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 2009

The Board of Directors 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 2009.

OVERVIEW

During the period under review, the global financial system came close to the brink of systemic failure. It was averted only by unprecedented US government rescue actions and massive interventions into the capital markets. This was followed by other major European and Asian countries taking similar strong measures to restore confidence and trust in the financial and banking systems. Nonetheless, the world went into recession with only China standing out, showing growth, urged upon by the Chinese government huge spending and large stimulus economic programmes to pump up local consumption. This had helped to keep our China flour, edible oil and detergent business on an even keel in a challenging environment and is especially important to us since our Mainland China turnover accounted for close to 80% of our total turnover.

FINANCIAL RESULTS

For the financial year ended 30 June 2009, the Group had turnover and net profit amounted to HK$2,072 million and HK$79 million respectively. Basic earnings per share was HK$0.32.

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 18 March 2009, will amount to a total dividend of HK$0.15 per share for the year (HK$0.15 per share for the year ended 30 June 2008). Subject to shareholders' approval, the final dividend will be payable on Wednesday, 25 November 2009 to the shareholders whose names appear on the register of members on Wednesday, 18 November 2009.

BUSINESS REVIEW

There was a marked difference in our operating environment between our first half and second half year period. In the first half, fuel and raw material costs rose sharply with global commodity price inflation. This put pressure on our margins. The rising cost trend was reversed in the second half when global recession set in.

During this difficult economic period, we have implemented cost reduction and optimisation programmes to mitigate against changing regulatory requirements and structural cost increases. These proved successful for us to combat the effects of VAT refund cancellation for the export of our food products from Mainland China to Hong Kong, the increase in delivery cost, and higher labour cost in China due to new Labour Laws. Our brand value and our attention to productivity have enabled our core businesses in food and detergent to meet competition and to generate higher recurring earnings. Despite tough operating environment during the year, we were able to register double-digit increase in our gross profit margin of continuing operations to HK$413 million and produce a significant increase in recurring EBIT. Our profit after tax of continuing operations slipped 22% mainly due to foreign exchange valuation losses arising from our multicurrency deposit of our near HK$600 million cash balances.

Brand Value

The current global recessionary environment has slowed the growth rate of China to a target 8%. However, we remain convinced we should stay on track with our strategy to focus on the higher quality branded food segment by leveraging on several of our Group's prestigious brands.

Our brand value and China market are becoming more important to our overall business. Turnover of our six premium core brands namely Golden Statue bread flour, American Roses cake flour, Knife edible oil, Red Lantern edible oil, AXE and Labour detergent had further increased to about 60% of the Group's total turnover.

We had also capitalized on our long time well-known household detergent brands AXE and Labour. With greater awareness in the market for trusted quality goods, our AXE and Labour brands are receiving larger and growing consumer support in Hong Kong and Mainland China. On top of this, we introduced a new detergent product line for commercial and industrial use under the Procleanic brand. It was very well received when launched in Hong Kong and Macau. Procleanic hands sterilizing liquid dispensers are now used widely in many food retail outlets, all the more timely in the recent H1N1 flu outbreak.

Our detergent business had taken a significant positive turn during the year. Operating profit increased 1.6 times to HK$25 million on the back of an 18% sales growth to HK$276 million. This has resulted from heightened awareness to our AXE and Labour brands, better outlet management in the southern region as well as making penetration into the major supermarket chains in Beijing and Shanghai.

We value highly our more than 50 years of heritage and our established reputation for high quality food products as epitomized in our core brands Golden Statue bread flour, American Roses cake flour, Knife and Red Lantern edible oil, AXE and Labour detergent, and our new Procleanic brand for commercial/industrial detergent. Through enhancement of R&D, product safety and quality control system and planning, we aim to make our brands even more desirable to consumers and thereby further increase our market share in the premium segment. We had set up regional offices in Eastern and Northern China regions to position our branded products for distribution more efficaciously on a national basis as well as provide better services to our regional customers. In this way, we aim to have our brands recognized progressively on a national country-wide basis.

Major Milestones – Planning Ahead

We had renewed our Hong Kong joint-venture business with Hop Hing Group Holdings Limited in edible oil for another 15 years.

We had extended our Shekou land-use rights for flour and oil production for another 20 years up to 2040. In July 2009 we acquired a flour mill in Jiangsu province which was built in 2008. This new acquisition will provide the Group with a more competitive platform in Eastern China. In addition, our newly constructed flour mill in Shandong will commence production in September 2009. Our total flour milling capacity will be doubled to 1.2 million metric tons a year. This will rank us one of the top flour milling companies in China in terms of production capacity.

OPERATION REVIEW

Food Segment

The total turnover of the food segment was affected by the 50% decline in commodity prices for edible oil during the first half of the financial year. As anticipated in our last interim report, the price movements had smaller fluctuation following the Chinese New Year in February 2009, and the market trading activities gradually returned to a normal condition.

The Group continued to practice in a prudent manner on purchasing and inventory holding. We managed to secure our operating margins by leveraging our premium brand positioning and cost reduction programmes under such unprecedented market volatility.

During the year, our productivity programmes were successfully implemented. The saving arising therefrom cushioned the adverse impact due to the cancellation of VAT refund for the export of our food products from Mainland China to Hong Kong, the increase of delivery costs following the increase of petroleum costs, and the additional staff costs in China resulting from the new Labour Laws.

The strengths of our core brands had given us the edge to confront the unfavorable market conditions. The food segment had set up regional offices in the Eastern and Northern China regions to position its products on a national basis and to provide better services to regional customers as well as the major national business partners.

OPERATION REVIEW (Continued)

Detergent Segment

Detergent segment achieved an encouraging performance during the financial year under review. Its operating profit reported a 1.6 times increase from last year to HK$25 million with an 18% sales growth to HK$276 million. Its flag-ship household brands AXE and Labour continued to receive growing consumer supports in both Hong Kong and Mainland China.

To strengthen our detergent business, we are continuing to invest in new markets and product categories despite the challenging economic conditions and the increasing raw material costs. The segment expanded its distribution networks from the Southern China region to the other parts of China. Its products started to penetrate into the major supermarket chains in Beijing and Shanghai during this financial year.

The segment also launched a new product line branded Procleanic for the commercial and industrial applications. The products were designed with outstanding features and benefits to meet the unique requirements of food manufacturing plants, hotels, central kitchens, fast-food and restaurant chains. Procleanic was launched in Hong Kong and Macau and was well received. Its water-free hand cleansing dispensers had been installed in many food retail outlets when the H1N1 virus was developing in the regions.

OUTLOOK

Expansion in Scale and Scope

While the global financial upheavals are now beginning to settle down and economic recession is receding, the year ahead remains challenging. As oil price is creeping up from its lows and other commodity prices are kicking up, we will continue with our ongoing productivity programmes to expand our market penetration and win bigger market share for our premium branded food and detergent.

Even though the return to double-digit GDP growth for China may be some distance away, we remain cautiously optimistic that the accumulated wealth of Chinese consumers and the rising standard of living in China will provide a conducive business environment for a Group like ours to expand our quality and safe branded products into a growing market. With our strong cash position, we are on the look-out for acquisition opportunities to expand the scale of our existing business, and to broaden our scope of business into downstream food-related products to capture better-margin business. We are confident that with our past efforts and strong business base foundation we can move forward in the year ahead and in the new decade to realise our vision to be a premier food and consumer product company.

FINANCIAL REVIEW

Liquidity and Financial Resources

At 30 June 2009, the Group had cash balance of HK$640 million (30 June 2008: HK$532 million). About 40% of these funds are denominated in Renminbi ("RMB"), 21% in Hong Kong dollars ("HK$"), 32% in United States dollars ("USD"), 6% in Malaysia Ringgits ("MYR") and 1% in Macau Pataca ("MOP") respectively.

At 30 June 2009, the Group had HK$278 million committed bank facilities (30 June 2008: HK$325 million) of which HK$41 million (30 June 2008: HK$212 million) was utilized. All bank borrowings carry interest at floating rates and are repayable within 1 year.

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

As 30 June 2009, the inventory turnover days were 40 days (30 June 2008: 57 days). A lower inventory level of raw materials was kept for the Food Segment to reduce inventory risk in view of the volatile commodity market. The trade receivable turnover days remained at a healthy level of 24 days (30 June 2008: 25 days).

In view of the strong liquidity with a current ratio exceeding two as well as sufficient banking facilities, the management believes the Group has sufficient resources to fund its daily operating activities, current and future investment opportunities.

Foreign Currency Exposure

The Group has operations in Mainland China and Hong Kong. Local costs and revenue are primarily denominated in Renminbi and Hong Kong dollars. All the Group's borrowings were denominated in HK$.

The Group is exposed to currency risk primarily through sales, purchases and deposits that are denominated in currencies other than the functional currency of the entity to which they relate.

Capital Expenditure

During the year, the Group invested approximately HK$7 million on plant and equipment to further upgrade its manufacturing capabilities and HK$45 million on the construction of the Qingzhou flour mill plant and purchases of the related equipment.

HUMAN RESOURCES AND TRAINING

As at 30 June 2009, there were approximately 1,300 employees in the Group. 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. During the year, 3,700,000 options granted to a director and other employees of the Group were lapsed as the vesting conditions had not been met.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	2009 HK$'000	2008 HK$'000
Continuing operations			
Turnover	3	**2,072,448**	2,094,370
Cost of sales		**(1,659,834)**	(1,767,532)
Gross profit		**412,614**	326,838
Other income		**24,654**	61,703
Selling and distribution expenses		**(207,037)**	(181,359)
Administrative expenses		**(101,260)**	(91,118)
Other operating expenses		**(31,658)**	(1,042)
Operating profit		**97,313**	115,022
Finance costs		**(3,339)**	(5,885)
Share of profit of a jointly controlled entity		**3,344**	3,347
Profit before taxation	4	**97,318**	112,484
Taxation	5	**(18,799)**	(11,220)
Profit for the year from continuing operations		**78,519**	101,264
Discontinued operation			
Profit for the year from a discontinued operation	4	**-**	5,685
Net gain on disposal of a discontinued operation		**-**	8,803
Total profit from a discontinued operation		**-**	14,488
Profit for the year		**78,519**	115,752
Attributable to:			
Shareholders of the Company		**78,519**	118,099
Minority interests		**-**	(2,347)
Profit for the year		**78,519**	115,752
Appropriations:	6		
Final dividend paid in respect of prior year		**21,777**	19,357
Interim dividend paid in respect of current year		**14,517**	14,517
		36,294	33,874
Earnings per share (HK$)	*7*		
Basic		**0.32**	0.49
Diluted		**N/A**	0.49
For profit from continuing operations (HK$)			
Basic		**0.32**	0.42
Diluted		**N/A**	0.42
For profit from a discontinued operation (HK$)			
Basic		**-**	0.07
Diluted		**N/A**	0.07
Proposed final dividend	6	**21,902**	21,902

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Fixed assets		**501,308**	496,494
Leasehold land		**45,125**	48,402
Intangible assets		**2,175**	2,175
Interests in associates		**24,581**	24,581
Interest in a jointly controlled entity		**58,313**	63,268
Available-for-sale financial assets		**654**	757
Deferred tax assets		**1,523**	8,935
		633,679	644,612
CURRENT ASSETS			
Inventories		**183,731**	273,625
Debtors, deposits and prepayments	*8*	**214,600**	236,769
Amount due from a jointly controlled entity		**10,461**	50,575
Cash and cash equivalents		**639,844**	532,081
		1,048,636	1,093,050
CURRENT LIABILITIES			
Bank loans		**40,500**	212,000
Creditors, deposits received and accruals	*9*	**294,083**	217,148
Tax payable		**11,070**	7,029
Other current liabilities		**29,254**	28,132
		374,907	464,309
NET CURRENT ASSETS		**673,729**	628,741
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,307,408**	1,273,353
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**-**	1,044
Other non-current liabilities		**309**	509
		309	1,553
NET ASSETS		**1,307,099**	1,271,800
CAPITAL AND RESERVES			
Share capital		**243,354**	243,354
Reserves		**1,052,894**	1,011,558
Equity attributable to shareholders of the Company		**1,296,248**	1,254,912
Minority interests		**10,851**	16,888
TOTAL EQUITY		**1,307,099**	1,271,800

Notes:

1. **Statement of compliance**

These financial statements have been prepared in accordance with 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 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").

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. 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 interpretations and amendments to HKFRSs issued by the HKICPA which are first effective for the current accounting period of the Group.

HK (IFRIC) – Int 12 Service Concession Arrangements
HK (IFRIC) – Int 13 Customer Loyalty Programmes
HK (IFRIC) – Int 14, HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
Amendments to HKAS 39 and HKFRS 7 Reclassification of Financial Assets

The adoptions of these new interpretations and amendments have no material effects on the Group's results and financial position for the current or prior accounts periods presented. Accordingly, no prior period adjustment has been required.

During the current accounting period, the Group has early adopted HKFRS 8, Operating Segments ("HKFRS 8"), which is effective for accounting periods beginning on or after 1 January 2009.

HKFRS 8 superseded HKAS 14, Segment Reporting, and requires segment disclosure to be based on the way that the Group's chief operating decision maker regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group's chief operating decision maker for the purposes of assessing segment performance and making decisions about operating matters. This differs from the presentation of segment information in prior years which was based on a dis-aggregation of the Group's financial statements into segments based on related products and services and an geographical areas. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group's chief operating decision makers. The new accounting policy on adoption of HKFRS 8 has been applied retrospectively with comparatives restated.

The early adoption of HKFRS 8 results in new disclosures in the financial statements and does not have impact on the Group's results of operations and financial position.

Except as described above, the Group has not early adopted the following new standards, amendments and interpretations that have been issued but are not yet effective. The Group is in the process of making assessment of the impacts of these new standards, amendments, and interpretations that are expected to be in the period of initial application.

		Effective for accounting periods beginning on or after
HK(IFRIC) – INT 16	Hedges of a Net Investment in a Foreign Operations	1 October 2008
HKAS 1 (Revised)	Presentation of Financial Statements	1 January 2009
HKAS 23 (Revised)	Borrowing Costs	1 January 2009
HKFRS 2 (Amendments)	Share-based Payment – Vesting Conditions and Cancellations	1 January 2009
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
HKFRS 7 (Amendments)	Improving Disclosures about Financial Instruments	1 January 2009
HK(IFRIC) – INT 15	Agreements for the Construction of Real Estate	1 January 2009
Improvements to HKFRSs, 2008	Improvements to HKFRSs, 2008	1 January 2009 except for HKFRS 5 on or after 1 July 2009
Improvements to HKFRSs, 2009	Improvements to HKFRSs, 2009	1 January 2009, 1 July 2009 or 1 January 2010 as appropriate
HKFRS 3 (Revised)	Business Combinations	1 July 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	1 July 2009
HK(IFRIC) – INT 17	Distributions of Non-cash Assets to Owners	1 July 2009
HKAS 39 (Amendments)	Eligible Hedged Items	1 July 2009
HK(IFRIC) – INT 18	Transfers of Assets from Customers	Effective for transfers of assets from customers received on or after 1 July 2009

3. Segment information

The Group's businesses are presented in the following segments in a manner consistent with the way in which information is reported internally to the Group's chief operating decision makers for the purposes of resource allocation and performance assessment:

Food: the manufacture and sale of a broad range of food products including flour and edible oils.

Detergent: the manufacture and sale of household and institutional cleaning products.

(A) Segments results

	2009			2008		
	Food	**Detergent**	**Segment Total**	Food	Detergent	Segment Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	**1,790,444**	**275,819**	**2,066,263**	1,852,678	234,132	2,086,810
Inter-segment revenue	**-**	**-**	**-**	-	-	-
Reportable segment revenue	**1,790,444**	**275,819**	**2,066,263**	1,852,678	234,132	2,086,810
Reportable segment profit from operations	**122,964**	**25,283**	**148,247**	128,018	9,812	137,830
Interest income	**3,548**	**254**	**3,802**	1,367	178	1,545
Finance costs	**(2,770)**	**(3)**	**(2,773)**	(5,711)	(3)	(5,714)
Depreciation and amortisation for the year	**(43,522)**	**(1,049)**	**(44,571)**	(42,351)	(976)	(43,327)
Share of profit of a jointly controlled entity	**3,344**	**-**	**3,344**	3,347	-	3,347
Other material profit or loss items:						
- Exchange gain/(loss)	**(1,913)**	**(166)**	**(2,079)**	31,386	2,459	33,845
- Provision for doubtful debts	**(9,025)**	**(102)**	**(9,127)**	(338)	(77)	(415)
Income tax charge	**(13,310)**	**(5,797)**	**(19,107)**	(8,023)	(1,745)	(9,768)

(B) Reconciliations of Reportable Segment Revenue and Profit or Loss

	2009	2008
	HKD'000	*HKD'000*
Revenue		
Reportable segment revenue	**2,066,263**	2,086,810
Service and rental income	**6,185**	7,560
Consolidated turnover	**2,072,448**	2,094,370
Profit		
Reportable segment profit from operations	**148,247**	137,830
Share of profit of a jointly controlled entity	**3,344**	3,347
Finance costs	**(3,339)**	(5,885)
Unallocated exchange (loss)/gain	**(20,070)**	1,670
Unallocated head office and corporate expenses	**(30,864)**	(24,478)
Consolidated profit before taxation	**97,318**	112,484

(C) Geographic Information

	2009			2008		
	Hong Kong	**PRC**	**Total**	Hong Kong	PRC	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	**477,880**	**1,588,383**	**2,066,263**	364,413	1,722,397	2,086,810

4. Profit before taxation

	2009	2008
	HK$'000	*HK$'000*
Continuing operations		
Profit before taxation is arrived at after charging / (crediting):		
Depreciation of fixed assets	**44,276**	42,633
Amortisation of leasehold land	**2,986**	2,791
Net exchange loss/(gain)	**22,149**	(35,515)
Provision for doubtful debts	**9,127**	385
Operating lease rental of properties	**2,525**	2,048
Gain on disposal of fixed assets	**(4,287)**	(8,423)

	2009	2008
	HK$'000	*HK$'000*
Discontinued operation		
Profit before taxation is arrived at after charging / (crediting):		
Depreciation of fixed assets	**-**	13,751
Amortisation of leasehold land	**-**	67
Net Exchange gain	**-**	(6,923)
Provision for doubtful debts	**-**	506
Operating lease rental of properties	**-**	76
Loss on disposal of fixed assets	**-**	315

5. Taxation

(a) Hong Kong profits tax has been provided for at the rate of 16.5% (2008: 16.5%) on the respective estimated assessable profits of the companies within the Group operating in Hong Kong during the year.

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

During the year, certain subsidiaries operating in Mainland China were granted exemption from income tax with effect from 1 January 2008. As a result of the change, income tax of these subsidiaries for the period from 1 January 2008 to 30 June 2008 was written back during the year. In addition, deferred tax assets and deferred tax liabilities of HK$8,178,000 and HK$808,000 respectively recognised in prior years were de-recognised because there will not be any taxable profits against which the related deductible temporary differences can be utilised in the foreseeable future.

Other subsidiaries operating in Mainland China are subject to income tax rates ranging from 10% to 25% (2008: 18% to 25%).

(b) The income tax charge represents the sum of the tax currently payable and deferred taxation charges as follows:

	2009	2008
	HK$'000	*HK$'000*
Continuing operations		
Current tax:		
Hong Kong taxation	**(5,406)**	(2,781)
Over/(under)-provision in respect of prior years	**145**	(1,227)
	(5,261)	(4,008)
Overseas taxation	**(8,344)**	(7,557)
Tax paid in prior year written back (note 5(a))	**1,174**	-
Under-provision in respect of prior years	**-**	(278)
	(7,170)	(7,835)
Deferred taxation:		
Current year	**1,002**	623
Amount recognised in prior years de-recognised (note 5(a))	**(7,370)**	-
	(6,368)	623
	(18,799)	(11,220)
Discontinued operation		
Current tax:		
Overseas taxation	**-**	(967)
Under-provision in respect of prior years	**-**	(224)
	-	(1,191)
Deferred taxation:		
Current year	**-**	2,015
	-	824

6. Dividends

	2009	2008
	HK$'000	*HK$'000*
2008: Final dividend of HK$0.09 per share paid during the year (2007: HK$0.08 per share)	**21,777**	19,357
2009: Interim dividend of HK$0.06 per share paid during the year (2008: HK$0.06 per share)	**14,517**	14,517
	36,294	33,874
2009: Final dividend proposed after balance sheet date of HK$0.09 per share (2008: HK$0.09 per share)	**21,902**	21,902

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

7. 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$78,519,000 (2008: HK$118,099,000) for the year and the weighted average of 241,961,000 (2008: 241,961,000) ordinary shares in issue during the year, calculated as follows:

	2009	2008
	'000	'000
Issued ordinary shares at beginning of year	**243,354**	243,354
Shares repurchased in prior years	**(1,393)**	(1,393)
Weighted average number of ordinary shares at end of year	**241,961**	241,961

Profit attributable to shareholders of the Company:
Attributable to:

	2009	2008
	HK$'000	*HK$'000*
Continuing operations	**78,519**	101,469
Discontinued operation	**-**	16,630

(b) Diluted

Diluted earnings per share for the year ended 30 June 2009 is not presented as there were no dilutive potential ordinary shares outstanding at 30 June 2009.

For the year ended 30 June 2008, the calculation of diluted earnings per share is based on the profit attributable to shareholders of the Company of HK$118,099,000 for the year and the weighted average number of 241,977,000 ordinary shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares, calculated as follows:

	2009	2008
	'000	'000
Weighted average number of ordinary shares at end of year	**-**	241,961
Effect of deemed issue of shares under the Company's share option scheme at nil consideration	**-**	16
Weighted average number of ordinary shares (diluted) at end of year	**-**	241,977

Profit attributable to shareholders of the Company:
Attributable to:

	2009	2008
	HK$'000	*HK$'000*
Continuing operations	**78,519**	101,469
Discontinued operation	**-**	16,630

8. Debtors, deposits and prepayments

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

	2009	2008
	HK$'000	*HK$'000*
Total trade debtors	**137,797**	143,346
Less: Allowance for doubtful debts	**(1,902)**	(1,828)
	135,895	141,518
Other debtors, deposits and prepayments	**75,715**	92,460
Current portion of leasehold land	**2,990**	2,791
	214,600	236,769

Aging Analysis

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

	2009	2008
	HK$'000	*HK$'000*
0 – 3 months	**135,049**	140,804
4 – 6 months	**846**	714
Total trade debtors	**135,895**	141,518

Credits are offered to customers following financial assessments and established payment records where applicable. Collaterals over properties are obtained from certain customers. Credit limits are set for all customers and these are exceeded only with the approval of senior company officers. Customers considered to be with credit risk are traded on a cash basis. General credit terms are payment by the end of the month following the month in which sales took place. Regular review and follow up actions are carried out on overdue amounts to minimise the Group's exposure to credit risk.

9. Creditors, deposits received and accruals

The aging analysis of trade creditors is as follows:

	2009	2008
	HK$'000	*HK$'000*
0 – 3 months	**179,619**	146,887
4 – 6 months	**1,496**	683
Over 6 months	**1,154**	465
Total trade creditors	**182,269**	148,035
Other creditors, deposits received and accruals	**111,814**	69,113
	294,083	217,148

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

10. Comparative figures

As a result of the early adoption of HKFRS 8, Operating segments, certain comparative figures have been adjusted to conform to current year's presentation of segment reporting and to provide comparative amounts in respect of items disclosed for the first time in 2009.

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 processes 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 the BRC), LO Kwong Chi, Clement and DING Wai Chuen. The latter two are independent non-executive directors of the Company.

CODE ON CORPORATE GOVERNANCE PRACTICES ("CGP Code")

The Company had complied throughout the financial year ended 30 June 2009 with the CGP Code adopted by the Company based on the principles set out in Appendix 14 (the "HKEx Code") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, save 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 meeting pursuant to the articles of association of the Company and the CGP Code. As such, the Company considers that such provisions are sufficient to meet the intent of the relevant provisions of the HKEx Code.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 13 November 2009 to Wednesday, 18 November 2009, 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 Thursday, 12 November 2009.

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:

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. LO Kai Yiu, Anthony
Mr. AU Chee Ming

By Order of the Board
CHENG Man Ying
Company Secretary

Hong Kong, 26 August 2009

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