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ROMA GROUP LIMITED

羅馬集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8072)

**PROPOSED BONUS ISSUE OF SHARES
AND
CHANGE IN BOARD LOT SIZE**

PROPOSED BONUS ISSUE OF SHARES

The Board proposes a Bonus Issue to Qualifying Shareholders on the basis of one Bonus Share for every existing Share held by the Qualifying Shareholders on the Record Date. The Bonus Shares will be credited as fully paid at par by way of capitalisation in the share premium account of the Company.

The register of members of the Company will be closed from Tuesday, 29 April 2014 to Friday, 2 May 2014 (both days inclusive), during which no transfer of Shares will be registered, in order to determine the entitlement of the Shareholders under the Bonus Issue.

Application will be made to the GEM Listing Committee of the Stock Exchange in respect of the approval for the listing of, and permission to deal in, the Bonus Shares. The Bonus Shares, upon allotment and issue, will rank *pari passu* with the Shares then existing in all respects.

CHANGE IN BOARD LOT SIZE

Subject to the fulfillment of the conditions as set out under the section headed “Conditions of the Bonus Issue” herein, the board lot size for trading in the Shares on the GEM will be changed from 10,000 Shares to 20,000 Shares with effect on Monday, 19 May 2014.

* For identification purpose only

GENERAL

A circular containing, among other things, details of the Bonus Issue and the Change in Board Lot Size together with a notice of the EGM, will be despatched to the Shareholders on or before Thursday, 3 April 2014.

An adjustment will be made on the Share price as a result of the Bonus Issue, and if the Company's ex-entitlements Share price drops below HK\$0.10, the Company will change its trading method or proceed with a share consolidation as required under the GEM Listing Rule 17.76 and the Guide. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

PROPOSED BONUS ISSUE OF SHARES

The Board proposes a Bonus Issue to Qualifying Shareholders on the basis of one Bonus Share for every existing Share held by the Qualifying Shareholders on the Record Date. The Bonus Shares will be credited as fully paid at par by way of capitalisation in the share premium account of the Company. The terms and conditions of the Bonus Issue are set out below.

Basis of Bonus Issue

Subject to the conditions as set out under the section headed "Conditions of the Bonus Issue" below, the Bonus Shares which will be allotted and issued to the Qualifying Shareholders will be credited as fully paid at par on the basis of one Bonus Share for every existing Share held by the Qualifying Shareholders on the Record Date.

As at the date of this announcement, save for the outstanding Share Options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme which may result in an aggregate of 640,200,000 Shares to be allotted and issued upon full exercise of the rights attached thereto, the Company has no other outstanding convertible securities or options which are convertible or exchangeable into Shares. On the basis of 8,025,800,000 existing Shares in issue as at the date of this announcement, and assuming no further Shares (other than those Shares which may fall to be allotted and issued upon exercise of the outstanding Share Options) will be issued or repurchased before the Record Date, not less than 8,025,800,000 Bonus Shares and not more than 8,666,000,000 Bonus Shares will be issued under the Bonus Issue, resulting in a total of not less than 16,051,600,000 Shares and not more than 17,332,000,000 Shares to be in issue upon the Bonus Issue becoming effective. Assuming no further Shares will be issued or repurchased and none of the Share Options will be exercised on or before the Record Date, 8,025,800,000 Bonus Shares will be credited as fully paid at par by way of capitalisation of an amount of HK\$8,025,800 in the share premium account of the Company. In the event that no further Shares will be issued or repurchased and all the Share Options are exercised in full on or before the Record Date, 8,666,000,000 Bonus Shares will be credited as fully paid at par by way of capitalisation of an amount of HK\$8,666,000 in the share premium account of the Company.

Status of the Bonus Shares and fractional entitlements

The Bonus Shares, upon allotment and issue, will rank *pari passu* with the Shares then existing in all respects, including the entitlement of receiving dividends and other distributions the record date for which is on or after the date of allotment and issue of those Bonus Shares. There will not be any fractional entitlements to the Bonus Shares.

Record Date and closure of register of members

The Bonus Shares will only be allotted and issued to the Qualifying Shareholders. Arrangement for the Non-Qualifying Shareholders are further elaborated in the section headed "Overseas Shareholders" below. The register of members of the Company will be closed from Tuesday, 29 April 2014 to Friday, 2 May 2014 (both days inclusive), during which no transfer of Shares will be registered, in order to determine the entitlement of the Shareholders under the Bonus Issue.

Shareholders are reminded that in order to qualify for the Bonus Issue, they must ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong (which will be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effective from 31 March 2014) for registration not later than 4:30 p.m. on Monday, 28 April 2014.

The exact total number of Bonus Shares to be issued under the Bonus Issue will not be capable of determination until the Record Date.

Overseas Shareholders

As at the date of this announcement and based on the register of members of the Company, the Company has Overseas Shareholders whose registered address are located in the PRC. Enquiry will be made by the Board pursuant to Rule 17.41(1) of the GEM Listing Rules for those Overseas Shareholders. Upon such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Non-Qualifying Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances therefore will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the EGM;
- (ii) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Bonus Shares; and

(iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and the articles of association of the Company to effect the Bonus Issue.

Application will be made to the GEM Listing Committee of the Stock Exchange in respect of the approval for the listings of, and permission to deal in, the Bonus Shares. Apart from making a listing application to the GEM Listing Committee of the Stock Exchange, the Board does not propose to make application to any other stock exchange for the listing of and permission to deal in, the Bonus Shares.

Subject to the granting of the listing of, and permission to deal in, the Bonus Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Bonus Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transaction between participants of the Stock Exchange on any trading date is required to take place in CCASS on the second trading date thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Stamp duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

Certificates for Bonus Shares

It is expected that certificates for the Bonus Shares will be posted by ordinary post on Friday, 16 May 2014 after all the conditions have been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date. Dealings in the Bonus Shares are expected to commence on Monday, 19 May 2014. Each Shareholder will receive one share certificate for all entitled Bonus Shares.

Adjustments in relation to the Share Options

As at the date of this announcement, there are 552,200,000 and 88,000,000 outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme respectively. The Bonus Issue may lead to adjustments to the exercise prices and/or the number of Shares which may fall to be allotted and issued upon exercise of the Share Options. As the exact number of the Bonus Shares cannot be determined until the Record Date, the Company will make further announcement for the aforesaid adjustments to the Share Options, if applicable.

CHANGE IN BOARD LOT SIZE

Subject to the fulfillment of the conditions as set out under the section headed “Conditions of the Bonus Issue” above, the Board further announces that the board lot size for trading in the Shares on the GEM will be changed from 10,000 Shares to 20,000 Shares with effect on Monday, 19 May 2014.

As no odd lots of the Shares will be created as a result of the Change in Board Lot Size (other than those already existed before such change becoming effective), no odd lot arrangement to match the sale and purchase of odd lots will be made.

REASONS FOR THE PROPOSED BONUS ISSUE AND CHANGE IN BOARD LOT SIZE

In recognition of the continual support of the Shareholders, the Board has decided to propose the Bonus Issue. The Bonus Issue, which is alike a declaration of dividend in the form of shares instead of cash, allows the Company to reserve cash for the business growth of the Group, which may help enhance the value of the Shares in the future and at the same time the Company can satisfy the desire of the Shareholders to receive a dividend from the Company as a reward. The Bonus Shares will be credited as fully paid at par by way of capitalisation in the share premium account of the Company, which the Board considers will not adversely affect the financial position and operation of the Group.

The Board further considers that the Share Subdivision conducted by the Company which took effect in early March and the proposed Bonus Issue are two separate and independent corporate actions and their purposes are different. The Board is of the view that the Share Subdivision may improve the trading liquidity of the Shares, thereby enabling the Company to broaden its Shareholders' base. Whereas the proposed Bonus Issue is for the purpose of rewarding the Shareholders for their continual support.

Based on the foregoing, the Board is of the view that the Bonus Issue will allow the Shareholders to participate in the business growth of the Group and thereby is in the interests of the Company and the Shareholders as a whole.

Based on the closing price of the Shares of HK\$0.223 per Share as quoted on the Stock Exchange on 28 March 2014, being the date of this announcement, the theoretical ex-entitlements Share price will be HK\$0.1115 per Share upon the Bonus Issue becoming effective. In the event that the Share price drops below HK\$0.10 as a result of the Bonus Issue, the Company will comply with the requirements under the GEM Listing Rule 17.76 and the Guide on Trading Arrangements for Selected Types of Corporate Actions (the "Guide") by changing the trading method or may proceed with a share consolidation (the "Corporate Action"). Taking into account the aforesaid benefits that it may bring to the Shareholders and the Company as a whole, the Board considers that the Corporate Action that may be conducted will not create an undue burden to the Shareholders. The Company is of the view that despite the possible occurrence of the Corporate Action, the Bonus Issue is still beneficial to the Shareholders.

The Shares are currently traded in board lot of 10,000 Shares each. In order to increase the value of each board lot of the Shares so that the estimated market value of each board lot of the Shares will not be less than HK\$2,000, as well as to reduce transaction costs incurred by the Shareholders and potential investors of the Company, the Board proposes to change the board lot size for trading in the Shares on the GEM to 20,000 Shares.

Upon the Change in Board Lot Size becoming effective, the Shares will be traded in board lot size of 20,000 Shares and the estimated market value per board lot of the Shares will be HK\$2,230 based on the theoretical price of the ex-entitlements to the Bonus Issue (based on the closing price of HK\$0.223 per Share as quoted on the Stock Exchange on 28 March

2014, being the date of this announcement). The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders. The Directors consider that the Change in Board Lot Size is in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

The expected timetable for the Bonus Issue and the Change in Board Lot Size is set out below:

| | Date and time (2014) |
|---|-----------------------------------|
| Despatch of circular and notice of EGM | on or before Thursday, 3 April |
| Latest time for lodging form of proxy for the EGM | 10:00 a.m. on Monday, 21 April |
| Date and time of the EGM | 10:00 a.m. on Wednesday, 23 April |
| Announcement of poll results of the EGM | Wednesday, 23 April |

The following events are conditional on the fulfillment of the conditions for the implementation of the Bonus Issue as set out in the section headed “Conditions of the Bonus Issue” in this announcement.

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| Latest time for holders of Share Options to lodge the Share Option exercise form together with a remittance in cash for the amount of the exercise price for the respective shares in order to be qualified for the Bonus Issue | 12:00 noon on Thursday, 24 April |
| Last day of dealing in Shares cum-entitlements to the Bonus Issue | Thursday, 24 April |
| First day of dealing in Shares ex-entitlements to the Bonus Issue | Friday, 25 April |
| Latest time for lodging transfers of the Shares for registration in order to qualify for the Bonus Issue | 4:30 p.m. on Monday, 28 April |
| Closure of register of members | Tuesday, 29 April to Friday, 2 May (both days inclusive) |
| Record Date | Friday, 2 May |
| Register of members re-opens | Monday, 5 May |
| Despatch of certificates for the Bonus Shares | Friday, 16 May |
| Last day for trading of the Shares in board lot of 10,000 Shares | Friday, 16 May |

Commencement of dealings in Bonus Shares Monday, 19 May

Effective date of the change in board lot size
from 10,000 Shares to 20,000 Shares Monday, 19 May

Note: All times refer to Hong Kong local time

Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) as and when appropriate.

GENERAL

A circular containing, among other things, details of the Bonus Issue and the Change in Board Lot Size together with a notice of the EGM, will be despatched to the Shareholders on or before Thursday, 3 April 2014.

No Shareholder is required to abstain from voting on the ordinary resolution to approve the Bonus Issue at the EGM.

As mentioned above, an adjustment will be made on the Share price as a result of the Bonus Issue, and if the Company's ex-entitlements Share price drops below HK\$0.10, the Company will change its trading method or proceed with a share consolidation as required under the GEM Listing Rule 17.76 and the Guide. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

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|----------------------------|--|
| “Board” | board of Directors |
| “Bonus Issue” | the proposed allotment and issue of Bonus Shares on the basis of one Bonus Share for every existing Share held by the Qualifying Shareholders on the Record Date |
| “Bonus Share(s)” | new Share(s) proposed to be allotted and issued pursuant to the Bonus Issue |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “Change in Board Lot Size” | the proposed change in board lot size for trading in the Shares on the GEM from 10,000 Shares to 20,000 Shares |
| “Company” | Roma Group Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM |
| “Directors” | directors of the Company |

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|---------------------------------|---|
| “EGM” | the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the proposed Bonus Issue |
| “GEM” | the Growth Enterprise Market of the Stock Exchange |
| “GEM Listing Committee” | the listing committee of GEM and has the same meaning ascribed to Chapter 7 under the GEM Listing Rules |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “Non-Qualifying Shareholder(s)” | Overseas Shareholder(s) who is/are excluded from the Bonus Issue and as defined and more particularly described in the section headed “Overseas Shareholders” in this announcement |
| “Overseas Shareholder(s)” | holder(s) of Share(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside of Hong Kong |
| “Qualifying Shareholder(s)” | Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date (excluding the Non-Qualifying Shareholder(s)), who are entitled to the Bonus Issue |
| “Record Date” | Friday, 2 May 2014, being the record date for determination of entitlements to the Bonus Issue |
| “PRC” | the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “Pre-IPO Share Option Scheme” | the share option scheme adopted by the Company on 26 September 2011 with outstanding share options to exercise for an aggregate of 552,200,000 Shares at an exercise price of HK\$0.027 per Share as at the date of this announcement |
| “Share(s)” | share(s) of HK\$0.001 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |

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|-----------------------|---|
| “Share Options” | share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme |
| “Share Option Scheme” | the share option scheme adopted by the Company on 26 September 2011 with outstanding share options to exercise for an aggregate of 88,000,000 Shares at an exercise price HK\$0.100 per Share as at the date of this announcement |
| “Share Subdivision” | the subdivision of Shares of par value of HK\$0.01 each in the share capital of the Company into ten Subdivided Shares of par value of HK\$0.001 each which took effect on 6 March 2014 |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subdivided Share(s)” | share(s) of HK\$0.001 each in the share capital of the Company upon the Share Subdivision became effective on 6 March 2014 |
| “%” | per cent |

By order of the Board
Roma Group Limited
Yue Kwai Wa Ken
Executive Director and Company Secretary

Hong Kong, 28 March 2014

As at the date of this announcement, the executive Directors are Mr. Luk, Kee Yan Kelvin and Mr. Yue, Kwai Wa Ken, and the independent non-executive Directors are Mr. Chan, Ka Kit, Mr. Ko, Wai Lun Warren and Mr. Ng, Simon.

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

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