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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 THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2021

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 nine months ended 31 December 2021. This announcement, containing the full text of the 2021/22 third quarterly 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 third quarterly results.

By order of the Board
Roma Group Limited
Yue Kwai Wa Ken

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

Hong Kong, 10 February 2022

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



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This report, for which the directors of Roma Group Limited (the “Company” and the “Directors”, 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 nine months ended 31 December 2021:

- Revenue was approximately HK\$66.9 million, representing a decrease of approximately 4.5% as compared with that for the nine months ended 31 December 2020;
- Loss amounted to approximately HK\$0.1 million as compared to the loss of approximately HK\$1.9 million for the nine months ended 31 December 2020;
- Basic and diluted loss per share attributable to owners of the Company were HK0.01 cents; and
- No dividend has been declared.





THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2021

The board (the "Board") of Directors announces the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the three months and nine months ended 31 December 2021 together with the relevant comparative unaudited/audited figures as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 31 December 2021

	Notes	For the three months ended 31 December		For the nine months ended 31 December	
		2021	2020	2021	2020
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	3	20,550	23,590	66,851	70,033
Other income	4	1,238	3,441	2,339	6,450
Increase/(decrease) in fair value of investment property		-	-	100	(1,000)
Employee benefit expenses	5	(10,691)	(10,007)	(33,827)	(32,822)
Depreciation and amortisation	6	(1,259)	(1,272)	(3,763)	(3,631)
Finance costs	7	(1,429)	(425)	(2,853)	(1,408)
Other expenses		(9,238)	(18,048)	(28,962)	(39,502)
Loss before income tax		(829)	(2,721)	(115)	(1,880)
Income tax credit/(expense)	8	23	54	70	(3)
Loss for the period attributable to owners of the Company		(806)	(2,667)	(45)	(1,883)
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)
Total comprehensive loss attributable to owners of the Company		(806)	(2,667)	(45)	(3,328)
			(Restated)		(Restated)
Basic and diluted loss per share attributable to owners of the Company (HK cents)	10	(0.12)	(1.58)	(0.01)	(1.22)





UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2021

	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 HK\$'000	Accumulated loss HK\$'000	Total HK\$'000
At 1 April 2021 (audited)	1,755	-	579,738	10	1,354	-	(242,414)	340,443
<hr/>								
Total comprehensive loss for the period	-	-	-	-	-	-	(45)	(45)
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Transaction with owners, in their capacity as owners								
Rights issue, net of expenses	5,266	-	57,380	-	-	-	-	62,646
Purchases of shares for the Plan	-	(2,574)	-	-	-	-	-	(2,574)
At 31 December 2021 (unaudited)	7,021	(2,574)	637,118	10	1,354	-	(242,459)	400,470
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At 1 April 2020 (audited)	1,350	(26,241)	569,909	10	4,879	(21,220)	(160,991)	367,696
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Loss for the period	-	-	-	-	-	-	(1,883)	(1,883)
Other comprehensive income								
Change in the fair value of the financial asset at FVOCI	-	-	-	-	-	(1,445)	-	(1,445)
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Total comprehensive loss for the period	-	-	-	-	-	(1,445)	(1,883)	(3,328)
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Transaction with owners, in their capacity as owners								
Placing shares, net of expenses	270	-	5,237	-	-	-	-	5,507
Share option cancelled	-	-	-	-	(2,834)	-	2,834	-
Recognition of share-based payment	-	-	-	-	1,217	-	-	1,217
Exercise of share options	135	-	4,592	-	(1,217)	-	-	3,510
Lapse of share options	-	-	-	-	(691)	-	691	-
Net disposal of shares under the Plan	-	26,241	-	-	-	-	(7,667)	18,574
At 31 December 2020 (unaudited)	1,755	-	579,738	10	1,354	(22,665)	(167,016)	393,176





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 on 25 February 2013 (the "Listing Date").

The unaudited condensed consolidated financial statements of the Group for the three months and nine months ended 31 December 2021 (the "Unaudited Condensed Consolidated Financial Statements") were approved and authorised for issue by the Board on 10 February 2022.

2. BASIS OF PREPARATION

(a) Basis of preparation

The Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of Companies Ordinance (Chapter 622 of laws of Hong Kong). In addition, the Unaudited Condensed Consolidated Financial Statements include applicable disclosures required by the GEM Listing Rules.





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(b) Principal accounting policies

The accounting policies and methods of computation used in preparing the Unaudited Condensed Consolidated Financial Statements are the same as those followed in the preparation of the Group's audited consolidated financial statements for the year ended 31 March 2021, except for the adoption of the following new and amended HKFRSs effective for the Group's consolidated financial statements for the period beginning on 1 April 2021. The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

Amendment to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2
Amendments to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021

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.

Amendments to HKFRSs	Annual Improvements to HKFRS Standards 2018–2020 ¹
Amendments to HKFRS 3 HKFRS 17	Reference to the Conceptual Framework ⁴ Insurance Contracts and related amendments ²
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use ¹
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ²
Amendments to HKAS 8	Definition of Accounting Estimates ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combination ⁴

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

² Effective for annual periods beginning on or after 1 January 2023

³ Effective date not yet determined

⁴ Effective for business combination/common control combination for which the acquisition/combination date is on or after the beginning of the first annual period beginning on or after 1 January 2022





(c) Basis of measurement

The Unaudited Condensed Consolidated Financial Statements have been prepared under the historical cost basis, except for financial assets at fair value through profit or loss and investment property, which are measured at fair value.

(d) Functional and presentation currency

The Unaudited Condensed Consolidated 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, placing and underwriting and investment advisory and asset management services.

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

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue from contracts with customers within the scope of HKFRS 15:				
Valuation and advisory services	14,027	18,415	46,322	48,956
Securities broking, placing and underwriting and investment advisory and asset management services	79	232	1,773	651
Revenue from other sources:				
Interest income from provision of financing services	6,444	4,943	18,756	20,426
	20,550	23,590	66,851	70,033





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. OTHER INCOME

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Reimbursement of expenses	64	20	151	205
Interest income	324	130	894	644
Rental income	54	54	162	162
Other marketing service income	–	1,257	–	1,407
Subsidies	780	1,540	840	3,536
Others	16	440	292	496
	1,238	3,441	2,339	6,450

5. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Wages and salaries	9,826	9,410	31,770	29,905
Contributions on defined contribution retirement plans	296	291	906	884
Share-based payment — equity settled	–	–	–	1,217
Other benefits	569	306	1,151	816
	10,691	10,007	33,827	32,822





6. EXPENSES BY NATURE

Loss before income tax is arrived at after charging:

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Auditor's remuneration (note)	183	163	508	488
Amortisation of intangible assets	163	21	490	63
Consultancy fee (note)	1,952	2,699	14,394	8,367
Depreciation				
— Owned asset	51	231	140	848
— Right-of-use asset	1,045	1,020	3,133	2,720
Exchange gain, net (note)	(1,006)	(723)	(1,881)	(529)
Marketing and business development expenses (note)	1,439	1,375	3,678	3,995
Impairment loss/(Reversal of impairment loss) on loans and interests receivable, net (note)	3,812	12,830	(4,745)	17,469
Impairment loss on trade and other receivables, net (note)	574	–	1,124	1,585
Lease charges for short-term leases (note)	122	123	359	368
Professional fee (note)	341	(109)	9,250	2,885

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





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. FINANCE COSTS

	For the three months ended 31 December		For the nine months ended 31 December	
	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest on bank borrowings	144	123	412	544
Interest on other borrowings	1,252	247	2,325	702
Finance charge on lease liabilities	33	55	116	162
	1,429	425	2,853	1,408

8. 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% (2020: 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% (2020: 16.5%).

	For the three months ended 31 December		For the nine months ended 31 December	
	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Current Hong Kong Profits Tax				
Tax for the period	47	(54)	-	3
	47	(54)	-	3
Deferred tax				
Credit for the period	(70)	-	(70)	-
	(23)	(54)	(70)	3

9. DIVIDEND

The Board has resolved not to recommend the payment of any dividend for the nine months ended 31 December 2021 (2020: nil).





10. LOSS PER SHARE

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

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Loss				
Loss for the purpose of basic and diluted loss per share	(806)	(2,667)	(45)	(1,883)
	'000	'000 (Restated)	'000	'000 (Restated)
Number of Shares				
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share (notes (a), (b) and (c))	684,542	168,633	669,114	154,421

Notes:

- Weighted average of 684,542,000 Shares for the three months ended 31 December 2021 are derived from 702,081,660 Shares in issue as at 1 October 2021 after taking into account the purchase of the Shares held for the Plan. Weighted average of 669,114,000 Shares for the nine months ended 31 December 2021 are derived from 175,520,415 Shares in issue as at 1 April 2021 after taking into account the (i) the effects of the completion of rights issue on 19 April 2021; and (ii) the purchase of the Shares held for the Plan.
- Weighted average of 168,633,000 Shares for the three months ended 31 December 2020 are derived from 175,520,415 Shares in issue as at 1 October 2020 after taking into account (i) the purchases of Shares held for the Plan; and (ii) completion of rights issue on 19 April 2021. Weighted average of 154,421,000 Shares for the nine months ended 31 December 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; (iii) the purchase of Shares held for the Plan and (iv) completion of rights issue on 19 April 2021.
- The computation of diluted loss per share does not assume the exercise of the Company's outstanding share options as the exercise prices of those options were higher than the average market price for Shares for both periods.





MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the nine months ended 31 December 2021, the Group's revenue was approximately HK\$66.9 million, representing a decrease of approximately 4.5% compared with that for the nine months ended 31 December 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 has been continuously seeking different opportunities to broaden its income stream and the market presence.

The Group distributed discretionary bonus to staff during the nine months ended 31 December 2021 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

During the nine months ended 31 December 2021, the Group's provision of valuation and advisory services contributed approximately 69.3% of the total revenue to the Group. The services fee income generated from provision of valuation and advisory services remained stable with a slight decrease by approximately 5.4% to approximately HK\$46.3 million for the nine months ended 31 December 2021 from approximately HK\$49.0 million for the nine months ended 31 December 2020.

The Group's provision of financing services contributed approximately 28.1% of the total revenue of the Group for the nine months ended 31 December 2021. The interest income generated from provision of financing services decreased by approximately 8.2% to approximately HK\$18.8 million for the nine months ended 31 December 2021 from approximately HK\$20.4 million for the nine months ended 31 December 2020. The decrease in interest income was mainly attributable to the reduction of loan portfolios size during the nine months ended 31 December 2021 as compared with that for the nine months ended 31 December 2020.





The segment of securities broking, placing and underwriting and investment advisory services commenced operation in recent years. This relatively new segment accounted for approximately 2.6% of the Group's total revenue for the nine months ended 31 December 2021. The income generated from this segment significantly increased to approximately HK\$1.8 million for the nine months ended 31 December 2021 from approximately HK\$0.7 million for the nine months ended 31 December 2020. The rise was mainly attributable to more brokerage income recorded and commission income generated from a completed underwriting engagement during the nine months ended 31 December 2021.

Other income

The Group's other income decreased by approximately 63.7% for the nine months ended 31 December 2021 as compared with that for the nine months ended 31 December 2020. It was mainly attributable to the government subsidies in relation to the employee support scheme granted during the nine months ended 31 December 2020 whereas no such subsidies granted during nine months ended 31 December 2021.

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 increased by approximately 3.1% for the nine months ended 31 December 2021 as compared with those for the nine months ended 31 December 2020. The Group always values the contribution of its professional and management teams and has distributed bonus during the nine months ended 31 December 2021 to retain high-caliber individuals for continuous contribution to the Group.

Depreciation and amortisation

The Group recorded a slightly increase in depreciation and amortisation of approximately 3.6% for the nine months ended 31 December 2021 as compared with that for the nine months ended 31 December 2020.





MANAGEMENT DISCUSSION AND ANALYSIS

Finance costs

The Group's finance costs referred to interest expense incurred for bank borrowings, other borrowings and lease liabilities. During the nine months ended 31 December 2021, increase in finance cost was in line with additions of other borrowings for operational needs as compared to the nine months ended 31 December 2020.

Other expenses

The Group's other expenses decreased by approximately 26.7% for the nine months ended 31 December 2021 as compared with those for the nine months ended 31 December 2020. Such decrease was mainly attributable to the net reversal of impairment loss on loans and interest receivable recognised during the nine months ended 31 December 2021 whereas net impairment loss on loans and interest receivable recognised for the last corresponding period.

Loss attributable to owners of the Company

Loss attribute to the owners of the Company amounted to approximately HK\$0.1 million for the nine months ended 31 December 2021 as compared to the loss attributable to the owners of the Company of approximately HK\$1.9 million for the nine months ended 31 December 2020. It was mainly attributable to the (i) net reversal of impairment loss on loans and interest receivable recognised during the nine months ended 31 December 2021 whereas net impairment loss on loans and interest receivable recognised for the last corresponding period outweighed (ii) the drop of revenue and other income for the nine months ended 31 December 2021.

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

During the nine months ended 31 December 2021, none of the financial assistance provided by the Group constituted "discloseable transaction" under Chapter 19 of the GEM Listing Rules and "advances to entity" which requires disclosure pursuant to Chapter 17 of the GEM Listing Rules.





CAPITAL STRUCTURE

The rights issue in 2021

In April 2021, the Company raised fund of net proceeds of approximately HK\$62.6 million from its rights issue of 526,561,245 Shares (the "2021 RI Proceeds") on the basis of three (3) rights shares for every one (1) existing Share held on the record date at the subscription price of HK\$0.125 per rights share. Up to 31 December 2021, (i) approximately HK\$47.1 million of the 2021 RI Proceeds was used for enrichment of working capital for operation and expansion of existing business, (ii) approximately HK\$15.5 million of the 2021 RI Proceeds was used for repayment of outstanding debts. The proposed and actual use of the 2021 RI Proceeds up to 31 December 2021 are set as below.

	Proposed use of the 2021 RI Proceeds (HK\$ in million)	Actual use of the 2021 RI Proceeds during the nine months ended 31 December 2021 (HK\$ in million)	Unutilised 2021 RI Proceeds as at 31 December 2021 (HK\$ in million)
Enrichment of working capital for operation and expansion of existing business	Not less than 42.0	47.1	–
Repayment of outstanding debts	Not less than 15.5	15.5	–
Acquisition of and/or investment in business	Not less than 5.1	–	–
Total	62.6	62.6	–





MANAGEMENT DISCUSSION AND ANALYSIS

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 "2017 RI Proceeds"). Up to 31 December 2021, approximately HK\$135.0 million of the 2017 RI Proceeds was utilised for granting of various loans, approximately HK\$27.0 million of the 2017 RI Proceeds was used for investment in potential business and approximately HK\$33.0 million of the 2017 RI Proceeds was used for the Group's general working capital, and the rest was kept as cash at licensed bank in Hong Kong. The proposed and actual use of the 2017 RI Proceeds are set as below.

	Proposed use of the 2017 RI Proceeds (HK\$ in million)	Actual use of the 2017 RI Proceeds from the date of issuance of rights issue and up to 31 March 2021 (HK\$ in million)	Actual use of the 2017 RI Proceeds during the nine months ended 31 December 2021 (HK\$ in million)	Unutilised 2017 RI Proceeds as at 31 December 2021 (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 2017 RI Proceeds will be used by 31 December 2022.

As at the date of this report, the 2017 RI Proceeds were not utilised due to unforeseen delays caused by the 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.





FUTURE PROSPECTS

With an aim to be the leading valuation and advisory services provider in Hong Kong, the Group reinforced its core strategy by providing all-rounded services in high quality to clients. Going forward, the Group will continue to explore expansion of the service scope of its advisory services with a view to match its services with the changing environment and sustain its growth. The Group will also continue to explore various merger and acquisition opportunities and/or business collaboration to maintain and enhance its market presence in the valuation and advisory industry in Hong Kong.

The performance of the Group's provision of securities broking, placing and underwriting and investment advisory and asset management service has improved during the nine months ended 31 December 2021. Moreover, it is expected that the related policies in relation to the development of the Belt and Road Initiative and advancement of Greater Bay Area will create new opportunities for Hong Kong as an international financial hub. Therefore, the Group will continue to adhere to its strategy to strive for being an integrated securities house in Hong Kong by cultivate capital raised from share allotment to expand and grow the business portfolio, in order to achieve a sustainable growth and increasing revenue streams.

To minimise the risk of COVID-19 spreading and threat to the Group's operation, the Group will continue to make every last effort and adopt any suitable and necessary measures to introduce a safe working environment for its workforce, in order to maintain the Group's productivity and competitiveness in the market. Last but not least, the Group holds a strong faith that the valuation and advisory services will remain to act as a key revenue driver of the Group for the upcoming years and the financing services will become more consolidated and integrated in the foreseeable future.





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 31 December 2021, 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 Kwai Wa Ken ("Mr. Yue")	The Company	Interest of controlled corporation/ Corporate interest	17,540,000 (Note 2)	2.50%
	Fast and Fabulous Company ("Fast and Fabulous")	Trustee of the Plan/Others	17,540,000 (Note 2)	2.50%
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 702,081,660 Shares as at 31 December 2021.
- These 17,540,000 Shares were held by Fast and Fabulous, which was the trustee of the Plan. 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 31 December 2021, none of the Directors and the chief executive of the Company had any interests or short positions in the shares, underlying shares or 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 referred to therein, or which would be required 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 31 December 2021, 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) or 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)
Aperto Investments Limited ("Aperto") (Note 2)	Beneficial owner/ Personal interest	210,000,000	29.91%
Mr. Luk Kee Yan Kelvin ("Mr. Luk") (Note 2)	Interest of a controlled corporation/ Corporate interest	210,000,000	29.91%

Note 1: The percentage is calculated on the basis of the total number of issued 702,081,660 Shares as at 31 December 2021.

Note 2: The entire issued share capital of Aperto was legally and beneficially owned by Mr. Luk. Mr. Luk was deemed to be interested in all the Shares held by Aperto by virtue of the SFO.





MANAGEMENT DISCUSSION AND ANALYSIS

Save as disclosed above and as at 31 December 2021, 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) or entities in the Shares or underlying Shares, which were required: (a) to be notified 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 nine months ended 31 December 2021, 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.

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 nine months ended 31 December 2021.

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 nine months ended 31 December 2021, the Company has complied with, where applicable, all the code provisions as set out in the Corporate Governance Code (the "CG Code") and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules except the following deviation:

Code Provision C.2.1

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





During the nine months ended 31 December 2021 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 including the three independent non-executive Directors offering independent perspectives 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 during the nine months ended 31 December 2021 or any time during the nine months ended 31 December 2021.

DIRECTORS’ INTERESTS IN COMPETING BUSINESSES

During the nine months ended 31 December 2021 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.





MANAGEMENT DISCUSSION AND ANALYSIS

AUDIT COMMITTEE

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 Unaudited Condensed Consolidated 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, 10 February 2022

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.

