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SIMSEN INTERNATIONAL CORPORATION LIMITED

天行國際(控股)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 993)

DISCLOSABLE TRANSACTION

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The Board is pleased to announce that on 18 August 2010, the Vendor (a wholly-owned subsidiary of the Company) and the Purchaser entered into the Agreement, pursuant to which the Purchaser has agreed to acquire for and the Vendor has agreed to dispose of the Sales Shares of the Target Company at a total consideration of HK\$9,300,000.

Given that the applicable percentage ratio (as defined under the Listing Rules) under the Agreement are more than 5% but less than 25%, the Agreement constitutes a disclosable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE AGREEMENT

Set out below are the major terms of the Agreement:

Date:

18 August 2010

Parties involved:

Vendor

Manvin Services Limited, being a wholly-owned subsidiary of the Company

Purchaser

Checkmate Advisors Limited

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner and associates are (i) Independent Third Parties; and (ii) not a party acting in concert (as defined under the Takeovers Code) with any substantial shareholders (as defined under the Listing Rules) or controlling shareholders (as defined under the Listing Rules) of the Company.

** for identification purposes only*

In addition, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, (i) each of the Purchaser, its ultimate beneficial owner and associates did not hold any Shares or other convertible securities in the Company as at the date of this announcement; and (ii) there were no previous transactions or business relationship between the Company and each of the Purchaser, its ultimate beneficial owner and associates which would result in aggregation under Rule 14.22 of the Listing Rules.

Assets to be disposed:

Pursuant to the Agreement, the Purchaser has conditionally agreed to acquire for and the Vendor has conditionally agreed to dispose of, including all rights to any dividend or other distribution declared, made or paid after the Completion Date, the Sale Shares.

The Sale Shares represent 49% of the entire issued share capital of the Target Company as at the date of the Agreement.

The Consideration:

The aggregate consideration for the sale and purchase of the Sale Shares shall be HK\$9,300,000.

Basis of the Consideration:

The Consideration was determined between the Vendor and the Purchaser after arm's length negotiation and on normal commercial terms, taking into account the unaudited net asset value of the Target Company attributed to the Sale Shares as at 31 July 2010, being approximately HK\$6,226,000.

Conditions precedent:

Completion of the sale and purchase of the Sale Shares shall be conditional upon all of the following conditions being fulfilled:—

- (a) the warranties given by the Vendor contained in the Agreement remaining true and correct in all respects and not misleading in any respect at Completion as if repeated at all times between the date hereof up to Completion; and
- (b) all necessary approvals, permits, consents and authorization having been obtained by the parties in connection with the transactions contemplated under this Agreement, whether pursuant to law, regulatory compliance or the Listing Rules or otherwise.

Warranties:

Under the Agreement, the Vendor has given certain warranties and representations in relation to the Vendor, the Sale Shares, and the affairs of the Target Company. The principal warranties cover the following matters: the power and legal status of the Vendor, title and ownership of the Sale Shares, legal status of the Target Company, and the Target Company's business, accounts and financial affairs.

Completion:

Completion has been taken place on 18 August 2010 following the execution of the Agreement.

INFORMATION ON THE TARGET COMPANY

The Target Company is incorporated in Hong Kong with limited liability and as the date of the Agreement, has an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1 each, of which 10,000 shares have been issued and are fully paid or credited as fully paid. The Sale Shares are legally and beneficially owned by the Vendor. The Target Company is principally engaged in the business of money lending and the provision of credit and it holds a Money Lenders License under Sec. 15(4) of the Money Lenders Ordinance, Cap.163. As at the date of this Announcement, the Target Company has no other subsidiaries or associates.

REASONS FOR THE DISPOSAL

The Group is principally engaged in broking and dealing of securities, futures and options contracts, margin financing, financial advisory, investment holding, broking and dealing of bullion and forex contracts, loan financing, management and consultancy services, and mining operations in the PRC. Upon Completion, the Group will continue to carry on its existing principal activities. The Directors consider concentrating on its core business, i.e. financial servicing, and intended to dispose its non-core business. The Directors (including all the independent non-executive Directors) believe that the Disposal provides an opportunity to dispose its non-core business and utilize the proceeds from the Disposal as working capital and to further strengthen its financial servicing business. In addition, the Directors (including all the independent non-executive Directors) consider that the terms of the Agreement are on normal commercial terms and are fair and reasonable and the Agreement is in the interests of the Company and its shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

Prior to the completion of the Disposal, the Target Company is recorded as an associates of the Company. Upon completion of the Disposal, the Target Company ceased to be an associates of the Company. It is expected that the Group will record a profit of approximately HK\$658,000 from the Disposal, being the difference between the Consideration under the Agreement and the carrying value of the Target Company as at 30 June 2010.

USE OF PROCEEDS

It is expected that the net proceeds from the Disposal of HK\$9,300,000 will be used as working capital and to further strengthen its financial servicing business.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined under the Listing Rules) under the Agreement are more than 5% but less than 25%, the Agreement constitutes a disclosable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms used shall have the following meanings:

“Agreement”	agreement for sale and purchase of 49% issued shares in Sun Finance Company Limited on 18 August 2010
“associate(s)”	shall have the meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday, public or statutory holiday and days on which a typical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Simsen International Corporation Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Agreement
“Completion Date”	any dates falling on or before the third Business Day after execution of the Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly
“Consideration”	the aggregate consideration for the sale and purchase of the Sale Shares shall be HK\$9,300,000.
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of Sale Shares by the Vendor
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties and their ultimate beneficial owner(s) which are independent of the Company and its connected persons

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	Checkmate Advisors Limited is a company incorporated in the British Virgin Islands with limited liability and having its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands and its principal place of business in Hong Kong at 18/F, Kam Sang Building, 257 Des Voeux Road Central, Hong Kong
“Sale Shares”	4,900 shares of HK\$1 each in the issued share capital of the Target Company, representing 49% of the entire issued share capital of the Target Company as at the date of the Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases of the Securities and Futures Commission of Hong Kong
“Target Company”	Sun Finance Company Limited, is a company incorporated in Hong Kong with limited liability and as at the date of the Agreement, has an authorized share capital of HK\$10,000 divided into 10,000 shares (each a “share”) of HK\$1 each, of which 10,000 shares have been issued and are fully paid or credited as fully paid
“Vendor”	Manvin Services Limited is a company incorporated in the British Virgin Islands with limited liability and having its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands and its principal place of business in Hong Kong at 26/F, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong
“%”	per cent.

By Order of the Board
Simsen International Corporation Limited
Sun Da Rui
Chairman

Hong Kong, 18 August 2010

Executive Directors:
Mr. Sun Da Rui (*Chairman*)
Mr. Peng Xiaodong

Independent Non-Executive Directors:
Mr. Zhu Chengwu
Mr. Li Hai Feng
Mr. Choi Man Chau, Michael