BAMBOOS HEALTH CARE HOLDINGS LIMITED
百 本 醫 護 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2293)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2019

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 30 June 2019 amounted to approximately HK$78.5 million, representing a decrease of approximately 3.6% from approximately HK$81.4 million recorded for the year ended 30 June 2018.

- Profit before income tax for the year ended 30 June 2019 amounted to approximately HK$47.1 million, representing a decrease of approximately 7.6% from approximately HK$51.0 million recorded for the year ended 30 June 2018.

- Profit attributable to equity holders of the Company for the year ended 30 June 2019 amounted to approximately HK$38.9 million, representing a decrease of approximately 7.8% from approximately HK$42.2 million recorded for the year ended 30 June 2018.

- Proposed final dividend of HK5.0 cents per ordinary share for the year ended 30 June 2019 (2018: HK2.50 cents per ordinary share).

FINANCIAL RESULTS

The board of directors (the "Board" or the "Directors") of Bamboos Health Care Holdings Limited (the "Company", together with its subsidiaries, the "Group") is pleased to announce the audited results of the Group for the year ended 30 June 2019 (the "Year") (which have been reviewed by the Company's audit committee), together with the comparative figures for the year ended 30 June 2018 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2019

	Note	**2019** *HK$'000*	2018 *HK$'000*
Revenue from contracts with customers	4	**78,464**	81,359
Other income	5	**3,299**	3,965
Other gains, net	6	**1,094**	–
Employee benefit expenses	8	**(18,007)**	(21,125)
Operating lease rentals		**(5,418)**	(3,202)
Depreciation		**(875)**	(523)
Other expenses	7	**(10,389)**	(8,601)
Operating profit		**48,168**	51,873
Finance income	9	**1,087**	367
Share of losses of an associate		**(930)**	(1,016)
Share of losses of a joint venture		**(1,207)**	(257)
Profit before income tax		**47,118**	50,967
Income tax expense	10	**(8,198)**	(8,746)
Profit for the year attributable to equity holders of the Company		**38,920**	42,221
Earnings per share attributable to equity holders of the Company for the year (expressed in HK cents per share)			
Basic and diluted	11	**HK9.73 cents**	HK10.56 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2019

	2019	2018
	HK$'000	*HK$'000*
Profit for the year	**38,920**	42,221
Other comprehensive income		
Item that may be reclassified to profit or loss		
Currency translation differences	**(5)**	2
Total comprehensive income for the year	**38,915**	42,223
Total comprehensive income for the year attributable to equity holders of the Company	**38,915**	42,223

CONSOLIDATED BALANCE SHEET

As at 30 June 2019

	Note	**2019**	2018
		HK$'000	*HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**4,897**	1,609
Investment in and advance to an associate		**–**	1,984
Investment in a joint venture		**1,033**	2,245
Prepayments and deposits	15	**7,399**	1,387
		13,329	7,225
Current assets			
Inventories	13	**947**	84
Trade receivables	14	**41,426**	43,929
Prepayments, deposits and other receivables	15	**5,714**	4,197
Amounts due from related companies		**892**	10
Cash and cash equivalents		**118,703**	96,806
		167,682	145,026
Total assets		**181,011**	152,251
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the Company			
Share capital		**4,000**	4,000
Share premium		**39,123**	39,123
Reserves		**106,858**	77,394
Total equity		**149,981**	120,517
Non-current liabilities			
Deferred income tax liabilities		**192**	119
Current liabilities			
Trade payables	16	**16,260**	17,571
Accruals and other payables	17	**4,666**	3,898
Tax payable		**9,912**	10,146
		30,838	31,615
Total liabilities		**31,030**	31,734
Total equity and liabilities		**181,011**	152,251

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2019

	Attributable to equity holders of the Company					
	Share capital	Share premium	Share-based compensation reserve	Translation reserve	Retained earnings	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 July 2017	4,000	39,123	–	–	55,171	98,294
Profit for the year	–	–	–	–	42,221	42,221
Currency translation differences	–	–	–	2	–	2
Total comprehensive income	–	–	–	2	42,221	42,223
Transaction with owners						
Dividends relating to 2017 *(Note 12)*	–	–	–	–	(20,000)	(20,000)
At 30 June 2018	4,000	39,123	–	2	77,392	120,517
At 1 July 2018	**4,000**	**39,123**	–	**2**	**77,392**	**120,517**
Profit for the year	**–**	**–**	–	**–**	**38,920**	**38,920**
Currency translation differences	**–**	**–**	–	**(5)**	**–**	**(5)**
Total comprehensive income	**–**	**–**	–	**(5)**	**38,920**	**38,915**
Transaction with owners						
Dividends relating to 2018 *(Note 12)*	**–**	**–**	**–**	**–**	**(10,000)**	**(10,000)**
Employee share scheme	**–**	**–**	**549**	**–**	**–**	**549**
	–	**–**	**549**	**–**	**(10,000)**	**(9,451)**
At 30 June 2019	**4,000**	**39,123**	**549**	**(3)**	**106,312**	**149,981**

NOTES

1 GENERAL INFORMATION

Bamboos Health Care Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in the provision of healthcare staffing solution services in Hong Kong.

The Company was incorporated in the Cayman Islands on 23 November 2012 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business is 4/F, Star House, 3 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

These consolidated financial statements are presented in thousands of units of Hong Kong dollars ("HK$'000"), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"). The consolidated financial statements have been prepared on a historical cost basis.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

(a) New standards, amendments to standards and interpretations adopted by the Group

The following new standards, amendments to standards and interpretations are mandatory for the accounting period beginning on 1 July 2018 and are adopted by the Group during the year:

HKFRS 2 (Amendments)	Classification and measurement of share-based payment transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 financial instruments with HKFRS 4 insurance contracts
HKFRS 9	Financial instruments
HKFRS 15	Revenue from contracts with customers
HKFRS 15 (Amendments)	Clarifications to HKFRS 15
HK(IFRIC)-Int 22	Foreign currency transactions and advance consideration
HKAS 28 (Amendments)	Investment in associate and joint ventures
HKAS 40 (Amendments)	Transfer of investment property
HKFRS 1 (Amendments)	First time adoption of HKFRS

The impact of the adoption of HKFRS 9 and HKFRS 15 are disclosed in Note 2.2 below. The other standards did not have any material impact on the Group's accounting policies and did not require retrospective adjustments.

(b) ***New and amendments to standards, interpretations and conceptual framework not yet adopted by the Group***

A number of new and amendments to standards, interpretations and conceptual framework are effective for annual periods beginning after 1 July 2019 and have not been early adopted by the Group in preparing these consolidated financial statements:

Amendments to HKFRSs	Annual improvements to HKFRSs 2015–2017 cycle[1]
HKFRS 9 (amendments)	Prepayment features with negative compensation[1]
HKFRS 10 and HKAS 28 (amendments)	Sale or contribution of assets between an investor and its associate or joint venture[4]
HKFRS 16	Leases[1]
HKFRS 17	Insurance contracts[3]
HKAS 28 (amendments)	Long-term interests in associates and joint ventures[1]
HK(IFRIC)-Int 23	Uncertainty over income tax treatments[1]
HKFRS 3 (amendments)	Definition of a business[2]
HKAS 19 (amendments)	Employee benefits[1]
Conceptual Framework for Financial Reporting 2018	Revised conceptual framework for financial reporting[2]
HKAS 1 and HKAS 8 (amendments)	Definition of material[2]

1 Effective for annual periods beginning on or after 1 January 2019
2 Effective for annual periods beginning on or after 1 January 2020
3 Effective for annual periods beginning on or after 1 January 2021
4 Effective date not yet determined

None of these new and amendments to standards, interpretations and conceptual framework is expected to have a significant effect on the consolidated financial statements of the Group, except those set out below:

HKFRS 16, "Leases"

Nature of change

The Group is a lessee of office premises which are currently classified as operating leases. The Group's current accounting policy for such leases is to record the rental expenses in the Group's consolidated income statement for the current year with the related operating lease commitments being separately disclosed in the consolidated financial statements. HKFRS 16 provides new provisions for the accounting treatment of leases which no longer allows lessees to recognise leases outside of the consolidated balance sheet. Instead, all non-current leases must be recognised in the form of assets (for the right of use) and financial liabilities (for the payment obligations) in the Group's consolidated balance sheet. Short-term leases of less than twelve months and leases of low-value assets are exempt from such reporting obligation. The new standard will therefore result in a derecognition of prepaid operating leases, increase in right-of-use assets and increase in lease liabilities in the consolidated balance sheet.

In the consolidated income statement, as a result, the annual rental and amortisation expenses of prepaid operating lease under otherwise identical circumstances will decrease, while depreciation of right of use of assets and interest expense arising from the financial liabilities will increase.

Impact

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK$5,953,000 and account for 19.2% of the total liabilities of the Group as at 30 June 2019.

For the lease commitments, the Group expects to recognise right-of-use assets of approximately HK$4,693,000 on 1 July 2019, lease liabilities of HK$5,999,000 and deferred tax assets of HK$150,000. Overall net assets will be approximately HK$756,000 lower, and net current assets will be HK$4,741,000 lower due to the presentation of a portion of the liabilities as current liabilities.

The Group expects that net profit after tax will increase by approximately HK$911,000 for the year ending 30 June 2020 as a result of adopting the new rules.

Operating cash flows will increase and financing cash flows decrease by approximately HK$4,886,000 as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

Date of adoption by the Group

The new standard is not expected to apply until the financial year beginning on or after 1 July 2019.

2.2 Changes in Accounting Policies

As explained in Note 2.2(a) and 2.2(b) below, HKFRS 9 and HKFRS 15 were generally adopted by the Group without restating comparative information. As a result of the changes in the entity's accounting policies, certain reclassifications and adjustments are therefore not reflected in the restated consolidated balance sheet as at 30 June 2018, but are recognized in the opening consolidated balance sheet on 1 July 2018.

The adjustments are explained in more detail by standard below.

(a) HKFRS 9 "Financial Instruments" – Impact of adoption

HKFRS 9, "Financial instruments", addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The adoption of HKFRS 9 has resulted in changes in the Group's accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. The new accounting policies are set out in below.

(i) Classification and measurement

On 1 July 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 measurement categories including those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) and those to be measured at amortised cost.

(ii) Impairment of financial assets

The Group has two types of financial assets that are subject to HKFRS 9's new expected credit loss model:

- Trade receivables, and
- Other financial assets carried at amortised cost.

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets.

While cash and cash equivalents is also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group has applies the HKFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables as at 1 July 2018 and the change in impairment methodologies has no material impact of the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

Other financial assets at amortised cost

Other financial assets at amortised cost include deposits, other receivables and amounts due from related companies. The Group has assessed that the expected credit loss model apply to the deposits, other receivables and amounts due from related companies as at 1 July 2018 and the change in impairment methodologies has no material impact of the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

(b) HKFRS 15 "Revenue from Contracts with Customers" – Impact of adoption

The Group has adopted HKFRS 15 from 1 July 2018 which resulted in changes to accounting policies and adjustments to the amounts recognised in the consolidated financial statements. The Group elected to adopt HKFRS 15 without restating comparatives as it has chosen the simplified transition method, to apply HKFRS 15 retrospectively only to contracts that are not completed at the date of initial application (1 July 2018).

The reclassification and the adjustment arising from the new revenue recognition rules are therefore not reflected in the consolidated balance sheet as at 30 June 2018, but are recognised in the opening consolidated balance sheet on 1 July 2018. In summary, the following reclassification was made to the amount recognised in the consolidated balance sheet at the date of initial application (1 July 2018):

Consolidated balance sheet (extracted):	**HKAS 18 carrying amount 30 June 2018** *HK$'000*	**Reclassification**	**HKFRS 15 carrying amount 1 July 2018** *HK$'000*
Current liabilities			
Deferred income	31	(31)	–
Contract liabilities	–	31	31

Contract liabilities in relation to the consideration received from customers for advertising and activity services were previously presented as deferred income.

3 SEGMENT INFORMATION

The Group is principally engaged in the provision of healthcare staffing solution services to private and institutional customers in which placement of healthcare personnel is made according to the specific request from these customers. During the year, the Group is also engaged in the operation of plastic surgery clinic through an acquisition of a subsidiary.

Management reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the executive directors of the Company regard that there is only one segment which is used to make strategic decisions. Revenue and profit after income tax are the measures reported to the executive directors for the purpose of resources allocation and performance assessment.

The Group primarily operates in Hong Kong and most of its non-current assets are located in Hong Kong. During the years ended 30 June 2019 and 2018, all revenue was earned from external customers in Hong Kong.

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

	2019	2018
	HK$'000	*HK$'000*
Revenue from provision of healthcare staffing solution services	**73,160**	77,578
Revenue from provision of outreach case assessment related services	**4,736**	3,781
Revenue from operation of plastic surgery clinic	**568**	–
	78,464	81,359

	2019	2018
	HK$'000	*HK$'000*
Timing of revenue recognition		
– At a point in time	**73,728**	77,578
– Over time	**4,736**	3,781
	78,464	81,359

An analysis of the gross components in arriving at the Group's revenue from provision of healthcare staffing solution services is set out below:

	2019	2018
	HK*$'000*	*HK$'000*
Gross fee	**269,196**	298,937
Cost attributable to healthcare personnel	**(196,036)**	(221,359)
Revenue from provision of healthcare staffing solution services	**73,160**	77,578

The gross fee does not represent the Group's revenue.

5 OTHER INCOME

	2019	2018
	HK$'000	*HK$'000*
Advertising income	**1,303**	1,603
Sales of goods	**738**	948
Activity income	**227**	313
Others	**1,031**	1,101
	3,299	3,965

6 OTHER GAINS, NET

	2019	2018
	HK$'000	*HK$'000*
Gain on deemed disposal of an associate	**1,944**	–
Gain on bargain purchase from an acquisition of business	**305**	–
Gains on disposals of property, plant and equipment	**115**	–
Others	**(1,270)**	–
	1,094	–

7 OTHER EXPENSES

	2019	2018
	HK$'000	*HK$'000*
Auditor's remuneration	**880**	880
Legal and professional fee	**1,942**	1,688
Management service fee	**1,899**	–
Rates and management fee	**1,314**	784
Printing costs	**1,138**	669
Postage, utilities and general office expenses	**667**	749
Advertising and promotion expenses	**499**	1,079
Travelling and transportation expenses	**446**	636
Cost of inventories sold	**381**	289
Entertainment	**321**	311
Insurance expenses	**265**	301
Bank charges	**233**	218
Cost of services	**28**	–
Activity expenses	**45**	228
Sponsorship	**49**	226
Donation	**66**	170
Other expenses	**216**	373
	10,389	8,601

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2019	2018
	HK$'000	*HK$'000*
Wages, salaries and bonus	**16,460**	19,555
Pension costs – defined contribution plan	**537**	522
Share-based payments to directors and employees	**549**	–
Other staff welfare	**461**	1,048
	18,007	21,125

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), which is a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the Hong Kong incorporated subsidiaries of the Group and their Hong Kong employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions made by the Group and the employees are subject to a cap of HK$1,500 each, with contributions beyond these amounts being voluntary.

9 FINANCE INCOME

	2019	2018
	HK$'000	*HK$'000*
Interest income on bank deposits	**1,087**	367

10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profit for the year arising in or derived from Hong Kong.

	2019	2018
	HK$'000	*HK$'000*
Current income tax:		
– Current tax on profit for the year	**8,125**	8,789
– Over provision in prior years	**–**	(12)
Deferred income tax expense/(credit)	**73**	(31)
	8,198	8,746

11 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2019	2018
Profit attributable to equity holders of the Company *(HK$'000)*	**38,920**	42,221
Weighted average number of ordinary shares in issue *(thousands)*	**400,000**	400,000
Basic earnings per share *(HK cents)*	**9.73**	10.56

Diluted earnings per share for the years were the same as basic earnings per share. During the year ended 30 June 2019, the exercise of the outstanding share options would be anti-dilutive. During the year ended June 2018, the Group had no potentially dilutive ordinary shares in issue.

12 DIVIDENDS

On 27 September 2019, the Board resolved to declare a final dividend of HK$20,000,000 (HK5.00 cents per ordinary share) for the year ended 30 June 2019 to the Company's shareholders whose names appear on the register of members of the Company on 12 October 2019. This proposed dividend is not reflected as dividend payable in these consolidated financial statements.

On 24 August 2018, the Board resolved to declare a final dividend of HK$10,000,000 (HK2.50 cents per ordinary share) for the year ended 30 June 2018 to the Company's shareholders whose names appear on the register of members of the Company on 12 October 2018.

13 INVENTORIES

	2019 ***HK$'000***	2018 *HK$'000*
Trading merchandise	**947**	84

Cost of inventories sold recognised as expenses and included in "other expenses" amounted to HK$381,000 (2018: HK$289,000).

14 TRADE RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Trade receivables	**41,426**	43,929

The carrying amounts of trade receivables are denominated in Hong Kong dollars.

As at 30 June 2019, balances due from the top five customers accounted for 29% (2018: 26%) of the total balances. There is no concentration of credit risk with respect to trade receivables as there is a dispersed number of independent customers. The Directors consider that the credit risk in respect of these customers is currently low after considering past experience with these customers.

The Group's trade receivables had no credit term and payment was immediately due upon presentation of invoices to customers. As at 30 June 2019 and 2018, all trade receivables were past due but not considered to be impaired because these mainly related to a number of customers with limited history of default. The ageing analysis of trade receivables by the date on which the respective sales invoices were issued was as follows:

	2019	2018
	HK$'000	*HK$'000*
Less than 61 days	**33,041**	37,031
61 to 90 days	**4,630**	5,045
91 to 180 days	**1,827**	1,631
Over 180 days	**1,928**	222
	41,426	43,929

The credit quality of trade receivables past due but not impaired has been assessed by reference to historical information about the counterparty default rates. The existing counterparties do not have significant defaults in the past.

As at 30 June 2019 and 2018, no collateral has been received from these counterparties.

15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Current		
Prepayments	**1,206**	841
Deposits	**3,779**	2,835
Other receivables	**729**	521
	5,714	4,197
Non-current		
Prepayments	**1,272**	–
Deposits	**6,127**	1,387
	7,399	1,387
Total	**13,113**	5,584

The carrying amounts of prepayments, deposits and other receivables of the Group are denominated in Hong Kong dollars.

16 TRADE PAYABLES

Payment term with majority of the healthcare personnel is 30 days.

The ageing analysis of trade payables based on invoice date was as follows:

	2019	2018
	HK$'000	*HK$'000*
Less than 31 days	**16,149**	17,571
31 to 60 days	**53**	–
61 to 90 days	**58**	–
	16,260	17,571

The carrying amounts of trade payables are denominated in Hong Kong dollars.

17 ACCRUALS AND OTHER PAYABLES

	2019	2018
	HK$'000	*HK$'000*
Accrued expenses	**3,103**	2,710
Other payables	**1,270**	1,157
Deferred income	**–**	31
Contract liabilities	**293**	–
	4,666	3,898

The carrying amounts of accruals and other payables are denominated in Hong Kong dollars.

18 COMMITMENTS

(a) Capital commitment

	2019	2018
	HK$'000	*HK$'000*
Capital injection to Bamboos Professional Nursing Services PTE. Limited contracted but not yet incurred	**2,500**	2,500
Property, plant and equipment contracted but not provided for	**350**	–

(b) Operating lease commitments

The Group leases offices under non-cancellable operating lease agreements from a related party and a third party. The lease terms are generally within three years.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	HK$'000	*HK$'000*
No later than 1 year	**4,907**	6,135
Later than 1 year and no later than 5 years	**1,046**	3,905
	5,953	10,040

19 SHARE-BASED PAYMENTS

The Company has a share option scheme approved and adopted on 29 April 2019 ("Share Option Scheme"), pursuant to which share options may be granted to directors (including executive, non-executive or independent non-executive directors) and any employee (full-time or part-time) of the Group (on an employment or contractual or honorary basis and paid or unpaid) to subscribe for the shares of the Company, subject to a maximum of 10% of the total number of shares in issue as at the listing date or such maximum number as approved by the shareholders.

The Share Option Scheme is valid and effective for a period of ten years commencing on the adoption date of the scheme.

The exercise price shall be at least the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five consecutive business days immediately preceding the date of grant of the option; and (iii) the nominal value of the share.

Set out below are summaries of options granted under the plan:

	Average exercise price in HK$ per share option	Number of options
As at 1 July 2018	–	–
Granted during the year	1.44	8,000,000
Forfeited during the year	1.44	(1,340,000)
As at 30 June 2019	1.44	6,660,000
Vested and exercisable at 30 June 2019	–	–

As at 30 June 2019, nil options out of the 6,660,000 outstanding options were exercisable.

Share options outstanding as at year end have the following expiry dates and exercise prices:

		2019	
Grant date	**Expiry date**	**Exercise price in HK$ per share option**	**Number of options**
29 April 2019	29 April 2029	1.44	6,660,000

The assessed fair value at grant date of options granted during the year ended 30 June 2019 was HK$0.68 per option. The fair value at grant date is independently determined using an adjusted form of the Black Scholes Model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

The model inputs for options granted during the year ended 30 June 2019 included:

(a) vested options are exercisable for a period of three years after vesting

(b) exercise price: HK$1.44

(c) grant date:29 April 2019

(d) expiry date:29 April 2029

(e) share price at grant date:HK$1.44

(f) expected price volatility of the company's shares: 52%

(g) expected dividend yield: 1.74%

(h) risk-free interest rate: 1.67%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

20 BUSINESS COMBINATION

On 30 April 2019, Achiever Ventures Limited, a wholly-owned subsidiary of the Company, completed an acquisition of the remaining 70% of equity interest in Garden Medical Centre Limited ("GMC") from Chan Hau Ngai and Richie Chan Chiu Lung for a total consideration of HK$4,208,000, represented by cash consideration of HK$1,210,000 and assignment of the shareholder's loan of HK$2,998,000.

Upon the completion of the acquisition, the Group's effective equity interest in GMC increased from 30% to 100%. As a result, GMC becomes a subsidiary of the Group.

As at 30 April 2019, the carrying amount of the investment in and advance to GMC was HK$1,054,000. The gain on deemed disposal of an associate of HK$1,944,000 represents the difference between the carrying amount of the investment in and advance to GMC and the amount being assigned upon acquisition.

As at the acquisition date, the fair value of GMC estimated by an independent professional qualified valuer is HK$4,513,000, which resulted in a gain of HK$305,000. The gain was recognised as "gain on bargain purchase from an acquisition of business" under "other gains, net" in the consolidated income statement.

The purchase consideration, the net assets acquired and gain on bargain purchase are as follows:

	HK$'000
Consideration satisfied by:	
Cash	1,210
Advance to an associate	2,998
	4,208
Recognised accounts of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	4,039
Inventories	815
Trade receivables	295
Prepayments, deposits and other receivables	799
Cash and cash equivalents	62
Trade payables	(75)
Other payables and accruals	(1,422)
Total identifiable net assets acquired	4,513
Less: Gain on bargain purchase from an acquisition of business	(305)
Total consideration	4,208
Analysis of cash flows in respect of the acquisition of GMC is as follows:	
Cash consideration	(1,210)
Cash and cash equivalents acquired	62
Net outflow of cash and cash equivalents included in cash flows used in investing activities	(1,148)

The acquisition-related costs of HK$30,000 incurred for the acquisition were expensed and included in "other expenses" in the consolidated income statement.

Since the acquisition, GMC contributed HK$568,000 to the Group's revenue and loss of HK$773,000 included in the consolidated income statement for the year ended 30 June 2019.

Had the combination taken place at the beginning of the year ended 30 June 2019, the revenue of the Group and the profit of the Group for the year ended 30 June 2019 would have been HK$84,864,000 and HK$36,750,000, respectively.

21 CONTINGENT LIABILITY

A claim was lodged by GMC, a wholly-owned subsidiary of the Group, in June 2019 asserting that the defendant, Richie Chan Chiu Lung ("Dr. Chan"), founder and ex-director of GMC, has breached certain clauses in an employment agreement. Dr. Chan has filed a defense and counterclaim in relation to the case for the reliefs to recover the compensation of employee. The matter is currently being considered by the court and the date of hearing has not been scheduled. The Group considers the litigation is on early stage, the evidences are not sufficient for the judgment, therefore no provision is recognised in relation to this claim. The potential undiscounted amount of the counterclaim that the Group could be required to make if there was an adverse decision related to the lawsuit is estimated to be approximately HK$2,138,000, although the quantum of damages thereunder may be completely set-off by the alleged damage to GMC.

22 OTHER MATTER

As disclosed in the Group's announcements dated 4 February 2019, the Group has discovered and reported to the Board that the operations manager (Ms. Tse Miu Ting) of a subsidiary of the Company was suspected to have misappropriated certain funds of the Group's subsidiaries of the Company (the "Incident"). The Company has engaged professionals to conduct an investigation into the Incident, and to conduct a review of the Group's internal control procedures and make recommendations to the Board to address and rectify the weaknesses identified.

The professionals have conducted a detailed review of banking records to ascertain the extent of the misappropriation of the Group's funds by the operations manager. Based on the assessment conducted by the professionals, the Company believes that an aggregate amount up to HK$3,081,000 has been misappropriated by the operations manager by way of fraudulent auto-pay payment. In the opinion of the directors of the Company, the Incident does not impact on the day-to-day operations of the Group and does not have a material adverse effect on its cash flow, financial position and business operations.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

The Group is dedicated to the provision of healthcare staffing solution services to individuals and institutional clients including hospitals and social service organisations in Hong Kong. The Group offers duty opportunities to self-employed healthcare personnel registered with us. Through an outreach team of healthcare professionals, the Group also provides outreach case assessment related services.

The Group's revenue for the Year was approximately HK$78.5 million (2018: HK$81.4 million), representing a decrease of approximately 3.6% from the year ended 30 June 2018. Profit attributable to equity holders of the Company for the Year was approximately HK$38.9 million, representing a decrease of approximately 7.8% as compared with approximately HK$42.2 million for the year ended 30 June 2018.

Revenue from the provision of healthcare staffing solution services decreased by approximately HK$4.4 million. It was mainly attributable to the decrease in demand for healthcare staffing solution services from individual clients. On the other hand, revenue from the provision of outreach case assessment related services increased slightly by HK$0.9 million. The growth in the provision of outreach case assessment related services was mainly attributable to the increase in demand for medical and health assessment services.

To maintain a vast and diversified pool of registered healthcare personnel to better seize the opportunities for growth, the Group offered various member benefits to attract and retain healthcare personnel registered with the Group. There were over 20,000 healthcare personnel registered with the Group as at 30 June 2019 (approximately 19,000 as at 30 June 2018), representing an increase of approximately 5% when compared to that of the year ended 30 June 2018.

In view of the ever-increasing ageing population, numerous on-going hospital development plans and escalating demand for services in both institutional and private healthcare staffing solution, the Board remains optimistic towards the continuous growth of the core business of the Group in the medium and long term. The Group will continue to fortify its core business and solidify its market position.

The Board takes initiatives from time to time to explore business opportunities and cooperate or form alliance with strategic partners to pursue new business ventures with a view to diversifying the business of the Group beyond its existing dimension and geographical location, which is in line with the Group's business strategy for sustainable development to optimise business growth and return to our stakeholders. These business endeavours in the past included the embarking on a joint venture (namely Bamboos Professional Nursing Services PTE. Limited) in Singapore with a wholly-owned subsidiary of Lippo China Resources Limited to principally engage in the provision of customised healthcare staffing solution services to individuals, institutional clients and healthcare institutions and placing of healthcare personnel on appropriate vacancies and duty assignments and the setting up of a company, Garden Medical Centre Limited ("GMC"), with two doctors to explore and tap into the potential of the operation of plastic surgery clinic(s) in Hong Kong.

During the Year, the Group diversifies its business through the acquisition of 70% of the total issued share capital of GMC, which is an associate of the Group before the completion of the acquisition. The acquisition was completed on 30 April 2019, and GMC has become a wholly-owned subsidiary of the Company following the completion of the acquisition.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the Year comprised revenue from (i) the provision of healthcare staffing solution services, (ii) the provision of outreach case assessment related services; and (iii) the operation of plastic surgery clinic in Hong Kong. The total revenue was approximately HK$78.5 million for the Year, representing a slightly decrease of approximately 3.6% from approximately HK$81.4 million for the year ended 30 June 2018.

Revenue from the provision of healthcare staffing solution services for the Year was approximately HK$73.2 million (2018: HK$77.6 million). Among those, revenue from the institutional staffing solution services amounted to approximately HK$39.9 million (2018: HK$38.1 million), representing an increase of approximately 4.7%; and the revenue from the private nursing staffing services was approximately HK$33.3 million (2018: HK$39.5 million), representing a decrease of approximately 15.7%.

The decrease of revenue from the provision of healthcare staffing solution services was mainly attributable to the decrease in demand for healthcare staffing solution services from individual clients.

The revenue from the provision of healthcare staffing solution services as a percentage of gross fee is determined with reference to the mark-up ratio between the charge-out rate to the clients and the pay-out rate to different ranks of healthcare personnel placed by the Group and the number of service hours performed by respective rank of healthcare personnel. The revenue from the provision of healthcare staffing solution services as a percentage of gross fee slightly increased to approximately 27.2% for the Year from approximately 26.0% for the year ended 30 June 2018.

Revenue from the provision of outreach case assessment related services was approximately HK$4.7 million for the Year (2018: HK$3.8 million), representing an increase of approximately 23.7%. The growth was mainly due to the increase in demand for medical and health assessment services provided by the medical doctor and registered nurses in the outreach service team.

Revenue from the operation of plastic surgery clinic in Hong Kong was approximately HK$0.6 million for the Year (2018: Nil).

Other income and other gains, net

Other income mainly comprised advertising income, sales of goods and activity income. Other income decreased from approximately HK$4.0 million for the year ended 30 June 2018 to approximately HK$3.3 million for the Year, representing a decrease of approximately HK$0.7 million or approximately 17.5%.

Other gains, net for the Year mainly represents the gain on deemed disposal of an associate of approximately HK$1.9 million and gain on bargain purchase from an acquisition of business of approximately HK$0.3 million. Details please refer to Note 20 of this announcement. It offsets by the loss arising from misappropriation of funds of approximately HK$1.3 million. All these gain and losses are one-off in nature.

Expenses

The employee benefit expenses decreased from approximately HK$21.1 million for the year ended 30 June 2018 to approximately HK$18.0 million for the Year, which was mainly attributable to (i) other loss arising from misappropriation of funds as mentioned in "Other information" in this announcement of approximately HK$0.9 million; and (ii) the resignation of key management during the Year.

The operating lease rentals increased from approximately HK$3.2 million for the year ended 30 June 2018 to approximately HK$5.4 million for the Year. It was mainly attributable to the increase in lease rental of the headquarter of the Group during the Year.

Other expenses increased from approximately HK$8.6 million for the year ended 30 June 2018 to approximately HK$10.4 million for the Year, which was mainly attributable to the increase in management service fee during the Year.

Finance income

Finance income represented the interest income on short-term bank deposits. Finance income increased from approximately HK$0.4 million for the year ended 30 June 2018 to approximately HK$1.1 million for the Year, representing an increase of approximately HK$0.7 million or 175%.

Income tax expense

Income tax expense amounted to approximately HK$8.2 million for the Year, representing a decrease of approximately 5.7%, from approximately HK$8.7 million for the year ended 30 June 2018. The Group's effective tax rate slightly decreased from approximately 17.2% for the year ended 30 June 2018 to approximately 17.4% for the Year.

Profit for the Year and net profit margin

Profit for the Year amounted to approximately HK$38.9 million, decreased by approximately HK$3.3 million, or 7.8%, from approximately HK$42.2 million for the year ended 30 June 2018, mainly resulted from the decrease in revenue by approximately 3.6% from approximately HK$81.4 million for the year ended 30 June 2018 to approximately HK$78.5 million for the Year and the operating performance analysed above. There was a slight decrease in net profit margin from approximately 51.9% for the year ended 30 June 2018 to approximately 49.6% for the Year.

Trade receivables

Trade receivables slightly decreased by approximately HK$2.5 million from approximately HK$43.9 million as at 30 June 2018 to approximately HK$41.4 million as at 30 June 2019. The Group generally does not grant credit terms to clients and payment is immediately due upon presentation of invoices to customers. As at 30 June 2019 and 2018, all trade receivables were past due but not considered to be impaired because these mainly related to a number of independent customers with limited history of default. During the year ended 30 June 2019, the Group did not recognise any provision for trade receivables (2018: Nil).

Trade payables

Trade payables slightly decreased to approximately HK$16.3 million as at 30 June 2019 from approximately HK$17.6 million as at 30 June 2018, which was mainly due to the decrease in costs payable to healthcare personnel placed by the Group during the Year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group remained in a healthy and sound liquidity position as at 30 June 2019. The working capital needs and other capital requirements have been met through a combination of shareholders' equity and cash generated from operations. Going forward, the Group intends to finance its future operations and capital expenditures with cash flow generated from operating activities and the remaining net proceeds from the initial listing of the Company's shares on the then Growth Enterprise Market of the Stock Exchange by way of placing in 2014 (the "GEM Listing"). The primary uses of cash have been and are expected to continue to be operating costs and capital expenditure.

The current assets primarily comprise cash and cash equivalents, short-term bank deposits, trade receivables, prepayments, deposits and other receivables, amount due from related companies and inventories.

The current liabilities primarily comprise trade payables, tax payable, accruals and other payables.

As at 30 June 2019, the Group maintained cash and cash equivalents amounting to approximately HK$118.7 million (2018: HK$96.8 million). Net current assets increased to approximately HK$136.8 million as at 30 June 2019 from approximately HK$113.4 million as at 30 June 2018, which was mainly due to net cash generated from operating activities.

FOREIGN EXCHANGE EXPOSURE RISKS

The Group's exposure to currency risk is insignificant as the Group mainly operates in Hong Kong with most of the transactions denominated and settled in Hong Kong dollars.

USE OF NET PROCEEDS DURING THE YEAR

The Company had, from the GEM Listing by way of placing of a total of 100,000,000 new ordinary shares of the Company at the placing price of HK$0.5 each in 2014 raised the net proceeds of approximately HK$39.8 million.

As at 30 June 2018, the Company had utilised approximately HK$32.1 million of the net proceeds from the GEM Listing and approximately HK$7.7 million remained unused (the "Remaining Net Proceeds"). Please refer to the annual report of the Company for the year ended 30 June 2018 for details.

As at 30 June 2019, the utilisation of the Remaining Net Proceeds brought forward from the previous financial year of the Company is set out below:

	Remaining Net Proceeds as at 1 July 2018 *(HK$ million)*	**Utilisation as at 30 June 2019** *(HK$ million)*	**Balance of Remaining Net Proceeds to be carried forward (if any)** *(HK$ million)*
Strengthening brand awareness and expanding healthcare personnel pool	6.0	3.0	3.0
Enhancing healthcare staffing solution services	0.2	0.2	–
Developing outreaching services team	1.5	1.5	–

The actual usage of the Remaining Net Proceeds during the Year was consistent with the usage as intended and previously disclosed by the Company.

During the Year, the Company had not undertaken any fund raising activity.

CAPITAL STRUCTURE

During the Year, the Group mainly relied on its equity and internally generated cash flows to finance its operations.

GEARING RATIO

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" (as shown in the consolidated balance sheet) plus net debt. As at 30 June 2019, the Group had no outstanding bank and other borrowings (2018: Nil).

CAPITAL COMMITMENTS

There were capital commitments for HK$2.5 million to Bamboos Professional Nursing Services PTE. Limited (the joint venture company set up in Singapore) (2018: HK$2.5 million) and HK$0.4 million for property, plant and equipment contracted but not provided for (2018: Nil) as at 30 June 2019.

PLEDGE OF ASSETS

As at 30 June 2019, there was no significant pledge on the Group's assets (2018: Nil).

CONTINGENT LIABILITIES

As at 30 June 2019, the Group had a contingent liability of approximately HK$2.1 million (2018: Nil). Please refer to Note 21 of this announcement for details.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2019, the Group employed a total of 52 employees (2018: 38). Total staff costs including Directors' remuneration for the Year amounted to approximately HK$18 million (2018: HK$21.1 million).

The remuneration package of our employees includes salary and discretionary bonus. Employees' remuneration is determined based on the individual's qualifications, experience, position, job responsibilities and market conditions. Salary adjustments and promotion are based on evaluation of performance by way of annual review, and discretionary bonuses are paid to employees with reference to the Group's financial performance of the preceding financial year and performance of individual employees. Our Group's remuneration policies are in line with the prevailing market practices.

To reward eligible participants (including but not limited to directors and employees of the Group) for their contributions to the Group and/or to incentivise or motivate them to work towards enhancing the value of the Group for its long-term growth and development for the benefit of the Company and our shareholders as a whole, the Company may from time to time grant share options pursuant to its share option scheme currently in force (which is valid and effective for a period of 10 years from 8 July 2014) to subscribe for ordinary shares in the Company. As at 30 June 2019, share options were granted by the Company under the share option scheme to selected grantees to subscribe for an aggregate of 8,000,000 ordinary shares in the Company (30 June 2018: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the Year and up to the date of this announcement.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as the code for securities transactions by Directors. The Directors, after specific enquiries by the Company, confirmed their compliance with the required standards set out in the Model Code throughout the Year.

OTHER INFORMATION

Updates on suspected misappropriation of funds

Reference is made to the announcement of the Company dated 4 February 2019 in relation to the suspected misappropriation of funds of the subsidiaries of the Company (the "Misappropriation").

Actions taken and findings

As previously announced and following the discovery of the Misappropriation, the Company engaged an independent consultant (the "Independent Consultant") to conduct an investigation on the Group's cash movements and uses and a review on how to improve the internal control/risk management systems and procedures of the Group to prevent similar incidents from happening again.

During the process of the investigation, it was discovered that there were multiple unauthorised autopay payments of cost attributable to healthcare personnel and employee benefit expenses made to the bank accounts of the perpetrator of the Misappropriation, being the then operations manager of a subsidiary of the Company (the "Operations Manager") and her spouse and family member. After further assessment, the aggregate amount that was misappropriated under the Misappropriation was approximately HK$3.1 million. During the year ended 30 June 2018, approximately HK$0.9 million was recognised in employee benefits expenses and approximately HK$0.9 million was recognised in the cost attributable to healthcare personnel. During the Year, approximately HK$1.3 million was recognised in the other gains, net.

In addition, the Company engaged RSM Corporate Advisory (Hong Kong) Limited ("RSM") as the independent forensic accountant to conduct digital forensic review against the electronic data of certain former employees of the Group to assess if there were any indications of conspirators in relation to certain unauthorised payment transactions of cost attributable to healthcare personnel and employee benefit expenses. There was no evidence to infer collusion between the Operations Manager and certain former employees for the unauthorised payment transactions.

The Independent Consultant carried out an internal control review on payroll and payments to healthcare personnel cycles. A few issues areas relating to authorization and review of payments and segregation of duties were identified.

After the investigation is completed, the Group's management had adopted remediation measures to strengthen its internal control systems over payroll and bank disbursement process. In addition, the Group had engaged an independent third party consultant ("Internal Control Consultant") to conduct a review over its internal control system, mainly on Revenue, Human Resources and Payments to healthcare personnel cycles. The internal control review carried out by the Internal Control Consultant did not identify any significant weaknesses in the internal controls of the Group or significant and external control violations of the Group's policies and procedures.

Based on recommendations from the Independent Consultant and the Internal Control Consultant, appropriate management action plans have been established and implemented as at the date hereof to address the internal control areas that require further improvements.

All the losses resulting from the Misappropriation had been accounted for and reflected in the consolidated financial statements of the Group for the years ended 30 June 2018 and 2019.

Views of the Board on impact of the Misappropriation on the Group

Having made all reasonable enquiries and considered all information necessary for its assessment, the Board is of the considered views that:

(a) the Misappropriation has had limited significance on the Group's overall operations;

(b) except for the Misappropriation, there had been no other irregularities with the operations of the Group; and

(c) the Misappropriation did not and does not have material impact on the day-to-day operations of the Group and would not have a material adverse effect on its cash flow, financial position and business operations.

CORPORATE GOVERNANCE

The Board is committed to ensuring and upholding a high standard of corporate governance, transparency and business practices, which are fundamental to achieving the Group's vision of becoming or continuing to be a leading, most respected and fast growing provider of healthcare staffing solution services in Hong Kong and safeguarding the overall interests of the Company and its shareholders (the "Shareholders").

The Company's corporate governance practices are based on the principles of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules. During the Year and up to the date of this announcement, the Company had complied with the applicable code provisions set out in the CG Code, except for the deviation from Code provision A.2.1 which is explained below.

Code provision A.2.1

Under Code provision A.2.1, the roles of the chairman and the chief executive officer should be segregated and should not be performed by the same individual.

Since 18 August 2018, Ms. Hai Hiu Chu ("Ms. Hai") acted as the chairman of the Board and the chief executive officer of the Company. Ms. Hai is the founder of the Group and has extensive experience in the medical field and the pharmaceutical industry. Ms. Hai is responsible for the effective running of the Board and for formulating business strategies. The Board considers that Ms. Hai, by serving as the chairman of the Board and the chief executive officer of the Company, is able to lead the Board in major business decision making for the Group. The management structure enables the Board's decision to be more effectively made and facilitates the implementation of business strategies under the leadership of Ms. Hai, which is conducive to the effective management and the business development of the Group.

The Board will continue to review the effectiveness of the Group's corporate governance structure to assess whether changes, including the separation of the roles of the chairman and the chief executive officer, are necessary.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

Currently, the audit committee of the Company comprises three independent non-executive Directors, namely Dr. Chan Kai Yue Jason, Ms. Chhoa Peck Lim Bella and Mr. Wong Kon Man Jason. Mr. Wong Kon Man Jason is the chairman of the audit committee.

During the Year, the audit committee had approved the nature and scope of the statutory audits, and reviewed the interim and annual financial statements of the Group, and was satisfied that the accounting policies and standards of the Group complied with the applicable accounting standards and requirements and that adequate disclosures have been made. The audit committee also initiated internal control measures and reviewed the semi-annual internal audit reports conducted by the Company's internal audit officer and external professional consultants and evaluated the effectiveness of the internal audit system of the Group. During the Year, the audit committee had adopted risk management policy (including the risk management review process) for the Group.

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 30 June 2019 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

ANNUAL GENERAL MEETING

It is proposed that the forthcoming annual general meeting of the Company (the "AGM") will be held on Wednesday, 13 November 2019. A notice convening the AGM will be published and despatched to the Shareholders in due course.

DIVIDEND

On 27 September 2019, the Board resolved to recommend a final dividend of HK5.00 cents (2018: HK2.50 cents) per ordinary share for the year ended 30 June 2019 to the Company's shareholders whose names appear on the register of members of the Company on Friday, 22 November 2019. Subject to the approval of the Company's shareholders at the AGM, the final dividend, which is payable in cash, is expected to be paid on or about Tuesday, 26 November 2019.

The Board did not recommend the payment of an interim dividend for the six months ended 31 December 2018 and 2017.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders' qualification to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 8 November 2019 to Wednesday, 13 November 2019 (both days inclusive) during which period no transfer of shares may be effected. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificate(s) should be lodged for registration with Union Registrars Limited (the "Hong Kong Branch Share Registrar"), at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by no later than 4:00 p.m. on Thursday, 7 November 2019.

For the purpose of ascertaining Shareholders' entitlement to the recommended final dividend for the year ended 30 June 2019, the register of members of the Company will be closed on Thursday, 21 November 2019 and Friday, 22 November 2019 during which period no transfer of the Shares may be effected. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificate(s) should be lodged for registration with the Hong Kong Branch Share Registrar at the above address by no later than 4:00 p.m. on Wednesday, 20 November 2019.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITES OF THE COMPANY AND OF THE STOCK EXCHANGE

This annual results announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.bamboos.com.hk). The annual report for the year ended 30 June 2019 containing all the information required by the Listing Rules will be despatched to shareholders of the Company and available on the same websites in due course.

By Order of the Board
Bamboos Health Care Holdings Limited
Hai Hiu Chu
Chairman

Hong Kong, 27 September 2019

As at the date of this announcement, the executive Director is Ms. Hai Hiu Chu (Chairman and Chief Executive Officer) and the independent non-executive Directors are Dr. Chan Kai Yue Jason, Ms. Chhoa Peck Lim Bella, Dr. Ko Wing Man and Mr. Wong Kon Man Jason.

This announcement is prepared in both English and Chinese. In the event of inconsistency, the English text of this announcement shall prevail over the Chinese text.