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ROMA GROUP LIMITED

羅馬集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8072)

ANNOUNCEMENT OF THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2015

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

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the “Directors”) of Roma Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this 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.

* For identification purpose only

FINANCIAL HIGHLIGHTS

For the nine months ended 31 December 2015:

- Revenue increased to approximately HK\$78.8 million, representing an increase of approximately 68.7% as compared with that for the nine months ended 31 December 2014;
- Profit for the period increased to approximately HK\$23.2 million, representing an increase of approximately 154.7% as compared with that for the nine months ended 31 December 2014;
- Basic earnings per share attributable to the ordinary equity holders of the Company was HK0.54 cents;
- Diluted earnings per share attributable to the ordinary equity holders of the Company was HK0.54 cents; and
- No dividend was declared.

THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2015

The board of Directors (the “Board”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months and nine months ended 31 December 2015 together with the comparative unaudited figures for the corresponding periods in 2014 as follows:

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 31 December 2015

	Notes	For the three months ended 31 December		For the nine months ended 31 December	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Revenue	3	23,768	14,240	78,770	46,681
Other income	4	1,201	665	3,639	1,897
Cost of inventories sold		–	–	–	(997)
Employee benefit expenses	5	(7,836)	(5,862)	(23,517)	(18,806)
Depreciation and amortisation	6	(933)	(527)	(2,836)	(1,346)
Finance costs	7	(322)	(226)	(845)	(702)
Other expenses		(13,335)	(5,452)	(26,368)	(15,127)
Profit before income tax expense					
Income tax expense	8	(689)	(550)	(5,607)	(2,477)
Profit and total comprehensive income for the period attributable to owners of the Company		1,854	2,288	23,236	9,123
Earnings per share					
— Basic (HK cents)	10	0.04	0.20	0.54	1.57
— Diluted (HK cents)	10	0.04	0.20	0.54	1.57

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2015

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Share option reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 1 April 2015	67,906	260,162	10	1,211	64,998	394,287
Exercise of share options	508	3,265	–	–	–	3,773
Equity-settlement share-based payment	–	–	–	78	–	78
Transactions with owners	508	3,265	–	78	–	3,851
Profit and total comprehensive income for the period	–	–	–	–	23,236	23,236
At 31 December 2015 (unaudited)	<u>68,414</u>	<u>263,427</u>	<u>10</u>	<u>1,289</u>	<u>88,234</u>	<u>421,374</u>
At 1 April 2014	8,026	25,989	10	1,071	35,807	70,903
Bonus issue	8,026	(8,026)	–	–	–	–
Shares issue on placing, net of expenses	925	13,099	–	–	–	14,024
Rights issue, net of expenses	50,929	229,229	–	–	–	280,158
Equity-settlement share-based payment	–	–	–	265	–	265
Transactions with owners	59,880	234,302	–	265	–	294,447
Profit and total comprehensive income for the period	–	–	–	–	9,123	9,123
At 31 December 2014 (unaudited)	<u>67,906</u>	<u>260,291</u>	<u>10</u>	<u>1,336</u>	<u>44,930</u>	<u>374,473</u>

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. Its principal place of business is located at Unit 3806, 38th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong. The principal activity of the Company is investment holding. The major activities of the subsidiaries of the Company are provision of valuation and advisory services and financing services in Hong Kong.

The Company's immediate and ultimate parent is Aperto Investments Limited ("Aperto") (incorporated in the British Virgin Islands).

The shares of the Company (the "Share(s)") were listed on GEM by way of placing on 25 February 2013 (the "Listing Date").

2. BASIS OF PREPARATION

(a) Statement of compliance

The unaudited consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the unaudited consolidated financial statements include applicable disclosures required by the GEM Listing Rules. The accounting policies adopted in the unaudited consolidated financial statements for the nine months ended 31 December 2015 are consistent with those adopted in the Group's audited consolidated financial statements for the year ended 31 March 2015.

(b) Basis of measurement

The unaudited consolidated financial statements have been prepared under the historical cost basis.

(c) Functional and presentation currency

The unaudited consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), which is also the functional currency of the Company and its principal subsidiaries, and all values are rounded to the nearest thousand except when otherwise indicated.

3. REVENUE

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

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

	For the three months ended 31 December		For the nine months ended 31 December	
	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)
Services fee income from provision of valuation and advisory services	13,432	12,582	47,307	41,451
Interest income from provision of financing services	10,336	1,658	31,463	4,077
Others	–	–	–	1,153
	<u>23,768</u>	<u>14,240</u>	<u>78,770</u>	<u>46,681</u>

4. OTHER INCOME

	For the three months ended 31 December		For the nine months ended 31 December	
	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)
Reimbursement of expenses	525	151	1,475	465
Interest income	497	258	1,390	702
Others	179	256	774	730
	<u>1,201</u>	<u>665</u>	<u>3,639</u>	<u>1,897</u>

5. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	For the three months ended 31 December		For the nine months ended 31 December	
	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)
Wages and salaries	7,030	5,339	21,452	17,227
Contributions on defined contribution retirement plans	232	168	655	482
Share-based payment compensation-equity settled	–	82	78	265
Other benefits	574	273	1,332	832
	<u>7,836</u>	<u>5,862</u>	<u>23,517</u>	<u>18,806</u>

6. PROFIT BEFORE INCOME TAX EXPENSE

	For the three months ended 31 December		For the nine months ended 31 December	
	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)
Profit before income tax expense is arrived at after charging/(crediting):				
Auditor's remuneration	200	119	635	403
Depreciation of property, plant and equipment	273	485	926	1,226
Amortisation of intangible assets	660	41	1,910	119
(Reversal of)/Impairment of other receivables	–	(20)	–	180
Impairment loss on loans and interests receivable, net	6,019	–	5,977	–
Exchange (gain)/loss, net	(1)	1	53	10
Consultancy fee	579	1,201	2,323	2,788
Operating lease charges in respect of buildings	1,138	1,344	3,587	3,960

7. FINANCE COSTS

	For the three months ended 31 December		For the nine months ended 31 December	
	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)
Interest on bank borrowings repayable within five years	298	194	768	593
Interest on finance leases	24	32	77	109
	322	226	845	702

8. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits for the periods.

	For the three months ended 31 December		For the nine months ended 31 December	
	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)
Current tax — Hong Kong Profits Tax Tax for the period	689	550	5,607	2,477

9. DIVIDEND

The Board does not recommend the payment of dividend for the nine months ended 31 December 2015 (2014: nil).

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	For the three months ended 31 December		For the nine months ended 31 December	
	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)
Earnings				
Earnings for the purpose of basic and diluted earnings per share	<u>1,854</u>	<u>2,288</u>	<u>23,236</u>	<u>9,123</u>
	'000	'000	'000	'000
Number of Shares				
Weighted average number of ordinary Shares for the purpose of basic and diluted earnings per share (notes (a) & (b))	<u>4,275,853</u>	<u>1,164,835</u>	<u>4,268,360</u>	<u>581,126</u>

Notes:

- (a) Weighted average of 4,275,853,000 and 4,268,360,000 ordinary Shares for the three months and nine months ended 31 December 2015 are derived from 4,275,853,300 ordinary Shares issued as at 1 October 2015 and 4,244,150,000 ordinary Shares issued as at 1 April 2015 respectively after taking into account the effect of the exercise of share options by a Director and seven employees during the nine months ended 31 December 2015 (2014: weighted average of 1,164,835,000 and 581,126,000 ordinary Shares for the three months and nine months ended 31 December 2014 are derived from 16,976,600,000 ordinary Shares issued as at 1 October 2014 and 8,025,800,000 ordinary Shares issued as at 1 April 2014 respectively after taking into account the effects of the bonus issue being completed on 23 May 2014, the share consolidation being completed on 25 November 2014 and the rights issue of 3,183,112,500 rights Shares being completed on 30 December 2014).
- (b) As at 31 December 2015 and 31 December 2014, the Company's share options carried no dilutive effect on the basic earnings per share of the Company as the exercise prices of the outstanding share options were higher than the market price of the Shares as at that date.

11. EVENT AFTER THE REPORTING PERIOD

- (a) Pursuant to the announcement of the Company dated 20 January 2016, Charming Global Group Limited (the “Purchaser”), a wholly owned subsidiary of the Company, entered into an agreement (the “Sale and Purchase Agreement”) with New Valiant Limited (the “Vendor”) whereby the Purchaser agreed to acquire and the Vendor agreed to sell 318,400 shares (the “Sale Shares”) in Greater China Appraisal Limited (the “Target Company”), representing 19.9% of the issued share capital in the Target Company (the “Acquisition”). The consideration for the sale and purchase of the Sale Shares was HK\$25 million, in cash. Completion of the Acquisition took place simultaneously upon signing of the Sale and Purchase Agreement on 20 January 2016.
- (b) Pursuant to the announcement of the Company dated 28 January 2016, the Company entered into an agreement (the “Placing Agreement”) with Emperor Securities Limited (the “Placing Agent”) whereby the Company agreed to place, through the Placing Agent, on a best effort basis, up to 724,000,000 new Shares (the “Placing Shares”) to not less than six places at a price of HK\$0.029 per Placing Share (the “Placing”).

Assuming all the Placing Shares being successfully placed, the maximum gross proceeds and net proceeds (after deduction of commission payable to the Placing Agent and other expenses incidental to the Placing) from the Placing will be approximately HK\$21.0 million and HK\$20.5 million respectively. The net proceeds from the Placing are intended to be used for the Group’s provision of financing services.

Completion of the Placing is subject to the fulfillment of the conditions precedent in the Placing Agreement and, amongst other things, the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares. As at the date of this announcement, the Placing has yet to be completed.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the nine months ended 31 December 2015, the Group's provision of valuation and advisory services maintained the growth trend and recorded an increase in revenue generated from the provision of valuation and advisory services of approximately 14.1% as compared with that for the nine months ended 31 December 2014. Such an achievement was mainly attributable to the new source of revenue generated from the newly acquired subsidiary in February 2015 and about 630 new projects secured by the Group during the nine months ended 31 December 2015. It was proved the Group's well established position in the valuation market of Hong Kong.

Professional teams are the most valuable asset of the Group. In order to attract new professionals, as well as retain existing high caliber individuals, the Group's employee benefit expenses increased by approximately 25.1% for the nine months ended 31 December 2015 as compared with that for the nine months ended 31 December 2014.

Apart from the provision of valuation and technical advisory services, the Group has further developed the provision of financing services and expanded its loan portfolio size. In view of the fluctuating property market in Hong Kong in the second half of the year of 2015, the Group tried to expand its loan portfolio, in terms of both types and size, in order to diversify the risk. During the nine months ended 31 December 2015, the Group newly granted secured loans to small and medium enterprises ("SME(s)"), which executed share charge documents in favour of the Group to charge on certain shares to the Group as security in connection with the loans granted. The Group generated more interest income from the provision of financing services during the nine months ended 31 December 2015 as compared with that for the nine months ended 31 December 2014.

On 1 June 2015, the Company submitted formal application to the Stock Exchange for the proposed transfer of the listing of the Shares from GEM to the main board of the Stock Exchange (the "Application"). The Application has lapsed in December 2015, and the Company intends to proceed with the Application.

FINANCIAL REVIEW

Revenue

The Group's revenue significantly increased to approximately HK\$78.8 million for the nine months ended 31 December 2015 from approximately HK\$46.7 million for the nine months ended 31 December 2014, representing an increase of approximately 68.7%. Such an increase was due to the fact that the services fee income generated from the Group's provision of valuation and advisory services increased by approximately 14.1% for the nine months ended 31 December 2015 as compared with that for the nine months ended 31 December 2014. There were about 630 new projects in relation to valuation and technical advisory services undertaken by the Group for the nine months ended 31 December 2015. Besides, in February 2015, the Group acquired Bonus Boost International Limited, which wholly owns B.I. Appraisals Limited. Such newly acquired operating subsidiary brought additional services fee income to the Group for the nine months ended 31 December 2015. The interest income generated from the provision of financial services also increased to HK\$31.5 million for the nine months ended 31 December 2015 from HK\$4.1 million for the nine months ended 31 December 2014, due to the loan portfolio of the Group being expanded during the nine months ended 31 December 2015 as compared with that for the nine months ended 31 December 2014.

Other income

The Group's other income increased by approximately 91.8% for the nine months ended 31 December 2015 as compared with that for the nine months ended 31 December 2014. Such an increase was mainly attributable to (i) the increase in reimbursable income from the Group's customers and (ii) the Group's unutilised proceeds from the rights issue being placed in commercial banks as time deposits for interests during the nine months ended 31 December 2015.

Employee benefit expenses

Employee benefit expenses mainly consisted of wages and salaries, pension costs and other benefits to the staff and the Directors. Employee benefit expenses increased to approximately HK\$23.5 million for the nine months ended 31 December 2015 from approximately HK\$18.8 million for the nine months ended 31 December 2014, representing an increase of approximately 25.0%, which was mainly attributable to the increase in the average number of full-time staff and average salary level of the staff for the nine months ended 31 December 2015 as compared with those for the nine months ended 31 December 2014.

Depreciation and amortisation

The Group recorded an increase of approximately 110.7% in depreciation and amortisation for the nine months ended 31 December 2015 as compared with that for the nine months ended 31 December 2014. Such an increase was mainly because of the amortisation of intangible assets recorded for the nine months ended 31 December 2015, which resulted from the acquisition of Bonus Boost International Limited and B.I. Appraisals Limited in February 2015.

Other expenses

Other expenses significantly increased to approximately HK\$26.4 million for the nine months ended 31 December 2015 from approximately HK\$15.1 million for the nine months ended 31 December 2014, representing an increase of approximately 74.8%. The increase was mainly attributable to (i) the increase in entertainment expenses during the nine months ended 31 December 2015 as compared with those for the nine months ended 31 December 2014 which increased along with the growth of the Group's revenue, (ii) more referral fees incurred during the nine months ended 31 December 2015 as compared with those for the nine months ended 31 December 2014, and (iii) provision for impairment in respect of the Group's certain loans receivable during the nine months ended 31 December 2015.

Profit attributable to owners of the Company

Profit attributable to owners of the Company increased to approximately HK\$23.2 million for the nine months ended 31 December 2015 from approximately HK\$9.1 million for the nine months ended 31 December 2014, representing an increase of approximately 154.9%. The significant increases in the Group's income tax expense, provision for impairment in respect of the Group's certain loans receivable, referral fees and employee benefit expenses partially offset the significant increase in the Group's revenue for the nine months ended 31 December 2015.

REVIEW ON PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO ENTITY

On 8 July 2015, the Group has granted a loan facility of HK\$58 million at an interest rate of 12% per annum for a term of one year to a SME (the "Loan A"), which executed share charge document in favour of the Group to charge 310,850,000 shares of a company listed on GEM to the Group as security in connection with the Loan A. As at 31 December 2015, HK\$54 million has been drawn by the borrower of the Loan A and the Group's aggregate amount of loans and interests receivable amounted to approximately HK\$57.1 million in relation to the Loan A. For further details, please refer to the Company's announcement dated 8 July 2015.

On 22 July 2015, the Group has granted a loan of HK\$10 million at an interest rate of 36% per annum for a term of one year to a SME (the "Loan B"), which executed share charge document in favour of the Group to charge certain shares to the Group as security in connection with the Loan B. For further details, please refer to the Company's announcement dated 22 July 2015.

On 1 September 2015, two mortgage loans of HK\$9.3 million and HK\$10.7 million respectively, both at an interest rate of 16% per annum for a term of one year, were granted to independent third parties, who executed second legal charges in respect of two residential properties as security in connection with these two mortgage loans. For further details, please refer to the Company's announcement dated 1 September 2015. These two mortgage loans were fully settled in September 2015.

On 15 September 2015, a mortgage loan of HK\$16 million (the “Loan C”) at an interest rate of 1.42% per month for a term of three months was granted to independent third parties, who executed a first legal charge in respect of a residential property in connection with this mortgage loan. On 16 December 2015, the Loan C has further renewed for another six months at same interest rate. Further details of such mortgage loan were disclosed in the Company’s announcements dated 15 September 2015 and 16 December 2015.

In relation to the mortgage loan of HK\$10.5 million granted by the Group on 2 May 2014, legal proceeding against the outstanding balances due from the borrower is still in progress. Further details of such mortgage loan were disclosed in the Company’s announcements dated 5 and 16 May 2014.

FUTURE PROSPECTS

Going forward, the Group will proactively explore new opportunities in expanding its existing valuation and technical advisory services. To further increase the market penetration of the Group, the Board targets to enhance the capability of the Group and expand the scope of services to be provided. Besides, the Group will continue to develop its provision of financing services by expanding the size and loan types of its loan portfolio to generate more interest income to the Group. Assuming all the Placing Shares being successfully placed, there will be additional fund of approximately HK\$20.5 million for the Group’s further lending. The Directors consider that it would be in the interests of the Company and its shareholders to develop the Group’s financing business.

SHARE OPTION SCHEMES

A pre-IPO share option scheme (the “Pre-IPO Share Option Scheme”) was conditionally approved on 26 September 2011. All options under the Pre-IPO Share Option Scheme were conditionally granted to the grantees on 26 September 2011 and became effective on the Listing Date.

A share option scheme (the “Share Option Scheme”) was conditionally approved on 26 September 2011 and became effective on the Listing Date. Share options comprising 10,000,000 underlying Shares were granted under the Share Option Scheme to 9 individuals on 25 April 2013 (the “Date of Grant”).

(a) Pre-IPO Share Option Scheme

Details of the options granted under the Pre-IPO Share Option Scheme, their movements during the nine months ended 31 December 2015 and the options outstanding as at 31 December 2015 were as follows:

Name of Directors	As at 1 April 2015	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	As at 31 December 2015	Exercise period and vesting period	Subscription price per Share HK\$
Mr. Luk, Kee Yan Kelvin ("Mr. Luk")	12,691,000	-	-	-	12,691,000	Note 1	0.119
Mr. Yue, Kwai Wa Ken	18,130,000	-	(10,878,000) (Note 2)	-	7,252,000	Note 1	0.119
Mr. Chan, Ka Kit	951,825	-	-	-	951,825	Note 1	0.119
Others							
Employees	84,304,500	-	(20,825,300) (Note 3)	(7,252,000) (Note 4)	56,227,200	Note 1	0.119
	<u>116,077,325</u>	<u>-</u>	<u>(31,703,300)</u>	<u>(7,252,000)</u>	<u>77,122,025</u>		

Notes:

- The exercise period shall commence on the Listing Date and end on the day falling on the fourth anniversary of the Listing Date. Subject to the following vesting periods, any options granted under the Pre-IPO Share Option Scheme may be exercised at any time after the price of the Shares as stated in the Stock Exchange's daily quotations sheet reaches 3 times or above of the subscription price during the period commencing on the Listing Date and ending on the day falling on the fourth anniversary of the Listing Date. Particulars of the vesting dates of the options and the percentage of options vested are as follows:
 - The first anniversary of the Listing Date — 30% of the total number of options granted;
 - The second anniversary of the Listing Date — 30% of the total number of options granted; and
 - The third anniversary of the Listing Date — 40% of the total number of options granted.
- Mr. Yue, Kwai Wa Ken exercised 10,878,000 options for subscribing 10,878,000 ordinary Shares at the subscription price of HK\$0.119 each on 5 June 2015.
- Seven employees exercised 20,825,300 options for subscribing 20,825,300 ordinary Shares at the subscription price of HK\$0.119 each on 5 June 2015.
- These options related to a resigned employee and lapsed in May 2015.

(b) Share Option Scheme

Details of the options granted under the Share Option Scheme, their movements during the nine months ended 31 December 2015 and the options outstanding as at 31 December 2015 were as follows:

	As at 1 April 2015	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	As at 31 December 2015	Exercise period and vesting period	Subscription price per Share HK\$
Employees	19,036,500	-	-	(11,331,250) <i>(Note 2)</i>	7,705,250	<i>Note 1</i>	0.441
	<u>19,036,500</u>	<u>-</u>	<u>-</u>	<u>(11,331,250)</u>	<u>7,705,250</u>		

Notes:

- Subject to the following vesting periods, the remaining three grantees' share options granted under the Share Option Scheme may be exercised at any time after the price of the Shares as stated in the Stock Exchange's daily quotations sheet reaches 2.5 times or above of the subscription price and the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheet have increased for 7 consecutive days during the period commencing on the Date of Grant and ending on the day falling on the fourth anniversary of the Date of Grant. The exercise period shall commence on the Date of Grant and end on the day falling on the fourth anniversary of the Date of Grant. Particulars of the vesting dates of the options of these three grantees and the percentage of options vested are as follows:
 - The first anniversary of the Date of Grant — 30% of the total number of options granted;
 - The second anniversary of the Date of Grant — 30% of the total number of options granted; and
 - The third anniversary of the Date of Grant — 40% of the total number of options granted.
- These options related to four resigned employees and lapsed in April, May, June and December 2015 respectively.

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

During the nine months ended 31 December 2015, 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.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

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

Having been made specific enquiry by the Company, all Directors confirmed that they have complied with the required standard of dealings and its code of conduct concerning securities transactions by the Directors during the nine months ended 31 December 2015.

CORPORATE GOVERNANCE PRACTICES

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

During the nine months ended 31 December 2015, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules except the following deviation:

Code Provision A.2.1

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

However, the Board is of the view that although Mr. Luk is the chairman and chief executive officer of the Company, this structure will 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 meets regularly to discuss issues affecting the operations of the Company. The Board believes that this structure is conducive to strong and consistent leadership, enabling the Group to make and implement decisions promptly and efficiently. The Board has full confidence in Mr. Luk and believes that his appointment to the posts of chairman and chief executive officer of the Company is beneficial to the business prospects of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material interest in any contract of significance to the business of the Group, to which the Company or any of its subsidiaries was a party during the nine months ended 31 December 2015.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the nine months ended 31 December 2015 and up to the date of this announcement, none of the Directors or any of their respective close associates engaged in any business that competed or might compete with the business of the Group, or had any other conflict of interests with the Group.

CHANGE IN DIRECTORSHIPS HELD BY DIRECTORS

With effect from 6 November 2015, Mr. Yue, Kwai Wa Ken has been appointed as an independent non-executive director of Manfield Chemical Holdings Limited whose shares are listed on the Stock Exchange (Stock Code: 1561).

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) was established on 26 September 2011. 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 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. During the nine months ended 31 December 2015, the Company adopted a whistleblowing policy in order to allow the employees or other stakeholders (such as suppliers and customers) of the Group to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Group.

The Audit Committee currently consists of three members, namely Mr. Chan, Ka Kit (chairman of the Audit Committee), Mr. Ko, Wai Lun Warren and Mr. Lou, Ming, all being independent non-executive Directors. No member of the Audit Committee is a member of the former or existing independent auditor of the Company. The Audit Committee has reviewed the third quarterly report, including the unaudited consolidated results of the Group for the nine months ended 31 December 2015.

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

Hong Kong, 4 February 2016

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. Lou, Ming.

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.