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

(Incorporated in Bermuda with limited liability)

(Stock Code: 993)

INTERIM RESULTS 2008/2009

The Board of Directors (the "Board") of Simsen International Corporation Limited (the "Company") is pleased to present to the shareholders the unaudited condensed consolidated results of the Company and its subsidiaries (together the "Group") for the six months ended 31 October 2008 together with the comparative figures as follows. The condensed consolidated financial statements have not been audited, but have been reviewed by the Company's auditor, HLB Hodgson Impey Cheng, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants, and by the Company's audit committee (the "Audit Committee").

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 31 October 2008

		For the six months ended 31 October	
	Notes	**2008**	2007
		HK$'000	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*4*	**(45,792)**	87,557
Cost of sales		**(14,781)**	(19,424)
Gross (loss)/profit		**(60,573)**	68,133
Other income		**6,413**	27,346
Administrative expenses		**(62,564)**	(48,327)
Impairment loss on goodwill		**(55,233)**	—
Impairment loss on available-for-sale investments		**(1,843)**	—
Impairment loss on other long term assets		**(4,468)**	—
Reversal of impairment/(impairment) of an interest in a jointly controlled entity		**252**	(110)
Impairment of interests in associates		**(33)**	(44)
Reversal of impairment on accounts receivable		**407**	—
Impairment loss on accounts receivable		**—**	(576)
Loss on disposal/write-off of items of property, plant and equipment		**—**	(311)
Finance expenses		**(954)**	(492)
Share of results of:			
— Jointly-controlled entities		**—**	—
— Associates		**30,802**	3,216
(LOSS)/PROFIT BEFORE TAX	*5*	**(147,794)**	48,835
Tax	*6*	**(482)**	—
(LOSS)/PROFIT FOR THE PERIOD		**(148,276)**	48,835
(LOSS)/PROFIT FOR THE PERIOD ATTRIBUTABLE TO:			
Equity holders of the Company		**(152,380)**	48,842
Minority interests		**4,104**	(7)
		(148,276)	48,835
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Basic			
— For (loss)/profit for the period (cents)	*7*	**(14.07)**	6.29
Diluted			
— For (loss)/profit for the period		**N/A**	N/A

** for identification purposes only*

CONDENSED CONSOLIDATED BALANCE SHEET

31 October 2008

	Notes	31 October 2008 HK$'000 (Unaudited)	30 April 2008 HK$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**39,542**	41,664
Goodwill		**1,499**	56,731
Other long term assets		**4,743**	9,993
Intangible assets		**3,369**	2,350
Interest in a jointly-controlled entity		**—**	—
Interests in associates		**102,511**	74,996
Available-for-sale investments		**136**	1,979
Total non-current assets		**151,800**	187,713
CURRENT ASSETS			
Inventories		**130**	130
Accounts receivable	*8*	**136,920**	147,260
Prepayments, deposits and other receivables		**11,006**	11,213
Equity investments at fair value through profit or loss		**19,214**	123,147
Bank trust account balances		**110,282**	155,592
Pledged bank deposits		**3,618**	13,613
Cash and cash equivalents		**81,109**	79,843
Total current assets		**362,279**	530,798
CURRENT LIABILITIES			
Accounts payable	*9*	**180,123**	221,581
Other payables and accruals		**14,542**	12,002
Interest-bearing bank borrowings		**21,072**	29,687
Finance leases payable		**234**	221
Tax payable		**947**	3,676
Due to minority shareholders		**1,335**	740
Total current liabilities		**218,253**	267,907
NET CURRENT ASSETS		**144,026**	262,891
TOTAL ASSETS LESS CURRENT LIABILITIES		**295,826**	450,604

	Notes	31 October 2008 HK$'000 (Unaudited)	30 April 2008 HK$'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**8,386**	9,072
Finance leases payable		**522**	613
Loan from a minority shareholder		**900**	900
Deferred tax liabilities		**862**	862
Provision for long service payments		**3,066**	2,997
Total non-current liabilities		**13,736**	14,444
NET ASSETS		**282,090**	436,160
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		**10,830**	10,830
Reserves		**258,161**	415,520
Total equity attributable to equity holders of the Company		**268,991**	426,350
Minority interests		**13,099**	9,810
Total equity		**282,090**	436,160

Notes:

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 31 October 2008 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values.

The accounting policies adopted in the preparation of condensed financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 30 April 2008.

In the current period, the Group has applied, for the first time, the following new and revised standards and interpretation issued by the HKICPA, which is effective for the Group's financial year beginning on or after 1 May 2008 and is relevant to the operations of the Group.

HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

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

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued, but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKAS 1 (Revised)	Presentation of Financial Statements[2]
HKAS 23 (Revised)	Borrowing Costs[2]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[3]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[2]
HKAS 39 (Amendment)	Eligible Hedged Items[3]
HKFRS 1 & HKAS 27 (Amendments)	Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate[2]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[2]
HKFRS 3 (Revised)	Business Combinations[3]
HKFRS 8	Operating Segments[2]
HK(IFRIC)-Int 13	Customer Loyalty Programmes[4]
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate[2]
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation[5]
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners[3]

[1] Effective for annual periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009

[2] Effective for annual periods beginning on or after 1 January 2009

[3] Effective for annual periods beginning on or after 1 July 2009

[4] Effective for annual periods beginning on or after 1 July 2008

[5] Effective for annual periods beginning on or after 1 October 2008

The Directors anticipate that the application of these new and revised standards, amendments and interpretation will have no material impact on the results and the financial position of the Group.

3. 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:

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

— the bullion segment represents the broking and dealing of bullion contracts;

— the forex segment represents the broking and dealing of forex contracts;

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

— 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;

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

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 and results for the Group's business segments for the six months ended 31 October 2008 and 2007.

For the six months ended 31 October 2008

	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	**(68,486)**	**2,258**	**868**	**16,890**	**2,678**	**(45,792)**
Other revenue	**565**	**—**	**1**	**3,406**	**516**	**4,488**
Total	**(67,921)**	**2,258**	**869**	**20,296**	**3,194**	**(41,304)**
Segment results	**(100,562)**	**(1,859)**	**(3,924)**	**4,750**	**(5,557)**	**(107,152)**
Unallocated interest income						**1,925**
Unallocated expenses						**(11,090)**
Impairment loss on goodwill	**(55,233)**	**—**	**—**	**—**	**—**	**(55,233)**
Impairment loss on available for sale investments	**—**	**—**	**—**	**—**	**(1,843)**	**(1,843)**
Impairment loss on other long term assets	**—**	**—**	**—**	**—**	**(4,468)**	**(4,468)**
Reversal of impairment/ (impairment) of interests in						
— a jointly controlled entity	**—**	**—**	**—**	**—**	**252**	**252**
— associates	**—**	**—**	**—**	**—**	**(33)**	**(33)**
Share of results of:						
— associates	**—**	**—**	**—**	**—**	**30,802**	**30,802**
Finance expenses						**(954)**
Loss before tax						**(147,794)**
Tax						**(482)**
Loss for the period						**(148,276)**

For the six months ended 31 October 2007

	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	25,076	19,435	18,823	21,845	2,378	87,557
Other revenue	25,545	2	—	(181)	115	25,481
Total	50,621	19,437	18,823	21,664	2,493	113,038
Segment results	28,069	17,740	11,907	1,743	(7,914)	51,545
Unallocated interest income						1,865
Unallocated expenses						(7,145)
Share of results of:						
— a jointly-controlled entity	—	—	—	—	—	—
— associates	3,216	—	—	—	—	3,216
Impairment of interests in						
— a jointly controlled entity	—	—	—	—	(110)	(110)
— associates	—	—	—	—	(44)	(44)
Finance expenses						(492)
Profit before tax						48,835
Tax						—
Profit for the period						48,835

(b) Geographical segments

The following tables present revenue for the Group's geographical segments for the six months ended 31 October 2008 and 2007.

For the six months ended 31 October 2008

	Hong Kong *HK$'000*	**Philippines** *HK$'000*	**Canada** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue:				
Sales to external customers	31,005	16,890	(93,687)	(45,792)

For the six months ended 31 October 2007

	Hong Kong *HK$'000*	Philippines *HK$'000*	Canada *HK$'000*	Consolidated *HK$'000*
Segment revenue:				
Sales to external customers	66,933	21,845	(1,221)	87,557

4. REVENUE

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:

	For the six months ended	
	31 October 2008	31 October 2007
	HK$'000	*HK$'000*
Revenue		
Shipment sales of motor vehicles	**16,890**	21,845
Fees and commission income from bullion, forex, securities and futures contract broking	**37,412**	42,491
Trading (loss)/gain on bullion, forex, securities and futures contracts, net	**(102,972)**	19,829
Interest income from loan and margin financing activities	**126**	1,284
Gross rental income	**—**	12
Others	**2,752**	2,096
	(45,792)	87,557

5. (LOSS)/PROFIT BEFORE TAX

	For the six months ended	
	31 October 2008	31 October 2007
	HK$'000	*HK$'000*
(Loss)/profit before tax is arrived at after charging/(crediting) the following:		
Amortisation of intangible assets	**556**	—
Depreciation	**3,384**	2,416
Minimum lease payments under operating leases on leasehold land and buildings	**7,574**	3,920
Employee benefits expense	**24,475**	26,979
Net rental income	**—**	12
Exchange losses/(gains), net	**5,025**	(23,879)

6. TAX

	For the six months ended	
	31 October 2008	31 October 2007
	HK$'000	*HK$'000*
Current		
— Hong Kong	**482**	—
— Elsewhere	**—**	—
	482	—
Deferred	**—**	—
Total tax expense for the period	**482**	—

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the period. 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.

7. (LOSS)/EARNINGS PER SHARE

The calculation of basic loss per share is based on the loss for the period attributable to the equity holders of the Company of HK$152,380,000 (2007: profit of HK$48,842,000) and 1,083,044,000 (2007: 776,218,000) weighted average number of ordinary shares in issue during the period.

Diluted (loss)/earnings per share for the six months ended 31 October 2008 and 2007 have not been disclosed as no diluting event existed during the two periods.

8. ACCOUNTS RECEIVABLE

	31 October 2008	31 October 2007
	HK$'000	*HK$'000*
Accounts receivable		
— from securities, futures, forex and bullion dealing services	**74,868**	90,962
— from margin financing and money lending operations	**953**	550
— from trading operations	**63,355**	58,587
— from corporate and other operations	**65**	12
	139,241	150,111
Impairment	**(2,321)**	(2,851)
	136,920	147,260

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:

	31 October 2008	31 October 2007
	HK$'000	*HK$'000*
Current to 1 month	**83,016**	141,761
1 to 3 months	**7,370**	2,210
3 months to 1 year	**46,534**	3,289
	136,920	147,260

The movements in provision for impairment of accounts receivable are as follows:

	31 October 2008	31 October 2007
	HK$'000	*HK$'000*
At beginning of period/year	**2,851**	1,622
Impairment losses recognised	**—**	1,389
Amounts written off as uncollectible	**(123)**	—
Impairment losses reversed	**(407)**	(150)
Disposal of a subsidiary	**—**	(10)
At end of period/year	**2,321**	2,851

9. ACCOUNTS PAYABLE

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

	31 October 2008	30 April 2008
	HK$'000	*HK$'000*
Current to 1 month	**180,123**	221,581

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 31 October 2008 (2007: HK$0.005 per share).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the period under review, the Group recorded an unaudited loss of approximately HK$148,276,000 (2007: profit of HK$48,835,000). Turnover for the period under review was approximately negative HK$45,792,000 (2007: HK$87,557,000), representing a decrease of approximately 152%.

Securities

The securities segment comprises broking and dealing of securities, futures and options contracts, provision of IPO margin financing and proprietary trading of securities. Revenue from the securities segment was approximately negative HK$68,486,000 for the period under review (2007: HK$25,076,000), the substantial decrease in revenue was mainly due to the fair value loss in investment securities of approximately HK$98,055,000. Apart from the above, the brokerage operations fee and commission income to the Group during the period under review recorded a decrease of approximately 25% as compared with last correspondence period.

Bullion

The bullion segment comprises broking and dealing of bullion contracts, which recorded revenue of about HK$2,258,000 and a loss of about HK$1,859,000 respectively for the period under review (2007: revenue of HK$19,435,000 and profit of HK$17,740,000).

Forex

The forex segment comprises broking and dealing of forex contracts, which recorded a revenue of about HK$868,000 and a loss of about HK$3,924,000 respectively for the period under review (2007: revenue of HK$18,823,000 and profit of HK$11,907,000).

Trading

The trading segment comprises the sales and distribution of vehicles and trading of spare parts, accessories and related products of vehicles. For the period under review, a revenue of HK$16,890,000 and a profit of HK$4,750,000 (2007: revenue of HK$21,845,000 and profit of HK$1,743,000) were recorded.

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$2,678,000 for the period under review as compared with HK$2,378,000 for the corresponding period in 2007. The loss for the period amounted to HK$5,557,000 (2007: HK$7,914,000).

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

PROSPECTS

The outbreak of the recent financial tsunami had resulted in weak investors' sentiment in the financial market, the trading volume of Hong Kong stock market decreased substantially. With the increased volatility in the financial market and the negative investment sentiment, it is expected that the Group will face more challenges in the year 2009. The Group will take prudent approach to face the forthcoming economy of Hong Kong and will continue to streamline certain operations and to reduce and control its operating and administration expenses appropriately.

CAPITAL STRUCTURE

As at 31 October 2008, the Group had secured bank loans, trust receipt loans and bank overdrafts of about HK$9,741,000, HK$11,289,000 and HK$8,427,000 bearing interest at Hong Kong dollar prime rate minus 2.4%, prime rate and prime rate plus 0.5% per annum and repayable within seven years, within four months and on demand respectively.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 October 2008, the current ratio of the Group was at approximately 166% and the net current assets were approximately HK$144,026,000. 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 11%.

SIGNIFICANT INVESTMENTS AND ACQUISITIONS

During the period under review, the Group made no significant investment nor had it made any material acquisition or disposal of subsidiaries and associates.

CURRENCY STRUCTURE

As at 31 October 2008, the Group has the following assets and liabilities denominated in foreign currency:

	Foreign Currency	**31 October 2008**
		'000
Other long term assets	RMB	906
Accounts receivable	USD	8,234
Prepayments, deposits and other receivables	USD	202
	RMB	33
Equity investments at fair value through profit or loss	CAD	2,646
Cash and bank balances	RMB	261
Accounts payable	USD	134
Other payables and accrued liabilities	RMB	21
Trust receipt loans	USD	1,467

CHARGES ON GROUP ASSETS

As at 31 October 2008, the total bank loans and obligations under finance lease amounted to approximately HK$21,031,000 and HK$756,000 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 31 October 2008, the Group employed a total of about 212 employees. 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 on 4 March 2002.

CORPORATE GOVERNANCE

In the opinion of the Board, the Company had complied with the Code of Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules for the six months ended 31 October 2008. The Board's annual review of the effectiveness of the system of internal control of the Group pursuant to C.2.1 of the CG Code will be reported upon in the forthcoming corporate governance report to be contained in the Company's annual report for the financial year ending 30 April 2009.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. The Company had made specific enquiries of all directors regarding any non-compliance with the Model Code during the period, and received confirmations from all Directors that they had fully complied with the Model Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANYS' LISTED SECURITIES

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

AUDIT COMMITTEE

The Audit Committee of the Company was established in accordance with the requirements of the CG Code, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls systems, and compliance with the relevant rules and regulations. The Audit Committee comprises three independent non-executive Directors of the Company. The unaudited financial statements for the six months ended 31 October 2008 have been reviewed by the Audit Committee.

PUBLICATION OF 2008/2009 INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The 2008/2009 Interim Report of the Company containing all the information required by the Listing Rules will be published on the website of the Stock Exchange in due course.

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

Hong Kong, 12 January 2009

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