This announcement is for information purposes only and does not constitute an invitation or of[illegible]ribe for securities. In addition, the Shares may not be offered or sold in the United States absent registra[illegible]stration.

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Securities Clear[illegible]KSCC") take no responsibility for the contents of this announcement, make no representation as to its accuracy or [illegible]essly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any par[illegible]this announcement.

Unless otherwise defined in this announcement, terms defined in the prospectus of Kingboard Lami[illegible]Limited (the "Company") dated November 24, 2006 (the "Prospectus") have the same meanings when used in this announce[illegible]

KB	KB
Kingboard Chemical Holdings Limited	**Kingboard L[illegible]inates Holdings Limited**
建滔化工集團*	**建滔積層[illegible]**
(incorporated in the Cayman Islands with limited liability)	*(incorporated in the Cayman Islands with limited [illegible])*
(Stock code: 148)	**(Stock code: 1888)**

EXERCISE OF THE OVER-ALLOCATION OPTION

The Company and Kingboard announce that the Over-allocation Option referred to in the Prospectus was exercised in full by Goldman Sachs (Asia) L.L.C. on behalf of the International Purchasers on December 11, 2006 in respect of 75,000,000 additional Shares, representing 10% of the Offer Shares initially offered under the Global Offering. The Over-allocation Shares will be sold by Jamplan (BVI) Limited, a wholly-owned subsidiary of Kingboard, at HK$7.73 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the same price per Share under the Global Offering.

The Company and Kingboard announce that the Over-allocation Option referred to in the Prospectus was exercised in full by Goldman Sachs (Asia) L.L.C. on behalf of the International Purchasers on December 11, 2006 in respect of 75,000,000 additional Shares (the "**Over-allocation Shares**"), representing 10% of the Offer Shares initially offered under the Global Offering to cover over-allocations in the International Placing. The Over-allocation Shares will be sold by Jamplan (BVI) Limited, a wholly-owned subsidiary of Kingboard, at HK$7.73 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the same price per Share under the Global Offering. Listing of, and permission to deal in, the Over-allocation Shares have already been granted by the Listing Committee of the Stock Exchange.

The net proceeds to Jamplan (BVI) Limited from the sale of the Over-allocation Shares upon the exercise of the Over-allocation Option in full will be approximately HK$550.0 million after deducting the expenses (comprising principally of the underwriting commission, SFC transaction levy and Stock Exchange trading fee). The Company will not receive any proceeds from the sale of the Over-allocation Shares by Jamplan (BVI) Limited under the Over-allocation Option.

The shareholding structure of the Company immediately before and after the sale of the Over-allocation Shares is as follows:

Shareholders	Before the sale of the Over-allocation Shares		After the sale of the Over-allocation Shares	
	Number of Shares	Approximate percentage of issued share capital	Number of Shares	Approximate percentage of issued share capital
Jamplan (BVI) Limited	2,250,000,000#	75.0	2,175,000,000#	72.5
Public Shareholders	750,000,000	25.0	825,000,000	27.5
Total	**3,000,000,000**	**100.0**	**3,000,000,000**	**100.0**

Goldman Sachs International has borrowed 75,000,000 Shares from Jamplan (BVI) Limited pursuant to the Stock Borrowing Agreement to cover over-allocations in the International Placing.

By Order of the Board
Kingboard Chemical Holdings Limited
Lo Ka Leong
Company Secretary

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

Hong Kong, December 11, 2006

As at the date of this announcement, the executive directors of Kingboard are Mr. CHEUNG Kwok Wing, Mr. CHAN Wing Kwan, Mr. CHEUNG Kwong Kwan, Mr. CHANG Wing Yiu and Mr. MOK Cham Hung, Chadwick and the independent non-executive directors of Kingboard are Mr. CHENG Ming Fun, Paul, Mr. TSE Kam Hung and Mr. Henry TAN.

As at the date of this announcement, the executive directors of the Company are Mr. CHEUNG Kwok Wa, Mr. CHEUNG Kwok Keung, Mr. CHEUNG Kwok Ping, Mr. LAM Ka Po, Mr. CHEUNG Ka Ho, Ms. CHAN Sau Chi, Mr. LIU Min and Mr. ZHOU Pei Feng, the non-executive director of the Company is Mr. LO Ka Leong and the independent non-executive directors of the Company are Mr. CHAN Charnwut Bernard, Mr. CHAN Yue Kwong, Michael, Mr. LEUNG Tai Chiu and Mr. MOK Yiu Keung, Peter.

* *For identification purposes only*

*Please also refer to the published version of this announcement in **South China Morning Post.***