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 2015

- Revenue: HK$4,449 million
- Net profit attributable to shareholders: HK$114 million
- Net cash position: HK$462 million
- Basic and diluted earnings per share: HK$0.48 and HK$0.47 respectively
- Proposed final dividend per share: HK$0.13

The Board of Directors (the "Board") of Lam Soon (Hong Kong) Limited (the "Company") is pleased to announce its consolidated results of the Company and its subsidiaries (collectively the "Group") for the financial year ended 30 June 2015.

FINANCIAL RESULTS

The Group's revenue grew 8% to HK$4,449 million this year. Net profit attributable to shareholders declined 19% to HK$114 million. Profit for the year included HK$8 million of withholding tax on dividend distribution from Mainland China, whereas last year's profit included a HK$4 million gain from the disposal of an industrial property. Net of both items, profit attributable to shareholders declined by 10%. The decline was due to high wheat costs, low bran price, and an increase in strategic investment. The latter was in the form of selling and distribution expenses to support brand building and promotional activities, channel development, and new product introductions. Gross margin improved from 16.6% to 17.4%, mainly supported by favourable oil cost and increasing focus on higher margin products and channels. As at 30 June 2015, the Group has a net cash position of HK$462 million, a 60% increase versus the previous financial year end.

DIVIDENDS

The Directors are recommending a final dividend of HK$0.13 per share at the forthcoming Annual General Meeting. In addition to the interim dividend of HK$0.08 per share paid earlier this year (2014: interim dividend of HK$0.08 and final dividend of HK$0.13 per share), total dividend for the year amounts to HK$0.21 per share. Subject to shareholders' approval, the final dividend will be payable on Thursday, 3 December 2015 to the shareholders whose names appear on the register of members on Thursday, 26 November 2015.

REVIEW OF OPERATIONS

OVERVIEW

The Group achieved stable revenue growth but faced pressure in profitability during the year under review due to fluctuations in commodity prices and increased marketing investment for future expansion. Against the backdrop of macroeconomic uncertainties and market volatilities, the Group continued to execute and invest in strategic programmes that will help us achieve sustainable growth. The geographic expansion and continuous enhancement of our core brands across the institutional and retail sectors are key benchmarks for our future success. As such, we remained highly vigilant in maintaining the premium quality and safety of our products, a hallmark of our longstanding reputation in the Food and Detergent segments in Hong Kong, Macau, and Mainland China.

Despite the prevailing sensitivity of our core institutional flour business to wheat costs, we continued to seek new opportunities to boost factory utilisation while striking an optimal balance between volume maximisation and profitability. Retail businesses of our Food and Detergent segments were able to sustain healthy volumes and profitability even as we stepped up marketing investments to strengthen our brand equity and to boost trial of existing and new products among consumers. This bodes well for our future development.

Consistent with the two preceding years, we remained focused on the strategic imperative to deliver sustainable and quality earnings to our shareholders. Consequently, it is important that the Group's profitability in the short-term is not achieved at the expense of its future growth. Management is guided by this overarching objective and will continue to invest in initiatives that would strengthen our fundamentals and pave the way for sustainable long-term growth and profitability.

BUSINESS REVIEW

Food Segment

Revenue in Food segment grew 8% to HK$3,869 million versus last year. Profit from operations posted a 2% decline to HK$143 million during the year, driven by high raw material costs in the flour business.

BUSINESS REVIEW (continued)

Food Segment (continued)

The Group's edible oil business posted robust revenue and profit growth, as our strategic focus on, and marketing support for, the core Knife brand and key distribution channels continued to bear fruit. Knife's presence in Hong Kong remains strong. Its annual value market share increased 1.2 percentage points to 26.0% in June 2015 versus last year, amid a 6.8% decline in value of Hong Kong's edible oil market.[1] Additionally, our new premium Supreme Peanut Oil Product, launched in October 2014, has been well received by consumers and customers alike. We will continue to launch new products that satisfy consumers' evolving lifestyle and health needs and their increasing desire for quality.

Our ability to leverage upon our established Hong Kong franchise to make significant inroads in South China was highly evident during the financial year. As of June 2015, Knife's annual value market share in Shenzhen's modern trade channel grew 2.8 percentage points to 12.5% versus last year, despite a 0.7% decline in value of the total edible oil market.[2] Going forward, we intend to replicate this achievement in key cities in South China.

In order to ensure that our manufacturing capacity keeps pace with business expansion, we have installed an environmentally friendly and high tech bottling and packaging line in Shekou. The line is expected to be commissioned in early FY15/16 and will enhance our ability to provide high quality and safe products to consumers. We have also installed a bulk oil packaging line in Tai Po to enhance our supply chain capabilities and better cater for the needs of institutional customers in Hong Kong.

It was a particularly challenging year for our flour business, especially in the second half, as a result of higher wheat costs to our institutional customers and a steep decline in wheat bran price. Despite these challenges, we posted modest revenue and volume growth supported by healthy growth of higher margin premium specialty flour products in Mainland China, and business expansion beyond our established presence in first and second-tier cities.

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[1] Lam Soon's calculation based in part on data reported by Nielsen through its MarketTrack Service for the Edible Oil Category from July 2013 to June 2015, for Total Supermarket & Convenience Stores in Hong Kong. (Copyright © 2015, The Nielsen Company.)

[2] Lam Soon's calculation based in part on data reported by Nielsen through its Retail Index Service for the Edible Oil (Consumer Pack) Category for the rolling year June 2014 (from July 2013 to June 2014) and the rolling year June 2015 (from July 2014 to June 2015), for the China Shenzhen modern trade channel market. (Copyright © 2015, The Nielsen Company.)

Food Segment (continued)

The inadequate supply of wheat directly imported by our Group into Mainland China remains a risk due to quota restrictions. Given the circumstances, we have had to purchase the more expensive imported wheat available within Mainland China. The Group has adopted sustainable measures to mitigate this risk. Firstly, we will actively continue to pursue for more quota allocation from the relevant governmental authorities. Secondly, through research and development and manufacturing initiatives, we have stepped up efforts to optimize our wheat formulation and operations to achieve cost efficiencies. This optimization programme has been, and will continue to be, buttressed by our procurement of good quality local wheat from the market and via the contract farming model in Mainland China. Under this model, the Group pre-specifies stringent quality requirements to farmers via local grain bureaus and only purchases wheat from these farmers if our quality requirements are satisfied. We committed to purchase 50,000MT of local wheat in FY14/15, 11% more than the previous year. Approximately 54% of the contracted amount satisfied our quality requirements in this financial year. We have committed to purchase 60,000MT of wheat from local farmers in FY15/16, a year-on-year increase of 20%. The amount of local wheat we commit to purchase via contract farm every year is constrained by the availability of wheat and production capacity of local farmers.

Bran is a by-product of the milling process of wheat into flour and contributes to our revenue stream in the form of sales as livestock feed. Since the beginning of 2015, the price of wheat bran in Mainland China has declined 46% to 1,126 RMB per metric tonne (as of 30 June 2015). The price decline is mainly due to increased domestic supply of cheaper imported bran and barley. Imported barley has recently become a cheaper alternative to wheat bran in animal feed formulations. In response to these market changes, the Group has begun exploring opportunities to transform its crude wheat bran into edible wheat bran which could potentially be sold at higher values to institutional and retail customers.

Looking ahead, we will continuously build on the competitive advantage of our core institutional flour business by staying focused on what we do best. This means leveraging the strength of our research and development and sales and distribution teams to provide the highest quality products and valuable technical services to our customers. We see opportunities for us to sell more and upsell premium flour products to key existing customers and to serve them better through new product offerings. Additionally, the allocation of resources to aggressively pursue new customers is among our highest priorities. New customers to drive volume and sustain growth are within our reach as we continue to enhance our value proposition and promote the attractiveness of our products and value-added services.

BUSINESS REVIEW (continued)

Food Segment (continued)

Throughout this year, we have not lost sight of the strategic importance of building an extra pillar of growth in the flour business. We have further solidified the foundation of our business-to-consumer segment by fine-tuning our product-distribution mix and by strengthening our relationships with distributors and partners across channels. We expect these efforts to pay off over the longer term.

In light of prevailing market volatilities, we will continue to vigilantly monitor market conditions and exercise a prudent approach in the procurement of raw materials so as to protect the gross profit margin of our Food segment. Given the significance of e-Commerce in expediting our retail brand building and geographic expansion plans in Mainland China, we will also step up efforts to develop and grow this channel.

Detergent Segment

Detergent segment's revenue grew 12% to HK$578 million this year. Profit from operations remained flat at HK$79 million due to increased marketing investments to drive revenue growth in a highly competitive industry. While a strong bottom-line is a key priority, it is equally important for us to protect and grow our brand equity and market share in key geographic markets.

In the Hong Kong dishwashing detergent market, AXE retained its status as the leading brand with an annual value market share of 25.6% (as of June 2015), relatively unchanged versus last year.[3] Similarly, Labour maintained a solid market position with a 13.7% value share (as of June 2015), 1.6 percentage points higher than last year.[4] Value of Hong Kong's dishwashing detergent market grew 8.9% during the same period.[5] Our new premium AXE Plus dishwashing detergent, launched in September 2014, has been well received by the market and is gaining traction in key distributional channels.

[3] Includes market shares of AXE and AXE Plus; Lam Soon calculation based in part on data reported by Nielsen through its MarketTrack Service for the Dishwashing Detergent Category from July 2013 to June 2015, for Total Hong Kong. (Copyright © 2015, The Nielsen Company.)

[4] Lam Soon calculation based in part on data reported by Nielsen through its MarketTrack Service for the Dishwashing Detergent Category from July 2013 to June 2015, for Total Hong Kong. (Copyright © 2015, The Nielsen Company.)

[5] Lam Soon calculation based in part on data reported by Nielsen through its MarketTrack Service for the Dishwashing Detergent Category from July 2013 to June 2015, for Total Hong Kong. (Copyright © 2015, The Nielsen Company.)

BUSINESS REVIEW (continued)

Detergent Segment (continued)

In South China, the Group's strong presence in the dishwashing detergent market is reflected by AXE and Labour's annual value market shares of 19.8% and 4.5% (as of June 2015), respectively, in the Guangdong metro (Guangzhou and Shenzhen) modern trade channel.[6] Both brands outpaced the industry's 5.3% growth in Guangdong metro modern trade channel; AXE's value share increased by 0.8 percentage points, whereas Labour's value share remained relatively unchanged compared to last year.[7] Looking ahead, we will continue to expand our product portfolio under the flagship brands and grow our presence beyond South China via traditional distribution channels and e-Commerce.

OUTLOOK

In 2014, Mainland China posted a GDP growth of 7.4%, the lowest reported in more than two decades. The gradual macroeconomic slowdown marks a rebalancing of Mainland China from an investment-driven economy to one that is mainly powered by domestic demand. Domestic consumption contributed 51.2% to GDP growth in 2014, up from 48.2% a year ago. Hence, while macroeconomic uncertainties and volatility in raw material prices will continue to linger, we are well-positioned to benefit from Chinese consumers' rising spending power and appetite for premium and safe brands over the long term. Our strategy and core competency in delivering safe and quality products to consumers are aligned with this trend.

It is imperative that we remain steadfast in the execution of our mid- and long-term initiatives, to accomplish improvements and upgrades in research and development, information systems, sales and distribution, production, and human resources. These initiatives will strengthen the Group's fundamentals and enhance our competitive advantage in the future. For example, the implementation process of our new Enterprise Resource Planning system which began in September 2014 will facilitate just-in-time decision making and boost long-term productivity and efficiency. We aim to fully implement this system by the end of the upcoming financial year.

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[6] Lam Soon's calculation based in part on data reported by Nielsen through its Retail Index Service for the Dish Washing Liquid Category for the rolling year June 2014 (from July 2013 to June 2014) and the rolling year June 2015 (from July 2014 to June 2015), for the China Guangdong metro (Guangzhou and Shenzhen) modern trade channel market. (Copyright © 2015, The Nielsen Company.)

[7] Lam Soon's calculation based in part on data reported by Nielsen through its Retail Index Service for the Dish Washing Liquid Category for the rolling year June 2014 (from July 2013 to June 2014) and the rolling year June 2015 (from July 2014 to June 2015), for the China Guangdong metro (Guangzhou and Shenzhen) modern trade channel market. (Copyright © 2015, The Nielsen Company.)

OUTLOOK (continued)

In parallel, the Group must remain cognisant and take advantage of new trends and opportunities as and when they present themselves. Among the myriad of opportunities available in a dynamic consumer market, it is undeniable that e-Commerce has been, and will continue to be, a key growth driver and a critical disruptor of traditional distribution channels and consumer habits. Whilst the Group is in the early stages of online channel development, we will strive to keep pace with the industry by investing in the appropriate infrastructure and personnel to expedite the Group's growth via this channel.

Ultimately, the Group's future success necessitates a deep bench with the appropriate talent and skillset at all levels to lead and drive the execution of our strategic initiatives. We will continue to cultivate existing talent and recruit new ones across key functional areas. These initiatives will facilitate the development of new and sustainable growth pillars for the Group and better insulate us against unanticipated macroeconomic downturns and market volatilities.

FINANCIAL REVIEW

Liquidity and Financial Resources

At 30 June 2015, the Group had a net cash position (defined as cash minus bank loans and obligations under finance leases) of HK$462 million (2014: HK$289 million). This was mainly attributable to the increased net cash generated from operating activities.

At 30 June 2015, the Group had a cash balance of HK$800 million (2014: HK$643 million). About 91% of these funds were denominated in Renminbi ("RMB") and 9% in Hong Kong dollars ("HK$"). Less than 1% of the funds are denominated in United States dollars ("USD") and Macau Pataca ("MOP").

At 30 June 2015, the Group had HK$974 million committed bank loan facilities (2014: HK$820 million) and had outstanding borrowings of HK$337 million (2014: HK$353 million), of which HK$269 million were repayable within 1 year (2014: HK$269 million). Except for an outstanding fixed term loan amounting to HK$84 million (2014: HK$100 million), all bank borrowings carried interest at floating rates.

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

At 30 June 2015, the inventory turnover days were 55 days (2014: 70 days). The trade receivable turnover days remained at a healthy level of 24 days (2014: 25 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, Hong Kong and Macau. Local costs and revenue are primarily denominated in RMB, HK$, and MOP. All the Group's borrowings were denominated in HK$.

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. The Group will monitor its exposure by considering factors including, but not limited to, exchange rate movement of the relevant foreign exchange currencies as well as the Group's cash flow requirements to ensure that its foreign exchange exposure is kept at an acceptable level.

Capital Expenditure

During the year, the Group invested a total sum of HK$72 million (2014: HK$38 million) on acquisition of plant equipment, construction of new production lines and implementation of new enterprise resources planning system.

HUMAN RESOURCES

As at 30 June 2015, there were 1,655 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. Share options are granted to the Group Managing Director and other eligible employees to recognise their contribution and provide incentives to achieve better performance in coming years.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 30 June 2015

	Note	**2015** HK$'000	2014 HK$'000
Revenue	3	**4,448,587**	4,117,049
Cost of sales		**(3,674,676)**	(3,435,367)
Gross profit		**773,911**	681,682
Other income		**20,661**	20,064
Selling and distribution expenses		**(466,235)**	(373,056)
Administrative expenses		**(156,295)**	(147,740)
Operating profit		**172,042**	180,950
Finance costs	5	**(6,086)**	(4,799)
Share of loss of a joint venture		**(525)**	(269)
Profit before taxation	5	**165,431**	175,882
Taxation	6	**(50,961)**	(35,119)
Profit for the year		**114,470**	140,763
Attributable to:			
Equity shareholders of the Company		**114,470**	140,763
Non-controlling interests		**-**	-
Profit for the year		**114,470**	140,763
Earnings per share *(HK$)*			
Basic	8(a)	**0.48**	0.59
Diluted	8(b)	**0.47**	0.58

Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 7.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2015

	2015	2014
	HK$'000	*HK$'000*
Profit for the year	**114,470**	140,763
Other comprehensive income for the year, net of tax:		
Items that may be reclassified subsequently to profit or loss:		
Change in fair value of available-for-sale financial assets	**(2)**	(7)
Exchange differences on translation of financial statements of foreign operations	**400**	(18,984)
Other comprehensive income for the year, net of tax	**398**	(18,991)
Total comprehensive income for the year, net of tax	**114,868**	121,772
Attributable to:		
Equity shareholders of the Company	**114,868**	121,772
Non-controlling interests	**-**	-
Total comprehensive income for the year	**114,868**	121,772

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2015

	Note	**2015** HK$'000	2014 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**656,195**	664,101
Leasehold land		**85,595**	85,780
Intangible assets		**2,374**	2,676
Interest in a joint venture		**42,716**	43,241
Available-for-sale financial assets		**184**	186
Deferred tax assets		**-**	7
Other non-current assets		**15,415**	5,152
		802,479	801,143
CURRENT ASSETS			
Inventories		**540,337**	624,194
Trade and other receivables	*9*	**414,919**	401,607
Tax recoverable		**-**	2,421
Cash and cash equivalents		**800,343**	642,704
		1,755,599	1,670,926
CURRENT LIABILITIES			
Bank loans		**269,000**	269,000
Trade and other payables	*10*	**462,254**	436,599
Amount due to a joint venture		**42,714**	42,705
Tax payable		**23,951**	15,582
Other current liabilities		**251**	212
		798,170	764,098
NET CURRENT ASSETS		**957,429**	906,828
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,759,908**	1,707,971
NON-CURRENT LIABILITIES			
Bank loans		**68,000**	84,000
Deferred tax liabilities		**58**	-
Other non-current liabilities		**759**	621
		68,817	84,621
NET ASSETS		**1,691,091**	1,623,350

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
At 30 June 2015

	2015	2014
	HK$'000	*HK$'000*
CAPITAL AND RESERVES		
Share capital	**672,777**	672,777
Other reserves	**1,007,463**	939,722
Total equity attributable to equity shareholders of the Company	**1,680,240**	1,612,499
Non-controlling interests	**10,851**	10,851
TOTAL EQUITY	**1,691,091**	1,623,350

Notes:

1. Basis of preparation

The unaudited financial information relating to the year ended 30 June 2015 and the financial information relating to the year ended 30 June 2014 included in this preliminary announcement of annual results for the year ended 30 June 2015 does not constitute the Company's statutory annual consolidated financial statements for those years but, in respect of the year ended 30 June 2014, is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The financial statements for the year ended 30 June 2015 have yet to be reported on by the Company's auditor and will be delivered to the Registrar of Companies in due course.

The Company has delivered the financial statements for the year ended 30 June 2014 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on these financial statements for the year ended 30 June 2014. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

The Group’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”) and 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. Changes in accounting policy

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the Group and the Company. The adoption of the new standards and amendments had no material impact on the results and financial position of the Group.

In addition, the requirements of Part 9, "Accounts and Audit", of the Hong Kong Companies Ordinance (Cap. 622) came into operation at the start of the Company's current financial year. The adoption of the requirements has primarily impacted the presentation and disclosure of information in the consolidated financial statements. These changes mainly include the presentation of the Company's statement of financial position as a note disclosure instead of a primary statement, updating any references to the Hong Kong Companies Ordinance to refer to the current Hong Kong Companies Ordinance and replacing certain terminology no longer used in the Hong Kong Companies Ordinance with terminology used in HKFRSs.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. Revenue

Revenue represents the net invoiced value of goods supplied to external customers as well as service and rental income. An analysis of the Group's revenue is set out below:

	2015	2014
	HK$'000	*HK$'000*
Sales of goods	**4,446,814**	4,114,910
Service and rental income	**1,773**	2,139
	4,448,587	4,117,049

4. Segment information

The Group's businesses are presented in the following segments to the Group's most senior executive management for the purposes of resource allocation and performance assessment. Businesses in each operating segment have similar operating and currency risks, class of customer for products, distribution channels and safety regulation.

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.

4. Segment information (continued)

(a) Segments results, assets and liabilities

	2015			2014		
	Food	**Detergent**	**Segment Total**	Food	Detergent	Segment Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	**3,868,750**	**578,064**	**4,446,814**	3,597,767	517,143	4,114,910
Reportable segment profit from operations	**142,925**	**78,593**	**221,518**	145,672	78,401	224,073
Interest income	**7,602**	**8,827**	**16,429**	6,003	5,939	11,942
Finance costs	**(6,086)**	**-**	**(6,086)**	(4,799)	-	(4,799)
Depreciation and amortisation for the year	**(59,716)**	**(1,963)**	**(61,679)**	(57,114)	(2,081)	(59,195)
Other material profit or loss items:						
- Exchange gain/(loss)	**2,061**	**(50)**	**2,011**	(473)	(29)	(502)
- Charge for doubtful debts	**(462)**	**(10)**	**(472)**	(185)	-	(185)
Income tax charge	**(25,322)**	**(17,934)**	**(43,256)**	(16,804)	(16,457)	(33,261)
Reportable segment assets	**2,089,232**	**318,629**	**2,407,861**	2,077,122	343,568	2,420,690
Reportable segment liabilities	**(721,696)**	**(102,314)**	**(824,010)**	(732,072)	(89,324)	(821,396)
Additions to non-current segment assets during the year	**50,904**	**1,777**	**52,681**	32,406	3,748	36,154

4. Segment information (continued)

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

	2015	2014
	HK$'000	*HK$'000*
Revenue		
Reportable segment revenue	**4,446,814**	4,114,910
Service and rental income	**1,773**	2,139
Consolidated revenue	**4,448,587**	4,117,049
Profit		
Reportable segment profit from operations	**221,518**	224,073
Share of loss of a joint venture	**(525)**	(269)
Finance costs	**(6,086)**	(4,799)
Unallocated exchange loss	**(204)**	(78)
Gain on disposal of an industrial property	**-**	4,058
Unallocated head office and corporate expenses	**(49,272)**	(47,103)
Consolidated profit before taxation	**165,431**	175,882
Assets		
Reportable segment assets	**2,407,861**	2,420,690
Elimination of inter-segment receivables	**(7,924)**	(32,312)
	2,399,937	2,388,378
Interest in a joint venture	**42,716**	43,241
Deferred tax assets	**-**	7
Unallocated head office and corporate assets	**115,425**	40,443
Consolidated total assets	**2,558,078**	2,472,069
Liabilities		
Reportable segment liabilities	**(824,010)**	(821,396)
Elimination of inter-segment payables	**7,924**	32,312
	(816,086)	(789,084)
Amount due to a joint venture	**(42,714)**	(42,705)
Deferred tax liabilities	**(58)**	-
Unallocated head office and corporate liabilities	**(8,129)**	(16,930)
Consolidated total liabilities	**(866,987)**	(848,719)

4. 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 property, plant and equipment, leasehold land, intangible assets, interest in a joint venture and other non-current 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 property, plant and equipment, leasehold land and other non-current 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 joint venture, the location of operations.

	2015			2014		
	Hong Kong and Macau	**Mainland China**	**Total**	Hong Kong and Macau	Mainland China	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Reportable segment's revenue from external customers	**733,814**	**3,713,000**	**4,446,814**	735,964	3,378,946	4,114,910
Specified non-current assets	**100,736**	**701,559**	**802,295**	77,753	723,197	800,950

(d) Information about major customers

During the years ended 30 June 2015 and 2014, there was no single external customer that contributed 10% or more of the Group's total revenue from external customers.

5. Profit before taxation

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

	2015	2014
	HK$'000	*HK$'000*
Finance costs		
Interest on bank loans	**6,086**	4,799
Other items		
Depreciation of property, plant and equipment	**61,793**	59,479
Amortisation of leasehold land	**3,003**	2,698
Amortisation of intangible assets	**146**	319
Charge for doubtful debts	**472**	185
Net loss on disposal of property, plant and equipment	**1,198**	580
Net change in fair value of financial derivatives *(Note)*	**(81)**	-
Gain on disposal of an industrial property	**-**	(4,058)

Note: The Group entered into various foreign currency forward and commodity derivative contracts to manage its foreign currency and commodity price exposures on soybean oil and wheat during the year. There was no outstanding derivative contract as at 30 June 2015.

6. Taxation

(a) Hong Kong profits tax has been provided for at the rate of 16.5% (2014: 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 and Macau, calculated at the rates prevailing in the respective regions.

All entities engaged in the primary processing of agricultural products in Mainland China are exempted from PRC corporate income tax. As a result, the profits from flour mill operations are exempted from PRC corporate income tax for the years ended 30 June 2015 and 2014.

Other subsidiaries operating in Mainland China are subject to income tax rates of 25% (2014: 25%).

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable for withholding taxes on any dividends distributable by its subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

6. Taxation (continued)

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

	2015 *HK$'000*	2014 *HK$'000*
Current tax:		
Hong Kong taxation	**1,080**	603
Under-provision in respect of prior years	**259**	72
	1,339	675
Taxation outside Hong Kong	**47,907**	34,392
Under-provision in respect of prior years	**1,650**	9
	49,557	34,401
Deferred taxation:		
Origination and reversal of temporary differences	**65**	43
	50,961	35,119

7. Dividends

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

	2015 *HK$'000*	2014 *HK$'000*
Interim dividend declared and paid of HK$0.08 per ordinary share (2014: HK$0.08 per ordinary share)	**19,068**	19,068
Final dividend proposed after the end of the reporting period of HK$0.13 per ordinary share (2014: HK$0.13 per ordinary share)	**30,987**	30,987
	50,055	50,055

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

7. Dividends (continued)

(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

	2015	2014
	HK$'000	*HK$'000*
Final dividend in respect of the previous financial year, approved and paid during the year, of HK$0.13 per ordinary share (2014: HK$0.12 per ordinary share)	**30,987**	28,603

8. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK$114,470,000 (2014: HK$140,763,000) for the year and the weighted average number of 238,360,000 ordinary shares (2014: 238,360,000 ordinary shares) in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share for the year ended 30 June 2015 is based on the profit attributable to equity shareholders of the Company of HK$114,470,000 (2014: HK$140,763,000) and the weighted average number of ordinary shares of 241,436,000 (2014: 241,220,000) after adjusting the effect of deemed issue of shares under the Company's share option schemes.

	2015	2014
	'000	*'000*
Weighted average number of ordinary shares for the period	**238,360**	238,360
Effect of deemed issue of shares under the Company's share option schemes	**3,076**	2,860
	241,436	241,220

9. Trade and other receivables

All of the trade and other receivables are expected to be recovered within one year.

	2015	2014
	HK$'000	*HK$'000*
Total trade receivables	**312,548**	299,835
Less: Allowance for doubtful debts	**(623)**	(170)
	311,925	299,665
Other receivables	**99,991**	99,244
Current portion of leasehold land	**3,003**	2,698
	414,919	401,607

Aging Analysis

The aging of trade receivables (based on the invoice date and net of allowance for doubtful debts) as of the end of reporting period is as follows:

	2015	2014
	HK$'000	*HK$'000*
0 – 3 months	**306,308**	296,119
4 – 6 months	**4,445**	3,229
Over 6 months	**1,172**	317
	311,925	299,665

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.

10. Trade and other payables

The aging analysis of trade payables (based on the invoice date) is as follows:

	2015	2014
	HK$'000	*HK$'000*
0 – 3 months	**255,305**	261,756
4 – 6 months	**2,873**	1,710
Total trade payables	**258,178**	263,466
Deposits received	**26,985**	17,265
Other payables and accruals	**177,091**	155,868
	462,254	436,599

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

During the year, the Company did not redeem any of its listed shares. Neither did the Company nor any of its subsidiaries purchase or sell 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 Corporate Governance Code (the "HKEx Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company has complied with the HKEx Code for the year ended 30 June 2015, 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 annual results of the Company for the year ended 30 June 2015.

SCOPE OF WORK PERFORMED BY AUDITOR

The financial figures in respect of the preliminary announcement of the Group's results for the year ended 30 June 2015 have been compared by the Company's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 16 November 2015 to Wednesday, 18 November 2015 (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 documents 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 Units 1607-8, 16th Floor, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong, not later than 4:00 p.m. on Friday, 13 November 2015 for registration.

The Register of Members of the Company will also be closed from Wednesday, 25 November 2015 to Thursday, 26 November 2015 (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 HKMS, not later than 4:00 p.m. on Tuesday, 24 November 2015 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 (http://www.hkexnews.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

Independent Non-Executive Directors:
Mr. LO Kai Yiu, Anthony
Mr. AU Chee Ming
Mr. HUANG Lester Garson, *J.P.*

By Order of the Board
CHENG Man Ying
Company Secretary

Hong Kong, 31 August 2015