ROMA

Roma Group Limited

Incorporated in the Cayman Islands with limited liability

Stock Code: 8072

ANNUAL REPORT

2013/2014

Natural Resources Valuation & Technical Advisory Services
Due Diligence Studies
Machineries & Equipment Valuation
Evaluation
Financial Instruments Valuation
Biological Asset Valuation
Qualified Person's Report
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Natural Resources Valuation & Technical Advisory Services

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 report, 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 report 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 report misleading.

CONTENT

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CORPORATE INFORMATION

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	Unit 3806, 38th Floor China Resources Building 26 Harbour Road Wanchai Hong Kong
Company's website	www.romagroup.com
Executive Directors	Mr. Luk, Kee Yan Kelvin *(chairman and chief executive officer)* Mr. Yue, Kwai Wa Ken
Independent non-executive Directors	Mr. Chan, Ka Kit Mr. Ko, Wai Lun Warren Mr. Ng, Simon
Company secretary	Mr. Yue, Kwai Wa Ken, *AICPA*
Authorised representatives	Mr. Luk, Kee Yan Kelvin Mr. Yue, Kwai Wa Ken
Compliance officer	Mr. Yue, Kwai Wa Ken
Audit committee	Mr. Chan, Ka Kit *(chairman)* Mr. Ko, Wai Lun Warren Mr. Ng, Simon
Remuneration committee	Mr. Ko, Wai Lun Warren *(chairman)* Mr. Chan, Ka Kit Mr. Ng, Simon Mr. Luk, Kee Yan Kelvin
Nomination committee	Mr. Ng, Simon *(chairman)* Mr. Chan, Ka Kit Mr. Ko, Wai Lun Warren Mr. Luk, Kee Yan Kelvin

CORPORATE INFORMATION

Compliance adviser	**Quam Capital Limited** 18/F–19/F Aon China Building 29 Queen's Road Central Hong Kong
Principal share registrar and transfer office in the Cayman Islands	**Codan Trust Company (Cayman) Limited** Cricket Square P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Hong Kong branch share registrar and transfer office	**Tricor Investor Services Limited** Level 22 Hopewell Centre 183 Queen's Road East Hong Kong
Principal banker	**The Hongkong and Shanghai Banking Corporation Limited** 1st Floor Tower 2 HSBC Center 1 Sham Mong Road Kowloon Hong Kong **China Construction Bank (Asia) Corporation Limited** Suite 2508–14 25/F Tower 6 The Gateway Harbour City Kowloon Hong Kong
Auditor	**BDO Limited** Certified Public Accountants 25th Floor Wing On Centre 111 Connaught Road Central Hong Kong
GEM stock code	8072

inspirational
& sustainable

solutions for our environment

Business
& Intangible Assets Valuation

Financial Instruments Valuation

Property Valuation

Machineries
& Equipment Valuation

Work of Art Valuation

Biological Asset Valuation

Purchase Price Allocation

WE VALUE ASSETS
WE VALUE OUR CLIENTS


think
green
think about
our community

Natural Resources Valuation & Technical Advisory Services

Qualified Person's Report

Competent Person's Report

Due Diligence Studies

Compliance Studies for IPO

Exploration Planning

Project Feasibility Studies

Resource Estimation

Evaluation

EXPLORING BEYOND RESOURCES
REALIZING YOUR FULL POTENTIAL

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of Directors (the "Board"), I am pleased to present the annual results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2014.

REVIEW

During the year ended 31 March 2014, the Group achieved satisfactory performance of increases in both revenue and profit attributable to shareholders of the Company (the "Shareholders") by approximately 40.6% and 65.3% respectively. Such accompaniment was primarily attributable to the successful listing of the shares of the Company (the "Shares") on GEM in February 2013, which allows the brand of "ROMA" further penetrated into the market of valuation in Hong Kong. In view that the Group always strives to strengthen its revenue base and diversify its income source and thus to maximize the Shareholders' return, the Group has commenced the provision of financing services and wine trading business during the year ended 31 March 2014.

PROSPECTS

Going forward, with improving economic performance and market sentiment in recent years in Hong Kong, the Board believes that more projects in relation to mergers and acquisitions, as well as initial public offerings will be resumed or accelerated, which provide a favorable market condition to the Group for its provision of valuation and advisory services. Apart from strengthening the Group's provision of valuation and advisory services, the Group has a plan to advance its provision of financing services during the year ending 31 March 2015.

The Board remains confident on and committed to the continuation of the Company's mission to maintain a leading position in Hong Kong, through dedication, innovation and expansion so as to deliver sustainable growth and profitability to the Group.

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 gratitude to all Shareholders, Directors and business partners for their ongoing support.

Roma Group Limited
Luk, Kee Yan Kelvin
Chairman and chief executive officer

Hong Kong, 13 June 2014

ROMA

BUSINESS REVIEW

Subsequent to the successful listing of the Shares on GEM on 25 February 2013 (the "Listing Date"), the brand of "Roma" further penetrated into the market of provision of valuation and technical advisory services in Hong Kong. By being one of the major players in the market, the Group's revenue generated from the provision of valuation and advisory services (including but not limited to the technical advisory services) increased by approximately 36.6% for the year ended 31 March 2014 as compared with that for the year ended 31 March 2013.

Alongside the Group's principal business of provision of valuation and advisory services, the Group has commenced the provision of financing services during the year ended 31 March 2014. A subsidiary of the Company is licensed to conduct money lending business in Hong Kong through the provision of unsecured and secured loans to customers under the provisions of the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong). In addition, the Company has also set up a subsidiary to commence the Group's wine trading business during the year ended 31 March 2014. As both the provision of financing services and wine business are still at an early stage in a business cycle, revenue generated from these two businesses only contributed less than 3% to the Group's total revenue during the year ended 31 March 2014.

With the increase in the Group's revenue, particularly from the provision of valuation and advisory services, the profit attributable to the owners of the Company increased by approximately 65.3% for the year ended 31 March 2014 as compared with that for the year ended 31 March 2013.

FINANCIAL REVIEW

Revenue

The Group's revenue increased from approximately HK$43.1 million for the year ended 31 March 2013 to approximately HK$60.6 million for the year ended 31 March 2014, representing an increase of approximately 40.6%. Such an increase was mainly attributable to approximately 590 new projects in relation to valuation and technical advisory services undertaken by the Group during the year ended 31 March 2014, which contributed approximately 87.3% to the Group's revenue generated from the provision of valuation and advisory services. Besides, interest income generated from the Group's provision of financing services also increased the total revenue by approximately HK$1.2 million for the year ended 31 March 2014.

Other income

The Group's other income mainly consisted of reimbursement of out-of-pocket expenses incurred by the Group in the course of its services provision. Other income increased from approximately HK$0.7 million for the year ended 31 March 2013 to approximately HK$2.2 million for the year ended 31 March 2014, representing an increase of approximately 214.3%, which was mainly attributable to an increase in reimbursement of the out-of-pocket expenses.

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 from approximately HK$12.8 million for the year ended 31 March 2013 to approximately HK$19.6 million for the year ended 31 March 2014, representing an increase of approximately 53.1%, which was mainly attributable to an increase in the Group's headcount to support its expanded operations, including the provision of financing services and advisory services. Besides, the Group's share-based payment in relation to the share options granted to its staff on 25 April 2013 also increased the total employee benefit expenses for the year ended 31 March 2014.

Depreciation and amortisation

The Group recorded depreciation and amortisation of approximately HK$0.6 million and HK$0.9 million for the years ended 31 March 2013 and 2014 respectively, for its property, plant and equipment and intangible assets.

Other expenses

Other expenses increased from approximately HK$15.3 million for the year ended 31 March 2013 to approximately HK$17.0 million for the year ended 31 March 2014, representing an increase of approximately 11.1%. Such an increase was mainly attributable to an increase in the Group's total rental expenses for the year ended 31 March 2014.

Profit attributable to owners of the Company

Profit attributable to owners of the Company increased from approximately HK$12.1 million for the year ended 31 March 2013 to approximately HK$20.0 million for the year ended 31 March 2014, representing an increase of approximately 65.3%. The Group's profit margin also increased from approximately 28.1% for the year ended 31 March 2013 to approximately 33.1% for the year ended 31 March 2014, primarily as a result of the increase in the Group's revenue of approximately 40.6% for the year ended 31 March 2014 as compared with that for the year ended 31 March 2013.

LIQUIDITY AND FINANCIAL RESOURCES

During the year ended 31 March 2014, the Group mainly financed its operations with its own working capital and bank borrowings. As at 31 March 2013 and 31 March 2014, the Group had net current assets of approximately HK$48.5 million and HK$64.4 million respectively, including cash and bank balances of approximately HK$38.0 million and HK$23.8 million respectively. The Group's pledged bank deposits of approximately HK$39.8 million as at 31 March 2014 represented cash at bank held by the Group and pledged for a bank borrowing. The Group's current ratio decreased from approximately 5.3 as at 31 March 2013 to approximately 2.6 as at 31 March 2014. Such decrease was mainly due to the increase in the Group's bank borrowings as at 31 March 2014.

As at 31 March 2013, the Group had no borrowings or payables incurred not in the ordinary course of business. As at 31 March 2014, the Group's total bank borrowings amounted to approximately HK$31.1 million and finance lease liabilities amounted to approximately HK$1.5 million. The Group's gearing ratio was approximately 45.9% as at 31 March 2014.

COMMITMENTS

The Group's contractual commitments primarily related to the leases of its office premises. The Group's operating lease commitments amounted to approximately HK$0.2 million and HK$12.5 million as at 31 March 2013 and 2014 respectively. As at 31 March 2014, the Group did not have any capital commitments (31 March 2013: nil).

CAPITAL STRUCTURE

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

SIGNIFICANT INVESTMENTS

As at 31 March 2014, the Group did not hold any significant investments.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed above and in the prospectus of the Company dated 31 January 2013 (the "Prospectus"), the Group did not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the year ended 31 March 2014, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 March 2014 (31 March 2013: nil).

FOREIGN EXCHANGE EXPOSURE

During the year ended 31 March 2014, the Group's exposure to currency risk was limited to its bank balances denominated in Renminbi ("RMB") as majority of the Group's transactions, monetary assets and liabilities are denominated in Hong Kong Dollars ("HK$") and United States Dollars ("US$"). In the event that RMB appreciates by 3% against HK$, the Group's profit for the year ended 31 March 2014 will increase by approximately HK$0.9 million (2013: nil). On the contrary, if RMB depreciates by 3% against HK$, the Group's profit for the year ended 31 March 2014 will decrease by approximately HK$0.9 million (2013: nil). As US$ 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.

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.

PLEDGE OF ASSETS

As at 31 March 2014, save for the pledged bank deposits, the Group did not pledge any of its assets (31 March 2013: nil) as securities for any facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2013 and 31 March 2014, the Group employed a total of 27 and 52 full-time employees respectively. The Group's total employee benefit expenses were approximately HK$12.8 million and HK$19.6 million for the years ended 31 March 2013 and 2014 respectively. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. In addition to a basic salary, year-end bonuses were offered to those staff with outstanding performance and share options were granted to attract and retain eligible employees to contribute to the Group.

Management Discussion and Analysis

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

For the year ended 31 March 2014, the Group adopted the business strategies as set out in the Prospectus. Since the Listing Date and up to 31 March 2014, the Group spent approximately HK$5.6 million of the net proceeds from the placing of the new Shares in February 2013 (the "Net Proceeds") to (i) enhance the quality and expand the professional team of the Group by recruiting high caliber of professionals; (ii) upgrade and maintain the information technology system of the Group, such as acquiring professional software; and (iii) strengthen the marketing efforts by participating exhibition and launching marketing activities to promote the brand of "Roma", which were the business objectives stated in the Prospectus. The Group will endeavour to achieve the milestones stated in the Prospectus.

USE OF PROCEEDS

The business objectives and planned use of the Net Proceeds as stated in the Prospectus were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus. The actual use of the Net Proceeds was based on the actual market development. The actual Net Proceeds were approximately HK$26.0 million, which was less than the estimated one stated in the Prospectus. In such regard, the Company intends to apply the Net Proceeds as planned during the period from the Listing Date to 30 September 2013 and adjust the estimated use of the Net Proceeds in same proportion for the period from 1 October 2013 to 31 March 2015. During the period from the Listing Date to 31 March 2014, the Net Proceeds had been applied as follows:

Business objectives as stated in the prospectus	**Estimated use of the Net Proceeds (after adjustments) from the Listing Date to 31 March 2014** (HK$ in million)	**Actual use of the Net Proceeds from the Listing Date to 31 March 2014** (HK$ in million)
Exploring merger and acquisition opportunities and business collaboration	5.3 (Note 1)	–
Enhancing the quality and expanding the professional team	2.6	2.4
Upgrading and maintaining the information technology system (Note 2)	4.0	0.2
Strengthening the marketing efforts	2.0	1.1
Working capital and other general corporate purposes	1.9 (Note 3)	1.9
	8.6	5.6

The unused Net Proceeds have been placed as interest bearing deposits with licensed banks in Hong Kong in accordance with the intention of the Directors as disclosed in the Prospectus.

Notes:

1. After the adjustment, the Company intends to apply approximately HK$5.3 million of the Net Proceeds for exploring merger and acquisition opportunities and business collaboration.

2. The actual use of the Net Proceeds was less than the estimated one, which was mainly because the Group is still identifying appropriate professional software to cope with business needs.

3. After the adjustment, the Company intends to apply approximately HK$1.9 million of the Net Proceeds for the Group's working capital and other general corporate purposes.

FUTURE PROSPECTS

Looking forward, while strengthening the Group's principal activities of provision of valuation and advisory services and enhancing the penetration of the brand of "Roma", the Group also has a plan to advance its provision of financing services during the year ending 31 March 2015.

The Group is committed to creating values for the Shareholders. With an aim of strengthening its revenue base and diversifying its income source, the Group will continue to explore and cautiously evaluate business opportunities to create synergies with the Group's existing businesses and long-term benefits to the Shareholders. If necessary, the Company may consider issuing new Shares and/or debt securities to optimise its financial structure for embracing sound business opportunities and preparing future expansion of the Group.

Biographical Details of Directors

EXECUTIVE DIRECTORS

Mr. Luk, Kee Yan Kelvin (陸紀仁), aged 31, was appointed as an executive Director on 4 March 2011 and as the chairman and chief executive officer of the Company on 26 September 2011. Mr. Luk is the founder of the Group and leads the overall management, business development and strategic planning of the Group. He is also a member of each of the remuneration committee and the nomination committee of the Company and a director of a number of subsidiaries of the Company. He has been a member of the Australasian Institute of Mining and Metallurgy since November 2012. Mr. Luk is the sole director and the sole shareholder of Aperto Investments Limited, a controlling shareholder of the Company.

Mr. Yue, Kwai Wa Ken (余季華), aged 48, 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 is currently responsible for the overall business development, corporate advisory and valuation functions of the Group. He is a certified public accountant with approximately 19 years' experience in accounting, auditing and corporate 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: 8209) since 30 December 2013. Shares of the abovementioned companies are listed on the Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan, Ka Kit (陳家傑), aged 39, was appointed as an independent non-executive Director on 26 September 2011. He is the chairman of the audit committee and a member of each of the remuneration committee and the nomination committee. Mr. Chan obtained his bachelor degree of art in accountancy from the City University of Hong Kong in November 1997. He has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since October 2005. He has over 13 years' experience in handling various projects with companies in Hong Kong and the People's Republic of China (the "PRC"), including accounting and taxation as well as setting up and modifying internal control system of group companies. Mr. Chan was the chief financial officer and company secretary of Sparkle Roll Group Limited (Stock Code: 970) from January 2008 to August 2010 and financial controller of North Asia Resources Holdings Limited (Stock Code: 61) from August 2010 to March 2011. Mr. Chan has been appointed as chief financial officer and company secretary of Lijun International Pharmaceutical (Holding) Company Limited (Stock Code: 2005) since May 2013. Shares of the abovementioned companies are listed on the Stock Exchange.

Mr. Ko, Wai Lun Warren (高偉倫), aged 46, 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 was a partner of Richards Butler, an international law firm, between 2001 and 2005. He is currently a partner at the law firm, Robertsons and specialises in corporate finance work including initial public offerings, mergers and acquisitions and restructuring. Mr. Ko is qualified to practise law in both England and Wales and Hong Kong. Mr. Ko is a non-executive director of Global Tech (Holdings) Limited whose shares are listed on the Stock Exchange (Stock Code: 143) and the Singapore Exchange Securities Trading Limited. He is also an independent non-executive director of each of Li Heng Chemical Fibre Technologies Limited whose shares are listed on the Singapore Exchange Securities Trading Limited and China Bio Cassava Holdings Limited whose shares are listed on the Stock Exchange (Stock Code: 8129).

Mr. Ng, Simon (伍世榮), aged 40, was appointed as an independent non-executive Director on 26 September 2011. He is the chairman of the nomination committee and a member of each of the audit committee and the remuneration committee. Mr. Ng obtained his bachelor degree of arts (with honours) in economics from Wilfrid Laurier University in Canada in May 1996 and his master degree of economics from the University of Hong Kong in December 1997. He has over 16 years of experience in corporate finance, capital markets and principal investments in Hong Kong, Taiwan, the PRC and Korea. Mr. Ng has been specialising in mergers and acquisitions and takeovers. He is currently registered with the SFC as a responsible officer in corporate finance advisory accredited to Hooray Capital Limited since July 2010 and has been dealing in securities accredited to Hooray Securities Limited since March 2011. Mr. Ng was an executive director of CIL Holdings Limited (Stock Code: 479), shares of which are listed on the Stock Exchange from April 2010 to December 2012. Between 17 October 2013 and 10 February 2014, Mr. Ng was a supervisor of Cheer Time Enterprise Company Limited, whose shares are listed on the Taiwan Stock Exchange Corporation with the stock code 3229.

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 year ended 31 March 2014, 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 (the "CG Code") except the deviation from the code provision A.2.1, details of which are set out in the section headed "Chairman and chief executive officer" in this corporate governance report.

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 enquiries by the Company, all the 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 year ended 31 March 2014.

BOARD OF DIRECTORS

The Board comprises:

Executive Directors:	Mr. Luk, Kee Yan Kelvin *(Chairman and chief executive officer)* Mr. Yue, Kwai Wa Ken
Independent non-executive Directors:	Mr. Chan, Ka Kit Mr. Ko, Wai Lun Warren (appointed on 6 March 2014) Mr. Lam, Pak Cheong (resigned on 1 March 2014) Mr. Ng, Simon

Each independent non-executive Director has given an annual written confirmation of his independence to the Company, and the Company considers 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 2014, the record of attendance of each Director is set out as follows:

Name of Director	Board meeting attended/eligible to attend	General meeting attended/eligible to attend
Mr. Luk, Kee Yan Kelvin	10/10	2/2
Mr. Yue, Kwai Wa Ken	10/10	2/2
Mr. Chan, Ka Kit	10/10	1/2
Mr. Ko, Wai Lun Warren (appointed on 6 March 2014)	2/2	N/A
Mr. Lam, Pak Cheong (resigned on 1 March 2014)	7/8	1/2
Mr. Ng, Simon	10/10	1/2

Corporate Governance Report

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 and senior management of the Company. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group.

Following the resignation of Mr. Lam, Pak Cheong, the Company had two independent non-executive Directors and audit committee members, which fell below the minimum number requirement of Rule 5.05(1) and Rule 5.28 of the GEM Listing Rules. Further, the number of members, who should be the non-executive Directors, of the nomination committee and the remuneration committee of the Company fell below the minimum number required under the terms of reference of the nomination committee and remuneration committee of the Company.

After the appointment of Mr. Ko, Wai Lun Warren on 6 March 2014, the Company has then complied with the minimum number requirement of Rule 5.05(1) and Rule 5.28 of the GEM Listing Rules and the terms of reference of the nomination committee and remuneration committee of the Company.

Save as disclosed above, throughout the year ended 31 March 2014, the Company had 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 had 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 such as (i) developing and reviewing the Company's policies and practices on corporate governance, training and continuous professional development of the Directors and senior management of the Company, and (ii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, and developing, reviewing and monitoring the code of conduct of the Directors, etc.

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. The agenda accompanying Board papers are sent to all Directors at least 3 days before the date of every Board meeting in order to allow sufficient time for the Directors to review the documents.

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 is responsible for keeping the minutes of all meetings of the Board and the Company's committees.

Every Board member has full access to the advice and services of the company secretary of the Company 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.

However, the Board is of the view that although Mr. Luk, Kee Yan Kelvin 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 calibre individuals and meets regularly to discuss issues affecting the operations of the Company. The Board believes that this structure is conductive 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 is beneficial to the business prospects 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. Each independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect his independence and must provide an annual confirmation of his 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. Directors had participated in continuous professional development programmes such as external seminars organised by qualified professionals, to develop and refresh their knowledge and skills in relation to their contribution to the Board. A record of the training received by the respective Directors are kept and updated by the company secretary of the Company.

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 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 policy, financial position 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 year, the Company adopted a whistleblowing policy in order to allow our employees or other stakeholders (e.g. suppliers and customers) of the Group to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Company.

The Audit Committee currently consists of three members, namely Mr. Chan, Ka Kit (being the chairman of the Audit Committee), Mr. Ko, Wai Lun Warren and Mr. Ng, Simon, all being independent non-executive Directors. Mr. Lam, Pak Cheong resigned as a member of the Audit Committee with effect from 1 March 2014. Following his resignation, Mr. Ko, Wai Lun Warren has been appointed as a member of the Audit Committee with effect from 6 March 2014. No member of the Audit Committee is a member of the former or existing auditor of the Company. The terms of reference of the Audit Committee are available at the Company's website and on the website of the Stock Exchange.

According to the current terms of reference, the Audit Committee shall meet at least four times a year. Four meetings were held by the Audit Committee for the year ended 31 March 2014. In the meetings during the year ended 31 March 2014, the Audit Committee has reviewed the audited annual results of the Group and the unaudited first and third quarterly and interim results of the Group. The record of attendance of each member of the Audit Committee is set out as follows:

Name of member of the Audit Committee	Meeting attended/ eligible to attend
Mr. Chan, Ka Kit	4/4
Mr. Ko, Wai Lun Warren (appointed on 6 March 2014)	N/A
Mr. Lam, Pak Cheong (resigned on 1 March 2014)	4/4
Mr. Ng, Simon	4/4

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "Remuneration Committee") was established on 26 September 2011 and currently consists of four members, namely Mr. Luk, Kee Yan Kelvin, being an executive Director and Mr. Chan, Ka Kit, Mr. Ko, Wai Lun Warren (being the chairman of the Remuneration Committee) and Mr. Ng, Simon, all being independent non-executive Directors. Mr. Lam, Pak Cheong resigned as the chairman of the Remuneration Committee with effect from 1 March 2014. Following his resignation, Mr. Ko, Wai Lun Warren has been appointed as the chairman of the Remuneration Committee with effect from 6 March 2014. The terms of reference of the Remuneration Committee are available at the Company's website and on the website of 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 determining remuneration packages of the Directors and senior management of the Company.

Five meetings were held by the Remuneration Committee for the year ended 31 March 2014. In the meetings, the Remuneration Committee has performed its duties to determine and make recommendations to the Board on the remuneration package of the Board members and senior management of the Company. The record of attendance of each member of the Remuneration Committee is set out as follows:

Name of member of the Remuneration Committee	Meeting attended/ eligible to attend
Mr. Chan, Ka Kit	5/5
Mr. Ko, Wai Lun Warren (appointed on 6 March 2014)	N/A
Mr. Lam, Pak Cheong (resigned on 1 March 2014)	4/5
Mr. Ng, Simon	5/5
Mr. Luk, Kee Yan Kelvin	5/5

Details of emoluments of the Directors and senior management of the Company for the year ended 31 March 2014 are set out in note 16 to the consolidated financial statements of the Group.

NOMINATION COMMITTEE

The nomination committee of the Company (the "Nomination Committee") was established on 26 September 2011 and currently consists of four members, namely Mr. Luk, Kee Yan Kelvin, being an executive Director and Mr. Chan, Ka Kit, Mr. Ko, Wai Lun Warren and Mr. Ng, Simon (being the chairman of the Nomination Committee), all being independent non-executive Directors. Mr. Lam, Pak Cheong resigned as a member of the Nomination Committee with effect from 1 March 2014. Following his resignation, Mr. Ko, Wai Lun Warren has been appointed as a member of the Nomination Committee with effect from 6 March 2014. The revised terms of reference of the Nomination Committee are available at the Company's website and on the website of The Stock Exchange.

The major roles and functions of the Nomination Committee include reviewing the structure, size, composition and diversity of the Board at least once a year; making recommendations to the Board on the appointment and re-appointment of the Directors; assessing the independence of the independent non-executive Directors. During the year ended 31 March 2014, 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.

Five meetings were held by the Nomination Committee for the year ended 31 March 2014. In the meetings, the Nomination Committee has performed its duties to determine and make recommendations to the appointment and re-appointment of the Directors and review 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 member of the Nomination Committee	Meeting attended/ eligible to attend
Mr. Chan, Ka Kit	5/5
Mr. Ko, Wai Lun Warren (appointed on 6 March 2014)	N/A
Mr. Lam, Pak Cheong (resigned on 1 March 2014)	4/5
Mr. Ng, Simon	5/5
Mr. Luk, Kee Yan Kelvin	5/5

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibilities for preparing 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 Hong Kong 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. The responsibility of the external auditor is to form an independent opinion, based on their audit, on the Group's consolidated financial statements prepared by the Directors and to report its opinion to the Shareholders. A statement by auditor about their reporting responsibility is set out in the independent auditor's report in this annual report.

Internal Control and Risk Management

The Board is responsible for the Company's internal control system and risk management procedures and for reviewing the effectiveness of the Company's internal control. The Board has conducted a review of, and is satisfied with the effectiveness and adequacy of the system of internal controls of the Group for the year ended 31 March 2014.

The Group is committed to the identification, monitoring and management of risks associated with its business activities. The Group's internal control system is designed to provide reasonable assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of business objectives. The system includes a defined management structure with segregation of duties and a cash management system such as monthly reconciliation of bank accounts.

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; (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; and (iii) the undertaking of Mr. Luk, Kee Yan Kelvin, an executive Director, the chairman and chief executive officer that he will not participate as a co-author or peer reviewer of natural resources related projects of the Group going forward unless he demonstrates that he possesses mining related academic qualifications and sufficient mining related experiences. The independent non-executive Directors are satisfied that the above undertakings have been complied with for the year ended 31 March 2014 and there is no matter that needs to be brought to the attention of the Shareholders.

AUDITOR'S REMUNERATION

During the year ended 31 March 2014, the fees paid/payable to the Company's auditor is set out as follows:

Services rendered	Fees paid/payable (HK$'000)
Audit services — annual results	418
Review services — interim results	140
	558

COMPANY SECRETARY

Mr. Yue, Kwai Wa Ken ("Mr. Yue") was appointed as the company secretary of the Company on 26 September 2011. The biographical details of Mr. Yue are disclosed in the section headed "Biographical Details of Directors" in this annual report. During the year ended 31 March 2014, the company secretary of the Company undertook not less than 15 hours of professional training to update his skills and knowledge.

SHAREHOLDERS' RIGHTS

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

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 office 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 of the Company at the Company's principal place of business at Unit 3806, 38th Floor, China Resources Building, 26 Harbour 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 of the Company 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 of the Company.

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 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.

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, circulars and memorandum of association and articles of association on the Company's website at www.romagroup.com.

For the year ended 31 March 2014, 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 2014.

CHANGES IN DIRECTORS' INFORMATION

The changes in Directors' information as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules are set out below:

Mr. Yue, Kwai Wa Ken, executive Director

— appointed as an independent non-executive director of Major Holdings Limited (Stock Code: 8209) on 30 December 2013, a company with its shares listed on the Stock Exchange.

Mr. Chan, Ka Kit, independent non-executive Director

— appointed as chief financial officer and company secretary of Lijun International Pharmaceutical (Holding) Company Limited (Stock Code: 2005) on 13 May 2013, a company with its shares listed on the Stock Exchange.

Mr. Ng, Simon, independent non-executive Director

— was a supervisor of Cheer Time Enterprise Company Limited (Stock Code: 3229) between 17 October 2013 and 10 February 2014, a company with its shares listed on the Taiwan Stock Exchange Corporation.

ANNUAL GENERAL MEETING

The Company's annual general meeting (the "AGM") is scheduled to be held on Thursday, 31 July 2014. A notice convening the AGM will be issued and dispatched to the Shareholders on 27 June 2014.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The major activities of its principal subsidiaries are set out in note 20 to the consolidated financial statements of the Group. There were no significant changes in the nature of the Group's principal activities during the year.

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

RESULTS AND APPROPRIATIONS

The Group's profit for the year ended 31 March 2014 and the state of affairs of the Company and of the Group as at that date are set out in the Group's consolidated financial statements on pages 35 to 95.

The Board does not recommend the payment of any final dividend for the year ended 31 March 2014.

FINANCIAL HIGHLIGHTS

The summary of the results and of the assets and liabilities of the Group is set out on page 96.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group are set out in note 17 to the consolidated financial statements of the Group.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year 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 Company's articles of association 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 LISTED SECURITIES

During the year ended 31 March 2014, 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.

RESERVES

Details of the movements in the reserves of the Company and the Group during the year are set out in note 31 to the consolidated financial statements of the Group and the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2014, 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, amounted to approximately HK$49.9 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 CLIENTS AND SUPPLIERS

During the year ended 31 March 2014, the Group's largest and five largest clients represented approximately 8.8% and 28.2% of the Group's total revenue respectively. For the same period, the Group's largest and five largest suppliers represented approximately 20.7% and 60.1% of the Group's total consultancy fee and cost of inventories sold respectively.

None of the Directors nor any of their 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 share capital) had any beneficial interest in the Group's five largest clients and/or five largest suppliers during the year ended 31 March 2014.

DIRECTORS

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

Executive Directors

Mr. Luk, Kee Yan Kelvin *(Chairman and chief executive officer)*
Mr. Yue, Kwai Wa Ken

Independent non-executive Directors

Mr. Chan, Ka Kit
Mr. Ko, Wai Lun Warren (appointed on 6 March 2014)
Mr. Lam, Pak Cheong (resigned on 1 March 2014)
Mr. Ng, Simon

BIOGRAPHIES OF DIRECTORS

The biographical details of the Directors are disclosed in the section headed "Biographical Details of Directors" on page 14 in this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date and will continue thereafter until terminated in accordance with the terms of the agreement.

Mr. Chan, Ka Kit and Mr. Ng, Simon, independent non-executive Directors are appointed by the Company for a term up to 31 December 2014 and will continue thereafter unless terminated by either party giving at least one month's notice in writing or payment in lieu of notice. Mr. Ko, Wai Lun Warren has been appointed as independent non-executive Director with effect from 6 March 2014 for a term up to 5 March 2017 and will continue thereafter unless terminated by either party giving at least one month's notice in writing or payment in lieu of notice.

Other than as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting 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.

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 year ended 31 March 2014.

MANAGEMENT CONTRACTS

No contract 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 2014.

REMUNERATION OF THE DIRECTORS

Details of the remuneration of the Directors are set out in note 16 to the consolidated financial statements of the Group.

EMOLUMENT POLICY

A 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 has adopted share option schemes as incentive to the Directors and eligible employees, details of which are set out in the section headed "Share Option Schemes" below.

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 2014, 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 Securities and Futures Ordinance (Chapter 571. Laws of Hong Kong) (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 position in the shares, underlying shares and debentures of the Company

Name of Director	The Company/name of associated company	Capacity/ nature of interests	Number of Shares	Number of underlying Shares (Note 3)	Aggregate interest	Approximate percentage of interest
Mr. Luk, Kee Yan Kelvin	The Company	Interest of a controlled corporation	2,046,000,000 (Note 1)	–		
		Beneficial interest	24,000,000	56,000,000	2,126,000,000	26.49%
	Aperto Investments Limited	Interest of a controlled corporation	1 share of US$1.00	–	1 share of US$1.00	100.00%
Mr. Yue, Kwai Wa Ken	The Company	Beneficial interest	–	80,000,000	80,000,000	1.00%
Mr. Chan, Ka Kit	The Company	Beneficial interest	1,800,000	4,200,000	6,000,000	0.07%
Mr. Lam, Pak Cheong (Note 2)	The Company	Beneficial interest	–	6,000,000	6,000,000	0.07%
Mr. Ng, Simon	The Company	Beneficial interest	–	6,000,000	6,000,000	0.07%

Short position in the shares, underlying shares and debentures of the Company

Name	Company/name of associated company	Nature of interest	Number of Shares	Number of underlying Shares	Aggregate interest	Approximate percentage of interest
Mr. Luk, Kee Yan Kelvin	The Company	Interest of a controlled corporation	370,000,000 (Note 1)	–	370,000,000	4.61%

Notes:

1. These Shares are registered in the name of Aperto Investments Limited, the entire issued share capital of which is legally and beneficially owned by Mr. Luk, Kee Yan Kelvin. Under the SFO, Mr. Luk is deemed to be interested in all the Shares held by Aperto Investments Limited.

2. Mr. Lam resigned as an independent non-executive Director with effect from 1 March 2014. The options granted to Mr. Lam under the Pre-IPO Share Option Scheme (as defined in the section headed "Share Option Schemes" of this report) lapsed on 31 May 2014 accordingly.

3. These represent the Shares to be issued and allotted by the Company upon exercise of the options granted under the Pre-IPO Share Option Scheme.

Save as disclosed above, as at 31 March 2014, none of the Directors and the chief executive officer of the Company had any interest or short position 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 he is 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.

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 subject to the listing of the Shares on GEM. The Company has successfully listed the Shares on GEM on 25 February 2013.

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

Principal terms of the Pre-IPO Share Option Scheme and the Share Option Scheme are set out as follows:

1. *Purpose*

   The purpose of the Pre-IPO Share Option Scheme and the Share Option Scheme is to attract and retain the eligible persons, to provide additional incentive to them and to promote the success of the business of the Group.

2. *Participants*

   The Board is authorised, at its absolute discretion and subject to the terms of the Pre-IPO Share Option Scheme and the Share Option Scheme, to grant options to subscribe for the Shares to, inter alia, any employees (full-time and part-time), the Directors, consultants, advisors of the Group.

3. *Total number of Shares available for issue*

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme shall not in aggregate exceed 10% of the issued share capital of the Company as at the Listing Date. No further option could be granted under the Pre-IPO Share Option Scheme.

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 Pre-IPO Share Option Scheme and the Share Option Scheme in any 12-month period shall not exceed 1% of the Shares in issue.

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 Pre-IPO Share Option Scheme and the 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 28 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 for the Share in respect of any particular option granted under the Pre-IPO Share Option Scheme shall be an amount representing 90% of HK$0.3, being the placing price for each of the Shares placed by the Company in February 2014.

The subscription price of the Shares in respect of any particular option granted under the 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 placed by the Company on the date of grant of the option.

9. *Life of the Share Option Scheme*

The Pre-IPO Share Option Scheme was valid and effective for a period which commenced on 26 September 2011, being the date on which the Pre-IPO Share Option Scheme was conditionally adopted and ended on 29 September 2011 took place, after which period no further option was granted thereunder but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect relating to the exercise of any options granted.

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The Share Option Scheme became unconditional on the Listing Date and shall be valid and effective for a period of ten years commencing on the Listing Date, subject to the early termination provisions contained in the Share Option Scheme.

The Company will be 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 Shares in issue on the Listing Date. 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.

(a) Pre-IPO Share Option Scheme

Details of the options granted under the Pre-IPO Share Option Scheme, their movements during the year ended and the options outstanding as at 31 March 2014 were as follows:

	As at 1 April 2013	Adjusted balance as at 6 March 2014 (Note 1)	Granted	Cancelled	Lapsed	Exercise	As at 31 March 2014	Exercise period and vesting period	Subscription price per Share HK$ (Note 1)
Directors									
Mr. Luk, Kee Yan Kelvin	8,000,000	80,000,000	–	–	–	(24,000,000) (Note 2)	56,000,000	Note 3	0.027
Mr. Yue, Kwai Wa Ken	8,000,000	80,000,000	–	–	–	–	80,000,000	Note 3	0.027
Mr. Chan, Ka Kit	600,000	6,000,000	–	–	–	(1,800,000) (Note 4)	4,200,000	Note 3	0.027
Mr. Lam, Pak Cheong	600,000	6,000,000	–	–	–	–	6,000,000 (Note 5)	Note 3	0.027
Mr. Ng, Simon	600,000	6,000,000	–	–	–	–	6,000,000	Note 3	0.027
Others									
Employees	40,000,000	400,000,000	–	–	–	–	400,000,000	Note 3	0.027
	57,800,000	578,000,000	–	–	–	(25,800,000)	552,200,000		

Notes:

1. Pursuant to the Company's announcement of 5 March 2014, the exercise price and the number of outstanding share options have been adjusted with effect from 6 March 2014. Please refer to the Company's announcement dated 5 March 2014 for details.

2. Mr. Luk, Kee Yan Kelvin exercised 24,000,000 options for subscribing 24,000,000 ordinary Shares at the subscription price of HK$0.027 each on 12 March 2014.

3. 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 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. Particulars of the vesting date of the options and the percentage of options vested are as follows:

   (1) The first anniversary of the Listing Date — 30% of the total number of options granted;

   (2) The second anniversary of the Listing Date — 30% of the total number of options granted; and

   (3) The third anniversary of the Listing Date — 40% of the total number of options granted.

4. Mr. Chan, Ka Kit exercised 1,800,000 options for subscribing 1,800,000 ordinary Shares at the subscription price of HK$0.027 each on 7 March 2014.

5. Mr. Lam resigned as the independent non-executive Director on 1 March 2014 and his options lapsed in May 2014.

(b) Share Option Scheme

Details of the options granted under the Share Option Scheme, their movements during the year ended and the options outstanding as at 31 March 2014 were as follows:

	As at 1 April 2013	Granted	Cancelled	Lapsed	Exercise	Adjusted balance as at 6 March 2014 (Note 1)	As at 31 March 2014	Exercise period and vesting period	Subscription price per Share HK$ (Note 1)
Employees	–	10,000,000	–	(1,200,000)	–	88,000,000	88,000,000	Note 2	0.100
	–	10,000,000	–	(1,200,000)	–	88,000,000	88,000,000		

Notes:

1. Pursuant to the Company's announcement of 5 March 2014, the exercise price and the number of outstanding share options have been adjusted with effect from 6 March 2014. Please refer to the Company's announcement dated 5 March 2014 for details.

2. 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. Particulars of the vesting date of the options of these 8 grantees and the 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; and

   (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.

ARRANGEMENTS FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 March 2014 was the Company or any of its subsidiaries 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.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 March 2014, so far as any Directors are aware, the interests or short positions owned by the following parties (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO are as follows:

Long position in the shares, underlying shares and debentures of the Company

Name of shareholder	Nature of interest	Number of Shares	Approximate percentage of interest
Aperto Investments Limited (Note)	Beneficial owner	2,046,000,000	25.49%

Short position in the shares, underlying shares and debentures of the Company

Name of shareholder	Nature of interest	Number of Shares	Approximate percentage of interest
Aperto Investments Limited (Note)	Beneficial owner	370,000,000	4.61%

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

Save as disclosed above and as at 31 March 2014, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

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 year ended 31 March 2014.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year ended 31 March 2014 and up to the date of this report, none of the Directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

INTERESTS OF THE COMPLIANCE ADVISER

As at 31 March 2014, as notified by the Company's compliance adviser, Quam Capital Limited (the "Compliance Adviser"), except for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 29 January 2013, neither the Compliance Adviser nor its directors, employees or associates had any interests in relation to the Company which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules.

AUDIT COMMITTEE

The Audit Committee was established 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 Code on Corporate Governance on 26 September 2011. The primary duties of the Audit Committee are mainly to review the financial systems of the Group; to review the accounting policy, financial position and financial reporting procedures of the Group; to communicate with external auditors; to assess the performance of internal financial and audit personnel; and to assess the internal controls of the Group. The Audit Committee consists of three members, namely Mr. Chan, Ka Kit, Mr. Ko, Wai Lun Warren and Mr. Ng, Simon, all being independent non-executive Directors. The Audit Committee has reviewed the audited consolidated results of the Group for the year ended 31 March 2014.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 March 2014 are set out in note 34 to the consolidated financial statements of the Group. None of these related party transactions constitutes a connected transaction as defined under the GEM Listing Rules upon listing of the Shares on GEM to 31 March 2014.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, 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) from the Listing Date to the date of this report.

AUDITOR

BDO Limited was appointed by the Directors as the first auditor of the Company. The Group's consolidated financial statements for the year ended 31 March 2014 have been audited by BDO Limited. BDO Limited will retire, and being eligible, offer themselves for re-appointment at the forthcoming AGM. A resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming AGM.

SUBSEQUENT EVENT

On 7 May 2014, an ordinary resolution in relation to the proposed bonus issue to shareholders whose names appear on the register of members of the Company on 15 May 2014 on the basis of one bonus Share for every existing Share was approved. The bonus issue was then completed on 23 May 2014. The bonus Shares were credited as fully paid at par by way of capitalisation in the share premium account of the Company.

By Order of the Board
Luk Kee Yan, Kelvin
Chairman and chief executive officer

13 June 2014

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TO THE SHAREHOLDERS OF ROMA GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Roma Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 35 to 95, which comprise the consolidated and company statements of financial position as at 31 March 2014, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements 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 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of the affairs of the Company and of the Group as at 31 March 2014 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited
Certified Public Accountants
Alfred Lee
Practising Certificate no. P04960

Hong Kong, 13 June 2014

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2014

	Notes	**2014** **HK$'000**	2013 HK$'000
Revenue	6	**60,561**	43,133
Other income	8	**2,177**	722
Cost of inventories sold		**(339)**	–
Employee benefit expenses	9	**(19,586)**	(12,753)
Depreciation and amortisation	10	**(867)**	(610)
Finance costs	11	**(104)**	–
Other expenses		**(17,003)**	(15,340)
Profit before income tax expense	10	**24,839**	15,152
Income tax expense	12	**(4,808)**	(3,043)
Profit and total comprehensive income for the year attributable to owners of the Company		**20,031**	12,109
			(restated)
Earnings per share			
— Basic	15	**0.12 cents**	0.09 cents
— Diluted	15	**0.12 cents**	0.08 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 31 March 2014

	Notes	2014 HK$'000	2013 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	17	**3,149**	274
Intangible assets	18	**368**	516
Loans receivable	19	**4,914**	–
		8,431	790
Current assets			
Inventories	21	**592**	–
Loans receivable	19	**5,512**	–
Trade receivables	22	**23,120**	9,419
Prepayments, deposits and other receivables	23	**11,786**	7,696
Amount due from a director	24	**–**	4,699
Tax recoverable		**1,184**	–
Pledged bank deposits	25	**39,793**	–
Cash and bank balances		**23,842**	38,013
		105,829	59,827
Current liabilities			
Trade payables	26	**335**	468
Accrued liabilities and receipt in advance	27	**7,661**	7,387
Finance lease liabilities	28	**349**	–
Bank borrowings	29	**30,242**	–
Current tax liabilities		**2,807**	3,482
		41,394	11,337
Net current assets		**64,435**	48,490
Total assets less current liabilities		**72,866**	49,280
Non-current liabilities			
Finance lease liabilities	28	**1,137**	–
Bank borrowing	29	**826**	–
		1,963	–
Net assets		**70,903**	49,280

Consolidated Statement of Financial Position

As At 31 March 2014

	Notes	**2014** **HK$'000**	2013 HK$'000
EQUITY			
Equity attributable to owners of the Company			
Share capital	30	**8,026**	8,000
Reserves	31	**62,877**	41,280
Total equity		**70,903**	49,280

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

Mr. Luk Kee Yan Kelvin
Director

Mr. Yue Kwai Wa Ken
Director

STATEMENT OF FINANCIAL POSITION

As At 31 March 2014

	Notes	**2014** **HK$'000**	2013 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Investments in subsidiaries	20	**1,065**	–
Current assets			
Prepayments and deposits	23	**164**	114
Amount due from a director	24	**–**	4,699
Amount due from subsidiaries	24	**13,767**	2,500
Pledged bank deposits	25	**39,793**	–
Cash and bank balances		**4,778**	33,087
		58,502	40,400
Current liabilities			
Accrued liabilities	27	**66**	3,398
Amount due to subsidiaries	24	**491**	8,379
		557	11,777
Net current assets		**57,945**	28,623
Total assets less current liabilities/net assets		**59,010**	28,623
EQUITY			
Share capital	30	**8,026**	8,000
Reserves	31	**50,984**	20,623
Total equity		**59,010**	28,623

On behalf of the Board

Mr. Luk Kee Yan Kelvin
Director

Mr. Yue Kwai Wa Ken
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2014

	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 2012	–	–	10	47	10,667	10,724
2012 special dividend (note 13)	–	–	–	–	(7,000)	(7,000)
Capitalisation issue (note 30(b))	6,800	(6,800)	–	–	–	–
Shares issued on placing, net of expenses (note 30(c))	1,200	32,120	–	–	–	33,320
Equity-settlement share-based payment (note 32(b))	–	–	–	127	–	127
Transactions with owners	8,000	25,320	–	127	(7,000)	26,447
Profit and total comprehensive income for the year	–	–	–	–	12,109	12,109
At 31 March 2013 and 1 April 2013	8,000	25,320	10	174	15,776	49,280
Exercise of share options (note 30(e))	26	669	–	–	–	695
Equity-settlement share-based payment (note 32(a) & (b))	–	–	–	897	–	897
Transactions with owners	26	669	–	897	–	1,592
Profit and total comprehensive income for the year	–	–	–	–	20,031	20,031
At 31 March 2014	8,026	25,989	10	1,071	35,807	70,903

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

Consolidated Statement of Cash Flows

For the year ended 31 March 2014

	Notes	**2014 HK$'000**	2013 HK$'000
Cash flows from operating activities			
Profit before income tax expense		**24,839**	15,152
Adjustments for:			
Finance costs	11	**104**	–
Fair value loss on derivative financial instruments, net	10	**–**	80
Impairment loss on trade and other receivables	10	**1,743**	–
Interest income	8	**(14)**	–
Reversal of provision for tax surcharge	8	**–**	(110)
Depreciation of property, plant and equipment	10	**712**	469
Amortisation of intangible assets	10	**155**	141
Share-based payment compensation	9, 32(a) & (b)	**897**	127
Operating profit before working capital changes		**28,436**	15,859
Increase in inventories		**(592)**	–
Increase in trade receivables		**(13,951)**	(4,332)
Increase in loans receivable		**(10,426)**	–
Increase in prepayments, deposits and other receivables		**(5,583)**	(38)
Decrease/(increase) in amount due from a director		**4,699**	(4,699)
(Decrease)/increase in trade payables		**(133)**	118
Increase in accrued liabilities and receipt in advance		**274**	4,007
Cash generated from operations		**2,724**	10,915
Hong Kong Profits Tax paid		**(6,667)**	(5,909)
Net cash (used in)/generated from operating activities		**(3,943)**	5,006
Cash flows from investing activities			
Interest received		**14**	–
Purchase of property, plant and equipment		**(1,794)**	(16)
Purchase of intangible assets		**(7)**	(181)
Increase in pledged bank deposits		**(39,793)**	–
Settlements on disposal of derivative financial instruments		**–**	(86)
Net cash used in investment activities		**(41,580)**	(283)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2014

	Notes	2014 HK$'000	2013 HK$'000
Cash flows from financing activities			
Issue of shares on placing, net of expenses		**–**	33,320
Proceeds from exercise of share options	30(e)	**695**	–
2012 special dividend paid	13	**–**	(7,000)
Proceeds from bank borrowings		**31,140**	–
Repayments of bank borrowings		**(72)**	–
Repayments of finance lease liabilities		**(307)**	–
Interests paid		**(104)**	–
Net cash from financing activities		**31,352**	26,320
Net (decrease)/increase in cash and cash equivalents		**(14,171)**	31,043
Cash and cash equivalents at the beginning of year		**38,013**	6,970
Cash and cash equivalents at the end of year		**23,842**	38,013
Analysis of balances of cash and cash equivalents			
Cash and bank balances		**23,842**	38,013

1. GENERAL

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, PO Box 2681, Grand Cayman, KY1-1111, the 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 and its subsidiaries as mentioned in note 18 are collectively referred to as the "Group".

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

The shares of the Company were listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") by way of placing on 25 February 2013.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new/revised HKFRSs — effective 1 April 2013

HKFRSs (Amendments)	Annual Improvements 2009-2011 Cycle
HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle
Amendments to HKAS 1 (Revised)	Presentation of Items of Other Comprehensive Income
Amendments to HKFRS 7	Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 27 (2011)	Separate Financial Statements
HKAS 28 (2011)	Investments in Associates and Joint Ventures
HKAS 19 (2011)	Employee Benefits
HK(IFRIC) — Interpretation 20	Stripping Costs of the Production Phase of a Surface Mine
Amendments to HKFRS 1	Government loans

The adoption of these new/revised standards and interpretations has no material impact on the Group's financial statements.

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(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
HKFRS 9	Financial Instruments[4]
Amendments to HKAS 19 (2011)	Defined Benefit Plans: Employee Contributions[2]
HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle[3]
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle[2]

1 Effective for annual periods beginning on or after 1 January 2014
2 Effective for annual periods beginning on or after 1 July 2014
3 Effective for annual periods beginning, or transactions occurring, on or after 1 July 2014
4 No mandatory effective date yet determined but is available for immediate adoption

Amendments to HKAS 32 — Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity "currently has a legally enforceable right to set off" and when a gross settlement mechanism is considered equivalent to net settlement.

HKFRS 9 — Financial Instruments

Under HKFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for those non-trade equity investments, which the entity will have a choice to recognise the gains and losses in other comprehensive income. HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

Amendments to HKAS 19 (2011) — Defined Benefit Plans: Employee Contributions

The amendments permit contributions that are independent of the number of years of service to be recognised as a reduction in the service cost in the period in which the service is rendered instead of allocating the contributions to periods of service.

Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle

The amendments issued under the annual improvements process make small, non-urgent changes to a number of standards where they are currently unclear. Among them, HKAS 16 "Property, Plant and Equipment" has been amended to clarify how the gross carrying amount and accumulated depreciation are treated where an entity uses the revaluation model. The carrying amount of the asset is restated to revalued amount. The accumulated depreciation may be eliminated against the gross carrying amount of the asset. Alternatively, the gross carrying amount may be adjusted in a manner consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the directors so far concluded that the adoption of new/revised HKFRSs will have no material impact on the Group's financial statements.

3. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRSs") and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules").

(b) Basis of measurement

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

(c) 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

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company 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 results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. 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.

(b) 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, (3) and 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.

(c) Foreign currency translation

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the group entity operates (i.e. the "functional 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.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset 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' cost less their residual value 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%

The assets' estimated residual values, depreciation methods and estimated useful lives are reviewed, and adjusted if appropriate, at the end of reporting period.

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.

(e) Intangible assets

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:

Accounting and valuation softwares	5 years

Amortisation commences when the intangible assets are available for use. Intangible assets with finite useful lives are tested for impairment as described below in note 4(p).

(f) Financial assets

Financial assets of the Group are classified as financial assets at fair value through profit or loss and loans and receivables.

Management determines the classification of financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Derecognition of financial assets occurs when the right to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Financial assets at fair value through profit or loss

These include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments or financial guarantee contracts.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met:

— the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or

— the assets are part of a group of financial assets which are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the group of financial assets is provided internally on that basis to the key management personnel; or

— the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in profit or loss. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists. Fair value gain or loss does not include any dividend or interest earned on these financial assets. Dividend and interest income is recognised in accordance with the Group's accounting policies in note 4(o).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability on initial recognition. The calculation includes significant fees and transaction costs that are an integral part of the effective interest rate, and premiums or discounts.

Impairment of financial assets

At the end of reporting period, financial assets are reviewed to assess whether there is objective evidence of impairment. If any of such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss 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; and

— Significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Impairment loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

Where the recovery of loans and receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of receivables is remote, the amount considered irrecoverable is written off against receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(g) Derivative financial instruments

Derivative financial instruments, in individual contracts or separated from hybrid financial instruments, are initially recognised at fair value on the date the derivative contract is entered into and subsequently remeasured at fair value. Derivatives that are not designated as hedging instruments are accounted for as financial assets or financial liabilities at fair value through profit or loss. Gains or losses arising from changes in fair value are taken directly to profit or loss for the year.

(h) 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 HKAS 39.

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

(i) Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(j) Cash and cash equivalents

Cash and cash equivalents include cash at bank and other financial institutions and in hand.

(k) Financial liabilities

The Group's financial liabilities include trade payables, accrued liabilities, finance lease liabilities, bank borrowings and derivative financial instruments. The Company's financial liabilities include accrued liabilities and amounts due to subsidiaries.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Trade payables, accrued liabilities, finance lease liabilities and bank borrowings

These are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

Derivatives

Derivatives including separated embedded derivatives are measured at fair value (see note 4(g)).

(l) Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

(a) Operating lease

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating lease. Where the Group has the right to use of assets held under operating leases, payments made under the operating leases are charged to profit or loss on a straight-line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

(b) Finance lease

Assets held under finance leases are initially recognised as assets at their fair value or, if lower, the present value of the minimum lease payments. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to profit or loss over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

(m) 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 the end of reporting period 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.

(n) 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.

(o) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for rendering of services. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

— Service income is recognised upon provision of the services, by reference to the percentage-of-completion of services performed to date to the total services to be performed. Service income received in advance is included in the consolidated statement of financial position as "receipt in advance". Service income recognised but unbilled is included in the consolidated statement of financial position as "accrued revenue".

— Interest income is recognised on a time-proportion basis using the effective interest method.

— Sale of goods is recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods.

— Dividend income is recognised when the right to receive payment is established.

(p) Impairment of non-financial assets

Property, plant and equipment and intangible assets are subject to impairment testing. Property, plant and equipment and intangible assets with finite useful lives 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 sell, 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 from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Impairment loss recognised for cash-generating units is charged pro rata to the assets in the cash-generating units, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

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.

(q) 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) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

(r) Share-based payments

Where share options are awarded to employees and others providing similar services, the fair value of the options 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 options that eventually vest. Market vesting conditions are factored into the fair value of the options 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 the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also recognised in profit or loss over the remaining vesting period.

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 qualify for recognition as assets. A corresponding increase in equity as share option reserve is recognised. For cash-settled share-based payments, a liability is recognised at the fair value of the goods or services received.

(s) Accounting for income tax

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting period, that are unpaid at the end of reporting period. 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 period. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss except when the changes relate to items recognised in other comprehensive income or directly in equity in which case the changes are also recognised in other comprehensive income or directly in equity respectively.

Deferred tax is calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. 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 profit, including existing taxable temporary differences, will be available against which the 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 initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the end of reporting period.

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.

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

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

(b) the Group 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 Group 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.

(t) 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); or

(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).

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 and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependents of that person or that person's spouse or domestic partner.

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 differ from these estimates.

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 receivables

Management determines impairment losses for receivables resulting from inability of the customers or other debtors to make the required payments. A considerable amount of estimate and judgement is required in assessing the ultimate realisation of these receivables which is based on the ageing of the receivables, customer's and other debtor's credit-worthiness, value of the collaterals and historical write-off experience. If the financial conditions of customers or other debtors deteriorate, allowance for impairment losses may be required.

Revenue recognition

The Group's service income from provision of valuation and advisory services is recognised upon provision of the services, by reference to the percentage-of-completion of services performed to date to the total services to be performed. The determination of the percentage-of-completion involves estimates and judgement on the extent of services performed during the period and the total services to be performed. Management uses a project report sheet to record the progress of each project which is prepared by the teamhead and is subject to review on a monthly basis and approval by the directors. Management will base on information available, including, among others, the project report sheet to determine the percentage-of-completion for each project and to decide on the amount of revenue to be recognised at the end of reporting period.

6. REVENUE

The Group's principal activities are provision of valuation and advisory services. The Group commenced other businesses, such as provision of financing services, during the year ended 31 March 2014.

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

	2014	2013
	HK$'000	HK$'000
Services fee income from provision of valuation and advisory services	**58,916**	43,133
Interest income from provision of financing services	**1,212**	–
Others	**433**	–
	60,561	43,133

7. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Company's executive directors. During the year, the Group established, among others, new business segments, resulting in a change in composition of reportable operating segments. The executive directors have identified the Group's product and service lines as reportable operating segments as follows:

(i) Valuation and advisory services;

(ii) Financing services; and

(iii) All other segments — trading of wines and others.

Corresponding items of segment information for the year ended 31 March 2013, during which the executive directors considered the Group had one reportable operating segment, have been restated for consistent presentation with current year's segment information.

(a) Business segments

For the year ended 31 March 2014

	Valuation and advisory services HK$'000	Financing services HK$'000	All other segments HK$'000	Total HK$'000
Segment revenue (note (i))	**58,916**	**1,212**	**433**	**60,561**
Segment results (note (ii))	**30,725**	**440**	**(458)**	**30,707**
Other segment information				
Depreciation	**(94)**	**–**	**(6)**	**(100)**
Amortisation	**(155)**	**–**	**–**	**(155)**
Impairment of trade and other receivables	**(1,743)**	**–**	**–**	**(1,743)**
Income tax expense	**(4,789)**	**(17)**	**(2)**	**(4,808)**
Additions to non-current assets (excluding financial instruments)	**297**	**–**	**244**	**541**
Segment assets	**34,881**	**11,211**	**923**	**47,015**
Segment liabilities	**(9,660)**	**(309)**	**(350)**	**(10,319)**

For the year ended 31 March 2013 (restated)

	Valuation and advisory services HK$'000	Financing services HK$'000	All other segments HK$'000	Total HK$'000
Segment revenue (note (i))	43,133	–	–	43,133
Segment results (note (ii))	22,438	–	–	22,438
Other segment information				
Reversal of provision for tax surcharge	110	–	–	110
Depreciation	(63)	–	–	(63)
Amortisation	(141)	–	–	(141)
Income tax expense	(3,043)	–	–	(3,043)
Additions to non-current assets (excluding financial instruments)	197	–	–	197
Segment assets	17,699	–	–	17,699
Segment liabilities	(7,730)	–	–	(7,730)

Notes:

(i) Segment revenue reported above represents revenue generated from external customers. There were no 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 result 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 chief operating decision-maker for the purpose of resources allocation and performance assessment.

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

	2014 HK$'000	2013 HK$'000 (restated)
Profit before income tax expense		
Reportable segment profit	**30,707**	22,438
Unallocated interest income	**14**	–
Unallocated employee benefit expenses	**(3,696)**	(3,466)
Unallocated depreciation	**(612)**	(406)
Unallocated finance costs	**(104)**	–
Unallocated other expenses	**(1,470)**	(3,414)
Consolidated profit before income tax expense	**24,839**	15,152
Assets		
Reportable segment assets	**47,015**	17,699
Unallocated property, plant and equipment	**2,533**	92
Unallocated pledged bank deposits	**39,793**	–
Unallocated cash and bank balances	**23,842**	38,013
Unallocated corporate assets	**1,077**	4,813
Consolidated total assets	**114,260**	60,617
Liabilities		
Reportable segment liabilities	**(10,319)**	(7,730)
Unallocated finance lease liabilities	**(1,486)**	–
Unallocated bank borrowings	**(31,068)**	–
Unallocated corporate liabilities	**(484)**	(3,607)
Consolidated total liabilities	**(43,357)**	(11,337)

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(c) 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.

(d) Information about major customer

For the years ended 31 March 2014 and 2013, none of the customers contributed 10% or more of the revenue of the Group.

8. OTHER INCOME

	2014	2013
	HK$'000	HK$'000
Reimbursement of expenses	**1,323**	462
Reversal of provision for tax surcharge (note)	**–**	110
Interest income	**14**	–
Others	**840**	150
	2,177	722

Note: During the year ended 31 March 2012, two subsidiaries of the Group, Roma Appraisals Limited ("Roma Appraisals") and Roma Oil and Mining Associates Limited ("Roma Oil and Mining"), applied for payment of income tax payable by instalments. The applications were approved by the Hong Kong Inland Revenue Department ("IRD") in March 2012 and July 2012, respectively. According to the repayment schedules approved by the IRD, tax surcharge would apply as the tax payable would become due immediately. In August 2012, Roma Oil and Mining settled the income tax payable and a reversal of provision for tax surcharge amounted to HK$110,000 was recognised for the year ended 31 March 2013.

9. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2014	2013
	HK$'000	HK$'000
Wages and salaries	**17,449**	11,778
Contributions on defined contribution retirement plans	**431**	249
Share-based payment compensation — equity settled	**897**	127
Other benefits	**809**	599
	19,586	12,753

10. PROFIT BEFORE INCOME TAX EXPENSE

	2014 HK$'000	2013 HK$'000
Profit before income tax expense is arrived at after charging:		
Auditor's remuneration	**558**	418
Depreciation of property, plant and equipment	**712**	469
Amortisation of intangible assets	**155**	141
Exchange loss, net	**219**	44
Fair value loss on derivative financial instruments, net (note (a))	**–**	80
Consultancy fee	**2,115**	3,244
Impairment loss on trade and other receivables	**1,743**	–
Operating lease charges in respect of buildings (note (b))	**3,895**	2,050

Notes:

(a) During the year ended 31 March 2013, the Group held some derivative financial instruments, which are stated at fair value measured as quoted prices (unadjusted) in active markets for identical assets and recognised net fair value loss on its derivative financial instruments amounting to HK$80,000, which was debited to "fair value gain on derivative financial instruments" under other expenses. No derivative contract was held as at 31 March 2014 (2013: nil).

(b) For the year ended 31 March 2014, operating lease charges in respect of buildings included rental expenses for the Group's office premises of HK$3,895,000 (2013: office premises of HK$1,594,000 and staff quarter of HK$456,000). Rental expenses for office premises and staff quarter are included in "other expenses" and "employee benefit expenses" in the consolidated statement of comprehensive income respectively.

11. FINANCE COSTS

	2014 HK$'000	2013 HK$'000
Interest on bank borrowings repayable within five years	**48**	–
Interest on finance leases	**56**	–
	104	–

ROMA

12. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits for the year.

	2014	2013
	HK$'000	HK$'000
Current tax — Hong Kong Profits Tax		
Tax for the year	**4,808**	3,043

The income tax expense for the year can be reconciled to the profit before income tax expense per the consolidated statement of comprehensive income as follows:

	2014	2013
	HK$'000	HK$'000
Profit before income tax expense	**24,839**	15,152
Tax on profit before income tax expense, calculated at the rates applicable to profits in the tax jurisdiction concerned	**4,098**	2,500
Tax effect of non-deductible expenses	**234**	501
Tax effect of non-taxable revenue	**(2)**	(18)
Tax effect of temporary differences not recognised	**275**	60
Tax effect of tax losses not recognised	**241**	–
Others	**(38)**	–
Income tax expense	**4,808**	3,043

No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams. The unused tax losses of HK$1,460,000 (2013: nil) can be carried forward indefinitely.

13. DIVIDENDS

	2014 HK$'000	2013 HK$'000
Special dividend of HK$700 per ordinary share (note (a))	–	7,000
	–	7,000

Notes:

(a) On 2 April 2012, the Company declared special dividend for the year ended 31 March 2012 of HK$700 per share, totalling HK$7,000,000, to its then shareholder. The special dividend was settled by cash payments of HK$3,000,000 on 2 April 2012 and HK$4,000,000 on 26 July 2012 respectively.

(b) The Board does not recommend the payment of dividend for the year ended 31 March 2014.

14. LOSS ATTRIBUTABLE TO SHAREHOLDERS

Loss attributable to shareholders of the Company includes a loss of HK$1,205,000 (2013: HK$3,012,000) which has been dealt with in the financial statements of the Company.

15. 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:

	2014	2013
	HK$'000	HK$'000
Earnings		
Earnings for the purpose of basic and dilute earnings per share	**20,031**	12,109
	'000	'000 (restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share (note (a))	**16,034,849**	13,830,137
Effect of dilutive potential ordinary shares:		
— share options (note (b))	**1,088,187**	727,791
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**17,123,036**	14,557,928

Notes:

(a) Weighted average of 16,034,849,000 (2013 (restated): 13,830,137,000) ordinary shares are derived from 8,025,800,000 ordinary shares, being the number of shares in issue during the year (2013 (restated): 6,800,000,000 ordinary shares, being the number of shares in issue immediately after the completion of capitalisation issue, deemed to have been issued throughout the period from 1 April 2012 and up to 25 February 2013, immediately before the completion of share placing) and after taking into account the effect of bonus issue being approved on 7 May 2014 (note 38).

(b) Weighted average of 1,088,187,000 (2013 (restated): 727,791,000) ordinary shares deemed to be issued at no consideration as if the Company's share options, after taking into account the effect of bonus issue being approved on 7 May 2014 (note 38), have been exercised.

(c) For the purpose of calculation of basic and diluted earnings per share for the years ended 31 March 2014 and 2013, the share subdivision being effective on 6 March 2014 (note 30(d)) was deemed to be effective throughout the period from 1 April 2012 to 31 March 2014.

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

(a) Directors' emoluments

Directors' emoluments disclosed pursuant to the GEM Listing Rules and Section 161 of the Hong Kong Companies Ordinance are as follows:

	Fees	Salaries, allowances and other benefits	Contributions on defined contribution retirement plans	Share-based payment compensation — equity settled	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Year ended 31 March 2014					
Executive directors					
Mr. Luk Kee Yan Kelvin	**–**	**1,560**	**15**	**10**	**1,585**
Mr. Yue Kwai Wa Ken	**–**	**1,724**	**15**	**10**	**1,749**
	–	**3,284**	**30**	**20**	**3,334**
Independent non-executive directors					
Mr. Ko Wai Lun	**9**	**–**	**–**	**–**	**9**
Mr. Chan Ka Kit	**120**	**–**	**–**	**1**	**121**
Mr. Lam Pak Cheong	**110**	**–**	**–**	**1**	**111**
Mr. Ng Simon	**120**	**–**	**–**	**1**	**121**
	359	**–**	**–**	**3**	**362**
	359	**3,284**	**30**	**23**	**3,696**
Year ended 31 March 2013					
Executive directors					
Mr. Luk Kee Yan Kelvin	–	1,896	15	12	1,923
Mr. Yue Kwai Wa Ken	–	1,480	15	12	1,507
	–	3,376	30	24	3,430
Independent non-executive directors					
Mr. Chan Ka Kit	11	–	–	1	12
Mr. Lam Pak Cheong	11	–	–	1	12
Mr. Ng Simon	11	–	–	1	12
	33	–	–	3	36
	33	3,376	30	27	3,466

Mr. Lam Pak Cheong resigned as independent non-executive director on 1 March 2014. Mr. Ko Wai Lun was appointed as independent non-executive director on 6 March 2014.

There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 March 2014 and 31 March 2013.

(b) Senior management's emoluments

The emoluments paid or payable to members of senior management (excluding the directors) are within the following bands:

	Number of individuals	
	2014	2013
Nil to HK$1,000,000	**2**	1
HK$1,000,001 to HK$2,000,000	**–**	1

(c) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2013: two) were directors of the Company whose emoluments are included in the disclosures in note 16(a) above. The emoluments of the remaining three (2013: three) individuals were as follows:

	2014	2013
	HK$'000	HK$'000
Salaries, allowances and other benefits	**2,472**	2,138
Contributions on defined contribution retirement plans	**45**	44
Share-based payment compensation — equity settled	**20**	21
	2,537	2,203

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

	Number of individuals	
	2014	2013
Nil to HK$1,000,000	**3**	2
HK$1,000,001 to HK$2,000,000	**–**	1

During the year, 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 (2013: nil).

17. PROPERTY, PLANT AND EQUIPMENT

THE GROUP

	Leasehold improvements HK$'000	Furniture, fixtures and office equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
Cost				
At 1 April 2012	908	301	–	1,209
Additions	–	16	–	16
At 31 March 2013 and 1 April 2013	908	317	–	1,225
Additions	1,260	534	1,793	3,587
At 31 March 2014	2,168	851	1,793	4,812
Accumulated depreciation				
At 1 April 2012	410	72	–	482
Depreciation	406	63	–	469
At 31 March 2013 and 1 April 2013	816	135	–	951
Depreciation	452	100	160	712
At 31 March 2014	1,268	235	160	1,663
Net book value				
At 31 March 2014	900	616	1,633	3,149
At 31 March 2013	92	182	–	274

The Group's motor vehicles are acquired under finance leases.

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18. INTANGIBLE ASSETS

THE GROUP

	Accounting software HK$'000	Valuation software HK$'000	Total HK$'000
Cost			
At 1 April 2012	7	585	592
Additions	7	174	181
At 31 March 2013 and 1 April 2013	14	759	773
Additions	7	–	7
At 31 March 2014	21	759	780
Amortisation			
At 1 April 2012	1	115	116
Amortisation	3	138	141
At 31 March 2013 and 1 April 2013	4	253	257
Amortisation	4	151	155
At 31 March 2014	8	404	412
Net book value			
At 31 March 2014	13	355	368
At 31 March 2013	10	506	516

19. LOANS RECEIVABLE

THE GROUP

	2014 HK$'000	2013 HK$'000
Mortgage loans	**2,847**	–
Other loans	**7,579**	–
Gross loans receivable	**10,426**	–
Current portion included in current assets	**(5,512)**	–
Amounts due after one year included in non-current assets	**4,914**	–

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 loans receivable charged interests at contract rates ranging 13.2%–31.2% per annum (2013: nil).

The directors of the Company consider that the fair values of loans receivable are not materially different from their carrying amounts.

A maturity profile of the loans receivable at the end of reporting period, based on the maturity date, is as follows:

	2014 HK$'000	2013 HK$'000
Current	**5,512**	–
1 to 5 years	**3,316**	–
Over 5 years	**1,598**	–
	10,426	–

The ageing analysis of loans receivable based on the loan draw down date at the end of reporting period is as follows:

	2014 **HK$'000**	2013 HK$'000
0 to 30 days	**665**	–
31 to 60 days	**1,026**	–
61 to 90 days	**2,943**	–
91 to 180 days	**5,792**	–
	10,426	–

The ageing analysis of loans receivable based on due date at the end of reporting period is as follows:

	2014 **HK$'000**	2013 HK$'000
Neither past due nor impaired	**10,333**	–
1 to 90 days past due	**93**	–
	10,426	–

Loans receivable that were neither past due nor impaired related to a wide range of customers that have good track records with the Group.

Loans receivable that were past due but not impaired relate to customers that have good track records with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

20. INVESTMENTS IN SUBSIDIARIES

THE COMPANY

	2014 **HK$'000**	2013 HK$'000
Unlisted shares, at cost	**–**	–
Deemed capital contribution (note)	**1,065**	–
	1,065	–

Note: The balance represented the share-based payments in relation to share options (note 32) granted to certain staff of the subsidiaries.

Details of the subsidiaries at the end of reporting period are as follows:

Name	Place of incorporation/ operation	Issued and fully paid share capital	Attributable equity interest held by the Company Directly	Indirectly	Principal activities
United Brilliant Limited	BVI/Hong Kong	10,000 shares of US Dollars ("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	Hong Kong	10,000 shares of HK$1 each	–	100%	Provision of valuation and consultancy services
Roma Oil and Mining	Hong Kong	100 shares of HK$1 each	–	100%	Provision of natural resources valuation and technical advisory services
M Success Finance Limited	Hong Kong	1 share of HK$1 each	–	100%	Provision of financing services
Gaia Wine Cellar Limited	Hong Kong	1 share of HK$1 each	–	100%	Trading of wine
Project P Enterprise Limited	Hong Kong	1 share of HK$1 each	–	100%	Not yet commenced business
Charleton Holdings Limited	BVI/Hong Kong	1 share of US$1 each	–	100%	Investment holding
Roma Surveyors and Property Consultants Limited	Hong Kong	1 share of HK$1 each	–	100%	Provision of valuation on real estate and agency services
Roma Credit and Risk Evaluation Limited	Hong Kong	1 share of HK$1 each	–	100%	Provision of credit rating 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%	Not yet commenced business
Blink Diamond Limited	Hong Kong	1 share of HK$1 each	–	100%	Not yet commenced business
Roma Strategic Marketing Limited	Hong Kong	1 share of HK$1 each	–	100%	Provision of marketing and event organisation services

None of the subsidiaries of the Company had issued any debt securities at 31 March 2014 or any time during the year (2013: nil).

21. INVENTORIES

THE GROUP

	2014	2013
	HK$'000	HK$'000
Wine for resale	**592**	–

22. TRADE RECEIVABLES

THE GROUP

The Group generally grants credit terms of 0–90 days to the customers. The ageing analysis of trade receivables based on invoice date at the end of reporting period is as follows:

	2014	2013
	HK$'000	HK$'000
0 to 30 days	**12,847**	3,313
31 to 60 days	**1,530**	1,809
61 to 90 days	**5,163**	750
91 to 180 days	**119**	1,327
181 to 360 days	**1,950**	1,985
Over 360 days	**1,511**	235
	23,120	9,419

The ageing analysis of trade receivables based on due date at the end of reporting period is as follows:

	2014	2013
	HK$'000	HK$'000
1 to 90 days past due	**19,540**	5,872
91 to 180 days past due	**119**	1,327
181 to 360 days past due	**1,950**	1,985
Over 360 days past due	**1,511**	235
	23,120	9,419

Trade receivables that were past due but not impaired related to a number of independent customers that had a good track record of credit with the Group. At the end of each reporting periods, the Group reviews trade receivables for evidence of impairment on both individual and collective basis. Based on past credit history, management believes that no impairment loss is necessary in respect of trade receivables that were past due but not impaired as there has not been a significant change in credit quality and the balances are still considered to be fully recoverable. The Group did not hold any collateral as security or other credit enhancement over the trade receivables.

The table below reconciles the impairment loss of trade receivables for the year:

	Group	
	2014	2013
	HK$'000	HK$'000
At 1 April	**–**	–
Impairment loss recognised	**250**	–
At 31 March	**250**	–

The Group recognised impairment loss based on the accounting policy stated in note 4(f).

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

THE GROUP

	2014	2013
	HK$'000	HK$'000
Accrued revenue	**8,697**	6,638
Prepayments	**996**	539
Deposits	**2,093**	519
	11,786	7,696

The table below reconciles the impairment loss of prepayments, deposits and other receivables for the year:

	2014	2013
	HK$'000	HK$'000
At 1 April	**–**	–
Impairment loss recognised	**1,493**	–
At 31 March	**1,493**	–

The Group recognised impairment loss based on the accounting policy stated in note 4(f).

THE COMPANY

	2014	2013
	HK$'000	HK$'000
Prepayments	**154**	114
Deposits	**10**	–
	164	114

24. AMOUNTS DUE FROM/(TO) A DIRECTOR AND SUBSIDIARIES

THE GROUP AND THE COMPANY

The amounts were unsecured, interest-free and repayable on demand.

Particulars of amount due from a director disclosed pursuant to Section 161B of the Hong Kong Companies Ordinance are as follows:

	As at 31 March 2014 HK$'000	**Maximum amount outstanding during the year ended 31 March 2014 HK$'000**	**As at 1 April 2013 HK$'000**
Amount due from a director			
— Mr. Luk Kee Yan Kelvin (note)	**–**	**4,699**	**4,699**

	As at 31 March 2013 HK$'000	Maximum amount outstanding during the year ended 31 March 2013 HK$'000	As at 1 April 2012 HK$'000
Amount due from a director			
— Mr. Luk Kee Yan Kelvin (note)	4,699	4,699	–

Note: The balance represented the prepaid listing expenses allocated to Mr. Luk Kee Yan Kelvin in accordance with the allocation ratio set out in the prospectus of the Company dated 31 January 2013. The balance has been settled as at 31 March 2014.

25. PLEDGED BANK DEPOSITS

THE GROUP AND THE COMPANY

Pledged bank deposits represented cash at bank held by the Company and Roma Appraisals pledged for a bank borrowing (note 29).

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26. TRADE PAYABLES

THE GROUP

At the end of the reporting period, the Group was granted by its suppliers credit periods ranging from 0 to 30 (2013: 0 to 30) days. The ageing analysis of the trade payables based on invoice date at the end of reporting period is as follows:

	2014	2013
	HK$'000	HK$'000
0 to 30 days	**–**	175
91 to 180 days	**42**	–
Over 360 days	**293**	293
	335	468

27. ACCRUED LIABILITIES AND RECEIPT IN ADVANCE

THE GROUP

	2014	2013
	HK$'000	HK$'000
Accrued liabilities	**1,218**	4,417
Receipt in advance	**6,443**	2,970
	7,661	7,387

THE COMPANY

	2014	2013
	HK$'000	HK$'000
Accrued liabilities	**66**	3,398

28. FINANCE LEASE LIABILITIES

THE GROUP

The Group leased 2 motor vehicles in the year ended 31 March 2014. The leases of motor vehicles were classified as finance lease as the rental period amounted to the estimated useful economic life of the assets concerned and the Group has the right to purchase the assets outright at the end of the minimum lease term by paying a nominal amount.

The Group had no obligations under finance lease as at 31 March 2013.

Future lease payments as at 31 March 2014 are due as follows:

	Minimum lease payments HK$'000	Interest HK$'000	Present value HK$'000
Not later than one year	**395**	**46**	**349**
Later than one year and not later than five years	**1,198**	**61**	**1,137**
	1,593	**107**	**1,486**

The present value of future lease payments are analysed as:

	2014 HK$'000	2013 HK$'000
Current liabilities	**349**	–
Non-current liabilities	**1,137**	–
	1,486	–

29. BANK BORROWINGS

THE GROUP

	2014 HK$'000	2013 HK$'000
Current		
Interest bearing		
— bank borrowings due for repayment within one year (notes (a) & (b))	**30,242**	–
Non-current		
Interest bearing		
— bank borrowing (note (b))	**826**	–
	31,068	–

Notes:

(a) The bank borrowing of HK$30,000,000 (2013: nil) was secured by bank deposits of HK$39,793,000 placed by the Company and Roma Appraisals in the bank. Interest is charged at Hong Kong Inter-bank Offered Rate + 2% (2013: nil).

(b) The bank borrowing of HK$1,068,000 (2013: nil) was secured by guarantee from the executive directors of the Company. Interest is charged at 0.55% per month (2013: nil).

The banking facility of one of the loans is subject to the fulfillment of covenants relating to minimum requirement of pledge 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 was to breach the covenants, the drawn down facility would become repayable on demand. In addition, one of the subsidiary's loan agreements contains clauses which give the lender the right at the lender's sole discretion to demand immediate repayment at any time irrespective of whether the subsidiary has complied with the covenants and met the scheduled repayment obligations.

At 31 March, total current and non-current bank borrowings were scheduled to repay as follows:

	2014 **HK$'000**	2013 HK$'000
On demand or within one year	**30,242**	–
More than one year, but not exceeding two years	**279**	–
More than two years, but not exceeding five years	**547**	–
	31,068	–

The amounts due are based on the scheduled repayment dates in the loan agreements and ignore the effect of any repayment on demand clause.

The Group regularly monitors the compliance with these covenants and the scheduled repayments of the loan and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as the subsidiary continues to meet these requirements. Further details of the Company's management of liquidity risk are set out in note 35(d). As at 31 March 2014, none of the covenants relating to drawn down facilities had been breached.

30. SHARE CAPITAL

	Number of ordinary shares at HK$0.01 per share	at HK$0.001 per share	HK$'000
Authorised			
At 1 April 2012	38,000,000	–	380
Increase in authorised share capital (note (a))	7,962,000,000	–	79,620
At 31 March 2013 and 1 April 2013	8,000,000,000	–	80,000
Effect of share subdivision (note (d))	(8,000,000,000)	80,000,000,000	–
As at 31 March 2014	–	80,000,000,000	80,000
Issued			
At 1 April 2012	10,000	–	–
Capitalisation issue credited as fully paid on the share premium account of the Company (note (b))	679,990,000	–	6,800
Shares issued on placing (note (c))	120,000,000	–	1,200
At 31 March 2013 and 1 April 2013	800,000,000	–	8,000
Effect of share subdivision (note (d))	(800,000,000)	8,000,000,000	–
Share issued on exercise of share options (note (e))	–	25,800,000	26
As at 31 March 2014	–	8,025,800,000	8,026

Notes:

(a) On 28 January 2013, the authorised share capital of the Company increased from 38,000,000 shares of HK$0.01 each to 8,000,000,000 shares of HK$0.01 each. As a result, the Company's authorised share capital increased from HK$380,000 to HK$80,000,000.

(b) Pursuant to the resolution passed on 28 January 2013, 679,990,000 shares were allotted and issued at par value of HK$0.01 each to Aperto as fully paid at par by way of capitalisation of the sum of HK$6,799,900 debited of the share premium account.

(c) Pursuant to the share placing on 25 February 2013, 120,000,000 shares of HK$0.01 each were issued at a price of HK$0.3 per share. Accordingly, the Company's share capital increased by HK$1,200,000 and the balance of the proceeds of HK$32,120,000, after deducting the listing expenses of HK$2,680,000, was credited to the share premium account.

(d) Pursuant to the share subdivision on 6 March 2014, the authorised share capital of the Company of HK$80,000,000 was divided into 80,000,000,000 subdivided shares, of which 8,000,000,000 subdivided shares was issued and fully paid. After the shares subdivision, each of the existing issued and unissued shares of par value of HK$0.01 each in the share capital of the Company was subdivided into ten subdivided shares of par value of HK$0.001 each.

(e) During the year ended 31 March 2014, the issued share capital of the Company was increased due to the exercise of share option by certain directors. Details of the share options issued during the year are summarised in note 32. The shares issued during the year in relation to share options exercised have the same rights as other ordinary shares of the Company in issue.

31. RESERVES

THE GROUP

Share premium

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

Cumulative expenses recognised on the granting of share options to the employees over the vesting period.

Retained earnings/(accumulated losses)

Retained earnings/(accumulated losses) represents the cumulative gain or loss recognised.

THE COMPANY

	Share premium HK$'000	Share option reserve HK$'000	Retained earnings/ (accumulated losses) HK$'000	Total HK$'000
At 1 April 2012	–	47	4,641	4,688
2012 special dividend (note 13)	–	–	(7,000)	(7,000)
Capitalisation issue (note 30(b))	(6,800)	–	–	(6,800)
Shares issued on placing, net of expenses (note 30(c))	32,120	–	–	32,120
Equity-settled share-based payment (note 32(b))	–	127	–	127
Transaction with owners	25,320	127	(7,000)	18,447
Loss and total comprehensive income for the year	–	–	(2,512)	(2,512)
At 31 March 2013 and 1 April 2013	25,320	174	(4,871)	20,623
Exercise of shares options (note 30(e))	**669**	**–**	**–**	**669**
Equity-settled share-based payment (note 32(a) & (b))	**–**	**897**	**–**	**897**
Transaction with owners	**669**	**897**	**–**	**1,566**
Profit and total comprehensive income for the year	**–**	**–**	**28,795**	**28,795**
At 31 March 2014	**25,989**	**1,071**	**23,924**	**50,984**

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32. SHARE-BASED PAYMENTS

The Company operates 2 share option schemes providing incentives or rewards to eligible persons of the Group for their contribution to the Group, including a share option scheme (the "Share Option Scheme") and a pre-IPO Share Option Scheme (the "Pre-IPO Share Option Scheme"). Details of these 2 share option schemes are summarised below.

(a) Share Option Scheme

The Share Option Scheme was approved by the shareholder of the Company on 26 September 2011 for providing incentives or rewards to eligible persons of the Group for their contribution to the Group. The Share Option Scheme is conditional on the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the shares of the Company which may be issued pursuant to the exercise of options grant under the Share Option Scheme.

The Share Option Scheme will be valid and effective for a period of 10 years commencing on the date that the shares of the Company are listed on the Stock Exchange (the "Listing Date").

The total number of shares which may be issued upon the exercise of all options to be granted under the 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 Share Option Scheme or other share option schemes will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 8,000,000,000 shares in issue on the Listing Date, the Scheme Mandate Limit will be equivalent to 800,000,000 shares, representing 10% of the shares in issues as at the Listing Date (adjusted to take into account the effect of share subdivision on 6 March 2014 (note 30(d)).

Eligible persons under the Share Option Scheme include employees and other members of the Group, including any executive, non-executive directors and independent non-executive directors, advisors and consultants of the Group.

The offer of a grant of share options under the Share Option Scheme may be accepted within a period of 28 days from the date of which the option is granted, upon payment of a nominal consideration of HK$0.1 by the grantee.

The subscription price for the shares subject to the options will be a price determined by the board of directors and shall be the highest of (i) the closing price of the shares as stated on the Stock Exchange's daily quotation 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 quotation sheets for the 5 trading days immediately preceding the date of grant of the options; and (iii) the nominal value of a share.

Subject to the following vesting periods, 1,000,000 share options granted under the Share Option Scheme may be exercised at any time after the price of the share of the Company as stated in the Stock Exchange's daily quotations sheet reaches 2 times or above the exercise price, i.e. HK$0.1, from 25 April 2013 to 24 April 2023 ("Batch 1 Share Options") while the remaining 9,000,000 share options granted under the Share Option Scheme may be exercised at any time on the condition that (i) the price of the share of the Company as stated in the Stock Exchange's daily quotations sheet reaches 2.5 times or above the exercise price, i.e. HK$0.1; and (ii) 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 25 April 2013 and ending on the day falling on the fourth anniversary of the date of grant ("Batch 2 Share Options"):

Vesting date of the options	Percentage of options vested
The first anniversary of the date of grant	30% of the total number of options granted ("Lot a")
The second anniversary of the date of grant	30% of the total number of options granted ("Lot b")
The third anniversary of the date of grant	40% of the total number of options granted ("Lot c")

	Number of share options					
Grantee	**As at 1 April 2013**	**Granted during the year**	**Lapsed during the year**	**Adjustment for share subdivision**	**Exercised during the year**	**As at 31 March 2014**
Employees						
In aggregate	–	10,000,000	(1,200,000)	79,200,000	–	88,000,000
Weighted average exercise price (HK$)	N/A	0.1*	0.1*	0.1*	N/A	0.1

* At the date of grant, the exercise price of the share options was HK$1. The exercise price was adjusted to HK$0.1 following the share subdivision on 6 March 2014 (note 30(d)).

The number of and weighted average exercise price of share options exercisable at the end of the reporting period are 10,000,000 (2013: nil) and HK$0.1 (2013: n/a), respectively.

The weighted average remaining contractual life for share options outstanding at the end of reporting period is 3.75 (2013: nil) years.

The fair value of the share option granted under the Share Option Scheme as at the date of grant, i.e. 25 April 2013, was HK$1,465,000. During the year, the Group recognised share-based payment compensation of HK$858,000 in profit or loss with the corresponding amount being recognised in share option reserve in equity.

The fair value of the share options granted was estimated as at the date of grant, using Monte Carlo Simulation model, taking into account certain market based terms and conditions which the share options were granted. A Monte Carlo Simulation model is a valuation model that relies on random sampling and is often used when modeling systems with a large number of inputs and where there is significant uncertainty in the future value of inputs and where the movement of the inputs can be independent of each other. The following key inputs were used in the valuation:

	Batch 1 Share Options	**Batch 2 Share Options**		
		Lot a	**Lot b**	**Lot c**
Risk-free rate	0.881%	0.231%	0.231%	0.231%
Contractual life	10 years	4 years	4 years	4 years
Expected volatility	53.94%	55.46%	55.46%	55.46%
Dividend yield	0%	0%	0%	0%
Number of options	1,000,000	2,700,000	2,700,000	3,600,000

As at 31 March 2014, the Group had 88,000,000 (2013: nil) share options outstanding under the Share Option Scheme. The exercise in full of the outstanding share options would result in the issue of 88,000,000 (2013: nil) additional shares of the Company.

(b) Pre-IPO Share Option Scheme

The Pre-IPO Share Option Scheme was approved by written resolutions by the shareholder of the Company on 26 September 2011 for providing incentives and rewards to the Group's employees and consultants for their future contribution and to aid the Company in retaining key and senior employees of the Group. The principal terms of the Pre-IPO Share Option Scheme are substantially the same as the terms of the Share Option Scheme set out in note 32(a).

The Pre-IPO Share Option Scheme shall take effect subject to and is conditional on the Listing Committee of the Stock Exchange granting the approval for the listing of and permission to deal in the shares of the Company which may be issued pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme.

The Pre-IPO Share Option Scheme shall be valid and effective for a period commencing on 26 September 2011 and ending on the date immediately prior to the day on which the bulk print of the prospectus for the purpose of listing on the Stock Exchange takes place, after which period no further options will be granted but the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect in all other respect and options which are granted during the life of the Pre-IPO Share Option Scheme may continue to be exercisable in accordance with the terms of issue.

The subscription price for the shares under the Pre-IPO Share Option Scheme will be an amount representing 90% of the placing price as set out in the prospectus (i.e., HK$0.3), subject to any adjustment made in the manner as contemplated under the Pre-IPO Share Option Scheme.

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 share of the Company 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 failing on the fourth anniversary of the Listing Date:

Vesting date of the options	Percentage of options vested
The first anniversary of the Listing Date	30% of the total number of options granted ("Lot 1")
The second anniversary of the Listing Date	30% of the total number of options granted ("Lot 2")
The third anniversary of the Listing Date	40% of the total number of options granted ("Lot 3")

	Number of share options					
Grantee	As at 1 April 2013	Granted during the year	Lapsed during the year	Adjustment for share subdivision	Exercised during the year	As at 31 March 2014
Directors						
Executive directors						
— Mr. Luk Kee Yan Kelvin	8,000,000	–	–	72,000,000	(24,000,000)	56,000,000
— Mr. Yue Kwai Wa Ken	8,000,000	–	–	72,000,000	–	80,000,000
Independent non-executive directors						
— Mr. Chan Ka Kit	600,000	–	–	5,400,000	(1,800,000)	4,200,000
— Mr. Lam Pak Cheong	600,000	–	–	5,400,000	–	6,000,000
— Mr. Ng Simon	600,000	–	–	5,400,000	–	6,000,000
Subtotal	17,800,000	–	–	160,200,000	(25,800,000)	152,200,000
Employees						
In aggregate	40,000,000	–	–	360,000,000	–	400,000,000
Total	57,800,000	–	–	520,200,000	(25,800,000)	552,200,000
Weighted average exercise price (HK$)	0.027*	N/A	N/A	0.027*	0.027	0.027

Grantee	As at 1 April 2012	Granted during the year	Lapsed during the year	Exercised during the year	As at 31 March 2013
	Number of share options				
Directors					
Executive directors					
— Mr. Luk Kee Yan Kelvin	8,000,000	–	–	–	8,000,000
— Mr. Yue Kwai Wa Ken	8,000,000	–	–	–	8,000,000
Independent non-executive directors					
— Mr. Chan Ka Kit	600,000	–	–	–	600,000
— Mr. Lam Pak Cheong	600,000	–	–	–	600,000
— Mr. Ng Simon	600,000	–	–	–	600,000
Subtotal	17,800,000	–	–	–	17,800,000
Employees					
In aggregate	46,000,000	–	(6,000,000)	–	40,000,000
Total	63,800,000	–	(6,000,000)	–	57,800,000
Weighted average exercise price (HK$)	0.027*	N/A	0.027*	N/A	0.027*

* The exercise price of the share options was HK$0.27, being 90% of the placing price as set out in the prospectus. The exercise price was adjusted to HK$0.027 following the share subdivision on 6 March 2014 (note 30(d)).

The number of and weighted average exercise price of share options exercisable at the end of the reporting period are 147,800,000,000 (2013: nil) and HK$0.027 (2013: n/a), respectively.

The weighted average remaining contractual life for share options outstanding at the end of reporting period is 2.91 (2013: 3.91) years.

The fair value of the share option granted under the Pre-IPO Share Option Scheme as at the date of grant, i.e. 26 September 2011, was HK$453,000. During the year, the Group recognised share-based payment compensation of HK$39,000 (2013: HK$127,000) in profit or loss with the corresponding amount being recognised in share option reserve in equity.

The fair value of the share options granted was estimated as at the date of grant, using Black-Scholes option pricing model, taking into account the terms and conditions which the share options were granted. The following principal assumptions were used in the valuation:

	Lot 1	**Lot 2**	**Lot 3**
Risk free rate	0.158%	0.214%	0.367%
Expected option period	1.063 years	2.063 years	3.063 years
Expected volatility	34.446%	38.075%	49.140%
Dividend yield	0%	0%	0%
Number of options	19,140,000	19,140,000	25,520,000

As at 31 March 2014, the Group had 552,200,000 (2013 (restated): 578,000,000) share options outstanding under the Pre-IPO Share Option Scheme. The exercise in full of the outstanding share options would result in the issue of 552,200,000 (2013 (restated): 578,000,000 as adjusted to take into account of the share subdivision on 6 March 2014 (note 30(d)) additional shares of the Company.

33. OPERATING LEASE COMMITMENTS

THE GROUP

As a lessee

The Group leases office premises under operating leases. Each of the leases runs for initial periods of 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:

	2014	2013
	HK$'000	HK$'000
Within one year	**5,332**	224
In the second to fifth year	**7,148**	–
	12,480	224

34. RELATED PARTY TRANSACTIONS

Save as disclosed in note 29, the Group had the following significant transactions with related parties during the year:

Key management personnel remuneration

THE GROUP

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

	2014	2013
	HK$'000	HK$'000
Directors' fees	**359**	33
Salaries, allowances and other benefits	**3,284**	3,376
Contributions on defined contribution retirement plans	**30**	30
Share-based payment compensation — equity settled	**23**	27
	3,696	3,466

35. 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 and interest rate risk), credit risk and liquidity risk.

The Group does not have written risk management policies. However, 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.

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 denominated in Renminbi ("RMB") as majority of the Group's transactions, monetary assets and liabilities are denominated in HK$ and United States Dollars ("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 are as follows:

THE GROUP AND THE COMPANY

	Assets	
	2014	2013
	HK$'000	HK$'000
RMB	**29,782**	–

Sensitivity analysis

The following table indicates the approximate change in the Group's profit 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 an increase in profit or decrease in loss.

	Effect on profit for the year	
	2014	2013
	HK$'000	HK$'000
RMB to HK$:		
Appreciates by 3%	**893**	–
Depreciates by 3%	**(893)**	–

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.

ROMA

(b) Interest rate risk

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

The following table details the interest rate profile of the Group's and the Company's financial assets and liabilities as at the end of the reporting period based upon which the Company's management evaluates the interest rate risk:

	2014		2013	
	Effective interest rate (% per annum)	**Amount HK$'000**	Effective interest rate (% per annum)	Amount HK$'000
THE GROUP				
Financial assets				
Fixed rate receivables				
— pledged bank deposits	**1%–2.59%**	**39,793**	–	–
— deposit	**2%**	**500**	–	–
— loans receivable	**13.2%–31.2%**	**10,426**	–	–
Floating rate receivables				
— cash at bank	**0.001%–0.01%**	**23,840**	0.001%–0.01%	38,013
Financial liabilities				
Fixed rate borrowing				
— bank borrowing	**6.60%**	**1,068**	–	–
Floating rate borrowing				
— bank borrowing	**2.21%**	**30,000**	–	–
THE COMPANY				
Financial assets				
Fixed rate receivables				
— pledged bank deposits	**1%–2.59%**	**39,793**	–	–
Floating rate receivables				
— cash at bank	**0.001%–0.01%**	**4,778**	0.001%–0.01%	33,087

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 and the Company's profit/(loss) after income tax in the next accounting period:

	2014		2013	
	Increase/ (decrease) in basis points	**Increase/ (decrease) in profit after income tax HK$'000**	Increase/ (decrease) in basis points	Increase/ (decrease) in profit after income tax HK$'000
THE GROUP				
Floating rate financial assets				
Increase in floating rate	**10**	**24**	10	38
Decrease in floating rate	**(10)**	**(24)**	(10)	(38)
Floating rate financial liabilities				
Increase in floating rate	**10**	**(30)**	–	–
Decrease in floating rate	**(10)**	**30**	–	–
THE COMPANY				
Floating rate financial assets				
Increase in floating rate	**10**	**5**	10	33
Decrease in floating rate	**(10)**	**(5)**	(10)	(33)

(c) 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 loans receivable.

The Group's policy is to deal with credit worthy counterparties. The Group generally grants credit terms of 0–90 days to the customers. In some cases, customers may be required to pay in advance or partial deposit. In addition, management is responsible for overseeing the credit quality of the Group's loan portfolio. Payment record of customers is closely monitored and management will determine appropriate recovery actions for overdue balances. Management reviews the recoverability of trade and loans receivables individually or collectively at end of reporting period to ensure that provision for impairment is adequate for irrecoverable amounts.

As at 31 March 2014 and 31 March 2013, there was no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

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

The credit policies have been consistently applied by the Group and are considered effective in limiting the Group's exposure to credit risk to a desirable level.

ROMA

(d) 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.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's bank borrowing, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay.

	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
THE GROUP					
As at 31 March 2014					
Trade payables	**335**	**335**	**335**	**–**	**–**
Accrued liabilities	**1,218**	**1,218**	**1,218**	**–**	**–**
Bank borrowings	**31,068**	**31,381**	**30,420**	**360**	**601**
Finance lease liabilities	**1,486**	**1,593**	**395**	**395**	**803**
	34,107	**34,527**	**32,368**	**755**	**1,404**

	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
THE GROUP					
As at 31 March 2013					
Trade payables	468	468	468	–	–
Accrued liabilities	4,417	4,417	4,417	–	–
	4,885	4,885	4,885	–	–

At 31 March 2014 and 2013, the Company's financial liabilities will be due for settlements either on demand or within one year.

The liquidity policies have been consistently applied by the Group and are considered effective in managing the liquidity risk.

(e) Fair values

The fair values of the Group's and the Company's financial assets and financial liabilities are not materially different from their carrying amounts because of the immediate or short term maturity of these financial instruments.

36. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

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

THE GROUP

	2014 HK$'000	2013 HK$'000
Financial assets		
Loans and receivables	**107,971**	59,288
Financial liabilities		
Financial liabilities measured at amortised cost	**34,107**	4,885

THE COMPANY

	2014 HK$'000	2013 HK$'000
Financial assets		
Loans and receivables	**58,348**	40,286
Financial liabilities		
Financial liabilities measured at amortised cost	**557**	11,777

37. 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.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

38. EVENT AFTER THE REPORTING PERIOD

Pursuant to a resolution passed on 7 May 2014, the proposed bonus issue to shareholders whose names appeared on the register of members of the Company on 15 May 2014 on the basis of one bonus share for every existing share of the Company was approved. The bonus issue was then completed on 23 May 2014. The bonus shares were credited as fully paid at par by way of capitalisation in the share premium account of the Company.

39. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board on 13 June 2014.

Financial Highlights

RESULTS	Year ended 31 March 2014 HK$'000	2013 HK$'000	2012 HK$'000	2011 HK$'000
Turnover	**60,561**	43,133	29,658	38,246
Profit before income tax expense	**24,839**	15,152	4,937	30,960
Income tax expense	**(4,808)**	(3,043)	(1,680)	(5,068)
Profit for the year	**20,031**	12,109	3,257	25,892

ASSETS AND LIABILITIES	As at 31 March 2014 HK$'000	2013 HK$'000	2012 HK$'000	2011 HK$'000
Current assets	**105,829**	59,827	19,715	34,335
Non-current assets	**8,431**	790	1,203	769
Total assets	**114,260**	60,617	20,918	35,104
Current liabilities	**41,394**	11,337	10,194	7,184
Non-current liabilities	**1,963**	–	–	–
Total liabilities	**43,357**	11,337	10,194	7,184
Net assets	**70,903**	49,280	10,724	27,920
EQUITY				
Equity attributable to owners of the Company	**70,903**	49,280	10,724	27,920

The results and summary of assets and liabilities for the years ended 31 March 2012 and 2011 which were extracted from the Prospectus have been prepared on a combined basis to indicate the results of the Group as if the group structure, at the time when the Company's shares were listed on the GEM of the Stock Exchange, had been in existence throughout those years.