

For immediate release

## KINGBOARD LAMINATES HOLDINGS LIMITED

Reported net profit up 142% in 2021  
Final dividend of HK120 cents proposed

### Financial Highlights

	FY2021 HK\$'million	FY2020 HK\$'million	Change
<b>Revenue</b>	<b>28,799.8</b>	17,301.2	+66%
<b>EBITDA*</b>	<b>9,200.3</b>	4,307.3	+114%
<b>Net profit attributable to owners of the Company</b>			
- Underlying net profit*	<b>6,781.7</b>	2,776.0	+144%
- Reported net profit	<b>6,781.7</b>	2,802.9	+142%
<b>Earnings per share</b>			
- Based on underlying net profit*	<b>HK217.4 cents</b>	HK89.8 cents	+142%
- Based on reported net profit	<b>HK217.4 cents</b>	HK90.6 cents	+140%
<b>Full-year dividend per share</b>	<b>HK150.0 cents</b>	HK250.0 cents	-40%
- Interim dividend per share	<b>HK30.0 cents</b>	HK10.0 cents	+200%
- Special interim dividend per share	-	HK190.0 cents	N/A
- Proposed final dividend per share	<b>HK120.0 cents</b>	HK35.0 cents	+243%
- Proposed special final dividend per share	-	HK15.0 cents	N/A
<b>Net asset value per share</b>	<b>HK\$6.10</b>	HK\$4.59	+33%
<b>Net cash</b>	<b>150.0</b>	3,756.1	

\*Excluding

2020: Loss on fair value changes of investment properties of HK\$0.7 million and gain on disposal of a subsidiary in the amount of HK\$27.6 million.

**Hong Kong, March 18, 2022** – The world’s largest laminates manufacturer Kingboard Laminates Holdings Limited (the “Company”) (01888.HK) and its subsidiaries (the “Group”) achieved substantial revenue and earnings growth during the financial year ended 31 December 2021. Monthly revenue and earnings reached consecutive record high levels during the period under review. Revenue surged 66% year on year to HK\$28,799.8 million. Net profit attributable to owners of the Company was also up 142% to HK\$6,781.7 million. On the back of a healthy financial position, the Board has proposed a final dividend of HK120 cents per share.

2021 witnessed strong retail market demands as global economies continued to be recovered. The surge in demand for consumer electronics drove strong growth in the laminates market. The explosive growth of new energy vehicles, coupled with intelligent upgrades of automobile systems, has stimulated vehicle sales growth. Sales of home appliances also grew significantly, benefitting from increased time spent at home and the introduction of newer and high-end models. Sales of computers and servers continued to boom, driven by remote work, online education and web conferencing needs.

Kingboard Laminates Chairman Mr. Cheung Kwok Wa said: “The Group has seized the opportunity of the consumption boom to achieve substantial increase in laminates sales. Supply of laminates and their upstream materials tightened, driving price increases. The Group is equipped with a comprehensive

upstream value chain that integrates copper foil, glass yarn, glass fabric and epoxy resins into our capability, which provides strong support for laminates production. With our vertical integration advantage fully utilised, the profit margin for laminates recorded a significant increase.”

### **Laminates Division readies itself for new growth cycle**

Revenue of the Laminates Division was up by 71% to HK\$27,993.8 million, with earnings before interest, taxes, depreciation and amortisation (“EBITDA”) also increasing 128% to HK\$8,833 million.

The period under review saw strong market growth and changes. Taking advantage of this, the Group expanded its penetration into its existing clientele, while at the same time making forays into new markets. It was thus able to increase its market share of high-end and high-value-added products, including thin laminates, high-frequency, high-speed and halogen-free laminates. Shipment volume recorded a satisfactory growth. In the meantime under a demand pull, the Group’s upstream materials, including copper foil, epoxy resins, glass yarn and glass fabric, experienced shortages to varying degrees, driving multiple price increases for materials and subsequently for laminates. Equipped with a vertically integrated value chain, enabling the Group to be fully self-sufficient in upstream materials, the Group was able to enjoy the benefits of price increases in both upstream and downstream products. Coupled with stringent cost control, this enabled the Group to significantly raise its profit margin.

The increasing popularity of technologies supporting smart medical care, production automation and augmented reality has spurred 5G application, while enterprise software upgrades and the proliferation of cloud applications will lead to upgrade requirements for related equipment. In the automobile sector, new energy and smart vehicles will continue to be the trend forward. A new wave of replacement demand for home appliances is also foreseen. As a result, the laminates industry will enter a new growth cycle. To cope with market demand growth, the Group has made advanced plans to expand its capacity in Shaoguan, Guangdong Province, adding a monthly capacity of 1.2 million sheets of laminates, which will be fully commissioned by the end of this year. The Group will also add upstream capacity in Qingyuan, including monthly capacities of 1,500 tonnes of copper foil and 4,200 tonnes of glass yarn. To add a monthly capacity of 13 million metres of glass fabric in Shaoguan, in order to further strengthen the Group’s vertical value chain. In addition, the Group is proactively looking into the feasibility of adding capacities for laminates and upstream materials in Thailand in order to better serve its overseas clients. The Group will also speed up the upgrades of thin laminate and high-frequency, high-speed and halogen-free laminate products.

### **Property**

The Property Division recorded partial recognition of sales of the Huaqiao Kingboard Yu Garden Phases 4 and 5 in eastern China. Segment revenue amounted to HK\$722.9 million, representing a decline of 9%. EBITDA went down by 9% to HK\$336.7 million.

### **About Kingboard Laminates Holdings**

Kingboard Laminates Holdings Limited (01888.HK) is the world’s top laminates producer for sixteen consecutive years.

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Press enquiries: t6.communications limited, Jenny Lee or Ryan Chan or Yuki Law  
tel: (852)2511 8388 / fax: (852)2511 8238 / email: kb@t6pr.com