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 2013

ANNUAL RESULTS

The board (the "Board") of directors (the "Directors") of Simsen International Corporation Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (together, the "Group") for the year ended 30 April 2013, together with the comparative figures for the year ended 30 April 2012 as follows:

CONSOLIDATED INCOME STATEMENT
Year ended 30 April 2013

	Notes	2013 HK$'000	2012 HK$'000
REVENUE	3	**95,558**	137,998
Other income and gains or losses, net	3	**816**	1,946
Brokerage and commission expenses		**(15,957)**	(29,487)
Administrative and other operating expenses		**(114,628)**	(124,243)
Fair value loss on convertible notes designated as at fair value through profit or loss		**(3,833)**	(13,222)
(Loss)/gain on disposal of items of property, plant and equipment		**(1,770)**	4,724
Loss on disposal of available-for-sale equity investments		**–**	(1,557)
Provision for impairment of loans and accounts receivable, net		**(15,298)**	(18,444)
Finance costs	5	**(71)**	(119)
LOSS BEFORE TAX	4	**(55,183)**	(42,404)
Income tax expense	6	**(1,674)**	(685)
LOSS FOR THE YEAR		**(56,857)**	(43,089)

* *For identification purposes only*

	Notes	**2013**	2012
		HK$'000	*HK$'000*
Attributable to:			
Owners of the Company		**(56,901)**	(43,044)
Non-controlling interests		**44**	(45)
		(56,857)	(43,089)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*7*		(Restated)
Basic and diluted		**HK(7.82) cents**	HK(9.54) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 30 April 2013

	2013 *HK$'000*	2012 *HK$'000*
LOSS FOR THE YEAR	**(56,857)**	(43,089)
OTHER COMPREHENSIVE (EXPENSE)/INCOME		
Available-for-sale equity investments:		
Changes in fair value	**(62,889)**	73,540
Reclassification adjustment for loss included in the consolidated income statement	**–**	(340)
	(62,889)	73,200
Exchange differences on translation of foreign operations	**4,238**	(13)
OTHER COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR, NET OF TAX	**(58,651)**	73,187
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR	**(115,508)**	30,098
Attributable to:		
Owners of the Company	**(115,546)**	30,143
Non-controlling interests	**38**	(45)
	(115,508)	30,098

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 April 2013

	Notes	2013 HK$'000	2012 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**5,692**	11,602
Goodwill		**21,442**	1,498
Other long term assets		**4,275**	4,103
Intangible assets		**2,350**	2,350
Convertible notes designated as at fair value through profit or loss		**93,230**	247,063
Available-for-sale equity investments		**78,555**	120,000
Loans and accounts receivable	*8*	**576**	–
Deposit paid for acquisition of a subsidiary		**–**	900
Total non-current assets		**206,120**	387,516
CURRENT ASSETS			
Loans and accounts receivable	*8*	**348,854**	606,504
Prepayments, deposits and other receivables		**110,408**	9,293
Equity investments at fair value through profit or loss		**1,599**	843
Bank trust account balances		**172,049**	149,429
Pledged bank deposits		**5,000**	10,000
Cash and cash equivalents		**570,119**	215,272
Total current assets		**1,208,029**	991,341
CURRENT LIABILITIES			
Accounts payable	*9*	**185,100**	220,123
Other payables and accruals		**25,516**	23,633
Finance leases payable		**121**	141
Tax payable		**694**	685
Due to a non-controlling shareholder of a subsidiary		**–**	5,850
Total current liabilities		**211,431**	250,432
NET CURRENT ASSETS		**996,598**	740,909
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,202,718**	1,128,425

	2013	2012
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Finance leases payable	**83**	204
Deferred tax liabilities	**80**	80
Provision for long service payments	**577**	1,564
Provision for reinstatement	**2,265**	1,100
Total non-current liabilities	**3,005**	2,948
Net assets	**1,199,713**	1,125,477
EQUITY		
Equity attributable to owners of the Company		
Issued capital	**2,543**	546
Reserves	**1,197,170**	1,124,976
	1,199,713	1,125,522
Non-controlling interests	**–**	(45)
Total equity	**1,199,713**	1,125,477

1.1 BASIS OF PREPARATION

The consolidated 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 and accounting principles generally accepted in Hong Kong, and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Hong Kong Companies Ordinance. 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 consolidated financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

1.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's consolidated 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*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Transfers of Financial Assets*
HKAS 12 Amendments	Amendments to HKAS 12 *Income Taxes — Deferred Tax: Recovery of Underlying Assets*

The adoption of the revised HKFRSs has had no significant financial effect on these consolidated financial statements.

1.3 HONG KONG FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards Government Loans*[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities*[2]
HKFRS 9	*Financial Instruments*[4]
HKFRS 10	*Consolidated Financial Statements*[2]
HKFRS 11	*Joint Arrangements*[2]
HKFRS 12	*Disclosure of Interests in Other Entities*[2]
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 — Transition Guidance[2]
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) — Investment Entities[3]
HKFRS 13	*Fair Value Measurement*[2]
HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements — Presentation of Items of Other Comprehensive Income*[1]
HKAS 19 (2011)	*Employee Benefits*[2]
HKAS 27 (2011)	*Separate Financial Statements*[2]
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*[2]
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities*[3]
HK(IFRIC)-Int 20	*Stripping Costs in the Production Phase of a Surface Mine*[2]
Annual Improvements 2009–2011 Cycle	Amendments to a number of HKFRSs issued in June 2012[2]

1 Effective for annual periods beginning on or after 1 July 2012
2 Effective for annual periods beginning on or after 1 January 2013
3 Effective for annual periods beginning on or after 1 January 2014
4 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 but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on its results of operations and financial position.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has six 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;

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

(e) the pawn loan segment represents provision of pawn loan services; and

(f) the corporate and other segment includes corporate revenue and expenses and results of unallocated operations.

The 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. The adjusted profit/(loss) before tax is measured consistently with the Group's loss before tax except that fair value loss on convertible notes designated as at fair value through profit or loss, loss on disposal of available-for-sale equity investments and finance costs are excluded from such measurement.

Segment assets exclude available-for-sale equity investments and convertible notes designated as at fair value through profit or loss as these assets are managed on a group basis.

Segment liabilities exclude tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

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 the revenue and results for the years ended 30 April 2013 and 2012 and certain assets, liabilities and expenditure information for the Group's business segments as at 30 April 2013 and 2012. The comparative figures have been re-presented to conform with the current year's presentation.

Year ended 30 April 2013

	Securities	**Bullion**	**Forex**	**Money lending**	**Pawn loan**	**Corporate and other**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Segment revenue:							
Revenue from external customers	**38,512**	**1,503**	**2,206**	**42,740**	**10,461**	**136**	**95,558**
Other income and gains or losses, net	**877**	**77**	**(48)**	**104**	**751**	**(945)**	**816**
Revenue	**39,389**	**1,580**	**2,158**	**42,844**	**11,212**	**(809)**	**96,374**
Segment results	**(12,789)**	**(18,086)**	**(9,415)**	**27,985**	**5,841**	**(44,815)**	**(51,279)**
Fair value loss on convertible notes designated as at fair value through profit or loss							**(3,833)**
Finance costs							**(71)**
Loss before tax							**(55,183)**
Income tax expense							**(1,674)**
Loss for the year							**(56,857)**

Year ended 30 April 2012

	Securities	Bullion	Forex	Money lending	Corporate and other	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'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	–	27	1,946
Revenue	65,765	9,172	4,824	60,156	27	139,944
Segment results	(2,155)	(28,045)	(11,679)	42,416	(28,043)	(27,506)
Fair value loss on convertible notes designated as at fair value through profit or loss						(13,222)
Loss on disposal of available-for-sale equity investments						(1,557)
Finance costs						(119)
Loss before tax						(42,404)
Income tax expense						(685)
Loss for the year						(43,089)

As at 30 April 2013

	Securities *HK$'000*	**Bullion** *HK$'000*	**Forex** *HK$'000*	**Money lending** *HK$'000*	**Pawn loan** *HK$'000*	**Corporate and other** *HK$'000*	**Total** *HK$'000*
Segment assets	**295,465**	**19,526**	**47,759**	**215,667**	**96,789**	**567,158**	**1,242,364**
Convertible notes designated as at fair value through profit or loss							**93,230**
Available-for-sale equity investments							**78,555**
Total assets							**1,414,149**
Segment liabilities	**161,031**	**6,704**	**22,921**	**16,558**	**762**	**5,686**	**213,662**
Tax payable							**694**
Deferred tax liabilities							**80**
Total liabilities							**214,436**
Other segment information:							
Depreciation	**4,022**	**203**	**486**	**–**	**43**	**1,146**	**5,900**
Provision/(reversal) for impairment of loans and accounts receivable, net	**2,310**	**(12)**	**–**	**13,000**	**–**	**–**	**15,298**
Loss on disposal of items of property, plant and equipment	**1,166**	**286**	**318**	**–**	**–**	**–**	**1,770**
Capital expenditure*	**362**	**1**	**3**	**–**	**442**	**1,082**	**1,890**

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

As at 30 April 2012

	Securities *HK$'000*	Bullion *HK$'000*	Forex *HK$'000*	Money lending *HK$'000*	Corporate and other *HK$'000*	Total *HK$'000*
Segment assets	333,285	10,756	66,460	485,287	116,006	1,011,794
Convertible notes designated as at fair value through profit or loss						247,063
Available-for-sale equity investments						120,000
Total assets						1,378,857
Segment liabilities	185,351	17,051	29,650	9,990	10,573	252,615
Tax payable						685
Deferred tax liabilities						80
Total liabilities						253,380
Other segment information:						
Depreciation	4,265	410	631	–	1,017	6,323
Provision for impairment of loans and accounts receivable, net	71	4,572	–	13,801	–	18,444
(Gain)/loss on disposal of items of property, plant and equipment	676	1	36	–	(5,437)	(4,724)
Capital expenditure*	1,438	309	316	–	1,794	3,857

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

(b) Geographical information

	2013	2012
	HK$'000	*HK$'000*
(i) Revenue from external customers:		
Hong Kong	**84,962**	137,998
Mainland China	**10,596**	–
	95,558	137,998

The revenue information above is based on the locations of the customers.

	2013	2012
	HK$'000	*HK$'000*
(ii) Non-current assets:		
Hong Kong	**9,976**	16,350
Mainland China	**19,508**	–
	29,484	16,350

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

(c) Information about major customers

During the year ended 30 April 2013, the Group had transactions with two customers (2012: nil) who each of which contributed over 10% of the Group's revenue. The total revenue earned from these customers amounted to approximately HK$30,920,000 (2012: nil).

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

Revenue, which is also the Group's turnover, represents (i) fees, commission and premium income from securities, bullion, forex, futures and options contracts broking; (ii) gain or loss on trading of securities, bullion, forex and futures contracts; (iii) interest income and handling fee income from loan and margin financing activities; and (iv) service fee income from asset management, advisory and consultancy services provided.

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

	2013	2012
	HK$'000	*HK$'000*
Revenue		
Fees, commission and premium income, net, from securities, bullion, forex, futures and options contracts broking	**29,010**	45,824
Trading (loss)/gain on securities, bullion, forex and futures contracts, net	**(5,030)**	3,385
Interest income from loan and margin financing activities	**61,140**	66,308
Handling fee income	**426**	2,024
Other service income	**10,012**	20,457
	95,558	137,998
Other income and gains or losses, net		
Bank interest income	**178**	34
Foreign exchange differences, net	**(1,091)**	(54)
Others	**1,729**	1,966
	816	1,946

4. LOSS BEFORE TAX

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

	2013	2012
	HK$'000	*HK$'000*
Depreciation	**5,900**	6,323
Minimum lease payments under operating leases on rental of office premises	**19,488**	20,535
Write-off of accounts and loans receivable	**30**	–
Auditor's remuneration	**1,290**	1,100
Directors' remuneration	**3,621**	2,445
Employee benefit expenses (excluding directors' remuneration):		
Salaries and other benefits	**53,159**	52,971
Pension scheme contributions (defined contribution scheme)	**1,977**	2,017
Write-back of provision for long service payments, net	**(875)**	(1,431)
Provision for annual leaves	**213**	610
	54,474	54,167

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2013	2012
	HK$'000	*HK$'000*
Interest on bank loans and overdrafts	**–**	7
Interest on finance leases	**71**	112
	71	119

6. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 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.

	2013	2012
	HK$'000	*HK$'000*
Current charge for the year		
— Hong Kong	**9**	685
— Elsewhere	**1,665**	–
Total tax expense for the year	**1,674**	685

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

The calculation of basic and diluted loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of approximately HK$56,901,000 (2012: loss of approximately HK$43,044,000) and the weighted average number of ordinary shares of 727,821,000 (2012: 451,415,000 (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 years ended 30 April 2013 and 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.

The calculation of basic and diluted loss per share is based on:

	2013	2012
	HK$'000	*HK$'000*
Loss:		
Loss attributable to ordinary equity holders of the Company, used in the basic and diluted loss per share calculation	**(56,901)**	(43,044)

	Number of shares	
	2013	2012
Shares:	***'000***	*'000*
		(Restated)
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation as adjusted for the rights issue which were completed on 26 April 2013 (2012: as adjusted for the rights issue which were completed on 17 August 2011 and 26 April 2013 respectively and the share consolidation which became effective on 12 April 2012)	**727,821**	451,415

8. LOANS AND ACCOUNTS RECEIVABLE

	2013	2012
	HK$'000	*HK$'000*
Loans and accounts receivable:		
— from securities, futures, options, bullion and forex dealing services	**107,220**	139,637
— from money lending operations	**235,730**	483,678
— from pawn loan services	**37,325**	–
— from trading operations	**160**	160
— from corporate and other operations	**4,308**	3,044
	384,743	626,519
Provision for impairment:		
— from securities, futures, options, bullion and forex dealing services	**(7,555)**	(5,479)
— from money lending operations	**(27,376)**	(14,376)
— from trading operations	**(160)**	(160)
— from corporate and other operations	**(222)**	–
	(35,313)	(20,015)
	349,430	606,504
Analysed as:		
Current loans and accounts receivable	**348,854**	606,504
Non-current loans and accounts receivable	**576**	–
	349,430	606,504

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. Certain loans receivable are secured by listed securities provided by the customers. Loans receivable are interest-bearing at rates mutually agreed with the contracting parties, ranging from 12% to 36% per annum.

Pawn loan services

The pawn loans to customers arising from pawn loan business had average loan period of 30 days. The loans provided to customers bore fixed interest rate at 0.46% per month during the year and were repayable according to the loan agreements. Included in the balances are loans of approximately HK$23,029,000 as at 30 April 2013 secured by real estate in the People's Republic of China (the "PRC") and approximately HK$14,280,000 as at 30 April 2013 secured by personal properties held by individuals.

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:

	2013	2012
	HK$'000	*HK$'000*
Current to 1 month	**199,094**	379,653
1 to 3 months	**6,753**	325
3 months to 1 year	**129,596**	226,026
Over 1 year	**13,987**	500
	349,430	606,504

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

	2013	2012
	HK$'000	*HK$'000*
At beginning of year	**20,015**	1,571
Impairment losses recognised	**23,314**	18,444
Impairment losses reversed	**(8,016)**	–
At end of year	**35,313**	20,015

Included in the above provision for impairment of loans and accounts receivable is provision for individually impaired loans and accounts receivable of approximately HK$35,313,000 (2012: HK$20,015,000) with carrying amounts before provision of approximately HK$53,670,000 (2012: HK$24,567,000). These individually impaired loans and accounts receivable relate to customers that do not have sufficient amount of collateral at the end of the reporting period and are not expected to be fully recoverable.

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

	2013	2012
	HK$'000	*HK$'000*
Neither past due nor impaired	**141,711**	428,120
Less than 1 month past due	**52,749**	7,000
1 to 3 months past due	**6,753**	58,402
3 months to 1 year past due	**129,398**	107,930
Over 1 year past due	**462**	500
	331,073	601,952

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 or listed securities of clients are held as collateral against certain receivables and thus the balances are still considered fully recoverable.

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:

	2013	2012
	HK$'000	*HK$'000*
Current to 1 month	**185,100**	220,123

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

As at 30 April 2013, accounts payable with carrying amount of approximately HK$111,498,000 (2012: HK$161,812,000) are interest-bearing at bank deposit saving rates.

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

FINAL DIVIDEND

The Directors do not recommend the payment of 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$56,857,000 as compared to a loss of approximately HK$43,089,000 last year. Despite that the global economy is having positive sign of recovery, the confidence of investors in the international market was still very fragile and volatile. As the investors tended to more prudent, our turnover and revenue have received significant downward pressure.

BUSINESS REVIEW

During the year under review, the Group continues its existing principal activities including securities, bullion and forex operations and money lending activities. The Group has been increasing our investment in Mainland China and recently our pawn loan business based in Beijing and Shanghai has been commenced with positive contribution. Having said that, the financial activities have been dragged down by the market turbulence and weak confidence of investors leading to lower than expected business turnover. Coupled with the fact that the initial public offerings business in Hong Kong has been inactive and significant downfall of bullion price, the market has become quite risky and thus affected most of our core business. In light of the difficulty market situation, the Group has slowed down some other investment, money lending business and performed some synergies to reduce the operating cost.

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 results of investment holding and proprietary trading of securities. With fierce competition from brokerage industry, disappointing initial public offerings activities in the Hong Kong market, increasing competition from the banking sector, coupled with weak investor confidence, the revenue from securities segment was severely impacted and reduced from approximately HK$63,838,000 to approximately HK$38,512,000.

Bullion

The bullion segment comprises broking and dealing of bullion contracts principally for clients. With the extremely volatile commodities market, the investors in bullion turned to be more prudent and as a result, the trading volume of bullion contracts for clients was thereby significantly reduced in the year. The bullion segment recorded a loss of approximately HK$18,086,000 for the year under review (2012: loss of approximately HK$28,045,000) where the slightly better result is primarily due to the fact that the Group has taken on less risky positions and reduction of commission rebate to introducing brokers.

Forex

The forex segment comprises broking and dealing of forex contracts principally for clients, which recorded a loss of approximately HK$9,415,000 (2012: loss of approximately HK$11,679,000) for the year under review. The reduced loss is primarily due to the fact that the Group has taken on less risky positions and lower forex trading volume due to the volatile market condition.

Money Lending

The money lending segment comprises provision of loans and advances to clients. It has received strong demand since its inception and the interest revenue amounted HK$42,740,000 for the year ended 30 April 2013 (2012: interest revenue approximately HK$60,156,000). The Group was more prudent in respect of new money lending due to the risk in the marketplace has been increasing slightly and the credit tightening in Mainland China remained.

Pawn Loan

In respect of continuous tightening credit in Mainland China, the pawn shops, based in the PRC, have been commenced to capture the business opportunities. The demand is huge but the Group is progressively developing the business segment by balancing the risk and credit quality. The revenue was approximately HK$10,461,000 for the year ended 30 April 2013 (2012: nil).

PROSPECTS

Despite the weak investor confidence in the global economy, the outlook for the global recovery has becoming more affirmative. Nevertheless the financial market will remains volatile in the short to medium term, in particular that Hong Kong is still confronting the PRC economic reform and intention of the United States to reduce debt purchasing. Also, the threat of interest rate increment will have strong influence over the various investment instruments, thereby adding uncertainty to the financial market. In anticipation of the difficulty ahead, the Group will endeavor to increase our investment in Mainland China to diversify the risk, and to expand our securities business to professional investors segment and work with other service providers to fully utilise our platform. Also, we shall continue to streamline the operations to reduce the cost in order to strive for better business performance.

CAPITAL STRUCTURE

During the year under review, there are subsequent issue of 90,000,000 shares under placing on 6 July 2012, the issue of 1,200 shares, 8,800 shares and 64,400 shares upon exercise of subscription rights attached to the warrants on 12 June 2012, 16 August 2012 and 27 August 2012 respectively and 1,907,018,640 ordinary shares of the Company have been issued on 26 April 2013 by way of rights issue at the subscription price of HK$0.095 per rights share on the basis of three rights shares for every one share held on the record date. As at 30 April 2013, the total number of the issued ordinary shares of the Company was 2,542,691,520 shares with the par value of HK$0.001 each and total equity attributable to shareholders was approximately HK$1,199,713,000 (2012: approximately HK$1,125,522,000).

During the year under review, the Company has 5,196,176,000 units of bonus warrants ("Warrants") (warrant code: 1257) 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 and the subscription rights attaching to all the Warrants of the Company has expired on 21 August 2012.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had total cash and cash equivalents amounting to approximately HK$570,119,000 (2012: approximately HK$215,272,000), which already excludes approximately HK$172,049,000 (2012: approximately HK$149,429,000) of client funds that were kept in separate designated bank accounts, as at 30 April 2013.

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 2013 (2012: 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 (2012: HK$10,000,000) is secured by certain of the Group's bank deposits amounting to approximately HK$5,000,000 (2012: approximately HK$10,000,000). The remaining facility amounting to HK$30,000,000 (2012: HK$30,000,000) 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 15 May 2012, Beijing Rong Cheng United Financial Consulting Company Limited ("Beijing Rong Cheng"), all registered shareholders of Beijing Wanrong Pawning Company Limited ("Beijing PawnCo") and Beijing PawnCo entered into a management and operation contract (as amended by the first amendment contract entered into among the same parties on 5 September 2012). The same parties entered into an equity pledge agreement on 10 September 2012.

(2) On 15 May 2012, Beijing Rong Cheng, all registered shareholders of Shanghai Xingrong Pawning Company Limited ("Shanghai PawnCo") and Shanghai PawnCo entered into a management and operation contract (as amended by a first amendment contract entered into among the same parties on 5 September 2012) and an equity pledge agreement (as amended by a first amendment contract entered into among the same parties on 5 September 2012).

(3) 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.

(4) On 9 July 2012, Profit Keen Holdings Limited as the purchaser (a wholly-owned subsidiary of the Company), Ms. Wu Chia Lien as the vendor and Ms. Cui Li Jie and Mr. Xu Yan as the vendor guarantors entered into a sale and purchase agreement, on the terms and subject to the conditions of which the purchaser has agreed to acquire from the vendor 100 shares with a par value of US$1.00 each issued by Concord Capital Investment Limited (the "Concord Capital"), being all of the issued shares of Concord Capital. The transaction was completed on 25 September 2012. Details of the transaction were set out in the announcements of the Company dated 9 July 2012, 11 July 2012, 5 September 2012 and 25 September 2012 and the circular of the Company dated 7 September 2012.

(5) On 23 August 2012 the Company entered into the underwriting agreement with Super Century Investments Limited and Kingston Securities Limited in respect of the proposed rights issue in the proportion of two rights shares for every one consolidated share held on the record date at the subscription price of HK$0.48 per rights share with the bonus issue of four bonus shares for every one rights share. The agreement was terminated on 4 October 2012.

(6) On 10 October 2012, Beijing Wanrong Pawning Company Limited ("Beijing Wanrong"), whose results are to be combined into the accounts of the Group as a wholly-owned subsidiary, entered into the two loan agreements with Li Shangling. Pursuant to the loan agreements, Beijing Wanrong has agreed to grant secured loans in the amount of RMB4,000,000 (equivalent to approximately HK$4,880,000) under each of such agreements to Li Shangling. Details of which were set out in the announcement of the Company dated 11 October 2012.

(7) On 12 October 2012, Wit Sky Limited as the purchaser (a wholly-owned subsidiary of the Company) entered into a sale and purchase agreement with Ms. Wu Yu Shan as the vendor pursuant to which the purchaser agreed to purchase and the vendor agreed to sell 4,900 ordinary shares of nominal value of HK$1 each in the issued share capital of AST 3G LIMITED ("AST 3G") and the shareholders loan of approximately HK$5.85 million owing by AST 3G to the vendor at the consideration of HK$6,552,000 subject to the terms and conditions of the agreement. Details of which were set out in the announcement of the Company dated 12 October 2012.

(8) On 19 October 2012, Simsen Capital Finance Limited as the lender (an indirectly wholly-owned subsidiary of the Company) entered into the supplemental loan agreement with Lucky Start Holdings Limited as the borrower and the guarantor, pursuant to which the parties thereto have conditionally agreed to extend the repayment date of the loan to 17 January 2013. Details of which were set out in the announcement of the Company dated 22 October 2012.

(9) On 29 October 2012, Beijing Wanrong, whose results are to be combined into the accounts of the Group as a wholly-owned subsidiary, entered into the loan agreement with Beijing-day Long Automobile Sales & Service Co., Ltd. ("Beijing-day Long"). Pursuant to the loan agreement, Beijing Wanrong has agreed to grant a secured loan in the amount of RMB10,000,000 (equivalent to approximately HK$12,300,000) to Beijing-day Long. Details of which were set out in the announcement of the Company dated 30 October 2012.

(10) On 7 December 2012, Sunwin Investment Holding Limited as the purchaser (an indirect wholly-owned subsidiary of the Company) and Ms. Cui Gui Na and Mr. Yang Cheng Quan as the vendors entered into the sale and purchase agreement, on the terms and subject to the conditions of which the purchaser has agreed to acquire from the vendors the entire share capital of Beijing Yuedetong Financial Consulting Company Limited at the consideration of HK$20,956,000. Details of which were set out in the announcements of the Company dated 7 December 2012 and 10 April 2013.

(11) On 13 December 2012, Beijing Wanrong, whose results are to be combined into the accounts of the Group as a wholly-owned subsidiary, has entered into a loan agreement with Mr. Zhang Junjie ("Mr. Zhang")("Third Loan Agreement"). Pursuant to the Third Loan Agreement, Beijing Wanrong has agreed to grant a secured loan in the amount of RMB1,400,000 (equivalent to approximately HK$1,736,000) to Mr. Zhang. Details of which were set out in the announcement of the Company dated 31 December 2012.

(12) On 24 December 2012, Profit Keen Holdings Limited as the purchaser (an indirect wholly-owned subsidiary of the Company) and Ms. Zhou Jing Wen, Ms. Zhou Bao Ying, Mr. Ma Chun Chan, Mr. Li Hai and Ms. Chen Hui Jie as vendors entered into the sale and purchase agreement ("Sale and Purchase Agreement"), pursuant to which Profit Keen Holdings Limited agreed to purchase the entire issued share capital of Beijing Dong Fang Hui Investment Consulting Co., Ltd* (北京東方滙投資諮詢有限公司) ("Beijing Dong Fang Hui") at the aggregate consideration of HK$314,362,500. Since each of Ms. Zhou Jing Wen and Ms. Zhou Bao Ying is a connected person of the Company and one of more of the applicable percentage ratios (as defined in Listing Rules) exceeds 100%, the acquisition constituted a connected transaction under Chapter 14A and a very substantial acquisition under Chapter 14 of the Listing Rules. On 4 March 2013, the Purchaser and the Vendors entered into a supplemental agreement to amend certain terms of the Sale and Purchase Agreement. Details of which were set out in the announcements of the Company dated 24 December 2012, 4 March 2013 and 20 June 2013 and the circular of the Company dated 12 March 2013. Completion of this transaction has been taken place on 20 June 2013.

(13) On 27 February 2013, Beijing Wanrong, whose results are to be combined into the accounts of the Group as a wholly-owned subsidiary, has entered into a loan agreement with Mr. Tian Wen Chao ("Mr. Tian")("Second Loan Agreement"). Pursuant to the Second Loan Agreement, Beijing Wanrong has agreed to grant a secured loan in the amount of RMB1,900,000 (equivalent to approximately HK$2,365,500) to Mr. Tian. Details of which were set out in the announcement of the Company dated 28 February 2013.

(14) On 16 April 2013 King Stone Energy Group Limited (stock code: 663) ("King Stone") served on the Company a notice of redemption of the King Stone convertible notes held by the Group with a principal amount of HK$100,000,000. After the redemption, the outstanding principal amount of the King Stone convertible notes held by the Group is HK$139,205,000. Details of which are set out in the announcement of the Company dated 16 April 2013.

(15) On 27 April 2013, the Company as lender entered into a loan agreement with the borrower, pursuant to which the lender has agreed to provide the revolving loan facility of up to US$10 million to the borrower pursuant to the terms of the loan agreement. Details of which were set out in the announcement of the Company dated 27 April 2013.

(16) On 30 April 2013, the Company acquired for 51,000,000 Hao Tian Resources Group Limited (stock code: 474) ("HT") shares at the consideration of approximately HK$21.42 million (excluding transaction costs) (equivalent to approximately HK$0.42 per HT share). Details of which were set out in the announcements of the Company dated 30 April 2013.

CHARGES ON GROUP ASSETS

As at 30 April 2013, the obligations under finance leases amounted to approximately HK$204,000 (2012: approximately HK$345,000) were secured by the leased assets acquired under the finance leases.

EMPLOYEE AND REMUNERATION POLICY

As at 30 April 2013, the Group employed a total of about 87 employees, as compared to 147 employees in 2012. 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 2013.

EVENTS AFTER THE END OF THE REPORTING PERIOD

(1) On 1 May 2013, Simsen Capital Finance Limited as the lender (an indirect wholly-owned subsidiary of the Company) entered into the loan agreement with the borrower, pursuant to which the lender has agreed to provide the Loan of HK$82 million to the borrower subject to the terms and conditions of the loan agreement. Details of which were set out in the announcement of the Company dated 1 May 2013.

(2) On 1 May 2013, Key Gains Investments Limited ("Key Gains") as the subscriber (a wholly-owned subsidiary of the Company), entered into the subscription agreement with Million Wealth Capital Investment Limited ("Million Wealth") as the issuer and Pure Profit Holdings Limited as the guarantor of Million Wealth, pursuant to which Key Gains has conditionally agreed to subscribe for and Million Wealth has conditionally agreed to issue the Million Wealth senior notes in the principal amounts of HK$80 million at the subscription price of HK$80 million. Details of which were set out in the announcement of the Company dated 1 May 2013.

(3) On 3 May 2013, the Company acquired for an additional 100,000,000 HT shares at the total consideration of approximately HK$43 million (excluding transaction costs) (equivalent to approximately HK$0.43 per HT share). Details of which were set out in the announcements of the Company dated 3 May 2013.

(4) 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 ("Profit Port") as borrower and the ultimate beneficial owner of Profit Port as guarantor in relation to the provision of a loan of HK$100,000,000 ("Profit Port Loan Agreement"). On 12 April 2012, the parties to the Profit Port Loan Agreement agreed to extend the repayment date of the Profit Port Loan to 10 August 2012, which is subject to agreement between the parties thereto for a further extension of 120 days. On 9 May 2013, the parties to the Profit Port Loan Agreement conditionally agreed to extend the repayment date of the Profit Port Loan to 9 May 2014, subject to Profit Port having repaid all the accrued interests of approximately HK$10.95 million on the Profit Port Loan up to 9 May 2013. Details of which were set out in the announcements of the Company dated 8 September 2011, 12 April 2012 and 9 May 2013.

(5) On 13 June 2013, King Stone served on the Company a notice of redemption of the King Stone convertible notes held by the Group with a principal amount of HK$100,000,000. After the redemption, the outstanding principal amount of the King Stone convertible notes held by the Group is HK$39,205,000. Details of which are set out in the announcement of the Company dated 13 June 2013.

(6) On 21 June 2013, Beijing Dong Fang Hui, an indirectly wholly-owned subsidiary of the Company, entered into a loan agreement with Mr. Gong Hongwei ("Mr. Gong"). Pursuant to the loan agreement, Beijing Dong Fang Hui has agreed to grant a guaranteed loan in the amount of RMB50,000,000 (equivalent to approximately HK$63,000,000) to Mr. Gong. Details of which were set out in the announcement of the Company dated 21 June 2013.

(7) On 27 June 2013, Beijing Dong Fang Hui, an indirectly wholly-owned subsidiary of the Company, entered into a loan agreement with Mr. Guan Shijun ("Mr. Guan"). Pursuant to the loan agreement, Beijing Dong Fang Hui has agreed to grant a guaranteed loan in the amount of RMB50,000,000 (equivalent to approximately HK$63,000,000) to Mr. Guan. Details of which were set out in the announcement of the Company dated 27 June 2013.

(8) On 8 July 2013, Beijing Dong Fang Hui, an indirectly wholly-owned subsidiary of the Company, entered into a loan agreement with Ms. Guo Yuexin ("Ms. Guo"). Pursuant to the loan agreement, Beijing Dong Fang Hui has agreed to grant a guaranteed loan in the account of RMB46,000,000 (equivalent to approximately HK$57,960,000) to Ms. Guo. Details of which were set out in the announcement of the Company dated 8 July 2013.

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 2013.

CORPORATE GOVERNANCE PRACTICES

During the year ended 30 April, 2013, the Company has complied with all applicable code provisions under the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), except for the following deviations:

Code provision A.6.7 of the CG Code stipulates that all independent non-executive Directors and non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to their personal commitments, all independent non-executive Directors, including Mr. Li Haifeng, the former non-independent executive Director, were unable to attend the special general meeting of the Company held on 24 September 2012, 25 March 2013 and 28 March 2013 and the annual general meeting dated 31 October 2012 during the tenure of their position.

Pursuant to Rule 3.10(1) of the Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors. The Company was not in compliance with Rule 3.10(1) since the resignation of Mr. Li Haifeng as an independent non-executive Director of the Company, members of the audit and nomination and corporate governance committees of the Company and chairman of the remuneration committee of the Company, with effect from 9 April 2013 after which date the number of independent non-executive Directors of the Company was reduced to two. In this regard, the Company immediately informed the Stock Exchange and made proper disclosure in its announcements containing the relevant details and reasons for the Company's failure to meet the requirements. On 8 July 2013, the Company appointed Mr. Chen Wai Chung Edmund as an independent non-executive Director of the Company and the requirement under the Listing Rules has been complied with since then.

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 2013.

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), Yeung Siu Keung and Chen Wai Chung Edmund. The Audit Committee has reviewed the audited financial statements of the Group for the year ended 30 April 2013.

SCOPE OF WORK OF ZENITH CPA LIMITED

The figures in respect of this annual results announcement have been agreed by the Company's auditor, Zenith CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 30 April 2013. The work performed by Zenith CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Zenith CPA Limited on this annual results announcement.

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 2013.

By Order of the Board
Simsen International Corporation Limited
Fu Jiwen
Executive Director

Hong Kong, 26 July 2013

As at the date of this announcement, the executive Directors are Mr. Fu Jiwen and Ms. Zhou Baoying and independent non-executive Directors are Mr. Zhu Chengwu, Mr. Yeung Siu Keung and Mr. Chen Wai Chung, Edmund.

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