SIMSEN INTERNATIONAL CORPORATION LIMITED
天 行 國 際 (控 股) 有 限 公 司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 993)

FINAL RESULTS FOR THE YEAR ENDED 30 APRIL 2008

ANNUAL RESULTS

The board of Directors (the "Board") of Simsen International Corporation Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 April 2008 together with the audited comparative figures for the year ended 30 April 2007 as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 30 April 2008

	Notes	**2008** *HK$'000*	2007 *HK$'000*
CONTINUING OPERATIONS			
REVENUE	3	**157,335**	124,445
Cost of sales		**(69,207)**	—
GROSS PROFIT		**88,128**	124,445
Other income	3	**24,423**	8,448
Administrative expenses		**(106,614)**	(71,293)
Impairment on goodwill		**(52,952)**	—
Gain on disposal of subsidiaries		**50**	8,775
Gain on deemed disposal of partial interest in a subsidiary		**104**	—
Impairment on accounts receivable		**(1,239)**	(369)
(Impairment)/reversal of impairment on interests in associates		**(1,073)**	715
Impairment on available-for-sale investments		**(2,193)**	—
Other operating expenses, net		**(827)**	(2,445)
Finance costs	5	**(2,814)**	(2,379)
Share of profits and losses of:			
Jointly-controlled entities		**—**	(1,815)
Associates		**4,104**	5
(LOSS)/PROFIT BEFORE TAX	4	**(50,903)**	64,087
Tax	6	**(2,073)**	(38)
(LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**(52,976)**	64,049
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations		**—**	5,203
(LOSS)/PROFIT FOR THE YEAR		**(52,976)**	69,252
Attributable to:			
Equity holders of the Company		**(52,875)**	69,203
Minority interests		**(101)**	49
		(52,976)	69,252
DIVIDENDS	7		
Interim		**4,148**	—
Proposed final		**—**	4,977
		4,148	4,977

* *For identification purpose only*

	Notes	**2008**	2007
		HK$'000	*HK$'000*
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*8*		
Basic			
— For (loss)/profit for the year		**(HK6.43 cents)**	HK11.39 cents
— For (loss)/profit from continuing operations		**(HK6.43 cents)**	HK10.54 cents
Diluted			
— For (loss)/profit for the year		**N/A**	N/A
— For (loss)/profit from continuing operations		**N/A**	N/A

CONSOLIDATED BALANCE SHEET
30 April 2008

	Notes	**2008**	2007
		HK$'000	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**41,664**	34,599
Goodwill		**56,731**	1,498
Other long term assets		**9,993**	13,289
Intangible assets		**2,350**	2,163
Interests in jointly-controlled entities		**—**	—
Interests in associates		**74,996**	—
Available-for-sale investments		**1,979**	136
Total non-current assets		**187,713**	51,685
CURRENT ASSETS			
Due from a related party		**—**	178
Inventories		**130**	130
Gold on hand		**—**	386
Accounts receivable	*9*	**147,260**	43,792
Prepayments, deposits and other receivables		**11,213**	7,863
Equity investments at fair value through profit or loss		**123,147**	184,560
Bank trust account balances		**155,592**	102,131
Pledged bank deposits		**13,613**	3,594
Cash and cash equivalents		**79,843**	67,889
		530,798	410,523
Asset of a disposal group classified as held for sale		**—**	—
Total current assets		**530,798**	410,523
CURRENT LIABILITIES			
Accounts payable	*10*	**221,581**	134,103
Other payables and accruals		**12,002**	8,384
Promissory note		**—**	4,036
Interest-bearing bank borrowings		**29,687**	1,708
Finance leases payable		**221**	378
Tax payable		**3,676**	10
Due to minority shareholders		**740**	1,412
Total current liabilities		**267,907**	150,031
NET CURRENT ASSETS		**262,891**	260,492
TOTAL ASSETS LESS CURRENT LIABILITIES		**450,604**	312,177

	Notes	2008	2007
		HK$'000	*HK$'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**9,072**	9,894
Finance leases payable		**613**	664
Loan from a minority shareholder		**900**	—
Deferred tax liabilities		**862**	332
Provision for long service payments		**2,997**	3,975
Total non-current liabilities		**14,444**	14,865
Net assets		**436,160**	297,312
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		**10,830**	6,076
Reserves		**415,520**	286,249
Proposed final dividend	*7*	**—**	4,977
Total equity attributable to equity holders of the Company		**426,350**	297,302
Minority interests		**9,810**	10
Total equity		**436,160**	297,312

Notes:

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial instruments, which have been measured at fair value. Disposal groups and non-current assets held for sale are stated at the lower of the carrying amount and fair value less costs to sell. These financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 30 April 2008. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

1.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to additional disclosures, the adoption of these new and revised standards and interpretations has had no material effect on these financial statements.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK(IFRIC)-Int 11	HKFRS 2: Group and Treasury Share Transactions

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) HKFRS 7 *Financial Instruments: Disclosures*

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. While there has been no effect on the financial position or results of operations of the Group, comparative information has been included/revised where appropriate.

(b) Amendment to HKAS 1 *Presentation of Financial Statements — Capital disclosures*

This amendment requires the Group to make disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

(c) HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives*

This interpretation requires that the date to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative is the date that the Group first becomes a party to the contract, with reassessment only if there is a change to the contract that significantly modifies the cash flows. As the Group has no embedded derivative requiring separation from the host contract, the interpretation has had no effect on these financial statements.

(d) HK(IFRIC)-Int 10 *Interim Financial Reporting and Impairment*

The Group has adopted this interpretation as of 1 May 2007, which requires that an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument classified as available-for-sale or a financial asset carried at cost is not subsequently reversed. As the Group had no impairment losses previously reversed in respect of such assets, the interpretation has had no impact on the financial position or results of operations of the Group.

(e) HK(IFRIC)-Int 11 *Group and Treasury Share Transactions*

This interpretation requires arrangements whereby an employee is granted rights to the Group's equity instruments, to be accounted for as an equity-settled scheme, even if the Group acquires the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group currently has no such transactions, the interpretation is unlikely to have any financial impact on the Group.

2. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments. Summary details of the business segments are as follows:

(a) the securities segment represents the broking and dealing of securities, futures and options contracts, the provision of margin financing, advisory on asset management and insurance consultancy services, and results of investment holding and proprietary trading of securities;

(b) the bullion segment represents the broking and dealing of bullion contracts;

(c) the forex segment represents the broking and dealing of forex contracts;

(d) the trading segment represents the shipment sales of motor vehicles, spare parts, accessories and related products;

(e) the corporate and others segment comprises loan financing, the provision of management and consultancy services, mining operations and other services together with corporate income and expense items; and

(f) the trading and manufacturing of aluminium products segment represents the trading and manufacturing of aluminium products in Mainland China which was discontinued in the prior years.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

(a) Business segments

The following tables present revenue, (loss)/profit and certain asset, liability and expenditure information for the Group's business segments for the years ended 30 April 2008 and 2007.

Year ended 30 April 2008

	Continuing operations					
	Securities *HK$'000*	**Bullion** *HK$'000*	**Forex** *HK$'000*	**Trading** *HK$'000*	**Corporate and others** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue:						
Sales to external customers	**(15,020)**	**37,833**	**49,834**	**79,459**	**5,229**	**157,335**
Other revenue	**18,412**	**2**	**(9)**	**(71)**	**1,099**	**19,433**
Total	**3,392**	**37,835**	**49,825**	**79,388**	**6,328**	**176,768**
Segment results	**(39,190)**	**27,531**	**37,304**	**4,703**	**(9,093)**	**21,255**
Unallocated interest income and other income						**4,990**
Unallocated expenses						**(22,451)**
Impairment on goodwill	**(52,952)**	**—**	**—**	**—**	**—**	**(52,952)**
Gain on disposal of a subsidiary	**—**	**50**	**—**	**—**	**—**	**50**
Gain on deemed disposal of partial interest in a subsidiary	**—**	**—**	**—**	**—**	**104**	**104**
Impairment on interests in associates	**—**	**—**	**—**	**—**	**(1,073)**	**(1,073)**
Impairment on available-for-sale investments	**—**	**—**	**—**	**—**	**(2,193)**	**(2,193)**
Reversal of impairment on interest in a jointly-controlled entity	**—**	**—**	**—**	**—**	**77**	**77**
Share of profits of associates	**—**	**—**	**—**	**—**	**4,104**	**4,104**
Finance costs						**(2,814)**
Loss before tax						**(50,903)**
Tax						**(2,073)**
Loss for the year						**(52,976)**

	Continuing operations					
	Securities HK$'000	Bullion HK$'000	Forex HK$'000	Trading HK$'000	Corporate and others HK$'000	Consolidated HK$'000
Assets and liabilities						
Interests in associates	—	—	—	—	74,996	74,996
Segment assets	403,995	4,235	45,311	58,591	37,177	549,309
Unallocated assets						93,456
Bank overdrafts included in segment assets	—	—	—	—	750	750
Total assets						718,511
Segment liabilities	185,987	8,731	39,059	27,682	4,323	265,782
Unallocated liabilities						15,819
Bank overdrafts included in segment assets	—	—	—	—	750	750
Total liabilities						282,351
Other segment information:						
Depreciation	1,276	115	103	—	3,184	4,678
Impairment on accounts receivable	770	469	—	—	—	1,239
Impairment on available-for-sale investments	—	—	—	—	2,193	2,193
Impairment on goodwill	52,952	—	—	—	—	52,952
(Gain)/loss on disposal/write-off of items of property, plant and equipment	586	96	259	—	(37)	904
Capital expenditure	5,950	268	511	—	725	7,454

Year ended 30 April 2007

	Continuing operations					Discontinued operation	
	Securities *HK$'000*	Bullion *HK$'000*	Forex *HK$'000*	Corporate and others *HK$'000*	Total *HK$'000*	Trading and manufacturing of aluminium products *HK$'000*	Consolidated *HK$'000*
Segment revenue:							
Sales to external customers	109,285	132	10,273	4,755	124,445	—	124,445
Other revenue	1,129	3	—	1,237	2,369	—	2,369
Total	110,414	135	10,273	5,992	126,814	—	126,814
Segment results	95,613	(6,666)	2,543	(3,350)	88,140	—	88,140
Unallocated interest income and other income							2,317
Unallocated expenses							(29,252)
Gain on disposal of a subsidiary	—	—	—	8,775	8,775	—	8,775
Gain on disposal of an interest in a jointly-controlled entity	—	—	—	—	—	6,331	6,331
Reversal of impairment of an interest in an associate	—	—	—	715	715	—	715
Impairment of an interest in a jointly-controlled entity	—	—	—	(2,419)	(2,419)	—	(2,419)
Share of profits and losses of:							
Jointly-controlled entities	—	—	(1,632)	(183)	(1,815)	(1,128)	(2,943)
Associates	—	—	—	5	5	—	5
Finance costs							(2,379)
Profit before tax							69,290
Tax							(38)
Profit for the year							69,252
Assets and liabilities							
Segment assets	292,726	4,081	49,822	44,096	390,725	—	390,725
Unallocated assets							71,483
Total assets						—	462,208
Segment liabilities	91,870	7,526	41,922	10,842	152,160	—	152,160
Unallocated liabilities							12,736
Total liabilities						—	164,896
Other segment information:							
Depreciation	1,186	252	—	2,662	4,100	—	4,100
Impairment/(Reversal of impairment) on accounts receivable	(69)	505	—	(67)	369	—	369
Impairment of items of property, plant and equipment	—	18	—	—	18	—	18
Disposal/write-off of items of property, plant and equipment	—	—	8	—	8	—	8
Capital expenditure	1,282	103	97	3,244	4,726	—	4,726

(b) Geographical segments

The following tables present revenue, certain asset and expenditure information for the Group's geographical segments for the year ended 30 April 2008.

Year ended 30 April 2008

	Hong Kong *HK$'000*	Canada *HK$'000*	Philippines *HK$'000*	Taiwan *HK$'000*	Others *HK$'000*	Consolidated *HK$'000*
Segment revenue:						
Sales to external customers	**146,578**	**(68,702)**	**79,459**	**—**	**—**	**157,335**
Revenue from continuing operations	**146,578**	**(68,702)**	**79,459**	**—**	**—**	**157,335**
Other segment information:						
Segment assets	**460,516**	**116,124**	**58,591**	**74,996**	**7,534**	**717,761**
Bank overdrafts included in segment assets	**750**	**—**	**—**	**—**	**—**	**750**
						718,511
Capital expenditure	**7,321**	**—**	**—**	**—**	**133**	**7,454**

No further geographical segment information is presented for the year ended 30 April 2007 as over 90% of the Group's revenue is derived from customers based in Hong Kong, over 90% of the Group's assets are located in Hong Kong for the year ended 30 April 2007.

3. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, represents shipment sales, commission and brokerage income from securities, bullion, forex and futures contracts; profit or loss on trading of securities and bullion; interest income from loan and margin financing activities; and gross rental income. An analysis of the Group's revenue and other income is as follows:

	2008 ***HK$'000***	2007 *HK$'000*
Revenue		
Continuing operations:		
Shipment sales of motor vehicles	**79,459**	—
Fees and commission income from bullion, forex, securities and futures contract broking	**75,445**	41,350
Trading (loss)/gain on bullion, forex, securities and futures contracts, net	**(6,069)**	75,801
Interest income from loan and margin financing activities	**3,742**	3,452
Gross rental income	**20**	12
Others	**4,738**	3,830
	157,335	124,445
Other income		
Bank interest income	**3,407**	2,825
Dividend income from listed investments	**1,617**	402
Foreign exchange differences, net	**17,210**	3,762
Others	**2,189**	1,459
	24,423	8,448

4. (LOSS)/PROFIT BEFORE TAX

The Group's (loss)/profit before tax is arrived at after charging/(crediting):

	2008 *HK$'000*	2007 *HK$'000*
Depreciation	**4,678**	4,100
Minimum lease payments under operating leases on leasehold land and buildings	**9,051**	5,234
Auditors' remuneration		
Current year	**1,700**	2,200
Under-provision in prior years	**255**	220
	1,955	2,420
Employee benefits expense (including directors' remuneration):		
Salaries and other benefits	**56,626**	32,041
Pension scheme contributions	**1,537**	954
Less: Forfeited contributions refunded	**—**	—
Net pension scheme contributions	**1,537**	954
(Write-back of provision)/ provision for long service payments	**(978)**	1,278
Provision for annual leaves	**189**	374
Total employee benefits expense	**57,374**	34,647
Gross rental income	**(20)**	(12)
Less: Direct operating expenses	**—**	—
Net rental income	**(20)**	(12)
Loss on disposal/write-off of items of property, plant and equipment*	**940**	8
Impairment of items of property, plant and equipment*	**—**	18
(Reversal of impairment)/impairment of an interest in a jointly-controlled entity*	**(77)**	2,419

* Included in "Other operating expenses, net" on the face of the consolidated income statement.

5. FINANCE COSTS

	Group 2008 HK$'000	Group 2007 HK$'000
Interest on bank loans, overdrafts and other loans		
wholly repayable within five years	**1,987**	1,665
not wholly repayable within five years	**763**	651
Interest on finance leases	**64**	63
Attributable to continuing operations reported in the consolidated income statement	**2,814**	2,379

6. TAX

Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong during the year (2007: 17.5%). The statutory tax rate for Hong Kong profits tax is 17.5%. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2008 HK$'000	2007 HK$'000
Group:		
Over-provision of current tax in prior year	**(5)**	—
Current	**2,050**	9
Deferred	**28**	29
Total tax expense for the year	**2,073**	38

A reconciliation of the tax expense applicable to (loss)/profit before tax using the statutory rates for the jurisdictions in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	Group 2008 HK$'000	Group 2007 HK$'000
(Loss)/profit before tax (including profit from discontinued operations)	**(50,903)**	69,290
Less: Share of profits and losses of jointly-controlled entities and associates	**(4,104)**	2,938
	(55,007)	72,228
Tax (credit)/charge at the statutory rate	**(9,626)**	12,640
Income not subject to tax	**(7,665)**	(13,145)
Expenses not deductible for tax	**24,494**	1,328
Tax losses utilised from previous years	**(5,130)**	(785)
Tax expense at the Group's effective rate	**2,073**	38
Tax expense attributable to continuing operations reported in the consolidated income statement	**2,073**	38

There was no tax attributable to jointly-controlled entities and associates shared by the Group for the years ended 30 April 2008 and 2007.

7. DIVIDENDS

	2008	2007
	HK$'000	*HK$'000*
Interim — HK$0.005 (2007: Nil) per share	**4,148**	—
Proposed final — Nil (2007: HK$0.006) per share	**—**	4,977
	4,148	4,977

8. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic loss per share is based on the loss for the year attributable to ordinary equity holders of the Company of HK$52,875,000 (2007: earnings of HK$69,203,000) and 822,814,000 (2007: 607,566,000) weighted average number of ordinary shares in issue during the year.

The calculation of basic earnings per share from the continuing operations is based on the loss of HK$52,875,000 (2007: profit of HK$64,049,000) and 822,814,000 (2007: 607,566,000) weighted average number of ordinary shares in issue during the year.

Diluted (loss)/earnings per share amounts for the years ended 30 April 2008 and 2007 have not been disclosed as no diluting events existed during these two years.

9. ACCOUNTS RECEIVABLE

	2008	2007
	HK$'000	*HK$'000*
Accounts receivable:		
— from securities, futures, forex and bullion dealing services	**90,962**	42,985
— from margin financing and money lending operations	**550**	2,429
— from trading operations	**58,587**	—
— from corporate and other operations	**12**	—
	150,111	45,414
Impairment	**(2,851)**	(1,622)
	147,260	43,792

Securities, futures, forex and bullion dealing services

The Group allows a credit period of up to the settlement dates of the respective securities, futures, forex and bullion transactions or a credit period mutually agreed with the contracting parties. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned and that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. Overdue accounts receivable bear interest with reference to the Hong Kong dollar prime rate.

Margin financing and money lending operations

The Group allows a credit period mutually agreed with the contracting parties. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding loans receivable to minimise credit risk. Loans for margin financing are secured by the pledge of customers' securities as collateral. Overdue balances are reviewed regularly by management. In view of the aforementioned and the fact that the Group's accounts receivable relate to diversified customers, there is no significant concentration of credit risk. Accounts receivable are interest-bearing at a rate mutually agreed with the contracting parties.

Trading operations

The balance included an amount due from a customer of HK$58,587,000. The Group allows a credit period of up to 210 days to its customer. The Group seeks to maintain strict control over its outstanding receivable to minimise credit risk. Overdue balances are reviewed regularly by management.

Corporate and other operations

The Group seeks to maintain strict control over its outstanding receivable to minimise credit risk. Overdue balances are reviewed regularly by management.

An aged analysis of the accounts receivable as at the balance sheet date, based on the settlement due date and net of provisions for impairment, is as follows:

	Group	
	2008	2007
	HK$'000	*HK$'000*
Current to 1 month	**141,761**	39,019
1 to 3 months	**2,210**	3,579
3 months to 1 year	**3,289**	1,194
	147,260	43,792

10. ACCOUNTS PAYABLE

An aged analysis of the Group's accounts payable at the balance sheet dates, based on the settlement due date, is as follows:

	Group	
	2008	2007
	HK$'000	*HK$'000*
Current to 1 month	**221,581**	134,103

The accounts payable are unsecured, bear interest at bank deposit saving rates (2007: bank deposit saving rates) and repayable on the settlement day of the relevant trades or upon demand from customers.

FINAL DIVIDEND

The Directors do not recommend the payment of any final dividend in respect of the year.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

For the year under review, the Group recorded a loss of approximately HK$52,976,000 (2007: profit of HK$69,252,000) which was mainly due to the impairment of goodwill arising from the acquisition of Head & Shoulders Securities Limited and the trading loss in investment securities of approximately HK$52,952,000 and HK$83,752,000 respectively. Apart from the above, the Group recorded gain of approximately HK$83,728,000 from its business operations. Turnover for the year under review was approximately HK$157,335,000, compared with HK$124,445,000 in 2007, representing an increase of approximately 26%.

BUSINESS REVIEW AND OUTLOOK

Securities

The securities segment comprises broking and dealing of securities, futures and options contracts, the provision of margin financing, advisory on asset management and insurance consultancy services, and results of investment holding and proprietary trading of securities. Negative revenue from the securities segment was approximately HK$15,020,000 for the year under review (2007: revenue of HK$109,285,000), the substantial decrease in revenue was mainly due to the trading loss in investment securities of approximately HK$83,752,000. Apart from the above, the brokerage operations generated over HK$60,000,000 fee and commission income to the Group during the year under review, representing a 80% growth as compared with last year operations, which was benefited from the market sentiment.

Bullion

The bullion segment comprises broking and dealing of bullion contracts, which recorded a revenue and a profit of about HK$37,883,000 and HK$27,531,000 respectively for the year under review (2007: revenue of HK$132,000 and loss of HK$6,666,000).

Forex

The forex segment comprises broking and dealing of forex contracts, which recorded a revenue of about HK$49,834,000 and a profit of about HK$37,304,000 respectively for the year under review (2007: revenue of HK$10,273,000 and profit of HK$2,543,000). The segment's improvement was mainly due to the strengthened capital base which increased our financial flexibility and operating margin in forex brokering since the acquisition of further 50% interest in October 2006.

With the increased volatility in the financial market, the Group expects to concentrate on its securities, bullion, forex and related financial business in the year ahead. At the same time, the Group will also put through plans to streamline certain operations and to reduce its expenses in other feasible areas.

Trading

The trading segment comprises the sales and distribution of vehicles and trading of spare parts, accessories and related products of vehicles. The Group commenced its operation since the second half of 2007 and recorded a revenue of HK$79,459,000 and a profit of HK$4,703,000 for the year under review.

It is expected that the trading segment would generate steady income to the Group in the foreseeable future.

Corporate and Others

The corporate and others segment comprises loan financing, entertainment business, the provision of management and consultancy services, mining operations, and other services together with corporate income and expense items. Revenue generated from corporate and others segment was HK$5,229,000 for the year under review as compared with HK$4,755,000 in 2007, representing an increase of 10%. The loss for the year amounted to HK$9,093,000 (2007: loss of HK$3,350,000).

The Group will continue to review and monitor the performance of the corporate and others business so that appropriate business re-arrangement and restructuring could be planned for the benefits of the Group.

CAPITAL STRUCTURE

As at 30 April 2008, the Group had secured bank loans, trust receipt loans and bank overdrafts of about HK$10,400,000, HK$27,609,000 and HK$750,000 bearing interest at Hong Kong dollar prime rate minus 2.4%, prime rate plus 0.5% and 4.69% per annum and repayable in within 7 years, within 3 months and on demand respectively.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 April 2008, the current ratio of the Group was approximately 198% and the net current assets were approximately HK$262,891,000. The Group's gearing ratio, which was derived by dividing the aggregate amount of bank borrowings and other interest-bearing loan by the amount of shareholder's equity, was approximately 9%.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

On 29 May 2007, the Company entered into a conditional placing agreement to place through the placing agent, VC Brokerage Limited, on a fully underwritten basis, 120,000,000 placing shares at the placing price of HK$0.42 per placing share. Details of the above placing were set out in the circular of the Company dated 5 June 2007.

On 6 March 2007, the Group entered into a conditional share sale agreement to acquire 40% interests in Head & Shoulders Securities Limited ("H&S"), the consideration was satisfied by HK$3 million in cash and by the issue and allotment of 101,960,000 new shares of the Company at the issue price of HK$0.62 per consideration share. The Group further entered into on 17 December 2007 a conditional acquisition agreement to acquire the remaining 60% of the issued share capital of H&S at a consideration of HK$90 million which were wholly satisfied by the issue of 253,518,000 consideration shares at the issue price of HK$0.355 per consideration share by the Company. H&S become a wholly-owned subsidiary of the Group upon completion of the acquisition. H&S is a licensed corporation authorised to carry on Type 1 (dealing in securities) and, Type 9 (asset management) regulated activities under the Securities and Futures Ordinance. Details of the above transactions were set out in the circulars of the Company dated 21 March 2007 and 22 February 2008.

On 27 September 2007, the Group subscribed for 6,400,000 shares in 德年國際股份有限公司 ("JV Company"), being approximately 8.38% of the entire issued share capital of the JV Company for a consideration of approximately NT$64 million in cash. On 5 March 2008, the Group further subscribed in cash 23,600,000 new shares of the JV Company at a consideration of approximately NT$236 million. The Group then holds approximately 25% of the JV Company and the JV Company became an associated company of the Group. The JV Company is principally engaged in property investment and property development in Taiwan. Details of the above further subscription of shares in the JV Company were set out in the circular of the Company dated 13 March 2008.

CURRENCY STRUCTURE

As at 30 April 2008, the Group has the following assets and liabilities denominated in foreign currency:

	Foreign Currency	**2008** ***'000***
Other long term assets	RMB	**4,700**
Accounts receivable	USD	**7,475**
Prepayments, deposits and other receivables	RMB	**250**
	CAD	**136**
Equity investments at fair value through profit or loss	CAD	**15,036**
Trust receipt loans	USD	**3,540**

No hedging for non-Hong Kong dollars assets or investment has been made during the year.

CHARGES ON GROUP ASSETS

As at 30 April 2008, the total bank loans and obligations under finance leases amounted to HK$10,400,000 and HK$834,000 respectively, which were secured by the properties held by the Group and the leased assets acquired under the finance leases.

EMPLOYEE AND REMUNERATION POLICY

As at 30 April 2008, the Group employed a total of about 235 employees, as compared to 160 employees in 2007. The Group recruits and promotes individuals based on merit and their development potentials for the positions offered. When formulating staff remuneration and benefit policies, primary considerations are given to their performance and prevailing salary levels in the market. Benefits provided to the employees by the Group include training, mandatory provident fund and medical coverage. No share options were granted since the adoption of the share options scheme.

Contingent Liabilities

Save as disclosed in note 44 to the financial statements, the Group has no material contingent liabilities as at 30 April 2008.

Commitments

Save as disclosed in note 46 to the financial statements, the Group had no commitments in respect of net open position of bullion contracts undertaken in the ordinary course of business existing at the balance sheet date as at 30 April 2008.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The Board believes that good corporate governance is essential to the success of the Company and the enhancement of shareholders' value.

The Board has adopted the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited. The Company has complied with all the provisions under the CG Code throughout the year ended 30 April 2008 except the deviations from code provision C.2.1 which requires the Directors to conduct at least annually a review of the effectiveness of the system of internal control. During the year under review, the Company has appointed an independent accounting firm to conduct review of the effectiveness of the internal control system of the Group. Due to time constraint, the review has not been fully completed. Directors of the Company are very concerned about the effectiveness of the internal control system and therefore require a comprehensive review of all the operations and control system. Certain part of the review including corporate governance, sale operation of vehicles and certain licensed operation were completed and review of the remaining operations and area will be carried out in due course.

AUDIT COMMITTEE

The audit committee of the Company was established in accordance with the requirements of Rule 3.21 of the Listing Rules, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal control systems, and compliance with the relevant rules and regulations. The audit committee comprises the three Independent Non-executive Directors of the Company. The audit committee has reviewed the audited financial statements of the Group for the year ended 30 April 2008.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

By Order of the Board
Simsen International Corporation Limited
Haywood Cheung
Chairman

Hong Kong, 21 August 2008

Executive Directors:
Mr. Haywood Cheung *(Chairman)*
Mr. Chan Hok Ching *(Acting Managing Director)*
Mr. Cheung Tak Kwai, Stanley
Mr. Choi Chiu Fai, Stanley
Dr. Chang Si-Chung

Independent Non-Executive Directors:
Mr. Chan Ka Ling, Edmond
Mr. Hong Po Kui, Martin
Mr. Wong Yu Choi