accordance with the pricing policy and comparable to prices with independent third parties. The head of the sales department and/or the directors-in-charge of the relevant operating subsidiary, as the case may be, would review and approve the prices and each order under the New Supply Framework Agreement to ensure that the transactions are conducted in accordance with the pricing policies and on normal commercial terms or better.

In light of the above, the Directors (including the INEDs) are of the view that the internal control measures and the procedures in determining, reviewing and approving the prices with the KBH Group are effective, each of the New Agreements (including the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder) is on normal commercial terms and in the ordinary and usual course of business of the Group, and the terms of each of the New Agreements (including the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The terms of the New Agreements were arrived at after arm's length negotiation between the relevant parties.

LETTER FROM THE BOARD

The Directors consider that the pricing policies and internal control procedures described above and involve personnel at different levels of the organisation (including the operational departments, the management, the Board and audit committee, independent directors, external auditors and the internal audit team), provide a set of measures that is designed to ensure that the continuing connected transactions are conducted on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

E. LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, KBH is the controlling shareholder of the Company and owns (directly and indirectly) 1,966,746,500 Shares, representing approximately 62.41% of the issued Shares of the Company. Accordingly, KBH is a connected person of the Company and the transactions contemplated under each of the New Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rules 14A.54(1) and 14A.54(2) of the Listing Rules, if the Company proposes to revise the annual cap for, or to renew, continuing connected transactions, the Company has to re-comply with the applicable provisions of Chapter 14A of the Listing Rules before the cap is exceeded or the agreement is renewed or its terms are materially changed.

As the highest applicable percentage ratio (under Chapter 14A of the Listing Rules) of the amount on an annual basis under each of the New Agreements for each of the years ending 31 December 2026, 2027 and 2028 exceeds 5%, the transactions contemplated under each of the New Agreements are subject to compliance with the annual review, reporting, announcement, circular and independent shareholders' approval requirements by the Company under Chapter 14A of the Listing Rules.

The following Directors have abstained from voting at the Board meeting approving the New Agreements, and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder by virtue of their stake/role in KBH: (i) Mr. Cheung Kwok Wa; (ii) Mr. Cheung Kwok Keung; (iii) Mr. Cheung Kwok Ping; (iv) Mr. Lam Ka Po; and (v) Mr. Cheung Ka Ho.

LETTER FROM THE BOARD

The respective shareholding interest of each of the above Directors in KBH as at the Latest Practicable Date is as follows:

Ordinary shares of HKD0.01 each of KBH (“KBH Shares”)

Name of Director	Capacity	Number of issued KBH Shares held	Approximate percentage of the issued share capital of KBH (%)
Mr. Cheung Kwok Wa	Beneficial owner	1,104,420	0.10
Mr. Cheung Kwok Keung	Beneficial owner	1,124,722	0.10
Mr. Cheung Kwok Ping (<i>note</i>)	Beneficial owner / Interest of spouse	9,278,883	0.83
Mr. Lam Ka Po	Beneficial owner	2,917,500	0.26
Mr. Cheung Ka Ho	Beneficial owner	584,000	0.05
Mr. Lo Ka Leong	Interest of spouse	50,000	0.00
Mr. Kung, Peter	Beneficial owner	10,000	0.00

Note:

36,000 KBH Shares were held by his spouse.

Any connected person with a material interest in the New Agreements, and any Shareholder who has a material interest in the New Agreements and its associates, will be required to abstain from voting at the EGM. KBH and its respective associates will be required to abstain from voting at the EGM. A list of all the Shareholders that were, to the best knowledge of the Company after having made all reasonable enquiries, required to abstain from voting at the EGM as at the Latest Practicable Date is as follows:

Abstaining Shareholder	Number of issued Shares held	Approximate percentage of the issued share capital of the Company (%)
KBH	6,514,000	0.21
Jamplan (BVI) Limited (<i>a wholly-owned subsidiary of KBH</i>)	1,785,000,000	56.64
Kingboard Investments Limited (<i>a wholly-owned subsidiary of KBH</i>)	175,232,500	5.56
Mr. Cheung Kwok Wa (<i>an executive Director</i>)	2,050,000	0.07
Ms. Liu Mei Juan (<i>spouse of Mr. Cheung Kwok Wa</i>)	75,000	0.00
Mr. Cheung Kwok Keung (<i>an executive Director</i>)	302,000	0.01
Mr. Cheung Kwok Ping (<i>an executive Director</i>)	4,100,000	0.13
Mr. Lam Ka Po (<i>an executive Director</i>)	3,765,000	0.12
Total (<i>Note</i>)	1,977,038,500	62.74

LETTER FROM THE BOARD

Note:

Any discrepancies in the table between the totals and the sums of the amounts listed therein are due to rounding.

F. GENERAL

The Group

The Company is an investment holding company. The Group is principally engaged in the manufacture and sale of laminates and related upstream materials.

The KBH Group

KBH is an investment holding company. The KBH Group is principally engaged in the manufacture and sales of laminates, printed circuit boards, chemicals, magnetic products, property development and investments and investment business. KBH, a company of which the shares are listed on the main board of the Stock Exchange (stock code: 00148), is the controlling shareholder of the Company.

G. EGM

A notice convening the EGM is set out on pages 55 to 56 of this circular. Two ordinary resolutions will be proposed at the EGM to approve each of the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to be present at the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Branch Registrar at the Registrar's Address as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

H. RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on pages 21 to 22 of this circular which contains its recommendations to the Independent Shareholders on each of the New Agreements (including the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder). Your attention is also drawn to the letter of advice from the Independent Financial Adviser set out on pages 23 to 49 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to each of the New Agreements (including the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder).

LETTER FROM THE BOARD

The Directors (including the INEDs) are of the view that each of the New Agreements (including the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder) are on normal commercial terms and in the ordinary and usual course of business of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and that the terms are fair and reasonable. Therefore, the Directors recommend that the Independent Shareholders should vote in favour of the ordinary resolutions to approve each of the New Agreements (including the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder) at the EGM.

I. FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the Appendix on pages 50 to 54 of this circular.

Yours faithfully
For and on behalf of the Board
Cheung Kwok Wa
Chairman



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)

9 October 2026

To the Independent Shareholders

Dear Sir or Madam

**REVISION OF ANNUAL CAPS FOR AND RENEWAL OF
CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular of the Company dated 9 October 2026 (“**Circular**”) of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein, unless the context requires otherwise.

We have been appointed as the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder are on normal or better commercial terms and in the ordinary and usual course of business of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we have appointed Karl Thomson Financial Advisory Limited as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect.

We wish to draw your attention to the letter from the Board on pages 5 to 20 of the Circular, which sets out information in connection with the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder. We also wish to draw your attention to the letter of advice from the Independent Financial Adviser to the Independent Board Committee and Independent Shareholders which contains its advice to us in respect of the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder as set out on pages 23 to 49 of the Circular.

Having considered the information contained in the letter from the Board and taking into account the advice and recommendation of the Independent Financial Adviser, we, the Independent Board Committee, consider that the terms of each of the New Agreements are on normal commercial terms and in the ordinary and usual course of business of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and that the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder are fair and reasonable. Accordingly, we

LETTER FROM THE INDEPENDENT BOARD COMMITTEE
--

recommend that the Independent Shareholders should vote in favour of the ordinary resolutions to approve the New Agreements and the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder at the EGM.

Yours faithfully

For and on behalf of the

Independent Board Committee

Kung, Peter, *Independent non-executive Director*

Zhang Lu Fu, *Independent non-executive Director*

Ho Kwok Ming, *Independent non-executive Director*

Yung Hoi Yan, *Independent non-executive Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of the letter of advice from Karl Thomson Financial Advisory Limited to the independent board committee of Kingboard Laminates Holdings Limited and its independent shareholders in respect of the continuing connected transactions contemplated under the New Materials Purchase Framework Agreement and New Supply Framework Agreement for inclusion in this circular.



高信融資服務有限公司

Karl Thomson Financial Advisory Limited

Rm 607-610, 6/F Tai Yau Building, 181 Johnston Road,

Wan Chai, Hong Kong

香港灣仔莊士敦道181號大有大廈6字樓607-610室

9 October 2026

*To the Independent Board Committee and the Independent Shareholders of
Kingboard Laminates Holdings Limited*

Dear Sir or Madam,

REVISION OF ANNUAL CAPS FOR AND RENEWAL OF CONTINUING CONNECTED TRANSACTIONS WITH THE KBH GROUP

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the continuing connected transactions contemplated under (i) the New Materials Purchase Framework Agreement and (ii) New Supply Framework Agreement between the Company and Kingboard Holdings Limited (the **“Continuing Connected Transactions”**) including the proposed revised annual caps for the year ending 31 December 2026 (the **“Proposed Revised Annual Caps”**) and the proposed annual caps for the years ending 31 December 2027 and 2028 (the **“Proposed Annual Caps”**), particulars of which are set out in the letter from the Board (the **“Letter from the Board”**) of the circular of the Company dated 9 October 2026 (the **“Circular”**), of which this letter forms a part. Capitalised terms used in this letter shall have the same meaning as those defined in the Circular unless the context otherwise requires.

As the Board expected that the transaction amount for the Existing Agreements would exceed the Existing Annual Caps for the financial year ending 31 December 2026, taking into account the business needs, the Board proposed to revise the Existing Annual Caps.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pursuant to the Existing Agreements, the original terms thereof will expire on 31 December 2026. On 16 September 2026, the Company and KBH entered into the New Materials Purchase Framework Agreement to revise the annual cap for the year ending 31 December 2026 and renew the transactions contemplated under the Existing Materials Purchase Framework Agreement, pursuant to which the Group will purchase Chemicals from the KBH Group from 1 January 2026 to 31 December 2028, both days inclusive.

On the same day, the Company entered into the New Supply Framework Agreement with KBH to revise the annual cap for the year ending 31 December 2026 and renew the transactions contemplated under the Existing Supply Framework Agreement, pursuant to which the Group will supply laminates and related upstream materials to the KBH Group from 1 January 2026 to 31 December 2028, both days inclusive.

LISTING RULES IMPLICATIONS

KBH, being the controlling shareholder of the Company, owns, directly and indirectly, approximately 62.41% of the issued share capital of the Company as at the Latest Practicable Date. Accordingly, KBH is a connected person of the Company as defined under the Listing Rules. Any transactions between the Group and the KBH Group, as a result, will constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios (under Chapter 14A of the Listing Rules) of the amount on annual basis under each of the New Agreements for each of the three years ending 31 December 2026, 2027 and 2028 exceeds 5% and the annual consideration is more than HKD10,000,000, the transactions contemplated under the New Agreements constitute non-exempt continuing connected transactions of the Company under Rule 14A.36 of the Listing Rules, and are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

KBH and their respective associates will be required to abstain from voting at the EGM. Mr. Cheung Kwok Wa, Mr. Cheung Kwok Keung, Mr. Cheung Kwok Ping, Mr. Lam Ka Po and Mr. Cheung Ka Ho being the Executive Directors will abstain from voting at the EGM approving the New Agreements, the transactions contemplated thereunder, including the Proposed Revised Annual Caps and the Proposed Annual Caps contemplated thereunder.

An independent board committee has been established to advise Independent Shareholders as to (i) whether the terms of the New Agreements and the transactions contemplated thereunder (including the Proposed Revised Annual Caps and Proposed Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) whether the entering into the New Agreements is in the ordinary and usual course of business of the Group; (iii) whether the terms of the New Agreements (including the Proposed Revised Annual Caps and the Proposed Annual Caps) are on normal commercial terms; and (iv) how the Independent Shareholders should vote in respect of the resolution(s) to approve the New Agreements and the transactions contemplated thereunder (including the Proposed Revised Annual Caps and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Proposed Annual Caps) at the EGM. We have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders of the Company in this regard.

INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company or any other parties that could reasonably be regarded as relevant to our independence. During the two years immediately prior to this Letter, we have not acted in the capacity as an independent financial adviser, financial adviser or in any other capacity to the Company. Apart from the normal advisory fee payable to us in connection with the current appointment as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Group or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider ourselves independent pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR ADVICE

In formulating our opinion and recommendation to Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained in the Circular, relevant market data and information available from public sources and the website of the Stock Exchange and information provided to us by the Company, the Directors and the management of the Company. We have assumed that all statements and representations contained or referred to in the Circular are true at the time they are made and continue to be true up to the date of the EGM. We have also assumed that all statements of belief, opinion and intention made by the Company, the Directors and the management of the Company in the Circular are reasonably made after due enquiry.

We consider that we have been provided with sufficient information to form a reasonable basis for issuing our opinion. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company, the Directors and management of the Company and have no reason to doubt that any relevant material facts have been withheld or omitted. We have not, however, conducted any independent in-depth investigation into the businesses and affairs or the future prospects of the Group, nor have we carried out any independent verification of the information supplied.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection with their consideration in respect of the New Agreements and the transactions contemplated thereunder (including the Proposed Revised Annual Caps and Proposed Annual Caps), and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BACKGROUND INFORMATION

(i) Information on the Company and KBH Group

The Group is principally engaged in the production and sales of laminates and related upstream materials. Laminates are used in the production of printed circuit boards (“PCBs”) which in turn are used in the production of a wide variety of electronic products. KBH, being the ultimate holding company of the Company, is principally engaged in the business of production and sale of PCBs and chemicals and property development.

KBH is an investment holding company, the subsidiaries of which are principally engaged in manufacture and sale of, among other things, laminates, PCBs, chemicals, magnetic products, property development and investment and investment business. Against this background, the KBH Group has been providing and will continue to provide chemicals including methanol, formalin, phenol, acetone, bisphenol A and caustic soda to the Group. Such chemicals are essential for the production of laminates and related upstream materials by the Group. In return, the Group has been providing and will continue to provide the laminates products and related upstream materials to the KBH Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

To formulate our opinion regarding the Continuing Connected Transactions, the Proposed Revised Annual Caps and the Proposed Annual Caps, we have taken into account the following principal factors and reasons:

I. Reasons and benefits of entering into the New Agreements

With reference to the Letter from the Board, the actual purchase amount of Chemicals from KBH Group during the eight months ended 31 August 2026 (“8M2026”) amounted to approximately HKD626.2 million, representing approximately 73.84% of the corresponding Existing Annual Cap of HKD848.0 million for the transactions contemplated thereunder for FY2026. Such increase is mainly attributable to (i) the unexpected increase in market selling prices of the Chemicals products purchased from KBH Group and (ii) the increase in the production volume of the laminates and related upstream materials products.

In light of the above, the Board expected that the purchase amount of Chemicals from KBH Group in respect of the transaction contemplated under the Existing Materials Purchase Framework Agreement for the term from 1 January 2024 to 31 December 2026 is likely to exceed the corresponding annual cap of the financial year ending 31 December 2026. Accordingly, the Board considered that it is necessary to revise the corresponding annual cap to comply with the Listing Rules.

The Group has been purchasing Chemicals from the KBH Group since 2006 and the KBH Group is currently one of the top five suppliers to the Group. We noted from the annual report of the KBH Group for the year ended 31 December 2025, manufacture and sale of Chemicals have been one of the five main operating divisions which have

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

attributed approximately 28% of the total revenue of the KBH Group. Therefore, the purchase of the Chemicals by the Group from the KBH Group under the New Materials Purchase Framework Agreement can secure a steady supply of Chemicals from the KBH Group which facilitates the Group's production of laminates. Although the Group does not rely on the KBH Group for the purchase of Chemicals as Chemicals are readily available from independent third-party suppliers at comparable prices and terms, the purchase of the Chemicals from KBH Group allows the Group to benefit from the economies of scale of the KBH Group.

Similar to the purchase of Chemicals, the actual amount of the sales of laminates and related upstream materials by the Group to the KBH Group during 8M2026 amounted to approximately HKD3,702.2 million, representing approximately 77.7% of the corresponding Existing Annual Cap of HKD4,765.0 million for the transactions contemplated thereunder for FY2026. Such increase is mainly attributable to significant increase in market selling price of the laminates and related upstream materials supplied to KBH Group.

In light of the above, the Board expected that the sales amount of laminates and related upstream materials by the Group to the KBH Group in respect of the transaction contemplated under the Existing Supply Framework Agreement for the term from 1 January 2024 to 31 December 2026 is likely to exceed the corresponding annual cap of the financial year ending 31 December 2026. Accordingly, the Board considered that it is necessary to revise the corresponding annual cap to comply with the Listing Rules.

As its ordinary course of business, KBH Group has been purchasing the laminates products and related upstream materials from different suppliers (including but not limited to the Group) from time to time. Indeed, KBH Group has been carrying on transactions with the Group since 2006. According to the annual report of the Company for the year ended 31 December 2025, the Group's largest customer was KBH Group, being subsidiaries of KBH other than the Company or its subsidiaries, and the percentage of sales attributable to the KBH Group was approximately 19% during the year. Due to the long-standing and close working relationship between the Group and the KBH Group, the Group has been familiar with the product specifications or demands of the KBH Group and thus can supply laminates products and related upstream materials based on different demands from the KBH Group in a cost-effective manner. Given such close working relationship with the KBH Group, transactions under the New Supply Framework Agreement will enable KBH Group to obtain a reliable and stable source of laminates products and related upstream materials from the Group, and at the same time it will enhance the revenue of the Group through increased sales and thus benefit the Company and the Shareholders as a whole.

Having considered the facts that (i) the transaction amounts under the Existing Agreements are likely to exceed the corresponding Existing Annual Caps during the year ending 31 December 2026; (ii) it is expected that KBH Group will continue to enter into transactions of similar nature with the Group from time to time thereafter; and (iii) the purpose of entering into the New Agreements is solely for the renewal of terms and the annual caps of the transactions contemplated under the Existing Agreements for a term up to 31 December 2028, in order to facilitate transactions on a continuing basis in the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

ordinary and usual course of business of the Group. Having considered the above, we concur with the view of the Directors that the entering into of the New Agreements are in the interests of the Group and the Shareholders as a whole.

II. Terms of the New Agreements

a) New Materials Purchase Framework Agreement

Key terms of the New Materials Purchase Framework Agreement summarized as below:

Date:	16 September 2026
Parties:	(1) KBH (2) the Company
Products to be purchased:	Purchase of Chemicals by the Group from the KBH Group, without any limitation on the maximum and minimum quantity but is to be determined and agreed between the parties from time to time.
Pricing:	The price at which the Chemicals are to be purchased will be at the then prevailing market prices, but in no event will the terms be less favourable to the Group than the terms available from independent third parties having regard to the quantity and other conditions of the purchase.

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The purchase department of the Group will assess the prevailing market price by reference to: (i) pricing data published by ICIS (an independent commodity market intelligence platform which provides pricing data for petrochemicals and chemicals markets globally) and other independent industry data sources, as well as listed prices for comparable chemical products displayed on publicly available online market platforms; (ii) quotations obtained from independent third party suppliers of similar Chemicals (based on similar quantity and similar specifications), having regard to the product type, quantity, delivery terms and timing of the relevant order; and (iii) at least two comparable transactions with an independent third party supplier of the Group during the same period. Where no comparable transaction is available during the same period, the purchase department will conduct market research on the open market by coming into contact with and initiating business enquiries with potential sellers of Chemicals. Such potential suppliers are independent third parties of the Group and are market players which include the Group's suppliers. The prices and terms acceptable to such potential suppliers are recorded and a pricing research report is submitted to the head of the purchase department and/or the director-in-charge of the relevant operating subsidiary for their information and reference in considering the orders with the KBH Group under the New Materials Purchase Framework Agreement.

The KBH Group will grant a credit period of 30 days to the Group. The consideration will be settled in cash.

Term: From 1 January 2026 to 31 December 2028, both days inclusive.

Pursuant to the terms of the New Materials Purchase Framework Agreement, there is no limitation on the quantity of Chemicals to be purchased by the Group from the KBH Group. The actual quantity, specification and price of Chemicals to be purchased will be determined and agreed between the parties from time to time. The Group will not be obligated to purchase a minimum amount of Chemicals from the KBH Group and the KBH Group will not be obligated to sell any set quantity of Chemicals to the Group during the term of the New Materials Purchase Framework Agreement.

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The purchase department will also conduct monthly reviews to monitor movements in prevailing market prices. The head of the purchase department and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review each order with the KBH Group and compare it against the pricing information presented and reported by the purchase department personnel, taking into account the historical price of comparable transactions. Based on the pricing information obtained, the purchase price to be paid by the Group under the New Materials Purchase Framework Agreement will be set at or no more than the prevailing market prices and benchmark prices, and the terms shall be no more favourable to the KBH Group than the terms available from independent third party suppliers.

b) New Supply Framework Agreement

Key terms of the New Supply Framework Agreement summarized as below:

Date: 16 September 2026

Parties: (1) KBH
(2) the Company

Products to be supplied: Supply of laminate products and related upstream materials by the Group to the KBH Group, without any limitation on the maximum and minimum quantity but is to be determined and agreed between the parties from time to time.

Pricing: The materials will be supplied at the then prevailing market prices, but in no event will the terms be less favourable to the Group than the terms available to independent third parties having regard to the quantity and other conditions of the sale.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

To facilitate the Group in determining the prevailing market price, each time an order is received from the KBH Group, the sales department of the Group will assess the prevailing market price by reference to: (i) the copper price quoted on the London Metal Exchange as a key reference indicator for the raw material cost component (as copper is the principal raw material for the production of laminates and related upstream materials), as well as listed prices for comparable products of similar types and specifications displayed on publicly available online market platforms (as copper-clad laminates are not a standardised commodity for which there is a publicly quoted exchange price or a dedicated commodity data provider); (ii) selling prices offered to independent third party customers for similar products (based on similar quantity and similar specifications), having regard to the product type, quantity, delivery terms and timing of the relevant order; and (iii) at least two comparable transactions with an independent third party customer of the Group during the same period. Where no comparable transaction is available during the same period, the sales department will conduct market research on the open market by coming into contact with and initiating business enquiries with potential buyers in relation to the goods contemplated under the New Supply Framework Agreement. Such potential buyers are independent third parties of the Group and are market players which include the Group's customers. The prices and terms acceptable to such potential buyers are recorded and a pricing research report is submitted to the head of the sales department and/or the director-in-charge of the relevant operating subsidiary for their information and reference in considering the orders with the KBH Group under the New Supply Framework Agreement.

The Group will grant a credit period of 90 days to the KBH Group. The consideration will be settled in cash.

Term: From 1 January 2026 to 31 December 2028, both days inclusive.

Pursuant to the terms of the New Supply Framework Agreement, there is no limitation on the quantity of laminates and related upstream materials to be supplied by the Group to the KBH Group. The actual quantity, specification and price of laminates and related upstream materials to be supplied will be determined and agreed between the parties from time to time. The Group will not be obligated to supply a minimum amount of laminates and related upstream materials to the KBH Group and the KBH Group will not be obligated to purchase any set quantity of laminates and related upstream materials under the terms of the New Supply Framework Agreement.

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The sales department will also conduct monthly reviews to monitor movements in prevailing market prices. The head of the sales department and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review each order with the KBH Group and compare it against the pricing information presented and reported by the sales department personnel, taking into account the historical price of comparable transactions. Based on the pricing information obtained, the selling price to the KBH Group under the New Supply Framework Agreement will be set at or no less than the prevailing market prices and benchmark prices, and the terms will be no more favourable to the KBH Group than the terms available to independent third party customers.

III. Internal Control and Historical Transaction Records

During discussion with the management of the Group, we are advised that the Group has implemented a set of internal control procedures to ensure the pricing mechanism is fully applied.

Whenever the Group intends to purchase the Chemicals from the KBH Group, the purchase department will first inform the potential suppliers (including KBH Group) of the amount and specifications of intended purchase and will then assess and compare the quotations from such potential suppliers. The purchase department would consider at least two comparable transactions with an independent third-party supplier during the same period where applicable, and report to the senior management accordingly. As part of the internal requirement, the head of the purchase department and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review the order with the KBH Group and compare it against two comparable transactions with independent third-party supplier of the Group as presented and reported by the purchase department personnel. As such, the terms in respect of the purchase under the New Materials Purchase Framework Agreement will be comparable to the market terms. In the absence of any comparable transaction, the Group will conduct market research on the open market where applicable. On such basis, we are of the view that the market price information obtained from the independent third-party suppliers could assist the Group in determining the pricing of the relevant purchase transactions and therefore the Company is able to make purchase orders of Chemicals under the prevailing market condition.

On the other hand, when the Group handles a purchase order from the KBH Group, the sales department of the relevant operating subsidiary will obtain prevailing market prices and benchmark price information through the market or third-party customers. In the previous sales transactions, the Group would consider at least two comparable transactions with an independent third-party customer during the same period. In the absence of a comparable transaction or price quotation, the Group will conduct market price research on the open market. As part of the internal requirement, prior to accepting a purchase order, the sales department of the relevant operating subsidiary will consider the price offered to the KBH Group or independent third-party customers to ensure the selling price to KBH Group, which will be at or no less than the prevailing/benchmark prices. Besides, the sales procedures to the KBH Group are identical to that of independent third-party customers, which include the steps of order enquiry, price negotiation, order confirmation, product delivery and payment.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Our review on the pricing policy

For the purpose of this letter of advice, we have reviewed records of historical transactions contemplated under (i) Existing Materials Purchase Framework Agreement and (ii) Existing Supply Framework Agreement between January 2024 and June 2026 (the “**Period under Review**”). We have obtained a master list of transaction records regarding the transactions between the Group and the KBH Group from the management of the Company for the Period under Review.

(i) Historical transactions contemplated under Existing Materials Purchase Framework Agreement

For the transactions in respect of the purchase of Chemicals from the KBH Group by the Group under the Existing Materials Purchase Framework Agreement, we have selected on a random basis from the master list and reviewed transaction samples. In view of the numerous transactions conducted during the Period under Review, we have randomly selected one sample for every two months of each financial year. Under such basis, we have reviewed a total of 15 sets of transaction samples. For each of the samples obtained, we have further obtained at least two comparable transactions with independent third parties of the Group conducted at the relevant time in respect of purchase of products with comparable specifications and quantities. For each set of transaction samples obtained, we have (1) compared the products purchased by the Group from the independent third parties to ensure they were identical or comparable; (2) checked the transaction dates to ensure that they were conducted within a reasonable timeframe; and (3) compared the transaction prices to ensure the transaction prices regarding the purchase of Chemicals were no less favourable than those offered by independent third-party suppliers. Based on the purchase orders and quotations provided to us, we noted that at least one quotation was obtained from independent third-party suppliers for price comparison of each transaction. The price and payment terms offered by the KBH Group were no less favourable than those offered by independent third-party suppliers.

(ii) Historical transactions contemplated under Existing Supply Framework Agreement

For the transactions in respect of the sales of laminates and related upstream materials from the Group to the KBH Group under the Existing Supply Framework Agreement, similar investigations have been conducted as section (i) above. We have randomly selected one sample for every two months of each financial year and therefore have reviewed 15 sets of transaction samples during the Period under Review. Again, for each of the samples obtained, we have further obtained at least two comparable transactions with independent third party of the Group conducted at the relevant time in respect of sale of products with comparable specifications and quantities. For each set of transaction samples obtained, we have (1) compared the products sold to the KBH Group and to the independent third parties to ensure they were identical or comparable; (2) checked the transaction dates to ensure that they were conducted within a reasonable timeframe; and (3) compared the transaction prices to ensure the transaction prices regarding the sales of laminates and related upstream materials were no more favourable than those offered to the independent third-party customers. Based on the invoices

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provided to us, we noted that the price and payment terms offered to the KBH Group were no more favourable than those offered to the independent third-party customers.

In evaluating the sampling methodology, we consider the reviewed documents to be fair, representative, and sufficient to substantiate our opinion. The selected samples cover sales transactions across each relevant year under the Existing Agreements, providing a clear representation of the Group's ongoing transaction workflows. Given the recurring nature and high volume of these continuing connected transactions, the operational procedures are standardized across the Group. Crucially, our review confirmed that adequate comparable transactions with independent third parties and cost references were available, verifying that the pricing policies governing transactions with KBH Group have been properly implemented on fair and reasonable commercial terms.

Regarding the pricing policy, we also noted that the Group will maintain a database to record and monitor the market prices on public domain and compare with similar products providers in the market which are independent third parties, as to the prices of the products under the Existing Agreements. In this respect, we have obtained and reviewed the Group's two exhaustive pricing research reports for the period between January 2024 and June 2026 for the purchase of Chemicals and sales of laminates and related upstream materials. Based on our review, we noted that the market prices of products were checked and recorded by the Group on daily basis. As for the purchase of Chemicals under Existing Materials Purchase Framework Agreement, the purchase department will obtain pricing data published by ICIS (<https://www.icis.com/explore/services/pricing/>) (an independent commodity market intelligence platform which provides pricing data for petrochemicals and chemicals markets globally) and other independent industry data sources, as well as listed prices for comparable chemical products displayed on publicly available online market platforms. As for the sale of laminates and related upstream materials under Existing Supply Framework Agreement, the sale department will obtain the copper price quoted on the London Metal Exchange (<https://www.lme.com/>) as a key reference indicator for the raw material cost component (as copper is the principal raw material for the production of laminates and related upstream materials), as well as listed prices for comparable products of similar types and specifications displayed on publicly available online market platforms. Based on the record, we noted that the Group has regularly monitored and collected market information on the price of products to be provided or purchased from KBH Group and compared with the market prices and the quotations offered by comparable independent third parties from time to time.

Our review on the internal control policies

As set out in the Letter from the Board, the Group has implemented certain internal control measures to monitor the continuing connected transactions of the Company including but not limited to (i) monthly review on the sales amount and selling prices in relation to the connected transactions by the finance manager; (ii) quarterly review on the selling prices and payment terms by the Board; (iii) annual review on the connected transactions by the auditor; and (iv) annual review on the connected transactions by the audit committee of the Board such that all these transactions are on normal commercial terms and in the interest of the Company as well as complying with the Listing Rules.

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Regarding the monthly review of the transaction amounts, the finance department of the Group will maintain a database to record and monitor the aggregate transaction amounts, unit purchase prices, and selling prices under the continuing connected transactions on an ongoing basis, together with market price references for key raw materials (including copper and Chemicals). The finance department will prepare a monthly report containing comprehensive transaction details, including but not limited to the product types, specifications, volume, and unit prices of connected transactions executed during the month (the “**Monthly CT Report**”), accompanied by either independent third-party quotations or market price assessments. This monitoring mechanism ensures that: (1) all transactions entered into under the New Materials Purchase Framework Agreement and the New Supply Framework Agreement strictly comply with the pricing policies and terms set forth therein; and (2) the cumulative actual transaction amounts do not exceed the relevant proposed annual caps.

In addition, we noted that the Company’s internal audit team will conduct reviews on the continuing connected transactions of the Group. Such reviews include (a) on-site inspections at the Group’s production facilities to examine transaction records and supporting documentation; (b) verification of compliance with the pricing policies and internal control procedures described above, including checking whether the relevant pricing references, quotations and comparable transaction data have been properly obtained, recorded and approved; and (c) reporting findings and recommendations to the management and the director-in-charge.

We obtained and reviewed the Monthly CT Reports for FY2025 and first half year of FY2026. Based on the Monthly CT Reports provided, we noted that the finance department of the Company has regularly monitored the cumulative transaction amounts against the approved annual caps for each month and the transaction monitoring records were prepared and signed by the manager of finance department and were then reviewed by the chief financial officer. We also verified that each report accurately tracked and recorded aggregate transaction amounts against the relevant annual caps, properly classified the transactions as continuing connected transactions, and confirmed that the transactions were conducted on normal commercial terms. We also noted that key raw material cost references including copper and Chemicals alongside supporting quotations were properly recorded.

Furthermore, we have reviewed the sample internal audit reports prepared by the Company’s internal audit team to assess the scope, depth, and findings of their reviews. We noted that the internal audit team has conducted on-site inspections at production facilities and periodic reviews of the Monthly CT Reports to verify compliance with established pricing policies and cap limits, and reports its findings directly to management and the director-in-charge. Based on the sample internal audit reports, no material internal control deficiencies or non-compliance issues were identified.

As advised by the management of the Company, such Monthly CT reports and internal audit reports will be reviewed by INEDs and Auditor on annual basis for the purpose of ensuring the transactions contemplated under the Existing Agreements have been within the ordinary business of the Group, on the normal commercial terms without exceeding the Existing Annual Caps.

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In consideration of the above, we concur with the Directors that the internal control procedures are in place to ensure continuing connected transaction under the New Materials Purchase Framework Agreement and the New Supply Framework Agreement will be conducted on normal commercial terms and the effective implementation of these measures shall safeguard the interests of the Company and the Independent Shareholders as a whole.

Therefore, we are of the view that the Company has sufficient and effective internal control policy to ensure the Proposed Revised Annual Caps and the Proposed Annual Caps will not be exceeded and the price of the products are on normal commercial terms, fair and reasonable, and in the interest of the Company and its Shareholders as a whole.

IV. Assessment of the Proposed Revised Annual Caps and Proposed Annual Caps

a) New Materials Purchase Framework Agreement

The table below sets out Existing Annual Caps under the Existing Materials Purchase Framework Agreement, the Proposed Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps under the New Materials Purchase Framework Agreement for the three financial years ending 31 December 2028 ("FY2026", "FY2027" and "FY2028" respectively):

	FY2026 HKD'000	FY2027 HKD'000	FY2028 HKD'000
Existing Annual Caps	848,000	N/A	N/A
Proposed Revised Annual Caps/Proposed Annual Caps	1,174,000	1,408,800	1,690,600
Annual growth rate (%)	–	20.00%	20.00%

In determining the Proposed Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps for the New Materials Purchase Framework Agreement for each of the three years ending 31 December 2028, the management of the Company has taken into account:

- i. the historical transaction amounts of purchase of Chemicals for the production of laminates by the Group from the KBH Group;
- ii. the anticipated growth in demand for Chemicals of the Group for the three financial years ending 31 December 2028;
- iii. the anticipated increase in market price of Chemicals; and
- iv. inflation

We have discussed with the management of the Company and reviewed the underlying assumptions and bases considered in the determination of the Proposed

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Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps. In assessing the reasonableness and fairness of the basis of determination of the Proposed Revised Annual Cap and the Proposed Annual Caps, we have considered and examined (i) the historical transaction amounts of the purchase of Chemicals under the Existing Materials Purchase Framework Agreement; (ii) the anticipated demand for the Chemicals of the Group and (iii) price volatility of the goods.

Assessment of the Proposed Revised Annual Caps for FY2026

The following table sets out (i) the historical transaction amounts of the purchase of Chemicals for FY2024, FY2025 and the eight months ended 31 August 2026 under the Existing Materials Purchase Framework Agreement (“**Historical Purchases Amounts**”); (ii) the Existing Annual Caps under the Existing Materials Purchase Framework Agreement; (iii) the calculation of the utilization rate for FY2024, FY2025 and 8M2026 of the Existing Annual Caps and the estimated purchase for FY2026 by straight-line multiplication from the actual transactions during 8M2026:

	FY2024	FY2025	8M2026	FY2026
	HKD'000	HKD'000	HKD'000	HKD'000
Historical Purchases Amounts	790,900	799,753	626,168 (note ¹)	939,252 (note ²)
Existing Annual Caps	799,000	823,000	848,000	848,000
% of utilization	98.99%	97.18%	73.84%	

Notes:

1. This is the actual amount for the eight months ended 31 August 2026.
2. This is an estimated figure by straight-line multiplication from the actual transactions during the eight months ended 31 August 2026.

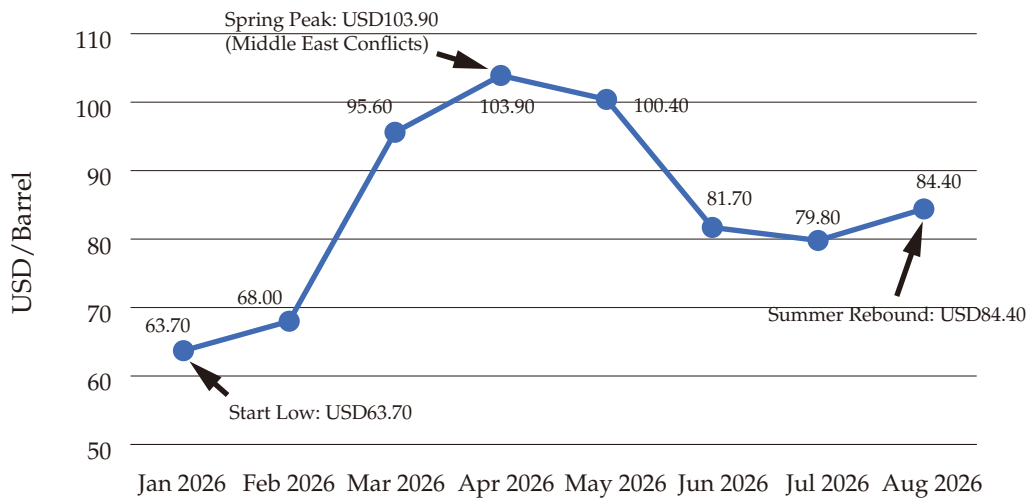
As shown in the table above, we noted that (i) the transaction amounts under the Existing Materials Purchase Framework Agreement during the period commencing from 1 January 2026 to 31 August 2026 have reached approximately HKD626.2 million, representing a utilization rate of the Existing Annual Cap for FY2026 of approximately 73.84%; and (ii) for illustrative purpose only, the annualised amounts calculated based on the historical transaction amounts under the Existing Materials Purchase Framework Agreement for the 8M2026 is approximately HKD939.3 million which will exceed the Existing Annual Cap of HKD848.0 million. Having considered the above factors, there is a need to revise the Existing Annual Cap to cater the demand of Chemicals from the Group during the remaining four-month period of 2026.

We understand from the management that the significant increase in purchase amount of the Chemicals from the KBH Group during FY2026 was mainly due to (i) the unexpected increase in market selling prices of the Chemicals products purchased from KBH Group and (ii) the increase in the production volume of the laminates and related upstream materials products.

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Because of the significant price surge in crude oil, the market prices of the Chemicals have been increased accordingly in FY2026. In order to formulate our opinion, we have reviewed the recent price movement of crude oil.

NYMEX WTI Crude Oil Price Trend (Jan 2026 – Aug 2026)



Based on the crude oil prices quoted on New York Mercantile Exchange (<https://www.cmegroup.com/company/nymex.html>) for the period from 1 January 2026 to 31 August 2026, the crude oil price experienced high volatility, climbing from low levels around USD63.70 per barrel in January to a peak above USD103.90 per barrel in April. The initial upward trajectory was primarily driven by severe Middle East geopolitical conflict, which drew down global oil inventories by roughly 400 million barrels over the year. Subsequently, high retail fuel costs temporarily dampened demand to pull prices down in June while persisting physical transport threats and low global warehouse stocks pushed benchmarks back up toward USD84.40 per barrel by late August. Overall, crude oil prices exhibited a distinct net upward trend during the eight-month period, surging by approximately 32.5% compared to the beginning of the year. In particular, based on latest price research conducted by the Company, we noted that the average purchase price of Chemicals in September 2026 was higher than the average purchase price for the eight months ended 31 August 2026.

Apart from the unexpected increase in market selling prices of Chemicals, the Group also achieved a significant increase in laminate production volume in FY2026, with average monthly shipments surging over 10 million sheets during the first eight months. The average monthly shipments rose by 5% compared with FY2025. This operational growth was driven by a sharp rise in downstream structural demand across high-end PCBs, localized AI server infrastructure, 5G-Advanced communication networking, and smart automotive electronics.

According to the annual report of the Group for FY2025, the Group achieved a total revenue of HKD20.40 billion, representing a 10% year-on-year increase from HKD18.54 billion in FY2024. This growth was driven by robust operational demand across advanced technology sectors, including AI servers, 5G communications, and smart

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automotive electronic which supported the Group's operational expansion and increased raw material needs. Accordingly, we consider the demand of the Group on Chemicals remains strong.

In assessing whether and how the determination of Proposed Revised KBH Purchase Annual Cap for FY2026 are fair and reasonable, we have discussed with Management and reviewed the calculation, which was derived from estimated annualised amounts calculated based on actual purchases for the 8M2026 of approximately HKD939.3 million with a buffer of approximately 25%. As set out in the letter from the Board, the 25% buffer takes into account (i) the upward commodity price trends during the eight months ended 31 August 2026; (ii) the purchasing price index for raw chemicals; and (iii) the fact that the average purchase price of Chemicals in September 2026 was higher than the average purchase price for the eight months ended 31 August 2026.

Having reviewed the underlying factors, we consider the inclusion of a 25% buffer in determining the Proposed Revised KBH Purchase Annual Cap for FY2026 is justified based on:

- (i) the buffer provides flexibility to absorb potential upstream cost fluctuation evidenced by an increase of 32.5% in crude oil benchmark prices during the first eight months of 2026, alongside mid-year double-digit rises in raw chemical purchasing price index released by the National Bureau of Statistics;
- (ii) the actual market data confirms that average Chemical purchase prices in September 2026 exceeded the 8M2026 average. The estimation relying solely on a basic straight-line annualization would therefore understate the Group's actual financial exposure for the full year.
- (iii) the buffer accommodates the Group's ongoing operational expansion which reflected in its 10% revenue growth in FY2025 and a 5% increase in average monthly laminate shipments to over 10 million sheets in FY2026 driven by sustained structural demand across high-end PCBs, AI server infrastructure, 5G-Advanced communications, and smart automotive electronics.

Accordingly, we are of the view that a 25% buffer is a prudent provision that caters to both price volatility and volume growth, ensuring the Group can maintain production without exceeding its annual caps for the remainder of FY2026 and we consider such estimation to be fair and reasonable.

Assessment of the Proposed Annual Caps for FY2027 and FY2028

As advised by the Management, the Group will be scaling its production capacity of laminates to meet expanding global demand. As discussed in the previous paragraph, Chemicals are essential for production of laminates and related upstream materials by the Group. The production volume of laminates will affect the quantity of Chemicals to be purchased by the Group from the KBH Group under the New Materials Purchase Framework Agreement and thus is relevant to justify the fairness and reasonableness of the proposed annual caps for the two years ending 31 December 2028. Therefore, we have

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conducted a review of the production plan of the Group for the next two years. Based on the plan, we note that there is a new project under construction in Pingxiang City, Jiangxi Province, with an ultimate monthly capacity of 1.1 million sheets of laminates whereas its Phase I, with a monthly capacity of 350,000 sheets, will likewise be commissioned in mid-2027. Regarding the existing facility in Thailand, Phase II and Phase III will be put into production across FY2027 to FY2028 with additional production monthly capacity of 400,000 sheets per phase to scale the total overseas output to 1.8 million sheets per month. Combining Phase I of Pingxiang with Phase II and Phase III of Thailand will bring additional 1.15 million sheets per month in new laminate capacity. With the new capacity, it is expected that the annual production capacity for laminates of the Group will be increased by around 10%. The Company expects that the tight supply-demand imbalance in the laminates industry is unlikely to ease in the near term, and the industry is expected to remain in an upward cycle characterised by robust demand and constrained supply.

In addition to volume growth in laminates production, global supply chain dynamics and upstream cost inflation require a reasonable buffer. According to data from the National Bureau of Statistics of China (<https://www.stats.gov.cn/>) announced in July 2026, the purchasing price index for raw chemicals has experienced significant double-digit increase of 11.5% in mid-2026, alongside elevated global crude oil prices which directly drive up the cost of Chemicals. Due to these industry-wide cost pressures, the Group has instituted multiple price adjustments for laminate product in FY2026. Looking forward, the Energy Information Administration (“EIA”) of the United States expects that crude oil prices face sustained upward risk and an elevated cost baseline through late 2026. Based on the Short-Term Energy Outlook published by EIA in September 2026 (<https://www.eia.gov/outlooks/steo/>), EIA raised its full-year crude oil spot price forecast to USD91.01 per barrel, driven by Middle Eastern supply shut-ins averaging between 5.5 million and 7.5 million barrels per day.

We understand from the management that the Proposed KBH Purchase Annual Caps are estimated by the management of the Company with an expected annual growth of approximately 20% based on the proposed revised annual cap for the year ending 31 December 2026. As set out in the letter from the Board, the annual growth rate reflects: (i) projected volume growth of approximately 7.5% to 10%, having regard to the expected increase in the Group’s laminate production capacity of approximately 10%; (ii) anticipated commodity price increases of approximately 8% to 10%, having regard to the 11.5% increase in the purchasing price index for raw chemicals in mid-2026; and (iii) general cost inflation of approximately 2% to 3%.

Having evaluated the underlying factors, we consider the proposed 20% annual growth rate for the Proposed KBH Purchase Annual Caps in FY2027 and FY2028 directly aligns with the cumulative impact of three core operational and macroeconomic factors: (i) projected volume growth of approximately 7.5% to 10%, driven by adding 1.15 million sheets per month in new laminate production capacity across Pingxiang Phase I and Thailand Phases II & III; (ii) anticipated commodity price increases of approximately 8% to 10% backed by the 11.5% surge in China’s raw chemical purchasing price index in mid-2026 and sustained elevated crude oil price baselines forecast by the EIA; and (iii) a 2% to 3% provision for general cost inflation. Furthermore, given that the Group’s historical annual cap utilization rates reached near-capacity levels of 98.99% in FY2024

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and 97.18% in FY2025, an annual cap growth rate of 20% provides essential operational flexibility to absorb potential raw material price volatility, support scheduled production scaling, and avoid the necessity of further cap revisions in the next two years which is fair and reasonable.

In reviewing the proposed annual caps under the New Materials Purchase Framework Agreement, we have: (i) reviewed the internal calculation worksheets used in determining the respective proposed annual caps, which were prepared by the Group based on, among other things, the actual historical purchase amounts of Chemicals and the historical utilization rates of the existing annual caps and the projected capacity expansion of the Group's laminate production facilities as well as the anticipated increase in market price of Chemicals; (ii) examined internal purchase monitoring records, sample purchase orders, independent third-party supplier quotations, and pricing research reports to confirm that the Group's pricing policy to ensure terms are no less favourable than prevailing market rates; and (iii) performed independent research on upstream industry trends and benchmark price movements, including crude oil price and national purchasing price indices for raw chemicals, which confirm ongoing cost inflation and support the operational need for the projected annual cap growth.

b) New Supply Framework Agreement

The table below sets out Existing Annual Cap under the Existing Supply Framework Agreement, the Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps for the three financial years ending 31 December 2028:

	FY2026 HKD'000	FY2027 HKD'000	FY2028 HKD'000
Existing Annual Caps	4,765,000	N/A	N/A
Proposed Revised Annual Caps/ Proposed Annual Caps	6,941,600	8,329,900	9,995,900
Annual growth rate (%)	–	20.00%	20.00%

In determining Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps for the New Supply Framework Agreement, the management of the Company has taken into account:

- i. the historical transaction amounts of sales of laminates and related upstream materials by the Group to the KBH Group;
- ii. the expected increase in the production capacity of PCBs of KBH Group;
- iii. the anticipated demand of the laminates and related upstream materials by the KBH Group for the four months ending 31 December 2026 and the years ending 31 December 2027 and 2028;
- iv. the anticipated increase in market price of such materials; and

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v. inflation

We have discussed with the management of the Company and reviewed the underlying assumptions and bases considered in the determination of the Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps. In assessing the reasonableness and fairness of the basis of determination of the Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps, we have considered and examined (i) the historical transaction amounts of the purchase of Chemicals under the Existing Materials Purchase Framework Agreement; (ii) the production plan of PCBs of the KBH Group and (iii) price volatility of the goods.

Assessment of the Proposed Revised Annual Caps for FY2026

The following table sets out (i) the historical transaction amounts of the sales of laminates and related upstream materials for FY2024, FY2025 and 8M2026 under the Existing Supply Framework Agreement (“**Historical Sales Amounts**”); (ii) the Existing Annual Caps under the Existing Supply Framework Agreement; (iii) the calculation of the utilization rate for FY2024, FY2025 and 8M2026 of the Existing Annual Caps and the estimated sales for FY2026 by straight-line multiplication from the actual transactions during 8M2026:

	FY2024 HKD'000	FY2025 HKD'000	8M2026 HKD'000	FY2026 HKD'000
Historical Sales Amounts	4,096,187	3,801,834	3,702,167 (note ¹)	5,553,251 (note ²)
Existing Annual Caps	4,491,000	4,626,000	4,765,000	4,765,000
% of utilization	91.21%	82.18%	77.70%	

Notes:

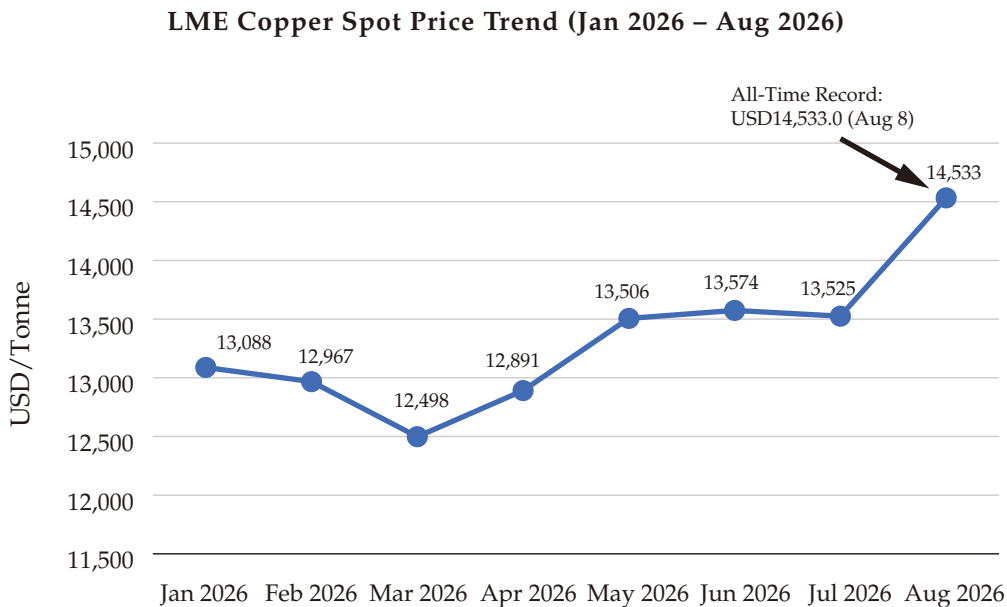
1. This is the actual amount for the eight months ended 31 August 2026.
2. This is an estimated figure by straight-line multiplication from the actual transactions during the eight months ended 31 August 2026.

As shown in the table above, we noted that (i) the transaction amounts under the Existing Supply Framework Agreement during the period commencing from 1 January 2026 to 31 August 2026 have reached approximately HKD3,702.2 million, representing a utilization rate of the Existing Annual Cap for FY2026 of approximately 77.70%; and (ii) for illustrative purpose only, the annualised amounts calculated based on the historical transaction amounts under the Existing Supply Framework Agreement for the 8M2026 is approximately HKD5,553.3 million which will exceed the Existing Annual Cap of HKD4,765.0 million. Having considered the above factors, there is a need to revise the Existing Annual Cap to cater the sales to the KBH Group.

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We understand from the management that the significant increase in sales to the KBH Group during the year ending 31 December 2026 was mainly due to the significant increase in market selling price of the laminates and related upstream materials products supplied to KBH Group.

Among the goods to be supplied to KBH Group, laminates and related upstream materials are mainly produced from copper. The price fluctuations in copper would have significant impact on the selling price of the goods. In view of this, we have conducted a review on the copper price for FY2026. The diagram shown below is a graph of copper metal price quoted on the London Metal Exchange (<https://www.lme.com/>) in USD per tonne from January 2026 up to August 2026.



Between January and August 2026, the copper price exhibited an aggressive upward trend, surging by over 11.5% from around USD13,000 per tonne early in the year to record highs above USD14,500 per tonne by August. By early August, the copper price crested at an all-time peak of USD14,533 per tonne. Such significant price surge was driven by the combination effect of massive warehouse stockpiling in response to US tariff delays and strong physical demand from artificial intelligence infrastructure, such as AI data center expansions and power grid builds. AI data centers require thick copper wiring to supply massive electrical power and copper plumbing systems to keep the hardware from overheating. This surging structural demand pushes market prices higher and drives severe cost inflation across the entire electronic supply chain from raw laminates up to finished PCBs.

According to the annual report of the Group for FY2025, it is mentioned that demand for specialty electronic fibreglass yarn and specialty electronic fibreglass fabric used in high-end applications, including 5G and 5.5G, AI servers, and IC packaging substrates grew significantly, leading to a sustained supply shortage. Some existing production capacity in the market for traditional electronic fibreglass yarn and fabric was redirected to the production of AI-related products, creating a tight supply of traditional

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materials. Alongside a sharp rise in copper price, the Group raised prices for its laminate products several times during the year.

We have discussed with Management and reviewed the calculation of the Proposed Revised KBH Supply Annual Cap, which was derived from the estimated figure by straight-line multiplication from the actual transactions during the eight months ended 31 August 2026 of approximately HKD5,553.3 million with a buffer of 25%. The 25% buffer takes into account: (i) upward commodity price trends during the eight months ended 31 August 2026; (ii) the fact that the average selling price of laminates and related upstream materials in September 2026 was higher than the average selling price for the eight months ended 31 August 2026; and (iii) the commissioning of 600,000 square feet per month of additional PCBs production capacity by the KBH Group in Vietnam in the fourth quarter of FY2026.

Having reviewed the underlying factors, we consider the inclusion of a 25% buffer in determining the Proposed Revised KBH Supply Annual Cap for FY2026 is justified based on:

- (i) copper prices exhibited significant volatility, surging by approximately 11.5% between January 2026 and August 2026. Management anticipates that the selling prices of laminates and related upstream materials will maintain an upward trend as expanding demand from electric vehicle fleets, renewable energy grid upgrades, and power-hungry AI data center builds continues to absorb virtually all incremental market supply;
- (ii) the average selling prices of laminates and related upstream materials in September 2026 outpaced the average for the eight months ended 31 August 2026. This upward trend confirms that a standard straight-line annualization based solely on the first eight months' actual transactions would understate second-half financial performance; and
- (iii) the scheduled commissioning of 600,000 square feet per month of new PCBs production capacity by KBH Group in Vietnam during the fourth quarter of FY2026 will directly amplify downstream purchase volume for the Group's products.

Therefore, we are of the view that a 25% buffer is a prudent provision that caters to both price volatility and volume growth, ensuring the Group can maintain production without exceeding its annual caps for the remainder of FY2026 and we consider such estimation to be fair and reasonable.

Assessment of the Proposed Annual Caps for FY2027 and FY2028

Regarding the anticipated demand of the laminates and related upstream materials by the KBH Group for the next two years, we have reviewed the latest annual report of KBH Group and the expansion plan on the production capacity of PCBs of KBH Group provided by the Group. In order to facilitate the manufacturing and sale of PCBs of the KBH Group, the KBH Group requires laminates and related upstream materials for its

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production. The production volume of PCBs will affect the quantity of laminates and related upstream materials to be sold by the Group to KBH Group under the New Supply Framework Agreement thus is relevant to justify the fairness and reasonableness of the proposed annual caps for the two years ending 31 December 2028. According to the latest annual report of KBH Group, KBH Group has been actively developing higher-layer-count and advanced high-density interconnect (“HDI”) PCBs to meet global demand driven by ongoing digital and smart transformation. Therefore, the KBH Group is significantly scaling its advanced multi-layered PCBs production capacity through three major expansion projects. In Vietnam, Phase I of the Gia Binh facility will be put into production in the fourth quarter of FY2026 with new capacity of 600,000 square feet per month and will eventually reach 1.1 million square feet at full buildout. In Ayutthaya, Thailand, Phase I will contribute another 600,000 square feet per month in FY2027 toward a full capacity of 1.2 million. Finally, an expansion in Kaiping City, Guangdong, will be completed by the end of FY2027, adding 300,000 square feet per month of specialized multilayer and HDI PCBs for AI and advanced electronics. Phase I of these three sites will deliver 1.5 million square feet of immediate new monthly capacity by the end of FY2027. With the new capacity, it is expected that the annual production capacity for PCBs of KBH Group will be increased by around 7.5%.

Amid accelerating digitalisation and the growing adoption of smart technologies, domestic demand for high-end PCBs in China has been continuing to experience strong structural growth, particularly for advanced HDI and flexible PCBs. According to the data released from the Ministry of Industry and Information Technology for the first half of FY2026, the output of integrated circuits in China serving as a direct proxy for carrier board and PCB usage expanded by approximately 23.1% year-on-year to 279.8 billion units. Looking ahead through FY2027, PCBs demand will be further amplified by the rapid rollout of 6G-Advanced networks and smart automotive applications. Next-generation electric vehicles need centralized controllers, efficient power modules, and advanced driver-assistance systems (“ADAS”), while 6G networks depend on fast, high-frequency circuits. Together, these high-tech needs will drive steady, large-scale domestic demand for advanced HDI and multilayer PCBs across China. KBH Group is actively developing new manufacturing technologies for 6G wireless communications, AI servers, low-earth orbit (“LEO”) satellites, 4D imaging mmWave radar, automotive high-end common control unit components, new energy vehicle high voltage fast chargers and intelligent robots to diversify a higher-value-added product portfolio. This will progressively expand its capacities for advanced multi-layered PCBs and thus the demand of goods from the Group is expected to be stable in growth.

We understand from the management that the Proposed KBH Supply Annual Caps is estimated by the management of the Company with an expected annual growth of approximately 20% which reflects: (i) projected volume growth of approximately 7.5% to 10%; (ii) anticipated commodity price increases of approximately 8% to 10%; and (iii) general cost inflation of approximately 2% to 3%.

With regard to the Company’s estimation on the increase in commodity price, as advised by the management of the Group, the anticipated increase of approximately 8% to 10% in projecting the market prices of copper is primarily due to the fact that the copper prices hit new multi-year highs in FY2026 as a result of increased industrial demand and

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structural shortages in global mining markets and such conditions are considered to sustain in the coming years. Based on the research report issued by Citigroup in mid-2026 (<https://www.citigroup.com/global/insights>), we noted that Citigroup forecasted the copper products to hit USD14,500 per tonne in 2026 and USD15,000 per tonne within the next year. This upward pricing momentum is primarily driven by a constrained global supply outlook. The on-going operational disruptions at key tier-one sites, such as the Grasberg mine in Indonesia and the Kamo-a-Kakula complex in the Democratic Republic of the Congo, it is expected that both of which are unlikely to reach full operating capacity until FY2028. While supply tightens, demand is accelerating from multiple long-term growth sectors. Copper is a critical material for electricity grids, electric vehicles, renewable energy systems, and now has become a vital material for expanding artificial intelligence infrastructure. Ultimately, this weak supply growth and robust demand from the global energy transition and AI development continue to drive market deficits and cost pressures across the supply chain.

According to the production plan of KBH group as discussed above, it is anticipated that the demand for laminates and related upstream materials from KBH Group would be driven by the increase in the production capacity of PCBs in the next two years. Starting from FY2027, the production capacity of PCBs will be expanded with an additional of 1.5 million square feet per year, representing an annual growth of approximately 7.5%. Furthermore, the demand of advanced multi-layered PCBs from telecommunications and automobiles sector continuously increased, it is expected that the production capacity of PCBs of KBH Group will keep expanding in order to cope with increasing market demand of advanced multi-layered PCBs. With the new capacity in China and Thailand, it is expected that the annual production capacity for laminates of the Group will be increased by around 10%. The proposed 20% annual growth rate reflects: (i) projected volume growth of approximately 7.5% to 10%, aligning with KBH Group's PCBs capacity expansion and the Group's laminates capacity expansion; (ii) anticipated commodity price increases of approximately 8% to 10%, backed by structural copper deficits and forecasts cutting global mine supply by 350,000 tonnes that drive market prices upward; and (iii) general cost inflation of approximately 2% to 3%. In our view, the proposed 20% annual growth rate is consistent with the Company's projections. When compared to the CAGR of historical sales for the last three years of 16.44% and the recent 23.1% year-on-year growth in output of integrated circuits in China, the proposed annual growth rate of 20% is considered a fair, reasonable, and prudent estimation that provides necessary operational flexibility without requiring further cap revisions.

In reviewing the proposed annual caps under the New Supply Framework Agreement, we have: (i) reviewed the internal calculation worksheets used in determining the respective proposed annual caps, which were prepared by the Group based on, among other things, (a) the actual historical sales amounts of laminates and related upstream materials and the historical utilization rates of the existing annual caps; (b) the estimated annualised sales amounts for the current financial year incorporating a buffer for potential product price increases; and (c) the anticipated demand from the KBH Group driven by its PCBs production capacity expansions across its facilities in Vietnam, Thailand, and Guangdong; (ii) examined internal sales monitoring records, sample invoices to the KBH Group, benchmark transactions with independent third-party customers, to confirm that sales procedures are conducted on normal commercial terms

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and adhere strictly to pricing policies; and (iii) performed independent research on downstream market demand and key raw material cost drivers, including global copper spot price trends and national output data for integrated circuits, which demonstrate strong structural demand across high-end PCBs, AI server infrastructure, 5G-Advanced networks, and smart automotive electronics to support the underlying annual growth projections.

Having considered the factors and circumstances as stated above, we concur with the Directors that the Proposed KBH Supply Annual Caps under the New Supply Framework Agreement is fair, reasonable and justifiable, on normal commercial terms or better, in ordinary and usual course of business and in the interest of the Company and its Shareholders as a whole.

V. Reporting requirements and conditions of the Continuing Connected Transactions

Pursuant to Rules 14A.55 to 14A.59 of the Listing Rules, the Continuing Connected Transactions are subject to the following annual review requirements:

- (a) each year, the independent non-executive Directors must review the Continuing Connected Transactions and confirm in the annual report of the Company that the Continuing Connected Transactions have been entered into:
 - (i) in the ordinary and usual course of business of the Group;
 - (ii) on normal commercial terms or better; and
 - (iii) in accordance with the New Materials Purchase Framework Agreement and New Supply Framework Agreement governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole;
- (b) each year, the auditors of the Company must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the Continuing Connected Transactions:
 - (i) have not been approved by the Board;
 - (ii) were not, in all material respects, in accordance with the pricing policies of the Group (if applicable);
 - (iii) were not entered into, in all material respects, in accordance with the New Materials Purchase Framework Agreement or New Supply Framework Agreement; and
 - (iv) have exceeded any of the Proposed Revised Annual Caps and the Proposed Annual Caps;

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- (c) the Company must allow, and ensure that the relevant counterparties to the Continuing Connected Transactions allow, the Company's auditors sufficient access to their records for the purpose of the reporting on the Continuing Connected Transactions as set out in paragraph (b); and
- (d) the Company must promptly notify the Stock Exchange and publish an announcement if the independent non-executive Directors and/or auditors of the Company cannot confirm the matters as required.

The Company confirms that they will strictly comply with the aforementioned annual review requirements under Rules 14A.55 to 14A.59 of the Listing Rules in respect of the Continuing Connected Transactions under the New Materials Purchase Framework Agreement and New Supply Framework Agreement. In light of the reporting requirements attached to the Continuing Connected Transactions, in particular, (i) the restriction of the value of the purchase and sale transactions by way of the Proposed Revised Annual Caps and the Proposed Annual Caps; and (ii) the ongoing review by the independent non-executive Directors and the auditors of the Company of the terms of the Continuing Connected Transactions, the Proposed Revised Annual Caps and the Proposed Annual Caps not being exceeded, we are of the view that appropriate measures have been in place to monitor the conduct of the Continuing Connected Transactions and assist in safeguarding the interests of the Independent Shareholders.

VI. OUR RECOMMENDATION

Having considered the abovementioned principal factors and reasons that, and in particular, the following:

1. the entering into of the New Materials Purchase Framework Agreement and New Supply Framework Agreement are conducted in the ordinary and usual course of business of the Group;
2. the purpose of entering into the New Agreements is for revise and renewal of the Existing Annual Caps such that other terms and conditions of the Existing Agreements remain unchanged;
3. the size of the Proposed Revised Annual Caps and Proposed Annual Caps are determined by the Directors under a prudent approach and are fair and reasonable; and
4. the Group has been continuously doing business with KBH Group since 2006 and considers the KBH Group as a reliable business cooperation partner, in which a prudent internal control and monitoring of all the transactions have been evidenced;

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we conclude that the terms of the New Agreements and the size of corresponding Proposed Revised Annual Caps and Proposed Annual Caps are on normal commercial terms, in the ordinary and usual course of business, fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the New Agreements and the corresponding Proposed Revised Annual Caps and Proposed Annual Caps.

Yours faithfully,
For and on behalf of
Karl Thomson Financial Advisory Limited
Cherrie Wong
Responsible Officer

Ms. Cherrie Wong is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Karl Thomson Financial Advisory Limited to carry out type 6 (advising on corporate finance) regulatory activity under the SFO and has over 10 years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENTS

This circular for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

3. DISCLOSURE OF INTERESTS

Interests (long positions) of the Directors in the Company and its associated corporations

As at the Latest Practicable Date, the following Directors had interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange:

Ordinary shares of the Company

Name of Director	Capacity	Number of issued Shares held	Approximate percentage of the issued share capital of the Company (%)
Mr. Cheung Kwok Wa (<i>note 1</i>)	Beneficial owner/ Interest of spouse	2,125,000	0.07
Mr. Cheung Kwok Keung	Beneficial owner	302,000	0.01
Mr. Cheung Kwok Ping	Beneficial owner	4,100,000	0.13

Name of Director	Capacity	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
			(%)
Mr. Lam Ka Po	Beneficial owner	3,765,000	0.12
Mr. Zhou Pei Feng	Beneficial owner	250,000	0.01
Mr. Ho Kwok Ming	Beneficial owner	150,000	0.00
Mr. Zhang Lu Fu	Beneficial owner	350,000	0.01
Mr. Kung, Peter	Beneficial owner	100,000	0.00

Note:

(1) 75,000 Shares were held by his spouse.

Non-voting deferred shares of HKD1 each of Kingboard Laminates Limited, a wholly-owned subsidiary of the Company

Name of Director	Capacity	Number of non-voting deferred shares held
		(note)
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

Note:

None of the non-voting deferred shares of Kingboard Laminates Limited is 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.

KBH Shares

Name of Director	Capacity	Number of issued KBH Shares held	Approximate percentage of the issued share capital of KBH (%)
Mr. Cheung Kwok Wa	Beneficial owner	1,104,420	0.10
Mr. Cheung Kwok Keung	Beneficial owner	1,124,722	0.10
Mr. Cheung Kwok Ping (<i>note</i>)	Beneficial owner/ Interest of spouse	9,278,883	0.83
Mr. Lam Ka Po	Beneficial owner	2,917,500	0.26
Mr. Cheung Ka Ho	Beneficial owner	584,000	0.05
Mr. Lo Ka Leong	Interest of spouse	50,000	0.00
Mr. Kung, Peter	Beneficial owner	10,000	0.00

Note: 36,000 KBH Shares were held by his spouse.

Other than as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

4. DIRECTORS' INTEREST IN SERVICE CONTRACTS

None of the Directors has any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

5. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS AND COMPETING INTEREST

As at the Latest Practicable Date,

- (a) save for Mr. Lo Ka Leong who is the company secretary of KBH, none of the Directors was a director or employee of a company that had an interest or short position in the Shares and underlying shares of the Company, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO;
- (b) none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date, which was significant in relation to the business of the Group;
- (c) none of the Directors and his or her respective close associates had any competing interests (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder); and
- (d) none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2025 being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

6. EXPERT'S QUALIFICATION AND CONSENT

- (a) Karl Thomson is a corporation licensed under the SFO to carry out type 6 regulated activities (advising on corporate finance).
- (b) As at the Latest Practicable Date, Karl Thomson did not have any shareholding in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.
- (c) Karl Thomson has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which they appear.
- (d) The letter and recommendation given by Karl Thomson are given as of the date of this circular for incorporation herein.
- (e) Karl Thomson has no direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, any member of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

7. GENERAL

- (a) The company secretary of the Company is Ms. Ng Mei Kam Kennis. Ms. Ng is a member of the Hong Kong Institute of Certified Public Accountants.
- (b) The registered office of the Company is situated at P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.
- (c) The head office and principal place of business of the Company in Hong Kong is 23/F, Delta House, 3 On Yiu Street, Shek Mun, Shatin, New Territories, Hong Kong.
- (d) The Company's branch share registrar and transfer office in Hong Kong is Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (e) The English text of this circular shall prevail over the Chinese text.

8. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.kblaminates.com) for display for a period of not less than 14 days before the date of the EGM and on the date of the EGM:

- (a) this circular;
- (b) the letter from Karl Thomson, the text of which is set out on pages 23 to 49 of this circular;
- (c) the written consent from Karl Thomson;
- (d) the New Materials Purchase Framework Agreement; and
- (e) the New Supply Framework Agreement.



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of Kingboard Laminates Holdings Limited ("**Company**") will be held at 25/F, Delta House, 3 On Yiu Street, Shek Mun, Shatin, New Territories, Hong Kong on 30 October 2026 at 11 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. **"THAT** the entering into of the New Materials Purchase Framework Agreement (as defined in the circular of the Company dated 9 October 2026 (the "**Circular**")) and the transactions and the Proposed Revised KBH Purchase Annual Cap and the Proposed KBH Purchase Annual Caps (as defined in the Circular) contemplated thereunder be and are hereby approved, confirmed and ratified, and any director of the Company be and is hereby authorised to do, approve and transact all such acts and things as he/she may in his/her discretion consider necessary, desirable or expedient in connection therewith."
2. **"THAT** the entering into of the New Supply Framework Agreement (as defined in the Circular) and the transactions and the Proposed Revised KBH Supply Annual Cap and the Proposed KBH Supply Annual Caps (as defined in the Circular) contemplated thereunder be and are hereby approved, confirmed and ratified, and any director of the Company be and is hereby authorised to do, approve and transact all such acts and things as he/she may in his/her discretion consider necessary, desirable or expedient in connection therewith."

By order of the Board of
Kingboard Laminates Holdings Limited
Ng Mei Kam Kennis
Company Secretary

Hong Kong, 9 October 2026

Hong Kong head office and principal place of business:
23/F, Delta House
3 On Yiu Street, Shek Mun,
Shatin, New Territories
Hong Kong

NOTICE OF EGM

Notes:

- (1) Any shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder.
- (2) Where there are joint registered holders of any share in the issued share capital of the Company, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto. But if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company ("**Register of Members**") in respect of such share shall alone be entitled to vote in respect thereof.
- (3) In order to be valid, a form of proxy, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited 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, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting as the case may be.
- (4) The register of members of the Company will be closed from Tuesday, 27 October 2026 to Friday, 30 October 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the extraordinary general meeting, all transfers accompanied by the relevant Share certificates 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 not later than 4:30 p.m. on Monday, 26 October 2026.
- (5) If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at any time after 9:00 a.m. on the day of the meeting, the meeting will be adjourned. The Company will post an announcement on the Company's website (www.kblaminates.com) and the HKEX news website (www.hkexnews.hk) to notify shareholders of the date, time and place of the adjourned meeting. The meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situations.
- (6) As at the date hereof, the board of directors of the Company consists of Mr. Cheung Kwok Wa, Mr. Cheung Kwok Keung, Mr. Cheung Kwok Ping, Mr. Lam Ka Po, Mr. Cheung Ka Ho and Mr. Zhou Pei Feng, being the executive directors, Mr. Lo Ka Leong, being the non-executive director, and Mr. Zhang Lu Fu, Mr. Kung, Peter, Mr. Ho Kwok Ming and Ms. Yung Hoi Yan, being the independent non-executive directors.