

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 2021

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 30 June 2021 amounted to approximately HK\$109.7 million, representing an increase of approximately 51.7% from approximately HK\$72.3 million recorded for the year ended 30 June 2020.
- Profit before income tax for the year ended 30 June 2021 amounted to approximately HK\$73.5 million, representing an increase of approximately 103.1% from approximately HK\$36.2 million recorded for the year ended 30 June 2020.
- Profit attributable to equity holders of the Company for the year ended 30 June 2021 amounted to approximately HK\$61.0 million, representing an increase of approximately 98.7% from approximately HK\$30.7 million recorded for the year ended 30 June 2020.
- The board of directors does not recommend the payment of a final dividend for the year ended 30 June 2021 (2020: HK2.5 cents per ordinary share).

FINANCIAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Bamboos Health Care Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the results of the Group for the year ended 30 June 2021 (the “**Year**”).

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2021

	<i>Note</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue from contracts with customers	4	109,668	72,318
Other income	5	4,167	5,237
Other gains, net	6	930	611
Employee benefit expenses	8	(24,084)	(24,051)
Operating lease rentals		(159)	(1,758)
Depreciation of property, plant and equipment		(1,515)	(2,234)
Depreciation of right-of-use assets	13	(2,846)	(3,570)
Other expenses	7	(12,477)	(10,413)
Operating profit		73,684	36,140
Finance income	9	89	1,048
Finance costs	9	(204)	(326)
Share of results of a joint venture		(89)	(686)
Profit before income tax		73,480	36,176
Income tax expense	10	(12,458)	(5,486)
Profit for the year		61,022	30,690
Profit for the year attributable to:			
Equity holders of the Company		61,022	30,691
Non-controlling interests		–	(1)
		61,022	30,690
Earnings per share attributable to equity holders of the Company for the year <i>(expressed in HK cents per share)</i>			
Basic and diluted	11	HK15.26 cents	HK7.67 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2021

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Profit for the year	61,022	30,690
Other comprehensive income		
<i>Item that may be reclassified to profit or loss</i>		
Currency translation differences	(13)	62
<i>Item that will not be reclassified to profit or loss</i>		
Changes in fair value of equity instruments at fair value through other comprehensive income	(2,137)	–
Total comprehensive income for the year, net of tax	58,872	30,752
Total comprehensive income for the year attributable to:		
Equity holders of the Company	58,872	30,753
Non-controlling interests	–	(1)
	58,872	30,752

CONSOLIDATED BALANCE SHEET

As at 30 June 2021

	<i>Note</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		946	4,870
Right-of-use assets	13	2,877	5,096
Investment in a joint venture		–	412
Prepayments and deposits	16	4,871	11,444
Financial assets at fair value through profit or loss	14	36,148	28,449
Financial assets at fair value through other comprehensive income	14	23,478	–
Deferred income tax assets		7	203
		<u>68,327</u>	<u>50,474</u>
Current assets			
Inventories		277	930
Trade receivables	15	65,512	24,240
Prepayments, deposits and other receivables	16	8,310	4,353
Financial assets at fair value through profit or loss	14	36,460	–
Amounts due from related companies		104	249
Time deposit		5,195	–
Cash and cash equivalents		56,652	101,633
		<u>172,510</u>	<u>131,405</u>
Total assets		<u>240,837</u>	<u>181,879</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		4,000	4,000
Share premium		39,123	39,123
Reserves		151,664	110,148
		<u>194,787</u>	<u>153,271</u>
Non-controlling interests		<u>–</u>	<u>2</u>
Total equity		<u>194,787</u>	<u>153,273</u>

	<i>Note</i>	2021 HK\$'000	2020 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities	13	722	2,740
Current liabilities			
Trade payables	17	22,711	12,750
Accruals and other payables		9,542	4,450
Lease liabilities	13	2,592	3,019
Tax payable		10,483	5,647
		45,328	25,866
Total liabilities		46,050	28,606
Total equity and liabilities		240,837	181,879

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

	Attributable to equity holders of the Company								Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Share-based compensation reserve HK\$'000	Translation reserve HK\$'000	Financial assets at fair value through other comprehensive income HK\$'000	Retained earnings HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	
At 1 July 2019	4,000	39,123	549	(3)	-	106,312	149,981	-	149,981
Profit for the year	-	-	-	-	-	30,691	30,691	(1)	30,690
Currency translation differences	-	-	-	62	-	-	62	-	62
Total comprehensive income	-	-	-	62	-	30,691	30,753	(1)	30,752
Transaction with owners									
2019 final dividend	-	-	-	-	-	(20,000)	(20,000)	-	(20,000)
2020 interim dividend	-	-	-	-	-	(10,000)	(10,000)	-	(10,000)
Capital injection from non-controlling interests	-	-	-	-	-	-	-	3	3
Employee share scheme	-	-	2,537	-	-	-	2,537	-	2,537
	-	-	2,537	-	-	(30,000)	(27,463)	3	(27,460)
At 30 June 2020	4,000	39,123	3,086	59	-	107,003	153,271	2	153,273
At 1 July 2020	4,000	39,123	3,086	59	-	107,003	153,271	2	153,273
Profit for the year	-	-	-	-	-	61,022	61,022	-	61,022
Currency translation differences	-	-	-	(13)	-	-	(13)	-	(13)
Change in the fair value of equity instruments at fair value through other comprehensive income	-	-	-	-	(2,137)	-	(2,137)	-	(2,137)
Total comprehensive income	-	-	-	(13)	(2,137)	61,022	58,872	-	58,872
Transaction with owners									
2020 final dividend (Note 12)	-	-	-	-	-	(10,000)	(10,000)	-	(10,000)
2021 interim dividend (Note 12)	-	-	-	-	-	(10,000)	(10,000)	-	(10,000)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(2)	(2)
Employee share scheme	-	-	2,644	-	-	-	2,644	-	2,644
	-	-	2,644	-	-	(20,000)	(17,356)	(2)	(17,358)
At 30 June 2021	4,000	39,123	5,730	46	(2,137)	148,025	194,787	-	194,787

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, provision of outreach case assessment related services and operation of aesthetic clinic 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, Uglan House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business is Room 204, 2/F, Wing On Plaza, 62 Mody 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 of the Group 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 accounting policies have been consistently applied for the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) and the requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, except for the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which are carried at fair value.

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.

(i) *New and amended standards and framework adopted by the Group*

The following new and amended standards and interpretation have been adopted by the Group for the first time for the financial year commencing on 1 July 2020:

HKFRS 3	Definition of a Business (amendments)
HKAS 1 and HKAS 8	Definition of Material (amendments)
HKAS 39, HKFRS 7 and HKFRS 9	Interest Rate Benchmark Reform – Phase I
HKFRS 16	Covid-19-Related Rent Concessions (amendments)
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework Reporting

The adoption of these amended standards did not have any significant impact on the Group’s accounting policies and did not require retrospective adjustments.

(ii) *New and amended standards, interpretations and accounting guideline not yet adopted*

Certain new and amended standards, interpretations and accounting guideline have been published that are not mandatory for financial year beginning on 1 July 2021 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 (amendments)	1 January 2021
HKFRS 16	Covid-19-Related Rent Concessions beyond 2021 (amendments)	1 April 2021
AG 5 (revised)	Revised Accounting Guideline 5 Merger Accounting for Common Control Combinations	1 January 2022
Annual Improvements Project	Annual Improvements to HKFRSs 2018–2020 (amendments)	1 January 2022
HKFRS 3, HKAS 16 and HKAS 37	Narrow-scope Amendments (amendments)	1 January 2022
Annual Improvements Project	Annual Improvements to HKFRSs 2018–2020 (amendments)	1 January 2022
HKAS 1	Classification of Liabilities as Current or Non-current (amendments)	1 January 2023
HKFRS 17	Insurance Contracts (new standard)	1 January 2023
HKFRS 17	Amendments to HKFRS 17	1 January 2023
HK Int 5 (2020)	Hong Kong Interpretation 5 (2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (HK Int 5 (2020))	1 January 2023
HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies (amendments)	1 January 2023
HKAS 8	Definition of Accounting Estimates (amendments)	1 January 2023
HKAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (amendments)	1 January 2023
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, interpretation and amendments, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors, management does not anticipate any significant impact on the Group's financial positions and results of operations.

3 SEGMENT INFORMATION

The Group is principally engaged in the provision of healthcare staffing solution services to private and institutional customers whereby placement of healthcare personnel is made according to the specific requests from these customers. The Group is also engaged in the provision of outreach case assessment related services and operation of aesthetic clinic.

The management of the Group reviews the operating results of the business as one segment to make decisions about resources to be allocated. The executive directors of the Company also consider 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 Company's 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 Year, all revenue was earned from external customers in Hong Kong (2020: same).

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue from provision of healthcare staffing solution services	92,141	66,898
Revenue from provision of outreach case assessment related services	16,847	4,882
Revenue from operation of aesthetic clinic	680	538
	<u>109,668</u>	<u>72,318</u>

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Timing of revenue recognition		
– At a point in time	92,821	67,436
– Over time	16,847	4,882
	<u>109,668</u>	<u>72,318</u>

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

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Gross fee	329,751	244,430
Cost attributable to healthcare personnel	<u>(237,610)</u>	<u>(177,532)</u>
Revenue from provision of healthcare staffing solution services	<u>92,141</u>	<u>66,898</u>

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

5 OTHER INCOME

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Dividend income (<i>Note 14</i>)	1,235	–
Government grants	1,026	971
Sales of goods	889	2,925
Advertising income	244	513
Rent concession	–	149
Others	773	679
	<u>4,167</u>	<u>5,237</u>

6 OTHER GAINS, NET

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Net fair value gains on financial assets at fair value through profit or loss (<i>Note 14</i>)	1,987	1,351
Net foreign exchange losses	(1,057)	(483)
Losses on disposals of property, plant and equipment	–	(257)
	<u>930</u>	<u>611</u>

7 OTHER EXPENSES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Auditor's remuneration	800	800
Service fee	3,344	–
Provision for impairment of property, plant and equipment	2,431	–
Postage, utilities and general office expenses	1,188	1,014
Legal and professional fee	1,371	1,585
Cost of inventories sold	699	1,973
Provision for impairment of inventories	489	–
Travelling and transportation expenses	469	1,000
Rates and management fee	439	1,118
Printing costs	427	521
Insurance expenses	302	265
Bank charges	224	401
Advertising and promotion expenses	128	514
Donation	30	70
Entertainment	27	259
Other expenses	109	893
	<u>12,477</u>	<u>10,413</u>

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Wages, salaries and bonuses	19,946	20,010
Pension costs – defined contribution plan	901	901
Share-based payments to directors and employees	2,644	2,537
Other staff welfare	593	603
	<u>24,084</u>	<u>24,051</u>

9 FINANCE INCOME AND FINANCE COSTS

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Finance income:		
– Interest income on bank deposits	<u>89</u>	<u>1,048</u>
Finance costs:		
– Interest expenses on lease liabilities	<u>(204)</u>	<u>(326)</u>

10 INCOME TAX EXPENSE

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying group entity in Hong Kong will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5% for the Year (2020: same). Corporate income tax on profits generated from a subsidiary operating in the People's Republic of China (“PRC”) has been calculated at 25% in accordance with the relevant PRC tax law and regulations (2020: same).

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current income tax:		
– Hong Kong profits tax	12,494	6,141
– PRC corporate income tax	–	89
– Over-provision in prior years	(232)	(349)
Deferred income tax expense/(credit)	<u>196</u>	<u>(395)</u>
Income tax expense	<u>12,458</u>	<u>5,486</u>

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.

	2021	2020
Profit attributable to equity holders of the Company (<i>HK\$'000</i>)	<u>61,022</u>	<u>30,691</u>
Weighted average number of ordinary shares in issue (<i>thousands</i>)	<u>400,000</u>	<u>400,000</u>
Basic earnings per share (<i>HK cents</i>)	<u>15.26</u>	<u>7.67</u>

Diluted earnings per share for the years were the same as basic earnings per share. During the Year, the exercise of the outstanding share options would be anti-dilutive (2020: same).

12 DIVIDENDS

On 18 September 2020, the Board resolved to recommend a final dividend of HK\$10,000,000 (HK2.50 cents per ordinary share) for the year ended 30 June 2020 to the Company's shareholders whose names appear on the register of members of the Company on 16 November 2020.

On 23 February 2021, the Board resolved to declare and pay an interim dividend of HK\$10,000,000 (HK2.50 cents per ordinary share) to the Company's shareholders whose names appear on the register of members of the Company on 19 March 2021.

The Board does not recommend the payment of a final dividend for the Year.

13 LEASES

This note provides information for leases where the Company is a lessee.

(i) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

(a) Right-of-use assets

	2021 HK\$'000	2020 HK\$'000
Office premises	2,877	5,096

(b) Lease liabilities

	2021 HK\$'000	2020 HK\$'000
Current	2,592	3,019
Non-current	722	2,740
	<u>3,314</u>	<u>5,759</u>

(ii) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

	2021 HK\$'000	2020 HK\$'000
Depreciation of right-of-use assets		
Office premises	2,846	3,570
Interest expenses on lease liabilities (<i>Note 9</i>)	204	326
Expenses relating to leases of short-term leases	159	1,758

The total cash outflow for leases for the Year was approximately HK\$4,176,000 (2020: HK\$4,955,000).

14 FINANCIAL ASSETS

(i) Classification of financial assets

The Group classifies the following financial assets at fair value through profit or loss (“FVTPL”):

- debt investments that do not qualify for measurement at either amortised cost or financial asset at fair value through other comprehensive income;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains and losses through other comprehensive income.

(a) Financial assets classified as at FVTPL include the following:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Non-current assets		
Listed bonds	24,364	15,416
Listed equity securities	11,784	13,033
	<u>36,148</u>	<u>28,449</u>
Current assets		
Non-physical gold	36,460	–
	<u>36,460</u>	<u>–</u>

The Group classifies the following financial assets at fair value through other comprehensive income (“FVOCI”):

- equity investments for which the entity has elected to recognise fair value gains and losses through other comprehensive income.

(b) Financial assets designated as FVOCI include the following:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Non-current assets		
Listed equity securities	23,478	–
	<u>23,478</u>	<u>–</u>

(ii) Amounts recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Fair value gains on debt instruments at FVTPL recognised in other gains, net (<i>Note 6</i>)	3,848	2,229
Fair value loss on investment funds at FVTPL recognised in other gains, net (<i>Note 6</i>)	–	(852)
Fair value losses on equity instruments at FVTPL recognised in other gains, net (<i>Note 6</i>)	49	(26)
Fair value losses on paper gold at FVTPL recognised in other gains, net (<i>Note 6</i>)	(1,910)	–
– Dividend income (<i>Note 5</i>)	1,235	–
	<u>3,222</u>	<u>1,351</u>

(iii) Amounts recognised in other comprehensive income

During the year, the following gains/(losses) were recognised in other comprehensive income:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Fair value losses on equity investments at FVOCI recognised in other comprehensive income	(2,137)	–
	<u>(2,137)</u>	<u>–</u>

15 TRADE RECEIVABLES

The Group's trade receivables had no credit term and payment was immediately due upon presentation of invoices to customers. As at 30 June 2021 and 2020, 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. The ageing analysis of trade receivables by the date on which the respective sales invoices were issued was as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Less than 61 days	52,441	20,539
61 to 90 days	7,563	2,034
91 to 180 days	5,343	885
Over 180 days	165	782
	<u>65,512</u>	<u>24,240</u>

The balances are denominated in HK\$

16 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current		
Prepayments	416	467
Deposits	7,858	3,648
Other receivables	36	238
	<u>8,310</u>	<u>4,353</u>
Non-current		
Prepayments	573	335
Deposits	4,298	11,109
	<u>4,871</u>	<u>11,444</u>
	<u><u>13,181</u></u>	<u><u>15,797</u></u>

17 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:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Less than 31 days	22,711	12,750
31 to 60 days	–	–
61 to 90 days	–	–
	<u>22,711</u>	<u>12,750</u>
The balances are denominated in HK\$	<u><u>22,711</u></u>	<u><u>12,750</u></u>

18 SHARE-BASED PAYMENTS

The Company has a share option scheme approved and adopted on 24 June 2014 (“**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 on the date of grant of the option.

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

	2021		2020	
	Average exercise price in HK\$ per share option	Number of options	Average exercise price in HK\$ per share option	Number of options
As at 1 July	1.159	15,410,000	1.440	6,800,000
Granted during the year	–	–	0.994	10,000,000
Forfeited during the year	1.028	(1,960,000)	1.344	(1,390,000)
	<u>1.178</u>	<u>13,450,000</u>	<u>1.159</u>	<u>15,410,000</u>

As at 30 June 2021, 9,277,000 options (2020: 2,469,000 options) out of the 13,450,000 (2020: 15,410,000) outstanding options were exercisable.

Share options outstanding as at 30 June 2021 and 2020 have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price in HK\$ per share option	2021 Number of options	2020 Number of options
29 April 2019	29 April 2029	1.440	5,560,000	5,710,000
26 June 2020	26 June 2030	0.994	7,890,000	9,700,000
			<u>13,450,000</u>	<u>15,410,000</u>

Weighted average remaining contractual life of options outstanding at end of the year

8.52 years 9.57 years

There were no options granted during the Year.

19 CONTINGENT LIABILITY

A claim was lodged by Garden Medical Centre Limited (“**GMC**”), a wholly-owned subsidiary of the Group, in June 2019 asserting that the founder and ex-director of GMC (the “**Defendant**”) has breached certain clauses in an employment agreement. The Defendant has filed a defence and counterclaim in relation to the case for the reliefs to recover the compensation of employee. As of the date of this announcement, the proceedings have completed the pleadings stage and the Board considers it is premature to make provision in relation to this claim.

20 SUBSEQUENT EVENTS

On 2 September 2021, Ever Kind International Limited and Kingswood International Limited (the “**Purchasers**”) (each an indirect wholly-owned subsidiaries of the Company), entered into the provisional agreements (the “**Provisional Agreements**”) with Hong Kong Professional Teachers’ Union (the “**Vendor**”), pursuant to which the Purchasers respectively agreed to purchase the properties at the aggregate consideration of HK\$175 million. On 16 September 2021, the formal agreements have been entered into between the Purchasers and the Vendor pursuant to the Provisional Agreements. We intend to utilise the properties as the Group’s principal business office, for the establishment of a screening centre for healthcare personnel and other business operational purposes. For further details, please refer to the Company’s announcements dated 3 September 2021 and 16 September 2021.

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, social service organisations and clinics 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\$109.7 million (2020: HK\$72.3 million), representing an increase of approximately 51.7% from the year ended 30 June 2020. Profit attributable to equity holders of the Company for the Year was approximately HK\$61.0 million, representing an increase of approximately 98.7% as compared with approximately HK\$30.7 million for the year ended 30 June 2020.

The revenue from the provision of healthcare staffing solution services for the Year was approximately HK\$92.1 million, representing an increase of approximately HK\$25.2 million as compared with approximately HK\$66.9 million for the year ended 30 June 2020, which was mainly due to COVID-19 testing institutions.

Revenue from the provision of outreach case assessment related services for the Year increased by approximately 242.9% to approximately HK\$16.8 million, which was mainly attributable to the increase in demand for medical and health assessment services, and the community vaccination centre.

To maintain a vast and diversified pool of registered healthcare personnel to better seize the opportunities for growth, the Group has offered various member benefits to attract and retain healthcare personnel registered with the Group. The number of healthcare personnel registered with the Group remained almost the same, at approximately 22,000 for the Year compared with the year ended 30 June 2020.

During the Year, the Group has utilised its idle cash balances to acquire non-physical gold, bonds, and securities which amounts to approximately HK\$73.0 million ("**Acquisitions**"). The purpose of the Acquisitions is to enhance the efficiency of use of the idle cash without affecting the daily operation of the principal business development of the Group or adversely affecting the interests of the investors of the Company. The Board considers that the Acquisitions provide the Group with the opportunity to balance and diversify its investment portfolio. Having considered, among other factors, the low interest-rate environment and the instability of the economic environment, the Board considers that the Acquisitions are stable investments that could protect the Group from currency debasements and inflation in times of uncertainty.

As at 30 June 2021, the Group had the following significant investment held with a value of five percent or more of the Group's total assets as at 31 June 2021 which was classified as financial assets at fair value through profit or loss:

Name of the investment	Investment costs (HK\$ million)	Fair value as at 30 June 2021 (HK\$ million)	Percentage of investments held as at 30 June 2021 (%)	Loss on	Investment	Total
				change in fair value for the year ended 30 June 2021 (HK\$ million)	costs as compared to the Group's total assets as at 30 June 2021 (%)	amount of income received for the year ended 30 June 2021
Non-physical gold	38.4	36.5	38%	1.9	15.9%	Nil

The Group expects that the global capital markets in year 2022 will remain challenging and demanding. Therefore, the Group will continue to adopt prudent capital management and liquidity risk management in its investments. Despite the foregoing, the Group will continue to pursue long-term business opportunities and profitable growth in line with its corporate mission and goals.

In view of the ever-increasing ageing population, lightening of COVID-19, 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 diversify 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 and to optimise business growth and return to its stakeholders.

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 aesthetic clinic in Hong Kong. The total revenue was approximately HK\$109.7 million for the Year, representing an increase of approximately 51.7% from approximately HK\$72.3 million for the year ended 30 June 2020.

Revenue from the provision of healthcare staffing solution services for the Year was approximately HK\$92.1 million, representing an increase of approximately HK\$25.2 million as compared with approximately HK\$66.9 million for the year ended 30 June 2020. Among those, revenue from the institutional staffing solution services amounted to approximately HK\$59.7 million (2020: HK\$37.0 million), representing an increase of approximately 61.4%; and the revenue from the private nursing staffing services was approximately HK\$32.4 million (2020: HK\$29.9 million), representing an increase of approximately 8.4%.

Due to the increase in demand for medical and health assessment services, in particular COVID-19 testing services, the Group recorded an increase in revenue by HK\$11.9 million from the provision of services in the community vaccination centre as well as other outreach case assessment related services.

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 the respective ranks of healthcare personnel. The revenue from the provision of healthcare staffing solution services as a percentage of gross fee slightly increased to approximately 27.9% for the Year from approximately 27.4% for the year ended 30 June 2020.

Other income and other gains, net

Other income mainly comprised sales of goods, government grants, advertising income and dividend income. Other income decreased from approximately HK\$5.2 million for the year ended 30 June 2020 to approximately HK\$4.2 million for the Year, representing a decrease of approximately HK\$1.0 million or approximately 19.2%. The decrease was mainly due to the decrease in sales of goods of approximately HK\$2.0 million, which was partially off set by the increase in dividend income of approximately HK\$1.2 million.

Other gains, net for the Year represented the net fair value gains on financial assets at fair value through profit or loss of approximately HK\$2.0 million and partially offset by net foreign exchange losses of approximately HK\$1.0 million.

Expenses

The employee benefit expenses amounted to approximately HK\$24.1 million for the Year (2020: HK\$24.1 million), which was relatively stable as compared with the year ended 30 June 2020.

The operating lease rentals, depreciation of property, plant and equipment and depreciation of right-of-use assets decreased from approximately HK\$7.6 million for the year ended 30 June 2020 to approximately HK\$4.5 million for the Year.

Other expenses increased from approximately HK\$10.4 million for the year ended 30 June 2020 to approximately HK\$12.5 million for the Year, which was mainly due to the increase of provision of impairment of property, plant and equipment and service fee and partially offset by the decrease in cost of inventories sold.

Finance income

Finance income represented the interest income on short-term bank deposits. Finance income decreased from approximately HK\$1.0 million for the year ended 30 June 2020 to approximately HK\$0.09 million for the Year, which was mainly due to the decrease in short-term bank deposits.

Income tax expense

Income tax expense amounted to approximately HK\$12.5 million for the Year, representing an increase of approximately 127.3%, from approximately HK\$5.5 million for the year ended 30 June 2020. The Group's effective tax rate increased from approximately 15.2% for the year ended 30 June 2020 to approximately 17.0% for the Year.

Profit for the Year and net profit margin

Profit for the Year amounted to approximately HK\$61.0 million, increased by approximately HK\$30.3 million, or 98.7%, from approximately HK\$30.7 million for the year ended 30 June 2020, mainly due to the increase in revenue by approximately 51.7% from approximately HK\$72.3 million for the year ended 30 June 2020 to approximately HK\$109.7 million for the Year and the operating performance analysed above. The net profit margin increased from approximately 42.4% for the year ended 30 June 2020 to approximately 55.6% for the Year.

Trade receivables

Trade receivables increased by approximately HK\$41.3 million from approximately HK\$24.2 million as at 30 June 2020 to approximately HK\$65.5 million as at 30 June 2021. 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 2021 and 2020, 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, the Group did not recognise any provision for trade receivables (2020: Nil).

Trade payables

Trade payables increased to approximately HK\$22.7 million as at 30 June 2021 from approximately HK\$12.8 million as at 30 June 2020, which was mainly due to the increase 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 2021. 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/or external fundings resources. 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, trade receivables, prepayments, deposits and other receivables, amounts due from related companies and inventories.

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

As at 30 June 2021, the Group maintained cash and cash equivalents amounting to approximately HK\$61.8 million (2020: HK\$101.6 million). Net current assets increased to approximately HK\$127.2 million as at 30 June 2021 from approximately HK\$105.5 million as at 30 June 2020.

At 30 June 2021, the banking facilities amounting to approximately HK\$150.2 million (2020: HK\$150.2 million) are made available to the Group and unutilised.

FOREIGN EXCHANGE RISK

The Group's exposure to foreign currency risk is not material. The Group mainly operates in Hong Kong with most of the operating transactions denominated and settled in Hong Kong dollars and the cash and cash equivalents of the Group are mainly denominated in Hong Kong dollars and United States dollars.

CAPITAL STRUCTURE

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

TREASURY POLICY

The Group invests its surplus funds in accordance with a treasury policy approved from time to time by the Board. Surplus funds are placed in bank deposits and invested in financial instruments. Bank deposits and financial assets at amortized cost and fair value are predominantly maintained in Hong Kong dollars, United States dollars and Japanese yen.

GEARING RATIO

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including bank loans and lease liabilities) 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 2021, the gearing ratio is nil (2020: Nil).

CAPITAL COMMITMENTS

As at 30 June 2021, the Group did not have any significant capital commitments (2020: HK\$3.0 million).

PLEDGE OF ASSETS

As at 30 June 2021, there was no significant pledge on the Group’s assets (2020: Nil).

CONTINGENT LIABILITY

A claim was lodged by Garden Medical Centre Limited (“**GMC**”), a wholly-owned subsidiary of the Group, in June 2019 asserting that the founder and ex-director of GMC (the “**Defendant**”) has breached certain clauses in an employment agreement. The Defendant has filed a defence and counterclaim in relation to the case for the reliefs to recover the compensation of employee. As of the date of this announcement, the proceedings have completed the pleadings stage and the Board considers it is premature to make provision in relation to this claim.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2021, the Group employed a total of 72 employees (2020: 75 employees). Total staff costs including Directors’ remuneration for the Year amounted to approximately HK\$24.1 million (2020: HK\$24.1 million).

The remuneration package of the 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. The 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 its shareholders (the “**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. During the Year, there are no share options granted by the Company under the share option scheme (2020: 10,000,000 ordinary shares).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

Saved for the transactions disclosed below, there were no significant investments held, material acquisitions and disposal of subsidiaries and affiliated companies during the Year.

Between 29 September 2020 and 25 November 2020, Bamboos FinTech Limited, an indirect wholly-owned subsidiary of the Company, acquired in aggregate 22,430 mace troy of non-physical gold from Hang Seng Bank for an aggregate consideration of approximately HK\$38.4 million for the purpose of enhancing efficiency of use of the idle cash without affecting the daily operation of the principal business development of the Group or adversely affecting the interests of the investors of the Company. For further details, please refer to the Company's announcements dated 10 November 2020 and 20 January 2021.

SHARE OPTION SCHEME

The Company's Share Option Scheme was conditionally approved and adopted by a resolution of the Shareholders passed on 24 June 2014 and became unconditional on 8 July 2014, being the date on which the Company's shares were first listed on the Stock Exchange. The Share Option Scheme is valid and effective for a period of 10 years from 8 July 2014, after which no further options will be granted or offered.

On 29 April 2019, the Board resolved to grant a total of 8,000,000 share options to the selected grantees of the Company under the rules of the Share Option Scheme at the exercise price of HK\$1.440. Among the share options granted, a total of 2,350,000 share options were granted to the Directors. As of the date of this announcement, no options were exercised.

On 26 June 2020, the Board resolved to grant a total of 10,000,000 share options to the selected grantees of the Company under the rules of the Share Option Scheme at the exercise price of HK\$0.994. Among the share options granted, a total of 3,200,000 share options were granted to the Directors. As of the date of this announcement, no options were exercised.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 Listing Rules as the code of conduct regarding the Director’s dealing in the securities of the Company. The Directors, upon responding to specific enquiries by the Company, confirmed their compliance with the required standards for dealing in the Company’s securities set out in the Model Code throughout the Year and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company 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, renowned, 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 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

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

The Company does not have a separate chairman and chief executive officer. 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 and development. 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 with efficiency and consistency in major business decision making for the Group. The existing management structure with Ms. Hai performing the roles of chairman and chief executive officer enables the Board’s decision to be more effectively made and facilitates the implementation of business strategies under the solid and experienced 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 comprises three independent non-executive Directors, namely Dr. Chan Kai Yue Jason, Mr. Wong Kon Man Jason and Mr. Lam Kwok Ming. Mr. Wong Kon Man Jason is the chairman of the Audit Committee. These annual results have been reviewed by the Audit Committee of the Company.

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 preparation of the annual results complied with the applicable accounting policies and standards of the Group and that adequate disclosures have been made pursuant to the Listing Rules. The Audit Committee also initiated internal control measures and reviewed the semi-annual internal control reports conducted by the Company's external professional consultants and evaluated the effectiveness of the internal control system of the Group. During the Year, the Audit Committee had adopted risk management policy (including the risk management review process) for the Group.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and the related notes thereto for the Year 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 draft 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 Monday, 29 November 2021. A notice convening the AGM will be published and despatched to the Shareholders in due course.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year.

EVENTS AFTER THE REPORTING PERIOD

On 2 September 2021, Ever Kind International Limited and Kingswood International Limited (the “**Purchasers**”) (each an indirect wholly-owned subsidiaries of the Company), entered into the provisional agreements (the “**Provisional Agreements**”) with Hong Kong Professional Teachers’ Union (the “**Vendor**”), pursuant to which the Purchasers respectively agreed to purchase the properties at the aggregate consideration of HK\$175 million. On 16 September 2021, the formal agreements have been entered into between the Purchasers and the Vendor pursuant to the Provisional Agreements. We intend to utilise the properties as the Group’s principal business office, for the establishment of a screening centre for healthcare personnel and other business operational purposes. For further details, please refer to the Company’s announcements dated 3 September 2021 and 16 September 2021.

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 24 November 2021 to 29 November 2021 (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 23 November 2021.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement has been 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 containing all the information required by the Listing Rules will be despatched to the Shareholders and will be available on the aforesaid websites in due course.

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

Hong Kong, 27 September 2021

As at the date of this announcement, the executive Directors are Ms. Hai Hiu Chu and Dr. Leung Wai Cheung; and the independent non-executive Directors are Dr. Chan Kai Yue Jason, Mr. Wong Kon Man Jason and Mr. Lam Kwok Ming.

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.