





建滔集團有限公司

建滔積層板控股有限公司

KBCF announced its unaudited consolidated results for the three months ended March 31, 2019 on the Singapore Exchange Securities Trading Limited on May 22, 2019.

Pursuant to Rule 705 and Rule 920 (1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Kingboard Copper Foil Holdings Limited ("KBCF" or the "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 March 31, 2019 on the website of www.sgx.com of Singapore Exchange Securities Trading Limited on May 22, 2019. The results are prepared in accordance with Singapore Financial Reporting Standards and Interpretations of Financial Reporting Standards.

KBCF is an indirect 98.40%-owned subsidiary of Kingboard Laminates Holdings Limited ("Kingboard Laminates"). In turn, Kingboard Laminates is a 69.31%-owned subsidiary of Kingboard Holdings Limited ("Kingboard Holdings"). Both Kingboard Holdings and Kingboard Laminates are companies listed on the Main Board of The Stock Exchange of Hong Kong Limited ("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.

	$'000	*$'000*	
Revenue	139,425	154,047	–9.49%
Cost of sales	(119,371)	(135,715)	–12.04%
Gross profit	20,054	18,332	9.39%
Other operating income	893	1,026	–12.96%
Distribution costs	(3,441)	(3,950)	–12.89%
Administrative expenses	(6,179)	(5,901)	4.71%
Share of losses of an associate	(1,486)	(851)	74.62%
Profit before tax	9,841	8,656	13.69%
Income tax expense	(3,121)	(2,350)	32.81%
Profit for the period	6,720	6,306	6.57%
Profit for the period attributable to:			
Owners of the Company	6,326	5,752	9.98%
Non-controlling interests	394	554	–28.88%

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

	$'000	*$'000*	
Other operating income including interest income	(893)	(1,026)	–12.96%
Depreciation of property, plant and equipment	16,410	20,237	–18.91%
Amortisation of prepaid land use rights	264	276	–4.35%

	$'000	*$'000*	*$'000*	*$'000*
Cash and bank balances	1,776,047	1,773,842	–	–
Trade and other receivables and prepayments	79,313	71,523	166	166
Bills receivable	44,112	31,245	–	–
Other current assets	673,582	659,429	–	–
Prepaid land use rights	1,046	1,024	–	–
Inventories	24,336	24,175	–	–
Total current assets	2,598,436	2,561,238	166	166

	$'000	*$'000*	*$'000*	*$'000*
Investment in subsidiaries	–	–	393,775	393,775
Investment in an associate	28,600	30,086	10,140	10,140
Due from a subsidiary	–	–	890,438	890,811
Investment property	5,926	5,801	–	–
Property, plant and equipment	242,079	252,325	–	–
Prepaid land use rights	33,841	33,386	–	–
Goodwill	238	238	–	–
Total non-current assets	310,684	321,836	1,294,e528 0 l S Q325	

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$'000	*$'000*	*$'000*	*$'000*
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$'000	*$'000*	*$'000*	*$'000*
–	–	–	–

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Not applicable.

	$'000	*$'000*
Profit before tax	9,841	8,656
Adjustments for:		
Depreciation of property, plant and equipment	16,410	20,237
Amortisation of prepaid land use rights	264	276
Interest income	(720)	(499)
Share of losses of an associate	1,486	851

	$'000	*$'000*
Operating cash flow before movements in working capital	27,281	29,521
Trade and other receivables and prepayments	(6,306)	16,947
Bills receivable	(11,781)	(10,580)
Inventories	316	(719)
Trade and other payables	(10,697)	(4,581)
Contract liabilities	(677)	823
Bills payable	(1,384)	276
Cash (used in) generated from operations	(3,248)	31,687
Income tax paid	(1,321)	(3,259)
Interest received	720	499
Net cash (used in) from operating activities	(3,849)	28,927
Purchase of property, plant and equipment	(1,263)	(1,914)
Net cash used in investing activities	(1,263)	(1,914)
Net (decrease) increase in cash and bank balances	(5,112)	27,013
Cash and bank balances at the beginning of the period	1,773,842	1,691,732
Effect of exchange rate changes on the balance of cash and bank held in foreign currencies	7,317	10,907
	1,776,047	1,729,652

	$'000	*$'000*	*$'000*	*$'000*
Profit (loss) for period	6,720	6,306	(529)	(466)
Other comprehensive income (expense):				
Exchange difference arising on translation to foreign operations	31,177	58,452	–	–
Total comprehensive income (expense) for the period	37,897	64,758	(529)	(466)
Total comprehensive income (expense) attributable to:				
Owners of the Company	36,979	63,798	(529)	(466)
Non-controlling interests	918	960	–	–
	37,897	64,758	(529)	(466)

	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
First Quarter 2019 ("Q1 2019")								
Balance at January 1, 2019	560,200	296,573	7,287	381,134	1,502,288	2,747,482	24,565	2,772,047
Total comprehensive income for the period								
Profit for the period	–	–	–	–	6,326	6,326	394	6,720
Other comprehensive income for the period	–	–	–	30,653	–	30,653	524	31,177
Total	–	–	–	30,653	6,326	36,979	918	37,897
Transactions with owners, recognised directly in equity								
Dividend paid to non-controlling interests of a subsidiary	–	–	–	–	–	–	(1,887)	(1,887)
Balance at March 31, 2019	560,200	296,573	7,287	411,787	1,508,614	2,784,461	23,596	2,808,057
First Quarter 2018 ("Q1 2018")								
Balance at January 1, 2018	560,200	296,573	7,287	446,903	1,476,678	2,787,641	27,298	2,814,939
Total comprehensive income for the period								
Profit for the period	–	–	–	–	5,752	5,752	554	6,306
Other comprehensive income for the period	–	–	–	58,046	–	58,046	406	58,452
Total	–	–	–	58,046	5,752	63,798	960	64,758
Balance at March 31, 2018	560,200	296,573	7,287	504,949	1,482,430	2,851,439	28,258	2,879,697

	'000	*'000*	*$'000*	*$'000*
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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

Not applicable.

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

Not applicable.

The same accounting policies and methods of computation have been applied in the financial statements as in the most recently audited annual financial statements as at 31 December 2018 except for the adoption of Singapore Financial Reporting Standards (International) ("SFRS(I)s") which are relevant to the Group's operations and became effective for the financial years beginning on or after 1 January 2019.

The adoption of the new and revised SFRS(I)s have no material effect on the Group's and Company's accounting policies.

Based on the weighted average number of ordinary shares in issue	0.88 HK cents	0.80 HK cents

On behalf of the Board of Directors, it is my pleasure to present the financial results of Kingboard Copper Foil Holdings Limited ("the Company") and its subsidiaries (together with the Company, "the Group") for the first quarter of 2019 ("Q1 2019"). Revenue for the current period comprised (i) the receipt of license fee of HK$30 million pursuant to the on-going licensing arrangement and (ii) the sale of polyvinyl butyral ("PVB") resin for HK$109 million, a basic raw material for the production of PVB film which is used to produce reinforced glass for both automotive industry and buildings. The Group's turnover decreased 9% to HK$139 million against the first quarter of 2018 ("Q1 2018") and net profit attributable to owners of the Company for Q1 2019 was HK$6.3 million. Gross profit margin were 11.9% in Q1 2018 and 14.4% in Q1 2019.

Distribution costs in Q1 2019 decreased 13% to approximately HK$3.4 million, which is in line with the decrease in turnover. Administrative expenses in Q1 2019 slightly increased 5% to approximate HK$6.2 million.

Our financial position continued to be sound. As at March 31, 2019, net current assets and current ratio were approximately HK$2,502 million and 26.9 respectively. Current assets mainly comprised cash and bank balances of HK$1,776 million, other current assets of HK$674 million, trade and other receivables and prepayments of HK$79 million, bills receivables of HK$44 million and inventories of HK$24 million. As at the end of Q1 2019, the Company's interest in Linkfit Investment Holdings Limited ("Linkfit"), a private company incorporated in Samoa, was 29.67%. The unquoted equity shares were stated at costs less accumulated impairment losses at the end of the reporting period.

Not applicable.

At the Annual General Meeting of the Company held on April 29, 2011, the shareholders of the Company did not approve the renewal of the mandate ("Shareholders' Mandate") to enable the Group to enter into interested person transactions with Kingboard Holdings Limited ("Kingboard Holdings") and its associates (together, the "Interested Persons"). The Company has entered into a licensing agreement, as amended by the letters of extension and amendments dated August 30, 2013 and August 28, 2015, to license the properties, inventory and machinery that were previously used for the production of copper foil with effect from September 1, 2011 to August 31, 2017 to Harvest Resource Management Limited, an independent third party, in order to ensure that a steady stream of license fee is received by the Group. On August 30, 2017, the licensing agreement is renewed for the term of further two years to end of August 2019. The Group will, in compliance with the Listing Manual, make relevant disclosures as and when appropriate.

The economic growth rate in the People's Republic of China (the "PRC") is continued to maintain at a low level. Some sectors such as export weakened further as a result of the trade disputes between China and the United States. Moreover, the first tier and second tier cities in the PRC have imposed restriction orders on residential units, which has affected the real estate industry and hence the construction industry. In this regard, PVB business has also been affected. The Group will continue to improve the production efficiency, reducing the defect rate, lowering the production costs and shortening the lead time so that to deliver greater returns to the shareholders.

On 4 April 2019, Excel First Investments Limited (the "Offeror") announced a voluntary unconditional cash offer ("Offer") for all the issued and paid-up ordinary shares of a par value of US$0.10 each ("Shares") in the capital of the Company, other than those which are owned, controlled or agreed to be acquired by the Offeror or by parties acting or deemed to be acting in concert with it, with a view to delist the Company from the Main Board of Singapore Exchange Securities Trading Limited ("SGX-ST"). As at the date of this announcement, the Company has submitted its delisting application and the Offeror has triggered, and intends to exercise its right of compulsory acquisition.

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

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

Not applicable.

Not applicable.

No dividend has been proposed or declared for the period ended March 31, 2019.

The Company confirmed that it has procured the undertakings under Listing Rule 720(1) of the Listing Manual from all its directors and executive officers in the format set out in Appendix 7.7.

Not applicable.

Not applicable.

Not applicable.

Not applicable.

Not applicable.

We, LAM KA PO and CHEUNG KWOK PING being two directors of Kingboard Copper Foil Holdings Limited, do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the Q1 2019 financial results to be false or misleading in all aspects.

On behalf of the board of directors

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BY ORDER OF THE BOARD

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Hong Kong, May 22, 2019

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BY ORDER OF THE BOARD

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