ROMA

Roma Group Limited

Incorporated in the Cayman Islands with limited liability

Stock Code: 8072

Annual Report 2021/2022

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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Corporate Information

As at 16 June 2022

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principal place of business in Hong Kong	22/F., China Overseas Building 139 Hennessy Road Wanchai Hong Kong
Company's website	www.romagroup.com
Executive Directors	Mr. Yue, Kwai Wa Ken *(Chairman and Chief Executive Officer)* Mr. Li, Sheung Him Michael
Independent non-executive Directors	Mr. Chung, Man Lai Mr. Ko, Wai Lun Warren Ms. Li, Tak Yin
Company secretary	Mr. Yue, Kwai Wa Ken, *AICPA*
Authorised representatives	Mr. Yue, Kwai Wa Ken Mr. Li, Sheung Him Michael
Compliance officer	Mr. Yue, Kwai Wa Ken
Audit committee	Mr. Chung, Man Lai *(chairman)* Mr. Ko, Wai Lun Warren Ms. Li, Tak Yin
Remuneration committee	Mr. Ko, Wai Lun Warren *(chairman)* Mr. Chung, Man Lai Ms. Li, Tak Yin
Nomination committee	Ms. Li, Tak Yin *(chairperson)* Mr. Chung, Man Lai Mr. Ko, Wai Lun Warren

As at 16 June 2022

Principal share registrar and transfer office in the Cayman Islands	**Conyers Trust Company (Cayman) Limited** Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Hong Kong branch share registrar and transfer office	**Boardroom Share Registrars (HK) Limited** Room 2103B, 21/F 148 Electric Road North Point Hong Kong
Principal banker	**China Construction Bank (Asia) Corporation Limited** 11/F, CCB Centre 18 Wang Chiu Road Kowloon Bay Kowloon Hong Kong
Independent auditor	**CL Partners CPA Limited** Certified Public Accountants Registered Public Interest Entity Auditors
GEM stock code	8072

ROMA Exploring Beyond Resources
Realizing Your Full Potential

Think Green
think about our community

ESG REPORTING

- ESG & Sustainability Reporting

NATURAL RESOURCES ADVISORY

- Natural Resources Valuation and Technical Advisory

CORPORATE AND RISK ADVISORY

- Auction
- Property Agency
- Land Advisory
- Credit and Risk Evaluation
- Internal Control Advisory
- Background Search and Due Diligence

ROMA We Value Assets

We Value Our Clients

Inspirational & Sustainable

solutions for our environment

VALUATION

- Business and Intangible Assets Valuation
- Financial Instruments Valuation
- Property Valuation
- Purchase Price Allocation
- Work of Art Valuation
- Machineries and Equipment Valuation
- Biological Assets Valuation

FINANCIAL SERVICES

- Securities Trading
- Asset Management
- Advising on Securities

Dear Shareholders,

On behalf of the board of Directors (the "Board"), I am pleased to present the audited consolidated annual financial statements of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 March 2022 (the "Year").

REVIEW

During the Year, under the continuing impact brought by COVID-19 pandemic, the Group's revenue slightly decreased but remained its competitiveness. Our culture and people define who we are. During the Year, the Group is honored to receive the Best in ESG (GEM) Award, Best in Reporting (GEM) Award at the BDO ESG awards 2022, our third consecutive year to receive these two awards as well as the Inno ESG prize 2021 from Society Next Foundation, recognising the Group's continued effort in sharing our approach to environmental, social and governance ("ESG") risks and opportunities, ESG-related programs and our commitment to deliver for our stakeholders.

In addition, the sustainable growth of the Group depends on the work our people do and deliver to support our clients. With our professional team's ample experiences in providing a wide spectrum of valuation and advisory services, the Board remains confident on and committed to the continuation of the Group's mission to maintain a leading position within the valuation and advisory sector in Hong Kong. The Group is honored to be recognised as an Equal Opportunity Employer for Gender Equality and Family Status Equality by Equal Opportunity Commission during the Year.

Under unstable economic outlook of Hong Kong and the prolong impact of the COVID-19 pandemic, the Group has disposed certain subsidiaries engaged in provision of ESG reporting and other risk advisory services in order to streamline its corporate and business structure and to make the best use of its resources to improve its overall performance.

PROSPECTS

In response to COVID-19 outbreak, the Group would keep up with the good work done in last year and shall continue to closely monitor the pandemic situation in Hong Kong and update the Group's work from home policy accordingly, in order to maintain the Group's productivity and competitiveness in the market.

Going forward, the pace of economy recovery will largely depend on latest development of the COVID-19 pandemic and the Government's pandemic policy. Furthermore, the Russia-Ukraine conflict and inflationary pressure pose additional uncertainties to the global economy. Amid such challenges and uncertainties, the Group will continue to prepare various strategies, policies and measures in advance to address them. The Group is confident that the valuation and advisory services will remain as the key revenue drivers and thus allow continuous growth. Moreover, with the new opportunities arisen from the development of the Belt and Road Initiative and the advancement of Greater Bay Area, it is expected that the financing services as well as the securities broking, placing, underwriting, investment advisory and asset management services will become more consolidated and integrated in the foreseeable future.

APPRECIATION

On behalf of the Board, I would like to express my appreciation to the Group's management and staff for their unreservedly dedication to the Group. I would also like to express my sincere gratitude to our loyal customers who continuously support us as well as to our Shareholders who recognise the value and potential of the Group.

Roma Group Limited
Yue, Kwai Wa Ken
Chairman

Hong Kong, 16 June 2022

BUSINESS REVIEW

During the year ended 31 March 2022, the Group's revenue was approximately HK$91.3 million, representing a slightly decrease of approximately 3.0% compared with that for the year ended 31 March 2021, in spite of the continuing impact on the business environment and global economy caused by the COVID-19 pandemic.

The Group aims to provide all-rounded with high quality service to its customers so as to sustain its growth.

During the year ended 31 March 2022, the Group has disposed the wholly owned subsidiaries with loss marking position, which are principally engaged in provision of environmental, social and governance reporting as well as other risk advisory services, in order to streamline the Group's corporate and business structure and to make best use of its resources to improve its overall performance.

The Group distributed discretionary bonus to staff during the year ended 31 March 2022 to retain high-calibre 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-calibre individuals.

FINANCIAL REVIEW

Revenue

During the year ended 31 March 2022, the Group recorded a slightly decrease of approximately 3.0% in revenue as compared with that for the year ended 31 March 2021. Such decrease was mainly attributable to the decreases in the services fee income generated from provision of valuation and advisory services, which outweighed the increase in interest income and services income generated from provision of financing services and the segment of securities broking, placing and underwriting and investment advisory and asset management services, respectively.

During the year ended 31 March 2022, the Group's provision of valuation and advisory services contributed approximately 70.1% of the total revenue to the Group. The services fee income generated from provision of valuation and advisory services decreased by 10.6%to approximately HK$64.0 million for the year ended 31 March 2022 from approximately HK$71.6 million for the year ended 31 March 2021. Such decrement was mainly attributable to the impact of the decrease in number of projects outweighing the impact of the increase of average project contract sums.

The Group's provision of financing services contributed approximately 27.5% of the total revenue of the Group for the year ended 31 March 2022. The interest income generated from provision of financing services increased by approximately 18.6% to HK$25.2 million for the year ended 31 March 2022 from approximately HK$21.2 million for the year ended 31 March 2021. The increase in interest income was mainly attributable to the increase of loan portfolios size during the year ended 31 March 2022 as compared with that for the year ended 31 March 2021.

The segment of securities broking, placing and underwriting and investment advisory services commenced operation in recent years. This relatively new segment accounted for approximately 2.4% of the Group's total revenue for the year ended 31 March 2022. The income generated from this segment significantly increased to approximately HK$2.2 million for the year ended 31 March 2022 from approximately HK$1.3 million for the year ended 31 March 2021. The rise was mainly attributable to more brokerage income recorded and commission income generated from a completed underwriting engagement during the year ended 31 March 2022.

Other income, other gains and losses

The Group's other income, other gains and losses slightly decreased by approximately 2.5% for the year ended 31 March 2022 as compared with that for the year ended 31 March 2021. It was mainly attributable to the combined effects (i) one off gain of disposal of subsidiaries amounted to approximately HK$3.5 million during the year ended 31 March 2022; (ii) government subsidies in relation to the employee support scheme granted during the year ended 31 March 2021 whereas no such subsidies granted during year ended 31 March 2022.

Employee benefit expenses

Employee benefit expenses mainly consisted of wages and salaries, discretionary bonus, pension costs and other benefits to the Directors and the staff. The Group's employee benefit expenses slightly increased by approximately 1.4% for the year ended 31 March 2022 as compared with those for the year ended 31 March 2021. The Group always values the contribution of its professional and management teams and has distributed bonus during the year ended 31 March 2022 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 1.5% for the year ended 31 March 2022 as compared with that for the year ended 31 March 2021.

Finance costs

The Group's finance costs referred to interest expense incurred for bank borrowings, other borrowings and lease liabilities. During the year ended 31 March 2022, increase in finance cost was in line with additions of other borrowings for operational needs as compared to the year ended 31 March 2021.

Other expenses

The Group's other expenses increased by approximately 21.4% for the year ended 31 March 2022 as compared with those for the year ended 31 March 2021. Such increase was mainly attributable to (i) increase in the professional fee and consultancy fee during the year ended 31 March 2022 as the Group has engaged contracting services to better support the operation and growth of business outweighed the (ii) decrease in impairment loss of intangible asset and impairment loss of goodwill during the year ended 31 March 2022 as compared with those for the year ended 31 March 2021.

Loss attributable to owners of the Company

Loss attributable to owners of the Company amounted to approximately HK$34.9 million for the year ended 31 March 2022, which decreased by approximately HK$19.2 million as compared to the loss attributable to owners of the Company of approximately HK$54.1 million for the year ended 31 March 2021. The decrease was mainly attributable to the (i) decrease in impairment loss on loan and interest receivables; and (ii) one off gain of disposal of subsidiaries during the year ended 31 March 2022; outweighed the impact of decrease in the Group's total revenue for the year ended 31 March 2022.

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

During the year ended 31 March 2022, 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.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group mainly carries out its businesses in Hong Kong. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied with all relevant laws and regulations in Hong Kong during the year ended 31 March 2022.

ENVIRONMENTAL POLICY

The Group aims to protect the environment by minimising environmental adverse impacts in daily operations, such as energy saving and recycling of office resources. The Group will continue to seek for better environmental practices and promote the right environmental attitudes within the organisation. The Group has complied with all relevant laws and regulations in respect of environmental protection, health and safety, workplace conditions and employment.

RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises employees as its valuable assets and it strictly complies with the labour laws and regulations in Hong Kong and reviews regularly the existing staff benefits for improvement. Apart from the reasonable remuneration packages, the Group also offers other employee benefits, such as the medical reimbursement, annual dinner, sports activities, etc.

The Group provides good quality services to the customers and maintains a good relationship with them. The Group keeps a database for direct communications with recurring customers for developing long-term business relationships.

The Group maintains effective communications and develops long-term trust relationships with the suppliers. During the year ended 31 March 2022, there was no material dispute or arguments between the Group and the suppliers.

LIQUIDITY AND FINANCIAL RESOURCES

During the year ended 31 March 2022, the Group mainly financed its operations with its own working capital as well as bank and other borrowings. As at 31 March 2022 and 31 March 2021, the Group had net current assets of approximately HK$188.3 million and HK$199.7 million, respectively, including cash and bank balances of general accounts amounted to approximately HK$8.4 million and HK$23.4 million, respectively. The Group's pledged bank deposits of approximately HK$56.6 million as at 31 March 2022 represented cash at bank held by the Group and pledged for bank borrowings. The Group's current ratio (current assets divided by current liabilities) were approximately 2.6 and 2.5 as at 31 March 2022 and 31 March 2021, respectively.

As at 31 March 2022 and 31 March 2021, the Group's total bank borrowings amounted to approximately HK$49.2 million and HK$43.2 million, respectively. All bank borrowings were denominated in United States Dollars ("US$") and Hong Kong Dollars as at 31 March 2022. Details of the bank borrowings of the Group are set out in note 28 to the consolidated financial statements of the Group. As at 31 March 2022, the Group's other borrowings amounted to approximately HK$37.4 million (31 March 2021: HK$22.8 million), of which HK$6.6 million (31 March 2021: 6.5 million) was secured by the Group's investment property. As at 31 March 2022 and 31 March 2021, the Group's total lease liabilities amounted to approximately HK$4.6 million and HK$8.9 million, respectively. The Group's gearing ratio (lease liabilities and interest-bearing borrowings divided by total equity) increased to approximately 0.25 as at 31 March 2022 from approximately 0.22 as at 31 March 2021.

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.

COMMITMENTS

The Group's contractual commitments primarily related to the leases of its office premises. The Group's short-term lease commitments amounted to approximately HK$84,000 and HK$84,000 as at 31 March 2022 and 31 March 2021, respectively. As at 31 March 2022, the Group did not have any capital commitments (31 March 2021: nil).

CAPITAL STRUCTURE

Details of the movements in the Company's share capital are set out in the consolidated financial statements in this report in note 30.

SIGNIFICANT INVESTMENTS

Save as disclosed in this report, the Group did not hold any significant investments as at 31 March 2022.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 March 2022 (31 March 2021: nil).

FOREIGN EXCHANGE EXPOSURE

During the year ended 31 March 2022, the Group's exposure to currency risk was limited to its bank balances and bank deposits denominated in Renminbi ("RMB") as a majority of the Group's transactions, monetary assets and liabilities are denominated in HK$ and US$. In the event that RMB appreciated by 10% (2021: 10%) against HK$, the Group's loss for the year ended 31 March 2022 would decrease by approximately HK$4.7 million (2021: the Group's loss decreased by approximately HK$3.5 million). On the contrary, if RMB depreciated by 10% (2021: 10%) against HK$, the Group's loss for the year ended 31 March 2022 would increase by approximately HK$4.7 million (2021: the Group's loss increased by approximately HK$3.5 million). As US$ 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.

PLEDGE OF ASSETS

As at 31 March 2022 and 2021, save for the pledged bank deposits, pledged investment property and motor vehicles acquired under leases, the Group did not pledge any of its assets as securities for any facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2022 and 2021, the Group employed a total of 62 and 80 full-time employees, respectively. The Group's total employee benefit expenses were approximately HK$43.4 million and HK$42.8 million for the years ended 31 March 2022 and 2021, 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 are offered as incentive to retain staff with outstanding performance, who are contributive to the growth of the Group. The Company adopted a new share option scheme on 27 September 2021 and a share award on 22 June 2018 as incentives to the Directors (in relation to the share option scheme only) and the eligible participants. The Group also provides and arranges on-the-job training for the employees.

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 March 2022, (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 March 2022 are set as below

	Proposed use of the 2021 RI Proceeds (HK$ in million)	**Actual use of the 2021 RI Proceeds during the year** (HK$ in million)	**Unutilised 2021 RI Proceeds as at 31 March 2022** (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	–

The rights issue in 2017

In November 2017, the Company raised net funds of approximately HK$258.0 million from its rights issue of 1,874,944,986 shares (the "2017 RI Proceeds"). Up to the date of this report, approximately HK$135.0 million of the 2017 RI Proceeds was utilised for the 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 in cash at a licensed bank in Hong Kong. The proposed and actual use of the 2017 RI Proceeds up to 31 March 2022 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 year** (HK$ in million)	**Unutilised 2017 RI Proceeds as at 31 March 2022** (HK$ in million)
Expansion of 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 March 2023.

As at 31 March 2022, the 2017 RI proceeds were not fully utilised due to unforeseen delays caused by the COVID-19 pandemic which has led disruptions to the economy and therefore the management is more prudent and taking more time to seek the potential businesses.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this report, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31 March 2022.

DIVIDEND

The Board has resolved not to recommend the payment of any final dividend for the year ended 31 March 2022 (2021: nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as those disclosed in the section headed "Capital structure", the Group currently does not have other concrete plans for material investments and capital assets.

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 year ended 31 March 2022. 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 it 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.

EXECUTIVE DIRECTORS

Mr. Yue, Kwai Wa Ken (余季華) ("Mr. Yue"), aged 56, was appointed as an executive Director on 18 March 2011. Mr. Yue is the company secretary and the compliance officer of the Company and is also a director of a number of subsidiaries of the Company. Mr. Yue obtained a diploma of technology in financial management accounting option from the British Columbia Institute of Technology in Canada and a bachelor degree of science in accounting from Upper Iowa University of the United States. He is a member of the American Institute of Certified Public Accountants, a member of the Chartered Global Management Accountants and a fellow member of the Colorado State Society of Certified Public Accountants. Mr. Yue has over 20 years of experience in accounting and finance. Mr. Yue has been appointed as an independent non-executive director of China Starch Holdings Limited (Stock code: 3838) since 5 September 2007 and Major Holdings Limited (Stock code: 1389) since 30 December 2013. Mr. Yue was an independent non-executive director of Pan Asia Data Holdings Inc. (formerly known as Manfield Chemical Holdings Limited) (Stock code: 1561) between 6 November 2015 and 31 December 2018. The shares of the abovementioned companies are listed on the Stock Exchange.

Mr. Li, Sheung Him Michael (李尚謙) ("Mr. Li"), aged 38, was appointed as an executive Director on 31 May 2018. He is also a director of a number of subsidiaries of the Company. Mr. Li obtained BSc Biochemistry from Imperial College, London in September 2005 and MRes in Structural Biology from Birkbeck College, London in September 2006. From September 2007 to November 2009, Mr. Li was the business development manager of Kinetics Group in London. Since January 2010, Mr. Li has been working in the Group as a project director.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chung, Man Lai (鍾文禮) ("Mr. Chung"), aged 45, was appointed as an independent non-executive Director on 1 March 2020. He is also the chairman of the audit committee (the "Audit Committee") and members of the nomination committee (the "Nomination Committee") and the remuneration committee (the "Remuneration Committee") of the Board. Mr. Chung has over 21 years of experience in auditing and accounting. Mr. Chung obtained a bachelor of arts degree in accountancy from The Hong Kong Polytechnic University in November 1998 and a master of business administration degree with a major in international business from EU Business School in December 2018. Mr. Chung is a fellow member of the Hong Kong Institute of Certified Public Accountants. He worked in Ernst & Young from 2004 to 2007 and was the chief financial officers of CMIC Ocean EnTech Holding Co., Ltd. (formerly known as TSC Group Holdings Limited) (Stock code: 206) and IDT International Limited (Stock code: 167), both are companies listed on the Main Board of the Stock Exchange, for the period from January 2008 to April 2016 and from April 2016 to December 2016, respectively. Since December 2019, he is an independent non-executive director of Century Group International Holdings Limited (Stock code: 2113), which is a company listed on the Main Board of the Stock Exchange. He is also a non-executive director of Greatwalle Inc. (the share of which are listed on GEM of the Stock Exchange, Stock code: 8315) since March 2020. He was also an independent non-executive director of Aurum Pacific (China) Group Limited (the shares of which are listed on GEM of the Stock Exchange, Stock code: 8148) for the period from 1 April to 15 September 2020 and redesignated as an executive director since 15 September 2020. 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.

Mr. Ko, Wai Lun Warren (高偉倫) ("Mr. Ko"), aged 54, was appointed as an independent non-executive Director on 6 March 2014. He is the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee. Mr. Ko was educated in Canada and England. He obtained his bachelor of science degree from the Simon Fraser University in Canada and bachelor of laws degree from the University of Leeds in England. Mr. Ko joined Richards Butler, an international law firm, in 1997 and was a partner of Richards Butler between 2001 and 2005. He is currently a partner at a law firm, Robertsons and specialises in corporate finance work including initial public offerings, mergers and acquisitions, restructuring and equity and debt financing. Mr. Ko is qualified to practice law in both England and Wales and Hong Kong.

Ms. Li, Tak Yin (李德賢) ("Ms. Li"), aged 41, was appointed as an independent non-executive Director on 13 September 2017. She is the chairperson of Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee. Ms. Li has over 14 years of experience in sales and marketing. She joined Unisto Ltd., a company based in Switzerland for the period from 2006 to 2020. She worked as a sales executive in 2006, then promoted as a sales manager in 2008, and was later promoted as the sales manager of the Asia region in 2015. She was responsible for the sales and marketing of name badge section in the Asian market, including Hong Kong, Macau, Taiwan, Singapore and Philippines. Ms. Li is currently the directors of Golden Epoch Asia Limited and Golden Epoch Group Limited since 2021. She holds a Bachelor of Arts (Hons) in marketing from The Hong Kong Polytechnic University.

SENIOR MANAGEMENT

Members of the senior management of the Group are the executive Directors whose biography are set out above.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Group 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 year ended 31 March 2022, the Company has complied with all the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 to the GEM Listing Rules except the deviation from the code provisions A.2.1, details of which are set out in the section headed "Chairman and Chief Executive Officer" in this corporate governance report.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has complied with the 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 enquiry of all Directors by the Company, all Directors confirmed that they have complied with the required standard of dealings and the Company's code of conduct concerning securities transactions by the Directors during the year ended 31 March 2022.

BOARD OF DIRECTORS

As at the date of this annual report, the Board comprises:

Executive Directors:	Mr. Yue, Kwai Wa Ken *(Chairman and Chief Executive Officer)* Mr. Li, Sheung Him Michael
Independent non-executive Directors:	Mr. Chung, Man Lai Mr. Ko, Wai Lun Warren Ms. Li, Tak Yin

There was no relationships (including financial, business, family or other material/relevant relationship) among the Directors and between the chairman and chief executive of the Company at all times during the year ended 31 March 2022.

Each of the independent non-executive Directors for the year ended 31 March 2022 has given an annual written confirmation of his/her independence to the Company, and accordingly the Company considers each of them to be independent under Rule 5.09 of the GEM Listing Rules.

The Board meets at least four times a year at approximately quarterly intervals and additional meetings will be convened as and when required. During the year ended 31 March 2022, 8 Board meetings and an annual general meeting (the "AGM") of Shareholders were held. The record of attendance of each Director is set out as follows:

	Attended/eligible to attend	
Name of Directors	**Board meeting**	**AGM**
Mr. Yue, Kwai Wa Ken	8/8	1/1
Mr. Li, Sheung Him Michael	8/8	1/1
Mr. Chung, Man Lai	8/8	1/1
Mr. Ko, Wai Lun Warren	8/8	1/1
Ms. Li, Tak Yin	8/8	1/1

RESPONSIBILITIES OF THE BOARD

The Board is responsible for leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board focuses on formulating the Group's overall strategies; authorising the development plan and budget; monitoring financial and operating performance; reviewing the effectiveness of the internal control system and setting the Group's values and standards. The day-to-day management, administration and operation of the Group are delegated to the executive Directors. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group.

Throughout the year ended 31 March 2022, the Company had at least three independent non-executive Directors and at all times met the requirements of the GEM Listing Rules that the number of independent non-executive Directors must represent at least one-third of the Board members and at least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise.

The Company has arranged appropriate insurance coverage on the liabilities of the Directors in respect of any legal actions taken against the Directors arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

CORPORATE GOVERNANCE FUNCTIONS

No corporate governance committee has been established and the Board is responsible for performing the corporate governance function set out in code provision D.3.1 of the CG Code. The summary of their work during the year ended 31 March 2022 is as follows:

— To review the Company's policies and practices on corporate governance and make recommendations;

— To review and monitor the training and continuous professional development of Directors and senior management of the Group;

— To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

— To develop, review and monitor the code of conduct and compliance manual applicable to employees of the Group and the Directors; and

— To review the Company's compliance with the CG Code and disclosure in the corporate governance report.

The Board holds meetings from time to time whenever necessary. At least 14 days' notice of regular Board meetings is given to all Directors and they can include matters for discussion in the agenda as they think fit. For other Board meetings, reasonable notices are given. The agenda accompanying Board papers are sent to all Directors at least 3 days before the date of regular Board meeting in order to allow sufficient time for the Directors to review the documents. The Board and each Director also have direct and independent access to the management whenever necessary.

Draft minutes of every Board meeting are circulated to all Directors for their perusal and comments prior to confirmation of the minutes. The company secretary of the Company (the "Company Secretary") is responsible for keeping the minutes of all meetings of the Board and the Board committees.

Every Board member has full access to the advice and services of the Company Secretary with a view to ensuring that all required procedures, and all applicable rules and regulations are followed and they are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

In accordance with the code provision A.2.1 of the CG Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual.

During the year ended 31 March 2022 and up to the date of this report, Mr. Yue Kwai Wa Ken 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 Company. 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.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The current articles of association of the Company (the "Articles") provide that subject to the manner of retirement by rotation of Directors as from time to time prescribed by the GEM Listing Rules, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation and that every Director shall be subject to retirement by rotation at least once every three years.

Independent non-executive Directors are appointed for a specific term subject to retirement by rotation and re-election in accordance with the Articles. The term of appointment of each independent non-executive Director is set out in the section headed "Directors' Service Contracts and Letter of Appointment" in this annual report. Each independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect his/her independence and must provide an annual confirmation of his/her independence to the Company.

PROFESSIONAL DEVELOPMENT

To assist Directors' continuing professional development, the Company recommends Directors to attend relevant seminars to develop and refresh their knowledge and skills. All Directors had provided their training records to the Company. For the year ended 31 March 2022, all the Directors, namely Mr. Li, Sheung Him Michael, Mr. Yue, Kwai Wa Ken, Mr. Chung, Man Lai, Mr. Ko, Wai Lun Warren and Ms. Li, Tak Yin, had participated in continuous professional development programmes such as external seminars organised by qualified professionals and/or reading materials relevant to the Group's business or to directors' duties and responsibilities, to develop and refresh their knowledge and skills in relation to their contribution to the Board.

All the Directors also understand the importance of continuous professional development and are committed to participating any suitable training to develop and refresh their knowledge and skills.

AUDIT COMMITTEE

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 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.

Currently, the Audit Committee consisted of three members, namely Mr. Ko, Wai Lun Warren, Ms. Li, Tak Yin and Mr. Chung, Man Lai (being the chairman of the Audit Committee), 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 "Independent Auditor"). The Audit Committee has reviewed the audited consolidated results of the Group for the year ended 31 March 2022.

According to the terms of reference, the Audit Committee shall meet at least four times a year. Five meetings were held by the Audit Committee for the year ended 31 March 2022. In the meetings during the year ended 31 March 2022, the Audit Committee has reviewed the accounting principles and practices adopted by the Group with management and the Independent Auditor; reviewed the audited annual results of the Group for year ended 31 March 2021 and the unaudited first and third quarterly and interim results of the Group for the period ended 30 June, 31 December and 30 September 2021 respectively; recommended to the Board for consideration the appointment of the Independent Auditor and discuss the auditing, internal control and financial reporting matters as well as review the internal control of the Group. The record of attendance of each member of the Audit Committee is set out as follows:

Name of members of the Audit Committee	**Meeting attended/ eligible to attend**
Mr. Chung, Man Lai *(Chairman)*	5/5
Mr. Ko, Wai Lun Warren	5/5
Ms. Li, Tak Yin	5/5

The Group's internal control and risk management systems were reviewed regularly by management. With the view of enhancing the Group's internal control and risk management systems, during the year ended 31 March 2022, the Group has appointed an independent consultant as its internal audit function to review the Group's internal control system and recommend actions to improve the Group's internal controls. Based on the review, the Audit Committee is of the view that the Group's internal control and risk management systems were generally effective and adequate and in compliance with the requirements of the CG Code C.2.1 for the year ended 31 March 2022 in all material respects.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 26 September 2011. Currently, the Remuneration Committee consisted of the following members, namely Mr. Ko, Wai Lun Warren (being the chairman of the Remuneration Committee), Mr. Chung, Man Lai and Ms. Li, Tak Yin, all being independent non-executive Directors. The terms of reference of the Remuneration Committee are available at the websites of the Company and the Stock Exchange.

The major roles and functions of the Remuneration Committee include assisting the Board to develop and administer fair and transparent procedures for setting policies on the remuneration of the Directors and senior management of the Company and recommending the remuneration packages of the Directors and senior management of the Company.

One meeting was held by the Remuneration Committee for the year ended 31 March 2022. In the meeting, the Remuneration Committee has performed its duties to review the policy for the remuneration; and review and make recommendations to the Board on the remuneration package of the Board members and senior management. The record of attendance of each member of the Remuneration Committee is set out as follows:

Name of members of the Remuneration Committee	Meeting attended/ eligible to attend
Mr. Ko, Wai Lun Warren *(chairman)*	1/1
Mr. Chung, Man Lai	1/1
Ms. Li, Tak Yin	1/1

NOMINATION COMMITTEE

The Nomination Committee was established on 26 September 2011. Currently, the Nomination Committee consisted of the following members, namely Mr. Chung, Man Lai, Mr. Ko, Wai Lun Warren and Ms. Li, Tak Yin (being the chairperson of the Nomination Committee), all being independent non-executive Directors. The terms of reference of the Nomination Committee are available at the websites of the Company and the Stock Exchange.

The major roles and functions of the Nomination Committee include reviewing the structure, size, composition and diversity of the Board formulating relevant procedures for the nomination of Directors; identifying qualified individuals to become members of the Board; making recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for Directors; and assessing the independence of the independent non-executive Directors. The Board has adopted a policy of diversity of the Board. Accordingly, selection of Board member should base on a range of diversified perspective, including but not limited to the gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services.

One meeting was held by the Nomination Committee for the year ended 31 March 2022. In the meeting, the Nomination Committee has performed its duties to review the structure, size and composition of the Board, make recommendations to the Board on the re-appointment of retiring Directors and assess the independence of the independent non-executive Directors. The record of attendance of each member of the Nomination Committee is set out as follows:

Name of members of the Nomination Committee	Meeting attended/ eligible to attend
Ms. Li, Tak Yin *(chairperson)*	1/1
Mr. Chung, Man Lai	1/1
Mr. Ko, Wai Lun Warren	1/1

Board Nomination Policy

The Company adopted a nomination policy in compliance with the CG Code with effect from 1 January 2019, which establishes written guidelines to nomination committee to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria. The Board is ultimately responsible for selection and appointment of new Directors.

The Board, through the delegation of its authority to the Nomination Committee, has used its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge in business, finance and management skills critical to the Group's business to enable the Board to make sound and well considered decisions. Collectively, they have competencies in areas which are relevant and valuable to the Group.

Nomination Process

The Nomination Committee shall assess whether any vacancy on the Board has been created or is expected on a regular basis or as required.

The Nomination Committee utilises various methods for identifying director candidates, including recommendations from Board members, management, and professional search firms. All director candidates, including incumbents and candidates nominated by Shareholders are evaluated by the Nomination Committee based upon the director qualifications. While director candidates will be evaluated on the same criteria through review of resume, personal interview and performance of background checks. The Nomination Committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, age, gender and experiences of the collective Board rather than on the individual candidate for the purpose of diversity perspectives appropriate to the requirement of the Company's business.

Selection Criteria

The Nomination Committee will take into account whether a candidate has the qualifications, skills, experience and gender diversity that add to and complement the range of skills, experience and background of existing Directors by considering the highest personal and professional ethics and integrity of the director candidates, proven achievement and competence in the nominee's field and the ability to exercise sound business judgment, skills that are complementary to those of the existing Board, the ability to assist and support management and make significant contributions to the Company's success and such other factors as it may deem are in the best interests of the Company and its Shareholders.

The Company shall review and reassess the nomination policy and its effectiveness on a regular basis or as required.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

As disclosed in the paragraph headed "Senior management" in the section headed "Biographical Details of Directors and Senior Management" in this annual report, members of the senior management of the Group are the executive Directors. The remuneration of the executive Directors by band for the year ended 31 March 2022 is set out below:

Remuneration bands	Number of executive Directors during the year ended 31 March 2022
HK$nil to HK$1,000,000	–
HK$1,000,001 to HK$2,000,000	1
HK$2,000,001 to HK$3,000,000	1

Further details of the Directors' remuneration and the five highest paid employees for the year ended 31 March 2022 are set out in notes 15 to the consolidated financial statements of the Group.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibilities for overseeing the preparation the consolidated financial statements of the Group that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the "Companies Ordinance"), and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements of the Group that are free from material misstatement, whether due to fraud or error.

Internal Control and Risk Management

The Board emphasises the importance of a sound internal control system which is also indispensable for mitigating the Group's key risk exposures. The Group's system of internal control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of the business objectives. The internal control system is reviewed on an ongoing basis by the Board in order to make it practical and effective in providing reasonable assurance in relation to protection of material assets and the Shareholders' interests.

The Group has adopted a three-tier risk management approach to identify, assess and manage different types of risks. As the first line of defence, business units are responsible for identifying, assessing and monitoring risk associated with each business or transaction. The management, as the second line of defence, defines rule sets and models, provides technical support, develops new system and oversees portfolio management. It ensures that risks are within acceptable range and that the first line of defence is effective. As the final line of defense, the internal audit function assists the Audit Committee to review the first and second lines of defence.

The Group is committed to the identification, evaluation and management of risks associated with its business activities through ongoing assessment of a risk register, by considering the likelihood and impact of each identified risk. The Group has implemented an effective control system which includes a defined management structure with limits of authority, a sound management system and periodic review of the Group's performance by its internal audit function, the Audit Committee and the Board.

Through the Audit Committee, the Board has conducted annual review of the effectiveness of the Group's internal control and risk management systems for the year ended 31 March 2022, covering the material financial, operational and compliance controls, which are considered effective and adequate. The Audit Committee has reviewed the adequacy of resources, qualifications and experience, training and budget of the accounting, internal audit and financial reporting functions on an annual basis.

The independent non-executive Directors have also reviewed the enforcement of (i) the Directors' undertaking that the Group will engage an independent professional geologist to review and report on the adequacy and effectiveness of the implementation of the Group's best practice guidelines for natural resources related projects annually subsequent to the listing of the Shares on GEM; and (ii) the Directors' undertaking that the Group will maintain at least the same standard and quality of staff going forward as long as the Group continues to engage in the provision of valuation and technical advisory services. The independent non-executive Directors are satisfied that the above undertakings have been complied with for the year ended 31 March 2022 and there is no matter that needs to be brought to the attention of the Shareholders.

DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the SFO and the GEM Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirements under the GEM Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong in June 2012;

- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;

- the Group has strictly prohibited unauthorized use of confidential or inside information; and

- the Group has established and implemented procedures for responding to external enquires about the Group's affairs, so that only the executive Directors, Company Secretary and investor relations officers are authorised to communicate with parties outside the Group.

INDEPENDENT AUDITOR AND ITS REMUNERATION

The responsibility of the Independent Auditor is to form an independent opinion, based on their audit, on the Group's consolidated financial statements and to report its opinion to the Shareholders. A statement by the Independent Auditor about their reporting responsibility is set out in the Independent Auditor's report in this annual report.

During the year ended 31 March 2022, the fees paid/payable to the Independent Auditor is set out as follows:

Services rendered	**Fees paid/payable** (HK$'000)
Audit services – annual results	560
Non-audit services	–
	560

COMPANY SECRETARY

Mr. Yue, Kwai Wa Ken ("Mr. Yue") was appointed as the Company Secretary on 26 September 2011. The biographical details of Mr. Yue are disclosed in the section headed "Biographical Details of Directors and Senior Management" in this annual report. During the year ended 31 March 2022, the Company Secretary undertook not less than 15 hours of professional training to update his skills and knowledge.

DIVIDEND POLICY

The Company adopted a policy on payment of dividends (the "Dividend Policy") in compliance with E.1.5 of the CG Code with effect from 1 January 2019, which establishes an appropriate procedure on declaring and recommending the dividend payment of the Company.

The Board considers sustainable returns to Shareholders whilst retaining adequate reserve for the Group's future development to be an objective. Under the Dividend Policy, dividends may be declared from time to time and be paid to Shareholders provided that the Group is profitable and without affecting the normal operations of the Group. In summary, the declaration of dividends and the dividend amount shall be determined at the sole and absolute discretion of the Board, subject to Shareholders' approval, where applicable, taking into account the following factors:

(a) the Group's actual and expected financial performance;

(b) retained earnings and distributable reserves of the Company and each of the members of the Group;

(c) the Group's working capital requirements, capital expenditure requirements and future expansion plans;

(d) the Group's liquidity position;

(e) statutory and regulatory restrictions;

(f) general business conditions and strategies;

(g) general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and

(h) other factors that the Board deems relevant.

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An AGM shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an AGM, shall be called an extraordinary general meeting.

RIGHT TO CONVENE EXTRAORDINARY GENERAL MEETING

Any one or more member(s) holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, shall at all times have the right, by written requisition sent to the Company's principal place of business in Hong Kong as set out in the manner below, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

The written requisition must state the purposes of the meeting, signed by the requisitionist(s) and deposit it to the Board or the Company Secretary at the Company's principal place of business at 22/F., China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong, and such may consist of several documents in like form, each signed by one or more requisitionist(s).

The request will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to convene an EGM by serving sufficient notice in accordance with the statutory requirements to all the registered members. On the contrary, if the request has been verified not in order, the Shareholders will be advised of this outcome and accordingly, an EGM will not be convened as requested. If within 21 days from the date of the deposit of the requisition the Board fails to proceed to convene such meeting, the requisitionist(s), may convene a meeting in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed by the Company to the requisitionist(s).

The notice period to be given to all the registered members for consideration of the proposal raised by the requisitionist(s) concerned at the EGM varies according to the nature of the proposal, as follows:

(a) At least 14 clear days' notice in writing (and not less than 10 clear business days) if the proposal constitutes an ordinary resolution of the Company; or

(b) At least 21 clear days' notice in writing (and not less than 10 clear business days) if the proposal constitutes a special resolution of the Company.

RIGHT TO SEND ENQUIRIES TO THE BOARD

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the principal place of business of the Company in Hong Kong or by e-mail to info@romagroup.com for the attention of the Company Secretary.

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

Pursuant to Article 85 of the Articles, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected shall have been lodged at the head office of the Company provided that the minimum length of the period, during which such notice(s) are given, shall be at least 7 days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting. The written notice must state that person's biographical details as required by Rule 17.50(2) of the GEM Listing Rules.

PROCEDURES AND CONTACT DETAILS FOR PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

To put forward proposals at a general meeting of the Company, a Shareholder should lodge a written notice of his/her/its proposal (the "Proposal") with his/her/its detailed contact information via email at the email address of the Company at info@romagroup.com. The identity of the Shareholder and his/her/its request will be verified with the Company's Hong Kong share registrar and upon confirmation by the branch share registrar that the request is made by a Shareholder and such request is proper and in order, the Board will determine in its sole discretion whether the Proposal may be included in the agenda for the general meeting to be set out in the notice of meeting. The notice period to be given to all the Shareholders for consideration of the Proposal raised by the Shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

(1) Notice of not less than 21 clear days and not less than 20 clear business days in writing if the Proposal requires approval in an annual general meeting;

(2) Notice of not less than 21 clear days and not less than 10 clear business days in writing if the Proposal requires approval by way of a special resolution in an EGM;

(3) Notice of not less than 14 clear days and not less than 10 clear business days in writing if the Proposal requires approval in an EGM other than by way of a special resolution of the Company.

INVESTOR RELATIONS

The Company has established a range of communication channels between itself and its Shareholders, investors and other stakeholders. These include the annual general meeting; the annual, interim and quarterly reports; notices; announcements; circular; memorandum of association and Articles on the Company's website at www.romagroup.com.

For the year ended 31 March 2022, there had been no significant change in the Company's constitutional documents.

The Directors hereby present their report and the audited consolidated financial statements of the Group for the year ended 31 March 2022.

PRINCIPAL ACTIVITIES

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 major activities of its principal subsidiaries are set out in note 34 to the consolidated financial statements of the Group.

An analysis of the Group's performance for the year ended 31 March 2022 by segments is set out in note 7 to the consolidated financial statements of the Group.

RESULTS AND APPROPRIATIONS

The Group's results for the year ended 31 March 2022 and financial position as at that date are set out in the Group's consolidated financial statements on pages 50 to 137 of this annual report.

The Board has resolved not to recommend the payment of any final dividend for the year ended 31 March 2022 (2021: Nil).

CORPORATE GOVERNANCE

Save as disclosed in this annual report, the Company had complied with all the applicable code provisions as set out in the CG Code contained in Appendix 15 to the GEM Listing Rules during the year ended 31 March 2022.

Details of the principal corporate governance practices of the Group are set out in the section headed "Corporate Governance Report" on pages 19 to 31 of this annual report.

Mr. Yue, Kwai Wa Ken is the compliance officer of the Company and the Company Secretary whose biographical details including professional qualification are set out on page 17 of this annual report.

BUSINESS REVIEW AND PERFORMANCE

Review of our business and performance

A discussion and analysis of the Group's performance using financial key performance indicators during the year ended 31 March 2022 and the key factors affecting its results and financial position are set out in the section headed "Management Discussion and Analysis" of this annual report.

A fair review of, and an indication of likely future development in the Group's business are set out in the "Chairman's Statement" and the section headed "Future Prospects" in the "Management Discussion and Analysis" of this annual report.

Principal risks and uncertainties

The Group's success relies, to a significant extent, on the experience and knowledge of the Group's professional staff. The loss of the services of one or more members of the Group's key personnel due to their departure or other reasons, if the Group fails to replace any vacancy by recruiting new competent personnel with relevant experience and knowledge in the market, or employees leaving and setting up business in competition with the Group could adversely affect the Group's operation and financial position.

Besides, the Group engages independent professionals on a project-by-project basis from time to time to work alongside the Group's professional team to perform valuation and advisory services. In the event that the Group fails to engage suitable independent professionals for some of its projects when required, the Group's financial results may be adversely affected.

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 the event that the Group fails to maintain its core competitiveness as well as promoting the operation of new business segment for securities broking, placing and underwriting and investment advisory and asset management, the Group's financial results may be adversely affected.

Compliance with laws and regulations, environmental policy and relationships with stakeholders

Information on the compliance with laws and regulations, environmental policy and relationships with stakeholders are set out in the section headed "Management Discussion and Analysis" of this annual report.

FINANCIAL HIGHLIGHTS

A five-year summary of the results and of the assets and liabilities of the Group is set out on page 138 of this annual report.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year ended 31 March 2022 are set out in note 30 to the consolidated financial statements of the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands, which would oblige the Company to offer its new Shares on a pro rata basis to existing Shareholders.

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

During the year ended 31 March 2022, 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.

EQUITY-LINKED AGREEMENT

Save as disclosed in the section headed "Share Option Scheme" below, no equity-linked agreement was entered into by the Group during the year ended 31 March 2022 or existed as at 31 March 2022.

RESERVES

Details of the movements in the reserves of the Company and the Group during the year ended 31 March 2022 are set out in note 32 to the consolidated financial statements of the Group and in the consolidated statement of changes in equity on page 53 of this annual report respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2022, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the place of incorporation of the Company), amounted to approximately HK$263.7 million. Such amount represented the Company's share premium and retained earnings, which may be distributable provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2022, the Group's five largest customers represented less than 9.9% of the Group's total revenue. For the same year, the Group's largest and five largest suppliers represented approximately 24.8% and 80.6% of the Group's total consultancy fee respectively.

None of the Directors nor any of their close associates (as defined in the GEM Listing Rules) nor any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued Shares) had any beneficial interest in the Group's five largest customers and/or five largest suppliers during the year ended 31 March 2022.

DIRECTORS

The Directors during the year ended 31 March 2022 and up to the date of this report were as follows:

Executive Directors

Mr. Yue, Kwai Wa Ken *(Chairman and Chief Executive Officer)*
Mr. Li, Sheung Him Michael

Independent non-executive Directors

Mr. Chung, Man Lai
Mr. Ko, Wai Lun Warren
Ms. Li, Tak Yin

Pursuant to Articles 84(1) and (2) of the Articles, Mr. Chung, Man Lai, Mr. Li, Sheung Him Michael will retire from office by rotation at the forthcoming AGM. All the above retiring Directors, being eligible, have offered themselves for re-election thereat.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management are disclosed in the section headed "Biographical Details of Directors and Senior Management" on pages 17 and 18 of this annual report.

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the executive Directors has entered into a service agreement with the Company for a term of three years and continues thereafter until terminated in accordance with the terms of the agreement, and subject to retirement by rotation and re-election at the AGM in accordance with the Articles.

Each of the independent non-executive Directors has entered into an appointment letter with the Company for an initial term of one year to three years and will continue thereafter unless terminated by either party giving to the other at least one to three months' notice in writing and subject to retirement by rotation and re-election at the AGM in accordance with the Articles.

Other than as disclosed above, none of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company, which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

MANAGEMENT CONTRACTS

No contract, other than a contract of service with any Director or any person under the full time employment of the Company, concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year ended 31 March 2022.

REMUNERATION OF THE DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the remuneration of the Directors and the five individuals with the highest emoluments for the year ended 31 March 2022 are set out in note 15 to the consolidated financial statements of the Group.

EMOLUMENT POLICY

The Remuneration Committee is set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market practices. The remunerations of the Directors are determined by reference to the economic situation, the market condition, the responsibilities and duties assumed by each Director as well as their individual performance.

The Company adopted the New Share Option Scheme on 27 September 2021 and the share award plan on 22 June 2018 as incentives to the Directors (in relation to the share option scheme only) and the eligible participants, details of which are set out in the sections headed "Share Option Scheme" and "Share Award Plan" respectively.

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 March 2022, 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:

1. The percentage is calculated on the basis of the total number of issued 702,081,660 Shares as at 31 March 2022.

2. These 17,540,000 Shares were held by Fast and Fabulous, which was the trustee of the share award 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 March 2022, 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 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 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 March 2022, 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)
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 March 2022.

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.

Save as disclosed above and as at 31 March 2022, the Company had not been notified for 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.

SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved by the Shareholders on 26 September 2011 and became effective for a period of 10 years commencing on the adoption date as defined in the old Share Option Scheme, i.e. 26 September 2011.

The old Share Option Scheme expired on 25 September 2021. Upon its expiry, no further options were granted thereunder, and the options granted prior to and remaining outstanding at the expiry shall continue to be valid and exercisable in accordance with the terms of the old Share Option Scheme.

The Company adopted the new share option scheme (the "New Share Option Scheme) by an ordinary resolution duly passed by the shareholders of the Company on 27 September 2021 for a period of 10 years commencing on the adoption date. Since the adoption of the New Share Option Scheme and up to the date of this annual report, no share options have been granted. Therefore, no share options were exercised or cancelled or lapsed during the year ended 31 March 2022 and there were no outstanding share options under the New Share Option Scheme as at 31 March 2022.

Principal terms of the New Share Option Scheme are set out as follows:

1. *Purpose*

The purpose of the New Share Option Scheme is to enable the Company to grant Options to selected eligible persons as incentives or rewards for their contribution or potential contribution to the Group and/or to recruit and retain high calibre eligible persons and attract human resources that are valuable to the Group.

2. *Participants*

The Board may, at its absolute discretion, invite any person belonging to the following classes in accordance with the terms of the New Share Option Scheme and the GEM Listing Rules:

(i) any employee or proposed employee (whether full-time or part-time employee, including any director) of any member of the Group or any invested entity; and

(ii) any supplier of goods or services, any client, any person or entity that provides research, development or other technological support, any shareholder, and any consultant, who in the absolute discretion of the Board, has contributed or may contribute to the Group or any invested entity.

3. *Total number of Shares available for issue*

The maximum number of Shares in respect of which options may be granted under the New Share Option Scheme shall not in aggregate exceed 10% of the issued share capital 27 September 2021 (the date of AGM passing of an ordinary resolution by the Shareholders to approve the New Share Option Scheme). On the basis of 702,081,660 Shares in issue as at 27 September 2021, the maximum number of Shares available for issue under the New Share Option Scheme is equivalent to 70,208,116 Shares, representing 10% of the Shares in issue as at 27 September 2021.

4. *Maximum entitlement of each participant*

The total number of Shares issued and to be issued upon exercise of options granted to any grantee (including both exercised and outstanding options) under the New Share Option Scheme in any 12-month period shall not exceed 1% of the Shares in issue with the exclusion of the independent non-executive Directors and substantial shareholders of the Company or their respective associates, which is subject to a lower percentage and a specified value).

If a grant of options to a substantial shareholder (as defined in the GEM Listing Rules) of the Company or an independent non-executive Director or their respective associates will result in the total number of the Shares issued and to be issued upon exercise of the options granted and to be granted (including both exercised and outstanding options) to such person under the New Share Option Scheme in any 12-month period up to and including the date of the grant exceeding 0.1% of the Shares in issue from time to time and having an aggregate value, based on the closing price of the Shares at the date of the grant, in excess of HK$5 million, then the proposed grant of options must be subject to Shareholders' approval taken on a poll. All connected persons of the Company must abstain from voting at such general meeting, except that any connected person may vote against the resolution provided that his or her intention to do so has been stated in the circular.

5. *Period within which the Shares must be taken up under an option*

   An option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period as the Board may determine, which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

6. *Minimum period for which an option must be held before it can be exercised*

   The Board may in its absolute discretion set a minimum period for which an option must be held and the performance targets must be achieved before an option can be exercised.

7. *Time of acceptance and the amount payable on acceptance of the option*

   An offer for the grant of options must be accepted for a period of 21 days from the day on which such offer is made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK$1.00.

8. *Basis of determining the subscription price*

   The subscription price of the Shares in respect of any particular option granted under the New Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of the Shares on the date of grant of the option.

9. *Life of the Share Option Scheme*

   The Company adopted the New Share Option Scheme by an ordinary resolution duly passed by the shareholders of the Company on 27 September 2021 for a period of 10 years commencing on the adoption date, subject to the early termination provisions contained in the Share Option Scheme.

   The Company is entitled to issue options, provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme does not exceed 10% of the issued share capital of the Company. The Company may at any time refresh such limit, subject to the Shareholders' approval and issue of a circular in compliance with the GEM Listing Rules, provided that the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the Shares in issue at the time.

Details of the options granted under the Share Option Scheme, their movements during the year ended 31 March 2022 and the options outstanding as at 31 March 2022 were as follows:

	Number of the Shares comprised in the options granted									
	As at 1 April 2021	Granted during the year	Exercised during the year	Cancelled during the year	lapsed during the year	Adjusted during the year (Note 1)	As at 31 March 2022	Exercise period and vesting period	Adjusted Subscription price per Share HK$ (Note 1)	Subscription price per Share HK$
Employees	8,101,225	–	–	–	–	335,553	8,436,778	Note 2	1.23	1.28
Other eligible participants	1,350,204	–	–	–	–	55,926	1,406,130	Note 2	1.23	1.28
	9,451,428	–	–	–	–	391,479	9,842,908			

Note 1: The exercise price and the number of the outstanding share options granted under the Share Option Scheme have been adjusted for fully-paid Rights Shares are allotted and issued on 19 April 2021. Please refer to Company's announcement dated 16 April 2021 for details.

Note 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. Upon the rights issues are allotted and issued on 19 April 2021, the exercise price of the share option was further adjusted to HK$1.23. The exercise period should commence on the date of grant (i.e. 19 June 2019) and end on 18 June 2022.

Save as disclosed above, no options were granted or exercised or cancelled or lapsed during the year ended 31 March 2022. As at 31 March 2022, options comprising 9,842,908 Shares, representing approximately 1.40% of the issued Shares, were outstanding.

SHARE AWARD PLAN

On 22 June 2018, the Company adopted the share award plan in which the Group's employees (whether full time or part time, but exclude directors) will be entitled to participate.

The objectives of the share award 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 share award 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 share award plan. Subject to any early termination as may be determined by the Board, the share award 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 share award 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 share award 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 share award plan were set out in the announcements of the Company dated 22 June 2018 and 10 July 2018.

During the year ended 31 March 2022, a sum of approximately HK$2,574,000 has been used to acquire 17,540,000 Shares from the market by the trustee of the share award plan. No Shares have been granted to eligible employees under the share award plan up to the date of this report.

ARRANGEMENTS FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Share Option Scheme" above, at no time during the year ended 31 March 2022 was the Company or any of its subsidiaries, fellow subsidiaries and holding company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

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

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 31 March 2022 or during the year ended 31 March 2022.

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS

As at 31 March 2022, no contract of significance (whether for the provision of services to the Group or not) had been entered into between the Company, or any of its subsidiaries or fellow subsidiaries and the controlling shareholder (within the meaning of the GEM Listing Rules) of the Company or any of its subsidiaries.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year ended 31 March 2022 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 business of the Group, or had any other conflict of interest with the Group.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (within the meaning of section 469 of the Companies Ordinance) for the benefit of the Directors is currently in force and was in force throughout the year ended 31 March 2022. The Company has taken out and maintained appropriate insurance cover in respect of potential legal actions against its Directors and officers arising out of corporate activities of the Group.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 March 2022 are set out in note 37 to the consolidated financial statements of the Group. None of these related party transactions falls under the definition of "connected transaction" or "continuing connected transaction" in Chapter 20 of the GEM Listing Rules during the year ended 31 March 2022.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors as at the latest practicable date prior to the issue of this annual report, the Directors confirm that at least 25% of the issued Shares were held by the public (i.e. the prescribed public float applicable to the Company under the GEM Listing Rules) during the year ended 31 March 2022 and thereafter up to the date of this annual report.

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holdings of Shares.

DONATIONS

During the year ended 31 March 2022, the Group donated approximately HK$142,000 for charitable purposes (2021: HK$15,000).

INDEPENDENT AUDITOR

BDO Limited resigned as the Independent Auditor of the Company and Grant Thornton Hong Kong Limited ("Grant Thornton") was appointed as the Independent Auditor of the Company on 11 March 2020 to fill the casual vacancy following the resignation of BDO Limited.

Grant Thornton resigned as the Independent Auditor of the Company and CL Partners CPA Limited ("CL Partners") was appointed as the Independent Auditor of the Company on 17 March 2022 to fill the casual vacancy following the resignation of Grant Thornton.

Save as disclosed, there has been no change in the Independent Auditor in any of the preceding three years.

The consolidated financial statements for the year ended 31 March 2022 have been audited by CL Partners. A resolution will be proposed at the forthcoming AGM of the Company to re-appoint CL Partners as the Independent Auditor.

By order of the Board
Yue, Kwai Wa Ken
Executive Director, Chief Executive Officer,
Chairman and Company Secretary

16 June 2022

CCL Partners

To the Members of Roma Group Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Roma Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 50 to 137, which comprise the consolidated statement of financial position as at 31 March 2022, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of loan and interest receivables, trade receivables and deposits, other receivables and contract assets

Refer to significant accounting policies in notes 4.7, critical accounting estimates and judgements in note 5 and the disclosure of loan and interest receivables, trade receivables and deposits, other receivables and contract assets in note 21, note 22, note 23 and note 40(d) to the consolidated financial statements.

Key audit matter

As at 31 March 2022, the Group had gross loan and interest receivables, trade receivables and deposits, other receivables and contract assets amounting to HK$626,127,000, HK$12,974,000 and HK$11,508,000, respectively, fall within the scope of expected credit losses ("ECL") model. As at 31 March 2022, the ECL allowance on loan and interest receivables, trade receivables and deposits, other receivables and contract assets were amounted to HK$241,389,000, HK$4,394,000 and HK$7,881,000, respectively. The Group determines the ECL allowance on loan and interest receivables, trade receivables and deposits, other receivables and contract assets based on the Group's past history, existing market conditions and forward-looking information.

We identified the impairment assessment of these financial assets and contract assets as a key audit matter due to considerable amounts of judgement and estimation being applied in the assessment of credit risk under the ECL model. These judgements and assumptions including but not limited to the debtors' payment history and creditworthiness, historical default rates, and forward-looking macroeconomic factors.

How the matter was addressed in our audit

Our audit procedures in relation to the impairment assessment of loan and interest receivables, trade receivables and deposits, other receivables and contract assets included:

- understanding and reviewing the Group's policy of provision for impairment on loan and interest receivables, trade receivables and deposits, other receivables and contract assets;
- evaluating techniques and methodology in accordance with the requirements of HKFRS 9;
- evaluating management's assessment of significant increases in credit risk;
- evaluating the parameters used by management in estimating the ECL rates and testing the evidence supporting the parameters to the ECL model;
- evaluating whether the ECL rates are appropriately adjusted based on current economic conditions and forward-looking information; and
- checking the accuracy of the provision in accordance with the ECL rates applied by the Group.

Impairment assessment of intangible assets and goodwill

Refer to significant accounting policies in notes 4.14, critical accounting estimates and judgements in note 5 and the disclosure of intangible assets and goodwill in note 18 and note 19 to the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
As at 31 March 2022, the Group had intangible assets and goodwill before impairment of HK$21,488,000 and HK$7,373,000, respectively, which are subject to impairment testing. During the year ended 31 March 2022, the directors concluded that there was impairment loss on intangible assets and goodwill amounting to HK$433,000 and HK$3,120,000, respectively, which were allocated to the relevant cash-generating units ("CGUs"). The Group's assessment of impairment of these intangible assets and goodwill requires estimate of the cash flow forecasts associated with the CGUs. We identified the impairment assessment of intangible assets and goodwill as key audit matter because of their significance to the consolidated financial statements and the level of subjectivity associated with the assumptions used in estimating the value-in-use of the CGUs, including cash flows forecast, operating margins, growth rates used to extrapolate the cash flows and the rates at which they are discounted.	Our audit procedures in relation to the impairment assessment of intangible assets and goodwill included: • reviewing the cash flow forecasts of the CGUs prepared by management; • discussing with management to understand the basis for determining the assumptions of cash flows forecasts; • evaluating the reasonableness of key assumptions (including operating margins, growth rates and discount rates) of the forecasts based on our knowledge of the business and industry and taking into account of the historical financial information; and • testing management's sensitivity calculations by applying our own sensitivity analysis to the cash flow forecasts and discount rates to ascertain the extent to which reasonable adverse changes would, either individually or in aggregate, require an impairment on the intangible assets and goodwill.

OTHER MATTERS

The consolidated financial statements of the Group for the year ended 31 March 2021 were audited by another auditor who expressed an unqualified opinion on those consolidated financial statements on 15 June 2021.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charge with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

CL Partners CPA Limited
Certified Public Accountants

Lee Wai Chi
Practising Certificate No.: P07830
16 June 2022
Hong Kong

For the year ended 31 March 2022

	Notes	**2022** **HK$'000**	2021 HK$'000
Revenue	6	**91,342**	94,134
Other income, other gains and losses	8	**8,748**	8,975
Change in fair value of investment property	17	**600**	(1,000)
Employee benefit expenses	9	**(43,358)**	(42,757)
Depreciation and amortisation	10	**(5,021)**	(4,949)
Allowance for expected credit losses, net	10	**(38,756)**	(70,999)
Finance costs	11	**(4,353)**	(1,865)
Other expenses		**(44,266)**	(36,449)
Loss before income tax	10	**(35,064)**	(54,910)
Income tax credit	12	**200**	828
Loss for the year attributable to owners of the Company		**(34,864)**	(54,082)
Other comprehensive expense			
Item that will not be reclassified subsequently to profit or loss:			
– Change in fair value of financial asset at fair value through other comprehensive income		**–**	(1,980)
Total comprehensive expense for the year		**(34,864)**	(56,062)
		HK$	HK$
Loss per share			
– Basic	14	**(0.05)**	(0.33)
– Diluted	14	**(0.05)**	(0.33)

The notes on pages 56 to 137 are an integral part of these consolidated financial statements.

As at 31 March 2022

	Notes	2022 HK$'000	2021 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	16	**4,883**	9,195
Investment property	17	**10,600**	10,000
Intangible assets	18	**2,062**	3,018
Goodwill	19	**4,253**	7,373
Loan and interest receivables	21	**154,616**	114,895
Deposit	23	**1,286**	1,286
Deferred tax assets	29	**3**	3
		177,703	145,770
Current assets			
Loan and interest receivables	21	**230,122**	220,670
Trade receivables	22	**8,580**	29,596
Prepayments, deposits, other receivables and contract assets	23	**3,147**	4,797
Financial assets at fair value through profit or loss	20	**–**	312
Pledged bank deposits	24	**56,564**	49,512
Bank balances and cash – general accounts	24	**8,423**	23,410
Bank balances and cash – segregated accounts	24	**673**	1,675
Tax recoverable		**33**	–
		307,542	329,972
Current liabilities			
Trade payables	25	**1,276**	17,620
Accrued liabilities, other payables and contract liabilities	26	**26,775**	42,323
Lease liabilities	27	**4,579**	4,299
Interest-bearing borrowings	28	**86,647**	65,982
Tax payable		**–**	14
		119,277	130,238
Net current assets		**188,265**	199,734
Total assets less current liabilities		**365,968**	345,504

As at 31 March 2022

	Notes	2022 HK$'000	2021 HK$'000
Non-current liabilities			
Lease liabilities	27	**28**	4,607
Deferred tax liabilities	29	**289**	454
		317	5,061
Net assets		**365,651**	340,443
EQUITY			
Equity attributable to owners of the Company			
Share capital	30	**7,021**	1,755
Reserves	32	**358,630**	338,688
Total equity		**365,651**	340,443

The consolidated financial statements on pages 56 to 137 were approved and authorised for issue by the board of directors (the "Board") on 16 June 2022 and are signed on its behalf by:

Yue Kwai Wa Ken	**Li Sheung Him Michael**
Director	*Director*

For the year ended 31 March 2022

	Share capital HK$'000 (note 30)	Shares held for share award plan* HK$'000 (note 33(b))	Share premium* HK$'000 (note 32)	Capital reserve* HK$'000 (note 32)	Share option reserve* HK$'000 (note 32)	Revaluation reserve* HK$'000 (note 32)	Accumulated losses* HK$'000	Total HK$'000
Balance as at 1 April 2020	1,350	(26,241)	569,909	10	4,879	(21,220)	(160,991)	367,696
Recognition of share-based payments (note 33(a))	–	–	–	–	1,217	–	–	1,217
Placing of shares (note 30(a))	270	–	5,400	–	–	–	–	5,670
Share issuance expenses (note 30(a))	–	–	(163)	–	–	–	–	(163)
Exercise of share options	135	–	4,592	–	(1,217)	–	–	3,510
Lapse of share options	–	–	–	–	(691)	–	691	–
Share options cancelled	–	–	–	–	(2,834)	–	2,834	–
Purchase of shares for the share award plan (note 33(b))	–	(3,559)	–	–	–	–	–	(3,559)
Sales of shares held under the share award plan (note 33(b))	–	29,800	–	–	–	–	(7,666)	22,134
Disposal of financial asset at fair value through other comprehensive income	–	–	–	–	–	23,200	(23,200)	–
Transactions with owners	405	26,241	9,829	–	(3,525)	23,200	(27,341)	28,809
Loss for the year	–	–	–	–	–	–	(54,082)	(54,082)
Other comprehensives expense								
Change in fair value of financial asset at fair value through other comprehensive income	–	–	–	–	–	(1,980)	–	(1,980)
Total comprehensive expense	–	–	–	–	–	(1,980)	(54,082)	(56,062)
Balance as at 31 March 2021 and 1 April 2021	1,755	–	579,738	10	1,354	–	(242,414)	340,443
Issue of shares upon rights issue (note 30(c))	5,266	–	60,555	–	–	–	–	65,821
Share issuance expenses (note 30(c))	–	–	(3,175)	–	–	–	–	(3,175)
Purchase of shares for the share award plan (note 33(b))	–	(2,574)	–	–	–	–	–	(2,574)
Transactions with owners	5,266	(2,574)	57,380	–	–	–	–	60,072
Loss for the year	–	–	–	–	–	–	(34,864)	(34,864)
Total comprehensive expense	–	–	–	–	–	–	(34,864)	(34,864)
Balance at 31 March 2022	**7,021**	**(2,574)**	**637,118**	**10**	**1,354**	**–**	**(277,278)**	**365,651**

* The total of these balances represents "Reserves" in the consolidated statement of financial position.

The notes on pages 56 to 137 are an integral part of these consolidated financial statements.

For the year ended 31 March 2022

	Notes	2022 HK$'000	2021 HK$'000
Cash flows from operating activities			
Loss before income tax		**(35,064)**	(54,910)
Adjustments for:			
Finance costs	11	**4,353**	1,865
Interest income	8	**(1,211)**	(862)
Depreciation of property, plant and equipment	10	**4,368**	4,770
Amortisation of intangible assets	10	**653**	179
Gain on disposal of subsidiaries	39	**(3,445)**	–
Net impairment loss on loan and interest receivables	10	**29,687**	67,198
Net impairment loss on trade receivables	10	**2,388**	3,765
Net impairment loss on deposits, other receivables and contract assets	10	**6,681**	36
Write-off of other receivables	10	**80**	–
Impairment loss on goodwill	10	**3,120**	3,168
Impairment loss on intangible assets	10	**433**	4,944
(Increase)/decrease in fair value of investment property	17	**(600)**	1,000
Net fair value loss on financial assets at fair value through profit or loss	8	**312**	384
Share-based payments	33(a)	**–**	1,217
Operating profit before working capital changes		**11,755**	32,754
Increase in loan and interest receivables		**(78,860)**	(43,574)
Decrease/(increase) in trade receivables		**15,612**	(20,152)
(Increase)/decrease in prepayments, deposits, other receivables and contract assets		**(5,565)**	3,984
Decrease/(increase) in bank balances and cash — segregated accounts		**1,002**	(877)
(Decrease)/increase in trade payables		**(15,005)**	15,933
Decrease in accrued liabilities, other payables and contract liabilities		**(11,320)**	(7,429)
Cash used in operations		**(82,381)**	(19,361)
Hong Kong profits tax paid		**(12)**	(3)
Net cash used in operating activities		**(82,393)**	(19,364)
Cash flows from investing activities			
Interest received		**1,211**	862
Purchase of property, plant and equipment		**(152)**	(252)
Increase in pledged bank deposits		**(7,052)**	(1,355)
Acquisition of a subsidiary, net of cash acquired	38	**–**	8
Disposal of subsidiaries, net of cash disposed	39	**692**	–
Purchase of intangible assets		**(130)**	–
Purchase of financial assets at fair value through profit or loss		**–**	(45)
Proceeds from disposal of financial assets at fair value through profit or loss		**–**	91
Proceeds from disposal of a financial asset at fair value through other comprehensive income		**–**	1,800
Net cash (used in)/from investing activities		**(5,431)**	1,109

For the year ended 31 March 2022

	Notes	2022 HK$'000	2021 HK$'000
Cash flows from financing activities			
Proceeds from bank borrowings	31	**571,635**	286,616
Proceeds from other borrowings	31	**36,565**	11,870
Repayments of bank borrowings	31	**(565,635)**	(286,749)
Repayments of other borrowings	31	**(21,900)**	(11,000)
Repayments of capital element of lease liabilities	31	**(4,299)**	(3,970)
Interest paid	31	**(3,601)**	(1,910)
Placing of shares	30(a)	**–**	5,670
Proceed from issue of shares upon rights issue	30(c)	**65,821**	–
Share issuance expenses	30(a), 30(c)	**(3,175)**	(163)
Proceeds from issuance of shares upon exercise of share options	30(b)	**–**	3,510
Purchase of shares for share award plan	33(b)	**(2,574)**	(3,559)
Sales of shares held under share award plan	33(b)	**–**	22,134
Net cash from financing activities		**72,837**	22,449
Net (decrease)/increase in cash and cash equivalents		**(14,987)**	4,194
Cash and cash equivalents at the beginning of year		**23,410**	19,216
Cash and cash equivalents at the end of year		**8,423**	23,410
Analysis of balances of cash and cash equivalents			
Bank balances and cash — general accounts		**8,423**	23,410

The notes on pages 56 to 137 are an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

Roma Group Limited (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 an investment holding company and its subsidiaries (collectively the "Group") are 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 have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") by way of placing on 25 February 2013 (the "Listing Date").

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are relevant to the Group for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2021 for the preparation of the consolidated financial statements:

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

In addition, the Group applied the agenda decision of the IFRS Interpretations Committee (the "Committee") of the International Accounting Standards Board issued in June 2021 which clarified the costs an entity should include as "estimated costs necessary to make the sale" when determining the net realisable value of inventories.

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's consolidated financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and related Amendments[2]
Amendments to HKFRS 3	Reference to the Conceptual Framework[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
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 HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[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 HKFRSs	Annual Improvements to HKFRSs 2018–2020[1]

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 for annual periods beginning on or after a date to be determined

Except for the amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKAS 1 "Classification of Liabilities as Current or Non-current and related amendments to Hong Kong interpretation 5 (2020)"

The amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:

  (i) the classification should not be affected by management intentions or expectations to settle the liability within 12 months; and

  (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met at the end of the reporting period, even if the lender does not test compliance until a later date; and

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 "Financial Instruments: Presentation".

In addition, Hong Kong Interpretation 5 was revised as a consequence of the Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

Amendments to HKAS 1 and HKFRS Practice Statement 2 "Disclosure of Accounting Policies"

HKAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 "Making Materiality Judgements" (the "Practice Statement") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group's significant accounting policies. The impacts of application, if any, will be disclosed in the Group's future consolidated financial statements.

Amendments to HKAS 8 "Definition of Accounting Estimates"

The amendments define accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty — that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group's consolidated financial statements.

3. BASIS OF PREPARATION AND PRESENTATION

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs, which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the HKICPA and the accounting principles generally accepted in Hong Kong.

For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules").

3.2 Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis, except for financial assets at fair value through profit or loss ("FVTPL") and investment property, which are measured at fair value as explained in the accounting policies set out below.

3.3 Functional and presentation currency

The 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.

4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-group transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The Group includes the income and expenses of a subsidiary in the consolidated financial statements from the date it gains control until the date when the Group ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The consideration transferred in a business combination is measured at the aggregate of the acquisition-date fair value of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and equity interests issued by the Group in exchange for control of the acquiree. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

4.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: (1) power over the investee, (2) exposure, or rights, to variable returns from the investee, and (3) the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

4.3 Goodwill

Goodwill arising from business combination is recognised as an asset at the date that control is acquired (the acquisition date) and is initially recognised at cost being the excess of the aggregate of consideration transferred, the amount of any non-controlling interests in the acquiree, and fair value of the acquirer's previously held equity in the acquiree (if any) over the fair value of identifiable assets, liabilities and contingent liabilities acquired as at the acquisition date.

Where the fair value of acquiree's identifiable assets, liabilities and contingent liabilities exceed the sum of consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised in profit or loss on the acquisition date as a bargain purchase gain, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash generating unit ("CGU") that are expected to benefit from the synergies of the acquisition. A CGU to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired (See note 4.14).

For goodwill arising on an acquisition in a financial year, the CGUs to which goodwill has been allocated is tested for impairment annually. When the recoverable amount of the CGUs is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

4.4 Foreign currency

In the individual financial statements of the group entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the end of reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions and from the retranslation of monetary assets and liabilities at the end of reporting period are recognised in profit or loss. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated (i.e. only translated using the exchange rates at the transaction date).

4.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset (other than cost of right-of-use assets as described in note 4.9) comprises its purchase price and any directly attributable costs of bringing the asset to the working conditions and location for its intended use.

Depreciation is provided to write off the assets' costs less their residual values (if any) over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold improvements	Over the shorter of the lease terms and 33%
Furniture, fixtures and office equipment	20%
Motor vehicles	20%

Accounting policy for depreciation of right-of-use assets is set out in note 4.9.

The assets' estimated residual values, depreciation methods and estimated useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance, are charged to profit or loss during the reporting period in which they are incurred.

4.6 Intangible assets (other than goodwill)

Acquired intangible assets are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives as follows:

Customer relationship	5–6 years
Database	20 years
Accounting and management and valuation softwares	5–8 years

Licenses have indefinite useful lives and are carried at cost less accumulated impairment losses. The licenses have no foreseeable limit to the period over which the Group can use to generate net cash flows.

The assets' amortisation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The amortisation expense is recognised in profit or loss and included in "depreciation and amortisation" in the consolidated statement of profit or loss and other comprehensive income.

Amortisation commences when the intangible assets are available for use. Intangible assets, with finite and indefinite useful lives, are tested for impairment as described below in note 4.14.

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.7 Financial instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Debt instruments

The classification of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss. Discounting is omitted where the effect of discounting is immaterial. The Group's loan and interest receivables, trade receivables, deposits and other receivables, pledged bank deposits and bank balances and cash fall into this category of financial instruments.

FVTPL: Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income ("FVTOCI"), as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVTOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

(ii) *Impairment on financial assets and contract assets*

The Group applies the expected credit losses ("ECL") model on all financial assets and contract assets that are subject to impairment. The Group's loan and interest receivables, trade receivables, contract assets recognised and measured under HKFRS 15, deposits and other receivables, pledged bank deposits and bank balances and cash fall within the scope of ECL model.

The ECL are measured on either of the following bases: (1) 12-month ECL: these are the ECL that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

ECL is a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and contract assets using HKFRS 9 simplified approach and has calculated ECL based on lifetime ECL. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECL are based on the 12-month ECL. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

— an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

— significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

— existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

— an actual or expected significant deterioration in the operating results of the debtor; and

— an actual or expected significant adverse change in the regulatory, business, financial, economic conditions, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

For internal credit risk management, the Group considers an event of default occurs when (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group); or (ii) the financial asset is 90 days past due.

At each reporting date, the Group assesses on a forward looking basis whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

— significant financial difficulty of the debtor;

— a breach of contract, such as a default or delinquency in interest or principal payments;

— it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;

— significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and

— the disappearance of an active market for that financial asset because of financial difficulties.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For financial assets which are not credit-impaired, interest income is calculated based on the gross carrying amount.

Detailed analysis of the ECL assessment of the financial assets measured at amortised cost and contract assets are set out in note 40(d).

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the debtor fails to make contractual payments greater than 3 years past due from the invoice date and fails to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities are incurred. Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade payables, accrued liabilities, other payables, interest-bearing borrowings and lease liabilities are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

The financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Gains or losses are recognised in profit or loss when the liabilities are derecognised.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

4.8 Investment properties

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

4.9 Leases

(a) *Definition of a lease and the Group as a lessee*

At inception of a contract, the Group considers whether a contract is, or contains a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an identified asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct "how and for what purpose" the asset is used throughout the period of use.

For contracts that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the underlying asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any lease incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the Group is reasonably certain to obtain ownership at the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicator exists.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments based on an index or rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payment of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

Subsequent to initial measurement, the liability will be reduced for lease payments made and increased for interest cost on the lease liability. It is remeasured to reflect any reassessment or lease modification, or if there are changes in in-substance fixed payments.

When the lease is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit or loss if the right-of-use asset is already reduced to zero.

For lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of modification.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these leases are recognised as an expense in profit or loss on a straight-line basis over the lease term. Short-term leases are leases with a lease term of 12 month or less.

On the consolidated statement of financial position, right-of-use assets have been included in "Property, plant and equipment", the same line as it presents the underlying assets of the same nature that it owns.

Refundable rental deposits paid are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

(b) *The Group as a lessor*

As a lessor, the Group classifies its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

4.10 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

4.11 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

4.12 Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer

2. Identifying the performance obligations

3. Determining the transaction price

4. Allocating the transaction price to the performance obligations

5. Recognising revenue when/as performance obligation(s) are satisfied

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration (See note 4.7(i)). Contract assets are assessed for ECL in accordance with the policy set out in note 4.7(ii) and reclassified to receivable when the right to the consideration has become unconditional.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

Further details of the Group's revenue and other income recognition policies are as follows:

Service fee income from provision of valuation and advisory services

The Group provides valuation and advisory services. The service fee income is recognised at a point in time when the valuation and advisory service is completed. Invoices are usually due on presentation.

Commission income from broking services

Broking commission income is recognised at a single point in time, i.e. on a trade date when the relevant transactions are executed. Handling and settlement fee income arising from broking services is recognised when the related services are rendered.

Placing and underwriting fee income

Income from securities placing and underwriting services is recognised at a single point in time when the obligation of underwriting is completed.

Asset management and investment advisory fee income

Income from asset management and investment advisory services is recognised over time as services rendered. Fees for asset management and investment advisory service are calculated base on fixed percentage of the value of assets managed.

Interest income

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

Rental income

Rental income under operating leases is recognised in accordance with note 4.9(b).

Market service income

Revenue from marketing service is recognised when the service are rendered and there is no unfulfilled obligation that could affect the customer's acceptance of the service.

4.13 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income is presented in gross under "Other income, other gains and losses" in the consolidated statement of profit or loss and other comprehensive income.

4.14 Impairment of non-financial assets

Goodwill, property, plant and equipment (including right-of-use assets), other intangible assets and the Company's investments in subsidiaries are subject to impairment testing.

Goodwill and other intangible assets with indefinite useful life are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. Property, plant and equipment, intangible assets with finite useful lives and investments in subsidiaries are tested for impairment whenever there are indications that the assets' carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs to disposal, and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a CGU). As a result, some assets are tested individually for impairment and some are tested at CGU level.

Goodwill in particular is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose and not be larger than an operating segment.

Impairment losses recognised for CGUs, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the CGU, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal, or value in use, if determinable.

An impairment loss on goodwill is not reversed in subsequent period. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.15 Employee benefits

(i) Retirement benefits

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme"), for all of its employees who are eligible to participate in the MPF Scheme.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligation under these plans is limited to the fixed percentage contributions payable.

(ii) Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of reporting period.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

(iii) Equity-settled share-based payment transactions

The Group operates equity-settled share-based compensation scheme, under which the entity receives services from employees as consideration for equity instruments of the Group as part of their compensation package. See note 4.16 for the Group's accounting policy of share-based payment transactions.

4.16 Share-based payments

The Group operates two equity-settled share-based compensation schemes including a share option scheme and a share award plan.

Where share options are granted to employees and others providing similar services, the fair value of the equity instruments at the date of grant is recognised in profit or loss over the vesting period with a corresponding increase in the share option reserve within equity. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at the end of reporting period so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of equity instruments that eventually vest. Market vesting conditions are factored into the fair value of the equity instruments granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where equity instruments are granted to persons other than employees and others providing similar services, the fair value of goods or services received is recognised in profit or loss unless the goods or services qualified for recognition as assets. A corresponding increase in equity as share option reserve is recognised.

When the share options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium and the amount previously recognised in the share option reserve will be transferred to share premium.

Share award scheme

The fair value of services received determined by reference to the fair value of shares awarded at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity.

When trustee purchases the Company's shares from the open market, the consideration paid, including any directly attributable incremental costs, is presented as shares held for share award plan and deducted from total equity. No gain or loss is recognised on the transactions of the Company's own shares.

When the trustee transfers the Company's shares to grantees upon vesting, the related costs of the granted shares vested are reversed from shares held for share award plan. Accordingly, the related expense of the granted shares vested is reversed from employee share-based compensation reserve. The difference arising from such transfer is debited/credited to accumulated losses. At the end of the reporting period, the Group revises its estimates of the number of shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss with a corresponding adjustment to the employee share-based compensation reserve.

4.17 Income tax

Income taxes for the year comprise current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 "Income Taxes" requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities results in net deductible temporary differences.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable income of the periods in which the temporary differences are expected to reverse.

The determination of the average tax rates requires an estimation of (i) when the existing temporary differences will reverse and (ii) the amount of future taxable profit in those years. The estimate of future taxable profit includes:

— income or loss excluding reversals of temporary differences; and

— reversals of existing temporary differences.

Current tax assets and current tax liabilities are presented in net if, and only if,

(a) the Group has the legally enforceable right to set off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if:

(a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

(b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

   (i) the same taxable entity; or

   (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.18 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

4.20 Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person,

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group or the Company's parent;

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Group are members of the same group.

  (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

  (iii) the entity and the Group are joint ventures of the same third party.

  (iv) one entity is a joint venture of a third party and the other party is an associate of the third party.

  (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

  (vi) the entity is controlled or jointly controlled by a person identified in (a).

  (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

  (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimation uncertainties

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In addition to information disclosed elsewhere in these financial statements, other key sources of estimation uncertainties that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

Impairment of loan and interest receivables, trade receivables and deposits, other receivables and contract assets

Management estimates the amount of loss allowance for ECL on loan and interest receivables, trade receivables and deposits, other receivables and contract assets based on their respective credit risk, which is determined by risk of default and expected loss rates. The ECL allowance is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit loss of the respective assets. The assessment of the credit risk of the respective assets involves high degrees of estimation and uncertainty about future economic conditions which have an adverse effect on debtors' business, debtors' creditworthiness, the payment delinquency or default in interest or principal payments. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise.

Details of impairment of loan and interest receivables, trade receivables and deposits, other receivables and contract assets are disclosed in notes 21, 22, 23 and 40(d) to the consolidated financial statements.

Impairment of intangible assets and goodwill

The Group tested the impairment of intangible assets and goodwill with indefinite useful lives at least on an annual basis, while for the intangible assets with definite useful lives, they are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable. This requires an estimation of the value in use of the CGUs to which the intangible assets and goodwill are allocated. Estimating the value in use requires the Group to estimate the future cash flows expected to be arised from the CGUs and a suitable discount rate in order to calculate present value of those cash flows. These assumptions related to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of intangible assets and goodwill within the next financial year. Details of intangibles assets and goodwill are set out in note 18 and note 19, respectively.

Fair value measurements

The Group's investment property and financial assets at FVTPL are measured at fair value. Significant estimation and judgement are required in determining the fair value. Changes in these estimation and judgement could materially affect the respective fair value of these assets.

The fair value measurement utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into three levels of a fair value hierarchy. The levels are based on the observability and significance of inputs to the measurements, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical items;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs;
- Level 3: Significant unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

Details of the fair value measurements of the investment property and financial assets at FVTPL are disclosed in note 17 and note 40(f)(i) to the consolidated financial statements, respectively.

Critical judgement in applying the entity's accounting policies

Fair value of assets acquired and liabilities assumed upon acquisitions

In connection with acquisitions of subsidiaries through business combinations (note 38), the assets acquired and liabilities assumed are adjusted to their estimated fair values on the date of acquisition. The determination of the fair values of assets acquired and liabilities assumed involves management's judgement and assumptions. Any change in such judgement and assumptions would affect the fair value of assets acquired and liabilities assumed and, therefore, cost of goodwill recognised at the acquisition date.

Recognition of share-based payment expenses

As detailed in note 33(a), the Company granted certain share options on 3 July 2020. The directors, with the assistance of an independent professional valuer, have used the Binomial Option-Pricing Model to determine the total fair value of the options granted. Significant estimate on assumptions, such as share price volatility and dividend yield, is required to be made by the directors in applying the Binomial Option-Pricing Model. Changes in these estimates and assumptions could have a material effect on the determination of the fair value of the share options, which may in turn significantly impact the determination of the share-based payment expenses.

6. REVENUE

The Group's principal activities are provision of (i) valuation and advisory services; (ii) financing services; and (iii) securities broking, placing and underwriting and investment advisory and asset management services. An analysis of the Group's revenue for the year is as follows:

	2022	2021
	HK$'000	HK$'000
Revenue from contracts with customers within the scope of HKFRS 15:		
Valuation and advisory services	**64,028**	71,624
Securities broking, placing and underwriting and investment advisory and asset management services	**2,162**	1,302
Revenue from other sources:		
Interest income from provision of financing services	**25,152**	21,208
	91,342	94,134

7. SEGMENT INFORMATION

The chief operating decision-maker (the "CODM") has been identified as the Company's executive directors. For the years ended 31 March 2022 and 2021, the executive directors have identified the Group's service lines as reportable and operating segments as follows:

(i) Valuation and advisory services

Provision of asset appraisal and asset advisory services, including real estate and fixed asset appraisal, mineral property appraisal, business and intangible asset valuation, financial instrument valuation and advisory services and environmental, social and governance reporting service.

(ii) Financing services

Provision of financial services including personal loans, commercial loans and mortgage loans to individuals and corporations.

(iii) Securities broking, placing and underwriting and investment advisory and asset management services

Provision of securities broking and trading of securities services to investors, equity and debt securities placing and underwriting services to listed companies, and investment advisory and asset management services to professional investors.

(iv) Other segments

Mainly represents other operations of head office.

(a) Business segments

	Valuation and advisory services HK$'000	Financing services HK$'000	Securities broking, placing and underwriting and investment advisory and asset management services HK$'000	Other segments HK$'000	Total HK$'000
For the year ended 31 March 2022					
Segment revenue (note (i))	**64,028**	**25,152**	**2,162**	**–**	**91,342**
Segment results (note (ii))	**3,403**	**(22,641)**	**(1,934)**	**(106)**	**(21,278)**
Other segment information					
Depreciation	**(86)**	**(6)**	**(28)**	**–**	**(120)**
Amortisation	**(653)**	**–**	**–**	**–**	**(653)**
Net impairment loss on loan and interest receivables	**–**	**(29,687)**	**–**	**–**	**(29,687)**
Net impairment loss on trade receivables	**(2,388)**	**–**	**–**	**–**	**(2,388)**
Net impairment loss on deposits, other receivables and contract assets	**–**	**(6,681)**	**–**	**–**	**(6,681)**
Write-off of other receivables	**(80)**	**–**	**–**	**–**	**(80)**
Impairment loss on goodwill	**(3,120)**	**–**	**–**	**–**	**(3,120)**
Impairment loss on intangible assets	**(433)**	**–**	**–**	**–**	**(433)**
Increase in fair value of investment property	**–**	**–**	**–**	**600**	**600**
Income tax credit	**165**	**–**	**35**	**–**	**200**
Additions to non-current assets (excluding financial instruments)	**282**	**–**	**–**	**–**	**282**
Segment assets	**17,336**	**385,025**	**1,058**	**10,690**	**414,109**
Segment liabilities	**(24,226)**	**(1,799)**	**(817)**	**–**	**(26,842)**

	Valuation and advisory services HK$'000	Financing services HK$'000	Securities broking, placing and underwriting and investment advisory and asset management services HK$'000	Other segments HK$'000	Total HK$'000
For the year ended 31 March 2021					
Segment revenue (note (i))	71,624	21,208	1,302	–	94,134
Segment results (note (ii))	20,041	(51,452)	(8,810)	(1,449)	(41,670)
Other segment information					
Depreciation	(99)	(6)	(28)	–	(133)
Amortisation	(179)	–	–	–	(179)
Net impairment loss on loan and interest receivables	–	(67,198)	–	–	(67,198)
Net impairment loss on trade receivables	(3,765)	–	–	–	(3,765)
Net impairment loss on deposits, other receivables and contract assets	–	–	–	(36)	(36)
Impairment loss on goodwill	–	–	(3,168)	–	(3,168)
Impairment loss on intangible assets	–	–	(4,944)	–	(4,944)
Decrease in fair value of investment property	–	–	–	(1,000)	(1,000)
Income tax credit/(expense)	15	–	816	(3)	828
Additions to non-current assets (excluding financial instruments) (note (iii))	10,465	7	–	–	10,472
Segment assets	26,236	335,862	19,300	10,105	391,503
Segment liabilities	(39,348)	(406)	(19,957)	(79)	(59,790)

Notes:

(i) Segment revenue reported above represents revenue generated from external customers. There were no material inter-segment sales for both years.

(ii) The accounting policies of the operating segments are same as the Group's accounting policies described in note 4. 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 CODM for the purpose of resources allocation and performance assessment.

(iii) Additions include those arising from acquisitions of subsidiaries (note 38).

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

	2022 HK$'000	2021 HK$'000
Loss before income tax		
Reportable segment loss	**(21,278)**	(41,670)
Unallocated interest income	**1,211**	862
Unallocated employee benefit expenses	**(4,480)**	(4,497)
Unallocated depreciation	**(4,248)**	(4,637)
Unallocated finance costs	**(4,353)**	(1,865)
Unallocated other expenses	**(1,682)**	(2,719)
Unallocated change in fair value of financial assets at FVTPL	**(234)**	(384)
Consolidated loss before income tax	**(35,064)**	(54,910)
Assets		
Reportable segment assets	**414,109**	391,503
Unallocated property, plant and equipment	**4,679**	8,877
Unallocated financial assets at FVTPL	**–**	312
Unallocated pledged bank deposits	**56,564**	49,512
Unallocated deposit	**1,286**	1,286
Unallocated bank balances and cash	**8,423**	23,410
Unallocated corporate assets	**184**	842
Consolidated total assets	**485,245**	475,742
Liabilities		
Reportable segment liabilities	**(26,842)**	(59,790)
Unallocated lease liabilities	**(4,607)**	(8,906)
Unallocated interest-bearing borrowings	**(86,647)**	(65,982)
Unallocated corporate liabilities	**(1,498)**	(621)
Consolidated total liabilities	**(119,594)**	(135,299)

(c) Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by timing over revenue recognition (under HKFRS 15). The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Valuation and advisory services HK$'000	Financing services HK$'000	Securities broking, placing and underwriting and investment advisory and asset management services HK$'000	Other segments HK$'000	Total HK$'000
For the year ended 31 March 2022					
– At a point in time	**64,028**	**–**	**1,875**	**–**	**65,903**
– Over time	**–**	**–**	**287**	**–**	**287**
	64,028	**–**	**2,162**	**–**	**66,190**
For the year ended 31 March 2021					
– At a point in time	71,624	–	645	–	72,269
– Over time	–	–	657	–	657
	71,624	–	1,302	–	72,926

(d) 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.

(e) Information about major customer

For the years ended 31 March 2022 and 2021, none of the customers contributed 10% or more of the revenue of the Group.

8. OTHER INCOME, OTHER GAINS AND LOSSES

	2022 HK$'000	2021 HK$'000
Other income		
Bank interest income	**1,211**	862
Reimbursement of expenses	**216**	299
Rental income	**216**	216
Other marketing service income	**697**	3,482
Government grant (note)	**750**	3,621
Sundry income	**341**	609
	3,431	9,089
Other gains and losses		
Gain of disposal of subsidiaries (note 39)	**3,445**	–
Exchange gain, net	**2,184**	270
Net fair value loss on financial assets at FVTPL	**(312)**	(384)
	5,317	(114)
	8,748	8,975

Note: During the year ended 31 March 2022, the Group received funding support amounting to HK$750,000 (2021: nil) from "Dedicated Fund on Branding, Upgrading and Domestic Sales" set up by Hong Kong Government. The purpose of the funding is to provide financial support to enterprises in exploring more diversified markets.

During the year ended 31 March 2021, the Group received funding support amounting to HK$3,400,000 (2022: nil) from the Employment Support Scheme under the Anti-epidemic Fund, set up by the Hong Kong Government. The purpose of the funding is to provide financial support to enterprises to retain their employees who would otherwise be made redundant. Under the terms of the grant, the Group is required not to make redundancies during the subsidy period and to spend all the funding on paying wages to the employees.

9. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2022 HK$'000	2021 HK$'000
Salaries and allowances	**40,626**	39,006
Contributions to defined contribution retirement plans	**1,193**	1,170
Share-based payments	**–**	1,217
Other benefits	**1,539**	1,364
	43,358	42,757

10. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

	2022	2021
	HK$'000	HK$'000
Auditor's remuneration (note)	**560**	650
Depreciation:		
– Owned assets	**190**	251
– Right-of-use assets	**4,178**	4,519
Amortisation of intangible assets	**653**	179
Allowance for expected credit losses, net:		
– Loan and interest receivables (note 21)	**29,687**	67,198
– Trade receivables (note 22)	**2,388**	3,765
– Deposits, other receivables and contract assets (note 23)	**6,681**	36
Write-off of other receivables (note)	**80**	–
Consultancy fee (note)	**11,949**	7,841
Impairment loss (note):		
– Goodwill (note 19)	**3,120**	3,168
– Intangible assets (note 18)	**433**	4,944
Professional fee (note)	**9,423**	3,108
Marketing and business development expenses (note)	**4,934**	4,650
Lease charges for short-term leases (note)	**737**	750

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

11. FINANCE COSTS

	2022	2021
	HK$'000	HK$'000
Interest on bank borrowings	**576**	662
Interest on other borrowings	**3,634**	991
Finance charges on lease liabilities	**143**	212
	4,353	1,865

12. INCOME TAX CREDIT

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% (2021: 8.25%), and profits above HK$2 million will be taxed at 16.5% (2021: 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% (2021: 16.5%).

	2022	2021
	HK$'000	HK$'000
Current tax – Hong Kong profits tax		
Current year	**–**	3
Over-provision in respect of prior year	**(35)**	–
Deferred tax (note 29)		
Origination and reversal of temporary differences	**(165)**	(831)
Total income tax credit	**(200)**	(828)

The income tax credit for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2022	2021
	HK$'000	HK$'000
Loss before income tax	**(35,064)**	(54,910)
Tax at Hong Kong profits tax rate of 16.5% (2021: 16.5%)	**(5,786)**	(9,060)
Tax effect of expenses not deductible for tax purpose	**1,031**	1,291
Tax effect of income not taxable for tax purpose	**(837)**	(753)
Tax effect of temporary differences not recognised	**11**	280
Tax effect of tax losses not recognised	**5,861**	9,502
Utilisation of tax losses previously not recognised	**(445)**	(2,088)
Over-provision in respect of prior year	**(35)**	–
Income tax credit	**(200)**	(828)

The Group has not recognised deferred tax asset in respect of the unused tax losses due to the unpredictability of future profit streams. The unrecognised tax losses of HK$308,548,000 (2021: HK$275,725,000) can be carried forward indefinitely.

13. DIVIDEND

The Board has resolved not to recommend the payment of any dividend for the year ended 31 March 2022 (2021: nil).

14. 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:

	2022	2021
	HK$'000	HK$'000
Loss		
Loss for the purpose of basic and diluted loss per share	**(34,864)**	(54,082)
Number of shares (thousands)		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**666,165**	161,494

Notes:

(a) The weighted average number of ordinary shares for the years ended 31 March 2022 and 2021 has been adjusted to reflect the shares held for the Plan (as defined and detailed in note 33(b)) during both years and the rights issue completed on 19 April 2021 (note 30(c)).

(b) The diluted loss per share for the years ended 31 March 2022 and 2021 was the same as the basic loss per share as all the potential ordinary shares were anti-dilutive.

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' emoluments

Directors' emoluments disclosed pursuant to the GEM Listing Rules and disclosure requirements of the Hong Kong Companies Ordinance are as follows:

	Fees HK$'000	Salaries, discretionary bonus and allowances HK$'000	Contributions to defined contribution retirement plans HK$'000	Share-based payments HK$'000	Total HK$'000
Year ended 31 March 2022					
Executive directors					
Mr. Yue Kwai Wa Ken	**–**	**2,363**	**18**	**–**	**2,381**
Mr. Li Sheung Him, Michael	**–**	**1,721**	**18**	**–**	**1,739**
	–	**4,084**	**36**	**–**	**4,120**
Independent non-executive directors					
Mr. Ko Wai Lun Warren	**120**	**–**	**–**	**–**	**120**
Ms. Li Tak Yin	**120**	**–**	**–**	**–**	**120**
Mr. Chung Man Lai	**120**	**–**	**–**	**–**	**120**
	360	**–**	**–**	**–**	**360**
	360	**4,084**	**36**	**–**	**4,480**
Year ended 31 March 2021					
Executive directors					
Mr. Yue Kwai Wa Ken	–	2,440	18	144	2,602
Mr. Li Sheung Him, Michael	–	1,393	18	144	1,555
	–	3,833	36	288	4,157
Independent non-executive directors					
Mr. Ko Wai Lun Warren	110	–	–	–	110
Ms. Li Tak Yin	110	–	–	–	110
Mr. Chung Man Lai	120	–	–	–	120
	340	–	–	–	340
	340	3,833	36	288	4,497

The executive directors' emoluments shown above were paid for their services in connection with the management of the affairs of the Company and its subsidiaries.

The emoluments of the independent non-executive directors shown above were paid for their appointments as directors of the Company.

There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 March 2022 and 2021.

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2021: two) were directors of the Company whose emoluments are included in the disclosures in note 15(a) above. The emoluments of the remaining three (2021: three) individuals were as follows:

	2022	2021
	HK$'000	HK$'000
Salaries, discretionary bonus and allowances	**7,141**	6,946
Contributions to defined contribution retirement plans	**54**	54
Share-based payments	**–**	271
	7,195	7,271

The remuneration paid to each of the above highest paid individuals fell within the following bands:

	Number of individuals	
	2022	2021
HK$1,000,001 to HK$2,000,000	**2**	1
HK$2,000,001 to HK$3,000,000	**–**	1
HK$3,000,001 to HK$4,000,000	**1**	–
HK$4,000,001 to HK$5,000,000	**–**	1

During the year ended 31 March 2022, no emolument was paid by the Group to the directors and the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office (2021: nil).

16. PROPERTY, PLANT AND EQUIPMENT

	Office premise HK$'000	Leasehold improvements HK$'000	Furniture, fixtures and office equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
Cost					
As at 1 April 2020	4,458	3,407	1,473	7,964	17,302
Additions	–	126	126	–	252
Lease modification	12,237	–	–	–	12,237
Written-off	(4,458)	–	–	–	(4,458)
As at 31 March 2021 and 1 April 2021	12,237	3,533	1,599	7,964	25,333
Additions	–	49	103	–	152
Disposal of subsidiaries (note 39)	–	–	(150)	–	(150)
As at 31 March 2022	**12,237**	**3,582**	**1,552**	**7,964**	**25,335**
Accumulated depreciation					
As at 1 April 2020	4,458	3,307	1,148	6,913	15,826
Depreciation	3,739	118	133	780	4,770
Written-off	(4,458)	–	–	–	(4,458)
As at 31 March 2021 and 1 April 2021	3,739	3,425	1,281	7,693	16,138
Depreciation	4,079	69	121	99	4,368
Disposal of subsidiaries (note 39)	–	–	(54)	–	(54)
As at 31 March 2022	**7,818**	**3,494**	**1,348**	**7,792**	**20,452**
Net book value					
As at 31 March 2022	**4,419**	**88**	**204**	**172**	**4,883**
As at 31 March 2021	8,498	108	318	271	9,195

As at 31 March 2022, included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	Carrying amount		**Depreciation**	
	2022	2021	**2022**	2021
	HK$'000	HK$'000	**HK$'000**	HK$'000
Office premise	**4,419**	8,498	**4,079**	3,739
Motor vehicles	**172**	271	**99**	780
Total	**4,591**	8,769	**4,178**	4,519

During the year ended 31 March 2022, there are no additions to right-of-use assets included in property, plant and equipment (2021: nil, except for a lease modification). The details in relation to these leases are set out in note 27.

17. INVESTMENT PROPERTY

	2022	2021
	HK$'000	HK$'000
As at 1 April	**10,000**	11,000
Increase/(decrease) in fair value	**600**	(1,000)
As at 31 March	**10,600**	10,000

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 31 March 2022 and 2021 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 years ended 31 March 2022 and 2021. The fair value measurement is based on the above property's highest and best use, which does not differ from its actual use.

Valuation techniques of investment property	**Significant unobservable inputs**	**Relationship of unobservable inputs to fair value**
Direct comparison method	Market price HK$6,192/sq.m. (2021: from HK$5,883/sq.m. to HK$6,091/sq.m.) and adjusted taking into account of locations and other individual factors such as size of land and construction in progress and conditions of prices	The higher the market price, the higher the fair value

During the years ended 31 March 2022 and 2021, there were no transfers between level 1 and level 2, or transfer into or out of level 3.

As at 31 March 2022, the Group's investment property with carrying amount of HK$10,600,000 (2021: HK$10,000,000) was pledged for securing an other borrowing of HK$6,565,000 (2021: HK$6,500,000) (note 28(b)).

18. INTANGIBLE ASSETS

	Licenses HK$'000	Customer relationship HK$'000	Database HK$'000	Accounting and management software HK$'000	Valuation software HK$'000	Total HK$'000
Cost						
As at 1 April 2020	4,944	4,200	15,400	488	6,059	31,091
Acquisitions of subsidiaries (notes 38(a) and 38(b))	–	2,847	–	–	–	2,847
As at 31 March 2021 and 1 April 2021	4,944	7,047	15,400	488	6,059	33,938
Additions	–	–	–	130	–	130
As at 31 March 2022	**4,944**	**7,047**	**15,400**	**618**	**6,059**	**34,068**
Accumulated amortisation						
As at 1 April 2020	–	3,616	3,978	138	4,016	11,748
Amortisation	–	95	–	84	–	179
As at 31 March 2021 and 1 April 2021	–	3,711	3,978	222	4,016	11,927
Amortisation	–	569	–	84	–	653
As at 31 March 2022	**–**	**4,280**	**3,978**	**306**	**4,016**	**12,580**
Accumulated impairment						
As at 1 April 2020	–	584	11,422	–	2,043	14,049
Impairment loss	4,944	–	–	–	–	4,944
As at 31 March 2021 and 1 April 2021	4,944	584	11,422	–	2,043	18,993
Impairment loss	–	433	–	–	–	433
As at 31 March 2022	**4,944**	**1,017**	**11,422**	**–**	**2,043**	**19,426**
Net book value						
As at 31 March 2022	**–**	**1,750**	**–**	**312**	**–**	**2,062**
As at 31 March 2021	–	2,752	–	266	–	3,018

For the purpose of impairment testing, intangible assets have been included in the CGUs of (i) investment advisory and asset management service business, (ii) the Bonus Boost Group (comprising Bonus Boost International Limited and its subsidiary) which principally engaged in the provision of valuation and consultancy services, (iii) the natural resources valuation business and (iv) 13 Consultant Limited ("13 Consultant") (note 38(a)) and AVA Appraisals Limited ("AVA Appraisals") (note 38(b)) which were acquired during the year ended 31 March 2021.

(i) Investment advisory and asset management service business

In respect of the licenses which were allocated to the CGU of investment advisory and asset management service business acquired during the year ended 31 March 2020, the licenses have no foreseeable limit to the period over which the Group can use to generate net cash flows. The directors consider the licenses as having indefinite useful lives because they are expected to contribute to net cash inflows indefinitely. The licenses will not be amortised until their useful life are determined to be finite.

During the year ended 31 March 2021, in light of volatility with the market transacting the licenses, the Group reviewed the recoverable amounts of the licenses based on value in use calculations with reference from the cash flow projections from formally approved budgets covering a five-year period and recognised an impairment loss of HK$4,944,000 in profit or loss for the year ended 31 March 2021. As at 31 March 2021 and 2022, these licenses were fully impaired.

(ii) Bonus Boost Group

In respect of the customer relationship and database which were allocated in the CGU of the Bonus Boost Group acquired in 2015, the directors conducted a review of the recoverable amounts of the CGU containing the customer relationship and database during the year ended 31 March 2020, and determined that an impairment loss of HK$584,000 and HK$11,422,000 were recognised in profit or loss for the year ended 31 March 2020, respectively. As at 31 March 2021 and 2022, these customer relationship and database were fully impaired.

(iii) Natural resources valuation business

In respect of the valuation software which were allocated in the CGU of the natural resources valuation business, the directors conducted a review of the recoverable amounts of the CGU containing the valuation software during the year ended 31 March 2020. The recoverable amount for the CGU were determined based on value in use calculations using cash flows projections covering the useful life of the valuation software, with a pre-tax discount factor of 14% for the year ended 31 March 2020. Due to the decrease in market demand on the natural resources valuation services, the revenue of the natural resources valuation business was adversely affected. The recoverable amount the CGU was reduced to nil and accordingly an impairment loss of HK$2,043,000 was recognised in profit or loss for the year ended 31 March 2020. As at 31 March 2021 and 2022, the valuation software of the natural resources valuation business was fully impaired.

(iv) 13 Consultant and AVA Appraisals

The customer relationship of approximately HK$2,281,000 and HK$566,000 attributable to the acquisitions of 13 Consultant and AVA Appraisals during the year ended 31 March 2021 are both amortised on a straight line basis over the expected useful life of 5 years. The useful life of the customer relationship is determined with reference to the estimated future revenue from the customer relationship which is based on financial budgets approved by management. Management is of the view that the future economic benefits that can be derived from the customer relationship beyond the expected useful life are insignificant.

The fair values of the customer relationship of 13 Consultant and AVA Appraisals amounted to approximately HK$2,281,000 and HK$566,000, respectively, at the date of business combination, were measured using the excess earning method under the income approach. The valuations were performed by independent qualified professional valuers and with appropriate qualification and experience in the valuation of similar assets in the relevant industry. The calculations are based on the present value of the cash flow projections attributable to the customer relationship of 13 Consultant and AVA Appraisals both covering a 5-year period at pre-tax discount rate of 19.22% and 20.18%, respectively. The annual cash flow is calculated by reference to the latest applicable financial budget approved by the management. The key assumptions for the value-in-use calculation include budgeted operating profit margin and revenue, which are determined based on management's expectations regarding the market development.

During the year ended 31 March 2021, the Group conducted a review on the recoverable amounts of 13 Consultant and AVA Appraisals based on value-in-use calculations with reference from the cash flow projections and no impairment loss had been recognised during the year ended 31 March 2021.

During the year ended 31 March 2022, the Group reviewed the recoverable amounts of the customer relationship of 13 consultant and AVA Appraisals based on value in use calculations with reference from the cash flow projections from formally approved budgets covering a five-year period and recognised an impairment loss of approximately HK$433,000 in relation to the customer relationship of AVA Appraisals in profit or loss for the year ended 31 March 2022. As at 31 March 2022, the customer relationship of AVA Appraisals is fully impaired. No impairment loss in relation to the customer relationship of 13 Consultant has been recognised for the year ended 31 March 2022. Further details on impairment assessment of the CGUs of 13 Consultant and AVA Appraisals are set out in note 19(a) and note 19(b), respectively.

19. GOODWILL

The net carrying amount of goodwill, net of any impairment loss, can be analysed as follows:

	2022 HK$'000	2021 HK$'000
Net carrying amount:		
As at 1 April	**7,373**	3,168
Acquisitions of subsidiaries (note 38)	**–**	7,373
Impairment loss	**(3,120)**	(3,168)
As at 31 March	**4,253**	7,373

The carrying amount of goodwill, net of any impairment loss, is allocated to the following CGUs:

	2022 HK$'000	2021 HK$'000
Net carrying amount:		
13 Consultant (note (a))	**4,253**	5,820
AVA Appraisals (note (b))	**–**	1,553
	4,253	7,373

Notes:

(a) The recoverable amounts of the goodwill relating to 13 Consultant has been determined by value-in-use calculation based on the respective cash flow projections from formally approved budgets covering a five-year period. Cash flow beyond the five-year period are extrapolated using an estimated growth rate of 2.5%.

	2022	2021
Discount rate	**18.0%**	18.4%
Operating margin*	**(39%)–43%**	47%–52%
Growth rate within the five-year period	**8%–15%**	3%–18%

The discount rate used is pre-tax and reflect specific risks relating to 13 Consultant. The operating margin and growth rate within the five-year period have been based on management expectation regarding the market development. During the year ended 31 March 2022, due to the expected decrease in customers' demand as a result of the COVID-19 outbreak, the recoverable amount of the CGU was reduced and accordingly, an impairment loss of goodwill with amount approximately of HK$1,567,000 was recognised for the year ended 31 March 2022.

(b) The recoverable amounts of the goodwill relating to AVA Appraisals has been determined by value-in-use calculation based on the respective cash flow projections from formally approved budgets covering a five-year period. Cash flow beyond the five-year period are extrapolated using an estimated growth rate of 2.5%.

	2022	2021
Discount rate	**17.5%**	18.5%
Operating margin*	**N/A^**	50%–60%
Growth rate within the five-year period	**0%**	3%–9%

The discount rate used is pre-tax and reflect specific risks relating to AVA Appraisals. The operating margin and growth rate within the five-year period have been based on management expectation regarding the market development. During the year ended 31 March 2022, due to the expected decrease in customers' demand as a result of the COVID-19 outbreak, the recoverable amount of the CGU was reduced to nil and accordingly, an impairment loss of goodwill with amount approximately of HK$1,553,000 was recognised for the year ended 31 March 2022.

(c) As at 1 April 2021, the recoverable amount of the goodwill relating to Leo Asset Management Limited has been determined from value-in-use calculation based on cash flow projections from formally approved budgets covering a five-year period. Cash flow beyond the five-year period are extrapolated using an estimated growth rate of 2.4%.

	2021
Discount rate	12.7%
Operating margin*	(11%)–(127%)
Growth rate within the five-year period	10%

The discount rate used is pre-tax and reflect specific risks relating to Leo Asset Management Limited. The operating margin and growth rate within the five-year period have been based on management expectation and the result of the market research and prediction. During the year ended 31 March 2021, due to the expected decrease in customers' demand as a result of the COVID-19 outbreak, the recoverable amount of the CGU was reduced to nil and accordingly, an impairment loss of goodwill with amount approximately of HK$3,168,000 was recognised for the year ended 31 March 2021.

* defined as (loss)/profit before income tax expense divided by revenue

^ No expected revenue during the forecast period.

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2022	2021
	HK$'000	HK$'000
Equity investments – listed in Hong Kong	–	234
Other derivatives	–	78
	–	312

Details of the fair value measurement of the equity investments and other derivatives are described in note 40(f).

21. LOAN AND INTEREST RECEIVABLES

	2022 HK$'000	2021 HK$'000
Loan and interest receivables	**626,127**	578,203
Less: ECL allowance	**(241,389)**	(242,638)
	384,738	335,565
Less: Non-current portion loan and interest receivables	**(154,616)**	(114,895)
	230,122	220,670

As at 31 March 2022, loan and interest receivables with an aggregate carrying amount of approximately HK$74,256,000 (2021: approximately HK$74,456,000) were secured by assets under 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 interest at contract rates ranging approximately 6%–48% per annum (2021: approximately 8%–48% per annum).

A maturity profile of the loan and interest receivables based on the maturity date at the end of reporting period is as follows:

	2022 HK$'000	2021 HK$'000
Within 1 year	**230,122**	220,670
1 to 5 years	**154,616**	114,895
	384,738	335,565

The table below reconciles the ECL allowance on loan and interest receivables for the year:

	2022 HK$'000	2021 HK$'000
Balance as at 1 April	**242,638**	176,590
ECL allowance recognised	**53,928**	72,504
ECL allowance reversed	**(24,241)**	(5,306)
Written-off	**(30,936)**	(1,150)
Balance as at 31 March	**241,389**	242,638

The Group recognises ECL allowance based on the accounting policy stated in note 4.7(ii). Further details on the Group's credit policy and credit risk arising from loan and interest receivables are set out in note 40(d).

22. TRADE RECEIVABLES

	2022	2021
	HK$'000	HK$'000
Trade receivables arising from:		
Valuation and advisory business		
– Third parties	**12,951**	23,643
– Less: ECL allowance	**(4,394)**	(9,061)
	8,557	14,582
Securities broking business		
– A third party	**23**	15,014
	8,580	29,596

Trade receivables mainly arise from valuation and advisory services and securities broking services.

Valuation and advisory business

Invoices issued to customers are in accordance with the payment terms stipulated in the contracts and payable on issuance. The ageing analysis of trade receivables (net of ECL allowance) based on invoice date at the end of reporting period is as follows:

	2022	2021
	HK$'000	HK$'000
0 to 30 days	**4,082**	8,658
31 to 60 days	**946**	1,850
61 to 90 days	**535**	892
91 to 180 days	**1,343**	1,587
181 to 360 days	**1,651**	1,595
	8,557	14,582

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

	2022 HK$'000	2021 HK$'000
Balance as at 1 April	**9,061**	22,984
ECL allowance recognised	**2,545**	3,981
ECL allowance reversed	**(157)**	(216)
Disposal of subsidiaries	**(303)**	–
Written-off	**(6,752)**	(17,688)
Balance as at 31 March	**4,394**	9,061

Securities broking business

As at 31 March 2021, trade receivables arising from securities broking business represented the receivables from subscription of initial public offering ("IPO") shares for a brokerage client. The Group charges interest based on its cost of funding plus a mark-up. No ageing analysis is disclosed as the ageing analysis does not give additional value in view of the nature of this business.

The Group recognises ECL allowance of trade receivables based on the accounting policy stated in note 4.7(ii). Further details on the Group's credit policy and credit risk arising from trade receivables as are set out in note 40(d).

23. PREPAYMENTS, DEPOSITS, OTHER RECEIVABLES AND CONTRACT ASSETS

	2022 HK$'000	2021 HK$'000
Contract assets	**–**	5
Prepayments	**806**	1,650
Deposits	**1,926**	1,848
Other receivables	**9,582**	3,780
Total prepayments, deposits, other receivables and contract assets	**12,314**	7,283
Less: ECL allowance	**(7,881)**	(1,200)
	4,433	6,083
Less: Non-current portion deposit	**(1,286)**	(1,286)
	3,147	4,797

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

	2022	2021
	HK$'000	HK$'000
Balance as at 1 April	**1,200**	41,489
ECL allowance recognised	**6,681**	36
Written-off	**–**	(40,325)
Balance as at 31 March	**7,881**	1,200

The Group recognises ECL allowance based on the accounting policy stated in note 4.7(ii). Further details on the Group's credit policy and credit risk arising from deposits, other receivables and contract assets are set out in note 40(d).

24. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

As at 31 March 2022 and 2021, pledged bank deposits represented cash at bank pledged for bank borrowings (note 28(a)).

Cash at banks earns interest at floating rates based on daily bank deposit rates. As at 31 March 2022, the Group maintains segregated deposit accounts with banks and authorised institutions to hold clients' monies arising from its normal course of business amount to HK$673,000 (2021: HK$1,675,000). The Group classified the brokerage clients' monies in cash and bank balances and cash, and recognised the corresponding trade payables to the respective brokerage clients (note 25(a)).

25. TRADE PAYABLES

	Notes	2022 HK$'000	2021 HK$'000
Trade payables arising from:			
Securities broking business	(a)		
– Brokerage clients		**666**	1,673
– A broker		**–**	15,014
		666	16,687
Valuation and advisory business	(b)	**610**	933
		1,276	17,620

Notes:

(a) Trade payables arising from securities broking business represent i) the monies received from and repayable to brokerage clients and ii) payable to a broker for IPO shares subscription.

Trade payables to brokers are interest-bearing at the prevailing interest rate and repayable on demand. As at 31 March 2021, trade payable to a broker is interest-bearing at 3.38% and repayable upon the successful subscription.

No ageing analysis is disclosed as the ageing analysis does not give additional value in view of the nature of this business.

(b) During the year ended 31 March 2022, the Group was granted by its suppliers credit periods ranging from 0 to 30 (2021: 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:

	2022 HK$'000	2021 HK$'000
0 to 30 days	**41**	736
31 to 60 days	**89**	82
61 to 90 days	**116**	33
91 to 180 days	**119**	82
180 to 360 days	**225**	–
Over 360 days	**20**	–
	610	933

26. ACCRUED LIABILITIES, OTHER PAYABLES AND CONTRACT LIABILITIES

	2022	2021
	HK$'000	HK$'000
Accrued liabilities and other payables	**5,010**	5,573
Contract liabilities (note)	**21,765**	36,750
	26,775	42,323

Note:

Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying valuation and advisory services are yet to be provided. The Group generally requires the customers to make up to certain percentage of the total contract value upon signing of service contract.

The Group recognises the contract liabilities as revenue when the underlying services are completed. Contract liabilities outstanding at the beginning of the year amounting to HK$24,244,000 (2021: HK$30,350,000) have been recognised as revenue during the year.

The Group has elected the practical expedient for not to disclose the transaction price allocated to the remaining unsatisfied performance obligation because part of these contracts has original expected duration of one year or less.

The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

27. LEASE LIABILITIES

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

	2022	2021
	HK$'000	HK$'000
Total minimum lease payments:		
Due within one year	**4,631**	4,443
Due within two to five years	**28**	4,659
	4,659	9,102
Less: future finance charges	**(52)**	(196)
Present value of lease liabilities	**4,607**	8,906
Present value of minimum lease payments:		
Due within one year	**4,579**	4,299
Due within two to five years	**28**	4,607
	4,607	8,906
Less: payment due within one year included under current liabilities	**(4,579)**	(4,299)
Payment due after one year included under non-current liabilities	**28**	4,607

As at 31 March 2022, lease liabilities amounting to HK$4,607,000 (2021: HK$8,906,000) are effectively secured by the related underlying assets (note 16) 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 year ended 31 March 2022, the total cash outflow for the leases (including short-term leases) are HK$5,179,000 (2021: HK$4,932,000).

Details of the lease activities

At the reporting date, 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
	2022	2021	**2022**	2021	
Motor vehicles	**1**	1	**1.3 years**	2.3 years	Subject to monthly fixed payment
Office premise	**1**	1	**1.1 years**	2.1 years	Subject to monthly fixed payment

28. INTEREST-BEARING BORROWINGS

	Notes	**2022 HK$'000**	2021 HK$'000
Current			
Bank borrowings repayable within one year	(a)	**49,212**	43,212
Other borrowings	(b)	**37,435**	22,770
		86,647	65,982

Notes:

(a) Bank borrowings

As at 31 March 2022, the bank borrowings of HK$49,212,000 (2021: HK$43,212,000) were secured by bank deposits of HK$56,564,000 (2021: HK$49,512,000) placed in a bank. Interest is charged at Hong Kong Inter-bank Offered Rate +1% and bank cost of fund +0.9% (2021: London 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 31 March 2022 and 2021, 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. Further details of the Group's management of liquidity risk are set out in note 40(e).

(b) Other borrowings

As at 31 March 2022, the other borrowings of HK$30,870,000 (2021: HK$16,270,000) are unsecured, interest-bearing at the range from 5% to 15% (2021: 1.5% to 5%) per annum and repayable within one year. Another other borrowings with amount of HK$6,565,000 (2021: HK$6,500,000) is secured by the Group's investment property (note 17), interest-bearing at 12.0% (2021: 13.8%) per annum and repayable within one year.

29. DEFERRED TAX ASSETS/(LIABILITIES)

The following is the analysis of the deferred tax balances for financial reporting purposes:

	2022 **HK$'000**	2021 HK$'000
Deferred tax assets	**3**	3
Deferred tax liabilities	**(289)**	(454)
	(286)	(451)

The movement on deferred tax assets and liabilities during the year is as follows:

	Fair value adjustments arising from business combination HK$'000	**Accelerated tax depreciation** HK$'000	**Total** HK$'000
As at 1 April 2020	(816)	3	(813)
Acquisitions of subsidiaries (notes 38(a) and 38(b))	(469)	–	(469)
Recognised in profit or loss	831	–	831
As at 31 March 2021 and 1 April 2021	(454)	3	(451)
Recognised in profit or loss	165	–	165
As at 31 March 2022	**(289)**	**3**	**(286)**

30. SHARE CAPITAL

	Number of ordinary shares at HK$0.01 each	HK$'000
Authorised:		
As at 1 April 2020, 31 March 2021, 1 April 2021 and 31 March 2022	57,600,000,000	576,000
Issued:		
As at 1 April 2020	135,020,415	1,350
Placing of shares (note (a))	27,000,000	270
Exercise of share options (note (b))	13,500,000	135
As at 31 March 2021 and 1 April 2021	175,520,415	1,755
Issue of shares upon rights issue (note (c))	526,561,245	5,266
As at 31 March 2022	**702,081,660**	**7,021**

Notes:

(a) On 12 May 2020, the Company completed a placing of 27,000,000 new shares to independent investors at a price of HK$0.21 per placing share (the "Placing") and raised gross proceeds of HK$5,670,000, of which HK$270,000 was credited to share capital account and the balance of HK$5,400,000 was credited to share premium account of the Company.

Share issuance expenses (mainly include the placing commission and other related expenses) that are directly attributable to the Placing amounting to HK$163,000 was treated as a deduction against the share premium account arising of the Placing.

(b) During the year ended 31 March 2021, options were exercised to subscribe for 13,500,000 ordinary shares of the Company at a consideration of HK$3,510,000, of which HK$135,000 was credited to share capital and the balance of HK$3,375,000 was credited to the share premium account. As a result of the exercise of options, amount of HK$1,217,000 has been transferred from the share option reserve to the share premium account in accordance with the accounting policy set out in note 4.16.

(c) On 19 April 2021, the Company issued 526,561,245 ordinary shares upon completion of the rights issue on the basis of three rights share for one existing share held by shareholders of the Company at a subscription price of HK$0.125 per rights share. The gross proceeds from the rights issue were approximately HK$65,821,000, of which HK$5,266,000 was credited to share capital account and the balance of HK$60,555,000 was credited to share premium account of the Company. The net proceeds after deducting estimated professional fees and related expenses of approximately HK$3,175,000 were approximately HK$62,646,000.

31. NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

The table below set out the reconciliation of liabilities arising from financing activities for the years ended 31 March 2022 and 2021:

	Bank borrowings (note 28(a)) HK$'000	Other borrowings (note 28(b)) HK$'000	Lease liabilities (note 27) HK$'000	Interest payable HK$'000	Total HK$'000
As at 1 April 2020	43,345	12,300	639	144	56,428
Changes from cash flows:					
Proceeds	286,616	11,870	–	–	298,486
Repayments	(286,749)	(11,000)	–	–	(297,749)
Capital element of lease paid	–	–	(3,970)	–	(3,970)
Interest paid	–	–	(212)	(1,698)	(1,910)
Non-cash:					
Acquisition of subsidiaries (notes 38(a) and 38(b))	–	9,600	–	–	9,600
Lease modification	–	–	12,237	–	12,237
Interest expenses	–	–	212	1,653	1,865
As at 31 March 2021 and 1 April 2021	43,212	22,770	8,906	99	74,987
Changes from cash flows:					
Proceeds	571,635	36,565	–	–	608,200
Repayments	(565,635)	(21,900)	–	–	(587,535)
Capital element of lease paid	–	–	(4,299)	–	(4,299)
Interest paid	–	–	(143)	(3,458)	(3,601)
Non-cash:					
Interest expenses	–	–	143	4,210	4,353
As at 31 March 2022	**49,212**	**37,435**	**4,607**	**851**	**92,105**

32. RESERVES

The Group

Share premium

Share premium represents the amount subscribed for share capital in excess of nominal value.

Capital reserve

Capital reserve represents the difference between the nominal value of shares issued and the nominal value of the share capital of the subsidiaries acquired as part of a group reorganisation which resulted in existing group structure.

Share option reserve

Share option reserve represents the cumulative expenses recognised on the granting of share options to the scheme participants over the vesting period and are dealt with in accordance with the accounting policy set out in note 4.16. The share option reserve is non-distributable.

Revaluation reserve

Revaluation reserve represents fair value reserve comprising the cumulative net change in the fair value of equity investments designed at FVTOCI under HKFRS 9 that are held at the end of the reporting period.

The Company

	Share held for share award plan HK$'000	Share premium HK$'000	Share option reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
As at 1 April 2020	(26,241)	569,909	4,879	(191,356)	357,191
Recognition of share-based payments (note 33(a))	–	–	1,217	–	1,217
Placing of shares (note 30(a))	–	5,400	–	–	5,400
Share issuance expenses (note 30(a))	–	(163)	–	–	(163)
Exercise of share options	–	4,592	(1,217)	–	3,375
Lapse of share options	–	–	(691)	691	–
Share options cancelled	–	–	(2,834)	2,834	–
Purchases of shares for share award plan (note 33(b))	(3,559)	–	–	–	(3,559)
Sales of shares held under share award plan (note 33(b))	29,800	–	–	(7,666)	22,134
Transactions with owners	26,241	9,829	(3,525)	(4,141)	28,404
Loss and total comprehensive expense for the year	–	–	–	(173,725)	(173,725)
As at 31 March 2021 and 1 April 2021	–	579,738	1,354	(369,222)	211,870
Issue of shares upon rights issue (note 30(c))	–	60,555	–	–	60,555
Share issuance expenses (note 30(c))	–	(3,175)	–	–	(3,175)
Purchases of shares for share award plan (note 33(b))	(2,574)	–	–	–	(2,574)
Transactions with owners	(2,574)	57,380	–	–	54,806
Loss and total comprehensive expense for the year	–	–	–	(4,164)	(4,164)
At 31 March 2022	**(2,574)**	**637,118**	**1,354**	**(373,386)**	**262,512**

As at 31 March 2022, the aggregate amount of reserves available for distribution to owners of the Company was HK$263,732,000 (2021: HK$210,516,000).

33. SHARE-BASED PAYMENTS

The Company operates a share option scheme and a share award plan (the "Plan") providing incentives or rewards to eligible persons of the Group for their contribution to the Group. Details of the share option scheme and the Plan are summarised below.

(a) Share Option Scheme

The share option scheme (the "Old Share Option Scheme") was conditionally approved by the Shareholders on 26 September 2011 and became effective for a period of 10 years commencing on the adoption date as defined in the Old Share Option Scheme, i.e. 26 September 2011.

The Old Share Option Scheme expired on 25 September 2021. Upon its expiry, no further options were granted thereunder, and the options granted prior to and remaining outstanding at the expiry shall continue to be valid and exercisable in accordance with the terms of the Old Share Option Scheme.

The Company adopted the new share option scheme (the "New Share Option Scheme) by an ordinary resolution duly passed by the shareholders of the Company on 27 September 2021 for a period of 10 years commencing on the adoption date. Since the adoption of the New Share Option Scheme and up to the date of this annual report, no share options have been granted. Therefore, no share options were exercised or cancelled or lapsed during the year ended 31 March 2022 and there were no outstanding share options under the New Share Option Scheme as at 31 March 2022.

The total number of shares which may be issued upon the exercise of all options to be granted under the New Share Option Scheme and other share option schemes must not, in aggregate, exceed 10% of the shares of the Company in issue as at the Listing Date (the "Scheme Mandate Limit") provided that options lapsed in accordance with the terms of the New Share Option Scheme or other share option schemes will not be counted for the purpose of calculating the Scheme Mandate Limit. The Company may seek approval by its shareholders in general meeting for refreshing the Scheme Mandate Limit. However, the total number of shares which may be granted under the Share Option Scheme and any other schemes of the Company under the limit as "refreshed" must not exceed 10% of the total number of ordinary shares in issue as at the date of passing the relevant resolution to refresh such limit.

Eligible persons under the New Share Option Scheme include any employee or proposed employee (whether full-time or part-time employee, including any director) of any member of the Group and any supplier of goods or services, any client, any person or entity that provides research, development or other technological support, any shareholder, and any consultant, who in the absolute discretion of the Board, has contributed or may contribute to the Group.

The offer of a grant of share options under the New Share Option Scheme may be accepted within a period of 21 days from the date of which the option is granted, upon payment of a nominal consideration of HK$1 by the grantee.

The subscription price for the shares subject to the options will be a price determined by the Board and shall be the highest of (i) the closing price of the shares as stated on the Stock Exchange's daily quotations sheet on the date of grant of the options, which must be a trading date; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of grant of the options; and (iii) the nominal value of a share.

On 15 August 2018 and 19 June 2019, options comprising 6,000,817 shares (the "Batch 1 Share Options") and options comprising 14,852,246 share (the "Batch 2 Share Options"), were granted under the Old Share Option Scheme, respectively. Options comprising 13,500,000 underlying shares (the "Batch 3 Share Options") were granted under the Old Share Option Scheme on 3 July 2020. All of the share options were fully vested on the respective date of grant.

The following table shows the movement of the outstanding number of the share option during the year:

	At beginning of year	Granted during the year	Exercised during the year	Lapsed during the year	Cancelled during the year	Adjusted during the year (Note)	At end of year
For the year ended 31 March 2022							
Employees	**8,101,225**	**–**	**–**	**–**	**–**	**335,553**	**8,436,778**
Eligible participants	**1,350,204**	**–**	**–**	**–**	**–**	**55,926**	**1,406,130**
Total	**9,451,429**	**–**	**–**	**–**	**–**	**391,479**	**9,842,908**
Weighted average exercise price (HK$)	**1.280**	**–**	**–**	**–**	**–**	**1.230**	**1.230**
For the year ended 31 March 2021							
Executive directors							
— Mr. Yue Kwai Wa Ken	1,500,204	1,500,000	(1,500,000)	–	(1,500,204)	–	–
— Mr. Li Sheung Him Michael	1,500,204	1,500,000	(1,500,000)	–	(1,500,204)	–	–
Subtotal	3,000,408	3,000,000	(3,000,000)	–	(3,000,408)	–	–
Employees	13,652,043	10,500,000	(10,500,000)	–	(5,550,818)	–	8,101,225
Eligible participants	4,200,612	–	–	(1,500,204)	(1,350,204)	–	1,350,204
Total	20,853,063	13,500,000	(13,500,000)	(1,500,204)	(9,901,430)	–	9,451,429
Weighted average exercise price (HK$)	1.430	0.260	0.260	1.800	1.516	–	1.280

Note: The exercise price and the number of the outstanding share options granted under the Old Share Option Scheme have been adjusted for fully-paid Rights Shares that are allotted and issued on 19 April 2021.

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. On the same date, options comprising 13,500,000 shares (the "Batch 3 Share Options") were granted under the Old Share Option Scheme, part of them are served as replacement of share options cancelled. All of the share options were fully vested on the date of grant. On 7 July 2020, the Batch 3 Share Options were fully exercised (note 30(b)).

During the year ended 31 March 2021, 1,500,204 share options under the Batch 1 Share Options lapsed on 14 August 2020. No other options were exercised or lapsed during the years ended 31 March 2022 and 2021.

All of the Company's share options are exercisable as at 31 March 2022 and 2021. The weighted-average remaining contractual life of the options outstanding at the end of reporting period is 0.22 years (2021: 1.22 years). The exercise in full of the outstanding share options would result in the issue of 9,842,908 (2021: 9,451,429) additional shares of the Company and additional share capital and share premium of approximately HK$98,000 (2021: HK$95,000) and HK$12,008,000 (2021: HK$12,003,000) (before issuance expense), respectively.

During the year ended 31 March 2022, no share-based payment compensation was recognised by the Group (2021: HK$1,217,000).

The fair value of the share options granted was estimated as at the respective date of grant, using the Binomial Option Pricing Model. The following key inputs were used in the valuations:

	Batch 1 Share Options	**Batch 2 Share Options**	**Batch 3 Share Options**
Risk-free rate	1.76%	1.51%	0.22%
Contractual life	2 years	3 years	1 year
Expected volatility	73.95%	79.67%	101.53%
Dividend yield	0%	0%	0%
Number of options (after adjustment for share consolidation)	6,000,817	14,852,246	13,500,000

(b) The 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.

During the year ended 31 March 2021, 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.

During the year ended 31 March 2021, 27,800,000 shares held under the Plan were disposed to the market by the trustee of the Plan with consideration of HK$22,134,000. Accordingly, amount of HK$7,666,000 was transferred from shares held for share award plan account to accumulated losses during the year ended 31 March 2021.

For the year ended 31 March 2022, a sum of approximately HK$2,574,000 has been used to acquire 17,540,000 shares from the market by the trustee of the Plan.

No shares have been granted to eligible employees under the Plan during the years ended 31 March 2022 and 2021.

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 of the Company 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.

34. SUBSIDIARIES

Details of the Company's subsidiaries at 31 March 2022 and 2021 were as follows:

Name	Place of incorporation/ operation	Issued and fully paid share capital/ registered capital	Attributable equity interest held by the Company		Principal activities
			Directly	Indirectly	
United Brilliant Limited	British Virgin Islands ("BVI")/Hong Kong	10,000 shares of US Dollar ("US$") 1 each	100%	–	Investment holding
Chariot Success Limited	BVI/Hong Kong	10 shares of US$1 each	–	100%	Investment holding
Gertino Limited	BVI/Hong Kong	10 shares of nil par value	–	100%	Investment holding
Roma Appraisals Limited	Hong Kong	HK$10,000	–	100%	Provision of valuation and consultancy services
Roma Oil and Mining Associates Limited	Hong Kong	HK$100	–	100%	Provision of natural resources valuation and technical advisory service
M Success Finance Limited	Hong Kong	HK$1	–	100%	Provision of financing services
Excellent Success Investment Limited	Hong Kong	HK$30,000,000	–	100%	Provision of securities broking, placing and underwriting
Project P Enterprise Limited	Hong Kong	HK$1	–	100%	Dormant
Charleton Holdings Limited	BVI/Hong Kong	1 share of US$1 each	–	100%	Investment holding
Roma Surveyors and Property Consultants Limited	Hong Kong	HK$1	–	100%	Provision of valuation on real estate and agency services
Roma Credit and Risk Evaluation Limited	Hong Kong	HK$1	–	100%	Provision of credit reports services
Ascendant Success Limited	BVI/Hong Kong	1 share of US$1 each	–	100%	Investment holding
Million Up Holdings Limited	BVI/Hong Kong	1 share of US$1 each	–	100%	Investment holding
Roma Strategic Marketing Limited	Hong Kong	HK$1	–	100%	Provision of marketing and event organisation services

Name	Place of incorporation/ operation	Issued and fully paid share capital/ registered capital	Attributable equity interest held by the Company Directly	Attributable equity interest held by the Company Indirectly	Principal activities
Bonus Boost International Limited	BVI/Hong Kong	1 share of US$1 each	–	100%	Investment holding
B.I. Appraisals Limited	Hong Kong	HK$1,000,000	–	100%	Provision of valuation and consultancy services
Charming Global Group Limited	BVI/Hong Kong	10 shares of US$1 each	–	100%	Investment holding
Glorious Sky Group Limited	BVI/Hong Kong	10 shares of US$1 each	–	100%	Investment holding
Fantastic Adventure Holdings Limited	BVI/Hong Kong	10 shares of US$1 each	–	100%	Investment holding
Roma Risk Advisory Limited	Hong Kong	HK$1	–	– (2021: 100%)	Provision of ESG reporting services
KLS Consultants Limited	Hong Kong	HK$3	–	100%	Dormant
Shanghai Baby Limited	Hong Kong	HK$10,000	–	100%	Property investment
Roma Capital Limited	Hong Kong	HK$100	–	100%	Dormant
Leo Asset Management Limited	Hong Kong	HK$1,400,000 (2021: HK$400,000)	–	100%	Provision of investment advisory and asset management service
Macau Roma International Appraisals and Advisory Limited	Macau	25 shares of MOP$1,000 each	–	100%	Dormant
B.I. ESG Advisory Limited	Hong Kong	HK$100	–	100%	Dormant
13 Consultant (note 38(a))	Hong Kong	HK$100	–	100%	Provision of advisory and consultancy services
AVA Appraisals (note 38(b))	Hong Kong	HK$10,000	–	100%	Provision of valuation and consultancy services
縱橫馬有成諮詢（深圳）有限公司#	China	HK$5,000,000	–	51%	Dormant

Wholly-foreign owned enterprise registered in China.

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	2022 HK$'000	2021 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Investments in subsidiaries	34	**806**	806
Current assets			
Prepayments, deposits and other receivables		**179**	838
Amounts due from subsidiaries		**302,274**	222,020
Bank balances and cash		**539**	179
		302,992	223,037
Current liabilities			
Accrued liabilities		**1,288**	555
Amounts due to subsidiaries		**2,977**	2,063
Interest-bearing borrowing		**30,000**	7,600
		34,265	10,218
Net current assets		**268,727**	212,819
Net assets		**269,533**	213,625
EQUITY			
Share capital	30	**7,021**	1,755
Reserves	32	**262,512**	211,870
Total equity		**269,533**	213,625

On behalf of the board of directors (the "Board"):

Mr. Yue Kwai Wa Ken
Director

Mr. Li Sheung Him Michael
Director

36. LEASE COMMITMENTS

As a lessee

At the reporting date, the lease commitments for short-term leases are as follows:

	2022 **HK$'000**	2021 HK$'000
Within one year	**84**	84

37. RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere in these consolidated financial statements, the Group had the following significant transactions with related parties during the year:

Key management personnel remuneration

Key management of the Group are members of the Board. Key management personnel remuneration includes the following expenses:

	2022 **HK$'000**	2021 HK$'000
Directors' fees	**360**	340
Salaries, discretionary bonus and allowances	**4,084**	3,833
Contributions to defined contribution retirement plans	**36**	36
Share-based payments	**–**	288
	4,480	4,497

38. ACQUISITIONS OF SUBSIDIARIES

(a) Acquisition of 13 Consultant

On 10 November 2020, an indirect wholly-owned subsidiary of the Company, entered into a sales and purchase agreement with an independent third party, pursuant to which the Group agreed to acquire the entire issued share capital of 13 Consultant at the consideration of HK$7,600,000. The consideration of HK$7,600,000 was satisfied by issuance of a promissory note of the Company, of which is classified under other borrowings (note 28(b)). The acquisition was completed on 5 February 2021. 13 Consultant is principally engaged in provision of advisory and consultancy services. The acquisition was made as part of the Group's strategy to diversify and provide further synergy effect to the existing businesses of the Group.

The following summarises the consideration paid for the acquisition and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	Fair value of net identifiable assets and liabilities acquired HK$'000
Intangible assets	2,281
Deposits and other receivables	182
Trade receivables	799
Bank balances and cash	8
Accrued liabilities, other payables and contract liabilities	(1,114)
Deferred tax liabilities (note 29)	(376)
Net identifiable assets acquired	1,780
Goodwill (note 19)	5,820
	7,600
Satisfied by:	
Other borrowings	7,600

Goodwill arose in the above business combination as the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

The Group incurred transaction costs of approximately HK$35,000 for the acquisition.

An analysis of the cash flows in respect of the acquisition is as follows:

	HK$'000
Consideration	7,600
Less: Other borrowings	(7,600)
Less: Bank balances and cash acquired	(8)
Net inflow of cash and cash equivalents included in the cash flows from investing activities	(8)

The revenue and profit included in the consolidated statement of profit or loss and other comprehensive income since 5 February 2021 to 31 March 2021 contributed by 13 Consultant were HK$429,000 and HK$91,000, respectively.

Had the combination taken place on 1 April 2020, the revenue and loss of the Group for the year ended 31 March 2021 would have been increased by HK$2,117,000 and HK$91,000, respectively. These pro forma information are for illustrative purposes only and are not necessarily an indication of revenue and result of operation of the Group that actually would have been achieved had the acquisition been completed on 1 April 2020, nor are they intended to be a projection of future results.

(b) Acquisition of AVA Appraisals

On 9 February 2021, an indirect wholly-owned subsidiary of the Company, entered into a sales and purchase agreement with an independent third party, pursuant to which the Group agreed to acquire the entire issued share capital of AVA Appraisals at the consideration of HK$2,000,000. The consideration of HK$2,000,000 was satisfied by issuance of a promissory note of the Company's subsidiary, of which is classified under other borrowings (note 28(b)). The acquisition was completed on 9 February 2021. AVA Appraisals is principally engaged in provision of valuation and consultancy services. The acquisition was made as part of the Group's strategy to diversify and provide further synergy effect to the existing businesses of the Group.

The following summarises the consideration paid for the acquisition and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	Fair value of net identifiable assets and liabilities acquired HK$'000
Intangible assets	566
Trade receivables	40
Accrued liabilities, other payables and contract liabilities	(66)
Deferred tax liabilities (note 29)	(93)
Net identifiable assets acquired	447
Goodwill (note 19)	1,553
	2,000
Satisfied by:	
Other borrowings	2,000

Goodwill arose in the above business combination as the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

The Group incurred transaction costs of approximately HK$24,000 for the acquisition.

An analysis of the cash flows in respect of the acquisition is as follows:

	HK$'000
Consideration	2,000
Less: Other borrowings	(2,000)
Net outflow of cash and cash equivalents included in the cash flows from investing activities	–

No revenue and profit included were contributed by AVA Appraisals in the consolidated statement of profit or loss and other comprehensive income since 9 February 2021 to 31 March 2021.

Had the combination taken place on 1 April 2020, the revenue and loss of the Group for the year ended 31 March 2021 would have been increased by HK$350,000 and decreased by HK$50,000, respectively. These pro forma information are for illustrative purposes only and are not necessarily an indication of revenue and result of operation of the Group that actually would have been achieved had the acquisition been completed on 1 April 2020, nor are they intended to be a projection of future results.

39. DISPOSAL OF SUBSIDIARIES

On 16 March 2022, an indirect wholly-owned subsidiary of the Company, Charleton Holdings Limited, entered into a sales and purchase agreement with an independent third party, pursuant to which the Group agree to dispose of 100% interest in Lucky Time Ventures Limited together with its wholly owned subsidiaries, Roma Risk Advisory Limited and Roma Advisory Pte. Ltd. (collectively referred to as "Roma Risk advisory Group") at a consideration of HK$1,000,000. The disposal was completed on 30 March 2022.

The assets and liabilities of Roma Risk advisory Group on the completion date of disposal:

	HK$'000
Property and equipment (note 16)	96
Trade receivables	3,016
Prepayments, deposits and other receivables	454
Bank balances and cash	308
Trade payables	(1,339)
Accrued liabilities and other payables	(4,980)
	(2,445)
Gain on disposal of subsidiaries:	
Net consideration received	1,000
Net liabilities disposed of	2,445
	3,445
Satisfied by:	
Cash consideration received	1,000
Net cash inflows on disposal:	
Cash consideration received	1,000
Bank balances and cash disposed of	(308)
	692

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The directors meet regularly to identify and evaluate risks and to formulate strategies to manage financial risks. The overall objectives in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets. There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

The Group has not used any derivatives or other instruments for hedging purposes. The most significant risks to which the Group is exposed to are described below.

(a) Currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to currency risk is limited to its bank balances and pledged bank deposits denominated in Renminbi ("RMB") as majority of the Group's transactions, monetary assets and liabilities are denominated in HK$ and US$.

As at 31 March 2022, the Group has net liabilities of HK$41,252,000 (2021: HK$41,367,000) that are denominated in US$. As US$ is pegged to HK$, the Group does not expect any significant movements in the US$/HK$ exchange rates. No sensitivity analysis in respect of the Group's financial assets and liabilities denominated in US$ is presented as in the opinion of the directors, such sensitivity analysis does not give additional value in view of the insignificant movement in the US$/HK$ exchange rates at the end of reporting period.

The carrying amounts of the Group's material monetary assets that are denominated in RMB at the end of reporting period were as follows:

	Assets	
	2022	2021
	HK$'000	HK$'000
RMB	**56,564**	41,424

Sensitivity analysis

The following table indicates the approximate change in the Group's results for the year in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of reporting period. A positive number below indicates a decrease in loss for the year.

	Effect on results for the year	
	2022	2021
	HK$'000	HK$'000
RMB to HK$:		
Appreciated by 10% (2021: 10%)	**4,723**	3,459
Depreciated by 10% (2021: 10%)	**(4,723)**	(3,459)

The sensitivity analysis has been determined assuming that the change in foreign exchange rate had occurred at the end of reporting period and that all other variables, in particular interest rates, remain constant. The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date.

(b) Interest rate risk

The Group is exposed to cash flow and fair value interest rate risk due to the fluctuation of the prevailing market interest rate on loan and interest receivables, bank balances and borrowings. The Group currently does not use any derivative contracts to hedge its loans to interest rate risk. However, management will consider hedging significant interest rate exposure should the need arise.

The following table details the interest rate profile of the Group's financial assets and liabilities as at the end of the reporting period based upon which the Group's management evaluates the cash flow interest rate risk. The trade receivables and trade payables relating to the subscription of IPO shares are not included in the table because the management considered the net impact arising from change of interest rate will not be significant to the Group.

	2022 Effective interest rate (% per annum)	**2022** Amount HK$'000	2021 Effective interest rate (% per annum)	2021 Amount HK$'000
Financial assets				
Fixed rate receivables				
— Pledged bank deposits	**2.35%–2.4%**	**56,564**	2.05%	49,512
— Loan and interest receivables	**6%–48%**	**384,738**	8%–48%	335,565
Floating rate receivables				
— Cash at bank	**0.001%–0.01%**	**9,096**	0.001%–0.01%	25,085
Financial liabilities				
Fixed rate borrowings				
— Lease liabilities	**1.98%–2.5%**	**4,607**	1.98%–2.5%	8,906
— Other borrowings	**5%–15%**	**37,435**	1.5%–13.8%	22,770
Floating rate borrowings				
— Bank borrowings	**1.3%–1.8%**	**49,212**	1.1%	43,212

The following table demonstrates the effect of sensitivity to reasonably possible changes in interest rates, with all other variables held constant, on the Group's loss after income tax in the next accounting period:

	2022 Increase/ (Decrease) in basis points	**2022** Decrease/ (Increase) in loss after income tax HK$'000	2021 Increase/ (Decrease) in basis points	2021 Decrease/ (Increase) in loss after income tax HK$'000
Floating rate financial assets				
Increase in floating rate	**10**	**8**	10	21
Decrease in floating rate	**(10)**	**(8)**	(10)	(21)
Floating rate financial liabilities				
Increase in floating rate	**10**	**(42)**	10	(36)
Decrease in floating rate	**(10)**	**42**	(10)	36

(c) Price risk

Price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Group is mainly exposed to change in market prices in respect of its investments in listed equity classified as financial assets at FVTPL.

The sensitivity analysis is determined based on the exposure to price risk of the listed securities held by the Group at each reporting date. As at 31 March 2022, if the fair value of the listed securities held by the Group had been 10% higher/lower, the loss for the year would have been decreased/increased by nil (2021: HK$23,000).

(d) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operation and its loan and interest receivables.

Trade receivables and contract assets from valuation and advisory business

The Group's policy is to deal with credit worthy counterparties. Customers are required to pay in advance or partial deposits for the valuation and advisory contracts. It is not the Group's policy to request collateral from its customers. Payment record of customers is closely monitored and management will determine appropriate recovery actions for overdue balances. Management reviews the recoverability of trade receivables and contract assets collectively at the end of reporting period to ensure that provision for impairment is adequate for the outstanding balances.

As at 31 March 2022 and 2021, there was no concentration of credit risk with respect to trade receivables from valuation and advisory business as the Group has a large number of customers.

The Group applies the simplified approach in providing for ECL as prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables and contract assets. The Group always measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime ECL. The ECL on trade receivables and contract assets are estimated by reference to past default experience of the debtor and current market condition in relation to each debtor's exposure. The ECL also incorporates forward-looking information with reference to general macroeconomic conditions that may affect the ability of the debtors to settle receivables. To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics.

The following table provides information about the Group's exposure to credit risk and ECL for trade receivables and contract assets:

	Weighted-average ECL rate	Gross carrying amount HK$'000	Loss allowance HK$'000
As at 31 March 2022			
Current (not past due)	**0%**	**–**	**–**
1–30 days past due	**3.0%**	**4,208**	**125**
31–60 days past due	**4.5%**	**991**	**45**
61–90 days past due	**8.1%**	**582**	**47**
91–180 days past due	**7.6%**	**1,452**	**110**
181–360 days past due	**11.0%**	**1,856**	**205**
More than 360 days past due	**100%**	**3,862**	**3,862**
		12,951	**4,394**
As at 31 March 2021			
Current (not past due)	0%	–	–
1–30 days past due	1.1%	8,757	99
31–60 days past due	3.4%	1,916	66
61–90 days past due	7.9%	968	76
91–180 days past due	8.6%	1,736	149
181–360 days past due	18.6%	1,960	365
More than 360 days past due	100.0%	8,306	8,306
		23,643	9,061

Trade receivables from securities broking business

In respect of trade receivable from a broker, credit risks are considered low as the Group transacts with broker which is registered with regulatory bodies and enjoy sound reputation in the industry.

Loan and interest receivables

The Company's money lending business with the money lender's license in accordance with the Money Lenders Ordinance (Cap. 163) to carry on money lending business, which mainly provides personal loans, the commercial loans (which include small and medium enterprise loans) and mortgage loans to individuals and corporations. Referral has been one of the source of the customers.

The management is responsible for overseeing the credit quality of the Group's loan portfolio. Credit limit is granted to new borrower after a credit worthiness assessment by the credit control team. Credit risk assessments were performed before the loan was advanced. Identity checks, financial background checks and, where applicable, relevant public searches (such as litigation search, company search, land search and etc) were conducted on the borrowers and, where applicable, the guarantor and/or the underlying companies whose shares were charged to the Group as security. In credit assessment, the Group will normally take into account factors including, but not limited to financial background and repayment ability of the borrowers, internal and external credit checking results, the borrowers' repayment record in other financial institutions and, where applicable, value of the to-be-pledged collateral and the availability of any guarantee. During the year ended 31 March 2022, the Group was satisfied with the credit worthiness and the repayment ability of the borrowers after conducting the credit risk assessment.

Exposure to credit risk is also managed by obtaining collateral. The Group holds collaterals to cover its risks for certain loan and interest receivables. The maximum credit limit granted for each customer is based on the customer's creditworthiness, financial strength, the past collection statistic and the quality of related collateral.

Payment records of the borrowers are closely monitored and the Group has internal policy in place to recover the over-due loans and interest receivables constantly, including but not limited to making reminder call, sending reminder letter/demand letter, engaging external legitimate debt collection service providers to follow up the repayment and eventually to take legal actions where applicable. Management reviews the recoverability of loan and interest receivables individually or collectively at end of reporting period to ensure that provision for impairment is adequate for irrecoverable amounts.

Collaterals are obtained in respect of certain secured loan and interest receivables with an aggregate net carrying amount of approximately HK$74,256,000 (2021: HK$74,456,000) as at 31 March 2022. Such collaterals comprise a residential property, shares of public and private companies, promissory notes and convertible bonds issued by limited companies pledged against the balances. As at 31 March 2022, the fair value of collaterals for the mortgage loans and those secured loans which are a residential property and shares of certain private companies based on the prevailing market price or valuations amounted to approximately HK$3,150,000 (2021: HK$3,150,000) and HK$75,720,000 (2021: HK$95,879,000), respectively. The promissory notes and convertible bonds were held as collateral by the Group as at 31 March 2022 amounted to HK$20,000,000 (2021: HK$20,000,000) and HK$9,000,000 (2021: HK$9,000,000), respectively.

During the year ended 31 March 2022, 15 loans have been granted and around 55 loans remained outstanding as at 31 March 2022. As at 31 March 2022, the largest and the five largest borrowers accounted for approximately 3.2% and less than 30% of the gross loan and interest receivables respectively.

As at 31 March 2022, the Group had certain concentrations of credit risk as 18.7% (2021: 20.7%) of the Group's loan and interest receivables were due from the five largest borrowers.

To measure the ECL, loan and interest receivables have been grouped based on shared credit risk characteristics. The internal credit risk ratings are determined on a combination of collective and individual basis taking into account of qualitative (such as debtors' operating conditions, financial positions, external rating of debtors, etc.) and quantitative factors (mainly includes past due information of the loan and interest receivables).

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is by referencing the external data adjusted by macroeconomic factors and forward-looking information, etc.

The Group consider the factors set out in note 4.7(ii) in assessing whether the credit risk of the loan and interest receivables are significantly increased. Due to significant deterioration of the financial position, repayment ability and quality of the related collaterals of the Group's debtors, following the COVID-19 outbreak, ECL allowance of HK$241,389,000 (2021: HK$242,638,000) was made against the gross amount of loan and interest receivables (note 21) as at 31 March 2022. The following table provides an overview of the Group's credit risk by stage, and the associated ECL coverage. The loan and interest receivables recorded in each stage have the following characteristics:

Stage 1: Unimpaired and without significant increase in credit risk (i.e. either not yet overdue or overdue for less than 30 days) on which 12-month allowance for ECL are recognised.

Stage 2: A significant increase in credit risk has been experienced since initial recognition (i.e. overdue within 31 days and 90 days or the credit quality have deteriorated significantly based on information developed internally or obtained from external sources, but not credit impaired) on which lifetime ECL are recognised.

Stage 3: Objective evidence of impairment (i.e. overdue more than 90 days), and are therefore considered to be in default or otherwise credit-impaired on which lifetime ECL are recognised.

The following table provides information about the gross amount movement for loan and interest receivables:

	Stage 1 HK$'000	**Stage 2 HK$'000**	**Stage 3 HK$'000**	**Total HK$'000**
As at 1 April 2021	**155,094**	**128,115**	**294,994**	**578,203**
Net changes on the gross amount	**112,541**	**(4,249)**	**(29,432)**	**78,860**
Transfer to 12-month ECL (Stage 1)	–	–	–	–
Transfer to lifetime ECL not credit impaired (Stage 2)	**(14,708)**	**14,708**	–	–
Transfer to lifetime ECL credit impaired (Stage 3)	**(27,000)**	**(25,324)**	**52,324**	–
Total transfer between stages	**(41,708)**	**(10,616)**	**52,324**	–
Written-off	–	–	**(30,936)**	**(30,936)**
As at 31 March 2022	**225,927**	**113,250**	**286,950**	**626,127**

	Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Total HK$'000
As at 1 April 2020	312,177	5,000	218,602	535,779
Net changes on the gross amount	31,990	11,661	(77)	43,574
Transfer to 12-month ECL (Stage 1)	–	–	–	–
Transfer to lifetime ECL not credit impaired (Stage 2)	(116,454)	116,454	–	–
Transfer to lifetime ECL credit impaired (Stage 3)	(72,619)	(5,000)	77,619	–
Total transfer between stages	(189,073)	111,454	77,619	–
Written-off	–	–	(1,150)	(1,150)
As at 31 March 2021	155,094	128,115	294,994	578,203

The following table provides information about the ECL allowance movement for loan and interest receivables:

	Stage 1 HK$'000	**Stage 2 HK$'000**	**Stage 3 HK$'000**	**Total HK$'000**
Weighted-average ECL rate	**4.2%**	**17.0%**	**74.1%**	
As at 1 April 2021	**3,912**	**20,045**	**218,681**	**242,638**
ECL allowance for new loans granted during the year	**3,762**	**–**	**–**	**3,762**
Loan recovered or repaid during the year	**–**	**–**	**(24,241)**	**(24,241)**
Transfer to 12-month ECL (Stage 1)	**–**	**–**	**–**	**–**
Transfer to lifetime ECL not credit impaired (Stage 2)	**(60)**	**60**	**–**	**–**
Transfer to lifetime ECL credit impaired (Stage 3)	**(452)**	**(4,147)**	**4,599**	**–**
Total transfer between stages	**(512)**	**(4,087)**	**4,599**	**–**
Changes in credit risk of loans granted in prior years	**2,249**	**3,326**	**44,591**	**50,166**
Written-off	**–**	**–**	**(30,936)**	**(30,936)**
As at 31 March 2022	**9,411**	**19,284**	**212,694**	**241,389**

	Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Total HK$'000
Weighted-average ECL rate	2.5%	15.6%	74.1%	
As at 1 April 2020	8,798	971	166,821	176,590
ECL allowance for new loans granted during the year	3,329	1,825	2,295	7,449
Loan recovered or repaid during the year	(2,237)	–	(3,069)	(5,306)
Transfer to 12-month ECL (Stage 1)	–	–	–	–
Transfer to lifetime ECL not credit impaired (Stage 2)	(3,274)	3,274	–	–
Transfer to lifetime ECL credit impaired (Stage 3)	(2,025)	(971)	2,996	–
Total transfer between stages	(5,299)	2,303	2,996	–
Changes in credit risk of loans granted in prior years	(679)	14,946	50,788	65,055
Written-off	–	–	(1,150)	(1,150)
As at 31 March 2021	3,912	20,045	218,681	242,638

Other receivables and deposits

The Group provides for 12-month ECL for all other receivables and deposits at initial recognition. Where there is a significant deterioration in credit risk or when the other receivables and deposits are assessed to be credit-impaired, the Group provides for lifetime ECL.

As at 31 March 2022, the management believes other receivables with gross amount of HK$3,627,000 (2021: HK$4,428,000) are without significant increase in credit risk and the Group provided impairment based on 12-month ECL. For the remaining other receivables of HK$7,881,000 (2021: HK$1,200,000) which are credit-impaired, lifetime ECL of HK$7,881,000 (2021: HK$1,200,000) were recognised.

The credit risk for liquid funds is considered negligible as the counterparties are reputable international banks with high quality external credit ratings.

(e) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financial obligations, and also in respect of its cash flow management. The cash management of all operating entities is centralised, including the raising of funds to cover expected cash demands. The Group's objective is to maintain sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

Specifically, for bank borrowings which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other interest-bearing borrowings is prepared based on the scheduled repayment dates.

The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities:

	Carrying amount HK$'000	Total contractual undiscounted cash flow HK$'000	Within 1 year or on demand HK$'000	More than 1 year but less than 2 years HK$'000	More than 2 years but less than 5 years HK$'000
As at 31 March 2022					
Trade payables	**1,276**	**1,276**	**1,276**	**–**	**–**
Accrued liabilities and other payables	**4,245**	**4,245**	**4,245**	**–**	**–**
Interest-bearing borrowings (note)	**86,647**	**87,948**	**87,948**	**–**	**–**
Lease liabilities	**4,607**	**4,659**	**4,631**	**28**	**–**
	96,775	**98,128**	**98,100**	**28**	**–**
As at 31 March 2021					
Trade payables	17,620	17,633	17,633	–	–
Accrued liabilities and other payables	4,765	4,765	4,765	–	–
Interest-bearing borrowings (note)	65,982	66,595	66,595	–	–
Lease liabilities	8,906	9,102	4,443	4,659	–
	97,273	98,095	93,436	4,659	–

Note: As at 31 March 2022, interest-bearing borrowings include bank borrowings with repayment on demand clause amounted to HK$49,212,000 (2021: HK$43,212,000), which are included in the "Within 1 year or on demand" time band in the above maturity analysis. Taking into account the Group's financial position, the directors do not believe that it is probable that the bank will exercise its discretionary rights to demand immediate repayment. The directors believe that such bank borrowings will be repaid within 1 month (2021: 1 month) after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amounting to HK$49,281,000 (2021: HK$43,252,000).

(f) Fair values

(i) Financial assets measured at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy defined in HKFRS 13 "Fair Value Measurement".

	Fair value measurements categorised into			
	Level 1	**Level 2**	**Level 3**	**Total**
	HK$'000	HK$'000	HK$'000	HK$'000
As at 31 March 2022				
Financial assets at FVTPL				
— Listed equity securities	–	–	–	–
— Other derivatives	–	–	–	–
As at 31 March 2021				
Financial assets at FVTPL				
— Listed equity securities	234	–	–	234
— Other derivatives	–	–	78	78

During the years ended 31 March 2022 and 2021, 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.

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.

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.

Financial asset at FVTOCI

The reconciliation of the carrying amounts of the Group's financial asset at FVTOCI classified within Level 3 of the fair value hierarchy is as follows:

	2022	2021
	HK$'000	HK$'000
Unlisted equity investment		
Opening balance	**–**	3,780
Decrease in fair value	**–**	(1,980)
Disposal	**–**	(1,800)
Closing balance	**–**	–
Fair value change for the year included in other comprehensive income	**–**	(1,980)

Financial assets at FVTPL

The reconciliation of the carrying amounts of the Group's financial assets at FVTPL classified within Level 3 of the fair value hierarchy is as follows:

	2022	2021
	HK$'000	HK$'000
Other derivatives		
Opening balance	**78**	199
Decrease in fair value	**(78)**	(121)
Closing balance	**–**	78
Fair value change for the year included in profit or loss	**(78)**	(121)

The fair value of other derivatives represents the share options of a listed entity and have been estimated using Binomial Option-Pricing Model based on assumptions that are not supported by observable market price or rates.

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at 31 March 2021:

	Valuation technique	**Significant unobservable inputs**	**Relationship of unobservable inputs to fair value**
Share options	Binomial Option-Pricing Model	Expected volatility — 137.59%	The higher the expected volatility, the higher the fair value

(ii) *Fair value of financial assets and liabilities carried at other than fair value*

The carrying amounts of the Group's financial assets and liabilities carried at cost or amortised cost were not materially different from their fair values as at 31 March 2022 and 2021.

41. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The carrying amounts presented in the consolidated statement of financial position of the Group relate to the following categories of financial assets and financial liabilities:

	2022 HK$'000	2021 HK$'000
Financial assets		
Financial assets at FVTPL	–	312
Financial assets at amortised cost		
— Loan and interest receivables	**384,738**	335,565
— Trade receivables	**8,580**	29,596
— Deposits and other receivables	**3,627**	4,428
— Pledged bank deposits	**56,564**	49,512
— Bank balances and cash — general accounts	**8,423**	23,410
— Bank balances and cash — segregated accounts	**673**	1,675
	462,605	444,498
Financial liabilities		
Financial liabilities at amortised cost		
— Trade payables	**1,276**	17,620
— Accrued liabilities and other payables	**4,245**	4,765
— Interest-bearing borrowings	**86,647**	65,982
Lease liabilities	**4,607**	8,906
	96,775	97,273

42. CAPITAL MANAGEMENT

The Group's capital management objectives are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth.

The Group actively and regularly reviews and manages its capital structure, taking into consideration the future capital requirements of the Group, to ensure optimal shareholder returns.

For capital management purpose, the directors of the Company regard the total equity presented on the consolidated statement of financial position as capital.

The Group is not subject to any externally imposed capital requirements except for certain subsidiaries engaged in securities broking, placing and underwriting and investment advisory and asset management services which are regulated entities under the SFC and subject to the respective minimum capital requirements. The subsidiaries monitor the liquid capital on a daily basis to ensure fulfilment of the minimum and notification level of the liquid capital requirements under the SFO.

43. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board on 16 June 2022.

RESULTS	Year ended 31 March 2022 HK$'000	2021 HK$'000	2020 HK$'000	2019 HK$'000	2018 HK$'000
Revenue	**91,342**	94,134	76,172	70,150	65,140
Loss before income tax	**(35,064)**	(54,910)	(160,146)	(71,549)	(25,955)
Income tax credit	**200**	828	1,770	134	407
Loss for the year	**(34,864)**	(54,082)	(158,376)	(71,415)	(25,548)

ASSETS AND LIABILITIES	As at 31 March 2022 HK$'000	2021 HK$'000	2020 HK$'000	2019 HK$'000	2018 HK$'000
Current assets	**307,542**	329,972	335,098	444,744	760,411
Non-current assets	**177,703**	145,770	140,016	230,305	77,365
Total assets	**485,245**	475,742	475,114	675,049	837,776
Current liabilities	**119,277**	130,238	106,364	138,407	125,601
Non-current liabilities	**317**	5,061	1,054	2,940	3,481
Total liabilities	**119,594**	135,299	107,418	141,347	129,082
Net assets	**365,651**	340,443	367,696	533,702	708,694
EQUITY					
Equity attributable to owners of the Company	**365,651**	340,443	367,696	533,702	708,694