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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)

DISCLOSEABLE TRANSACTION

On 7 June 2011 (after trading hours), the Lender, entered into the conditional Loan Agreement with the Borrower in relation to the advancement of the Loan of HK\$76,000,000.

The entering into of the Loan Agreement constitutes a discloseable transaction on the part of the Company under the Listing Rules.

On 7 June 2011 (after trading hours), the Lender, entered into the conditional Loan Agreement with the Borrower, pursuant to which the Lender has agreed to make available of the Loan of HK\$76,000,000 to the Borrower.

Loan Agreement

Date : 7 June 2011 (after trading hours)

Parties : Simsen Capital Finance Limited, as the Lender

Make Success Limited, as the Borrower

Zhang Xinyu, as the Guarantor

The Borrower is a company incorporated in the British Virgin Islands, the principal activity of which is investment holding. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrower and its ultimate beneficial owner are Independent Third Parties.

Pursuant to the Loan Agreement, subject to the fulfillment of the conditions precedent, the Lender has agreed to make the Loan of HK\$76,000,000 available to the Borrower. The amount of HK\$48,000,000 will be provided by the Lender to the Borrower directly in accordance with the Loan Agreement and the remaining amount of HK\$28,000,000 has already been lent to the Borrower through Power Alliance, a participant of the Loan under the Participation Agreement.

As at the date of the Loan Agreement, the Subscription Agreement has not yet completed. Therefore, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Power Alliance and its ultimate beneficial owners are Independent Third Parties.

In consideration of the Lender agreeing to enter into the Loan Agreement, the Guarantor has agreed to guarantee the performance by the Borrower of its obligations under the Loan Agreement subject to and upon the terms and conditions of the Loan Agreement.

** for identification purposes only*

Conditions of the Loan Agreement

The Loan Agreement is conditional upon, among others, the following conditions having been fulfilled:

- (1) the Lender having received the original of the duly executed CN Assignment and PN Assignment; and
- (2) such other documents, evidence and financial and other information relating to any of the matters contemplated under the Loan Agreement and the Security Documents as the Lender may require.

As at the date of this announcement, all conditions have been fulfilled.

Repayment

The Borrower will repay the Loan in full in one lump sum together with all interest accrued thereon (if any) and all other monies payable under the Loan Agreement on the Repayment Date (except those interests accrued upon the Loan which have been paid to the Lender as mentioned in the sub-section headed “Interest” below.)

The Lender shall have the overriding right at any time by written notice to the Borrower to demand further security and assurances as the Lender shall consider appropriate to secure the obligation of the Borrower under the Loan Agreement and/or to demand immediate repayment of the Loan and interest accrued thereon and all other monies payable under the Loan Agreement.

Prepayment

The Borrower may prepay to the Lender the whole or any part of the Loan provided that:

- (a) the Borrower shall have given to the Lender not less than seven (7) Business Days’ notice in writing of its intention to make such prepayment, specifying the amount to be prepaid and the date on which prepayment is to be made; and
- (b) the Lender shall have consented in writing to such prepayment (the Lender shall have the unfettered right to give (with or without conditions) or withhold such consent at its sole and absolute discretion).

Security

The Borrower has granted the CN Assignment and PN Assignment in favour of the Lender to secure the Loan under the Loan Agreement.

Interest

Interest on the Loan shall accrue at the rate which is twenty-four per cent. (24%) per annum. Interest shall be calculated on the actual number of months elapsed and payable in advance monthly.

If the Borrower defaults in repayment on the due date of any part of the Loan, interest or other amounts payable under the Loan Agreement, the Borrower shall pay additional interest on such overdue sums from the due date until payment in full (before and after judgment) at the rate which is twenty per cent. (20%) per annum. Such interest shall be calculated on the basis of a 360-day per year and the actual number of days elapsed.

Pursuant to the Participation Agreement, the interest payable to Power Alliance’s participated amount of HK\$28,000,000 shall accrue at the rate of twenty-three per cent. (23%) per annum and be calculated on the actual number of months elapsed.

Arrangement fee

Upon signing of the Loan Agreement, the Borrower shall pay the arrangement fee of HK\$1,140,000 (being 1.5% of the Loan) to the Lender's agent, United Simsen Securities Limited, an indirect wholly-owned subsidiary of the Company, in consideration of its arrangement of the Loan. Pursuant to the Participation Agreement, the proportion of this arrangement fee amounted to HK\$420,000 will be payable to Power Alliance.

Further undertaking from the Borrower

The Borrower further covenant and undertake to the Lender (a) to procure the board of directors of Mayer to appoint two persons designated by the Lender as directors of Mayer within 15 days from the date of the Loan Agreement; and (b) to procure Mayer to enter into such documents (in the form and substance satisfactory to the Lender) as required by the Lender and obtaining necessary approval from the Stock Exchange and the shareholders of Mayer to amend the terms of the Convertible Notes and the Promissory Note within 45 days from the date of the Loan Agreement.

Reasons for the entering into of the Loan Agreement and the Participation Agreement

The Group is principally engaged in brokerage and dealing of securities, futures and options contracts, margin financing, loan financing, financial advisory, investment holding, brokerage and dealing of bullion and forex contracts, and provision of management and consultancy services.

Entering into of the Loan Agreement and the Participation Agreement are conducted in the ordinary and usual course of business of the Group which provides interest income to the Group and the terms of which are entered on normal and commercial terms. In addition, the Board considers that the CN Assignment and the PN Assignment can provide sufficient security for the Loan.

The Directors (including the independent non-executive Directors) consider that the Loan Agreement and the Participation Agreement are entered into upon normal commercial terms following arm's length negotiations between the parties thereto and that the conditions and terms of the Loan Agreement are fair and reasonable and are in the interests of the Shareholders as a whole.

GENERAL

The entering into of the Loan Agreement constitutes a discloseable transaction on the part of the Company under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Borrower”	Make Success Limited, a company incorporated in the British Virgin Islands with limited liability, being the borrower under the Loan Agreement
“CN Assignment”	assignment by way of security of the Convertible Notes by the Borrower to the Lender, in secure of the Loan

“Company”	Simsen International Corporation Limited (天行國際(控股)有限公司*), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Convertible Notes”	the convertible notes in the principal sum of HK\$90,000,000 due 2014 issued by Mayer, which entitles holders thereof to convert into shares of Mayer at the initial conversion price of HK\$0.55
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	Zhang Xinyu, the sole owner and director of the Borrower
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons of the Company in accordance with the Listing Rules
“Lender”	Simsen Capital Finance Limited, a company incorporated in Hong Kong, an indirectly wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 7 June 2011 (after trading hours) and entered into between the Lender and the Borrower in relation to the grant of the Loan
“Loan”	the term loan of HK\$76,000,000 to be made available by the Lender to the Borrower pursuant to the terms and conditions of the Loan Agreement
“Mayer”	Mayer Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the Stock Exchange (stock code: 1116)
“Participation Agreement”	the participation agreement dated 7 June 2011 entered into between the Lender and Power Alliance in relation to participation by Power Alliance without recourse to the Lender in the Loan for an amount of HK\$28,000,000
“PN Assignment”	assignment by way of security of the Promissory Note from the Borrower to the Lender, in secure of the Loan
“Power Alliance”	Power Alliance International Limited, a company incorporated in the British Virgin Islands, being a participant to the Participation Agreement
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“Promissory Note”	the promissory notes in the principal amount of HK\$300,000,000 dated 9 May 2011 and issued by Mayer to the Borrower
“Repayment Date”	the date falling three months from the date of drawdown which may be extended for further three months if so agreed by the parties thereto
“Security Documents”	CN Assignment and PN Assignment
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Subscription Agreement”	the conditional subscription agreement dated 20 May 2011 entered into among the Company, Modern Series Limited and Power Alliance in relation to the subscription of new shares of Modern Series Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
Simsen International Corporation Limited
Chan Yuen Ying, Stella
Company Secretary

Hong Kong, 7 June 2011

As at the date of this announcement, the executive Directors are Mr. Sun Da Rui (Chairman) and Mr. Fu Jiwen, and the independent non-executive Directors are Mr. Zhu Chengwu, Mr. Li Haifeng and Mr. Choi Man Chau, Michael.