天行國際(控股)有限公司*
Simsen International Corporation Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 993)

FINAL RESULTS FOR THE YEAR ENDED 30 APRIL 2012

ANNUAL RESULTS

The board (the "Board") of directors (the "Directors") 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 2012 together with the comparative figures for the year ended 30 April 2011 as follows:

CONSOLIDATED INCOME STATEMENT
Year ended 30 April 2012

	Notes	2012 HK$'000	2011 HK$'000
CONTINUING OPERATIONS			
REVENUE	3	**137,998**	162,587
Other income and gains or losses, net	3	**1,946**	1,695
Brokerage and commission expenses		**(29,487)**	(26,843)
Fair value loss on convertible notes designated as at fair value through profit or loss		**(13,222)**	—
Administrative and other operating expenses		**(124,243)**	(119,949)
Gain on disposal of an associate		**—**	106
Gain on disposal of items of property, plant and equipment		**4,724**	51,223
(Provision)/write-back of provision for impairment on loans and accounts receivable, net	8	**(18,444)**	354
Loss on disposal of available-for-sale equity investments		**(1,557)**	—
Finance costs	5	**(119)**	(628)
Share of profit of an associate		**—**	2,939
(LOSS)/PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	4	**(42,404)**	71,484
Income tax (expense)/credit	6	**(685)**	392
(LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**(43,089)**	71,876
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations		**—**	5,511
(LOSS)/PROFIT FOR THE YEAR		**(43,089)**	77,387

* *for identification purposes only*

	Notes	**2012** *HK$'000*	2011 *HK$'000*
Attributable to:			
Owners of the Company		**(43,044)**	77,387
Non-controlling interests		**(45)**	—
		(43,089)	77,387
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*7*		(Restated)
Basic and diluted			
For (loss)/profit for the year		**HK$(0.11)**	HK$1.97
For (loss)/profit from continuing operations		**HK$(0.11)**	HK$1.83

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 30 April 2012

	2012	2011
	HK$'000	*HK$'000*
(LOSS)/PROFIT FOR THE YEAR	**(43,089)**	77,387
OTHER COMPREHENSIVE INCOME/(EXPENSE)		
Available-for-sale equity investments:		
Changes in fair value	**73,540**	—
Reclassification adjustment for loss included in the consolidated income statement	**(340)**	—
	73,200	—
Exchange differences on translation of foreign operations	**(13)**	(40)
Reclassification adjustment for reserve reclassified to profit or loss upon disposal of a subsidiary	**—**	(38)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR, NET OF TAX	**73,187**	(78)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**30,098**	77,309
Attributable to:		
Owners of the Company	**30,143**	77,309
Non-controlling interests	**(45)**	—
	30,098	77,309

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 April 2012

	Notes	2012 HK$'000	2011 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**11,602**	17,389
Goodwill		**1,498**	1,498
Other long term assets		**4,103**	6,228
Intangible assets		**2,350**	2,350
Convertible notes designated as at fair value through profit or loss		**247,063**	—
Available-for-sale equity investments		**120,000**	—
Deposit paid for acquisition of a subsidiary		**900**	—
Total non-current assets		**387,516**	27,465
CURRENT ASSETS			
Loans and accounts receivable	*8*	**606,504**	170,126
Prepayments, deposits and other receivables		**9,293**	16,730
Equity investments at fair value through profit or loss		**843**	2,649
Bank trust account balances		**149,429**	245,837
Pledged bank deposits		**10,000**	10,505
Cash and cash equivalents		**215,272**	119,660
Total current assets		**991,341**	565,507
CURRENT LIABILITIES			
Accounts payable	*9*	**220,123**	291,949
Other payables and accruals		**23,633**	9,973
Interest-bearing bank borrowings		**—**	9
Finance leases payable		**141**	198
Tax payable		**685**	—
Due to a non-controlling shareholder of a subsidiary		**5,850**	—
Total current liabilities		**250,432**	302,129
NET CURRENT ASSETS		**740,909**	263,378
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,128,425**	290,843

	2012	2011
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Finance leases payable	**204**	377
Deferred tax liabilities	**80**	80
Provision for long service payments	**1,564**	2,995
Provision for reinstatement	**1,100**	1,413
Total non-current liabilities	**2,948**	4,865
Net assets	**1,125,477**	285,978
EQUITY		
Equity attributable to owners of the Company		
Issued capital	**546**	10,830
Reserves	**1,124,976**	275,148
	1,125,522	285,978
Non-controlling interests	**(45)**	—
Total equity	**1,125,477**	285,978

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. In addition, these financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). They have been prepared under the historical cost convention, except for certain financial instruments and equity investments, 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 2012. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. 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 intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

1.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 Amendment	Amendment to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters*
HKAS 24 (Revised)	*Related Party Disclosures*
HKAS 32 Amendment	Amendment to HKAS 32 *Financial Instruments: Presentation — Classification of Rights Issues*
HK(IFRIC)-Int 14 Amendments	Amendments to HK(IFRIC) — Int 14 *Prepayments of a Minimum Funding Requirement*
HK(IFRIC)-Int 19	*Extinguishing Financial Liabilities with Equity Instruments*
Improvements to HKFRSs 2010	Amendments to a number of HKFRSs issued in May 2010

Other than as further explained below regarding the impact of HKAS 24 (Revised), and amendments to HKFRS 3, HKAS 1 and HKAS 27 included in *Improvements to HKFRSs 2010*, the adoption of the new and revised HKFRSs has had no significant financial effect on these financial statements.

The principal effects of adopting these HKFRSs are as follows:

(a) HKAS 24 (Revised) *Related Party Disclosures*

HKAS 24 (Revised) clarifies and simplifies the definitions of related parties. The new definitions emphasise a symmetrical view of related party relationships and clarify the circumstances in which persons and key management personnel affect related party relationships of an entity. The revised standard also introduces an exemption from the general related party disclosure requirements for transactions with a government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The accounting policy for related parties has been revised to reflect the changes in the definitions of related parties under the revised standard. The adoption of the revised standard did not have any impact on the financial position or performance of the Group.

(b) Improvements to HKFRSs 2010

Improvements to HKFRSs 2010 issued in May 2010 sets out amendments to a number of HKFRSs. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments has had a significant financial impact on the financial position or performance of the Group. Details of the key amendments most applicable to the Group are as follows:

— HKFRS 3 *Business Combinations*: The amendment clarifies that the amendments to HKFRS 7, HKAS 32 and HKAS 39 that eliminate the exemption for contingent consideration do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of HKFRS 3 (as revised in 2008).

In addition, the amendment limits the scope of measurement choices for non-controlling interests. Only the components of non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured at either fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another HKFRS.

The amendment also added explicit guidance to clarify the accounting treatment for non-replaced and voluntarily replaced share-based payment awards.

— HKAS 1 *Presentation of Financial Statements*: The amendment clarifies that an analysis of each component of other comprehensive income can be presented either in the statement of changes in equity or in the notes to the financial statements. The Group elects to present the analysis of each component of other comprehensive income in the statement of changes in equity.

— HKAS 27 *Consolidated and Separate Financial Statements*: The amendment clarifies that the consequential amendments from HKAS 27 (as revised in 2008) made to HKAS 21, HKAS 28 and HKAS 31 shall be applied prospectively for annual periods beginning on or after 1 July 2009 or earlier if HKAS 27 is applied earlier. The consequential amendments do not have any significant financial impact on the Group.

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*[1]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Transfers of Financial Assets*[1]
	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities*[4]
HKFRS 9	*Financial Instruments*[5]
HKFRS 10	*Consolidated Financial Statements*[4]
HKFRS 11	*Joint Arrangements*[4]
HKFRS 12	*Disclosure of Interests in Other Entities*[4]
HKFRS 13	*Fair Value Measurement*[4]
HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements — Presentation of Items of Other Comprehensive Income*[3]
HKAS 12 Amendments	Amendments to HKAS 12 *Income Taxes — Deferred Tax: Recovery of Underlying Assets*[2]
HKAS 19 (2011)	*Employee Benefits*[4]
HKAS 27 (2011)	*Separate Financial Statements*[4]
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*[4]
HK(IFRIC)-Int 20	*Stripping Costs in the Production Phase of a Surface Mine*[4]

1 Effective for annual periods beginning on or after 1 July 2011
2 Effective for annual periods beginning on or after 1 January 2012
3 Effective for annual periods beginning on or after 1 July 2012
4 Effective for annual periods beginning on or after 1 January 2013
5 Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has reportable operating segments as follows:

(a) the securities segment represents the broking and dealing of securities, futures and options contracts, the provision of margin financing, advisory on corporate finance, 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; and

(d) the money lending segment represents provision of loan financing.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax from continuing operations. The adjusted profit/(loss) before tax from continuing operations is measured consistently with the Group's (loss)/profit before tax from continuing operations except that head office and corporate expenses are excluded from such measurement.

Segment assets exclude pledged bank deposits, cash and cash equivalents, available-for-sale equity investments, convertible notes designated as at fair value through profit or loss, equity investments at fair value through profit or loss and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis, but include the short-term bank borrowings for the purpose of providing margin financing to securities clients.

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 from continuing operations for the years ended 30 April 2012 and 2011 and certain assets, liabilities and expenditure information for the Group's business segments as at 30 April 2012 and 2011.

Year ended 30 April 2012

	Securities *HK$'000*	Bullion *HK$'000*	Forex *HK$'000*	Money lending *HK$'000*	Total *HK$'000*
Segment revenue:					
Revenue from external customers	**63,838**	**9,184**	**4,820**	**60,156**	**137,998**
Other income and gains or losses, net	**1,927**	**(12)**	**4**	**—**	**1,919**
Revenue from continuing operations	**65,765**	**9,172**	**4,824**	**60,156**	**139,917**
Segment Results	**(1,479)**	**(28,044)**	**(11,643)**	**42,416**	**1,250**
Unallocated interest income and other income					**27**
Fair value loss on convertible notes designated as at fair value through profit or loss					**(13,222)**
Unallocated expenses					**(33,507)**
Gain/(loss) on disposal of items of property, plant and equipment	**(676)**	**(1)**	**(36)**	**—**	**4,724**
Loss on disposal of available-for-sale equity investments					**(1,557)**
Finance costs					**(119)**
Loss before tax from continuing operations					**(42,404)**
Income tax expense					**(685)**
Loss for the year from continuing operations					**(43,089)**

Year ended 30 April 2011

	Securities *HK$'000*	Bullion *HK$'000*	Forex *HK$'000*	Total *HK$'000*
Segment revenue:				
Revenue from external customers	90,320	12,746	59,521	162,587
Other income and gains or losses, net	1,225	15	159	1,399
Revenue from continuing operations	91,545	12,761	59,680	163,986
Segment Results	(2,546)	(3,190)	47,912	42,176
Unallocated interest income and other income				296
Unallocated expenses				(24,628)
Gain on disposal of an associate				106
Gain/(loss) on disposal of items of property, plant and equipment	(471)	(1)	(25)	51,223
Share of profit of an associate				2,939
Finance costs				(628)
Profit before tax from continuing operations				71,484
Income tax credit				392
Profit for the year from continuing operations				71,876

As at 30 April 2012

	Securities *HK$'000*	**Bullion** *HK$'000*	**Forex** *HK$'000*	**Money lending** *HK$'000*	**Total** *HK$'000*
Segment assets					
Segment assets	333,285	10,756	66,460	485,287	895,788
Convertible notes designated as at fair value through profit or loss					247,063
Available-for-sale equity investments					120,000
Corporate and other unallocated assets					116,006
Total assets					1,378,857
Segment liabilities					
Segment liabilities	185,351	17,051	29,650	9,990	242,042
Corporate and other unallocated liabilities					11,338
Total liabilities					253,380
Other segment information:					
Depreciation	4,265	410	631	—	6,323
Provision for impairment on loans and accounts receivable	71	4,572	—	13,801	18,444
Capital expenditure*	1,438	309	316	—	3,857

* Capital expenditure consists of additions to property, plant and equipment.

As at 30 April 2011

	Securities *HK$'000*	Bullion *HK$'000*	Forex *HK$'000*	Total *HK$'000*
Segment assets				
Segment assets	449,216	9,689	83,647	542,552
Corporate and other unallocated assets				50,420
Total assets				592,972
Segment liabilities				
Segment liabilities	265,739	5,764	31,645	303,148
Corporate and other unallocated liabilities				3,846
Total liabilities				306,994
Other segment information:				
Depreciation	4,297	335	465	6,897
(Write-back of provision)/provision for impairment on loans and accounts receivable, net	(530)	15	1	(354)
Capital expenditure*	4,803	241	455	6,257

* Capital expenditure consists of additions to property, plant and equipment and other long term assets.

(b) Geographical information

The following tables present revenue for the years ended 30 April 2012 and 2011 and certain asset information as at 30 April 2012 and 2011 for the Group's geographical segments.

	Hong Kong *HK$'000*
Year ended 30 April 2012	
Segment revenue:	
Revenue from external customers	137,998
Year ended 30 April 2011	
Segment revenue:	
Revenue from external customers	162,587
As at 30 April 2012	
Non-current assets	387,516
As at 30 April 2011	
Non-current assets	27,465

3. REVENUE AND OTHER INCOME AND GAINS OR LOSSES, NET

Revenue, which is also the Group's turnover, represents commission, brokerage and premium income from securities, bullion, forex, futures and options contracts; profit or loss on trading of securities, bullion, forex and futures contracts; interest income and handling fee income from loan and margin financing activities; and service fee income from consultancy services provided.

An analysis of revenue and other income and gains or losses, net from continuing operations is as follows:

	2012	2011
	HK$'000	*HK$'000*
Revenue		
Fees, commission and premium income, net, from securities, bullion, forex, futures and options contracts broking	**45,824**	80,496
Trading gain on securities, bullion, forex and futures contracts, net	**3,385**	58,939
Interest income from loan and margin financing activities	**66,308**	14,449
Handling fee income	**2,024**	—
Other service income	**20,457**	8,703
	137,998	162,587
Other income and gains or losses, net		
Bank interest income	**34**	53
Other interest income	**—**	155
Dividend income from listed investments	**—**	2
Foreign exchange differences, net	**(54)**	193
Others	**1,966**	1,292
	1,946	1,695

4. (LOSS)/PROFIT BEFORE TAX

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

	2012 *HK$'000*	2011 *HK$'000*
Fair value loss/(gain) on equity investments at fair value through profit or loss, net — held for trading	**440**	(266)
Depreciation	**6,323**	6,897
Minimum lease payments under operating leases on rental of office premises	**20,535**	21,938
Employee benefit expenses (including directors' remuneration)	**56,612**	55,435

5. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

	2012 *HK$'000*	2011 *HK$'000*
Interest on bank loans, overdrafts and other loans:		
— wholly repayable within five years	**7**	493
Interest on finance leases	**112**	135
	119	628

6. INCOME TAX EXPENSE/(CREDIT)

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2012 *HK$'000*	2011 *HK$'000*
Current — Hong Kong		
Charge for the year	**685**	—
Deferred	**—**	(392)
Total tax expense/(credit) for the year	**685**	(392)

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

The calculation of basic and diluted (loss)/earnings per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of approximately HK$43,044,000 (2011: profit of approximately HK$77,387,000) and the weighted average number of ordinary shares of 397,951,000 (2011: 39,288,000 (restated)) in issue during the year, as adjusted to reflect the consolidation of shares and the rights issue during the current year. The basic and diluted earnings per share amount for the prior year has been adjusted to reflect the consolidation of shares and the rights issue during the current year.

No adjustment has been made to the basic loss per share amounts presented for the year ended 30 April 2012 in respect of a dilution as the impact of the warrants outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

No adjustment has been made to the basic earnings per share amounts presented for the year ended 30 April 2011 in respect of a dilution as the Group had no dilutive potential ordinary shares in issue during that year.

The calculations of basic and diluted (loss)/earnings per share are based on:

	2012	2011
	HK$'000	*HK$'000*
(Loss)/earnings:		
(Loss)/profit attributable to ordinary equity holders of the Company, used in the basic and diluted (loss)/earnings per share calculation:		
From continuing operations	**(43,044)**	71,876
From discontinued operations	**—**	5,511
	(43,044)	77,387

	Number of shares	
	2012	2011
<u>Shares:</u>	***'000***	*'000*
		(Restated)
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share (as adjusted for the rights issue which were completed on 17 August 2011 and the share consolidation which became effective on 12 April 2012)	**397,951**	39,288

8. LOANS AND ACCOUNTS RECEIVABLE

	2012	2011
	HK$'000	*HK$'000*
Loans and accounts receivable:		
— from securities, futures, options, forex and bullion dealing services	**139,637**	170,392
— from money lending operations	**483,678**	575
— from trading operations	**160**	160
— from corporate and other operations	**3,044**	570
	626,519	171,697
Provision for impairment:		
— from securities, futures, options, forex and bullion dealing services	**(5,479)**	(836)
— from money lending operations	**(14,376)**	(575)
— from trading operations	**(160)**	(160)
	(20,015)	(1,571)
	606,504	170,126

Included in loans and accounts receivable as at 30 April 2011 were loans with carrying amount of approximately HK$303,000 granted by the Group to independent third parties, for the purpose of financing subscriptions of equity securities. The loans were secured by the shares to be subscribed under initial public offering and interest bearing at 1.6% per annum.

Securities, futures, options, forex and bullion dealing services

The Group allows a credit period of up to the settlement dates of the respective securities, futures, options, 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 so as to minimise credit risk. Loans for margin financing are secured by the pledge of customers' securities as collateral. The amounts of credit facilities granted to them are determined by the discounted value of securities accepted by the Group. 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.

Money lending operations

The Group seeks to maintain strict control over its outstanding loans receivable so as to minimise credit risk. The granting of loans is subject to approval by the directors of the Company and/or its subsidiary, where appropriate, whilst overdue balances are reviewed regularly by senior management. Loans receivable are interest-bearing at rates mutually agreed with the contracting parties, ranging from 12% to 36% per annum.

Trading operations

The Group's trading operations were discontinued in prior year and a full provision for related accounts receivable had been made during the year ended 30 April 2011.

An aged analysis of the Group's loans and accounts receivable at the end of the reporting period, based on the settlement due date and net of provision for impairment, is as follows:

	2012	2011
	HK$'000	*HK$'000*
Current to 1 month	**379,653**	169,389
1 to 3 months	**325**	147
3 months to 1 year	**226,026**	590
Over 1 year	**500**	—
	606,504	170,126

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

	2012	2011
	HK$'000	*HK$'000*
At beginning of year	**1,571**	1,925
Impairment losses recognised	**18,444**	176
Impairment losses reversed	**—**	(530)
At end of year	**20,015**	1,571

Included in the above provision for impairment of loans and accounts receivable is provision for individually impaired loans and accounts receivable of approximately HK$20,015,000 (2011: HK$1,571,000) with carrying amounts before provision of approximately HK$24,567,000 (2011: HK$1,678,000). These individually impaired loans and accounts receivable are not expected to be fully recoverable.

The aged analysis of the loans and accounts receivable that are not considered to be impaired is as follows:

	2012	2011
	HK$'000	*HK$'000*
Neither past due nor impaired	**428,120**	147,422
Less than 1 month past due	**7,000**	21,964
1 to 3 months past due	**58,402**	53
3 months to 1 year past due	**107,930**	580
Over 1 year past due	**500**	—
	601,952	170,019

The directors of the Company are of the opinion that no provision for impairment is necessary in respect of those receivables that were past due but not impaired as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

The carrying amounts of the Group's loans and accounts receivable are denominated in the following currencies:

	2012	2011
	HK$'000	*HK$'000*
Hong Kong Dollar	**593,624**	164,581
United States Dollar	**12,376**	4,511
Renminbi	**—**	583
British Pound Sterling	**132**	—
Euro	**372**	451
	606,504	170,126

9. ACCOUNTS PAYABLE

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

	2012	2011
	HK$'000	*HK$'000*
Current to 1 month	**220,123**	291,949

The accounts payable are unsecured and repayable on the settlement date of the relevant trades or upon demand from customers.

As at 30 April 2012, accounts payable with carrying amount of approximately HK$161,812,000 (2011: HK$212,721,000) are interest-bearing at bank deposit saving rates.

Included in the Group's accounts payable as at 30 April 2012 is an amount of approximately HK$15,000,000 due to a director of the Company, which represents the balance of the director's personal securities trading account maintained with a subsidiary of the Company. The corresponding amount of the account balance is pooled with other client monies and deposited in the segregated bank trust accounts.

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$43,089,000 from continuing operations as opposed to a profit of approximately HK$71,876,000 last year. The setback was mainly due to lack of the hefty gain on disposal of items of property, plant and equipment of approximately HK$51,223,000 recorded in last financial year, the fair value loss on the convertible notes designated as at fair value through profit or loss as well as the disappointing operating results of the Group's existing core financial services businesses on account of the faltering global economy over the past year.

BUSINESS REVIEW

During the year to 30 April 2012, the Group continues its existing principal activities including securities, bullion and forex operations and has actively expanded the business of money lending. In the midst of the Euro sovereign debt crisis as well as the slowdown in recovery of economy of the United States (the "U.S."), the economy of the People's Republic of China has pointed to contraction and Hong Kong is not out of the woods. The principal and core businesses of the Group were adversely affected.

Securities

The securities segment comprises broking and dealing of securities, futures and options contracts, the provision of margin financing, advisory on corporate finance, asset management and insurance consultancy services, and results of investment holding and proprietary trading of securities. On global economy gloom, Hong Kong market turnover receded nearly 12.5% over the year under review. This coupled with the fierce competition in local broking market slashed the Group's revenue from the securities segment from approximately HK$91,545,000 to approximately HK$65,765,000. The segment's result for the year slightly improved with the loss therefrom narrowing to approximately HK$1,479,000 from approximately HK$2,546,000 last year, mainly on the back of higher income from investment banking.

Bullion

The bullion segment comprises broking and dealing of bullion contracts principally for clients. With efforts in boosting the turnover, we saw a remarkable increase in trading volume of bullion contracts for clients in the year. The trading volume of bullion contracts for clients surged over 4 times from the year back. Defying higher turnover, the bullion segment however recorded a loss of approximately HK$28,044,000 for the year under review (2011: loss of approximately HK$3,190,000) primarily on a decline in trading gain from the positions we took from clients' orders and a sharp increase in the amount of commission rebate payable to introducing brokers.

Forex

The forex segment comprises broking and dealing of forex contracts principally for clients, which recorded a loss of approximately HK$11,643,000 (2011: profit of approximately HK$47,912,000) for the year under review. The loss was primarily attributable to a sharp decline in trading gain from the positions we took from clients' orders and lesser trading volume of forex contracts for clients in the year.

Money Lending

With successful fund raising by ways of share placing and rights issue in May and August 2011 respectively, the Group has actively and strongly expanded the money lending operation since then. Capitalising on tightening credit in Mainland China, the money lending segment, which comprises provision of loans and advances to clients, saw a robust growth on strong financing demand. Net loan amounts from money lending business reached approximately HK$469,302,000, bolstering interest revenue to approximately HK$60,156,000 for the year ended 30 April 2012 (2011: nil). Net profit from money lending segment for the year under review was approximately HK$42,416,000 (2011: nil). Total additional provision of approximately HK$13,801,000 was charged for the year for impairment to the value of outstanding money lending debts.

Convertible Notes Designated as at Fair Value Through Profit or Loss

The Group acquired the convertible notes issued by a listed company with an aggregate principal amount of HK$289,205,000 at the total consideration of approximately HK$260,285,000 on 21 March 2012. Remeasurement to the fair value of the convertible notes designated as at fair value through profit or loss as at 30 April 2012 was performed, resulting in the fair value loss of approximately HK$13,222,000 (2011: nil) for the year. The fair value loss on convertible notes designated as at fair value through profit or loss is merely an accounting adjustment made in accordance with the requirements under HKAS39 and has no impact on the Group's cash flows.

PROSPECTS

Despite joint efforts by the governments of the U.S., the European Union and Mainland China to rescue and stabilise ailing economies, it is generally anticipated that global financial woes will remain unresolved in the short term and will continue to impede global and local economic outlook. In view of the uncertainties and the stern business environments, the Group has adopted several measures in order to enhance its competitive edge to fend off intensifying competition in local financial market and to enable it to survive the global storm ahead. These measures include enlarging market penetration in Mainland China to tap more new and wealthy mainland clients and enriching our financial platforms by launching asset management services in the imminent future.

The Group has always been interested in looking for opportunity for the Group to diversify the existing business into a new line of business with tremendous growth potential. As announced on 7 November 2011 and disclosed in the 2011/12 interim report, the Group had conditionally acquired 51% of the issued share capital of AST 3G Limited, which, via its wholly owned subsidiary established in China, is principally engaged in the provision of finance lease in Tianjin Kong Gang Economic District, the PRC. The acquisition was completed on 22 December 2011, representing the start of the Group's finance lease business in China. Subsequent to the completion of this acquisition, the Group intends to further enhance its investment portfolio in the loan financing related business in China. The Board is optimistic about the outlook and expansion in the pawn loan businesses in China. The Group has reached a conditional agreement on 9 July 2012 to acquire 100% interest of a group that is principally engaged in the provision of pawn loan business in China. The Board considers that the acquisition of the pawn loan business group, if successfully completed, would enable the Group to gain an opportunity not only to share the returns generated from the target pawn loan business group but also to tap into the pawn loan industry in China. Further details of the acquisition are set out in the Company's announcement dated 9 July 2012.

Looking ahead, this new initiative would tally with the Group's strategy to strengthen its finance business as a whole, which would become the new drive to achieve the sustained long term growth of the Group and produce good shareholders' values in the long term. Besides, the Board will continue to explore ways to improve the financial performance of the Group, to diversify the Group's operations into new and more profitable businesses and to broaden the source of revenue should opportunity arise. The Board will maintain regular dialogues with financial institutions for various fund raising proposals to raise additional capital to further enhance the capital base of the Company for the future business development of the Group and/or to finance the investment opportunities identified or to be identified by the Group.

CAPITAL STRUCTURE

During the year under review, the capital reorganisation was completed on 12 April 2012 on the basis that i) every fifty issued existing shares of HK$0.01 each in the share capital of the Company were consolidated into one issued consolidated share of HK$0.5 each, ii) the issued share capital of the Company was reduced by cancelling the paid-up capital of the Company to the extent of HK$0.499 on each of the issued consolidated shares, and iii) each authorised but unissued existing shares was subdivided into ten new shares of HK$0.001 each and the change in board lot size. The total number of the issued ordinary shares was consolidated from 27,279,924,000 shares with the par value of HK$0.01 each to 545,598,480 shares with the par value of HK$0.001 each as at 30 April 2012 and total equity attributable to shareholders was approximately HK$1,125,522,000 (2011: approximately HK$285,978,000).

As at 30 April 2012, the Company has 5,196,176,000 units of warrants ("Warrants") at the subscription price of HK$1.5 per share entitling the warrant holders to subscribe for a maximum of 103,923,520 shares of HK$0.001 each. During the year under review, none of the warrants had been exercised.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had total cash and cash equivalents amounting to approximately HK$215,272,000 (2011: approximately HK$119,660,000), which already excludes approximately HK$149,429,000 (2011: approximately HK$245,837,000) of client funds that were kept in separate designated bank accounts, as at 30 April 2012.

The Group's gearing ratio, which is measured on the basis of the Group's total interest bearing debts net of own cash reserves over the Company's shareholders' equity, did not exist as at 30 April 2012 (2011: nil) as the Group had net surplus cash as at the reporting date.

The Group's banking facilities amounting to HK$40,000,000, none of which were utilised and outstanding at the end of the reporting period. Included in these banking facilities, an overdraft facility amounting to HK$10,000,000 (2011: HK$10,000,000) is secured by certain of the Group's bank deposits amounting to approximately HK$10,000,000 (2011: approximately HK$10,003,000). The remaining facility amounting to HK$30,000,000 (2011: nil) represents a margin facility and the availability of this facility is conditional upon the execution of charges over securities by a subsidiary of the Company. The Group's banking facilities are secured by a corporate guarantee executed by the Company.

SIGNIFICANT TRANSACTIONS

During the year under review, the Group had the following significant transactions:

(1) On 20 May 2011, the Company, Modern Series Limited ("Modern") (an indirect wholly-owned subsidiary of the Company) and Power Alliance International Limited (the "Subscriber") entered into the conditional subscription agreement (the "Subscription Agreement") which was subsequently varied and amended by a supplemental agreement dated 24 August 2011 (the "Supplemental Agreement"). Pursuant to the Subscription Agreement and the Supplemental Agreement, Modern shall issue and allot and the Subscriber shall subscribe for 769 new shares of Modern ("Modern Share(s)") at HK$19,990.15 per Modern Share (the "Subscription Price") (the "First Subscription"), and the Company shall grant to the Subscriber the call options in which the Subscriber has the rights to subscribe for additional 970 and 1,247 new Modern Shares respectively at the Subscription Price. Under the Subscription Agreement, the Company will implement reorganisation whereby certain subsidiaries (the "Subsidiaries") shall/has become the direct wholly-owned subsidiaries of Modern while Modern and the Subsidiaries will remain as the indirect subsidiaries of the Company. The transaction contemplated under the Subscription Agreement and the Supplemental Agreement constituted a major transaction and deemed disposal of the Company and details were set out in the circular of the Company dated 23 September 2011. The Subscription Agreement and the Supplemental Agreement has been approved by the shareholders at the special general meeting of the Company held on 11 October 2011. On 30 June 2012, the long stop date of the Subscription Agreement was lapsed.

(2) On 28 June 2011, Simsen Capital Finance Limited (the "Lender") (an indirectly wholly-owned subsidiary of the Company) entered into a loan agreement with Ms. Liu Jia (the "Borrower") and Hong Han Limited (the "Guarantor") in relation to the provision of the loan of HK$50,000,000 (the "Loan Agreement"). On 2 September 2011, the Lender entered into the supplemental loan agreement with the Borrower and the Guarantor to vary and amend certain terms of the Loan Agreement. On 1 December 2011 and 7 December 2011, the parties to the Loan Agreement have agreed to revise the repayment date. Details of the transaction were set out in the announcements of the Company dated 28 June 2011, 2 September 2011, 1 December 2011 and 7 December 2011.

(3) On 23 August 2011, Simsen Capital Finance Limited (an indirectly wholly-owned subsidiary of the Company) as lender entered into a loan agreement with Glory Sunshine Capital Investment Group Limited as borrower in relation to the provision of the loan of HK$100,000,000. On 12 April 2012, the parties to the agreement have entered into a supplemental agreement to extend the repayment date. Details of the loan agreement were set out in the announcements of the Company dated 23 August 2011 and 12 April 2012.

(4) On 6 September 2011, Simsen Capital Finance Limited (an indirectly wholly-owned subsidiary of the Company) as lender entered into a conditional loan agreement with Mr. Hsieh Chih Chen as borrower in relation to the provision of the loan of HK$100,000,000. Details of the loan agreement were set out in the announcement of the Company dated 6 September 2011.

(5) On 8 September 2011, Simsen Capital Finance Limited (an indirectly wholly-owned subsidiary of the Company) as lender entered into a loan agreement with Profit Port Investments Limited as borrower in relation to the provision of the loan of HK$100,000,000. On 12 April 2012, the parties to the agreement have entered into a supplemental agreement to extend the repayment date. Details of the loan agreement were set out in the announcements of the Company dated 8 September 2011 and 12 April 2012.

(6) On 21 September 2011, Simsen Capital Finance Limited (an indirectly wholly-owned subsidiary of the Company) as lender entered into a conditional loan agreement with Global Giant Enterprises Limited as borrower in relation to the provision of the loan of HK$100,000,000. On 12 April 2012, the parties to the agreement have entered into a supplemental agreement to extend the repayment date. Details of the loan agreement were set out in the announcements of the Company dated 21 September 2011 and 12 April 2012.

(7) On 7 November 2011, Wit Sky Limited ("Wit Sky") (an indirectly wholly-owned subsidiary of the Company) as purchaser entered into a conditional agreement with the vendor, Ms. Wu Yu Shan, an independent third party, at a total consideration of HK$1 on the condition that Wit Sky has undertaken to contribute up to US$5,100,000 in cash to the target company in the period of 2 years from the completion of the transaction. Details of the transaction were set out in the announcement of the Company dated 7 November 2011.

(8) On 15 November 2011, Simsen Capital Finance Limited (an indirectly wholly-owned subsidiary of the Company) as lender entered into a conditional loan agreement with Lucky Start Holdings Limited as borrower and the ultimate beneficial owner of the borrower as guarantor in relation to the provision of the loan of HK$40,000,000. Details of the loan agreement were set out in the announcement of the Company dated 15 November 2011.

(9) On 23 November 2011, Simsen Capital Finance Limited (an indirectly wholly-owned subsidiary of the Company) as lender entered into a conditional loan agreement with Skillgreat Limited as borrower and the ultimate beneficial owner of the borrower as guarantor in relation to the provision of the loan of HK$30,000,000. On 30 April 2012, the parties to the agreement have entered into a supplemental agreement to extend the repayment date. Details of the loan agreement were set out in the announcements of the Company dated 23 November 2011 and 30 April 2012.

(10) On 28 November 2011, Simsen Capital Finance Limited (an indirectly wholly-owned subsidiary of the Company) as lender entered into a conditional loan agreement with Ms. Xiao Ping as borrower in relation to the provision of the loan of HK$55,000,000. Details of the loan agreement were set out in the announcement of the Company dated 28 November 2011.

(11) On 12 December 2011, the Company and the vendors entered into the conditional agreements in relation to the sale and purchase of the King Stone Convertible Notes for consideration of HK$289,205,000. On 19 January 2012, the parties to the agreements have entered into a supplemental agreement in relation to the adjustment of consideration to HK$260,285,000 and extension of long stop date. Details of the agreements were set out in the announcements of the Company dated 12 December 2011 and 19 January 2012 and the circular of the Company dated 27 February 2012.

CHARGES ON GROUP ASSETS

As at 30 April 2012, the obligations under finance leases amounted to approximately HK$345,000 (2011: approximately HK$575,000) were secured by the leased assets acquired under the finance leases.

EMPLOYEE AND REMUNERATION POLICY

As at 30 April 2012, the Group employed a total of about 147 employees, as compared to 186 employees in 2011. The Group's staff recruitment and promotion are primarily based on individuals' merits, relevant experiences, development potentials for the positions offered and performance. Staff remuneration and benefit policies, which are formulated by reference to the market, are competitive and performance based.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 April 2012.

EVENTS AFTER THE END OF THE REPORTING PERIOD

On 7 June 2012, the Company entered into a placing agreement in relation to the placing of up to 109,119,696 new shares of the Company ("Placing Shares") at a price of HK$0.156 per Placing Share. A total of 90,000,000 Placing Shares has been successfully placed by the placing agent on 6 July 2012. Details of the placing were set out in the announcements of the Company dated 7 June 2012, 6 July 2012 and 9 July 2012.

On 9 July 2012, Profit Keen Holdings Limited, a wholly-owned subsidiary of the Company, as purchaser entered into a sale and purchase agreement with Ms. Wu Chia Lien as vendor and collectively, Ms. Cui Li Jie and Mr. Xu Yan as guarantors for the vendor for the acquisition of all the issued share capital of Concord Capital Investment Limited ("Acquisition"). As the guarantors are connected persons of the Company as they are associates of Mr. Ji Xiao Bo, an Executive Director, Chief Executive Officer and a substantial shareholder of the Company (and the vendor is a nominee of the guarantors), the Acquisition also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the approval of the independent shareholders at the special general meeting by way of poll.

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

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 30 April 2012.

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.

On 1 April 2012, the Code on Corporate Governance Practices ("Former Code") was amended and renamed as Corporate Governance Code and Corporate Governance Report ("New Code"). The Company has adopted the code provisions ("Code Provisions") as stated in the New Code in substitution for and to the exclusion of the Former Code with effect from 1 April 2012. During the year ended 30 April 2012, the Company was in compliance with the Code Provisions set out in both of the Former Code and the New Code except for the deviation from Code Provisions E.1.2.

Code Provision E.1.2 provides that the chairman of the Board should attend the annual general meeting, Mr. Sun Da Rui ("Mr. Sun"), the former Chairman of the Board, did not attend the 2011 annual general meeting of the Company by the reason of his business trip. On 30 December 2011, Mr. Sun has resigned as Chairman and Executive Director of the Company.

Save as the aforesaid and in the opinion of the Directors, the Company has met the Code Provisions set out in both of the Former Code and the New Code for the year ended 30 April 2012.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors' securities transaction. Having made specific enquiry with all Directors, the Board has confirmed compliance with the required standard set out in the Model Code throughout the year ended 30 April 2012.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") 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 currently comprises three independent non-executive Directors, Messrs. Zhu Chengwu (as chairman), Li Haifeng and Choi Man Chau, Michael. The Audit Committee has reviewed the audited financial statements of the Group for the year ended 30 April 2012.

PUBLICATION OF THE AUDITED ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement is published on the designated issuer website of the Stock Exchange (http://www.hkexnews.hk) and the Company's website (http://www.simsen.com). The annual report will be dispatched to the shareholders of the Company and will also be published on the respective websites of the Stock Exchange and the Company in August 2012.

By Order of the Board
Simsen International Corporation Limited
Ji Xiao Bo
Executive Director and Chief Executive Officer

Hong Kong, 27 July 2012

As at the date of this announcement, the executive Directors are: Mr. Ji Xiao Bo (Chief Executive Officer) and Mr. Fu Jiwen and independent non-executive Directors are Mr. Zhu Chengwu, Mr. Li Haifeng and Mr. Choi Man Chau, Michael.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.