



ROMA

Roma Group Limited

Incorporated in the Cayman Islands with limited liability

Stock Code: 8072

INTERIM

REPORT

2013/2014

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



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

INTRODUCTION

We have reviewed the interim financial information of Roma Group Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 5 to 21, which comprise the unaudited condensed consolidated statement of financial position as of 30 September 2013 and the related unaudited condensed consolidated statement of comprehensive income, unaudited condensed consolidated statement of changes in equity and unaudited condensed consolidated statement of cash flows for the six months then ended, and other explanatory notes. The Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. This report is made solely to you, as a body, in accordance with the terms of our 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.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“HKSRE 2410”) issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

8. PROFIT BEFORE INCOME TAX EXPENSE

	For the three months ended 30 September		For the six months ended 30 September	
	2013 HK\$'000 (unaudited)	2012 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2012 HK\$'000 (unaudited)
Profit before income tax expense is arrived at after charging/(crediting):				
Auditors' remuneration	105	35	209	70
Depreciation of property, plant and equipment	59	117	200	234
Amortisation of intangible assets	39	33	78	64
Exchange loss, net	1	29	4	34
Fair value gain on derivative financial instruments, net	–	–	–	(13)
Consultancy fee	46	617	455	1,285
Operating lease charges in respect of buildings (note)	1,065	606	1,559	982

Note: During the period, the Group renewed its operating lease agreements for office premises and entered into new operating lease agreements for office premises. As a result, the operating lease charges increased significantly.

9. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits for the period.

	For the three months ended 30 September		For the six months ended 30 September	
	2013 HK\$'000 (unaudited)	2012 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2012 HK\$'000 (unaudited)
Current tax — Hong Kong Profits Tax				
Tax for the period	568	1,439	1,123	1,836

11. 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 30 September		For the six months ended 30 September	
	2013 HK\$'000 (unaudited)	2012 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2012 HK\$'000 (unaudited)
Earnings				
Earnings for the purpose of basic and dilute earnings per share	2,123	4,537	4,144	6,549
	'000	'000	'000	'000
Number of shares				
Weighted average number of ordinary shares for the purpose of basic earnings per share (note (a))	800,000	680,000	800,000	680,000
Effect of dilutive potential ordinary shares: — share options (note (b))	53,402	5,220	52,960	5,220
Weighted average number of ordinary shares for the purpose of diluted earnings per share	853,402	685,220	852,960	685,220

Notes:

- Weighted average number of ordinary shares for the purpose of basic earnings per share was derived from 800,000,000 ordinary shares in issue throughout the period (2012: 680,000,000 ordinary shares, being the number of shares in issue immediately after the completion of capitalisation issue, deemed to have been issued throughout the period).
- Weighted average of 53,402,000 (2012: 5,220,000) and 52,960,000 (2012: 5,220,000) ordinary shares deemed to be issued at no consideration as if the Company's share options have been exercised for the three months and the six months ended 30 September 2013 respectively.

15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 September 2013 HK\$'000 (unaudited)	31 March 2013 HK\$'000 (audited)
Accrued revenue	8,087	6,638
Prepayments	849	539
Deposits (note)	2,476	519
	11,412	7,696

Note: Included in the Group's deposits as at 30 September 2013 was a refundable deposit of HK\$500,000 paid in relation to a proposed subscription of 60% of the issued share capital of Joinmax Limousine Services Limited according to a non-legally binding memorandum of understanding entered into by the Group in September 2013. For further details, please refer to the Company's announcement dated 10 September 2013.

16. TRADE PAYABLES

At the end of the reporting period, the Group was granted by its suppliers credit periods ranging from 0 to 30 (2012: 0 to 30) days. The ageing analysis of the trade payables based on invoice date at the end of reporting period is as follows:

	30 September 2013 HK\$'000 (unaudited)	31 March 2013 HK\$'000 (audited)
0 to 30 days	6	175
Over 360 days	293	293
	299	468

19. LEASE COMMITMENTS

(a) Operating lease commitments

The Group leases office premises under operating leases. Each of the leases runs for 2 years and the leases do not include contingent rentals. The total future minimum lease payments payable by the Group under non-cancellable operating leases are as follows:

	30 September 2013 HK\$'000 (unaudited)	31 March 2013 HK\$'000 (audited)
Within one year	4,105	224
Within two and five years	2,565	–
	6,670	224

(b) Capital commitments

At 30 September 2013, the Group had no capital commitments (31 March 2013: Nil).

20. NOTE TO THE UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

During the six months ended 30 September 2013, the Group entered into finance lease arrangement in respect of a motor vehicle with a total capital value at the inception of the lease of HK\$661,000.

21. EVENTS AFTER THE REPORTING PERIOD

- (a) On 29 August 2013, the Group entered into a non-legally binding memorandum of understanding in relation to a proposed investment of 16.5% of the issued share capital of D&T Global Invest Limited. For further details, please refer to the Company's announcement dated 29 August 2013. Up to the date of this report, negotiation is still in progress.
- (b) On 10 September 2013, the Group entered into a non-legally binding memorandum of understanding in relation to a proposed subscription of 60% of the issued share capital of Joinmax Limousine Services Limited. For further details, please refer to the Company's announcement dated 10 September 2013. Up to the date of this report, negotiation is still in progress.

SHARE OPTION SCHEMES

A pre-IPO share option scheme (“Pre-IPO Share Option Scheme”) was conditionally approved on 26 September 2011 and another share option scheme (the “Share Option Scheme”) was adopted on 26 September 2011. Details of the options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, movement during the period and the options outstanding as at 30 September 2013 were as follows:

Pre-IPO Share Option Scheme

	As at 1 April 2013	Granted	Lapsed	Exercise	As at 30 September 2013	Exercise period and vesting period	Subscription price per share HK\$ (Note 1)
Directors							
Mr. Luk, Kee Yan Kelvin	8,000,000	-	-	-	8,000,000	Note 1	0.27
Mr. Yue, Kwai Wa Ken	8,000,000	-	-	-	8,000,000	Note 1	0.27
Mr. Chan, Ka Kit	600,000	-	-	-	600,000	Note 1	0.27
Mr. Lam, Pak Cheong	600,000	-	-	-	600,000	Note 1	0.27
Mr. Ng, Simon	600,000	-	-	-	600,000	Note 1	0.27
Others							
Employees	40,000,000	-	-	-	40,000,000	Note 1	0.27
	57,800,000	-	-	-	57,800,000		

All options under Pre-IPO Share Option Scheme were conditionally granted to the grantees on 26 September 2011 subject to the listing of the Shares on the GEM of the Stock Exchange of Hong Kong Limited. The Company has successfully listed its shares on the GEM of the Stock Exchange of Hong Kong Limited on 25 February 2013.

Share Option Scheme

	As at 1 April 2013	Granted	Lapsed	Exercise	As at 30 September 2013	Exercise period and vesting period	Subscription price per share HK\$ (Note 2)
Employees	-	10,000,000	-	-	10,000,000	Note 2	1.00
	-	10,000,000	-	-	10,000,000		

Notes:

- The exercise period shall commence on (i.e. 25 February 2013) (the “Listing Date”) and end on the day falling on the fourth anniversary of the Listing Date. Subject to the following vesting periods, any option 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 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 and vesting date of the options and 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
 - The third anniversary of the Listing Date — 40% of the total number of options granted

2. 10,000,000 share options were granted to 9 individuals on 25 April 2013 (the "Date of Grant") under the share option scheme adopted by the Company on 26 September 2011. Subject to the following vesting periods, 8 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 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. The vesting date of the options of these 8 grantees and percentage of options vested are as follows:

- (1) The first anniversary of the Date of Grant — 30% of the total number of options granted
- (2) The second anniversary of the Date of Grant — 30% of the total number of options granted
- (3) The third anniversary of the Date of Grant — 40% of the total number of options granted

1 grantee's share options may be exercised at any time after the price of the Shares as stated in the Stock Exchange's daily quotations sheet reaches 2 times or above the Subscription Price from the Date of Grant to 24 April 2023.

SUBSTANTIAL SHAREHOLDERS

As 30 September 2013, so far as the Directors are aware, the interests or short positions owned by the following persons (other than the Directors or chief executive officer of the Company) in the shares or underlying shares of the Company which are required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or which are required 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, underlying Shares and debentures

Name	Natural of interest	Number of Shares held	Approximate percentage of shareholding
Aperto Investments Limited (Note)	Beneficial owner	600,000,000	75%

Note: The entire issued share capital of Aperto Investments Limited is legally and beneficially owned by Mr. Luk, Kee Yan Kelvin. Under the SFO, Mr. Luk, Kee Yan Kelvin is deemed to be interested in all the Shares held by Aperto Investments Limited.

Save as disclosed above and as at 30 September 2013, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executive officer of the Company) in the shares or underlying shares of the Company which are required to be disclosed under Divisions 2 and 3 of Part XV of the SFO or which are required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

