You should read the following discussion and analysis of the Group's financial condition and results of operations in conjunction with the consolidated financial statements for the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012, and the accompanying notes included in the Accountants' Report, which has been prepared in accordance with HKFRS, as set out in Appendix I to this prospectus. Potential investors should read the whole of the Accountants' Report set out in Appendix I to this prospectus and not rely merely on the information contained in this section. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. The actual results and timing of selected events of the Group could differ materially from those anticipated in these forward-looking statements as a result of various factors. For additional information regarding these risks and uncertainties, please refer to the section headed "Risk factors" in this prospectus.

OVERVIEW

The Group is principally engaged in the provision of valuation and technical advisory services under the brand "Roma" in relation to natural resources and various specialised fields in Hong Kong with principal clients being Listed Companies. The Group provides a diverse spectrum of services to its clients, namely (1) natural resources valuation and technical advisory services covering the major life cycle of natural resources projects, and (2) various specialised valuation and consultancy services in relation to business and intangible assets valuation, financial instruments valuation, real estate valuation, work of art valuation, industrial valuation, purchase price allocation and corporate advisory. The Group commenced its natural resources technical advisory services in May 2010. The Group aims to build brand recognition by providing professional and high quality service to its clients.

For the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012, the Group recorded revenue of approximately HK$38.2 million, HK$29.7 million and HK$14.4 million respectively, and net profit attributable to the owners of the Company of approximately HK$25.9 million, HK$3.3 million and HK$6.5 million respectively.

BASIS OF PRESENTATION OF FINANCIAL INFORMATION

The audited consolidated financial information set forth in Appendix I to this prospectus has been prepared in accordance with the accounting policies which are in conformity with HKFRSs, which collective term includes all applicable individual HKFRSs, HKASs and interpretations issued by the HKICPA and under historical cost convention except for financial instruments classified as fair value through profit or loss which are stated at fair value.

The Reorganisation involved only inserting new holding companies on top of the existing company and has not resulted in any change of economic substance. Accordingly, the consolidated statements of comprehensive income, consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for the Track Record Period have been prepared using the principles of merger accounting as if the current group structure had been in existence throughout the Track Record Period. The consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for the Track Record Period have been prepared to present the results, changes in equity and cash flows of the Company and its subsidiaries as if the current group structure had been in existence throughout the Track Record Period, or since their respective dates of incorporation, whichever was shorter. The consolidated statements of financial position of the Group as at 31 March 2011 and 2012, and 31 July 2012 have been prepared to present the assets and liabilities of the Company and its subsidiaries as if the current group structure had been in existence at those dates.

FACTORS AFFECTING THE FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

In the view that companies listed on the Stock Exchange are the major clients of the Group, the financial conditions and results of operations of the Group have been and will continue to be principally affected by, among others, factors discussed below.

Change in economic conditions

The revenue generated by the Group was cyclical and significantly dependent upon the general market conditions in the Hong Kong stock market. With reference to the performance of the Group and the economic conditions in Hong Kong in the past few years, the Directors consider that the level of revenue will be affected by the general economic conditions. As such, the profitability and financial results of the Group are dependent on the general market conditions.

Changes in laws and regulations governing the valuation and technical advisory industry in Hong Kong

The laws and regulations governing the valuation and technical advisory industry in Hong Kong may be amended to the disadvantage of the Group. For example, if new rules are put in place to change the fee structure or implement licensing or regulatory requirements of market players in this industry in order to carry out daily operations, these changes may adversely affect the Group's revenue and profit margin; if the requirements under Chapter 18 of the Main Board Listing Rules and Chapter 18A of the GEM Listing Rules are relaxed in a way which aggravates the competition in this industry, these could also adversely affect the Group's revenue and profit margin.

Expansion in business

In order to maintain long-term financial and operational success, the Directors intend to expand its operation to offer a wider range of services including, among others, later stages of a mining life cycle namely, to provide mine operation management and mine closure and reclamation services to the Group's clients and to expand the professional team through recruitment of quality staff in order to enhance its competitiveness. The Directors believe that the expansion of the Group will enhance its ability to cope with the expanding market in terms of increasing number of companies listed on the Stock Exchange and also companies listed on the Stock Exchange which are principally engaged in natural resources related business, and such an expansion will be a driver for growth in the Group's future financial and operational success.

Clearance by the Stock Exchange

A significant part of the Group's revenue was generated from issuing valuation and other reports including Competent Person's Reports and Natural Resources Valuation Reports that are subject to review and clearance by the Stock Exchange. The longer it takes for the Group's reports to be vetted and granted the clearance by the Stock Exchange, the longer it would take the Group to recognise its revenue. In addition, if the Group's current or potential clients were to form the view that the Stock Exchange would take longer to clear the Group's reports than similar reports prepared by the Group's peers, they might choose not to engage the Group to provide valuation and technical advisory services in the future. Should the Group fail in the future to be awarded new projects that entail reports which are subject to clearance by the Stock Exchange, the financial results of the Group would be adversely affected.

CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The preparation of the combined financial statements of the Group requires the management to make judgments, estimates and assumptions that affect the carrying amounts of revenues, expenses, assets and liabilities and the disclosure of contingent 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 may differ from these estimates. The following sets out certain critical accounting policies that the management of the Group considers to be critical in the portrayal of the Group's financial position and results of operations:

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. Service income received in advance is included in the consolidated statements of financial position as "Receipt in advance"; and

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

The Group's 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. The determination of the percentage-of-completion involves estimates and judgement on the extent of services performed during the period to 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 an executive Director. 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 each reporting period.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss. 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 asset's cost less its residual value over its estimated useful live, 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%

The assets' estimated residual values, depreciation methods and estimated useful lives are reviewed, and adjusted if appropriate, at the end of each 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 financial period in which they are incurred.

Impairment of financial assets

At the end of each 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 asset 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;
- becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and/or
- 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, the amount of the 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). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, 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.

SUMMARY OF CONSOLIDATED RESULTS OF OPERATIONS

The following is a summary of the consolidated statements of comprehensive income of the Group for the periods ended on the dates indicated, which have been extracted from the Accountants' Report set out in Appendix I to this prospectus.

	Year ended 31 March		Four months ended 31 July	
	2011	2012	2011	2012
	HK$'000	HK$'000	HK$'000 (unaudited)	HK$'000
Revenue	38,246	29,658	8,573	14,443
Other income	40	1,347	134	258
Employee benefit expense	(3,343)	(12,216)	(3,447)	(3,716)
Depreciation and amortisation	(182)	(416)	(89)	(197)
Other expenses	(3,801)	(13,436)	(4,455)	(2,970)
Profit before income tax	30,960	4,937	716	7,818
Income tax expense	(5,068)	(1,680)	(493)	(1,364)
Profit/total comprehensive income for the year/period attributable to owners of the Company	25,892	3,257	223	6,454
	HK cents	HK cents	HK cents	HK cents
Earnings per share for profit attributable to owners of the Company				
Basic	3.8	0.48	0.03	0.95
Diluted	N/A	0.48	N/A	0.94

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Group is principally engaged in the provision of valuation and technical advisory services in Hong Kong. The revenue is derived from valuation and technical advisory services provided by the Group to its clients during the Track Record Period. Service income is recognised when the services are rendered, by reference to the percentage-of-completion of services performed to date to the total services to be performed. The expenses of the Group mainly comprise of cost of services and administrative expenses.

Revenue

The Group's revenue represents service fees received/receivable from the clients for the provision of valuation and technical advisory services, which are denominated in HK$ or RMB or US$. 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. Each teamhead is required to complete a project report sheet, which will be reviewed on a monthly basis and approved by an executive Director, for recording the progress of each project undertaken by the Group in order to ensure revenue is being properly recognised based on the percentage-of-completion of each of the Group's projects. The progress normally comprises stages such as, among others, project research, site-visit, preparation and issue of report.

The tables below set out the amount and percentage of the Group's revenue, and the number of projects undertaken by the Group for each type of services provided to Listed Companies and private entities during the Track Record Period.

	Listed Companies			Private entities			Total		
	Revenue		Number of projects	Revenue		Number of projects	Revenue		Number of projects
	HK$'000	%		HK$'000	%		HK$'000	%	
For the financial year ended 31 March 2011									
Natural resources valuation and technical advisory services	20,245	72.8	49	6,340	60.9	18	26,585	69.5	67
Business and intangible assets valuation	5,325	19.1	39	891	8.6	21	6,216	16.3	60
Financial instruments valuation	1,529	5.5	71	441	4.3	20	1,970	5.1	91
Real estate valuation	340	1.2	25	130	1.2	8	470	1.2	33
Work of art valuation	18	0.1	3	142	1.4	11	160	0.4	14
Industrial valuation	290	1.0	5	78	0.7	2	368	1.0	7
Purchase price allocation	52	0.2	2	105	1.0	3	157	0.4	5
Corporate advisory	36	0.1	1	2,284	21.9	6	2,320	6.1	7
	27,835	100.0	195	10,411	100.0	89	38,246	100.0	284

	Listed Companies			Private entities			Total		
	Revenue		Number of projects	Revenue		Number of projects	Revenue		Number of projects
	HK$'000	%		HK$'000	%		HK$'000	%	
For the financial year ended 31 March 2012									
Natural resources valuation and technical advisory services	12,827	66.7	56	8,746	83.8	32	21,573	72.7	88
Business and intangible assets valuation	3,370	17.5	52	873	8.4	23	4,243	14.3	75
Financial instruments valuation	1,376	7.2	72	293	2.8	31	1,669	5.6	103
Real estate valuation	750	3.9	31	246	2.4	18	996	3.4	49
Work of art valuation	—	—	—	172	1.6	15	172	0.6	15
Industrial valuation	598	3.1	12	77	0.7	4	675	2.3	16
Purchase price allocation	287	1.5	8	31	0.3	1	318	1.1	9
Corporate advisory	12	0.1	2	—	—	—	12	0.0	2
	19,220	100.0	233	10,438	100.0	124	29,658	100.0	357
									(Note 1)

	Listed Companies			Private entities			Total		
	Revenue		Number of projects	Revenue		Number of projects	Revenue		Number of projects
	HK$'000	%		HK$'000	%		HK$'000	%	
For the four months ended 31 July 2012									
Natural resources valuation and technical advisory services	8,582	70.3	48	1,337	60.0	27	9,919	68.7	75
Business and intangible assets valuation	1,787	14.6	37	213	9.6	16	2,000	13.8	53
Financial instruments valuation	816	6.7	44	38	1.7	12	854	5.9	56
Real estate valuation	419	3.4	23	344	15.4	30	763	5.3	53
Work of art valuation	—	—	—	111	5.0	11	111	0.8	11
Industrial valuation	140	1.1	7	86	3.9	2	226	1.6	9
Purchase price allocation	471	3.9	10	48	2.1	2	519	3.6	12
Corporate advisory	—	—	1	51	2.3	1	51	0.3	2
	12,215	100.0	170	2,228	100.0	101	14,443	100.0	271
									(Note 2)

Notes:

1. Approximately 15.7% of the number of projects recognised revenue in both financial years ended 31 March 2011 and 2012.

2. Approximately 21.8% of the number of projects recognised revenue in both the financial year ended 31 March 2012 and the four months ended 31 July 2012.

The Group's revenue decreased from approximately HK$38.2 million for the financial year ended 31 March 2011 to approximately HK$29.7 million for the financial year ended 31 March 2012, representing a drop of approximately 22.3%. The decrease in revenue was mainly attributable to more projects in relation to natural resources valuation and technical advisory services being in progress and yet to be completed as at 31 March 2012. There were 50 natural resources related projects still in progress as at 31 March 2012, representing approximately 56.8% of the natural resources related projects undertaken by the Group during the financial year ended 31 March 2012. Assuming no early termination of these in-progress natural resources related projects, a further aggregate sum of approximately HK$20.2 million will be recognised as revenue by the Group after the financial year ended 31 March 2012. While, as at 31 March 2011, there were only 31 projects in relation to natural resources valuation and technical advisory services being in progress, representing approximately 46.3% of the natural resources related projects undertaken by the Group during the financial year ended 31 March 2011, with an aggregate unearned revenue of approximately HK$12.3 million as at 31 March 2011. With more in-progress natural resources related projects as at 31 March 2012, the Group's revenue generated from the provision of natural resources valuation and technical advisory services decreased by approximately HK$5.0 million for the financial year ended 31 March 2012, representing a decrease of approximately 18.9%.

Apart from the natural resources valuation and technical advisory services, revenue generated from the Group's business and intangible assets valuation and corporate advisory also dropped by approximately HK$2.0 million and HK$2.3 million respectively for the financial year ended 31 March 2012, representing a decrease of approximately 31.7% and 99.5% respectively. For the financial year ended 31 March 2012, the average service fee per the Group's business and intangible assets valuation project dropped because the Group strived to expand its client base by offering competitive service fees to its clients. In addition, it is noted that majority of revenue for project in progress as at 31 March 2011 was recognised in the financial year ended 31 March 2011. As such, the average service fee for the financial year ended 31 March 2012 reduced. There were approximately 53.3% of the business and intangible assets valuation projects undertaken by the Group in the financial year ended 31 March 2011 earning a service fee more than HK$50,000 per project; while there were only approximately 36.0% of the business and intangible assets valuation projects undertaken by the Group in the financial year ended 31 March 2012 earning a service fee more than HK$50,000 per project.

During the financial year ended 31 March 2012, the Group was only engaged for two projects in relation to corporate advisory, while there were seven projects in relation to corporate advisory for the financial year ended 31 March 2011. In addition, the average service fee per the Group's corporate advisory project decreased from approximately HK$331,000 for the financial year ended 31 March 2011 to approximately HK$6,000 for the financial year ended 31 March 2012 due to different scope of service for the projects undertaken in the respective financial years.

Revenue generated from Listed Companies and private entities was approximately HK$27.8 million and HK$10.4 million respectively for the financial year ended 31 March 2011, and approximately HK$19.2 million and HK$10.4 million respectively for the financial year ended 31 March 2012. There were 31 projects, among which 18 projects were from Listed Companies, in relation to natural resources valuation and technical advisory services recognised revenue in both financial years ended 31 March 2011 and 2012. As substantial work done have been performed for the aforesaid 18 projects in the financial year ended 31 March 2011, less revenue was recognised in respect of these 18 projects in the financial year ended 31 March 2012 and which partially reduced the total revenue generated from Listed Companies for the financial year ended 31 March 2012.

The Group's revenue increased from approximately HK$8.6 million for the four months ended 31 July 2011 to approximately HK$14.4 million for the four months ended 31 July 2012, representing an increase of approximately 67.4%. The significant increase in the Group's revenue for the four months ended 31 July 2012 as compared with that for the four months ended 31 July 2011 was mainly attributable to the increases in the revenue generated from the provision of (i) natural resources valuation and technical advisory services of approximately 89.4%, (ii) real estate valuation of approximately 199.2%, and (iii) purchase price allocation of approximately 750.8% for the four months ended 31 July 2012; and the increase in the total number of the Group's projects of approximately 60.4% for the four months ended 31 July 2012.

For the four months ended 31 July 2012, the average service fee per the Group's business and intangible assets valuation project further dropped as compared with the average service fee for the financial year ended 31 March 2012. There were approximately 18.9% of the business and intangible assets valuation projects undertaken by the Group for the four months ended 31 July 2012 earning a service fee more than HK$50,000 per project.

Revenue generated from Listed Companies and private entities was approximately HK$12.2 million and HK$2.1 million respectively for the four months ended 31 July 2012, representing an increase of approximately 83.3% and 16.7% respectively as compared with that for the four months ended 31 July 2011. The increase in revenue generated the Listed Companies for the four months ended 31 July 2012 as compared with that for the four months ended 31 July 2011 was primarily attributable to the increase in the number of projects from Listed Companies of approximately 58.9%.

Other income

Other income principally comprises net exchange gain, net fair value gain on financial instruments, government grant, reimbursement of the out of pocket expenses incurred by the Group in the course of its provision of services and reversal of provision for tax surcharge. Other income was approximately HK$40,000, HK$1.3 million and HK$258,000 for the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012 respectively.

The table below sets forth the other income for the periods ended on the dates indicated:

	Year ended 31 March		Four months ended 31 July	
	2011	2012	2011	2012
	HK$'000	HK$'000	HK$'000 (unaudited)	HK$'000
Exchange gain, net	8	—	—	—
Fair value gain on derivative financial instruments, net	—	28	—	—
Fair value gain on financial assets at fair value through profit or loss	—	4	—	—
Government grant	32	1	1	—
Reimbursement of expenses	—	1,314	133	148
Reversal of provision for tax surcharge	—	—	—	110
	40	1,347	134	258

During the financial year ended 31 March 2012 and the four months ended 31 July 2012, the Group acquired several future contracts which were classified as the Group's derivative financial instruments and recognised net fair value gain of approximately HK$28,000 and loss of approximately HK$80,000 recorded as other expenses respectively. Besides, during the financial year ended 31 March 2012, the Group acquired a listed equity security which was all disposed of by 31 March 2012 and recognised an aggregate realised fair value gain of approximately HK4,000. The Group did not acquire any derivative financial instrument or financial asset at fair value through profit or loss for the financial year ended 31 March 2011. The government grant represented incentive provided by the Labour Department of The Government of Hong Kong under the "Internship Programme for University Graduates". In the course of the provision of valuation and technical advisory services, the Group incurred some out of pocket expenses including, among others, traveling expenses and other professional services fees for its clients which would be reimbursed from its clients. For the financial year ended 31 March 2011, reimbursement of expenses was included in the Group's revenue. In the financial year ended 31 March 2012, the Group applied for repayment of its income tax payable by installments, on which tax surcharge applied. In August 2012, one of the Group's subsidiaries fully repaid its income tax payable and thus a reversal of provision for tax surcharge was recognised for the four months ended 31 July 2012.

Employee benefit expense

The employee benefit expense mainly consisted of wages and salaries, pension costs and other benefits to the staff and directors of the Group. Employee benefit expense increased by approximately 269.7% to approximately HK$12.2 million for the financial year ended 31 March 2012 from approximately HK$3.3 million for the financial year ended 31 March 2011 as a result of the increase in headcount to 22 as at 31 March 2012 from 14 as at 31 March 2011 to accommodate the expansion of the operations of the Group. Employee benefit expense increased by approximately 8.8% to approximately HK$3.7 million for the four months ended 31 July 2012 from approximately HK$3.4 million for the four months ended 31 July 2011. The increase in employee benefit expense for the four months ended 31 July 2012 as compared with that for the four months ended 31 July 2011 was mainly attributable to the increase in other benefits incurred for the Directors and employees.

The remuneration of the Directors was approximately HK$0.4 million, HK$3.7 million and HK$1.2 million for the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012 respectively. Mr. Luk was appointed as executive Director in March 2011 and Mr. Yue was appointed as the chief executive officer of Roma Appraisals in January 2011 and also became the executive Director and chief financial officer of the Company in March 2011, which increased the Group's employee benefit expense for the financial year ended 31 March 2012. Notwithstanding that Mr. Yue was a professional consultant to the Group in September 2009, no service was rendered by Mr. Yue since then and thus nil salary and wage was paid by the Group to Mr. Yue for the first nine months in the financial year ended 31 March 2011. Furthermore, a chief technical officer joined the Group's technical department from April 2011 to March 2012, which also increased the Group's employee benefit expense for the financial year ended 31 March 2012. For the four months ended 31 July 2012, the increase in employee benefit expense for the recruitments of Mr. Mensah and Mr. Jones in December 2011 and April 2012 respectively had been offset by the decrease in employee benefit expense being attributable to the change of role of the chief technical officer, who again became independent professional geologist in April 2012 and the resignation of the Group's former head of valuation in June 2012.

The employee benefit expense represented approximately 8.7%, 41.2% and 25.7% of the revenue for the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012 respectively. Since the Group's employee benefit expense was not a variable cost to the revenue generated by the Group, employee benefit expense incurred by the Group may not be directly proportional to the trend of the Group's revenue.

Depreciation and amortisation

The Group recorded depreciation and amortisation of approximately HK$0.2 million, HK$0.4 million and HK$0.2 million for the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012 respectively for its property, plant and equipment and intangible assets.

Other expenses

Other expenses mainly include (i) consultancy fee paid/payable to independent professionals engaged by the Group to carry out certain valuation and technical advisory services to the Group's clients, (ii) referral fees paid/payable on an occasional basis to third parties who successfully refer clients to the Group, (iii) expenses in relation to the Listing and Placing, and (iv) office rental expenses.

The table below sets forth the other expenses for the periods ended on the dates indicated:

	Year ended 31 March		Four months ended 31 July	
	2011	2012	2011	2012
	HK$'000	HK$'000	HK$'000 (unaudited)	HK$'000
Consultancy fee	1,236	2,599	634	769
Referral fee	377	1,416	346	207
Expenses in relation to the Listing and Placing	—	4,128	1,902	372
Office rental expenses	690	857	291	359
Others	1,498	4,436	1,282	1,263
	3,801	13,436	4,455	2,970

Other expenses increased by approximately 252.6% to approximately HK$13.4 million for the financial year ended 31 March 2012 from approximately HK$3.8 million for the financial year ended 31 March 2011, and decreased by approximately 33.3% to approximately HK$3.0 million for the four months ended 31 July 2012 from approximately HK$4.5 million for the four months ended 31 July 2011. The increase for the financial year ended 31 March 2012 was mainly due to (i) non-recurrent expenses in relation to the Listing and Placing amounting to approximately HK$4.1 million incurred in the financial year ended 31 March 2012 (assuming a Placing Price of HK$0.50 per Placing Share, being the high-end of the indicative Placing Price range between HK$0.25 and HK$0.50 per Placing Share); (ii) the increased advertising expenses, which was mainly because of the Group's participation as an exhibitor and a sponsor and hosting of valuation workshops in conferences and exhibitions in relation to the mining sector in both Hong Kong and Beijing in the financial year ended 31 March 2012; while the Group only participated and hosted workshops in a conference and exhibition in Hong Kong in the financial year ended 31 March 2011; (iii) the increased entertainment fees in the financial year ended 31

March 2012 for soliciting new projects; and (iv) the increased travelling expenses in the financial year ended 31 March 2012 because, along with the increased number of the Group's natural resources related projects, more site-visits were conducted by the Group in various locations around the world. The decrease for the four months ended 31 July 2012 was mainly attributable to less expense incurred for the Listing and Placing, which was mainly because comparatively less services in relation to the Listing and Placing were performed by the relevant professional parties for the four months ended 31 July 2012 as compared with the four months ended 31 July 2011.

The consultancy and referral fees were determined by arm's length negotiation between the Group and the consultants and agents. The consultancy fee refers to fees incurred for engaging independent professionals, which was generally negotiated on a project-by-project basis with the independent professionals and varied from, among others, (i) the nature of services provided, (ii) time spent on the relevant project by the independent professional, (iii) technical standards to be applied to the relevant project; and/or (iv) qualification and experience of the independent professional.

The Group's consultancy fee was approximately HK$1.2 million and HK$2.6 million for the two financial years ended 31 March 2011 and 2012 respectively, representing an increase of approximately 110.3%. Such increase in the consultancy fee was mainly due to increase in the number of independent professionals engaged from 7 for the financial year ended 31 March 2011 to 14 for the financial year ended 31 March 2012. Among the independent professionals, only one independent professional geologist who possessed the relevant experience being the overall responsible person for preparing Competent Person's Reports and Natural Resources Valuation Reports was engaged by the Group in the financial year ended 31 March 2011; while two independent professional geologists who possessed the relevant experience being respectively (i) the overall responsible person for preparing Competent Person's Report, and (ii) the overall responsible person for preparing technical reports in accordance with NI 43-101 as well as a member of the Association of Professional Engineers of Ontario were engaged by the Group in the financial year ended 31 March 2012. Since the scope of services and location of mineral assets in respect of certain natural resources related projects with the involvement of independent professional geologist in the financial year ended 31 March 2012 were different from that in the financial year ended 31 March 2011, additional independent professional geologist was engaged by the Group and additional consultancy fee was incurred due to the time consumed in the financial year ended 31 March 2012 to provide relevant services to its client. In view of the nature of services provided and the time spent on different types of projects, the consultancy fees incurred for the independent professional geologists were relatively higher than that for the other independent professionals engaged by the Group and thus the Group's consultancy fees incurred in the financial year ended 31 March 2012 increased correspondingly. The Group's consultancy fee was approximately HK$0.6 million and HK$0.8 million for the four months ended 31 July 2011 and 2012 respectively, representing an increase of approximately 33.3%. The increase was mainly attributable to the increase in the number of independent professionals engaged from 7 for the four months ended 31 July 2011 to 8 for the four months ended 31 July 2012. For the four months ended 31 July 2012, there were 3 independent professional geologists engaged by the Group, who earned in aggregate higher consultancy fees paid/payable by the Group due to the nature of their services provided and their time spent on the relevant projects; while there were only one technical consulting firm engaged by the Group for the provision of natural resources related services for the four months ended 31 July 2011. The Group engaged independent professionals on a project-by-project basis for its valuation and technical advisory services where appropriate and thus the amount of consultancy fees incurred may not be directly proportional to the total amount of revenue generated by the Group or the number of the Group's projects with the involvement of independent professionals.

The increased referral fee for the financial year ended 31 March 2012 was mainly attributable to the increased number of projects solicited by referral from 7 for the financial year ended 31 March 2011 to 15 for the financial year ended 31 March 2012 and the increased average referral fee per project by referral which was mainly due to the increased average contract sum of mandate per project by referral. The decreased referral fee for the four months ended 31 July 2012 was mainly attributable to the decreased number of projects solicited by referral from 8 projects for the four months ended 31 July 2011 to 5 projects for the four months ended 31 July 2012. The agents were all independent to the Group during the Track Record Period.

Income tax expense

Tax represents amounts of income tax paid/payable by the Group calculated at the applicable tax rates in accordance with the relevant laws and regulations in Hong Kong. The Group had no other tax payable in other jurisdiction during the Track Record Period. The applicable income tax rate for the Group was 16.5% during the Track Record Period.

The effective income tax rates for the financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012 were at 16.4%, 34.0% and 17.4% respectively.

Profit for the year attributable to owners of the Company and net profit margin

The net profit attributable to owners of the Company was approximately HK$25.9 million and HK$3.3 million for the two financial years ended 31 March 2011 and 2012 respectively, representing a drop of approximately 87.3%, and approximately HK$0.2 million and HK$6.5 million for the four months ended 31 July 2011 and 2012 respectively, representing an increase of approximately 3,150.0%. The net profit margin of the Group decreased from approximately 67.7% for the financial year ended 31 March 2011 to approximately 11.0% for the financial year ended 31 March 2012, primarily as a result of the decrease of approximately HK$8.6 million in revenue; representing a decrease of approximately 22.5%, significant increase in employee benefit expenses of approximately HK$8.9 million; representing an increase of approximately 265.4% and approximately HK$4.1 million of expenses in relation to the Listing and Placing, the nature of which is non-recurrent, being incurred by the Group. The net profit margin of the Group increased from approximately 2.6% for the four months ended 31 July 2011 to approximately 44.7% for the four months ended 31 July 2012, primarily as a result of the significant increase in revenue of approximately HK$5.9 million; representing an increase of approximately 68.5%.

LIQUIDITY AND FINANCIAL RESOURCES

The primary uses of cash of the Group are to satisfy its working capital needs and capital expenditure needs. During the Track Record Period, the uses of cash of the Group have been financed through a combination of shareholder's equity and cash generated from operations. As at 31 July 2012, the Group had cash and cash equivalents of approximately HK$5.6 million and had no borrowings.

The working capital requirements of the Group mainly comprise of staff costs, office rental expenses and other utilities expenses. The Directors expect that the capital requirements of the Group will be met by cash generated from operations and net proceeds from the placing of the New Shares. The Directors believe that on a long term basis, the Group's liquidity will be funded from business operations and, if necessary, additional equity financing or bank borrowing. The Group has been granted an offer from a financial services provider to obtain an external borrowing of HK$4 million in December 2012 without reliance on the Controlling Shareholders. There is no specific financial covenant, pledged guarantee or financial requirement contained in the offer letter issued by the financial services provider to the Group. The offer letter only contains the general covenants and undertakings, such as, the Group undertakes to the financial services provider that (i) the Company shall submit a certified copy of the audited financial statements of the Group; (ii) report to lender of details of any litigation (if any); and (iii) promptly inform the lender of any change of the Group's director's or beneficial shareholders, or any substantial change to the general nature of the Group's existing business. Since the Directors consider that the Group is not necessary to obtain any external borrowing or banking facility during the Track Record Period and up to the Latest Practicable Date, the Group did not accept the abovementioned offer, and which had already been lapsed.

The following table is a condensed summary of the combined statements of cash flows for the periods ended on the dates indicated:

	Year ended 31 March		Four months ended 31 July	
	2011	2012	2011	2012
	HK$'000	HK$'000	HK$'000 (unaudited)	HK$'000
Net cash generated from operating activities	20,184	7,980	1,201	5,818
Net cash used in investing activities	(11,497)	(3,012)	(2,257)	(140)
Net cash used in financing activities	—	(6,695)	(2,695)	(7,000)
Net increase/(decrease) in cash and cash equivalent	8,687	(1,727)	(3,751)	(1,322)
Cash and cash equivalents at beginning of year/period	10	8,697	8,697	6,970
Cash and cash equivalents at end of year/period	8,697	6,970	4,946	5,648

Cash flows generated from operating activities

The Group derives cash inflows from operating activities, principally from the receipts of services income for the provision of valuation and technical advisory service. The cash outflows from operations for the Track Record Period were principally payments for service fees to the independent professionals, staff costs and office rental expenses.

For the financial year ended 31 March 2011, the Group recorded net cash flows generated from operating activities of approximately HK$20.2 million, which were primarily attributable to profit before income tax of approximately HK$31.0 million and adjusted for net working capital outflow of approximately HK$11.0 million. The net working capital outflow was mainly attributable to increase in trade receivables and prepayments, deposits and other receivables.

For the financial year ended 31 March 2012, the Group recorded net cash flows generated from operating activities of approximately HK$8.0 million, which were primarily attributable to profit before income tax of approximately HK$4.9 million, adjustments for non-cash items of approximately HK$0.4 million, net working capital inflow of approximately HK$3.4 million and tax paid of approximately HK$0.8 million. The net working capital inflow was mainly resulted from the decrease in prepayments, deposits and other receivables and the increase in accrued liabilities, other payables and receipt in advance. The significant decrease in net cash flows generated from operating activities for the financial year ended 31 March 2012 was primarily due to the decrease in profit before income tax for the same period.

For the four months ended 31 July 2012, the Group recorded net cash flows generated from operating activities of approximately HK$5.8 million, which were primarily attributable to profit before income tax of approximately HK$7.8 million, adjustments for non-cash items of approximately HK$0.3 million, net working capital outflow of approximately HK$92,000 and tax paid of approximately HK$2.2 million. The net working capital outflow was mainly resulted from the increase in trade receivables. The significant increase in net cash flows generated from operating activities for the four months ended 31 July 2012 was primarily due to the increase in profit before income tax for the same period.

Cash flows from investing activities

The cash outflows from investing activities for the Track Record Period were principally comprised of purchase of property, plant and equipment and intangible assets and advances to a director.

For the financial year ended 31 March 2011, the Group recorded net cash flows used in investing activities of approximately HK$11.5 million, which were primarily attributable to purchase of property, plant and equipment and intangible assets of approximately HK$1.0 million and advances to a director of approximately HK$10.5 million during the financial year.

For the financial year ended 31 March 2012, the Group recorded net cash flows used in investing activities of approximately HK$3.0 million, which were primarily attributable to purchase of property, plant and equipment and intangible assets of approximately HK$0.9 million and advances to a director of approximately HK$2.2 million during the financial year.

For the four months ended 31 July 2012, the Group recorded cash outflows in investing activities of approximately HK$0.1 million, which were primarily attributable to purchase of property, plant and equipment and intangible assets of approximately HK$54,000 and realised loss on derivative financial instruments of approximately HK$86,000.

Cash flows from financing activities

The cash outflows from financing activities of approximately HK$6.7 million for the financial year ended 31 March 2012 represented the 2011 final dividend and 2012 interim dividend paid to the Shareholder during the said financial year, and HK$7.0 million for the four months ended 31 July 2012 represented the 2012 special dividend paid to the Shareholder during the said four months.

CAPITAL EXPENDITURE

The Group's capital expenditures for the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012 were insignificant and principally consisted of expenditure on property, plant and equipment and intangible assets in aggregate amount of approximately HK$1.0 million, HK$0.9 million and HK$54,000 respectively. The Group has funded its capital expenditures through cash flows from operations and cash and cash equivalents.

NET CURRENT ASSETS

The following table sets out details of the Group's current assets and liabilities as at the dates indicated:

	As at 31 March		As at 31 July	As at 30 November
	2011	2012	2012	2012
	HK$'000	HK$'000	HK$'000	HK$'000
Current assets				
Trade receivables	3,894	5,087	7,294	7,433
Prepayments, deposits and other receivables	10,139	7,658	5,698	6,967
Amount due from a director	11,605	—	—	—
Cash and cash equivalents	8,697	6,970	5,648	6,630
Total current assets	34,335	19,715	18,640	21,030
Current liabilities				
Trade payables	432	350	354	293
Accrued liabilities, other payables and receipt in advance	1,284	3,490	3,641	3,816
Derivative financial instruments	—	6	—	—
Tax payable	5,468	6,348	5,498	3,912
Total current liabilities	7,184	10,194	9,493	8,021
Net current assets	27,151	9,521	9,147	13,009

As at 31 March 2012 and 31 July 2012, the Group had net current assets of approximately HK$9.5 million and HK$9.1 million respectively. The components of the Group's current assets as at such dates included trade receivables of approximately HK$5.1 million and HK$7.3 million respectively, prepayments, deposits and other receivables of approximately HK$7.7 million and HK$5.7 million respectively, and cash and cash equivalents of approximately HK$7.0 million and HK$5.6 million respectively. The components of the Group's current liabilities as at 31 March 2012 and 31 July 2012 included trade payables of approximately HK$0.4 million and HK$0.4 million respectively, accrued liabilities, other payables and receipt in advance of approximately HK$3.5 million and HK$3.6 million respectively, derivative financial instruments of approximately HK$6,000 and nil respectively and tax payable of approximately HK$6.3 million and HK$5.5 million respectively.

The net current assets of the Group decreased from approximately HK$27.2 million as at 31 March 2011 to approximately HK$9.5 million as at 31 March 2012 and to approximately HK$9.1 million as at 31 July 2012. Such decreases were mainly attributable to payment of dividends during the financial year ended 31 March 2012 and the four months ended 31 July 2012.

Trade receivables

The trade receivables of the Group as at 31 March 2011 and 2012, and 31 July 2012 were approximately HK$3.9 million, HK$5.1 million and HK$7.3 million respectively. The trade receivables were primarily related to the valuation and technical advisory service income receivable from the clients.

The following table sets out the aging analysis of the Group's trade receivables based on the invoice dates as at the dates indicated:

	As at 31 March		As at 31 July
	2011	2012	2012
	HK$'000	HK$'000	HK$'000
0 to 30 days	2,272	1,521	3,637
31 to 60 days	44	682	252
61 to 90 days	—	169	800
91 to 180 days	1,450	96	1,406
181 to 360 days	128	2,251	1,088
Over 360 days	—	368	111
	3,894	5,087	7,294

The following table sets out the ageing analysis of the Group's trade receivables based on the due dates as at the dates indicated:

	As at 31 March		As at 31 July
	2011	2012	2012
	HK$'000	HK$'000	HK$'000
Neither past due nor impaired	—	—	—
1 to 90 days past due	2,316	2,372	4,689
91 to 180 days past due	1,450	96	1,406
181 to 360 days past due	128	2,251	1,088
Over 360 days past due	—	368	111
	3,894	5,087	7,294
	3,894	5,087	7,294

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. Based on past credit history, the Directors believes that no impairment allowance is necessary in respect of these balances as there is no significant change in credit quality and the balances are still considered to be fully recoverable.

The following table sets out the Group's average trade receivables turnover days for the Track Record Period:

	Year ended 31 March		Four months ended 31 July
	2011	**2012**	**2012**
Average trade receivables turnover days*(Note)*	27	69	73

Note: Average trade receivables turnover days for the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012 are computed by the average of the beginning and ending trade receivable balances for the relevant period divided by the total revenue (excluding accrued revenue) for the corresponding period and multiplied by 365 or 122 correspondingly.

The Group generally does not grant any credit term to the clients and the invoices will be due upon presentation. The Directors advised that in order to maintain good relationship with the customers, the Group would generally allow the debtors to settle the outstanding invoices within six months. The average trade receivables turnover days for the two financial years ended 31 March 2011 and 2012 increased from about 27 days to 69 days. Such increase was mainly attributable to the increase in number of clients not settling their outstanding invoices within six months from two as at 31 March 2011, representing 1.7% of the Group's clients for the financial year ended 31 March 2011 to ten as at 31 March 2012, representing 6.0% of the Group's clients for the financial year ended 31 March 2012. The Group established business relationship with the aforesaid two clients since the year of 2009, and the aforesaid ten clients in or before April 2011. Since most of these clients are recurring or potential recurrent clients to the Group, the Directors are of the view that in order to maintain a good and long term relationship with these clients, the Group would generally allow further deferment of their payments. Nevertheless, the Group has implemented internal control measures, such as, among others, payment reminder regularly sent to the debtors and periodic check on the financial position of the debtors, where applicable, to ensure the Group's debtors fully settled their respective outstanding invoices. The average trade receivables turnover days for the four months ended 31 July 2012 further increased to 73 days. Such increase was mainly attributable to relatively more clients were billed by the Group near the period end of 31 July 2012. As at 24 January 2013, approximately 71.3% of the trade receivable as at 31 July 2012 were subsequently settled. No impairment loss has been recognised by the Group during the Track Record Period.

Prepayments, deposits and other receivables and amount due from a director

Prepayments, deposits and other receivables mainly consisted of prepayments of the Group's services and professional fees and rental and utility deposits in the Track Record Period. Amount due from a director as at 31 March 2011, which was unsecured, interest-free and repayable on demand, represented advances to Mr. Luk, being the sole shareholder and one of the directors of Roma Appraisals and Roma Oil and Mining during the Track Record Period, for his personal use given the availability of spare funds. All the outstanding amount due from a director was settled by way of offsetting the outstanding balance in full with the annual dividend declared by Roma Appraisals on 3 May 2011 of HK$16.5 million which was fully settled on 25 May 2011. There will be no further advances to the related parties up to the Latest Practicable Date and after the Listing.

The following table sets out the details of the Group's balances of prepayments, deposits and other receivables as at the dates indicated:

	As at 31 March		As at 31 July
	2011	2012	2012
	HK$'000	HK$'000	HK$'000
Prepayments, deposits and other receivables			
Accrued revenue	8,626	5,824	4,162
Prepayments	1,208	1,140	912
Deposits	251	357	624
Other receivables	54	337	—
	10,139	7,658	5,698

As at 31 March 2011 and 2012, and 31 July 2012, the prepayments, deposits and other receivables amounted to approximately HK$10.1 million, HK$7.7 million and HK$5.7 million respectively. Accrued revenue, which comprised a significant portion of the balance of prepayments, deposits and other receivables, represents accrued service income for services rendered but fee note has not been issued to the customers. The Group's service income is recognised upon provision of services, by reference to the percentage-of-completion of services performed to date to the total services to be performed. Management determines the percentage-of-completion at the end of each of the reporting periods and makes accrual for service income for services rendered according to the project report sheet. Among the accrued revenue as at 31 July 2012 of approximately HK$4.2 million, approximately HK$2.4 million (representing 58.0% of the accrued revenue as at 31 July 2012) has been subsequently billed and approximately HK$2.1 million (representing 50.5% of the accrued revenue as at 31 July 2012 or 87.1% of the subsequently billed accrued revenue) has been subsequently settled as at 24 January 2013.

As at 31 March 2012, accrued revenue and prepayments decreased by approximately HK$2.8 million and HK$68,000 respectively and other receivables increased by approximately HK$283,000. In the view that the Group's revenue for the financial year ended 31 March 2012 dropped, less accrued revenue was recognised as at 31 March 2012. The prepayment mainly comprised of prepayment of professional fees in relation to the proposed Listing and Placing. As at 31 July 2012, the accrued revenue further decreased to approximately HK$4.2 million and deposits increased by approximately HK$267,000. Among the accrued revenue as at 31 March 2012 of approximately HK$5.8 million, up to 31 July 2012, approximately HK$4.6 million was billed. Moreover, relatively more services, which were rendered by the Group for the four months ended 31 July 2012, were billed during the same period. The increase in deposits was mainly attributable to the deposit paid for the additional leases entered into by the Group during the four months ended 31 July 2012.

Trade payables, accrued liabilities, other payables and receipt in advance

Trade payables of the Group represented service fees payable to various independent professionals. Accrued liabilities, other payables and receipt in advance mainly represented accrued salaries and wages, accrued office rental expenses and service fees received in advance in the Track Record Period.

The following table sets out the details of the Group's balances of trade payables, accrued liabilities, other payables and receipt in advance as at the dates indicated:

	As at 31 March		As at 31 July
	2011	2012	2012
	HK$'000	HK$'000	HK$'000
Trade payables	432	350	354
Accrued liabilities	719	1,784	810
Other payables	5	—	—
Receipt in advance	560	1,706	2,831
	1,716	3,840	3,995

As at 31 March 2011 and 2012, and 31 July 2012, the trade payables amounted to approximately HK$0.4 million, HK$0.4 million and HK$0.4 million respectively. The average trade payables turnover days of the Group for the two financial years ended 31 March 2011 and 2012 decreased from about 71 days to 55 days. Such decrease was mainly attributable to faster settlement by the Group for the total consultancy fees incurred for the financial year ended 31 March 2012. Given that most of the independent professionals had newly established business relationship with the Group during the financial year ended 31 March 2012, they requested the Group to settle the consultancy fees shortly after the fees past due. Therefore, the Group settled the consultancy fees upon the request of the independent professionals with an aim to maintain long term relationship with the independent professionals. The average trade payables turnover days for the four months ended 31 July 2012 slightly increased to about 56 days. The pattern of paying the independent professionals during the four months ended 31 July 2012 was similar with that for the financial year ended 31 March 2012. Subsequent to the services rendered by the independent professionals of the Group, the independent professionals generally took a range of approximately 0 to 3 months to bill the Group during the Track Record Period. As at 24 January 2013, approximately 17.1% of the trade payables as at 31 July 2012 were subsequently settled. The outstanding balance represented uninvoiced service fees provided for certain services rendered by an independent professional. The engagement of such independent professional commenced in October 2010 and such independent professional substantially completed such service in November 2010. As at 31 March 2011 and 2012, and 31 July 2012, the aggregate amount of the accrued liabilities, other payables and receipt in advance were approximately HK$1.3 million, HK$3.5 million and HK$3.6 million respectively.

Investments

To maximise the returns of the Shareholders, the Directors decided to acquire short-term investments by utilising the Group's surplus funds. As at 31 March 2012, the Group had recognised derivative financial liabilities in respect of Hang Seng Index futures contracts of HK$6,000, which are derivatives traded on the Stock Exchange. The fair value of the derivatives has been determined by reference to their closing price as at 31 March 2012. During the period from March to June 2012, the Group bought and sold 17 Hang Seng Index futures contracts, which were held ranging from 3 to 17 days. In February 2012, the Group acquired a total of 10,000 shares of a listed equity security which were all disposed of in March 2012. Though the Group has no treasury and investment policies in place when it invested in the aforesaid futures contracts and listed equity security, prior to the investments acquired by the Group, independence checks against the Group's lists of clients and suppliers were done. The investments were overseen by the Group's chief financial officer, who has approximately 19 years' experience in accounting, auditing and corporate finance and was the head of finance department in a financial services firm. As at 31 July 2012, the Group has disposed of all the futures contracts and did not hold any listed equity securities nor futures contracts for investment purpose. Upon the closure of the securities and derivatives trading accounts in July 2012, personal guarantee given by Mr. Luk to the brokers has been fully released. The Directors confirm that they have no intention to engage in any investment of securities and derivatives after Listing. The Directors and all the Group's personnel are given written notice that the Group will not engage in investment of securities and derivatives and Mr. Yue as the Group's chief financial officer and compliance officer oversees, among others, the Group's investing activities and ensures that no any investment in securities or derivatives will be made by the Group.

MAJOR FINANCIAL RATIOS ANALYSIS

The tables below set forth certain major financial ratios of the Group as at the dates indicated:

	As at 31 March		**As at 31 July**
	2011	**2012**	**2012**
Current ratio *(Note 1)*	4.8	1.9	2.0
Gearing ratio *(Note 2)*	N/A	N/A	N/A

	Year ended 31 March		**Four months ended 31 July**
	2011	**2012**	**2012**
Net profit margin *(Note 3)*	67.7%	11.0%	44.7%
Return on total assets *(Note 4)*	73.8%	15.6%	N/A

Notes:

1. Current ratio is calculated by dividing the total current assets by total current liabilities.

2. Gearing ratio is calculated by dividing the total debts less cash and cash equivalents by total equity and multiplied by 100%. Total debts are defined to include all borrowings and payables incurred not in the ordinary course of business.

3. Net profit margin is calculated by dividing the net profit attributable to owners of the Company by revenue for each period and multiplied by 100%.

4. Return on assets equals to net profit (from continuing operations) for each period divided by the total assets and multiplied by 100%.

Current ratio

The current ratio of the Group decreased from approximately 4.8 as at 31 March 2011 to approximately 1.9 as at 31 March 2012. Such decrease was mainly due to the combined effect of the decrease in amount due from a director and the increase in receipt in advance from the Group's customers as at 31 March 2012. The current ratio of the Group slightly increased to approximately 2.0 as at 31 July 2012.

Gearing ratio

Since the Group has no borrowings or payables incurred not in the ordinary course of business during the Track Record Period, the Group was in net cash position during the Track Record Period and no gearing ratio information was presented.

Net profit margin

The net profit margin of the Group decreased from approximately 67.7% for the financial year ended 31 March 2011 to approximately 11.0% for the financial year ended 31 March 2012, primarily as a result of the decrease of approximately HK$8.6 million in revenue; representing a decrease of approximately 22.5%, significant increase in employee benefit expenses of approximately HK$8.9 million; representing an increase of approximately 265.4% and approximately HK$4.1 million of expenses in relation to the Listing and Placing, the nature of which is non-recurrent, being incurred by the Group. The net profit margin of the Group increased from approximately 2.6% for the four months ended 31 July 2011 to approximately 44.7% for the four months ended 31 July 2012, primarily as a result of the significant increase in revenue of approximately HK$5.9 million; representing an increase of approximately 68.5%.

Return on total assets

The return on total assets of the Group decreased from approximately 73.8% for the financial year ended 31 March 2011 to approximately 15.6% for the financial year ended 31 March 2012, which was mainly due to the significant decrease in profit attributable to the owners of the Company for the financial year ended 31 March 2012.

INDEBTEDNESS

Borrowings

As at 30 November 2012, being the latest practicable date for the purpose of ascertaining the information contained in this indebtedness statement prior to the printing of this prospectus, the Group did not have any outstanding indebtedness.

The Group did not have any outstanding loan capital issued and outstanding or agreed to be issued, term loans, bank overdrafts, other borrowings or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptable credits, debentures, mortgages, charges, finance leases or hire purchase commitments, guarantees, banking facility or other material contingent liabilities as at 30 November 2012.

The Directors confirm that, up to the Latest Practicable Date, there have been no material change in indebtedness, capital commitment and contingent liabilities of the Group since 30 November 2012, being the date for determining the Group's indebtedness.

COMMITMENTS

The contractual commitments of the Group are primarily related to the lease of its office premises and Director's quarter under operating lease arrangements.

The Group's operating lease commitments amounted to approximately HK$1.8 million, HK$1.9 million and HK$2.2 million as at 31 March 2011 and 2012, and 31 July 2012 respectively. The following table sets out the future minimum lease payments payable by the Group as at the dates indicated under non-cancellable operating leases:

	As at 31 March		As at 31 July
	2011	2012	2012
	HK$'000	HK$'000	HK$'000
Within one year	825	1,462	2,127
In the second to fifth years	930	421	106
	1,755	1,883	2,233

OFF BALANCE SHEET TRANSACTIONS

Save for the entering into of the future contracts, the Group has not entered into any material off balance sheet transactions or arrangements during the Track Record Period.

WORKING CAPITAL

The Group had net cash generated from operating activities of approximately HK$20.2 million, HK$8.0 million and HK$5.8 million for the two financial years ended 2011 and 2012, and the four months ended 31 July 2012 respectively, and cash and cash equivalents of approximately HK$8.7 million, HK$7.0 million and HK$5.6 million as at 31 March 2011 and 2012, and 31 July 2012 respectively. The Group's capital requirement in the past mainly related to the working capital of the Group. During the Track Record Period, the Group has met its capital requirement principally with cash generated from its operations.

The Directors are of the opinion that after taking into account the cash flow generated from the operating activities, the existing financial resources available to the Group including internally generated funds and the estimated net proceeds of the placing of the New Shares, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this prospectus.

PROPERTY INTERESTS

The Group leased three properties in Hong Kong with two Independent Third Parties as office and Director's quarter, the details of which are set out in the paragraph headed "Property" in the section headed "Business" in this prospectus.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following is an illustrative and unaudited pro forma statement of adjusted net tangible assets of the Group, prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Placing on the net tangible assets of the Group attributable to owners of the Company as if the Placing had taken place on 31 July 2012. This unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purposes only and because of this hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group had the Placing been completed on 31 July 2012 or at any future dates.

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 July 2012 *(Note 1)*	**Estimated net proceeds from the issue of the New Shares pursuant to the Placing** *(Note 2)*	**Unaudited pro forma adjusted net tangible assets of the Group attributable to owners of the Company**	**Unaudited pro forma adjusted net tangible assets per Share** *(Note 3)*
	HK$'000	**HK$'000**	**HK$'000**	**HK cents**
Based on 120,000,000 New Shares at the Placing Price of HK$0.50 per Share	9,734	55,075	64,809	8.1
Based on 120,000,000 New Shares at the Placing Price of HK$0.25 per Share	9,734	26,275	36,009	4.5

Notes:

1. The audited consolidated net tangible assets of the Group attributable to owners of the Company as of 31 July 2012 is extracted from the Accountants' Report set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to owners of the Company of approximately HK$10,207,000 with adjustment for intangible assets of approximately HK$473,000.

2. The estimated net proceeds from the issue of New Shares pursuant to the Placing are based on the Placing Price of HK$0.25 per Share (being the low-end of the indicative Placing Price range between HK$0.25 and HK$0.50 per Placing Share) or HK$0.50 per Share (being the high-end of the indicative Placing Price range between HK$0.25 and HK$0.50 per Placing Share) after deducting the estimated underwriting fee and other related expenses.

3. The unaudited pro forma adjusted net tangible assets per Share is calculated based on 800,000,000 Shares in issue immediately following the completion of the Placing and the Capitalisation Issue.

4. No adjustment has been made to the unaudited pro forma adjusted net tangible assets of the Group to reflect any trading results or other transactions of the Group entered subsequent to 31 July 2012.

DISTRIBUTABLE RESERVES

The Company was incorporated on 4 March 2011. As at 31 July 2012, the Company had capital deficiency of approximately HK$2.2 million. In December 2012, a subsidiary of the Company declared a dividend in the sum of HK$2.3 million to the Company.

DIVIDEND POLICY

On 3 May 2011, Roma Appraisals declared an annual dividend in the sum of HK$16.5 million for the financial year ended 31 March 2011, which was partially settled on 25 May 2011 by way of offsetting the entire amount due from a director of approximately HK$13.8 million as at the date thereof with the remaining balance of approximately HK$2.7 million being settled by cash.

On 28 October 2011, the Company declared an interim dividend in the sum of HK$4 million and which was paid on even date.

On 2 April 2012, the Company declared a special dividend in the sum of HK$7 million, and HK$3 million of which was paid on 3 April 2012 and HK$4 million of which was paid on 26 July 2012.

Save for the above, the Group did not declare nor pay any dividends to shareholders of the Company during the Track Record Period.

The declaration, payment and amount of dividends are at the discretion of the Directors and will be dependent upon the Group's earnings, financial condition, cash requirements and availability, the provision of relevant law, and such other factors as the Directors may from time to time consider to be relevant. Dividends may be paid only out of the distributable profits as permitted under the relevant laws. To the extent profits are distributed as dividends, such portion of profits will not be available to be reinvested in the operations. There can be no assurance that the Group will be able to declare or distribute any dividend in the amount set out in any plan of the Board or at all. The dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Group in the future.

QUANTITATIVE AND QUALITATIVE INFORMATION ABOUT MARKET RISKS

Foreign exchange risk

The Directors consider that the Group's exposure to currency risk is minimal as majority of the Group's transactions, monetary assets and liabilities are denominated in HK$ and US$. As US$ is pegged to HK$, the Group does not expect any significant movements in the US$/HK$ exchange rates.

Interest rate risk

Since the Group does not have significant interest-bearing assets and liabilities, the Directors consider that the Group's exposure to interest rate risk is minimal.

Credit risk

During the Track Record Period, the Group's exposure to credit risk mainly arises from granting credit to clients in the ordinary course of its operations and the advances to related parties. For the two financial years ended 31 March 2011 and 2012, and the four months ended 31 July 2012, there was no concentration of credit risk with respect to trade receivables as the Group has large number of customers.

The Group's policy is to deal with credit worthy counterparties. Credit terms are only granted to clients after a credit worthiness assessment by the management. In some cases, customers may be required to pay in advance or partial deposit. Payment record of clients is closely monitored. The management will determine appropriate recovery actions for overdue balances. 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.

Liquidity risk

The Group is exposed to liquidity risk in respect of settlement of trade and other 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.

As at 31 March 2011 and 2012, and 31 July 2012, the Group's financial liabilities would be due for settlement either on demand or within one year.

The liquidity policies have been consistently applied by the Group and the Directors consider that such policies are effective in managing the liquidity risks.

DISCLOSURE UNDER CHAPTER 17 OF THE GEM LISTING RULES

The Directors have confirmed that, save as disclosed above, as at the Latest Practicable Date, they were not aware of any circumstances which would give rise to a disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

NO MATERIAL ADVERSE CHANGE

The Directors confirm that, there has been no material adverse change in the financial or trading position or prospects of the Group since 31 July 2012, being the date to which the latest audited financial statements of the Group were made up, and up to the date of this prospectus.