

**ROMA GROUP LTD:  
NOW, HERE'S A LITTLE CONUNDRUM ON WHICH TO CHEW**

**For What Reason Did The Chairman Sell His Shares ?**

Since [Roma Group Ltd \(\)](#) (Code: 8072, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) went public on the secondary equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the Company has never missed a beat as far as profits are concerned.

Oddly enough, however, the Chairman, Mr Kelvin Luk Kee Yan (), determined to offload a very material portion of his shares to independent third parties within 14 months of Roma, being listed on The GEM.

The following intelligence is gleaned from the database of **TOLFIN ()**, the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider.

**First, A Little History**

When Roma pitched its story in its Placing Prospectus, Mr Kelvin Luk Kee Yan determined to sell 80 million of his shares at 30 cents per share, grossing about \$HK24 million for himself.

As at the date of the Placing Prospectus (January 31, 2013), Mr Kelvin Luk Kee Yan, via his private, wholly owned company, Aperto Investments Ltd, which is domiciled in the British Virgin Islands, held 75 percent of the Issued and Fully Paid-Up Share Capital of Roma.

The Company Placed 120 million New Shares at 30 cents, each, netting about \$HK26.70 million.

Thus, Chairman Kelvin Luk Kee Yan and the Company that he founded, just about, shared the booty from the Initial Public Offering, pretty much equally.

The money, raised in this Share Placement as far as Roma Group was concerned, was to be used, Management stated, for the following purposes:

1. Approximately \$HK5.40 million, representing about 20 percent of the net proceeds, '*will be used for exploring merger and acquisition opportunities and business collaboration*';
2. Approximately \$HK10.20 million, representing about 38 percent of the net proceeds, '*will be used for enhancing the quality and expanding the team of professional staff*';
3. Approximately \$HK6.20 million, representing about 23 percent of the net proceeds, '*will be used for upgrading and maintaining the information technology system*';
4. Approximately \$HK3.00 million, representing about 11 percent of the net proceeds, '*will be used for strengthening the marketing efforts*'; and
5. Approximately \$HK1.90 million, representing about 7 percent of the net proceeds, '*will be used for working capital and other general corporate purposes.*'

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