LAM SOON (HONG KONG) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 411)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2008

The Board of Directors (the "Board") of Lam Soon (Hong Kong) Limited (the "Company") is pleased to announce its audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the financial year ended 30 June 2008.

BUSINESS REVIEW AND PROSPECTS

Business Review

Our core businesses in flour, edible oil, and detergent continue to achieve growth in the Hong Kong and Mainland China market. This is being accomplished through continuous investment in developing innovative products and new marketing channels in the eastern and northern cities in China where we had achieved a 19% sales growth during the year.

Our flag-ship brands, including Golden Statue bread flour, American Roses cake flour, Knife edible oil, Red Lantern edible oil, AXE and Labour detergent achieved 38% sales growth during the year. Turnover of our six premium core brands had increased from 33% to 40% of the Group's total turnover. Mainland China accounted for 76% of our total turnover. The better margin contribution of these premium products had enabled the Group to maintain its midteen gross profit margin despite the pressure from rising raw material costs. Renminbi appreciation also provided positive impact on our operating margin.

To facilitate our expansion beyond southern China, our new production plant for flour at Qingzhou, Shandong is now under construction which when completed in early 2009 will supply more cost effectively to our customers in northern China. It is located at one of the highest quality wheat producing regions in China. Besides, this region is home to many multinational food companies which use higher quality premium flour for their products. The Qingzhou mill, in its first phase, will have capacity for wheat processing for 500 metric tons daily using modern advanced Buhler equipment from Sweden. With the addition of this Qingzhou mill serving the northern China region we will then have three flour production centres. Our Yixing mill will handle customer needs in the eastern China region and our Shekou mill will supply to the southern China region. These three localised mills will provide more efficient delivery service and serve better the needs of customers in their respective regions.

During the year we had, after careful review, exited our non-core packaging business at an opportune time. This cash-sale strengthens our balance sheet and provides additional financial resources for expansion in our core operations.

Financial Results

The Group achieved a net profit of HK$116 million for the year which was 5% better than last year. The turnover for continuing operations increased by 33% to HK$2,094 million. Basic earnings per share of continuing operations is HK$0.42 same as last year.

The Board of Directors has proposed a final dividend of HK$0.09 per share, which together with the interim dividend of HK$0.06 already paid would result in a total dividend for the year of HK$0.15 per share (HK$0.14 per share for the year ended 30 June 2007).

Operation Review

Food Segment

Food Segment had achieved 37% growth in sales to HK$1,569 million, and 8% growth in operating profits to HK$81 million resulting mainly from its continuous focus on branded premium products and strategic markets in Mainland China.

In Hong Kong, Lam Soon Food Industries Limited, a wholly-owned subsidiary of the Company, had in June 2008 accepted the termination notice from Hop Hing Group for our edible oil joint venture company, Evergreen Oils & Fats Limited ("Evergreen"). Upon termination of this joint venture on 30 June 2009, we will take up the edible oil business carried out by Evergreen in relation to the products of the Group unless ongoing discussion can arrive at a mutually beneficial arrangement with Hop Hing Group going forward.

Its premium core brands, Knife Brand, Red Lantern and Soon Brand edible oil as well as Golden Statue bread flour and American Roses cake flour achieved a total sales growth of 46%.

Detergent Segment

Detergent segment had achieved 32% sales growth during the year. It had further expanded its sales network in the eastern and northern regions of Mainland China. In addition, the segment had developed new products to meet the increasing demand of the institutional customers.

Packaging Segment

The Group had successfully divested this non-core business on 28 February 2008 to a third party at a consideration of US$53.5 million (approximately HK$417 million). A net gain of HK$9 million was realised by the Group from the disposal.

Distribution Segment

The segment had achieved 21% growth in sales, and 4% growth in operating profit. It had managed to increase selling prices gradually to offset the impact of rising costs from raw materials, inflation, and Renminbi appreciation.

Prospects

We are pushing forward with our next phase of growth capitalising on our more than 50 years of heritage and our established reputation for high quality food products that have been well received in Hong Kong and in the ever increasing discerning markets in Mainland China. We recognise the threats posed by rising raw material and operating costs in the region and will endeavour to improve our productivity to cope with these challenges.

Financial Review

For the year ended 30 June 2008, the Group's turnover by segments and their respective results from operations are reported as follows:

	Turnover		Operating Results	
In HK$ million	**2008**	2007	2008	2007
Continuing Operations				
Food (Note)	**1,569**	1,148	**84**	78
Detergent	**177**	134	**6**	8
Distribution	**344**	283	**51**	49
Others	**4**	4	**(28)**	(38)
	2,094	1,569	**113**	97
Discontinued Operation				
Packaging	**484**	729	**6**	10
	2,578	2,298	**119**	107
Net interest expenses			**(2)**	(5)
Gain on disposal of packaging business			**9**	-
Taxation (expenses)/credit			**(10)**	8
Minority interests			**2**	-
			118	110

Note:
The operating result of Food Segment is the sum of (i) operating profit of HK$81 million (2007: HK$75 million) and (ii) share of profit of a jointly controlled entity of HK$3 million (2007: HK$3 million).

Group Results

For the year ended 30 June 2008, the Group's turnover from the continuing operations rose by HK$525 million (or 33%) to HK$2,094 million. The increase was primarily attributable to the Food and Detergent businesses whose turnover grew at a rate of 37% and 32% respectively. Packaging business, which was disposed in February 2008, contributed HK$484 million to the Group's total turnover.

Through continuous investment in developing innovative products and new channels in eastern and northern cities in Mainland China, profit before tax from the continuing operations increased by HK$20 million (or 21%) to HK$112 million. The Group had an one-off tax refund of HK$20 million in prior year but no such tax refund in current year. Packaging business contributed HK$6 million to the Group's total profit for the current year, and its divestment resulted in a gain of HK$9 million.

Liquidity and Financial Resources

The Group centralises all the financing and treasury activities at the corporate level. There are stringent controls over the application of financial instruments which can only be employed to manage and mitigate the exposure of interest rate risk attributable to bank borrowings, and the exposure of foreign currency risk arising from trade and other receivables denominated in foreign currencies.

Having strong liquidity with a current ratio exceeding two and the readily available banking facilities, the management believes the Group has sufficient resources to fund its daily operating activities as well as current and potential investment opportunities.

Foreign Currency Exposure

The majority of the Group's borrowings carries interest at floating rates and is denominated in Hong Kong dollars. The Group's exposure to other exchange rate fluctuation is primarily related to deposit placement in foreign currencies.

The Group has operations in Mainland China and Hong Kong. In February 2008, the Group disposed of its packaging business which had operations in Mainland China and Taiwan. After the divestment, local costs and revenue are primarily denominated in Renminbi and Hong Kong dollars, with some in United States dollars.

Project Commitments

On 25 January 2007, Lam Soon (China) Holdings Company Limited ("Lam Soon (China)"), a wholly-owned subsidiary of the Company, agreed with the Qingzhou Government that Lam Soon (China) undertook an investment project in the Qingzhou City. The investment project included the establishment of a wholly foreign-owned enterprise, named as Lam Soon (Shandong) Food Company Limited, in Mainland China for the development of the food business, acquisition of the land use rights and the construction of manufacturing and storage facilities. The projected investment amount of the investment project will be approximately HK$113.9 million of which HK$34.2 million was incurred and HK$68.4 million was contracted for but not paid during the year.

HUMAN RESOURCES AND TRAINING

As at 30 June 2008, there were approximately 1,200 employees in the Group. The Group remunerates its employees in accordance with the nature of their duties and responsibilities, as well as the prevailing market conditions. Annual increment and year-end performance bonus mechanism were incorporated in the Group's remuneration policy to retain, reward and motivate individuals for their contributions to the Group. The Company also operates a Share Option Scheme for granting of options to eligible employees. There were 3,700,000 outstanding share options as at 30 June 2008.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares.

BOARD AUDIT COMMITTEE

The Board Audit Committee ("BAC") comprises Messrs. LO Kwong Chi, Clement (Chairman of the BAC), TSANG Cho Tai and DING Wai Chuen. Messrs. LO Kwong Chi, Clement and DING Wai Chuen are independent non-executive directors of the Company.

The BAC oversees the financial process and the adequacy and effectiveness of the Company's system of internal control. The BAC meets with the Company's external auditors and the internal auditors for their evaluations of the internal control system. It also reviews interests in contracts and connected transactions. The BAC reviews the financial statements of the Company and the consolidated financial statements of the Group and the auditors' report thereon and submits its views to the Board.

BOARD REMUNERATION COMMITTEE

The Board Remuneration Committee ("BRC") comprises Messrs. KWEK Leng Hai (Chairman of the Company and Chairman of the BRC), LO Kwong Chi, Clement and DING Wai Chuen. The latter two are independent non-executive directors of the Company.

CORPORATE GOVERNANCE

Code on Corporate Governance Practices

The Board has adopted the key provisions of the Code of Corporate Governance Practices (the "CGP Code") as set out in Appendix 14 to the Listing Rules, which provides guidelines to reinforce our corporate governance principles. Continuous efforts are made to review and enhance the Group's internal control policy and procedures in light of local and international developments to instill best practices. The Company had complied throughout the year ended 30 June 2008 with all the provisions of the CGP Code, except that the non-executive directors were not appointed for a specific term. However, they are subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the articles of association of the Company. As such, the Company considers that such provisions are sufficient to meet the underlying objectives of the relevant provisions of the CGP Code.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as the code of conduct regarding directors' securities transactions.

Having made specific enquiry of all directors of the Company, they have complied with the required standard set out in the Model Code for the year.

CONSOLIDATED INCOME STATEMENT

	Notes	**2008** **HK$'000**	2007 HK$'000
Continuing operations			
Turnover	3	**2,094,370**	1,569,335
Cost of sales		**(1,767,532)**	(1,272,946)
Gross profit		**326,838**	296,389
Other income		**55,734**	28,007
Selling and distribution expenses		**(181,359)**	(146,752)
Administrative expenses		**(91,118)**	(79,356)
Other operating expenses		**(1,042)**	(3,913)
Operating profit	3	**109,053**	94,375
Net interest income / (expenses)		**84**	(4,639)
Share of profit of a jointly controlled entity		**3,347**	2,908
Profit before taxation	4	**112,484**	92,644
Taxation (expenses) / credit	5	**(11,220)**	8,998
Profit for the year from continuing operations		**101,264**	101,642
Discontinued operation	6		
Profit for the year from a discontinued operation		**5,685**	8,456
Net gain on disposal of a discontinued operation		**8,803**	-
Total profit from a discontinued operation		**14,488**	8,456
Profit for the year		**115,752**	110,098
Attributable to:			
Shareholders of the Company		**118,099**	109,882
Minority interests		**(2,347)**	216
Profit for the year		**115,752**	110,098
Appropriations:	7		
Final dividend paid in respect of 2006/07		**19,357**	17,001
Interim dividend paid in respect of 2007/08		**14,517**	14,517
		33,874	31,518
Earnings per share (HK$)	8		
Basic and diluted		**0.49**	0.45
For profit from continuing operations (HK$)			
Basic and diluted		**0.42**	0.42
For profit from a discontinued operation (HK$)			
Basic and diluted		**0.07**	0.03
Proposed final dividend	7	**21,902**	19,468

CONSOLIDATED BALANCE SHEET

	Notes	2008 HK$'000	2007 HK$'000
NON-CURRENT ASSETS			
Fixed assets		**496,494**	693,943
Leasehold land		**48,402**	52,020
Intangible assets		**2,175**	2,175
Interests in associates		**24,581**	24,581
Interest in a jointly controlled entity		**63,268**	59,921
Available-for-sale financial assets		**757**	741
Deferred tax assets		**8,935**	13,321
		644,612	846,702
CURRENT ASSETS			
Inventories		**273,625**	301,214
Debtors, deposits and prepayments	*9*	**236,769**	258,471
Bills receivable		**-**	1,376
Amount due from a jointly controlled entity		**50,575**	7,867
Financial assets at fair value through profit or loss		**-**	2,922
Deposits with financial institutions – pledged		**-**	51
Cash and cash equivalents		**532,081**	293,083
		1,093,050	864,984
CURRENT LIABILITIES			
Bank loans		**212,000**	142,104
Creditors, deposits received and accruals	*10*	**217,148**	321,249
Bills payable		**-**	5,427
Tax payable		**7,029**	6,430
Other current liabilities		**28,132**	28,087
		464,309	503,297
NET CURRENT ASSETS		**628,741**	361,687
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,273,353**	1,208,389
NON-CURRENT LIABILITIES			
Employee benefit obligations		**-**	1,210
Deferred tax liabilities		**1,044**	9,598
Other non-current liabilities		**509**	354
		1,553	11,162
NET ASSETS		**1,271,800**	1,197,227
CAPITAL AND RESERVES			
Share capital		**243,354**	243,354
Reserves		**1,011,558**	868,356
Equity attributable to shareholders of the Company		**1,254,912**	1,111,710
Minority interests		**16,888**	85,517
TOTAL EQUITY		**1,271,800**	1,197,227

Notes:

1. Significant accounting policies

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules"). A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

2. Application of new and revised Hong Kong Financial Reporting Standards

In the current year, the Group has applied, for the first time, the following new standard, amendment and Interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning on or after 1 July 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) - INT 8	Scope of HKFRS 2
HK(IFRIC) - INT 9	Reassessment of Embedded Derivatives
HK(IFRIC) - INT10	Interim Financial Reporting and Impairment
HK(IFRIC) - INT11	HKFRS 2: Group and Treasury Share Transactions

The adoption of the new HKFRSs had no material effect on the results and financial position of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not yet early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective. The Group is in the process of making an assessment if what the impact if these new HKFRSs is expected to be in the period of the initial application.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations [1]
HKFRS 3 (Revised)	Business Combinations [2]
HKFRS 8	Operating Segments [1]
HK(IFRIC) - INT 12	Service Concession Arrangements[3]
HK(IFRIC) - INT 13	Customer Loyalty Programmes[4]
HK(IFRIC) - INT 14	HKAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction[3]

[1] Effective for financial period commencing on or after 1 January 2009

[2] Effective for financial period commencing on or after 1 July 2009

[3] Effective for financial period commencing on or after 1 January 2008

[4] Effective for financial period commencing on or after 1 July 2008

3. Segment information

For the year ended 30 June 2008

(A) Business segments

	Continuing operations					Discontinued operation		
	Food	Detergent	Distribution	Others	Total	Packaging	Inter-segment elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
(i) Turnover								
External sales	1,569,050	176,919	344,004	4,397	2,094,370	483,349	-	**2,577,719**
Inter-segment sales	202,329	39,152	-	4,175	245,656	-	(245,656)	**-**
	1,771,379	216,071	344,004	8,572	2,340,026	483,349	(245,656)	**2,577,719**
(ii) Segment results	80,971	5,506	51,093	(28,517)	109,053	6,447	-	**115,500**
Net interest income/(expenses)	-	-	-	84	84	(1,586)	-	**(1,502)**
Share of profit of a jointly controlled entity	3,347	-	-	-	3,347	-	-	**3,347**
Profit before taxation					112,484	4,861		**117,345**
Gain on disposal of packaging business					-	8,803		**8,803**
Taxation (expenses)/credit					(11,220)	824		**(10,396)**
Profit for the year					101,264	14,488		**115,752**

(B) Geographical segments

	Mainland China	Hong Kong	Taiwan	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Continuing operations				
External sales	1,722,361	372,009	-	2,094,370
Discontinued operation				
External sales	243,442	-	239,907	483,349

For the year ended 30 June 2007

(A) Business segments

		Continuing operations					Discontinued operation		
		Food	**Detergent**	**Distribution**	**Others**	**Total**	**Packaging**	**Inter-segment elimination**	**Consolidated**
		HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
(i)	Turnover								
	External sales	1,147,721	134,454	283,307	3,853	1,569,335	728,870	-	2,298,205
	Inter-segment sales	141,642	37,185	126	10,144	189,097	-	(189,097)	-
		1,289,363	171,639	283,433	13,997	1,758,432	728,870	(189,097)	2,298,205
(ii)	Segment results	75,066	8,326	49,310	(38,327)	94,375	9,565	-	103,940
	Net interest income/(expenses)	-	-	-	(4,639)	(4,639)	29	-	(4,610)
	Share of profit of a jointly controlled entity	2,908	-	-	-	2,908	-	-	2,908
	Profit before taxation					92,644	9,594		102,238
	Taxation (expenses)/credit					8,998	(1,138)		7,860
	Profit for the year					101,642	8,456		110,098

(B) Geographical segments

	Mainland China	**Hong Kong**	**Taiwan**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Continuing operations				
External sales	1,262,761	306,574	-	1,569,335
Discontinued operation				
External sales	319,618	-	409,252	728,870

4. Profit before taxation

	2008	2007
	HK$'000	*HK$'000*
Continuing operations		
Profit before taxation is arrived at after charging/(crediting):		
Depreciation of fixed assets	**42,633**	40,512
Amortisation of trademarks	**-**	3,676
Amortisation of leasehold lands	**2,791**	2,625
Operating lease rental of properties	**2,048**	1,022
Gain on disposal of fixed assets	**(8,423)**	(1,496)

	2008	2007
	HK$'000	*HK$'000*
Discontinued operation		
Profit before taxation is arrived at after charging/(crediting):		
Depreciation of fixed assets	**13,751**	19,682
Amortisation of leasehold lands	**67**	84
Loss/(gain) on disposal of fixed assets	**315**	(146)

5. Taxation (expenses) / credit

(a) Hong Kong profits tax has been provided for at the rate of 16.5% (2007: 17.5%) on the respective estimated assessable profits of the companies operating in Hong Kong.

Overseas taxation represents tax charge on the estimated taxable profits of certain subsidiaries operating in Mainland China and Taiwan, calculated at the rates prevailing in the respective regions.

Certain subsidiaries operating in Mainland China are subject to income tax rates ranging from 18% to 25% (2007: 15% to 27%).

(b) The income tax (expenses)/credit represents the sum of the tax currently payable and deferred tax. The taxation is made up as follows:

	2008	2007
	HK$'000	*HK$'000*
Continuing operations		
Current tax:		
Hong Kong taxation	**(2,781)**	(3,187)
(Under)/over-provision in respect of prior years	**(1,227)**	19,160
	(4,008)	15,973
Overseas taxation	**(7,557)**	(7,833)
(Under)/over-provision in respect of prior years	**(278)**	581
	(7,835)	(7,252)
Deferred taxation:		
Current year	**623**	277
	(11,220)	8,998
Discontinued operation		
Current taxation:		
Overseas taxation	**(967)**	(4,314)
Under-provision in respect of prior years	**(224)**	-
	(1,191)	(4,314)
Deferred taxation:		
Current year	**2,015**	3,176
	824	(1,138)

6. Discontinued operation

The Company entered into a disposal agreement to sell its entire interest in packaging business of the Group. The disposal was completed on 28 February 2008. Detailed information of the disposal was set out in the Company's announcement dated 18 February 2008.

The results of packaging business for the period/year are presented below:

	Notes	**Period ended 28 February 2008**	Year ended 30 June 2007
		HK$'000	HK$'000
Turnover	*3*	**483,349**	728,870
Cost of sales		**(449,604)**	(687,128)
Gross profit		**33,745**	41,742
Other income		**7,596**	9,605
Selling and distribution expenses		**(11,191)**	(18,161)
Administrative expenses		**(21,574)**	(23,178)
Other operating expenses		**(2,129)**	(443)
Operating profit	*3*	**6,447**	9,565
Net interest (expenses)/income		**(1,586)**	29
Profit before taxation	*4*	**4,861**	9,594
Taxation credit/(expenses)	*5*	**824**	(1,138)
Profit for the year from a discontinued operation		**5,685**	8,456
Net gain on disposal of a discontinued operation		**8,803**	-
Total profit from a discontinued operation		**14,488**	8,456

7. Dividends

	2008	2007
	HK$'000	*HK$'000*
2007: Final dividend of HK$0.08 per share paid during the year (2006: HK$0.07 per share)	**19,357**	17,001
2008: Interim dividend of HK$0.06 per share paid during the year (2007: HK$0.06 per share)	**14,517**	14,517
	33,874	31,518
2008: Final dividend proposed after balance sheet date of HK$0.09 per share (2007: HK$0.08 per share)	**21,902**	19,468

The final dividend proposed after the balance sheet date has not been recognised as liabilities at the balance sheet date.

8. Earning per share

(a) Basic

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company of HK$118,099,000 (2007: HK$109,882,000) and the weighted average number of 241,961,165 (2007: 242,487,253) ordinary shares in issue during the year, calculated as follows:

	2008	2007
	HK$'000	*HK$'000*
Profit attributable to shareholders of the Company	**118,099**	109,882
Attributable to:		
Continuing operations	**101,469**	101,836
Discontinued operation	**16,630**	8,046

(b) Diluted

The calculation of diluted earnings per share is based on the profit attributable to shareholders of the Company of HK$118,099,000 (2007: HK$109,882,000) and the weighted average number of 241,977,537 (2007: 242,851,320) ordinary shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares, calculated as follows:

	2008	2007
	HK$'000	*HK$'000*
Profit attributable to shareholders of the Company	**118,099**	109,882
Attributable to:		
Continuing operations	**101,469**	101,836
Discontinued operation	**16,630**	8,046

9. Debtors, deposits and prepayments

All of the debtors, deposits and prepayments are expected to be recovered within one year.

	2008	2007
	HK$'000	*HK$'000*
Total trade debtors	**143,346**	178,203
Less: Allowance for doubtful debts	**(1,828)**	(4,066)
	141,518	174,137
Other debtors, deposits and prepayments	**92,460**	81,625
Current portion of leasehold land	**2,791**	2,709
	236,769	258,471

(a) Aging analysis

The aging of trade debtors (net of allowance for doubtful debts) as of the balance sheet date is as follows:

	2008	2007
	HK$'000	*HK$'000*
0 – 3 months	**140,804**	167,256
4 – 6 months	**714**	6,881
Total trade debtors	**141,518**	174,137

(b) Impairment of trade debtors

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly.

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, are as follows:

	2008	2007
	HK$'000	*HK$'000*
At 1 July	**(4,066)**	(5,524)
Impairment loss recognised	**(991)**	(224)
Reversal of impairment loss	**100**	1,579
Disposal of packaging business	**3,266**	-
Uncollectible amounts written off	**401**	185
Exchange adjustments	**(538)**	(82)
At 30 June	**(1,828)**	(4,066)

At 30 June 2008, the amount of specific allowance for doubtful debt was HK$668,000 (2007: HK$642,000).

(c) Trade debtors that are not impaired

The aging analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

	2008	2007
	HK$'000	*HK$'000*
Current	**139,499**	174,137
Past due for less than 3 months	**2,019**	-
	141,518	174,137

Trade debtors that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Trade debtors that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group held the following collaterals over these balances:

	2008	2007
	HK$'000	*HK$'000*
Properties	**3,668**	2,472

10. Creditors, deposits received and accruals

The aging analysis of trade creditors is as follows:

	2008	2007
	HK$'000	*HK$'000*
0 – 3 months	**146,887**	213,044
4 – 6 months	**683**	23,343
Over 6 months	**465**	238
Total trade creditors	**148,035**	236,625
Other creditors, deposits received and accruals	**69,113**	84,624
	217,148	321,249

Creditors, deposit received and accruals which are denominated in a currency other than the functional currency of the Group entities are mainly denominated in USD.

11. Comparative figures

As a result of the disposal of packaging business, which was reported as a discontinued operation in the financial statements in accordance with HKFRS 5 "Non-current assets held for sale and discontinued operations", certain comparative figures have been adjusted or reclassified to conform with the current year's presentation.

DIVIDENDS

The Directors will recommend to the shareholders for approval at the forthcoming annual general meeting a final dividend of HK$0.09 per share. This, together with the interim dividend of HK$0.06 per share paid on Thursday, 10 April 2008, will amount to a total dividend of HK$0.15 per share for the year (HK$0.14 per share for the year ended 30 June 2007). Subject to shareholders' approval, the final dividend will be payable on Thursday, 20 November 2008 to the shareholders whose names appear on the register of members on Wednesday, 19 November 2008.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 13 November 2008 to Wednesday, 19 November 2008, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all transfer documents, accompanied by the relevant share certificates must be lodged with the Company's Share Registrars and Transfer Office – Hongkong Managers and Secretaries Limited at Unit 3401-2, 34th Floor, AIA Tower, 183 Electric Road, North Point, Hong Kong not later than 4:00 p.m. on Wednesday, 12 November 2008.

PUBLICATION ON THE WEBSITE OF HKEX AND THE COMPANY

This final result announcement is published on the website of the Stock Exchange of Hong Kong Limited ("HKEX") (http://www.hkex.com.hk) and the Company (http://www.lamsoon.com).

GENERAL

As at the date of this announcement, the Board comprises the following members:

Chairman:
Mr. KWEK Leng Hai

Group Managing Director:
Mr. LEUNG Wai Fung

Non-Executive Directors:
Dr. WHANG Sun Tze
Mr. TAN Lim Heng
Mr. TSANG Cho Tai

Independent Non-Executive Directors:
Mr. LO Kwong Chi, Clement
Mr. DING Wai Chuen
Mr. IRIE Yasuaki

Alternate Director:
Mr. IKEDA Hiromi
(alternate director to Mr. IRIE Yasuaki)

By Order of the Board
CHENG Man Ying
Company Secretary

Hong Kong, 11 September 2008

This announcement can be retrieved from our website: http://www.lamsoon.com.