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 2009

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 2009 together with the audited comparative figures for the year ended 30 April 2008 as follows:

CONSOLIDATED INCOME STATEMENT
Year ended 30 April 2009

	Notes	**2009** **HK$'000**	2008 HK$'000
REVENUE	4	**31,817**	157,335
Cost of sales		**(16,369)**	(69,207)
GROSS PROFIT		**15,448**	88,128
Other income	4	**6,547**	24,423
Administrative and other operating expenses		**(143,111)**	(107,441)
Impairment on goodwill		**(55,233)**	(52,952)
Impairment on other long term assets		**(4,468)**	—
Gain on disposal of subsidiaries		**—**	50
Gain on deemed disposal of partial interest in a subsidiary		**—**	104
Impairment on accounts receivable	10	**(37,749)**	(1,239)
Reversal of impairment/(impairment) of interests in associates		**1,112**	(1,073)
Impairment on available-for-sale investments		**(1,843)**	(2,193)
Finance costs	6	**(1,570)**	(2,814)
Share of profits and losses of:			
Jointly-controlled entity		**—**	—
Associates		**7,843**	4,104
LOSS BEFORE TAX	5	**(213,024)**	(50,903)
Tax	7	**(21)**	(2,073)
LOSS FOR THE YEAR		**(213,045)**	(52,976)
Attributable to:			
Equity holders of the Company		**(214,467)**	(52,875)
Minority interests		**1,422**	(101)
		(213,045)	(52,976)
DIVIDENDS	8		
Interim		**—**	4,148
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	9		
Basic and diluted		**(HK19.80 cents)**	(HK6.43 cents)

* *for identification purposes only*

CONSOLIDATED BALANCE SHEET

30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**38,426**	41,664
Goodwill		**1,498**	56,731
Other long term assets		**6,393**	9,993
Intangible assets		**3,367**	2,350
Interests in a jointly-controlled entity		**—**	—
Interests in associates		**82,415**	74,996
Available-for-sale investments		**136**	1,979
Total non-current assets		**132,235**	187,713
CURRENT ASSETS			
Inventories		**130**	130
Accounts receivable	*10*	**83,618**	147,260
Prepayments, deposits and other receivables		**11,824**	11,213
Due from associates		**667**	—
Equity investments at fair value through profit or loss		**35,495**	123,147
Bank trust account balances		**148,412**	155,592
Pledged bank deposits		**10,625**	13,613
Cash and cash equivalents		**58,314**	79,843
Total current assets		**349,085**	530,798
CURRENT LIABILITIES			
Accounts payable	*11*	**225,098**	221,581
Other payables and accruals		**10,639**	12,002
Interest-bearing bank borrowings		**13,519**	29,687
Finance leases payable		**276**	221
Tax payable		**903**	3,676
Due to minority shareholders		**1,281**	740
Total current liabilities		**251,716**	267,907
NET CURRENT ASSETS		**97,369**	262,891
TOTAL ASSETS LESS CURRENT LIABILITIES		**229,604**	450,604

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**7,694**	9,072
Finance leases payable		**490**	613
Loan from a minority shareholder		**900**	900
Deferred tax liabilities		**445**	862
Provision for long service payments		**3,368**	2,997
Total non-current liabilities		**12,897**	14,444
Net assets		**216,707**	436,160
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		**10,830**	10,830
Reserves		**195,535**	415,520
Total equity attributable to equity holders of the Company		**206,365**	426,350
Minority interests		**10,342**	9,810
Total equity		**216,707**	436,160

Notes:

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. 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 2009. 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 income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany 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.

2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements. The adoption of these new interpretations and amendments has had no significant effect on these financial statements.

HKAS 39 and HKFRS 7 Amendments	Amendments of HKAS 39 *Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosure — Reclassification of Financial Assets*
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 principal effects of adopting these new and revised HKFRSs are as follows:

(a) Amendments of HKAS 39 *Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosure -Reclassification of Financial Assets*

The amendments to HKAS 39 permit an entity to reclassify a non-derivative financial asset classified as held for trading, other than a financial asset designated by an entity as at fair value through profit or loss upon initial recognition, out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling or repurchasing in the near term, if specified criteria are met.

A debt instrument classified as held for trading (not classified by designation) or as available for sale (not classified by designation) may be reclassified as a loan or receivable if the asset meets the definition of a loan or receivable and the entity has the intention and ability to hold it for the foreseeable future or until maturity. Financial assets that are not eligible for classification as loans and receivables may be transferred from the held-for-trading category to the available-for-sale category or to the held to maturity category (in the case of debt instrument), in rare circumstance.

The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to HKFRS 7 require extensive disclosures of any financial asset reclassified in the situations described above. The amendments are effective from 1 July 2008.

(b) HK(IFRIC)-Int 12 *Service Concession Arrangements*

HK(IFRIC)-Int 12 applies to service concession operators and explains how to account for obligation undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

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

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 Employee Benefits, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements..

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, 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; and

(e) the corporate and others segment comprises loan financing, the provision of management and consultancy services, 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, 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 2009 and 2008.

Year ended 30 April 2009

	Securities	Bullion	Forex	Trading	Corporate and others	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:						
Sales to external customers	(1,429)	7,013	1,937	18,705	5,591	31,817
Other income	(1,904)	—	19	2,925	764	1,804
Total	(3,333)	7,013	1,956	21,630	6,355	33,621
Segment results	(82,993)	(6,510)	(8,072)	(32,565)	(6,880)	(137,020)
Unallocated interest income and other income						4,743
Unallocated expenses						(26,954)
Impairment on goodwill	(55,233)	—	—	—	—	(55,233)
Impairment on other long term assets	—	—	—	—	(4,468)	(4,468)
Reversal of impairment on interests in associates	—	—	—	—	1,112	1,112
Impairment on available-for-sale investments	—	—	—	—	(1,843)	(1,843)
Reversal of impairment on interests in a jointly-controlled entity	—	—	—	—	366	366
Share of profits of associates	—	—	—	—	7,843	7,843
Finance costs						(1,570)
Loss before tax						(213,024)
Tax						(21)
Loss for the year						(213,045)

	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	**—**	**—**	**—**	**—**	**82,415**	**82,415**
Segment assets	**233,296**	**3,779**	**41,392**	**20,617**	**29,378**	**328,462**
Unallocated assets						**70,443**
Total assets						**481,320**
Segment liabilities	**181,169**	**14,632**	**39,476**	**1**	**6,568**	**241,846**
Unallocated liabilities						**22,767**
Total liabilities						**264,613**
Other segment information:						
Amortisation	**—**	**—**	**—**	**—**	**1,119**	**1,119**
Depreciation	**4,519**	**524**	**514**	**—**	**1,121**	**6,678**
(Reversal of impairment)/impairment on accounts receivable	**(76)**	**197**	**—**	**37,398**	**230**	**37,749**
Capital expenditure	**4,075**	**966**	**569**	**—**	**1,615**	**7,225**

Year ended 30 April 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	(15,020)	37,833	49,834	79,459	5,229	157,335
Other income	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 interests 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)

	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	52,592	—	—	—	—	52,592
(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

(b) Geographical segments

The following tables present revenue, certain asset and expenditure information for the Group's geographical segments for the years ended 30 April 2009 and 2008.

Year ended 30 April 2009

	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	**92,302**	**(79,190)**	**18,705**	**—**	**—**	**31,817**
Other segment information:						
Segment assets	**344,475**	**34,353**	**20,617**	**79,620**	**2,255**	**481,320**
Capital expenditure	**5,639**	**—**	**—**	**—**	**1,586**	**7,225**

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
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

4. 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:

	2009 ***HK$'000***	2008 *HK$'000*
Revenue		
Shipment sales of motor vehicles	**18,705**	79,459
Fees and commission income from bullion, forex, securities and futures contract broking	**95,952**	75,445
Trading loss on bullion, forex, securities and futures contracts, net	**(88,733)**	(6,069)
Interest income from loan and margin financing activities	**217**	3,742
Gross rental income	**—**	20
Other service income	**5,136**	4,258
Others	**540**	480
	31,817	157,335
Other income		
Bank interest income	**2,295**	3,407
Dividend income from listed investments	**2,448**	1,617
Foreign exchange differences, net	**(4,322)**	17,210
Performance bonus from supplier	**3,268**	—
Others	**2,858**	2,189
	6,547	24,423

5. LOSS BEFORE TAX

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

	2009	2008
	HK$'000	*HK$'000*
Amortization	**1,119**	—
Depreciation	**6,678**	4,678
Minimum lease payments under operating leases on leasehold land and buildings	**13,413**	9,051
Auditors' remuneration		
Current year	**1,495**	1,700
Under-provision in prior years	**—**	280
	1,495	1,980
Employee benefits expense (including directors' remuneration):		
Salaries and other benefits	**53,096**	56,626
Pension scheme contributions	**1,695**	1,537
Less: Forfeited contributions refunded	**—**	—
Net pension scheme contributions**	**1,695**	1,537
Provision/(write-back of provision) for long service payments	**371**	(978)
Provision for annual leaves	**14**	189
Total employee benefits expense	**55,176**	57,374
Gross rental income	**—**	(20)
Less: Direct operating expenses	**—**	—
Net rental income	**—**	(20)
Loss on disposal/write off of items of property, plant and equipment*	**—**	904
Reversal of impairment of interests in a jointly-controlled entity*	**(366)**	(77)

* Included in "Administrative and other operating expenses" on the face of the consolidated income statement.

** At 30 April 2009, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2008: Nil).

6. FINANCE COSTS

	2009 *HK$'000*	2008 *HK$'000*
Interest on bank loans, overdrafts and other loans:		
— wholly repayable within five years	**1,224**	1,987
— not wholly repayable within five years	**267**	763
Interest on finance leases	**79**	64
	1,570	2,814

7. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 17.5%) on the estimated assessable profits arising in Hong Kong during the year (2008: Nil). The lower Hong Kong profits tax rate become effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 30 April 2009. 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.

	2009 *HK$'000*	2008 *HK$'000*
Group:		
Over-provision of current tax in prior years	**(612)**	(5)
Current	**1,050**	2,050
Deferred	**(417)**	28
Total tax expense for the year	**21**	2,073

A reconciliation of the tax expense applicable to loss 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:

	2009 *HK$'000*	2008 *HK$'000*
Loss before tax	**(213,024)**	(50,903)
Less: Share of profits and losses of a jointly-controlled entity and associates	**(7,843)**	(4,104)
	(220,867)	(55,007)
Tax credit at the statutory rate	**(36,443)**	(9,626)
Income not subject to tax	**(2,084)**	(7,665)
Expenses not deductible for tax	**32,500**	24,494
Tax losses not recognised	**6,048**	—
Tax losses utilised from previous years	**—**	(5,130)
Tax expense at the Group's effective rate	**21**	2,073

There was no tax attributable to a jointly-controlled entity and associates shared by the Group for the years ended 30 April 2009 and 2008.

8. DIVIDENDS

	2009	2008
	HK$'000	*HK$'000*
Interim — Nil (2008: HK$0.005) per share	**—**	4,148

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic and diluted loss per share is based on the loss for the year attributable to ordinary equity holders of the Company of HK$214,467,000 (2008: HK$52,875,000) and 1,083,044,000 (2008: 822,814,000) weighted average number of ordinary shares in issue during the year.

10. ACCOUNTS RECEIVABLE

	2009	2008
	HK$'000	*HK$'000*
Accounts receivable:		
— from securities, futures, forex and bullion dealing services	**66,681**	90,962
— from margin financing and money lending operations	**605**	550
— from trading operations	**56,406**	58,587
— from corporate and other operations	**33**	12
	123,725	150,111
Impairment	**(40,107)**	(2,851)
	83,618	147,260

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$56,406,000 (2008: HK$58,587,000). The Group allows a credit period of up to 120 (2008: 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 provision for impairment, is as follows:

	2009	2008
	HK$'000	*HK$'000*
Repayable:		
Current to 1 month	**62,597**	141,761
1 to 3 months	**4,257**	2,210
3 months to 1 year	**15,464**	3,289
Over 1 year	**1,300**	—
	83,618	147,260

11. 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:

	2009	2008
	HK$'000	*HK$'000*
Current to 1 month	**225,098**	221,581

The accounts payable are unsecured, interest-bearing at bank deposit saving rates (2008: 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$213,045,000 (2008: loss of HK$52,976,000) which was mainly due to the impairment of goodwill arising from the acquisition of Head & Shoulders Securities Limited of approximately HK$55,233,000, impairment on accounts receivable of approximately HK$37,749,000 and fair value loss in investment securities of approximately HK$82,150,000. Turnover for the year under review was approximately HK$31,817,000, compared with HK$157,335,000 in 2008, representing significant decrease of approximately 79.78%.

BUSINESS REVIEW AND OUTLOOK

Facing with the unfavourable market conditions in financial and capital markets from the second half of 2008 and economic recession globally, the year under review was a challenging year for the Group, and the overall performance of the Group's results for the year ended 30 April 2009 was not satisfactory.

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$1,429,000 for the year under review (2008: negative revenue of HK$15,020,000), the improvement in revenue was mainly due to the increase in broking income by 21.63% as compared to last year.

Bullion

The bullion segment comprises broking and dealing of bullion contracts, which recorded a revenue and a loss of about HK$7,013,000 and HK$6,510,000 respectively for the year under review (2008: revenue of HK$37,883,000 and profit of HK$27,531,000).

Forex

The forex segment comprises broking and dealing of forex contracts, which recorded a revenue of about HK$1,937,000 and a loss of about HK$8,072,000 respectively for the year under review (2008: revenue of HK$49,834,000 and profit of HK$37,304,000).

Trading

The trading segment comprises the shipment sales of motor vehicles, spare parts, accessories and related products, which recorded a revenue of HK$18,705,000 and a loss of HK$32,565,000 for the year under review (2008: revenue of HK$79,459,000 and profit of HK$4,703,000).

Corporate and Others

The corporate and others segment comprises loan financing, the provision of management and consultancy services, and other services together with corporate income and expense items. Revenue generated from corporate and others segment was HK$5,591,000 for the year under review as compared with HK$5,229,000 in 2008, representing a slight increase of about 6.96%. The loss for the year amounted to HK$6,880,000 (2008: loss of HK$9,093,000).

CAPITAL STRUCTURE

As at 30 April 2009, the Group had secured bank loans and bank overdrafts of about HK$12,768,000 and HK$8,445,000 bearing interest range from 2.6% to 6.0% per annum and repayable within 6 years and on demand respectively.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's cash and cash equivalents totalling HK$58,314,000 as at 30 April 2009 (30 April 2008: HK$79,843,000). As at 30 April 2009, the current ratio of the Group was approximately 139% and the net current assets were approximately HK$97,369,000. 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 10%.

SIGNIFICANT INVESTMENTS AND ACQUISITIONS

During the year 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 30 April 2009, the Group has the following assets and liabilities denominated in foreign currency:

	Foreign Currency	**30 April 2009** ***'000***
Intangible assets	RMB	412
Interests in associates	RMB	1,200
Accounts receivable	USD	2,470
Prepayments, deposits and other receivables	USD	209
	RMB	30
	CAD	361
Equity investments at fair value through profit or loss	CAD	4,992
Other payables and accrual	RMB	12
Cash and cash equivalents	RMB	139
Due to minority shareholders	RMB	50

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

CHARGES ON GROUP ASSETS

As at 30 April 2009, the total bank loans and obligations under finance leases amounted to HK$12,768,000 and HK$766,000 respectively, which were secured by the properties and pledged time deposits held by the Group and the leased assets acquired under the finance leases.

EMPLOYEE AND REMUNERATION POLICY

As at 30 April 2009, the Group employed a total of about 213 employees, as compared to 235 employees in 2008. 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

The Group had no material contingent liabilities as at 30 April 2009.

COMMITMENTS

The Group had commitments in respect of its net long positions of bullion contracts and forex contracts amounting to HK$16,829,000 and HK$155,177,000 respectively undertaken in the ordinary course of business existing at 30 April 2009.

Save as disclosed above, the Group did not have any other significant commitments as at 30 April 2009.

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

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

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 2009.

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 2009.

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

Hong Kong, 7 August 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