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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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

	FY2025 <i>HK\$'million</i>	FY2024 <i>HK\$'million</i>	Change
Revenue	20,400.2	18,541.0	+10%
EBITDA*	4,204.6	2,962.7	+42%
Profit before tax*	3,111.8	1,758.3	+77%
Net profit attributable to owners of the Company			
– Underlying net profit*	2,494.3	1,349.0	+85%
– Reported net profit	2,442.2	1,326.1	+84%
Basic earnings per share			
– Based on underlying net profit*	HK79.9 cents	HK43.2 cents	+85%
– Based on reported net profit	HK78.2 cents	HK42.5 cents	+84%
Full-year dividend per share	HK68.0 cents	HK62.0 cents	+10%
– Interim dividend per share	HK15.0 cents	HK12.0 cents	+25%
– Proposed final dividend per share	HK25.0 cents	HK20.0 cents	+25%
– Proposed special final dividend per share	HK28.0 cents	HK30.0 cents	-7%
Net asset value per share	HK\$5.21	HK\$4.92	+6%
Net gearing	16%	9%	

* *Excluding:*

FY2025: Loss on fair value changes of investment properties of HK\$52.1 million.

FY2024: Loss on fair value changes of investment properties of HK\$22.9 million.

The board of directors (the “Board”) of Kingboard Laminates Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	2	20,400,190	18,541,025
Cost of sales		<u>(16,409,344)</u>	<u>(15,262,584)</u>
Gross profit		3,990,846	3,278,441
Other income, gains and losses	4	67,832	89,523
Distribution expenses		(478,586)	(435,414)
Administrative expenses		(810,611)	(756,855)
Gain (loss) on fair value changes of equity instruments at fair value through profit or loss		503,544	(79,282)
Loss on fair value changes of investment properties		(52,110)	(22,940)
Impairment losses under expected credit loss model on debt instruments at fair value through other comprehensive income		–	(82,934)
Finance costs	5	<u>(161,244)</u>	<u>(255,172)</u>
Profit before taxation		3,059,671	1,735,367
Income tax expense	7	<u>(617,524)</u>	<u>(405,238)</u>
Profit for the year		<u>2,442,147</u>	<u>1,330,129</u>
Profit for the year attributable to:			
Owners of the Company		2,442,174	1,326,096
Non-controlling interests		<u>(27)</u>	<u>4,033</u>
		<u>2,442,147</u>	<u>1,330,129</u>
Earnings per share	9		
– Basic		<u>HK\$0.782</u>	<u>HK\$0.425</u>
– Diluted		<u>HK\$0.780</u>	<u>HK\$0.425</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year	<u>2,442,147</u>	<u>1,330,129</u>
Other comprehensive income (expense) for the year		
<i>Items that will not be reclassified to profit or loss:</i>		
Translation reserve:		
Exchange differences arising from translation to presentation currency	447,373	(330,535)
Investment revaluation reserve:		
Fair value gain on equity instruments at fair value through other comprehensive income	<u>17,136</u>	<u>–</u>
	<u>464,509</u>	<u>(330,535)</u>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Investment revaluation reserve:		
Impairment losses under expected credit loss model on debt instruments at fair value through other comprehensive income included in profit or loss	–	82,934
Fair value gain (loss) on debt instruments at fair value through other comprehensive income	<u>3,089</u>	<u>(1,476)</u>
	<u>3,089</u>	<u>81,458</u>
Other comprehensive income (expense) for the year	<u>467,598</u>	<u>(249,077)</u>
Total comprehensive income for the year	<u><u>2,909,745</u></u>	<u><u>1,081,052</u></u>
Total comprehensive income for the year attributable to:		
Owners of the Company	2,909,118	1,077,592
Non-controlling interests	<u>627</u>	<u>3,460</u>
	<u><u>2,909,745</u></u>	<u><u>1,081,052</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current assets			
Investment properties		1,229,337	1,229,135
Property, plant and equipment		7,121,757	6,921,000
Right-of-use assets		561,926	561,919
Equity instruments at fair value through profit or loss		294,516	263,931
Debt instruments at fair value through other comprehensive income		257,710	94,652
Deposits paid for acquisition of property, plant and equipment		464,117	236,254
Deferred tax assets		2,844	3,467
Goodwill		238	238
		<u>9,932,445</u>	<u>9,310,596</u>
Current assets			
Inventories		2,959,448	2,655,260
Trade and other receivables and prepayments	<i>10</i>	5,516,036	4,251,573
Bills receivables	<i>10</i>	3,563,357	2,786,704
Properties held for development		105,693	103,802
Equity instruments at fair value through profit or loss		1,251,356	1,539,515
Debt instruments at fair value through other comprehensive income		–	324
Amounts due from fellow subsidiaries		519,174	538,085
Cash and cash equivalents		1,627,899	1,924,271
		<u>15,542,963</u>	<u>13,799,534</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current liabilities			
Trade and other payables	<i>11</i>	2,659,966	2,314,366
Bills payables	<i>11</i>	436,065	516,196
Contract liabilities		270,881	293,260
Dividends payable		470,299	374,400
Lease liabilities		515	554
Amounts due to fellow subsidiaries		46,681	46,681
Taxation payable		676,350	555,064
Bank borrowings – amount due within one year		3,552,115	1,662,897
		8,112,872	5,763,418
Net current assets		7,430,091	8,036,116
Total assets less current liabilities		17,362,536	17,346,712
Non-current liabilities			
Lease liabilities		1,639	843
Deferred tax liabilities		356,288	360,595
Bank borrowings – amount due after one year		637,441	1,615,385
		995,368	1,976,823
Net assets		16,367,168	15,369,889
Capital and reserves			
Share capital		313,533	312,000
Reserves		16,028,212	15,030,427
Equity attributable to owners of the Company		16,341,745	15,342,427
Non-controlling interests		25,423	27,462
Total equity		16,367,168	15,369,889

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Amendments to a HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual periods beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. REVENUE

Analysis of revenue for the year is as follows:

	2025 HK\$'000	2024 HK\$'000
Revenue recognised at a point in time		
Sales of laminates and its upstream materials (<i>note a</i>)	18,366,096	16,820,701
Sales of properties	4,568	16,153
Sales of specialty resin (<i>note a</i>)	1,570,107	1,261,196
Others	289,109	222,654
Revenue recognised over time (<i>note b</i>)	40,305	50,095
Revenue from contracts with customers	20,270,185	18,370,799
Rental income	32,740	60,417
Interest income from debt instruments	13,950	7,871
Dividend income	83,315	101,938
	<u>20,400,190</u>	<u>18,541,025</u>

Notes:

- (a) Sales of laminates, its upstream materials include sales of copper foil, epoxy resin, electronic fibreglass fabric, electronic fibreglass yarn and bleached kraft paper, and sales of specialty resin. The payment terms are ranged from 0 day to 120 days.
- (b) Revenue recognised over time represents income from hotel accommodation of HK\$40,305,000 (2024: HK\$50,095,000).

3. SEGMENT INFORMATION

HKFRS 8 “Operating Segments” (“HKFRS 8”) requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by Chief Operating Decision Maker (“CODM”) in order to allocate resources to segments and to assess their performance. Specifically, the Group’s reportable segments under HKFRS 8 are organised into three main operating divisions – (i) manufacturing and sale of laminates; (ii) properties; and (iii) investments.

The accounting policies the Group used for segment reporting under HKFRS 8 are the same as those used in its HKFRS consolidated financial statements. Segment profit represents the profit earned or loss incurred each segment with certain items not included (unallocated corporate income and expenses and finance costs). This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

Segment revenue and results

The following is an analysis of the Group’s revenue and results by operating and reportable segments:

For the year ended 31 December 2025

	Laminates <i>HK\$'000</i>	Properties <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue	<u>20,225,312</u>	<u>77,613</u>	<u>97,265</u>	<u>20,400,190</u>
Segment results	<u>2,761,028</u>	<u>(32,551)</u>	<u>597,207</u>	3,325,684
Unallocated corporate income				25,762
Unallocated corporate expenses				(130,531)
Finance costs				<u>(161,244)</u>
Profit before taxation				<u>3,059,671</u>

For the year ended 31 December 2024

	Laminates <i>HK\$'000</i>	Properties <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue	<u>18,304,551</u>	<u>126,665</u>	<u>109,809</u>	<u>18,541,025</u>
Segment results	<u>2,088,474</u>	<u>23,368</u>	<u>(53,452)</u>	2,058,390
Unallocated corporate income				38,541
Unallocated corporate expenses				(106,392)
Finance costs				<u>(255,172)</u>
Profit before taxation				<u>1,735,367</u>

3. SEGMENT INFORMATION – continued

Other information

The Group operates principally in the People’s Republic of China (the “PRC”) (country of domicile).

The following is an analysis of the Group’s revenue from external customers by geographical location of the customers or tenants or in the case of dividend income and interest income, the principal place of business of the investee or debtor.

	2025	2024
	<i>HK\$’000</i>	<i>HK\$’000</i>
The PRC (country of domicile)	18,849,239	17,149,637
Other foreign countries:		
Other Asian countries	1,356,822	1,151,361
Europe	89,415	119,636
America	104,714	120,391
	<u>20,400,190</u>	<u>18,541,025</u>

Revenue from one of the Group’s customers, being KHL’s subsidiaries in fellow subsidiaries of the Group, in laminates segment amounted to HK\$3,801,834,000 (2024: HK\$3,764,636,000), which individually accounted for over 10% of the Group’s revenue for the year.

4. OTHER INCOME, GAINS AND LOSSES

	2025	2024
	<i>HK\$’000</i>	<i>HK\$’000</i>
Other income, gains and losses includes:		
Government grants	40,224	44,487
Interest income on bank balances and deposits	14,085	22,776
(Loss) gain on disposal and written off of property, plant and equipment	(9,901)	575
Others	23,424	21,685
	<u>67,832</u>	<u>89,523</u>

5. FINANCE COSTS

	2025	2024
	<i>HK\$’000</i>	<i>HK\$’000</i>
Interest on bank borrowings	170,257	268,147
Interest on lease liabilities	55	65
Less: Amounts capitalised in the construction in progress	(9,068)	(13,040)
	<u>161,244</u>	<u>255,172</u>

6. DEPRECIATION

During the year, depreciation of approximately HK\$915.3 million (2024: HK\$933.2 million) was charged in respect of the Group's property, plant and equipment.

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The amount comprises:		
PRC Enterprise Income Tax ("EIT")	484,985	274,923
PRC Land Appreciation Tax ("LAT")	–	478
Hong Kong Profits Tax	23,327	8,480
Taxation arising in other jurisdictions	4,698	3,375
Withholding tax in the PRC	115,152	56,200
	<u>628,162</u>	<u>343,456</u>
Deferred taxation (Credit) charge for the year	<u>(10,638)</u>	<u>61,782</u>
	<u><u>617,524</u></u>	<u><u>405,238</u></u>

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Under the EIT Law, withholding tax of 5% to 10% is imposed on dividends declared in respect of profits earned by subsidiaries in Mainland China from 1 January 2008 onwards.

Pursuant to the EIT Law, a High-New Technology Enterprise shall be entitled to a preferential tax rate of 15% for three years since it was officially endorsed. Certain subsidiaries in the PRC obtained official endorsement as a High-New Technology Enterprise and with the expiry dates on or before 2028 (2024: 2026).

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been levied at progressive rates ranging from 30% to 60% on the appreciation of land value, represented by the excess of sales proceeds of properties over prescribed direct costs. Prescribed direct costs are defined to include costs of land, development and construction costs, as well as certain costs relating to the property development. According to the State Administration of Taxation's official circulars, LAT shall be payable provisionally upon sales of the properties, followed by final ascertainment of the gain at the completion of the properties development.

7. INCOME TAX EXPENSE – continued

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

The Group has applied the temporary mandatory exception from recognising and disclosing deferred tax assets and liabilities for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

8. DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Dividends declared and/or paid		
2025 Interim dividend of HK15.0 cents (2024: HK12.0 cents) per ordinary share	470,299	374,400
2024 Final dividend of HK20.0 cents (2023: HK10.0 cents) per ordinary share	624,000	312,000
2024 Special final dividend of HK30.0 cents (2023: Nil) per ordinary share	936,000	–
	<u>2,030,299</u>	<u>686,400</u>
Dividends proposed		
Proposed 2025 Final dividend of HK25.0 cents (2024: HK20.0 cents) per ordinary share	783,831	624,000
Proposed 2025 Special final dividend of HK28.0 cents (2024: HK30.0 cents) per ordinary share	877,891	936,000
	<u>1,661,722</u>	<u>1,560,000</u>

The final dividend of HK25.0 cents per ordinary share amounted to HK\$783,831,000 and the special final dividend of HK28.0 cents per ordinary share amounted to HK\$877,891,000 in respect of the year ended 31 December 2025 (2024: final dividend of HK20.0 cents per ordinary share amounted to HK\$624,000,000 and the special final dividend of HK30.0 cents per ordinary share amounted to HK\$936,000,000 in respect of the year ended 31 December 2024) have been proposed by the directors and are subject to the approval by the shareholders of the Company in the forthcoming annual general meeting.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Earnings for the purpose of calculating basic and diluted earnings per share (2024: basic and diluted earnings per share)	2,442,174	1,326,096
	Number of shares	
	2025 <i>'000</i>	2024 <i>'000</i>
Weighted average number of ordinary shares for the purpose of basic earnings per share	3,121,947	3,120,000
Effect of dilutive potential ordinary shares arising from share options (<i>Note</i>)	9,739	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	3,131,686	3,120,000

Note: The Company's share options can potentially dilute basic earnings per share in the future, but are not included in the calculation of diluted earnings per share because they are antidilutive for the year ended 31 December 2024 presented.

10. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS AND BILLS RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	5,334,104	4,061,223
Less: Allowance for credit losses	(482,230)	(444,041)
Trade receivables, net	4,851,874	3,617,182
Advance to suppliers	355,317	129,906
Prepaid expenses and deposits	36,273	71,010
Value-added tax ("VAT") recoverable	170,889	239,463
Other receivables	101,683	194,012
	5,516,036	4,251,573
Bills receivables	3,563,357	2,786,704
	9,079,393	7,038,277

As at 1 January 2024, the gross amount of trade receivables from contracts with customers amounted to HK\$3,565,346,000 with allowance for credit losses of HK\$464,189,000.

10. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS AND BILLS RECEIVABLES – continued

The Group allows credit periods of up to 120 days (2024: 120 days), depending on the products sold to its trade customers. The following is an aging analysis of trade receivables net of allowance for credit losses based on invoice date at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–90 days	4,176,797	3,098,773
91–180 days	623,425	467,055
Over 180 days	51,652	51,354
	<u>4,851,874</u>	<u>3,617,182</u>

Bills receivables of the Group are all aged within 0-90 days (2024: 0-90 days) since invoice date at the end of the reporting period. All bills received by the Group are with a maturity period of less than one year.

11. TRADE AND OTHER PAYABLES AND BILLS PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	887,401	775,711
Accrued expenses	637,074	519,989
Payables for acquisition of property, plant and equipment	177,217	119,523
Other tax payables	627,555	572,878
VAT payables	182,703	135,931
Other payables	148,016	190,334
	<u>2,659,966</u>	<u>2,314,366</u>
Bills payables (<i>Note</i>)	436,065	516,196
	<u>3,096,031</u>	<u>2,830,562</u>

Note: Included in bills payables as at 31 December 2025 was payables for acquisition of property, plant and equipment of HK\$2,304,000 (2024: HK\$121,274,000).

The following is an aged analysis of trade payables based on the invoice date at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–90 days	819,513	712,021
91–180 days	26,795	24,774
Over 180 days	41,093	38,916
	<u>887,401</u>	<u>775,711</u>

The average credit period on purchase of goods is 90 days (2024: 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

Bills payables of the Group related to trade payables in which the Group has issued bills to the relevant suppliers for future settlement of trade payables, which are aged within 90 days (2024: 90 days) at the end of the reporting period.

BUSINESS REVIEW

On behalf of the board of directors (the “Board”), I am delighted to report the annual results of Kingboard Laminates Holdings Limited and its subsidiaries (the “Group”) for the financial year ended 31 December 2025 (the “Period”).

In 2025, sustained demand growth for electronic products, together with rapid advancements in high-tech sectors such as artificial intelligence (“AI”), drove exceptionally strong demand for emerging electronic products built around the AI concept. This robust demand extended to laminates and its upstream materials, including AI electronic fibreglass yarn, AI electronic fibreglass fabric, and copper foil. The Group’s product unit prices increased significantly overall, while sales volumes also rose compared with the same period in 2024. Meanwhile, the business environment across the entire upstream-to-downstream laminates industry chain continued to improve. Leveraging its fully vertically-integrated supply chain and extensive customer network, the Group steadily increased the share of high-end, high-value-added products in its sales mix to better align with evolving market needs. As a result, both revenue and profit for the Laminates Division recorded healthy year-on-year growth. Investment business also achieved higher segment profit year-on-year.

The Group’s revenue increased 10% over that of 2024 to HK\$20,400.2 million. Underlying net profit attributable to owners of the Company was increased 85% to HK\$2,494.3 million. On the basis of a healthy financial position, the Board has proposed a final dividend of HK25.0 cents per share and a special final dividend of HK28.0 cents per share, subject to shareholders’ approval.

Financial Highlights

	FY2025 <i>HK\$'million</i>	FY2024 <i>HK\$'million</i>	Change
Revenue	20,400.2	18,541.0	+10%
EBITDA*	4,204.6	2,962.7	+42%
Profit before tax*	3,111.8	1,758.3	+77%
Net profit attributable to owners of the Company			
– Underlying net profit*	2,494.3	1,349.0	+85%
– Reported net profit	2,442.2	1,326.1	+84%
Basic earnings per share			
– Based on underlying net profit*	HK79.9 cents	HK43.2 cents	+85%
– Based on reported net profit	HK78.2 cents	HK42.5 cents	+84%
Full-year dividend per share	HK68.0 cents	HK62.0 cents	+10%
– Interim dividend per share	HK15.0 cents	HK12.0 cents	+25%
– Proposed final dividend per share	HK25.0 cents	HK20.0 cents	+25%
– Proposed special final dividend per share	HK28.0 cents	HK30.0 cents	-7%
Net asset value per share	HK\$5.21	HK\$4.92	+6%
Net gearing	16%	9%	

* *Excluding:*

FY2025: Loss on fair value changes of investment properties of HK\$52.1 million.

FY2024: Loss on fair value changes of investment properties of HK\$22.9 million.

PERFORMANCE

Laminates Division: During the Period, the rapid development of high-end sectors such as AI drove strong demand for related new materials. This demand was further supported by the continued advancements in electric and smart vehicle technologies, which increased the need for laminates. 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 materials. This shortage led to multiple price increases during the year, and thus profit from the electronic fibreglass yarn and fabric business exceeded HK\$600 million in 2025, representing 70% growth compared to 2024. In addition, a sharp rise in copper prices enabled the Group to raise prices for its laminate products several times. These price increases not only offset cost pressures from higher raw material prices but also improved the division's gross profit margin. Supported by its fully vertically-integrated production chain for laminates and its upstream materials, including AI electronic fibreglass yarn, AI electronic fibreglass fabric, copper foil, epoxy resin, and bleached kraft paper, the Group ensured stable and reliable supplies during periods of materials shortage. This helped the Group benefit from concurrent price increases in both upstream materials and laminates during the year. As a result, revenue of the Laminates Division increased by 10% to HK\$20,225.3 million. The Group's highly experienced management team continued to emphasize research and development ("R&D") to drive high-end product advancements while enhancing production technologies to improve efficiency and reduce energy consumption. Meanwhile, by increasing the automation level of production facilities, the Group successfully reduced labour costs. These contributed to a 22% increase in earnings before interest, taxes, depreciation and amortisation ("EBITDA") to HK\$3,676.6 million.

Property Division: As the Group continued to implement its strategy focused on the development of the laminates business, the Property Division was primarily engaged in operations deriving rental income during the year. Segment revenue dropped by 39% to HK\$77.6 million. EBITDA also down 44% to HK\$33.8 million.

LIQUIDITY AND CAPITAL RESOURCES

The Group's consolidated financial and liquidity position remained robust. As at 31 December 2025, the Group net current assets and current ratio were HK\$7,430.1 million (31 December 2024: HK\$8,036.1 million) and 1.92 (31 December 2024: 2.39) respectively.

The net working capital cycle increased to 132 days as at 31 December 2025 from 116 days as at 31 December 2024 on the following key metrics:

- Inventories, in terms of stock turnover days, were 66 days (31 December 2024: 63 days).
- Trade receivables, including amounts due from fellow subsidiaries, in terms of debtor turnover days, were 96 days (31 December 2024: 82 days).

LIQUIDITY AND CAPITAL RESOURCES – continued

- Trade and bills payables (excluding bills payables for property, plant and equipment), including amounts due to fellow subsidiaries, in terms of creditor turnover days, were 30 days (31 December 2024: 29 days).

As at 31 December 2025, the Group's net gearing ratio (ratio of bank borrowings net of bank balances and cash to total equity) was approximately 16% (31 December 2024: net gearing ratio 9%). In 2025, the Group invested approximately HK\$1.3 billion in new capacity. With the management team's wealth of professional experience, a strong business foundation, and a solid financial position, the management firmly believes these investments will generate stable and satisfactory long-term returns for shareholders. The ratio of short-term to long-term bank borrowings stood at 85%:15% (31 December 2024: 51%:49%). The Group continued to adopt a prudent financial management policy. Throughout the year, the Group did not enter into any material derivative financial instruments, nor did the Group have any material foreign exchange exposure. The Group's revenue, mostly denominated in Hong Kong dollars, RMB and US dollars, was fairly matched with the currency requirements of its operating expenses. The Group possessed adequate financial resources in reserve to fulfil its requirements for future market developments.

HUMAN RESOURCES

As at 31 December 2025, the Group employed a workforce of approximately 10,800 (31 December 2024: 9,900). In addition to offering competitive salary packages, the Group grants share options and discretionary bonuses to eligible employees based on the Group's overall financial achievements and employees' individual performance.

PROSPECTS

Entering 2026, overall demand in the electronic market remains robust, with continued strong demand for AI data centres, robotics, and computing. High-performance, high-reliability, and high-stability laminates are expected to become the mainstream requirement in the electronics market of the future. Through lean production, and a market-led and R&D-supported strategy, the Group is steadily increasing its market share of mid-to-high-end products, including high-frequency, high-speed, mid-to-high heat-resistant, halogen-free, and prepreg materials. The Group has successfully developed various high-frequency, high-speed products capable of meeting the core material requirements for high-reliability application scenarios such as AI servers, new energy vehicles and energy storage systems. Through coordinated development across its vertical industrial chain, the Group has also developed HVLP3 copper foil for AI servers and ultra-thin VLP copper foil for IC packaging substrates. By collaborating closely with premium customers, the Group has secured product certification among end-users. Its high-end laminate products have been certified for use by several world-leading Tier-1 automotive component manufacturers and key domestic and international telecommunications clients, positioning the Group to comprehensively meet the diverse needs of downstream customers into the future.

PROSPECTS – continued

Low-dielectric (Dk) and low-CTE electronic fibreglass yarn, used in high-end telecommunications, particularly in 5G and 6G communication and in AI servers, are currently in short supply. The Group's first kiln with an annual capacity of 500 tonnes of low-Dk electronic fibreglass yarn, located in Qingyuan City, Guangdong Province, commenced production in the first half of 2025. The Group has successfully developed second-generation low-Dk and low-CTE electronic fibreglass yarn with higher added value, making it be one of the few global laminate enterprises to have mastered the core technology for low-CTE electronic fibreglass yarn. The Group's low-CTE electronic fibreglass products have received customer certification and successfully enter the market of high-end packaging substrates, become the leading enterprise of AI new material of China, and low-CTE electronic products are expected to bring new growth to the Group. In the first half of 2026, the Group will add three more kilns, each with an annual capacity of 500 tonnes, to produce second-generation low-Dk and low-CTE electronic fibreglass yarn meeting the high computing requirements driven by the development of 5G and 6G communication and AI. Plans are also in place to add another eight kilns, each with an annual capacity of 500 tonnes of low-Dk, low-CTE, and Quartz electronic fibreglass yarn, increasing the total number of specialty electronic fibreglass yarn kilns in the industrial park to twelve and further consolidating and enhancing the market share for Kingboard high-end products. Additionally, the significant shift in existing capacities for electronic fibreglass yarn and fabric to AI-related products has led to a shortage of traditional electronic fibreglass yarn and fabric. To alleviate the production bottlenecks for downstream products, the Group's facility in Shaoguan City, Guangdong Province, with an annual capacity of 70,000 tonnes of electronic fibreglass yarn and 96 million meters of electronic fibreglass fabric, will commence production in the second half of 2026, with progress on schedule. Currently, there is a severe supply-demand imbalance for various electronic fibreglass fabric and yarn products, with laminates producers facing production disruptions due to a shortage of electronic fibreglass fabric, driving market prices even higher. In view of this, the Group's electronic fibreglass yarn and fabric capabilities are expected to generate satisfactory profits for the Group going forward.

In line with its one-stop production strategy for AI materials, the new copper foil plant is under construction in Guangdong Province to increase copper foil production capacities. The new copper foil plant will have an annual capacity of 21,000 tonnes and will focus on high-frequency, high-speed, low-signal-loss RTF and HVLP copper foil for AI and other high-end applications. The project is scheduled to commence production in mid-2027. With these developments, the Group's vertically-integrated industry chain will continue to advance steadily towards the higher end.

PROSPECTS – continued

Aligning with the national goals for energy conservation and emissions reduction, the ultimate holding company of the Group, Kingboard Holding Limited (HKEX stock code: 0148), and its subsidiaries including the Group (collectively name as “Kingboard Group) have adopted a professional and systematic approach to installing distributed solar photovoltaics across all buildable areas of its facilities and had invested a total of approximately HK\$1,000 million in these initiatives as at 31 December 2025, which can generate 240 million kWh of green electricity annually, equivalent to saving 64,000 tonnes of standard coal and reducing carbon dioxide emissions by 140,000 tonnes. This capacity can translate into electricity cost savings of HK\$200 million at current market rates. By 31 December 2025, Kingboard Group had also invested approximately HK\$300 million in thermal energy recovery facilities, which in 2025 reduced carbon dioxide emissions by 74,000 tonnes, equivalent to energy savings of 33,000 tonnes of standard coal and cost savings of HK\$220 million. Combined with cumulative savings of HK\$480 million as at 31 December 2024, the Group had achieved total savings of more than HK\$700 million by 31 December 2025.

The Group had invested a total of HK\$650 million in solar photovoltaics power station as at 31 December 2025, which can generate 150 million kWh of green electricity annually, equivalent to saving 42,000 tonnes of standard coal and reducing carbon dioxide emissions by 90,000 tonnes. This capacity can translate into electricity cost savings of HK\$120 million at current market rates. By 31 December 2025, the Group had also invested approximately HK\$180 million in thermal energy recovery facilities, which in 2025 reduced carbon dioxide emissions by 67,000 tonnes, equivalent to energy savings of 27,000 tonnes of standard coal and cost savings of HK\$100 million. These initiatives will deliver sustained long-term benefits to the Group and underscore its full commitment to achieving its environmental, social and governance (ESG) goals.

Kingboard Laminates Holdings Limited (HKEX stock code: 01888) was selected as a constituent of the Hang Seng SCHK Electronics Theme Index, launched on 18 December 2025. This index tracks the performance of the 40 largest Hong Kong-listed companies by market capitalisation in the electronics industry, including semiconductors, telecommunications equipment, information technology equipment, and Audio/Visual equipment, affirming the Group’s strong position in the sector. We maintain complete confidence in the Group’s development prospects. Its laminates products offer stable quality and reliable on-time delivery, earning an expanding customer franchise. The Group’s management will, as always, diligently fulfil its responsibilities to deliver greater returns for shareholders.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, clients, banks, the management and employees for their unreserved support to the Group during the past year.

FINAL DIVIDEND

The proposed final dividend of HK25.0 cents and special final dividend of HK28.0 cents, the payment of which is subject to approval by the shareholders at the forthcoming annual general meeting of the Company to be held on Tuesday, 26 May 2026 (“2026 AGM”), is to be payable on Tuesday, 7 July 2026 to shareholders whose names appear on the Register of Members of the Company on Thursday, 18 June 2026.

CLOSURE OF REGISTER OF MEMBERS

The Register of the Members of the Company will be closed during the following periods:

- (i) From Wednesday, 20 May 2026 to Tuesday, 26 May 2026, both days inclusive, during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders’ entitlement to attend and vote at the 2026 AGM. The record date for determining the eligibility of shareholders to attend and vote at the 2026 AGM is Tuesday, 26 May, 2026. In order to be eligible to attend and vote at the 2026 AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share register in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Tuesday, 19 May 2026; and
- (ii) From Monday, 15 June 2026 to Thursday, 18 June 2026, both days inclusive, during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders’ entitlement to the proposed final dividend and special final dividend. In order to qualify for the proposed final dividend and special final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share register in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Friday, 12 June 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted and complied with the code provisions as set out in the Corporate Governance Code under Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31 December 2025.

COMPLIANCE WITH THE MODEL CODE

The Company had adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “Model Code”). Specific enquiries have been made to all the Directors, each Director has confirmed that he or she had complied with the required standard set out in the Model Code and the code of conduct regarding Director’s securities transactions adopted by the Company throughout the year ended 31 December 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There has been no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the year.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management, the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited annual financial statements of the Group for the year ended 31 December 2025.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 16 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

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

Hong Kong, 16 March 2026

As at the date of this announcement, the Board 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 and Mr. Ho Kwok Ming and Ms. Yung Hoi Yan, being the independent non-executive Directors.