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KB

KINGBOARD CHEMICAL HOLDINGS LIMITED

建滔化工集團*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 148)

ANNOUNCEMENT RESULTS OF A SUBSIDIARY

EEIC & EEIC I C, 69.10%
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2, (SGX), EEIC & EEIC I C (EEIC
Company), 2G 69.10%
C H (Kingboard),
C (Group)
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2 k E H
EEIC:

* For identification purpose only

ELEC & ELTEK INTERNATIONAL COMPANY LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration Number 199300005H)

UNAUDITED FINANCIAL STATEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

1(a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

(I) I 2 2 G, , C
 2, 2, 2, 2 (3QCY10) (YTD 3QCY10)
 2 30 2 2 2010 2 2 2 2, 2 2 2
 , 2 (3QCY09) (YTD 3QCY09) 2 30 2 2
 2009.

US\$'000	3QCY10	3QCY09	% Change	YTD 3QCY10	YTD 3QCY09	% Change
Revenue	159,669	119,767	33.3%	450,916	307,390	46.7%
Cost of sales	(125,963)	(97,376)	29.4%	(351,340)	(253,440)	38.6%
Gross profit	33,706	22,391	50.5%	99,576	53,950	84.6%
<i>Gross profit margin</i>	<i>21.1%</i>	<i>18.7%</i>		<i>22.1%</i>	<i>17.6%</i>	
Impairment of goodwill	137	67	104.5%	452	259	74.5%
Depreciation & amortisation	(3,176)	(2,103)	51.0%	(9,935)	(7,890)	25.9%
Administrative expenses	(7,521)	(5,479)	37.3%	(21,834)	(16,700)	30.7%
Finance income	471	276	70.7%	1,444	504	186.5%
Finance costs	(356)	(385)	-7.5%	(950)	(1,375)	-30.9%
Share of profits of associates	551		n/m	1,307		n/m
Profit before taxation	23,261	15,318	51.9%	68,753	30,055	128.8%
Income tax expense	(1,592)	(1,092)	45.8%	(4,493)	(2,145)	109.5%
Profit for the financial period	21,669	14,226	52.3%	64,260	27,910	130.2%
Profit attributable to equity holders of the company	21,443	14,158	51.5%	63,605	27,913	127.9%
- Profit attributable to non-controlling interests	226	68	n/m	655	(3)	n/m
	21,669	14,226	52.3%	64,260	27,910	130.2%

n/m – percentage not meaningful

(II) I 2010 2009 3 C 10 2010 (2QCY10).

US\$'000	3QCY10	2QCY10	% Change
Revenue	159,669	155,955	2.4%
Cost of sales	(125,963)	(119,773)	5.2%
Gross profit	33,706	36,182	-6.8%
<i>Gross profit margin</i>	<i>21.1%</i>	<i>23.2%</i>	
Operating expenses	137	162	-15.4%
Depreciation & amortization	(3,176)	(3,407)	-6.8%
Administrative expenses	(7,521)	(7,224)	4.1%
Finance income	471	667	-29.4%
Finance expense	(356)	(322)	10.6%
Profit before taxation	23,261	26,058	-10.7%
Income tax expense	(1,592)	(1,745)	-8.8%
Profit for the financial period	21,669	24,313	-10.9%
Profit for the financial period	21,443	24,105	-11.0%
Share of profit of associates	226	208	8.7%
Profit for the financial period	21,669	24,313	-10.9%

(III) 2010年1-9月与2009年1-9月比较：

US\$'000	3QCY10	3QCY09	% Change	YTD 3QCY10	YTD 3QCY09	% Change
折旧及摊销费用	12,233	11,790	3.8%	36,122	35,392	2.1%
无形资产摊销费用	180	322	-44.1%	229	333	-31.2%
无形资产摊销费用/(折旧及摊销费用)	67	(215)	/	(614)	(176)	/
(折旧及摊销费用)/无形资产摊销费用	(109)	86	/	(82)	46	/

US\$'000	3QCY10	2QCY10	% Change
折旧及摊销费用	12,233	12,128	0.9%
无形资产摊销费用/(折旧及摊销费用)	180	(6)	/
无形资产摊销费用/折旧及摊销费用	67	(438)	/
折旧及摊销费用/无形资产摊销费用	(109)	(126)	-13.5%

n/m – percentage not meaningful

Explanatory Notes to Income Statement

1. Gross profit

Gross profit for the year ended 31.12.2020 was \$11.3 million (2019: \$33.7 million), representing 50.5% of sales (2019: 55.5%).

9. Non-controlling interests

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1(b)(i)

Financial Position Analysis

As at 30.9.2010, the Group's total assets were US\$661.0 million, of which US\$674.5 million were tangible assets. The Group's total liabilities were US\$674.5 million, of which US\$674.5 million were tangible liabilities. The Group's net assets were US\$661.0 million, of which US\$661.0 million were tangible assets.

As at 30.9.2010, the Group's total assets were US\$269.4 million, of which US\$289.0 million were tangible assets. The Group's total liabilities were US\$289.0 million, of which US\$289.0 million were tangible liabilities. The Group's net assets were US\$269.4 million, of which US\$269.4 million were tangible assets.

As at 30.9.2010, the Group's total assets were US\$375.9 million, of which US\$375.9 million were tangible assets. The Group's total liabilities were US\$375.9 million, of which US\$375.9 million were tangible liabilities. The Group's net assets were US\$375.9 million, of which US\$375.9 million were tangible assets.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

A. As at 30.9.2010, the Group's aggregate amount of borrowings and debt securities was US\$60,004 million.

As at 30.9.2010		As at 31.12.2009	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
	60,004		53,532

A. As at 30.9.2010, the Group's aggregate amount of borrowings and debt securities was US\$77,849 million.

As at 30.9.2010		As at 31.12.2009	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
	77,849		63,920

D. As at 30.9.2010, the Group's aggregate amount of borrowings and debt securities was US\$62,221 million.

US\$'000	As at 30.9.2010	As at 30.6.2010	As at 31.12.2009
Bank borrowings	137,853	114,074	117,452
Other debt securities	(75,632)	(68,856)	(60,054)
	<u>62,221</u>	<u>45,218</u>	<u>57,398</u>

G, ' 2010, 16.1% 30 2010. A 11.5% 30 2010.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

US\$'000	3QCY10	3QCY09	YTD 3QCY10	YTD 3QCY09
Operating activities:				
Net sales	23,261	15,318	68,753	30,055
Accounts receivable	180	322	229	333
Deferred revenue	12,233	11,790	36,122	35,392
Prepaid expenses	356	385	950	1,375
Other receivables	121	8	514	70
Accounts payable	(96)		(96)	
Accrued expenses	67	(215)	(614)	(176)
Income taxes	9	43	28	140
Other assets	(137)	(67)	(452)	(259)
Other liabilities		(551)		(1,307)
Net cash from operating activities	35,994	27,033	105,434	65,623
Investing activities:				
Acquisition of intangible assets	2,640	963	(14,206)	1,880
Acquisition of property and equipment	(8,252)	(13,047)	(30,212)	(4,075)
Disposal of property and equipment	(4,707)	(1,776)	30,266	(25,705)
Net cash from investing activities	25,675	13,173	91,282	37,723
Financing activities:				
Issuance of common stock	137	67	452	259
Issuance of debt	(356)	(385)	(950)	(1,375)
Repayment of debt	(866)	(274)	(3,064)	(548)
Net cash from financing activities	24,590	12,581	87,720	36,059

US\$'000	3QCY10	3QCY09	YTD 3QCY10	YTD 3QCY09
Investing activities:				
Net cash used in investing activities	(14,765)	(4,856)	(34,512)	(14,254)
Financing activities:				
Net cash used in financing activities	(3,336)	(3,223)	(38,618)	(52,556)

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US\$'000	YTD 3QCY10	YTD 3QCY09
C 1,000,000 k	75,632	40,692
B k 1,000,000 1,000,000		(73)
	<u>75,632</u>	<u>40,619</u>

1(d) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

US\$'000	3QCY10	3QCY09	YTD 3QCY10	YTD 3QCY09
Profit for the financial period	21,669	14,226	64,260	27,910
Other comprehensive (expense)/ income:				
E 1,000,000 1,000,000 1,000,000 1,000,000	<u>(741)</u>	<u>(1,233)</u>	<u>2,857</u>	<u>1,233</u>
1,000,000 1,000,000 1,000,000 1,000,000	<u>(741)</u>	<u>(1,233)</u>	<u>2,857</u>	<u>1,233</u>
Total comprehensive income for the financial period	<u>20,928</u>	<u>12,993</u>	<u>67,117</u>	<u>29,143</u>
1,000,000 1,000,000 1,000,000 1,000,000				
2 1,000,000 1,000,000 C 1,000,000	20,753	12,848	66,461	29,195
S - 1,000,000 1,000,000	<u>175</u>	<u>145</u>	<u>656</u>	<u>(52)</u>
	<u>20,928</u>	<u>12,993</u>	<u>67,117</u>	<u>29,143</u>

1(e)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Attributable to shareholders of the Company												
US\$'000	Share capital	Treasury shares	Capital reserve	Statutory reserve	Revaluation reserve	Other reserve	Retained earnings	Foreign currency translation reserve	Share option reserve	Total	Non-controlling interests	Total equity
GROUP												
3QCY10												
B 30.6.2010	113,599	(1,356)	4,301	3,799	2,167	166	242,128	17,247	224	382,275	9,358	391,633
Changes in equity for 3QCY10												
1. Exchange differences on translation of foreign operations							21,443	(690)		20,753	175	20,928
2. Issuance of shares	880									880		880
3. Issuance of share options			112						(112)			
4. Share-based payment									9	9		9
5. Dividends							11		(11)			
6. Other reserves			(2,597)	2,597								
7. Other reserves				2			(2)					
8. Other reserves											(48)	(48)
9. Other reserves											(5)	(5)
10. Other reserves							(27,990)			(27,990)		(27,990)

Attributable to shareholders of the Company

US\$'000	Share capital	Treasury shares	Capital reserve	Statutory reserve	Revaluation reserve	Other reserve	Retained earnings	Foreign currency translation reserve	Share option reserve	Total	Non-controlling interests	Total equity
GROUP												
YTD 3QCY10												
B 31.12.2009	98,656	(1,356)	2,702	3,612	2,167	166	246,498	13,701	1,919	368,065	9,264	377,329
Changes in equity for YTD 3QCY10												
2009/10							63,605	2,856		66,461	656	67,117
2009/10	15,823									15,823		15,823
2009/10			1,711						(1,711)			
2009/10									28	28		28
2009/10							126		(126)			
2009/10			(2,597)	2,597								
2009/10				189			(189)					
2009/10											(48)	(48)
2009/10							(46,460)			(46,460)	(392)	(46,852)
2009/10							(27,990)			(27,990)		(27,990)
B 30.9.2010	114,479	(1,356)	1,816	6,398	2,167	166	235,590	16,557	110	375,927	9,480	385,407
YTD 3QCY09												
B 31.12.2008	98,656	(1,356)	2,702	3,606	1,447	166	219,582	13,303	1,764	339,870	9,606	349,476
Changes in equity for YTD 3QCY09												
2008/09							27,913	1,282		29,195	(52)	29,143
2008/09				6			(6)					
2008/09									140	140		140
2008/09							28		(28)			
2008/09							(18,783)			(18,783)	(454)	(19,237)
B 30.9.2009	98,656	(1,356)	2,702	3,612	1,447	166	228,734	14,585	1,876	350,422	9,100	359,522

US\$'000	Share capital	Treasury shares	Capital reserves	Retained earnings	Share option reserve	Total equity
COMPANY						
3QCY10						
B 30.6.2010	113,599	(1,356)	1,049	114,611	6	227,909
Changes in equity for 3QCY10						
2010.07.01 - 2010.09.01				(346)		(346)
2010.09.01 - 2010.12.31	880					880
2010.12.31 - 2011.03.31			6		(6)	
D 2011.03.31				(27,990)		(27,990)
B 30.9.2010	<u>114,479</u>	<u>(1,356)</u>	<u>1,055</u>	<u>86,275</u>		<u>200,453</u>
3QCY09						
B 30.6.2009	98,656	(1,356)		25,213	1,021	123,534
Changes in equity for 3QCY09						
2009.07.01 - 2009.09.01				(297)		(297)
A 2009.09.01 - 2009.12.31					21	21
B 30.9.2009	<u>98,656</u>	<u>(1,356)</u>		<u>24,916</u>	<u>1,042</u>	<u>123,258</u>

US\$'000	Share capital	Treasury shares	Capital reserves	Retained earnings	Share option reserve	Total equity
COMPANY						
YTD 3QCY10						
B 31.12.2009	98,656	(1,356)		52,048	1,062	150,410
Changes in equity for YTD 3QCY10						
Issue of shares				108,665		108,665
Share repurchase	15,823					15,823
Share option reserve			1,055		(1,055)	
Share option reserve					5	5
Share option reserve				12	(12)	
Share option reserve				(46,460)		(46,460)
Share option reserve				(27,990)		(27,990)
B 30.9.2010	114,479	(1,356)	1,055	86,275		200,453
YTD 3QCY09						
B 31.12.2008	98,656	(1,356)		29,095	979	127,374
Changes in equity for YTD 3QCY09						
Issue of shares				14,604		14,604
Share option reserve					63	63
Share option reserve				(18,783)		(18,783)
B 30.9.2009	98,656	(1,356)		24,916	1,042	123,258

1(e)(ii) Details of any changes in the company's share capital arising from rights issue,

US\$ 1 million 2010 30 2010 :
S

Date of grant	Subscription price per share (US\$)	Outstanding balance as at 1.7.2010	Lapsed	Exercised	Outstanding balance as at 30.9.2010	Expiry date
29 2005	2.375	60,000		(60,000)		4 2010
12 2006	2.400	706,000	(15,000)	(307,500)	383,500	12 2011
TOTAL		766,000	(15,000)	(367,500)	383,500	

US\$ 3 C 10, 2008 E & E k E ,
2 2 2 2 C 9 2008.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

US\$ 3 C 10 2008 E & E k E ,

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

US\$

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied, and if there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

US\$ G, C 2008 E & E k E ,
US\$ 2008 E & E k E ,
US\$ 31 D 2009.

5. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

United States cents		3QCY10	3QCY09	YTD 3QCY10	YTD 3QCY09
E \$					
5.1	B \$	11.50	7.91	34.59	15.60
	E \$				
	\$ ('000)	186,467	178,887	183,898	178,887
5.2	A \$	11.50	7.91	34.52	15.60
	\$ ('000)	186,526	178,887	184,256	178,887

6. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

US\$	GROUP		COMPANY	
	30.9.2010	31.12.2009	30.9.2010	31.12.2009
	2.07	2.11	1.07	0.84

* B \$ 186,604,562 , \$ 30 2010 (31 D \$ 2009: 178,887,062 , \$).

7. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

8. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

11. Interested Persons Transactions

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (including transactions less than S\$100,000 and excluding transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (including transactions less than S\$100,000)	
	YTD 3QCY10	YTD 3QCY09	YTD 3QCY10	YTD 3QCY09
Purchases of goods and services				
C, 2, C, F (C)			41,093	19,056
C, 2, (C)	2,713		54,035	37,365
E & E C 2	491	351		
H C			3,799	6,998
H F G C			5,389	898
H, C, 2, C C			438	138
J G F .C.B.				
C			30	18
J, 2, G, S I	2,092	1,261		
	531	255		
F I	10			
(C)				
C,			4	25
F .C.B. C			68	1,556
	<u>5,837</u>	<u>1,867</u>	<u>104,856</u>	<u>66,054</u>
Provision of goods and services				
C, 2, (C)			577	
E & E D	15	14		
E E			3,984	
E E (2,) C			537	
J G F S .C.B.				
C			5,408	2,662
2 E F .C. B				
S C			85	61
(C)				
C,			3,233	365
F .C.B. C			4,783	669
	<u>15</u>	<u>14</u>	<u>18,607</u>	<u>3,757</u>

E. C. k. k. C. H. C. E. D. E. &
 E. I. C. (Company),
 B. D. C. (Board),
 B. 30 2010

Chan Wing Kwan
Director"

H, 2 2010

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