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ROMA GROUP LIMITED

羅馬集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8072)

**ANNOUNCEMENT OF THE INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020**

The board of directors (the “**Directors**” and “**Board**”, respectively) of Roma Group Limited (the “**Company**”) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries for the six months ended 30 September 2020. This announcement, containing the full text of the 2020/21 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of interim results.

By Order of the Board
Roma Group Limited
Yue Kwai Wa Ken
*Executive Director, Chief Executive Officer,
Chairman and Company Secretary*

Hong Kong, 11 November 2020

As at the date of this announcement, the executive Directors are Mr. Yue Kwai Wa Ken (Chairman and Chief Executive Officer) and Mr. Li Sheung Him Michael; and the independent non-executive Directors are Mr. Chung Man Lai, Mr. Ko Wai Lun Warren and Ms. Li Tak Yin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its posting. This announcement will also be published on the website of the Company at www.romagroup.com.

* For identification purpose only

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors of Roma Group Limited (the “Company” and the “Director”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

FINANCIAL HIGHLIGHTS

For the six months ended 30 September 2020:

- Revenue was approximately HK\$46.4 million, representing an increase of approximately 16.8% as compared with that for the six months ended 30 September 2019;
- Profit amounted to approximately HK\$0.8 million as compared to the profit of approximately HK\$0.4 million for the six months ended 30 September 2019;
- Basic and diluted earnings per share attributable to owners of the Company were HK0.55 cent; and
- No dividend was declared.

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

The board of Directors (the “Board”) announces the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) for the three months and six months ended 30 September 2020 together with the relevant comparative unaudited/audited figures as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months ended 30 September 2020

	Notes	For the three months ended 30 September		For the six months ended 30 September	
		2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Revenue	3	22,665	22,189	46,443	39,757
Other income	5	2,387	2,829	3,009	5,168
Decrease in fair value of investment property		(1,000)	(300)	(1,000)	(300)
Employee benefit expenses	6	(12,541)	(10,114)	(22,815)	(23,829)
Depreciation and amortisation	7	(1,292)	(2,304)	(2,359)	(4,646)
Finance costs	8	(486)	(832)	(983)	(1,573)
Other expenses		(17,715)	(7,373)	(21,454)	(13,966)
(Loss)/profit before income tax expense	7	(7,982)	4,095	841	611
Income tax credit/(expense)	9	63	4	(57)	(261)
(Loss)/profit for the period attributable to owners of the Company		(7,919)	4,099	784	350
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Change in the fair value of financial asset at fair value through other comprehensive income		(1,445)	(6,178)	(1,445)	(6,178)
Total comprehensive loss attributable to owners of the Company		(9,364)	(2,079)	(661)	(5,828)
Basic and diluted (loss)/earnings per share attributable to owners of the Company (HK cents)	11	(4.86)	3.42	0.55	0.29

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

	Notes	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	1,240	1,476
Right-of-use assets		10,538	–
Investment property	13	10,000	11,000
Intangible assets		4,957	5,294
Goodwill	14	3,168	3,168
Financial asset at fair value through other comprehensive income	15	2,335	3,780
Loans and interests receivable	16	99,011	115,295
Deferred tax assets		3	3
		131,252	140,016
Current assets			
Loans and interests receivable	16	274,970	243,894
Trade receivables	17	9,618	12,370
Prepayments, deposits, other receivables and contract assets	18	3,355	9,921
Financial asset at fair value through profit or loss		485	742
Pledged bank deposits	19	41,029	48,157
Cash and bank balances – general accounts		24,190	19,216
Cash and bank balances – segregated accounts		2,961	798
		356,608	335,098

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
	Notes		
Current liabilities			
Trade payables	20	3,608	1,687
Accrued liabilities, other payables, and contract liabilities	21	56,397	48,617
Lease liabilities	22	4,256	401
Interest-bearing borrowings	23	42,142	55,645
Current tax liabilities		70	14
		106,473	106,364
Net current assets		250,135	228,734
Total assets less current liabilities		381,387	368,750
Non-current liabilities			
Lease liabilities	22	6,861	238
Deferred tax liabilities		816	816
		7,677	1,054
Net assets		373,710	367,696
EQUITY			
Equity attributable to owners of the Company			
Share capital	24	1,755	1,350
Reserves		371,955	366,346
Total equity		373,710	367,696

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2020

	Share capital HK\$'000	Shares held for the share award plan (the "Plan")* HK\$'000	Share premium* HK\$'000	Capital reserve* HK\$'000	Share option reserve* HK\$'000	Investment at fair value through other comprehensive income ("FVTOCI")* HK\$'000	(Accumulated losses)/ Retained earnings* HK\$'000	Total HK\$'000
At 1 April 2020 (audited)	1,350	(26,241)	569,909	10	4,879	(21,220)	(160,991)	367,696
Profit for the period	-	-	-	-	-	-	784	784
Other comprehensive income								
Change in the fair value of financial asset at FVTOCI	-	-	-	-	-	(1,445)	-	(1,445)
Total comprehensive (loss)/ income for the period	-	-	-	-	-	(1,445)	784	(661)
Transactions with owners, in their capacity as owners								
Placing shares, net of expenses (note 24(d))	270	-	5,237	-	-	-	-	5,507
Shares options cancelled (note 25(a))	-	-	-	-	(2,834)	-	2,834	-
Recognition of share-based payment (note 25(a))	-	-	-	-	1,217	-	-	1,217
Exercise of share options (note 25(a))	135	-	4,592	-	(1,217)	-	-	3,510
Lapse for share options (note 25(a))	-	-	-	-	(691)	-	691	-
Purchases of shares for the Plan (note 25(b))	-	(3,559)	-	-	-	-	-	(3,559)
At 30 September 2020 (unaudited)	1,755	(29,800)	579,738	10	1,354	(22,665)	(156,682)	373,710
At 1 April 2019 (audited)	172,826	(26,241)	398,433	10	2,763	(11,474)	(2,615)	533,702
Profit for the period	-	-	-	-	-	-	350	350
Other comprehensive income								
Change in the fair value of financial asset at FVTOCI	-	-	-	-	-	(6,178)	-	(6,178)
Total comprehensive (loss)/ income for the period	-	-	-	-	-	(6,178)	350	(5,828)
Transactions with owners, in their capacity as owners								
Recognition of share-based payment (note 25(a))	-	-	-	-	2,116	-	-	2,116
At 30 September 2019 (unaudited)	172,826	(26,241)	398,433	10	4,879	(17,652)	(2,265)	529,990

* The total of these balances represents "reserves" in the unaudited condensed consolidated statement of financial position.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2020

	For the six months ended 30 September	
	2020	2019
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash generated from/(used in) operating activities	8,208	(7,088)
Cash flows from investing activities		
Interests received	513	2,388
Purchase of property, plant and equipment	(85)	(41)
Decrease/(Increase) in pledged bank deposits	7,128	(812)
Acquisition of financial asset at fair value through profit or loss ("FVTPL")	—	(1,618)
Increase in fixed deposit	—	(84,000)
Net cash generated from/(used in) investing activities	7,556	(84,083)
Cash flows from financing activities		
Repayment of bank borrowings	(7,003)	—
Repayment of other borrowings	(6,500)	—
Proceeds for exercise of share options	3,510	—
Proceeds from placing, net of expenses	5,507	—
Repayments of lease liabilities	(1,762)	(474)
Interests paid	(983)	(1,573)
Purchase of shares for the Plan	(3,559)	—
Net cash used in financing activities	(10,790)	(2,047)
Net increase/(decrease) in cash and cash equivalents	4,974	(93,218)
Cash and cash equivalents at the beginning of the period	19,216	109,856
Cash and cash equivalents at the end of the period	24,190	16,638
Analysis of balances of cash and cash equivalents		
Cash and bank balances – general accounts	24,190	16,638

1. GENERAL

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands. Its principal place of business in Hong Kong is located at 22/F., China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong. The principal activity of the Company is investment holding and the Group is principally engaged in the provision of valuation and advisory services, financing services and securities broking, placing and underwriting and investment advisory and asset management services.

The shares of the Company (the “Shares”) have been listed on GEM by way of placing since 25 February 2013 (the “Listing Date”).

The unaudited condensed consolidated financial statements for the three months and six months ended 30 September 2020 (the “Interim Financial Statements”) were approved and authorised for issue by the Board on 11 November 2020.

2. BASIS OF PREPARATION

(a) Basis of preparation

The Interim Financial Statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure provisions of the GEM Listing Rules.

The Interim Financial Statements do not include all of the information and disclosures required in annual financial statements in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which comprises all applicable individual HKFRS, HKASs and Interpretations issued by the HKICPA, and should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 March 2020 (the “2020 AFS”).

(b) Principal accounting policies

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the 2020 AFS, except for the adoption of new and revised standards effective as of 1st April 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to HKFRS 3	Definition of Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKAS 1 and HKAS 8	Definition of Material

The adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

Issued but not yet effective HKFRSs

At the date of authorisation of the Unaudited Condensed Consolidated Financial Statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 17	Insurance Contracts ²
Amendments to HKFRS 3	Reference to the Conceptual Framework ⁵
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKFRS 16	Covid-19-Related Rent Concessions ¹
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020 ³

¹ Effective for annual periods beginning on or after 1 June 2020

² Effective for annual periods beginning on or after 1 January 2021

³ Effective for annual periods beginning on or after 1 January 2022

⁴ Effective date not yet determined

⁵ Effective for business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2022

(c) Basis of measurement

The Interim Financial Statements have been prepared under the historical cost basis as modified by the revaluation of investment property, financial asset at FVOCI and financial asset at FVTPL which are carried at fair value.

(d) Fair value measurements of financial instrument

Fair value estimates are made at a specific point in time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The Group's financial assets at FVTOCI are carried at fair value as at 30 September 2020. The following disclosures of fair value measurements use a fair value hierarchy which has three levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(d) Fair value measurements of financial instrument (continued)

Disclosures of level in fair value hierarchy at 30 September 2020:

Description	Fair value measurement using:			Total
	Level 1	Level 2	Level 3	30 September
	HK\$'000	HK\$'000	HK\$'000	2020
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
(a) Financial asset at FVTOCI	-	-	2,335	2,335
(b) Financial asset at FVTPL				
- Listed equity securities	403	-	-	403
- Derivatives	-	-	82	82

Disclosures of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:

During the six months ended 30 September 2020, there were no transfer between Level 1 and Level 2, or transfers into or out of Level 3 (31 March 2020: nil). The Group's policy is to recognise transfer into and out of fair value hierarchy as at the end of the reporting period in which they occur.

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 2 and level 3 fair value measurements. The financial controller reports directly to the Board for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board at least twice a year.

(d) Fair value measurements of financial instrument (continued)

For level 2 and level 3 fair value measurements, the Group will normally engage external valuation experts with recognised professional qualifications and recent experience to perform the valuations.

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at 30 September 2020:

	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
At 30 September 2020			
Equity instruments – unlisted	Guideline public company marketability method	Price-to-sales ratio: 1:0.52	An increase in the ratio will result in an increase in the fair value of the unlisted equity securities
		Discount for lack of marketability: 15.8%	An increase in the discount rate will result in a decrease in the fair value of the unlisted equity securities
Share options	Binomial Option Pricing Model	Expected volatility 133.37%	The higher the expected volatility, the higher the fair value

(e) Functional and presentation currency

The Interim Financial Statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company and its principal subsidiaries, and all values are rounded to the nearest thousand except when otherwise indicated.

3. REVENUE

The Group's principal activities are provision of valuation and advisory services, provision of financing services and provision of securities broking services.

An analysis of the Group's revenue is as follows:

	For the three months ended 30 September		For the six months ended 30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue from contract with customers with the scope of HKFRS 15				
Services fee income from provision of valuation and advisory services	14,711	12,199	30,541	23,723
Securities broking, placing and underwriting and investment advisory and asset management services	282	3,388	419	3,388
Revenue from other sources:				
Interest income from provision of financing services	7,672	6,602	15,483	12,646
	22,665	22,189	46,443	39,757

4. SEGMENT INFORMATION

The executive Directors have been identified as the chief operating decision-maker. The executive Directors have identified the Group's product and service lines as reportable operating segments as follows:

- (i) Valuation and advisory services;
- (ii) Financing services;
- (iii) Securities broking, placing and underwriting and investment advisory and asset management services; and
- (iv) All other segments.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(a) Business segments

For the six months ended 30 September 2020 (unaudited)

	Valuation and advisory services HK\$'000	Financing services HK\$'000	Securities broking, placing and underwriting and investment advisory and asset management services HK\$'000	All other segments HK\$'000	Total HK\$'000
Segment revenue (note (i))	30,541	15,483	419	-	46,443
Segment results (note (ii))	3,388	6,810	(981)	(1,121)	8,096
Other segment information					
Depreciation	(51)	(3)	(14)	-	(68)
Amortisation	(42)	-	-	-	(42)
Net impairment loss on loans and interests receivable	-	(4,639)	-	-	(4,639)
Net impairment loss on trade receivables	(1,585)	-	-	-	(1,585)
Decrease in fair value of investment property	-	-	-	(1,000)	(1,000)
Income tax expense	(57)	-	-	-	(57)
Additions to non-current assets (excluding financial instruments)	78	7	-	-	85
Segment assets (as at 30 September 2020)	22,884	374,350	8,603	10,871	416,708
Segment liabilities (as at 30 September 2020)	(47,655)	(7,255)	(5,819)	(67)	(60,796)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(a) Business segments (continued)

For the six months ended 30 September 2019 (unaudited)

	Valuation and advisory services HK\$'000	Financing services HK\$'000	Securities broking, placing and underwriting and investment advisory and asset management services HK\$'000	All other segments HK\$'000	Total HK\$'000
Segment revenue (note (ii))	23,723	12,646	3,388	–	39,757
Segment results (note (iii))	(4,923)	8,633	2,078	1,480	7,268
Other segment information					
Depreciation	(2,267)	(2)	(14)	–	(2,283)
Amortisation	(1,076)	–	–	–	(1,076)
Reversal of impairment loss on loans and interests receivable	–	8	–	–	8
Impairment loss on trade and other receivables	(1,815)	–	–	–	(1,815)
Reversal of impairment loss on trade and other receivables	708	–	–	–	708
Decrease in fair value of investment property	–	–	–	(300)	(300)
Income tax expense	13	–	(80)	(194)	(261)
Additions to non-current assets (excluding financial instruments)	9	–	32	–	41
Segment assets (as at 30 September 2019)	45,566	392,154	955	13,249	451,924
Segment liabilities (as at 30 September 2019)	(41,885)	(3,004)	(109,909)	(393)	(155,191)

(a) Business segments (continued)

Notes:

- (i) Segment revenue reported above represents revenue generated from external customers. There were no material inter-segment sales for both periods.
- (ii) The accounting policies of the operating segments are same as the Group's accounting policies described in note 2 to the Interim Financial Statements. Segment results represents the profit earned or the loss incurred by each segment without allocation of corporate income and central administrative costs. This is the measure reported to the chief operating decision-maker for the purpose of resources allocation and performance assessment.

(b) Reconciliation of reportable segment profit, assets and liabilities

	For the six months ended 30 September 2020 HK\$'000 (unaudited)	For the six months ended 30 September 2019 HK\$'000 (unaudited)
Profit before income tax expense		
Reportable segment profit	8,096	7,268
Unallocated interest income	514	2,388
Unallocated employee benefit expenses	(2,186)	(2,546)
Unallocated depreciation	(2,248)	(1,287)
Unallocated finance costs	(983)	(1,573)
Unallocated other expenses	(2,352)	(3,639)
Consolidated profit before income tax expense	841	611

(b) Reconciliation of reportable segment profit, assets and liabilities (continued)

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Assets		
Reportable segment assets	416,708	401,130
Unallocated property, plant and equipment	–	1,151
Unallocated financial asset at FVTOCI	2,335	3,780
Unallocated financial asset at FVTPL	485	742
Unallocated pledged bank deposits	41,028	48,157
Unallocated cash and bank balances	27,151	20,014
Unallocated corporate assets	153	140
Consolidated total assets	487,860	475,114
Liabilities		
Reportable segment liabilities	(60,796)	(50,836)
Unallocated lease liabilities	(11,117)	(639)
Unallocated interest-bearing borrowings	(42,142)	(55,645)
Unallocated corporate liabilities	(95)	(298)
Consolidated total liabilities	(114,150)	(107,418)

(c) Geographical segment information

All of the revenue from external customers and non-current assets of the Group are derived from activities or located in Hong Kong. Accordingly, no geographical information is presented.

(d) Information about major customer

For the six months ended 30 September 2020 and 2019, none of the customers contributed 10% or more of the revenue of the Group.

5. OTHER INCOME

	For the three months ended 30 September		For the six months ended 30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Reimbursement of expenses	155	212	185	333
Interest income	309	1,278	514	2,388
Rental income	54	54	108	84
Other marketing service income	75	1,285	150	2,363
Subsidies	1,752	–	1,996	–
Others	42	–	56	–
	2,387	2,829	3,009	5,168

6. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	For the three months ended 30 September		For the six months ended 30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Wages and salaries	10,759	9,474	20,495	20,811
Contributions on defined contribution retirement plans	301	275	593	547
Share-based payment – equity settled	1,217	–	1,217	1,777
Other benefits	264	365	510	694
	12,541	10,114	22,815	23,829

7. EXPENSES BY NATURE

	For the three months ended 30 September		For the six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Auditor's remuneration (note)	162	195	325	430
Amortisation of intangible assets	21	538	42	1,076
Consultancy fee (note)	3,717	912	5,668	2,014
Depreciation:				
– Owned asset	480	655	617	1,355
– Right-of-use asset under HKFRS 16	791	1,111	1,700	2,215
Exchange loss, net (note)	115	28	194	872
Decrease in fair value of financial asset at FVTPL (note)	229	165	257	165
Marketing and business development expenses (note)	1,035	1,057	2,620	2,213
Impairment loss/(reversal of impairment loss) on loans and interests receivable, net (note)	7,079	–	4,639	(8)
Impairment loss on trade and other receivables, net (note)	1,777	1,107	1,585	1,107
Operating lease charges in respect of buildings (note)	122	114	245	241
Professional fee (note)	2,090	1,988	2,994	3,429
Share-based payment – equity settled (other eligible participant) (note)	–	–	–	339
Travelling expenses (note)	43	202	138	460

Note: These expenses are included in “other expenses” in the consolidated statement of comprehensive income.

8. FINANCE COSTS

	For the three months ended 30 September		For the six months ended 30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest on bank borrowings	208	802	421	1,504
Interest on other borrowings	217	–	455	–
Finance charge on lease liabilities	61	30	107	69
	486	832	983	1,573

9. INCOME TAX (CREDIT)/EXPENSE

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25% (2019: 8.25%), and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% (2019: 16.5%).

	For the three months ended 30 September		For the six months ended 30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Current Hong Kong Profits Tax				
Tax for the period	(63)	56	57	382
	(63)	56	57	382
Deferred tax				
Credit for the period	–	(60)	–	(121)
	(63)	(4)	57	261

10. DIVIDENDS

The Board has resolved not to recommend the payment of dividend for the six months ended 30 September 2020 (six months ended 30 September 2019: nil).

11. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to owners of the Company is based on the following data:

	For the three months ended 30 September		For the six months ended 30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
(Loss)/Earnings				
(Loss)/Earnings for the purpose of basic and diluted (loss)/earnings per share	(7,919)	4,099	784	350
	'000	'000	'000	'000
Number of Shares				
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share (notes (a), (b) and (c))	163,063	120,020	141,459	120,020

Notes:

- (a) Weighted average of 163,063,000 Shares for the three months ended 30 September 2020 are derived from 162,020,415 Shares in issue as at 1 July 2020 after taking into account exercise of 13,500,000 share options on 7 July 2020 (note 25(a)) and the purchase of 12,800,000 Shares held for the Plan in July 2020 (note 25(b)).

Weighted average of 141,459,000 Shares for the six months ended 30 September 2020 are derived from 135,020,415 Shares in issue as at 1 April 2020 after taking into account the (i) placing 27,000,000 Shares completed on 12 May 2020; (ii) exercise of 13,500,000 share options on 7 July 2020 (note 25(a)); and (iii) the purchase of 12,800,000 Shares held for the Plan in July 2020 (note 25(b)).

- (b) Weighted average of 120,020,000 Shares and 120,020,000 Shares for the three months ended and six months ended 30 September 2019 are derived from 2,700,408,000 Shares in issue as at 1 April 2019 and 1 July 2019 after taking into account the effects of the share consolidation which was effective on 22 August 2019 and purchase of Shares held for the Plan (note 25(b)).
- (c) The computation of diluted (loss)/earnings per share does not assume the exercise of the Company's outstanding share options as the exercise prices of those options are higher than the average market price for Shares for both periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2020, the Group acquired items of property, plant and equipment with total costs of approximately HK\$85,000 (six months ended 30 September 2019: approximately HK\$41,000).

13. INVESTMENT PROPERTY

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
At beginning of reporting period/year	11,000	12,500
Decrease in fair value of investment property	(1,000)	(1,500)
At end of reporting period/year	10,000	11,000

Investment property represents property located in Hong Kong held as lessor under operating leases to earn rentals or for capital appreciation.

Investment property was revalued on 30 September 2020 by an independent professional valuer. The valuation, which conforms to The Valuation Standards of the Hong Kong Institute of Surveyors, was arrived at using direct comparison approach in the course of valuation.

The direct comparison approach is a method of valuation by making reference to comparable market transactions. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties. Appropriate adjustments and analysis are considered to the differences in location and other characters between the comparable properties and the subject properties.

The fair value of the investment property is a level 2 recurring fair value measurement.

There were no changes to the valuation techniques during the six months ended 30 September 2020.

The fair value measurement is based on the above property's highest and best use, which does not differ from its actual use.

During the six months ended 30 September 2020, there were no transfers between level 1 and level 2, or transfer into or out of level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

14. GOODWILL

The carrying amount of goodwill mainly arose from the acquisition of Leo Asset Management Limited ("Leo Asset") during the year ended 31 March 2020. The net carrying amount of goodwill can be analysed as follows:

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
At beginning of reporting period/year	3,168	15,242
Acquisition of a subsidiary	—	7,528
Impairment loss	—	(19,602)
At end of reporting period/year	3,168	3,168

15. FINANCIAL ASSET AT FVTOCI

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
At beginning of reporting period/year	3,780	13,526
Decrease in fair value of financial asset	(1,445)	(9,746)
At end of reporting period/year	2,335	3,780

The balance represented the Group's strategic investments of 19.9% equity interest in Greater China Appraisal Limited ("Greater China Appraisal"). The investment was not accounted for in an equity method as the Group does not have the power to participate in the operating and financial policies of Greater China Appraisal, evidenced by the lack of any direct or indirect involvement at board level.

The Group designated its investment in this unlisted investment as financial asset at FVTOCI, as this investment is held as long-term strategic investments that is not expected to be sold in the short to medium term.

16. LOANS AND INTERESTS RECEIVABLE

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Loans and interests receivable	555,210	535,779
Less: Expected credit loss ("ECL") allowance	(181,229)	(176,590)
	373,981	359,189
Less: Non-current portion loan and interest receivables	(99,011)	(115,295)
	274,970	243,894

As at 30 September 2020, loans and interests receivable with an aggregate carrying amount of approximately HK\$76,290,000 (31 March 2020: approximately HK\$72,262,000) were secured by legal charges.

The customers are obliged to settle the amounts according to the terms set out in relevant contracts. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends. The Group's loan principals charged interests at contract rates ranging from approximately 8% to 48% per annum (31 March 2020: approximately 8% to 48% per annum).

The Directors consider that the fair values of loans and interests receivable are not materially different from their carrying amounts.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

A maturity profile of the loans and interests receivable at the end of reporting period, based on the maturity date, is as follows:

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Current	274,970	243,894
1 to 5 years	99,011	115,295
	373,981	359,189

The table below reconciles the ECL allowance on loans and interests receivable for the reporting period/year:

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Balance at 1 April	176,590	54,267
ECL allowance recognised	7,711	126,077
ECL allowance reversed	(3,072)	(3,654)
Written off	–	(100)
At the end of reporting period/year	181,229	176,590

The Group recognised ECL allowance based on the accounting policy as set out in the 2020 AFS.

17. TRADE RECEIVABLES

The Group generally grants credit terms of 0 to 30 days to the customers. The ageing analysis of trade receivables (net of impairment loss) based on invoice date at the end of reporting period is as follows:

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
0 to 30 days	2,292	6,229
31 to 60 days	1,423	810
61 to 90 days	1,779	521
91 to 180 days	1,874	1,688
181 to 360 days	1,892	3,122
Over 360 days	358	–
	9,618	12,370

The table below reconciles the ECL allowance on trade receivables for the reporting period/year:

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Balance as at 1 April	22,984	21,423
ECL allowance recognised	1,777	2,309
ECL allowance reversed	(192)	(748)
At the end of reporting period/year	24,569	22,984

The Group recognised ECL allowance based on the accounting policy as set out in the 2020 AFS.

18. PREPAYMENTS, DEPOSITS, OTHER RECEIVABLES AND CONTRACT ASSETS

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Contract assets	2	94
Prepayments	1,023	1,017
Deposits	1,867	1,812
Other receivables	41,952	48,487
Total prepayments, deposits, other receivables and contract assets	44,844	51,410
Less: ECL allowance of deposits, other receivables and contract assets	(41,489)	(41,489)
	3,355	9,921

The table below reconciles the ECL allowance on deposits, other receivables and contract assets for the period/year:

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Balance as at 1 April	41,489	49,340
ECL allowance recognised	—	1,198
Written-off	—	(9,049)
Balance at 31 March	41,489	41,489

The Group recognised ECL allowance based on the accounting policy as set out in the 2020 AFS.

19. PLEDGED BANK DEPOSITS

Pledged bank deposits represented cash at bank held by the subsidiaries pledged for bank borrowings (note 23).

20. TRADE PAYABLES

	30 September 2020 Notes HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Trade payables arising from:		
– Securities broking business (a)	2,961	798
– Valuation and advisory business (b)	647	889
	3,608	1,687

Notes:

- Trade payables arising from securities broking business represent the monies received from and repayable to brokerage clients. Trade payables to brokerage clients are interest-bearing at the prevailing interest rate and repayable on demand.
- The Group was granted by its suppliers credit periods ranging from 0 to 30 (2019: 0 to 30) days. The ageing analysis of the trade payables arising from valuation and advisory business based on invoice date at the end of reporting period is as follows:

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
0 to 30 days	–	596
61 to 90 days	354	–
Over 360 days	293	293
	647	889

21. ACCRUED LIABILITIES, OTHER PAYABLES AND CONTRACT LIABILITIES

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Accrued liabilities and other payables	9,093	4,579
Contract liabilities	47,304	44,038
	56,397	48,617

22. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities.

	30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
Total minimum lease payments:		
Due within one year	4,443	417
Due within two to five years	6,974	251
	11,417	668
Less: future finance charges	(300)	(29)
Present value of lease liabilities	11,117	639
Present value of minimum lease payments:		
Due within one year	4,256	401
Due within two to five years	6,861	238
	11,117	639
Less: payment due within one year included under current liabilities	(4,256)	(401)
Payment due after one year included under non-current liabilities	6,861	238

As at 30 September 2020, lease liabilities amounting to HK\$288,000 are effectively secured by the related underlying assets as the rights to the leased assets would be reverted to the lessor in the event of default by repayment by the Group.

During the six months ended 30 September 2020, the total cash outflow for the leases (including short-term leases) are HK\$1,868,000.

Details of the lease activities

At 30 September 2020, the Group has entered into leases for the items listed as follows:

Types of right-of-use assets	Number of leases	Range of remaining lease term	Particulars
Motor vehicles	1	33 months	Subject to monthly fixed payment
Office premise	1	31 months	Subject to monthly fixed payment

23. INTEREST-BEARING BORROWINGS

		30 September 2020 HK\$'000 (unaudited)	31 March 2020 HK\$'000 (audited)
	Notes		
Bank borrowings repayable within			
one year	(a)	36,342	43,345
Other borrowings	(b)	5,800	12,300
		42,142	55,645

Notes:

(a) Bank Borrowings

As at 30 September 2020, the bank borrowings of HK\$36,342,000 (31 March 2020: HK\$43,345,000) were secured by bank deposits of HK\$41,029,000 (31 March 2020: HK\$48,157,000) placed in a bank. Interest is charged at London Inter-bank Offered Rate +1% (31 March 2020: Hong Kong Inter-bank Offered Rate +1%) per annum.

The above banking facilities of the loans are subject to the fulfillment of covenants relating to minimum requirement of pledged bank deposits and compliance of the bank's administrative requirements, as are commonly found in lending arrangements with financial institutions in Hong Kong. If the subsidiary were to breach the covenants, the drawn down facility would become repayable on demand.

As at 30 September 2020, the bank borrowings were scheduled to repay within one year or on demand.

The Group regularly monitors the compliance with these covenants and the scheduled repayments of the loans and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as the subsidiary continues to meet these requirements. As at 30 September 2020, none of the covenants relating to drawn down facilities had been breached.

(b) Other Borrowings

As at 30 September 2020, the other borrowings of HK\$5,800,000 (31 March 2020: HK\$12,300,000) were unsecured, interest bearing at 6% per annum and due for payment.

24. SHARE CAPITAL

	Number of ordinary shares			HK\$'000
	at HK\$0.064 each	at HK\$1.28 each	at HK\$0.01 each	
Authorised:				
At 1 April 2019	9,000,000,000	–	–	576,000
Effect of share consolidation (note (a))	(9,000,000,000)	450,000,000	–	–
At 30 September 2019	–	450,000,000	–	576,000
Effect of share sub-division (note (c))	–	(450,000,000)	57,600,000,000	–
At 31 March 2020, 1 April 2020 and 30 September 2020	–	–	57,600,000,000	576,000
Issued:				
At 1 April 2019	2,700,408,311	–	–	172,826
Effect of shares consolidation (note (a))	(2,700,408,311)	135,020,415	–	–
At 30 September 2019	–	135,020,415	–	172,826
Effect of capital reduction (note (b))	–	(135,020,415)	135,020,415	(171,476)
At 31 March 2020 and 1 April 2020	–	–	135,020,415	1,350
Shares issued on placing (note (d))	–	–	27,000,000	270
Shares issued on exercise of share options (note (e))	–	–	13,500,000	135
At 30 September 2020	–	–	175,520,415	1,755

Notes:

- (a) Pursuant to the share consolidation being completed on 22 August 2019, every twenty (20) of the then shares of par value of HK\$0.064 each in the share capital of the Company was consolidated into one (1) consolidated share of par value of HK\$1.28 each. Upon the share consolidation became effective, the authorised number of share capital of the Company decreased from 9,000,000,000 shares of par value of HK\$0.064 each to 450,000,000 consolidated shares of par value of HK\$1.28 each.
- (b) Pursuant to the capital reduction being completed on 7 November 2019, (the “Capital Reduction”), the par value of issued consolidated shares was reduced from HK\$1.28 each to HK\$0.01 by cancelling the paid up capital to the extent of HK\$1.27 on each issued consolidated share. Accordingly, the issued share capital decreased by HK\$171,476,000 to HK\$1,350,000, standing to the credit of the share premium account of HK\$171,476,000.
- (c) Immediately following the Capital Reduction, each of the authorised but unissued consolidated shares with par value of HK\$1.28 each are sub-divided into one hundred and twenty-eight (128) shares of par value at HK\$0.01 each (the “Share Sub-division”). Accordingly, the total authorised share capital were increased to 57,600,000,000 shares at par value of HK\$0.01 each.
- (d) Pursuant to the placing being completed on 12 May 2020, a total of 27,000,000 placing Shares were issued at HK\$0.21 per placing Share.
- (e) During the period ended 30 September 2020, the issued share capital of the Company was increased due to the allotment and issue of shares pursuant to the exercise of share options by the Directors and employees. The Shares issued during the period ended 30 September 2020 in relation to the exercise of the share options had the same right as other ordinary Shares in issue.

25. SHARE-BASED PAYMENT

(a) Share options

A share option scheme (the "Share Option Scheme") was conditionally approved by the shareholders of the Company (the "Shareholders") on 26 September 2011 and became effective on the Listing Date.

Options comprising 6,000,817 underlying Shares (the "Batch 1 Share Options") and Options comprising 14,852,246 underlying Shares (the "Batch 2 Share Options") were granted under the Share Option Scheme on 15 August 2018 and 19 June 2019 respectively. Options comprising 13,500,000 underlying Shares (the "Batch 3 Share Options") were granted under the Share Option Scheme on 3 July 2020.

During the six months ended 30 September 2020, 4,500,613 share options under the Batch 1 Share Options and 5,400,817 share options under the Batch 2 Share Options were cancelled with effect from 3 July 2020.

During the six months ended 30 September 2020, 1,500,204 share options under the Batch 1 Share Options lapsed on 14 August 2020.

During the six months ended 30 September 2020, 13,500,000 share options under the Batch 3 Share Options were fully exercised.

As at 30 September 2020, 9,451,429 share options under the Batch 2 Share Options were outstanding and all of them are exercisable.

The total fair value of the Batch 2 Share Options granted on 19 June 2019 and Batch 3 Share Options granted on 3 July 2020 calculated by using Binomial Option Pricing Model was HK\$2,116,000 and HK\$1,217,000 respectively.

As all of share options were fully vested on 3 July 2020 (the date of grant), the one-off share-based payment expense for Batch 3 Share Options of HK\$1,217,000 was recognised during the six months ended 30 September 2020.

As all of share options were fully vested on 19 June 2019 (the date of grant), the one-off share-based payment expense for Batch 2 Share Options of HK\$2,116,000 was recognised during the six months ended 30 September 2019.

Details of Share Option Scheme are set out in the section headed “Share Option Scheme” in this report.

(b) Share award

On 22 June 2018, the Company adopted the Plan in which the Group’s employees (whether full time or part time, but exclude directors) will be entitled to participate. For the six months ended 30 September 2018, a sum of approximately HK\$26,241,000 has been used to acquire 300,000,000 Shares (before the consolidation of Shares) from the market by the trustee of the Plan. No Shares have been granted to eligible employees under the Plan since its adoption and up to the date of this report.

For the six months ended 30 September 2020, a sum of approximately HK\$3,559,000 has been used to acquire 12,800,000 Shares from the market by the trustee of the Plan. No Shares have been granted to eligible employees under the Plan up to the date of this report.

The Plan shall be subject to the administration of the Board and the trustee in accordance with the plan rules and the trust deed of the Plan. Subject to any early termination as may be determined by the Board, the Plan shall be valid and effective for a term of 10 years commencing on its adoption date (i.e. 22 June 2018).

The maximum number of Shares to be subscribed for and/or purchased by the trustee by applying the trust fund of the Plan for each calendar year for the purpose of the Plan shall not exceed 10% of the total number of issued Shares as at the beginning of such calendar year. The Directors shall not instruct the trustee to subscribe and/or purchase any Shares for the purpose of the Plan when such subscription and/or purchase will result in the said limit being exceeded. The maximum number of Shares which may be awarded to a selected employee under the Plan shall not exceed 1% of the total number of issued Shares from time to time.

Details are set out in the section headed “Share Award Plan” in this report and the announcements of the Company dated 22 June 2018 and 10 July 2018.

26. RELATED PARTY TRANSACTIONS

The Group had the following significant transactions with related parties during the reporting period:

Key management personnel remuneration

Key management of the Group are members of the Board and chief executive of the Company. Key management personnel remuneration includes the following expenses:

	For the three months ended 30 September		For the six months ended 30 September	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Directors' fees	90	120	160	240
Salaries, allowances and other benefits	1,036	1,155	1,990	2,288
Contributions on defined contribution retirement plans	9	9	18	18
	1,135	1,284	2,168	2,546

BUSINESS REVIEW

During the six months ended 30 September 2020, the Group's provision of valuation and advisory services contributed approximately 65.8% of the total revenue to the Group. The Group recorded an increase in revenue generated from the provision of valuation and advisory services of approximately 28.7% as compared with that for the six months ended 30 September 2019. The environmental, social and governance ("ESG") reporting service remained the key driver for boosting the revenue under valuation and advisory services segment during the six months ended 30 September 2020.

The Group aims to provide all-rounded with high quality service to its customers so as to sustain its growth. In addition, the Group always uses its best endeavours to explore various merger and acquisition opportunities and/or business collaboration to enhance its market presence in the valuation and advisory industry in Hong Kong.

The Group's provision of financing services contributed approximately 33.3% of the total revenue of the Group for the six months ended 30 September 2020. The Group's interest income generated from provision of financing service for the six months ended 30 September 2020 increased by approximately 22.4% as compared with that for the six months ended 30 September 2019.

The Group has been continuously seeking different opportunities to broaden its income stream and the market presence.

The Group distributed discretionary bonus and granted share options under the Share Option Scheme to certain staff during the six months ended 30 September 2020 to retain high-caliber individuals for their continuous contribution to the Group. The Group always considers its professional teams as the most valuable asset of the Group and offers competitive remuneration package to attract and retain high-caliber individuals.

FINANCIAL REVIEW

Revenue

For the six months ended 30 September 2020, the Group recorded an increase of approximately 16.8% in revenue as compared with that for the six months ended 30 September 2019. Such increase was mainly attributable to the increases in both the services fee income generated from provision of valuation and advisory services and interest income generated from provision of financing services outweighed a decrease in the service fee income generated from the segment of securities broking, placing and underwriting and investment advisory and asset management services.

The services fee income generated from provision of valuation and advisory services increased by approximately 28.7% to approximately HK\$30.5 million for the six months ended 30 September 2020 from approximately HK\$23.7 million for the six months ended 30 September 2019. Such increase was mainly attributable to the increased sales contributed from ESG reporting services for the six months ended 30 September 2020.

The interest income generated from provision of financing services increased slightly by approximately 22.4% to approximately HK\$15.5 million for the six months ended 30 September 2020 from approximately HK\$12.6 million for the six months ended 30 September 2019. The increase in interest income was mainly attributable to the expansion of loan portfolio during the six months ended 30 September 2020 as compared with that for the six months ended 30 September 2019.

Other income

The Group's other income decreased by approximately 41.8% for the six months ended 30 September 2020 as compared with that for the six months ended 30 September 2019. It was mainly attributable to the combined effect of (i) decrease in bank interest income; (ii) one-off other marketing service income generated during the six months ended 30 September 2019; and outweighed (iii) the government subsidies in relation to the employee support scheme granted during the six months ended 30 September 2020.

Employee benefit expenses

Employee benefit expenses mainly consisted of wages and salaries, discretionary bonus, pension costs and other benefits to the staff and the Directors. The Group's employee benefit expenses slightly decreased by approximately 4.3% for the six months ended 30 September 2020 as compared with those for the six months ended 30 September 2019. The Group always values the contribution of its professional and management teams and has distributed bonus and granted share options under the Share Option Scheme to certain staff during the six months ended 30 September 2020 to retain high-caliber individuals for continuous contribution to the Group.

Depreciation and amortisation

The Group recorded a significant decrease in depreciation and amortisation of approximately 49.2% for the six months ended 30 September 2020 as compared with that for the six months ended 30 September 2019. It was mainly attributable to drop of amortisation of intangible assets which was fully impaired prior to the beginning of the six months ended 30 September 2020.

Finance costs

The Group's finance costs referred to interest expense incurred for bank borrowings, other borrowings and lease liabilities. During the six months ended 30 September 2020, less finance cost incurred was mainly due to contraction of bank borrowings as compared to the six months ended 30 September 2019.

Other expenses

The Group's other expenses increased by approximately 53.6% for the six months ended 30 September 2020 as compared with those for the six months ended 30 September 2019. Such an increase was mainly attributable to the increases in (i) impairment loss on loans and interest receivable; and (ii) impairment loss on trade receivables during the six months ended 30 September 2020.

Profit attributable to owners of the Company

Profit attributable to owners of the Company amounted to approximately HK\$0.8 million for the six months ended 30 September 2020 which slightly increased by approximately HK\$0.4 million as compared to the profit attributable to owners of the Company of approximately HK\$0.4 million for the six months ended 30 September 2019. The increase was mainly attributable combined effect of (i) the increase of approximately 16.8% in the revenue during the six months ended 30 September 2020 due to increased sales contributed from ESG service projects; outweighed (ii) impairment loss on loans and interest receivable; and (iii) increase in impairment loss on trade receivables during six months ended 30 September 2020.

REVIEW ON ADVANCE TO ENTITY AND/OR PROVISION OF FINANCIAL ASSISTANCE

On 31 October 2019, the Group granted a loan facility of HK\$5,000,000 at an interest rate of 36% per annum for a term of three months to a company, for which a guarantor executed a guarantee in favour of the Group. As at 30 September 2020, the loan matured. Follow up works have been taken and in progress. For further details, please refer to the Company's announcements dated 31 October 2019 and 15 November 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

USE OF PROCEEDS

The rights issue in 2017

In November 2017, the Company raised fund of net proceeds of approximately HK\$258.0 million from its rights issue of 1,874,944,986 Shares (the "RI Proceeds"). Up to the date of this report, approximately HK\$135.0 million of the RI Proceeds was utilised for granting of various loans, approximately HK\$27.0 million of the RI Proceeds was used for investment in potential business and approximately HK\$33.0 million of the RI Proceeds was used for the Group's general working capital, and the rest was kept as cash at a licensed bank in Hong Kong. The proposed and actual use of the RI Proceeds up to the date of this report are set as below.

	Proposed use of the RI Proceeds (HK\$ in million)	Actual use of the RI Proceeds from the date of issuance of rights issue and up to 31 March 2020 (HK\$ in million)	Actual use of the RI Proceeds during the six months ended 30 September 2020 (HK\$ in million)	Unutilised RI Proceeds as at 30 September 2020 (HK\$ in million)
Expansion of the Group's existing financing business	135.0	135.0	–	–
Investment in potential businesses (note)	90.0	27.0	–	63.0
General working capital	33.0	33.0	–	–
Total	258.0	195.0	–	63.0

Note: The Company currently expects that the unutilised RI Proceeds will be used by 31 March 2022.

As at the date of this report, the RI Proceeds were not utilised due to unforeseen delays caused by the social unrest in Hong Kong and global pandemic of the COVID-19 which has led the disruptions to the economy and therefore the management is more prudent and taking more time to seek the potential businesses.

The placing of new shares in 2020

In May 2020, the Company raised net proceeds of approximately HK\$5.5 million (the "Placing Proceeds") from its placing of 27,000,000 Shares. For details, please refer to the Company's announcements dated 27 April and 12 May 2020. Up to the date of this report, all of the Placing Proceeds was utilised for the general working capital of the Group.

FUTURE PROSPECTS

The Group always aims to be the leading valuation and advisory services provider in Hong Kong. In order to maintain and further enhance the Group's market presence in the valuation and advisory industry in Hong Kong, the Group will proactively explore further merger and acquisition opportunities and/or business collaboration. In order to well manage the Group's credit risk, the Group will further diversify its loan portfolio.

The Group obtained a license from the SFC under the SFO to carry out Type 1 regulated activity (dealing in securities) on 13 December 2018. It has started operation during the last financial year. In addition, the Group acquired a company which is a corporation licensed by the SFC to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO during the last financial year. The Group will continue to realise its aims to become an integrated securities house in Hong Kong providing a wide range of securities broking and related financial services with a view to achieving a sustainable growth and increasing revenue streams, and maximising the return to the shareholders of the Company ultimately.

The outbreak of COVID-19 has caused disruptions to the economic and social activities in the market that the Group operates in. Those disruptions pose threat on affecting the entire world and make the outlook highly uncertain.

In response to COVID-19 outbreak, the Group has made every effort to introduce a safe working environment for its workforce and introduced measures to prevent the spread of COVID-19 in the working environment, and will continue to impose appropriate measures to minimize the adverse impact on the business operation of the Group. In addition, the Company will maintain its core competitiveness, at the same time promote the operation of new business segment for securities broking, placing and underwriting and investment advisory and asset management, and improve the Group's ability to resist risks.

LIQUIDITY AND FINANCIAL RESOURCES

During the six months ended 30 September 2020, the Group mainly financed its operations with its own working capital and bank borrowings. As at 30 September 2020 and 31 March 2020, the Group had net current assets of approximately HK\$250.1 million and HK\$228.7 million respectively, including cash and bank balances of general accounts of approximately HK\$24.2 million and HK\$19.2 million respectively. The Group's pledged bank deposits of approximately HK\$41.0 million and HK\$48.2 million as at 30 September 2020 and 31 March 2020 respectively represented cash at bank held by the Group and pledged for bank borrowings. The Group's current ratio (current assets divided by current liabilities) increased from approximately 3.2 as at 31 March 2020 to approximately 3.4 as at 30 September 2020.

As at 30 September 2020 and 31 March 2020, the Group's total bank borrowings amounted to approximately HK\$36.3 million and HK\$43.3 million respectively. All bank borrowings were denominated in United States Dollars ("US\$"). Details of the bank borrowings of the Group are set out in note 23 to the Interim Financial Statements. As at 30 September 2020, the Group's other borrowings amounted to HK\$5.8 million (31 March 2020: HK\$12.3 million). The Group's total lease liabilities amounted to approximately HK\$11.1 million and HK\$0.6 million as at 30 September 2020 and 31 March 2020 respectively. The Group's gearing ratio, calculated on the basis of total lease liabilities and interest-bearing borrowings over total equity, was approximately 0.14 and 0.15 as at 30 September 2020 and 31 March 2020 respectively.

COMMITMENTS

The Group's contractual commitments primarily related to the leases of its office premises. The Group's operating lease commitments amounted to approximately HK\$11.1 million and HK\$0.4 million as at 30 September 2020 and 31 March 2020 respectively. As at 30 September 2020, the Group did not have any capital commitments (31 March 2020: nil).

CAPITAL STRUCTURE

Details of the movements in the Company's share capital are set out in note 24 to the Interim Financial Statements.

SIGNIFICANT INVESTMENTS

Save for the investment of 19.9% equity interest in Greater China Appraisal as disclosed in note 15 to the Interim Financial Statements, the Group did not hold any significant investments as at 30 September 2020.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed “Use of proceeds” in this report, the Group currently does not have other concrete plans for material investments or capital assets.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in the section headed “Significant Investments” and elsewhere in this report, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 September 2020.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 September 2020 (31 March 2020: nil).

FOREIGN EXCHANGE EXPOSURE

During the six months ended 30 September 2020, the Group’s exposure to currency risk was limited to its bank balances denominated in Renminbi (“RMB”) as majority of the Group’s transactions, monetary assets and liabilities are denominated in HK\$ and US\$. In the event that RMB appreciates by 10% against HK\$, the Group’s profit for the six months ended 30 September 2020 will increase by approximately HK\$1,247,000 (31 March 2020: the Group’s loss decreased by approximately HK\$1,000). On the contrary, if RMB depreciates by 10% against HK\$, the Group’s profit for the six months ended 30 September 2020 will decrease by approximately HK\$1,247,000 (31 March 2020: the Group’s loss increased by approximately HK\$1,000). As US\$ is pegged to HK\$, the Group does not expect any significant movements in the US\$/HK\$ exchange rates. The Group will continue to monitor its foreign currency exposure closely.

MANAGEMENT DISCUSSION AND ANALYSIS

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients and credit review of the Group's loan portfolio. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

PLEDGE OF ASSETS

As at 30 September 2020, save for the pledged bank deposits and motor vehicles acquired under leases, the Group did not pledge any of its assets (31 March 2020: nil) as securities for any facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2020 and 30 September 2019, the Group employed a total of 79 and 76 full-time employees respectively. The Group's total employee benefit expenses were approximately HK\$22.8 million and HK\$23.8 million for the six months ended 30 September 2020 and 2019 respectively. Remuneration is determined by reference to market conditions and the performance, qualification and experience of individual employee. In addition to a basic salary, discretionary bonuses would be offered to those staff with outstanding performance and share options would be granted under the Share Option Scheme and share award would be granted under the Plan to attract and retain eligible employees to contribute to the Group. The Group also provides and arranges on-the-job training for the employees.

SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved by the Shareholders on 26 September 2011 and became effective on the Listing Date. Options comprising 13,500,000 underlying Shares, were granted under the Share Options Scheme on 3 July 2020. The closing price of the Shares immediately before the date on which the options were granted was HK\$0.26 per Share.

Details of the options granted under the Share Option Scheme, their movements during the six months ended 30 September 2020 and the options outstanding as at 30 September 2020 were as follows:

Name of Directors	As at 1 April 2020	Number of the Shares comprised in the options granted				As at 30 September 2020	Exercise period and vesting period	Subscription price per Share HK\$
		Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period			
Yue Kwai Wa Ken ("Mr. Yue")	1,500,204	-	-	(1,500,204)	-	-	Note 1	1.80
Li Sheung Him Michael ("Mr. Li")	1,500,204	-	-	(1,500,204)	-	-	Note 1	1.80
Employees	1,500,205	-	-	(1,500,205)	-	-	Note 1	1.80
Other eligible participants	1,500,204	-	-	-	(1,500,204)	-	Note 1	1.80
Employees	12,151,838	-	-	(4,050,613)	-	8,101,225	Note 2	1.28
Other eligible participants	2,700,408	-	-	(1,350,204)	-	1,350,204	Note 2	1.28
Mr. Yue	-	1,500,000	(1,500,000)	-	-	-	Note 3	0.26
Mr. Li	-	1,500,000	(1,500,000)	-	-	-	Note 3	0.26
Employees	-	10,500,000	(10,500,000)	-	-	-	Note 3	0.26
	20,853,063	13,500,000	(13,500,000)	(9,901,430)	(1,500,204)	9,451,429		

Notes:

1. The options granted under the Share Option Scheme could be exercised at the exercise price of HK\$0.0904 at the date of grant, which was not lower than the highest of (a) the closing price of HK\$0.086 per Share as stated in the daily quotation sheet issued by the Stock Exchange on 15 August 2018 (i.e. the date of grant); (b) the average closing price of HK\$0.0904 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the date of grant; and (c) the nominal value of HK\$0.064 per Share. The exercise price of the share option was adjusted to HK\$1.80 following the share consolidation on 22 August 2019. The exercise period should commence on the date of grant (i.e. 15 August 2018) and end on 14 August 2020.
2. The options granted under the Share Option Scheme could be exercised at the exercise price of HK\$0.064 at the date of grant, which was not lower than the highest of (a) the closing price of HK\$0.026 per Share as stated in the daily quotation sheet issued by the Stock Exchange on 19 June 2019 (i.e. the date of grant); (b) the average closing price of HK\$0.028 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the date of grant; and (c) nominal value of HK\$0.064 per Share. The exercise price of the share option was adjusted to HK\$1.28 following the share consolidation on 22 August 2019. The exercise period should commence on the date of grant (i.e. 19 June 2019) and end on 18 June 2022.
3. The options granted under the Share Option Scheme could be exercised at the exercise price of HK\$0.260 at the date of grant, which is not lower than the highest of (i) the closing price of HK\$0.255 per Share as stated in the Stock Exchange's daily quotation sheet on the 3 July 2020 (i.e. the date of grant); (ii) the average closing price of HK\$0.259 per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of HK\$0.01 per Share. The exercise period should commence on the date of grant (i.e. 3 July 2020) and end on 2 July 2021. Such options have been exercised in July 2020 and the weighted average closing price of share before date of exercise of options being HK\$0.255.

Save as disclosed above, no options were granted or exercised or cancelled or lapsed during the six months ended 30 September 2020.

SHARE AWARD PLAN

On 22 June 2018, the Company adopted the Plan in which the Group's employees (whether full time or part time, but exclude directors) will be entitled to participate. For the six months ended 30 September 2018, a sum of approximately HK\$26,241,000 has been used to acquire 300,000,000 Shares (before the consolidation of Shares) from the market by the trustee of the Plan. No Shares have been granted to eligible employees under the Plan up to the date of this report.

For the six months ended 30 September 2020, a sum of approximately HK\$3,559,000 has been used to acquire 12,800,000 Shares from the market by the trustee of the Plan. No Shares have been granted to eligible employees under the Plan up to the date of this report.

The objectives of the Plan are to (i) recognise and reward the contribution of certain employees to the growth and development of the Group through an award of Shares and to give incentive thereto in order to retain them for the continual operation and development of the Group; and (ii) attract suitable personnel for further development of the Group.

The Plan shall be subject to the administration of the Board and the trustee in accordance with the plan rules and the trust deed of the Plan. Subject to any early termination as may be determined by the Board, the Plan shall be valid and effective for a term of 10 years commencing from its adoption date (i.e. 22 June 2018).

The maximum number of Shares to be subscribed for and/or purchased by the trustee by applying the trust fund of the Plan for each calendar year for the purpose of the Plan shall not exceed 10% of the total number of issued Shares as at the beginning of such calendar year. The Directors shall not instruct the trustee to subscribe and/or purchase any Shares for the purpose of the Plan when such subscription and/or purchase will result in the said limit being exceeded. The maximum number of Shares which may be awarded to a selected employee under the Plan shall not exceed 1% of the total number of issued Shares from time to time.

Details of the Plan were set out in the announcements of the Company dated 22 June 2018 and 10 July 2018.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 September 2020, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO which would have to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to section 352 of the SFO, to be entered in the register as referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules required to be notified to the Company and the Stock Exchange, are as follows:

Long positions in the Shares, underlying Shares and debentures of the Company

Name of Directors	The Company/ name of associated company	Capacity/nature of interests	Number of Shares held	Approximate percentage of interests (Note 1)
Mr. Yue	The Company	Interest of controlled corporation/Corporate interest	27,800,000 (Note 2)	15.84%
	Fast and Fabulous Company Limited ("Fast and Fabulous")	Trustee of the Plan/Others	27,800,000 (Note 2)	15.84%
Mr. Chung Man Lai	The Company	Interest of spouse/ Family interest	1,250	0.00%

Notes:

- The percentage is calculated on the basis of the total number of issued 175,520,415 Shares as at 30 September 2020.
- These 27,800,000 Shares were held by Fast and Fabulous, which was the trustee of the Plan of the Company adopted with effect from 22 June 2018. As the entire issued share capital of Fast and Fabulous was legally and beneficially owned by Mr. Yue, Mr. Yue was deemed to be interested in all the Shares in which Fast and Fabulous was interested by virtue of the SFO.

Save as disclosed above, as at 30 September 2020, none of the Directors and the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to Section 352 of the SFO, to be entered in the register as referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2020, so far as the Directors are aware, the interests or short positions owned by the following persons (other than a Director or the chief executive of the Company)/entities in the Shares or underlying Shares, which were required: (a) to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO; or (b) to be recorded in the register of the Company required to be kept under section 336 of the SFO are as follows:

Long positions in the Shares and underlying Shares

Name of shareholders	Capacity/nature of interest	Number of issued Shares held	Approximate percentage of interest (Note 1)
Fast and Fabulous	Trustee of Plan/Others	27,800,000 (Note 2)	15.84%
Aperto Investments Limited ("Aperto") (Note 3)	Beneficial owner/ Personal interest	39,876,000	22.72%
Mr. Luk Kee Yan Kelvin ("Mr. Luk") (Note 3)	Interest of a controlled corporation/Corporate interest	41,376,000	23.57%

Notes:

1. The percentage is calculated on the basis of the total number of issued 175,520,145 Shares as at 30 September 2020.
2. These 27,800,000 Shares were held by Fast and Fabulous, which was the trustee of the Plan of the Company adopted with effect from 22 June 2018. As the entire issued share capital of Fast and Fabulous was legally and beneficially owned by Mr. Yue, Mr. Yue was deemed to be interested in all the Shares in which Fast and Fabulous was interested by virtue of the SFO.
3. The entire issued share capital of Aperto was legally and beneficially owned by Mr. Luk. Under the SFO, Mr. Luk was deemed to be interested in all the Shares held by Aperto.

Save as disclosed above and as at 30 September 2020, the Directors are not aware of any interests or short positions owned by any persons (other than a Director or the chief executive of the Company)/entities in the Shares or underlying Shares, which were required: (a) to be disclosed under Divisions 2 and 3 of Part XV of the SFO; or (b) to be recorded in the register of the Company required to be kept under section 336 of the SFO.

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

During the six months ended 30 September 2020, the Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchase or sell any such Shares.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings").

Having made specific enquiries of all Directors by the Company, all Directors confirmed that they had complied with the Required Standard of Dealings and its code of conduct concerning securities transactions by the Directors during the six months ended 30 September 2020.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to maintaining and achieving a high standard of corporate governance practices with an emphasis on a quality Board, an effective accountability system and a healthy corporate culture in order to safeguard the interests of the Shareholders and enhance the business growth of the Group.

During the six months ended 30 September 2020, the Company has complied with all the code provisions as set out in the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules (the "CG Code") except the following deviation:

Code Provision A.2.1

The above code provision of CG Code stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual.

During the six months ended 30 September 2020 and up to the date of this report, Mr. Yue has been both the chairman of the Board (the "Chairman") and the chief executive officer of the Group (the "CEO").

The Board considers that having the same person to perform the roles of both the Chairman and the CEO provides the Company with strong and consistent leadership, and allows effective and efficient planning and implementation of business decisions and strategies. Such structure would not impair the balance of power and authority between the Board and the management of the Group. The balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals and having meeting regularly to discuss issues affecting the operations of the Group.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESSES

None of the Directors or any entity connected with any Director had a material interest, whether directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group, to which the Company or its holding company or any of its subsidiaries or fellow subsidiaries was a party as at 30 September 2020 or at any time during the six months ended 30 September 2020.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the six months ended 30 September 2020 and up to the date of this report, none of the Directors or any of their respective close associates (as defined in the GEM Listing Rules), engaged in any business that competed or might compete with the businesses of the Group, or had any other conflict of interest with the Group.

CHANGES IN DIRECTORS' INFORMATION

Subsequent to the date of the 2020 annual report of the Company, the changes in Directors' information as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules for the six months ended 30 September 2020 and up to the date of this report are set out below:

- a) Mr. Chung Man Lai ("Mr. Chung") was re-designated as an executive director of Aurum Pacific (China) Group Limited (the shares of which are listed on GEM of the Stock Exchange, Stock code: 8148) from the position of independent non-executive director with effect from 15 September 2020.
- b) Mr. Chung was appointed as the chief financial officer, company secretary, member of the risk management committee and authorised representative of D&G Technology Holding Company Limited (the shares of which are listed on the Main Board of the Stock Exchange, Stock code: 1301) with effect from 23 September 2020.

AUDIT COMMITTEE

The audit committee of the Board (the “Audit Committee”) was established on 26 September 2011 with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The terms of reference of the Audit Committee are available at the respective websites of the Company and the Stock Exchange. The major roles and functions of the Audit Committee are to review the financial systems of the Group; to review the accounting policies, financial positions and results, and financial reporting procedures of the Group; to communicate with external auditor; to assess the performance of internal financial and audit personnel; to review the risk management system and to assess the internal controls of the Group; and to provide recommendations and advices to the Board on the appointment, re-appointment and removal of external auditor as well as their terms of appointment. The Company has adopted a whistleblowing policy in order to allow the employees or other stakeholders (such as suppliers and customers) of the Group to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Group.

The Audit Committee currently consists of three members, namely Mr. Chung Man Lai, (being the chairman of the Audit Committee), Mr. Ko Wai Lun Warren and Ms. Li Tak Yin all being independent non-executive Directors. No member of the Audit Committee is a member of the former or existing independent auditor of the Company. The Audit Committee has reviewed the Interim Financial Statements and this report.

By order of the Board

Roma Group Limited

Yue Kwai Wa Ken

*Executive Director, Chief Executive Officer,
Chairman and Company Secretary*

Hong Kong, 11 November 2020

As at the date of this report, the executive Directors are Mr. Yue Kwai Wa Ken (Chairman and Chief Executive Officer) and Mr. Li Sheung Him Michael; and the independent non-executive Directors are Mr. Chung Man Lai, Mr. Ko Wai Lun Warren and Ms. Li Tak Yin.