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(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8072)

DISCLOSEABLE TRANSACTION ACQUISITION OF MORTGAGE LOAN PORTFOLIO

THE ACQUISITION

The Board hereby announces that on 28 January 2019, the Purchaser entered into the Sale and Purchase Deed with the Vendor and the Borrower Group pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the Mortgage Loan Portfolio at the consideration of HK\$15,003,000.

IMPLICATION UNDER THE GEM LISTING RULES

As the applicable percentage ratio in respect of the transaction contemplated under the Sale and Purchase Deed is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

INTRODUCTION

The Board hereby announces that on 28 January 2019, the Purchaser entered into the Sale and Purchase Deed with the Vendor and the Borrower Group pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the Mortgage Loan Portfolio.

* For identification purpose only

The principal terms and conditions of the Sale and Purchase Deed are set out below:

SALE AND PURCHASE DEED

Date: 28 January 2019

Parties: (1) The Purchaser, as purchaser;
(2) The Vendor, as vendor; and
(3) The Borrower Group, as the party for receipt of the notice of assignment of the Mortgage Loan Portfolio.

Immediately prior to the entering into of the Sale and Purchase Deed, the Vendor is the legal and beneficial owner of the Mortgage Loan Portfolio. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor is a holder of Hong Kong identity card, and each of the Vendor and the Borrower Group and its ultimate beneficial owner is third party independent of the Company and the connected persons (as defined in the GEM Listing Rules) of the Company.

Assets to be purchased by the Purchaser: The Mortgage Loan Portfolio, being all the rights, interest, title, claims and benefits to, of and in the Loan, the Loan Agreement, the Mortgage of the Vendor.

The Loan was granted by the Vendor to the Borrower Group pursuant to the Loan Agreement. The Loan has a principal amount of HK\$15,000,000 with an interest rate of 26.4% per annum and a term of one month. The Loan is secured by the Mortgage over a residential property situated at Mid-Levels, Central, Hong Kong.

Consideration: HK\$15,003,000, which shall be paid by the Purchaser in cash upon the signing of the Sale and Purchase Deed.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor after taking into account the principal amount, interest income and term of the Loan and the property subject to the Mortgage. The Acquisition will be financed by net proceeds from the rights issue of shares of the Company completed in November 2017.

Completion: Completion of the Acquisition shall take place immediately upon the entering into of the Sale and Purchase Deed.

INFORMATION ON THE GROUP

The principal activity of the Company is investment holding. The major activities of the Group are currently provision of valuation and advisory services and financing services in Hong Kong. The Purchaser, as the purchaser of the Mortgage Loan Portfolio, is an indirect wholly-owned subsidiary of the Company and is licensed to conduct money lending business in Hong Kong under the provisions of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Directors consider that the Acquisition provides an effective way for the Group to increase its loan portfolio, market presence and interest income. The Directors are of the view that the terms of the Mortgage Loan Portfolio were entered into on normal commercial terms and in compliance with the Group's credit policy. The Group has assessed and found satisfactory on the financial background of the Borrower Group. Based on the foregoing and revenue from the interest income of the Loan being expected, the Directors consider that the Sale and Purchase Deed is on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATION UNDER THE GEM LISTING RULES

As the applicable percentage ratio in respect of the transaction contemplated under the Sale and Purchase Deed is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Mortgage Loan Portfolio pursuant to the Sale and Purchase Deed
“Board”	the board of Directors
“Borrower Company”	a company incorporated in Hong Kong, being one of the borrowers of the Loan, which, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, is an investment holding company
“Borrower Group”	collectively, the Borrower Company and two individuals, being all the directors and the shareholders of the Borrower Company and holders of Hong Kong identity card, being all the borrowers of the Loan
“Company”	Roma Group Limited, a company incorporated under the law of the Cayman Islands with limited liability and the shares of which are listed on GEM of the Stock Exchange

“Consideration”	HK\$15,003,000, being the consideration payable by the Purchaser for the Acquisition
“Directors”	the directors of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“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 People’s Republic of China
“Loan”	a loan in the amount of HK\$15,000,000 provided by the Vendor to the Borrower Group pursuant to the Loan Agreement
“Loan Agreement”	a loan agreement dated 28 January 2019 and entered into between the Vendor as the lender and the Borrower Group as the borrowers in respect of the Loan
“Mortgage”	the second mortgage over a residential property situated at Mid-Levels, Central, Hong Kong dated 28 January 2019 and executed by the Borrower Company in favour of the Vendor
“Mortgage Loan Portfolio”	all the rights, interest, title, claims and benefits to, of and in the Loan, the Loan Agreement, the Mortgage of the Vendor
“Purchaser”	M Success Finance Limited, a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Sale and Purchase Deed”	the deed of assignment dated 28 January 2019 and entered into between the Vendor, the Purchaser and the Borrower Group in relation to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	an individual, being a holder of Hong Kong identity card and the vendor of the Acquisition

“%”

per cent

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

Hong Kong, 28 January 2019

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

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

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