KB

KINGBOARD CHEMICAL HOLDINGS LIMITED

(Incorporated in the Ca man I land it h limited liabilit)

(Stock Code: 148)

KB

KINGBOARD LAMINATES HOLDINGS LIMITED

(Incorporated in the Ca man I land it h limited liabilit)

(Stock Code: 1888)

JOINT ANNOUNCEMENT

ANNOUNCEMENT RELATED TO THE UNAUDITED CONSOLIDATED QUARTERLY RESULTS OF A SUBSIDIARY

"Company"), a public company listed on the Singapore Exchange Securities Trading Limited announced its unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the three months ended September 30, 2009 on the website of www.sgx.com of Singapore Exchange Securities Trading Limited on November 4, 2009. The results are prepared in accordance with Singapore Financial Reporting Standards and Interpretations of Financial Reporting Standards.

KBCF is an indirect 64.44%-owned subsidiary of Kingboard Laminates Holdings Limited ("Kingboard Laminates"). In turn, Kingboard Laminates is a 70.01%-owned subsidiary of Kingboard Chemical Holdings Limited ("Kingboard Chemical"). Both Kingboard Chemical and Kingboard Laminates are companies listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

This announcement is made pursuant to Rule 13.09 (2) of the Rules Governing the Listing of Securities on the Stock Exchange and is being released for information purpose only. The following is a reproduction of the results announcement of KBCF.

"KINGBOARD COPPER FOIL HOLDINGS LIMITED
FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2009

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group 3 months ended September 30, 2009 *HK$'000*	Group 3 months ended September 30, 2008 *HK$'000*	% Change
Revenue	828,086	938,576	-11.77%
Cost of sales	(741,012)	(880,555)	-15.85%
Gross profit	87,074	58,021	50.07%
Other operating income	3,798	3,707	2.45%
Distribution costs	(9,045)	(7,893)	14.60%
Administrative expenses	(13,813)	(13,011)	6.16%
Other operating expenses	(490)	(2,105)	-76.72%
Finance costs – interest expenses paid to non-related companies	(361)	(4,680)	-92.29%
Profit before tax	67,163	34,039	97.31%
Income tax expense	(5,375)	(2,791)	92.58%
Profit for the period	61,788	31,248	97.73%
Attributable to:			
Equity holders of the Company	61,121	31,146	96.24%
Minority interests	667	102	553.92%

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

	Group 3 months ended September 30, 2009 *HK$'000*	September 30, 2008 *HK$'000*	% Change
Other operating income including interest income	(3,798)	(3,707)	2.45%
Realised gain on derivative financial instruments	(4,087)	–	N/A
Interest on bank borrowings	361	4,680	-92.29%
Depreciation of property, plant and equipment	49,106	46,279	6.11%
Amortisation of prepaid land use rights	273	303	-9.90%

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at	As at	As	[illegible]

	Group		Company	
	As at September 30, 2009	**As at December 31, 2008**	**As at September 30, 2009**	**As at December 31, 2008**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
LIABILITIES AND EQUITY				
Current liabilities:				
Due to a subsidiary	–	–	2,087	1,155
Bank borrowings	107,734	180,152	–	–
Trade payables	210,905	109,005	–	–
Income tax payable	47,636	49,296	38	38
Total current liabilities	366,275	338,453	2,125	1,193
Capital and reserves and minority interests:				
Issued capital	560,200	560,200	560,200	560,200
Reserves	1,754,406	1,775,865	725,645	732,846
Equity attributable to equity holders of the Company	2,314,606	2,336,065	1,285,845	1,293,046
Minority interests	23,352	22,958	–	–
Total equity	2,337,958	2,359,023	1,285,845	1,293,046
Total liabilities and equity	**2,704,233**	**2,697,476**	**1,287,970**	**1,294,239**

1(b)(ii) Aggregate amount of group's borrowing and debt securities.

Amount repayable in one year or less, or on demand

As at September 30, 2009		As at December 31, 2008	
Secured	**Unsecured**	**Secured**	**Unsecured**
HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
–	107,734	–	180,152

Amount repayable after one year

As at September 30, 2009		As at December 31, 2008	
Secured	**Unsecured**	**Secured**	**Unsecured**
HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
–	–	–	–

Details of any collateral

Not applicable.

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

	3 months ended September 30, 2009 HK$'000	3 months ended September 30, 2008 HK$'000
Cash flows from operations:		
Profit before tax	67,163	34,039
Adjustments for:		
Depreciation of property, plant and equipment	49,106	46,279
Amortisation of prepaid land use rights	273	303
Realised gain on derivative financial instruments	(4,087)	–
Loss on disposal of property, plant and equipment	245	–
Interest expense and finance charges	361	4,680
Interest income	(479)	(3,669)
Operating cash flow before working capital changes	112,582	81,632
Trade and other receivables and prepayments	(137,045)	(1,126)
Proceed from settlement of derivative financial instruments	4,087	4,718
Inventories	(24,139)	29,557
Trade payables	1,359	(6,572)
Cash generated from operations	(43,156)	108,209
Income tax paid	(1,192)	(2,758)
Dividend paid	–	(18,785)
Interest paid	(361)	(4,680)
Interest received	479	3,669
Net cash (used in)/generated from operating activities	(44,230)	85,655
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	679	–
Purchase of property, plant and equipment	(11,985)	(110,065)
Net cash used in investing activities	(11,306)	(110,065)
Cash flows from financing activities:		
Increase in bank borrowings	39,287	113,410
Net cash generated from financing activities	39,287	113,410
Effects of consolidating foreign subsidiaries	67	20,288
(Decrease)/Increase in cash and bank balances	(16,182)	109,288
Cash and bank balances at the beginning of the period	230,630	203,666
Cash and bank balances at the end of the period	214,448	312,954

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

	Group 3 months ended		Company 3 months ended	
	September 30, 2009	**September 30, 2008**	**September 30, 2009**	**September 30, 2008**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Profit for the period	61,788	31,248	8	18,787
Other comprehensive income:				
Exchange difference arising on translation of foreign operations	808	20,729	–	–
Total comprehensive income for the period	62,596	51,977	8	18,787
Total comprehensive income attributable to:				
Equity holders of the Company	61,918	51,875	8	18,787
Minority interests	678	102	–	–
	62,596	51,977	8	18,787

1(e)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the Company								
	Issued capital *HK$'000*	**Share premium** *HK$'000*	**Capital reserves** *HK$'000*	**Proposed dividend** *HK$'000*	**Currency translation reserves** *HK$'000*	**Accu-mulated profits** *HK$'000*	**Total** *HK$'000*	**Minority interests** *HK$'000*	**Total equity** *HK$'000*
Group									
Third quarter 2009 ("Q3 2009")									
Balance at July 1, 2009	560,200	296,573	6,275	–	296,925	1,092,715	2,252,688	22,674	2,275,362
Total comprehensive income for the period	–	–	–	–	797	61,121	61,918	678	62,596
Balance at September 30, 2009	560,200	296,573	6,275	–	297,722	1,153,836	2,314,606	23,352	2,337,958
Third quarter 2008 ("Q3 2008")									
Balance at July 1, 2008	560,200	296,573	6,275	18,785	276,420	1,165,774	2,324,027	22,888	2,346,915
Total comprehensive income for the period	–	–	–	–	20,729	31,146	51,875	102	51,977
Interim dividend paid	–	–	–	(18,785)	–	–	(18,785)	–	(18,785)
Dividend paid to minority shareholders of a subsidiary	–	–	–	–	–	–	–	(438)	(438)
Balance at September 30, 2008	560,200	296,573	6,275	–	297,149	1,196,920	2,357,117	22,552	2,379,669

	Issued capital *HK$'000*	Share premium *HK$'000*	Capital reserves *HK$'000*	Proposed dividend *HK$'000*	Accu-mulated profits *HK$'000*	Total *HK$'000*
Company						
Third quarter 2009 ("Q3 2009")						
Balance at July 1, 2009	560,200	296,573	6,275	–	422,789	1,285,837
Total comprehensive income for the period	–	–	–	–	8	8
Balance at September 30, 2009	560,200	296,573	6,275	–	422,797	1,285,845
Third quarter 2008 ("Q3 2008")						
Balance at July 1, 2008	560,200	296,573	6,275	18,785	411,244	1,293,077
Total comprehensive income for the period	–	–	–	–	18,787	18,787
Interim dividend paid	–	–	–	(18,785)	–	(18,785)
Balance at September 30, 2008	560,200	296,573	6,275	–	430,031	1,293,079

1(e)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's issued share capital for the 3 months' period ended September 30, 2009.

1(e)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Share capital	As at September 30, 2009 *'000*	As at December 31, 2008 *'000*	As at September 30, 2009 *HK$'000*	As at December 31, 2008 *HK$'000*
	Number of ordinary shares of US$0.10 each			
Authorised	2,000,000	2,000,000	1,550,000	1,550,000
Issued and fully paid	722,500	722,500	560,200	560,200

1(e)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those used in the audited financial statements for the year ended December 31, 2008.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company have adopted revised Financial Reporting Standard ("FRS"), FRS 1 – Presentation of Financial Statements (Revised), which is effective for annual period beginning on or after 1 January 2009 and has changed the basis for presentation and structure of the financial statements. The adoption of the above FRS does not change the recognition, measurement or disclosure of specific transactions and other events required by other FRSs and has no material effect on the amounts reported for the current or prior periods.

6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	3 months from July 1, 2009 to September 30, 2009	**3 months from July 1, 2008 to September 30, 2008**
Based on the weighted average number of ordinary shares in issue	8.46 HK cents	4.31 HK cents
On a fully diluted basis	8.46 HK cents	4.31 HK cents

7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:–**

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		**Company**	
	September 30, 2009	**December 31, 2008**	**September 30, 2009**	**December 31, 2008**
Net asset value per ordinary share based on issued share capital at the end of the period reported on	320.36 HK cents	323.33 HK cents	177.97 HK cents	178.97 HK cents

8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:–**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicabletrs BDC 1.381 9tus.27/Span⌧ActualText⌧FEFF0020⌧BDC 1.4aponal

In line with normal seasonality in the electronics industry, demand for electronic products improved in the third quarter of 2009 (“Q3 2009”) against the second quarter of 2009 (“Q2 2009”). Copper price in Q3 2009 was about 24% down against the same period last year. Hence, the achieved selling prices of copper foil products were lower than the previous year. The Group’s turnover in Q3 2009 was HK$828 million, declined 12% against the third quarter of 2008 (“Q3 2008”).

Demand from the laminates and printed circuit board division of our parent group affiliates including Elec & Eltek PCB division showed an uptrend in Q3 2009. Sales to external customers accounted for approximately 13% of the total sales (Q3 2008: 9%). In terms of product mix, 18-micron and below thickness copper foil accounted for approximately 31% of the total sales (Q3 2008: 28%) while 35-micron and above thickness copper foil accounted for 69% (Q3 2008: 72%).

The Group’s net profit in Q3 2009 was HK$61 million, increased 96% against Q3 2008. Gross profit margin improved significantly in Q3 2009 against Q2 2009. Pre-tax profit margin also increased to 8% as a result of better utilisation rates of our plants and lower raw material costs against the previous year.

Distribution costs in Q3 2009 were approximately HK$9 million, increased 15% against Q3 2008 due to higher shipment volume. Finance cost decreased

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Towards end of Q3 2009, macroeconomic environment has been stabilised as compared to the same period last year backed by continued governments' efforts in upholding the economy. With a more positive operating environment in all major economic regions, recent trade data showed a continuous recovery trend in business activities. Demand for electronic products remains robust in emerging market especially China. As a result, the Group experienced steady order inflow in October 2009. Being the largest copper foil manufacturer in China, the Group reaps the benefits from the country's domestic consumption growth. We will continue to enhance our competitiveness by expanding our product mix and upgrading production capabilities. With our solid business fundamentals, the Group is in an excellent position to capture business opportunities in China.

Thi relea e ma contain for ard-looking tatement that in ol e ri k and ncertaintie . Act al f t re performance, o tcome and re lt ma differ materiall from tho e e pre ed in for ard-looking tatement a a re lt of a n mber of ri k , ncertaintie and a mption . Repre entati e e ample of the e factor incl de (itho t limitation) general ind tr and economic condition , hift in c tomer demand , c tomer and partner , and go ernment and polic change . Yo are ca tioned not to place nd e reliance on the e for ard-looking tatement hich are ba ed on c rrent ie of management on f t re e ent .

11 Dividend.

(a) *C rrent Financial Period Reported on*

Any dividend declared for the current financial period reported on? None.

(b) *Corre ponding Period of the Immediatel Preceding Financial Year*

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) *Date Pa able*

Not applicable.

(d) *Book clo re date*

Not applicable.

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

No dividend has been proposed or declared for the 3 months period ended September 30, 2009.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 and half-year results)

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

15 A breakdown of sales.

Not applicable.

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

Total ann al di idend (Refer to Para 16 of Appendi 7.2 for the req ired detail)

	Latest Full Year *HK$'000*	**Previous Full Year** *HK$'000*
Ordinary	–	–
Preference	–	–
Total	–	–

Not applicable.

17 Interested Person Transactions – Pursuant to Rule 920(1)(a)(ii) of the Listing Manual.

Aggregate value of interested person transactions entered from July 1, 2009 to September 30, 2009.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) *HK$'000*	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) *HK$'000*
Kingboard Laminates (MCO) Limited	284	537,861
Kingboard Laminates (Kunshan) Company Limited	–	44,216
Kingboard Laminates (Jiangmen) Company Limited	–	29,172
Kunshan Yattao Chemical Co. Ltd.	–	8,997
Techwise (MCO) Circuits Limited	–	6,291
Hengyang Kingboard Chemical Co. Ltd.	–	368
Huizhou Chung Shun Chemical Co., Ltd.	–	1,535
Shanghai Zhan Bo Marketing Co., Ltd.	–	733
Elec & Eltek (MCO) Limited	–	22,012
Express Electronics (Dongguan) Limited	–	212
GuangDong Kingboard Laminates Trading Co., Ltd.	–	42,640
Shenzhen Pacific Insulating Material Co., Ltd.	–	22,549
Kai Ping Elec & Eltek Company Limited	–	4,099
Kaiping Elec & Eltek No. 3 Company Limited	–	6,492

Confirmation By the Board