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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 2012

- Turnover: HK\$2,889 million (+15%)
- Net loss to shareholders: HK\$36 million
- Net cash balance of HK\$104 million
- Basic loss was HK\$0.15 per share
- Proposed final dividend per share was HK\$0.08

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 2012.

FINANCIAL RESULTS

Turnover was HK\$2,889 million, representing 15% growth versus last year. Gross profit was HK\$390 million or 13.5% of sales, but the Group recorded a net loss of HK\$36 million compared to a net profit of HK\$91 million last year.

We continued to maintain strict financial discipline in inventory management and capital expenditure, and recorded a net cash position of HK\$104 million at 30 June 2012 after partial settlement of our investment costs in new production capacity as compared with a net borrowing of HK\$57 million last year.

DIVIDENDS

Notwithstanding the loss suffered this year, the Directors are recommending to the shareholders for approval at the forthcoming annual general meeting a final dividend of HK\$0.08 per share. No interim dividend was declared this year. (2011: interim dividend of HK\$0.06 per share and final dividend of HK\$0.10 per share). This represents halving of the total dividend of HK\$0.16 per share paid last year. Subject to shareholders’ approval, the final dividend will be payable on Wednesday, 28 November 2012 to the shareholders whose names appear on the register of members on Friday, 23 November 2012.

OPERATIONS REVIEW

Though world wheat prices traded lower between October 2011 and June 2012, wheat prices in Mainland China did not in fact follow suit till March 2012. As a result, the Group only benefited from lower wheat prices in the last financial quarter. Edible Oil raw material costs, except for peanut oil, were lower for the financial year and essentially followed world market prices. However, because peanut oil accounts for a meaningful portion of our Edible Oil business, we could not reap the full benefit of such a cost decline.

Food Segment

Food Segment consists of our Edible Oil and Flour businesses. The Segment achieved 16% sales growth to HK\$2,506 million. However, operating profit decreased by HK\$128.5 million versus a year ago and suffered a loss mainly due to our price increases not being able to offset cost increases of wheat.

Our Edible Oil business continued to grow, riding on a health platform that enriches the well being of our consumers, especially the younger generation with our Omega 3 series. Our ongoing endorsement from Hong Kong College Cardiology as Recommended Healthy Oil of World Heart Day, Hong Kong Cycling Team, and the numerous quality awards received in Hong Kong and the Mainland speak volumes about our high quality standards. In the new financial year, opportunity for growth in the Mainland lies within and beyond our historically strong South region. We will be more focused in developing the unexplored regions outside of South China while growing further our existing markets.

Amid fierce competition and material, labour, and logistic cost increases during the financial year, margin of our Flour business was squeezed. Although overall volume growth stalled, our core premium segment continued to record healthy volume growth. While we will continue to focus on this fast-growing segment, we will also place more emphasis on maximizing our production capacity with the mid-range and commodity flour products.

OPERATIONS REVIEW (continued)

Detergent Segment

Detergent Segment achieved 10% sales growth to HK\$376 million, but margin experienced a slight decline amid material and labour cost increases. With intense competition in the detergent industry, rising labour, marketing/promotional costs, and the Urban Maintenance and Construction tax hike in China, Detergent Segment profit decreased by HK\$6.8 million to HK\$30.9 million.

During the financial year, our AXE brand had several new product introductions both in the Hong Kong/Macao and China markets, achieving satisfactory sales growth. In the new financial year, we will continue to grow our already strong South China business by intensifying the outlet penetration in tier two and three cities. At the same time, we will increase our effort in developing regions outside of the South with both our AXE and Labour brands.

OUTLOOK

While growth rate in China is slowing as of late, it continues to show an enviable GDP growth of 7.6% in mid 2012 when the other major economies were struggling to stay out of recession. With the continued rise of consumption power and standard of living, we are primed to benefit from the rising demand for higher grade staple products with our premium brand name and safety record.

However, rising costs throughout the value chain will continue to put pressure on profit margin and remain the culprit for an inflationary environment. Under the circumstance, the Group will need to address these challenges and protect our profit margin while growing our volume and revenue.

With our recent management reorganization and right-sizing exercise under a new Group Managing Director and supported by new product innovations and distributorships for all our businesses, we are better geared for a challenging but encouraging year ahead.

FINANCIAL REVIEW

Liquidity and Financial Resources

At 30 June 2012, the Group had a net cash balance of HK\$104 million (2011: net borrowing of HK\$57 million). This was mainly attributable to the decrease in inventory level.

At 30 June 2012, the Group had a cash balance of HK\$451 million (2011: HK\$171 million). About 84% of these funds were denominated in Renminbi (“RMB”), 8% in Hong Kong dollars (“HK\$”), 7% in United States dollars (“USD”) and 1% in Macau Pataca (“MOP”) respectively.

At 30 June 2012, the Group had HK\$625 million committed bank facilities (2011: HK\$611 million) of which HK\$347 million (2011: HK\$228 million) was utilised. All bank borrowings carried interest at floating rates and were repayable within 1 year.

The Group centralises all the financing and treasury activities at corporate level. There are stringent controls over the application of financial and hedging instruments which can only be employed to manage and mitigate the price risk of commodities for trade purposes.

At 30 June 2012, the inventory turnover days were 86 days (2011: 145 days). Lower raw material level was kept to ensure faster turns in the volatile commodity market. The trade receivable turnover days remained at a healthy level of 28 days (2011: 23 days).

In view of the strong liquidity and financial position, management believes the Group will have sufficient resources to fund its daily operations and capital expenditure commitments.

FINANCIAL REVIEW (continued)

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 Hong Kong dollars.

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 a total sum of HK\$109 million on acquisition of land use right and plant equipment, and construction of new factory building.

HUMAN RESOURCES AND TRAINING

As at 30 June 2012, there were approximately 1,436 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, no option was granted under the Share Option Scheme. 8,000,000 options granted to the then Group Managing Director and certain eligible employees were lapsed during the year. Accordingly, the number of outstanding options was 10,150,000 at 30 June 2012.

CONSOLIDATED INCOME STATEMENT

		2012	2011
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	2	2,888,657	2,509,698
Cost of sales		(2,499,073)	(2,066,618)
Gross profit		389,584	443,080
Other revenue and other net income		17,553	41,649
Selling and distribution expenses		(297,273)	(258,503)
Administrative expenses		(132,415)	(105,533)
Other operating expenses		(993)	(3,383)
Operating (loss)/profit		(23,544)	117,310
Finance costs	3	(3,650)	(2,076)
Share of profit/(loss) of a jointly controlled entity		571	(2,236)
(Loss)/profit before taxation	3	(26,623)	112,998
Taxation	4	(9,405)	(21,923)
(Loss)/profit for the year		(36,028)	91,075
Attributable to:			
Equity shareholders of the Company		(36,028)	91,075
Non-controlling interests		-	-
(Loss)/profit for the year		(36,028)	91,075
<i>(Loss)/earnings per share (HK\$)</i>	6		
Basic and diluted		(0.15)	0.38
Proposed final dividend	5	19,468	24,335

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>2012</u> HK\$'000	<u>2011</u> HK\$'000
(Loss)/profit for the year	(36,028)	91,075
Other comprehensive income for the year, net of nil tax		
Change in fair value of available-for-sale financial assets	(17)	1
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong	10,277	30,860
	<u>10,260</u>	<u>30,861</u>
Other comprehensive income for the year, net of tax		
	<u>10,260</u>	<u>30,861</u>
Total comprehensive income for the year	<u>(25,768)</u>	<u>121,936</u>
Attributable to:		
Equity shareholders of the Company	(25,768)	121,936
Non-controlling interests	-	-
Total comprehensive income for the year	<u>(25,768)</u>	<u>121,936</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		2012	2011
	<i>Note</i>	<u>HK\$'000</u>	<u>HK\$'000</u>
NON-CURRENT ASSETS			
Fixed assets		658,122	612,575
Leasehold land		89,281	88,514
Intangible assets		3,345	2,508
Interest in a jointly controlled entity		52,668	52,097
Available-for-sale financial assets		523	521
Deferred tax assets		346	119
Prepayments of fixed assets		15,127	-
		<u>819,412</u>	<u>756,334</u>
CURRENT ASSETS			
Inventories		584,521	821,278
Debtors, deposits and prepayments	7	287,651	323,161
Amount due from a jointly controlled entity		-	10,241
Derivative financial instruments		93	-
Tax recoverable		3,098	-
Cash and cash equivalents		451,117	170,579
		<u>1,326,480</u>	<u>1,325,259</u>
CURRENT LIABILITIES			
Bank loans		347,000	228,000
Creditors, deposits received and accruals	8	331,303	345,736
Amount due to a jointly controlled entity		37,659	-
Derivative financial instruments		-	2,311
Tax payable		11,409	19,848
Other current liabilities		256	282
		<u>727,627</u>	<u>596,177</u>
NET CURRENT ASSETS		<u>598,853</u>	<u>729,082</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,418,265</u>	<u>1,485,416</u>
NON-CURRENT LIABILITIES			
Other non-current liabilities		<u>197</u>	<u>421</u>
NET ASSETS		<u>1,418,068</u>	<u>1,484,995</u>
CAPITAL AND RESERVES			
Share capital		243,354	243,354
Reserves		1,163,863	1,230,790
Equity attributable to shareholders of the Company		1,407,217	1,474,144
Non-controlling interests		10,851	10,851
TOTAL EQUITY		<u>1,418,068</u>	<u>1,484,995</u>

Notes:

1. Statement of compliance

The Company's 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 requirements of the Hong Kong Companies Ordinance. The Company's 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. These new and revised HKFRSs does not have material impact on the financial statements of the Group. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. 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 most senior executive management 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 oil.

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

2. Segment information (continued)

(A) Segments results, assets and liabilities

	2012			2011		
	Food	Detergent	Segment Total	Food	Detergent	Segment Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers	<u>2,506,067</u>	<u>375,718</u>	<u>2,881,785</u>	<u>2,161,351</u>	<u>341,259</u>	<u>2,502,610</u>
Reportable segment (loss)/ profit from operations	<u>(9,394)</u>	<u>30,904</u>	<u>21,510</u>	<u>119,125</u>	<u>37,748</u>	<u>156,873</u>
Interest income	3,905	1,164	5,069	3,514	900	4,414
Finance costs	(3,634)	(16)	(3,650)	(2,062)	(14)	(2,076)
Depreciation and amortisation for the year	(52,793)	(1,947)	(54,740)	(47,856)	(1,519)	(49,375)
Other material profit or loss items:						
- Exchange gain	8,137	433	8,570	22,339	934	23,273
- (Charge)/reversal of provision for doubtful debts	(233)	(3)	(236)	681	262	943
Income tax charge	(1,236)	(7,238)	(8,474)	(4,897)	(13,975)	(18,872)
Reportable segment assets	<u>1,918,596</u>	<u>222,221</u>	<u>2,140,817</u>	<u>1,864,287</u>	<u>194,274</u>	<u>2,058,561</u>
Reportable segment liabilities	<u>(702,526)</u>	<u>(57,226)</u>	<u>(759,752)</u>	<u>(596,796)</u>	<u>(68,295)</u>	<u>(665,091)</u>
Additions to non-current segment assets during the year	<u>108,968</u>	<u>499</u>	<u>109,467</u>	<u>55,517</u>	<u>4,549</u>	<u>60,066</u>

2. Segment information (continued)

(B) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	2012 HK\$'000	2011 HK\$'000
Revenue		
Reportable segment revenue	2,881,785	2,502,610
Service and rental income	6,872	7,088
Consolidated turnover	<u>2,888,657</u>	<u>2,509,698</u>
Profit		
Reportable segment profit from operations	21,510	156,873
Share of profit/(loss) of a jointly controlled entity	571	(2,236)
Finance costs	(3,650)	(2,076)
Unallocated exchange loss	(37)	(66)
Unallocated head office and corporate expenses	(45,017)	(39,497)
Consolidated (loss)/profit before taxation	<u>(26,623)</u>	<u>112,998</u>
Assets		
Reportable segment assets	2,140,817	2,058,561
Elimination of inter-segment receivables	(101,763)	(88,679)
	<u>2,039,054</u>	<u>1,969,882</u>
Interest in a jointly controlled entity	52,668	52,097
Amount due from a jointly controlled entity	-	10,241
Deferred tax assets	346	119
Unallocated head office and corporate assets	53,824	49,254
Consolidated total assets	<u>2,145,892</u>	<u>2,081,593</u>
Liabilities		
Reportable segment liabilities	(759,752)	(665,091)
Elimination of inter-segment payables	101,763	88,679
	<u>(657,989)</u>	<u>(576,412)</u>
Amount due to a jointly controlled entity	(37,659)	-
Unallocated head office and corporate liabilities	(32,176)	(20,186)
Consolidated total liabilities	<u>(727,824)</u>	<u>(596,598)</u>

2. Segment information (continued)

(C) Geographical information

The following table sets out information about the geographical location of (i) the reportable segment's revenue from external customers and (ii) the Group's fixed assets, leasehold land, intangible assets, interest in a jointly controlled entity and prepayments of fixed assets ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the fixed assets, leasehold land and prepayment of fixed assets is based on the physical location of the assets, in the case of intangible assets and goodwill, the location of the operation to which they are allocated, in the case of interest in a jointly controlled entity, the location of operations.

	2012			2011		
	The People's Republic of China					
	Hong Kong	("The PRC")	Total	Hong Kong	The PRC	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Reportable segment's revenue						
from external customers	643,216	2,238,569	2,881,785	526,996	1,975,614	2,502,610
Specified non-current assets	76,531	742,012	818,543	85,027	670,667	755,694

3. (Loss)/profit before taxation

	2012	2011
	HK\$'000	HK\$'000

(Loss)/profit before taxation is arrived at after charging / (crediting):

Finance costs

Interest on bank loans wholly repayable within 5 years	3,650	2,076
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Other items

Depreciation of fixed assets	54,929	51,698
Amortisation of leasehold land	2,648	2,403
Amortisation of intangible assets	113	111
Charge/(reversal of provision) for doubtful debts	236	(943)
Net loss/(gain) on disposal of fixed assets	1,498	(8,174)

4. Taxation

- (a) Hong Kong profits tax has been provided for at the rate of 16.5% (2011: 16.5%) on the respective estimated assessable profits of the companies within the Group operating in Hong Kong during the year.

Taxation outside Hong Kong 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.

All enterprises engaged in the primary processing of agricultural products are exempted from PRC enterprise income tax. As a result, the profits from flour mill operations are exempted from PRC enterprise income tax for the years ended 30 June 2012 and 2011.

Other subsidiaries operating in Mainland China are subject to income tax rates ranging from 24% to 25% (2011: 22% to 25%).

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

	<u>2012</u> <i>HK\$'000</i>	<u>2011</u> <i>HK\$'000</i>
Current tax:		
Hong Kong taxation	1,837	5,977
Over-provision in respect of prior years	<u>(33)</u>	<u>(1,113)</u>
	1,804	4,864
Taxation outside Hong Kong	7,260	15,453
Under-provision in respect of prior years	<u>568</u>	<u>338</u>
	7,828	15,791
Deferred taxation		
Origination and reversal of temporary difference	<u>(227)</u>	<u>1,268</u>
	<u>9,405</u>	<u>21,923</u>

5. Dividends

- (a) Dividends payable to equity shareholders of the company (excluding the amount paid to shares held by the Group under ESOP reserve) attributable to the year

	<u>2012</u> <i>HK\$'000</i>	<u>2011</u> <i>HK\$'000</i>
Nil interim dividend declared and paid per ordinary share (2011: HK\$0.06 per share)	-	14,517
Final dividend proposed after the end of the reporting period of HK\$0.08 per ordinary share (2011: HK\$0.10 per share)	<u>19,069</u> <u>19,069</u>	<u>24,196</u> <u>38,713</u>

The final dividend proposed after the end of reporting period has not been recognised as liabilities at the end of reporting period.

- (b) Dividends payable to equity shareholders of the company (excluding the amount paid to shares held by the Group under ESOP reserve) attributable to the previous financial year, approved and paid during the year

	<u>2012</u> <i>HK\$'000</i>	<u>2011</u> <i>HK\$'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$0.10 per share (2011: HK\$0.10 per share)	<u>23,836</u>	<u>24,196</u>

6. (Loss)/earnings per share

- (a) Basic

The calculation of basic (loss)/earnings per share is based on the loss attributable to equity shareholders of the Company of HK\$36,028,000 (2011: profit of HK\$91,075,000) for the year and the weighted average of 239,260,000 (2011: 241,961,000) ordinary shares in issue during the year.

- (b) Diluted

Diluted (loss)/earnings per share equals to basic (loss)/ earnings per share for the years ended 30 June 2012 and 2011 because the potential ordinary shares outstanding were anti-dilutive.

7. Debtors, deposits and prepayments

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

	<u>2012</u> <i>HK\$'000</i>	<u>2011</u> <i>HK\$'000</i>
Total trade debtors	221,970	163,014
Less: Allowance for doubtful debts	(675)	(464)
	<u>221,295</u>	<u>162,550</u>
Other debtors, deposits and prepayments	63,708	158,016
Current portion of leasehold land	2,648	2,595
	<u>287,651</u>	<u>323,161</u>

Aging Analysis

The aging of trade debtors (net of allowance for doubtful debts) as of the end of reporting period is as follows:

	<u>2012</u> <i>HK\$'000</i>	<u>2011</u> <i>HK\$'000</i>
0 – 3 months	219,568	157,466
4 – 6 months	1,727	3,230
Over 6 months	-	1,854
Total trade debtors	<u>221,295</u>	<u>162,550</u>

Credits are offered to customers following financial assessments and established payment records where applicable. 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. Collaterals over properties are obtained from certain customers.

8. Creditors, deposits received and accruals

The aging analysis of trade creditors is as follows:

	2012	2011
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 – 3 months	202,595	232,909
4 – 6 months	696	2,785
Total trade creditors	203,291	235,694
Other creditors, deposits received and accruals	128,012	110,042
	331,303	345,736

9. CONTINGENT LIABILITIES

Up to 30 June 2012, the Inland Revenue Department of the Hong Kong Special Administrative Region has issued protective assessments for the years of assessment 2003/04, 2004/05 and 2005/06 to the Group's jointly controlled entity, in respect of which tax reserve certificates amounted to HK\$13,600,000 was purchased. The Group's jointly controlled entity has objected to these protective assessments.

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

During the year, a wholly-owned subsidiary of the Company, as the trustee for a trust set up for the purpose of acquiring shares of the Company to satisfy the exercise of options which may be granted pursuant to the Share Option Scheme adopted on 23 May 2003 and amended on 18 April 2006, purchased 3,601,000 shares of the Company on the Stock Exchange at a total consideration of HK\$15,553,000.

Saved as disclosed above, during the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares.

CODE ON CORPORATE GOVERNANCE PRACTICES ("CGP Code")

The Board has adopted a Code of Corporate Governance Practices (the "CGP Code"), which is 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 (the "Listing Rules"). The CGP Code was recently updated to take effect from April 2012 to reflect the new requirements under the revised HKEx Code (the "Revised HKEx Code").

The Company has complied with the HKEx Code for the period from 1 July 2011 up to March 2012 and the Revised HKEx Code for the period from 1 April 2012 to 30 June 2012, 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 meetings of the Company 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.

REVIEW BY BOARD AUDIT COMMITTEE ("BAC")

The BAC has reviewed with the management the accounting principles and practices adopted by the Company and discussed the auditing, internal controls and financial reporting matters including a review of the audited annual results of the Company for the year ended 30 June 2012.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Monday, 12 November 2012 to Thursday, 15 November 2012 (both days inclusive) during which period no transfer of shares will be registered. In order for the shareholders to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrars and Transfer Office – Hongkong Managers and Secretaries Limited ("HKMS") at Unit 3401-2, 34th Floor, AIA Tower, 183 Electric Road, North Point, Hong Kong, not later than 4:00 p.m. on Friday, 9 November 2012 for registration.

The Register of Members will also be closed from Wednesday, 21 November 2012 to Friday, 23 November 2012 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with HKMS, not later than 4:00 p.m. on Tuesday, 20 November 2012 for registration.

PUBLICATION ON THE WEBSITES OF HKEX AND THE COMPANY

This final results announcement is published on the websites 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 of the Company comprises:

Chairman:

Mr. KWEK Leng Hai

Group Managing Director:

Mr. Joseph LEUNG

Non-Executive Directors:

Dr. WHANG Sun Tze

Mr. TAN Lim Heng

Mr. TSANG Cho Tai

Mr. DING Wai Chuen

Independent Non-Executive Directors:

Mr. LO Kwong Chi, Clement

Mr. LO Kai Yiu, Anthony

Mr. AU Chee Ming

By Order of the Board

CHENG Man Ying

Company Secretary

Hong Kong, 28 August 2012