

The Company is a wholly-owned subsidiary of Kingboard Chemical Limited (the "Parent"), a company listed on the Hong Kong Stock Exchange (Stock code: 1888). The Parent is a public company incorporated in the Cayman Islands.

Kingboard Chemical Limited

建滔化工有限公司

(Incorporated in the Cayman Islands)
(Stock code: 1888)

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ALLOCATION OPTION

The Company and the Parent have exercised in full the Allocation Option referred to in the Prospectus of the Offer of Shares made on 11, 2006 in respect of the Offer of Shares offered under the Offer of Shares. The Offer of Shares will be sold by Jamplax, a wholly-owned subsidiary of the Parent, at a price of HK\$0.005 per Share (excluding brokerage and transaction levies and a commission fee of 0.005%), being the same as the price of the Offer of Shares under the Global Offer of Shares.

The Allocation Option referred to in the Prospectus of the Offer of Shares made on 11, 2006 in respect of the Offer of Shares offered under the Offer of Shares is an option to purchase 10% of the Offer of Shares. The Offer of Shares will be sold by Jamplax, a wholly-owned subsidiary of the Parent, at a price of HK\$0.005 per Share (excluding brokerage and transaction levies and a commission fee of 0.005%), being the same as the price of the Offer of Shares under the Global Offer of Shares.

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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	<u>750,000,000</u>	<u>25.0</u>	<u>825,000,000</u>	<u>27.5</u>
Total	<u>3,000,000,000</u>	<u>100.0</u>	<u>3,000,000,000</u>	<u>100.0</u>

[#] G S c I £ b £ 75,000,000 S £ f J (BVI) L £ £ S c B 3 3 £ £ £
c £ £ £ - c £ I £ P c 3 .

By Order of the Board
Kingboard Chemical Holdings Limited
Lo Ka Leong
C S £ £

By Order of the Board
Kingboard Laminates Holdings Limited
Cheung Kwok Wa
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Hong Kong, December 11, 2006

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CHEUNG K 3 K , M . CHANG W 3 M . MOK C H 3 , C c £ £ £ £ £ £ - £ £ £ £ £ £ f
K 3 b £ M . CHENG M 3 F , P , M . TSE K H 3 M . H £ TAN.

A £ £ f c £ £ , £ £ £ £ £ £ f £ C £ M . CHEUNG K W , M . CHEUNG K K £ 3 , M .
CHEUNG K P 3 , M . LAM K P , M . CHEUNG K H , M . CHAN S C , M . LIU M M . HOU P £ F 3 , £ - £ £ £ £ £
£ c f £ C M . LO K L £ 3 £ £ £ £ - £ £ £ £ £ £ f £ C £ M . CHAN C B £ ,
M . CHAN £ K 3 , M c £ , M . LEUNG T C M . MOK K £ 3 , P £ £ .

* F £ f c £

P £ £ £ f £ £ b £ £ £ f c £ £ South China Morning Post.