



Bamboos Health Care Holdings Limited  
百本醫護控股有限公司



# Interim Report 2014 / 2015 中期報告

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立的有限公司)  
Stock Code 股份代號 : 8216

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

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**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, for which the directors (the “Directors”) of Bamboos Health Care Holdings Limited (the “Company” or “Bamboos”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company and its subsidiaries (together, the “Group”, “we”, “us”, or “our”). The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement in this report misleading; and (iii) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

## **FINANCIAL HIGHLIGHTS**

- Revenue for the six months ended 31 December 2014 amounted to approximately HK\$21.9 million, representing an increase of approximately 28.7% as compared with that of approximately HK\$17.0 million for the six months ended 31 December 2013.
- Profit before income tax for the six months ended 31 December 2014 amounted to approximately HK\$11.3 million, representing an increase of approximately 3.1% from approximately HK\$10.9 million recorded for the six months ended 31 December 2013.
- Profit attributable to equity holders of the Company for the six months ended 31 December 2014 amounted to approximately HK\$9.2 million, representing an increase of approximately 5.4% from approximately HK\$8.7 million recorded for the six months ended 31 December 2013.
- The Directors do not recommend the payment of an interim dividend for the six months ended 31 December 2014.

## FINANCIAL RESULTS

The board of directors (the "Board") of Bamboos Health Care Holdings Limited (the "Company", together with its subsidiaries, the "Group") is pleased to announce the unaudited condensed consolidated interim financial information of the Group for the six months ended 31 December 2014 (which has been reviewed by the Company's audit committee), together with the comparative audited figures for the corresponding period in 2013 as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 December 2014

	Note	Three months ended 31 December		Six months ended 31 December	
		2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2013 HK\$'000 (audited)
Revenue	6	11,224	8,433	21,918	17,029
Other income	7	535	585	1,092	958
Other gains	7	-	-	80	-
Employee benefit expenses		(2,827)	(1,269)	(6,108)	(3,210)
Operating lease rentals		(248)	(180)	(434)	(360)
Other operating expenses		(2,837)	(1,961)	(5,170)	(3,300)
<b>Operating profit</b>		<b>5,847</b>	<b>5,608</b>	<b>11,378</b>	<b>11,117</b>
Finance income		2	-	2	-
Finance costs		(65)	(96)	(120)	(198)
<b>Profit before income tax</b>	8	<b>5,784</b>	<b>5,512</b>	<b>11,260</b>	<b>10,919</b>
Income tax expense	9	(1,060)	(1,261)	(2,056)	(2,189)
<b>Profit and total comprehensive income for the period attributable to equity holders of the Company</b>		<b>4,724</b>	<b>4,251</b>	<b>9,204</b>	<b>8,730</b>
<b>Earnings per ordinary share attributable to equity holders of the Company</b>					
Basic and diluted (unaudited)	10	<b>HK1.18 cents</b>	HK1.42 cents	<b>HK2.33 cents</b>	HK2.91 cents

The notes are an integral part of these unaudited condensed consolidated interim financial information.

## UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 December 2014

	Note	31 December 2014 HK\$'000 (unaudited)	30 June 2014 HK\$'000 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	1,813	465
Prepayments and deposits	14	274	–
Deferred income tax assets		–	12
		<b>2,087</b>	477
<b>Current assets</b>			
Inventories		26	–
Trade receivables	13	17,248	15,337
Prepayments, deposits and other receivables	14	1,104	3,967
Amount due from a related company		72	60
Cash and bank balances	15	59,939	19,057
		<b>78,389</b>	38,421
<b>Total assets</b>		<b>80,476</b>	38,898
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital	16	4,000	–
Share premium		39,123	–
Retained earnings		15,535	6,331
<b>Total equity</b>		<b>58,658</b>	6,331
<b>Non-current liabilities</b>			
Deferred income tax liabilities		120	–

## UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

As at 31 December 2014

		<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
	<i>Note</i>		
<b>Current liabilities</b>			
Trade payables	17	<b>11,559</b>	10,571
Accruals and other payables	18	<b>1,161</b>	8,849
Amount due to a related company		–	115
Amounts due to directors		–	160
Tax payable		<b>2,849</b>	4,802
Bank borrowings	19	<b>6,129</b>	8,070
		<b>21,698</b>	32,567
<b>Total liabilities</b>		<b>21,818</b>	32,567
<b>Total equity and liabilities</b>		<b>80,476</b>	38,898
<b>Net current assets</b>		<b>56,691</b>	5,854
<b>Total assets less current liabilities</b>		<b>58,778</b>	6,331

On behalf of the Board

**Kwan Chi Hong**  
*Director*

**Hai Hiu Chu**  
*Director*

The notes are an integral part of these unaudited condensed consolidated interim financial information.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2014

	Attributable to equity holders of the Company			
	Share capital HK\$'000	Share premium HK\$'000	Retained earnings HK\$'000	Total equity HK\$'000
Balance at 1 July 2013 (audited)	–	–	20,632	20,632
Profit and total comprehensive income for the period	–	–	8,730	8,730
Balance at 31 December 2013 (audited)	–	–	29,362	29,362
Balance at 1 July 2014 (audited)	–	–	<b>6,331</b>	<b>6,331</b>
Profit and total comprehensive income for the period	–	–	<b>9,204</b>	<b>9,204</b>
Issue of new shares by way of placing (Note 16c)	<b>1,000</b>	<b>49,000</b>	–	<b>50,000</b>
Share issuance costs	–	<b>(6,877)</b>	–	<b>(6,877)</b>
Capitalisation issue of shares (Note 16c)	<b>3,000</b>	<b>(3,000)</b>	–	–
Balance at 31 December 2014 (unaudited)	<b>4,000</b>	<b>39,123</b>	<b>15,535</b>	<b>58,658</b>

The notes are an integral part of these unaudited condensed consolidated interim financial information.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2014

	<b>Six months ended 31 December</b>	
	<b>2014 HK\$'000 (unaudited)</b>	2013 HK\$'000 (audited)
<b>Cash flow from operating activities</b>		
Profit before income tax	<b>11,260</b>	10,919
Adjustments for:		
– Depreciation	<b>325</b>	242
– Finance income	<b>(2)</b>	–
– Finance costs	<b>120</b>	198
– Gain on disposal of motor vehicle	<b>(80)</b>	–
	<b>11,623</b>	11,359
Changes in working capital:		
– Inventories	<b>(26)</b>	–
– Trade receivables	<b>(1,911)</b>	1,125
– Prepayments, deposits and other receivables	<b>2,589</b>	368
– Balances with directors and related companies	<b>(12)</b>	192
– Trade payables, accruals and other payables	<b>(6,700)</b>	920
Cash generated from operations	<b>5,563</b>	13,964
Interest paid	<b>(120)</b>	(198)
Income tax paid	<b>(3,877)</b>	(3,247)
<b>Net cash generated from operating activities</b>	<b>1,566</b>	10,519
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	<b>(1,793)</b>	(3)
Proceeds on disposal of motor vehicle	<b>200</b>	–
Interest received	<b>2</b>	–
<b>Net cash used in investing activities</b>	<b>(1,591)</b>	(3)
<b>Cash flows from financing activities</b>		
Balances with directors and related companies	<b>(275)</b>	(5,133)
Proceeds from issue of new shares by way of placing	<b>50,000</b>	–
Share issuance costs	<b>(6,877)</b>	–
Proceeds from bank borrowings	<b>7,000</b>	–
Repayment of bank borrowings	<b>(8,941)</b>	(1,128)
<b>Net cash generated from/(used in) financing activities</b>	<b>40,907</b>	(6,261)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
(CONTINUED)**

*For the six months ended 31 December 2014*

	<b>Six months ended 31 December</b>	
	<b>2014</b> <i>HK\$'000</i> <b>(unaudited)</b>	2013 <i>HK\$'000</i> (audited)
<b>Net increase in cash and bank balances</b>	<b>40,882</b>	4,255
Cash and bank balances at 1 July	<b>19,057</b>	29,446
Cash and bank balances at 31 December	<b>59,939</b>	33,701

The notes are an integral part of these unaudited condensed consolidated interim financial information.

## **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

### **1 GENERAL INFORMATION**

Bamboos Health Care Holdings Limited 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, Uglund House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business is Unit B-C, 16/F, E-Trade Plaza, 24 Lee Chung Street, Chai Wan, Hong Kong. The Company's shares were listed on the GEM of the Stock Exchange (the "Listing") on 8 July 2014 (the "Listing Date") by way of placing of a total of 100,000,000 new ordinary shares in the Company (the "Placing").

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of healthcare staffing solution services.

### **2 BASIS OF PREPARATION**

The unaudited condensed consolidated interim financial information for the six months ended 31 December 2014 comprises the Company and its subsidiaries.

The unaudited condensed consolidated interim financial information is presented in Hong Kong dollars ("HK\$") which is the same as the functional currency of the Company.

The unaudited condensed consolidated interim financial information of the Group for the six months ended 31 December 2014 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim financial reporting" issued by the Hong Kong Institutes of Certified Public Accountants ("HKICPA") and the disclosure requirements of Chapter 18 to the GEM Listing Rules. The unaudited condensed consolidated interim financial information has been prepared under the historical cost convention. This unaudited condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 30 June 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards.

Prior to and following the group reorganisation (the "Reorganisation") in preparation for the Listing completed on 28 March 2014, the Company and its subsidiaries were and are directly or indirectly controlled by the same shareholders, further details of which are set out in the prospectus issued by the Company dated 30 June 2014 (the "Prospectus"). Accordingly, the Reorganisation has been accounted for as a reorganisation of businesses under common control in a manner similar to a uniting of interests. The comparative figures in the unaudited condensed consolidated interim financial information has been prepared on the merger basis as if the Company has been the holding company of these companies comprising the Group at the end of the previous reporting period, or since the dates of their incorporation or establishment.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of the unaudited condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2014, except as described below.

The Group has adopted and applied, for the first time, the following new standards, amendments to standards and interpretation that have been issued by the HKICPA and effective for the accounting periods beginning on 1 July 2014:

- HK(IFRIC)-Int 21-“Levies”;
- Amendment to HKAS 32, “Financial instruments: Presentation” on asset and liability offsetting;
- Amendment to HKAS 36, “Impairment of assets” on recoverable amount disclosures;
- Amendment to HKAS 39 “Financial instruments: Recognition and measurement” – Novation of derivatives; and
- Amendments to HKFRS 10, 12 and HKAS 27, “Consolidation for investment entities”.

For those new standards and amendment to standards which have been issued but are not yet effective during the period and have not been early adopted, the Group is in the process of assessing their impact on the Group's results and financial position.

### 4 ESTIMATES

The preparation of unaudited condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this unaudited condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2014.

## 5 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's principal activity is provision of healthcare staffing solution services and has only one major operating segment.

The Group primarily operates in Hong Kong with all of its non-current assets located at and capital expenditure incurred in Hong Kong. During the six months ended 31 December 2014 and 2013, all revenue was earned from external customers in Hong Kong.

## 6 REVENUE

	<b>Six months ended 31 December</b>	
	<b>2014</b> <i>HK\$'000</i> <b>(unaudited)</b>	2013 <i>HK\$'000</i> (audited)
Turnover		
Revenue from provision of healthcare staffing solution services	<b>21,918</b>	17,029

An analysis of the gross components in arriving at the Group's revenue is set out below:

	<b>Six months ended 31 December</b>	
	<b>2014</b> <i>HK\$'000</i> <b>(unaudited)</b>	2013 <i>HK\$'000</i> (audited)
Gross fee	<b>92,328</b>	77,132
Cost attributable to healthcare personnel	<b>(70,410)</b>	(60,103)
	<b>21,918</b>	17,029

Gross fee does not represent the Group's revenue.

## 7 OTHER INCOME AND OTHER GAINS

	<b>Six months ended 31 December</b>	
	<b>2014 HK\$'000 (unaudited)</b>	2013 HK\$'000 (audited)
Other income		
– Activities income	<b>188</b>	–
– Advertising income	<b>367</b>	573
– Others	<b>516</b>	385
– Sales of goods	<b>21</b>	–
	<b>1,092</b>	958
Other gains		
– Gain on disposal of motor vehicle	<b>80</b>	–
	<b>80</b>	–
	<b>1,172</b>	958

## 8 PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after (crediting)/charging the followings:

	<b>Six months ended 31 December</b>	
	<b>2014 HK\$'000 (unaudited)</b>	2013 HK\$'000 (audited)
<b>(a) Finance income and costs</b>		
<b>Finance income</b>		
Interest income on short-term bank deposits	<b>(2)</b>	–
<b>Finance costs</b>		
Interest expenses arising from bank borrowings	<b>120</b>	198
	<b>118</b>	198
<b>(b) Staff costs (including directors' remuneration)</b>		
Wages, salaries and bonus	<b>5,570</b>	2,833
Pension costs – defined contribution plan	<b>207</b>	141
Other staff welfare	<b>331</b>	236
	<b>6,108</b>	3,210

## 8 PROFIT BEFORE INCOME TAX (CONTINUED)

	<b>Six months ended 31 December</b>	
	<b>2014</b>	2013
	<b>HK\$'000</b>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(audited)
<b>(c) Other items</b>		
Auditor's remuneration	<b>550</b>	300
Cost of inventories	<b>8</b>	–
Depreciation for property, plant and equipment	<b>325</b>	242
Professional service in respect of listing preparation	<b>178</b>	968
Legal and professional fee	<b>818</b>	34
Advertising and promotional expenses	<b>707</b>	153

## 9 INCOME TAX EXPENSE

The Group is not subject to taxation in the Cayman Islands and the British Virgin Islands. Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profits arising in or derived from Hong Kong for the six months ended 31 December 2014 (2013: 16.5%).

	<b>Six months ended 31 December</b>	
	<b>2014</b>	2013
	<b>HK\$'000</b>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(audited)
Current income tax		
– Hong Kong profits tax	<b>1,924</b>	1,996
Under-provision in previous years	<b>–</b>	228
Deferred income tax	<b>132</b>	(35)
	<b>2,056</b>	2,189

## 10 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 six months ended 31 December 2014 and 2013.

The weighted average number of ordinary shares in issue during the six months ended 31 December 2014 and 2013 used in the basic earnings per share calculation is determined on the assumption that the 20 ordinary shares issued during the Reorganisation (Note 2) and the 299,999,980 ordinary shares issued upon the capitalisation issue (Note 16c) had been in issue throughout the six months ended 31 December 2014 and 2013.

The calculation of the weighted average number of ordinary shares outstanding during the six months ended 31 December 2014 also included the effect of the placing of 100,000,000 new ordinary shares on the Listing Date.

	<b>Six months ended 31 December</b>	
	<b>2014 (unaudited)</b>	2013 (unaudited)
Profit attributable to equity holders of the Company (HK\$'000)	<b>9,204</b>	8,730
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share ('000)	<b>395,652</b>	300,000
Basic and diluted earnings per ordinary share (HK cents)	<b>2.33</b>	2.91

No adjustment has been made to the basic earnings per share amount for the six months ended 31 December 2014 and 2013 as the Group had no potential dilutive ordinary shares in issue during the respective periods.

## 11 DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the six months ended 31 December 2014 (2013: Nil).

## 12 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2014, the Group acquired at cost, leasehold improvements of approximately HK\$232,000 (six months ended 31 December 2013: Nil); furniture and fixtures of approximately HK\$37,000 (six months ended 31 December 2013: HK\$3,000); computer equipment of approximately HK\$97,000 (six months ended 31 December 2013: Nil); and motor vehicles of approximately HK\$1,427,000 (six months ended 31 December 2013: Nil).

In addition, the Group disposed of motor vehicles with net carrying amount of approximately HK\$120,000 during the six months ended 31 December 2014 (six months ended 31 December 2013: Nil).

## 13 TRADE RECEIVABLES

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Trade receivables	<b>17,248</b>	15,337

During the six months ended 31 December 2014 and 2013, the Group's trade receivables have no credit term and payment is immediately due upon presentation of invoices to customers. At 31 December 2014 and 30 June 2014, all trade receivables were past due but not considered to be impaired because these mainly relate 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 is as follows:

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Less than 60 days	<b>15,738</b>	14,573
60 days to 180 days	<b>1,510</b>	764
	<b>17,248</b>	15,337

The credit quality of trade receivables neither past due nor 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 31 December 2014 and 30 June 2014, no collateral has been received from these counterparties.



#### 14 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Current		
Prepaid professional service fees in respect of listing preparation	–	3,496
Other prepayments	<b>745</b>	207
Deposits	<b>341</b>	244
Other receivables	<b>18</b>	20
	<b>1,104</b>	3,967
Non-current		
Prepayments	<b>100</b>	–
Deposits	<b>174</b>	–
	<b>274</b>	–
Total	<b>1,378</b>	3,967

#### 15 CASH AND BANK BALANCES

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Cash at banks	<b>59,930</b>	19,037
Cash on hand	<b>9</b>	20
	<b>59,939</b>	19,057

## 16 SHARE CAPITAL

	Number of shares	Ordinary shares of HK\$0.01 each <i>HK\$'000</i>
Authorised:		
At 1 July 2013	1,000,000	10
Increase in authorised share capital (Note a)	1,999,000,000	19,990
<b>At 30 June 2014, 1 July 2014 and 31 December 2014 (unaudited)</b>	<b>2,000,000,000</b>	<b>20,000</b>
Issued and fully paid:		
At 1 July 2013	10	–
Issuance of shares (Note b)	10	–
At 30 June 2014	20	–
At 1 July 2014	20	–
Issue of shares by way of placing (Note c)	100,000,000	1,000
Capitalisation issue of shares (Note c)	299,999,980	3,000
<b>At 31 December 2014 (unaudited)</b>	<b>400,000,000</b>	<b>4,000</b>

### Notes:

- (a) On 24 June 2014, the authorised share capital of the Company was increased to HK\$20,000,000 consisting of 2,000,000,000 ordinary shares of HK\$0.01 each.
- (b) On 28 March 2014, the Company further issued 9 ordinary shares and 1 ordinary share to Gold Empress Limited and Gold Beyond Limited respectively, for acquiring their respective interests in Achiever Team Limited. These shares rank pari passu in all respects with the existing issued ordinary shares.
- (c) On 8 July 2014, 299,999,980 shares were issued at HK\$0.01 each by way of capitalisation of share premium arising from the gross proceeds of HK\$50,000,000 from the issue of 100,000,000 shares to public investors at the offer price of HK\$0.5 per share.

## 17 TRADE PAYABLES

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

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

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Less than 30 days	<b>11,559</b>	10,571

## 18 ACCRUALS AND OTHER PAYABLES

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Accrued professional service fees in respect of listing preparation	<b>4</b>	6,643
Other accrued expenses	<b>890</b>	1,925
Other payables	<b>267</b>	281
	<b>1,161</b>	8,849

## 19 BANK BORROWINGS

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Current		
Bank borrowings due for repayment within one year which contain a repayment on demand clause	<b>2,151</b>	2,372
Bank borrowings due for repayment after one year which contain a repayment on demand clause	<b>3,978</b>	5,698
	<b>6,129</b>	8,070

The Group's borrowings as at 30 June 2014 were secured by personal guarantees given by Ms. Hai Hiu Chu and Mr. Kwan Chi Hong, the directors of the Company, guarantee by the Hong Kong Mortgage Corporation Limited, and corporate guarantee by Bamboos Limited, and were subsequently fully repaid in July 2014. The guarantees were fully released upon full settlement of the borrowings.

The Group's borrowings as at 31 December 2014 were secured by corporate guarantee by the Company.

The weighted average effective interest rate of the bank borrowings as at 31 December 2014 and 30 June 2014 were 4.0% and 4.04% respectively.

The maturity of the Group's borrowings in accordance with the repayment schedule, without taking into account the repayment on demand clause is as follows:

	<b>31 December 2014 HK\$'000 (unaudited)</b>	30 June 2014 HK\$'000 (audited)
Within 1 year	<b>2,151</b>	2,372
Between 1 and 2 years	<b>2,239</b>	2,469
Between 2 and 5 years	<b>1,739</b>	3,229
	<b>6,129</b>	8,070

## 20 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. During the six months ended 31 December 2014 and 2013, the equity interests of the related parties of the Group are controlled by Ms. Hai Hiu Chu.

### (a) Transactions with related parties

During the six months ended 31 December 2014 and 2013, the Group carried out the following significant transactions with its related parties:

	<b>Six months ended 31 December</b>	
	<b>2014</b>	2013
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(audited)
Operating lease rental to Bamboos Limited	<b>360</b>	360

Operating lease rental is charged in accordance with the agreement entered into between the relevant parties.

### (b) Key management compensation

Key management includes directors. The compensation paid or payable to key management for employee services is shown below:

	<b>Six months ended 31 December</b>	
	<b>2014</b>	2013
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(audited)
Fees	–	335
Basic salaries, bonuses, others allowances and benefits in kind	<b>1,294</b>	–
Pension costs – defined contribution plan	<b>18</b>	15
	<b>1,312</b>	350

### (c) Guarantees from Ms. Hai Hiu Chu and Mr. Kwan Chi Hong and corporate guarantee from a related party

Details of the guarantees are disclosed in Note 19.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW AND PROSPECTS**

Our principal activities are to provide customised healthcare staffing solution services to individuals and institutional clients in a timely manner as well as duty opportunities to self-employed healthcare personnel registered with us.

In line with the increase in demand for healthcare and elderly services, as well as personal care, rehabilitation and home care services arising from ageing population in Hong Kong, the demand for associated need for quality or customised healthcare services has grown up in the first half of the financial year. The number of healthcare personnel registered with us as at 31 December 2014 was increased to over 14,200 from 13,500 as at 30 June 2014, representing an increase of approximately 5.2%.

The revenue of our Group for the six months ended 31 December 2014 was approximately HK\$21.9 million (six months ended 31 December 2013: HK\$17.0 million), representing an increase of approximately 28.7%. The increase in revenue was mainly attributable to the rise in placement of healthcare personnel to institutional clients, especially for social service organisations, and individual clients. For the six months ended 31 December 2014, revenue from the provision of institutional staffing solution services and private nursing staffing services were approximately HK\$8.3 million (six months ended 31 December 2013: HK\$7.3 million) and HK\$13.6 million (six months ended 31 December 2013: HK\$9.7 million) respectively, representing an increase of approximately 13.4% and 40.2% respectively.

In addition to increase in average rate charged to institutional clients for the provision of healthcare staffing solution services by personal care worker and workman in October 2014, the revenue from placement of the respective rank of healthcare personnel to institutional clients increased from approximately HK\$4.2 million for the six months ended 31 December 2013 to approximately HK\$5.6 million for the six months ended 31 December 2014, representing an increase of approximately HK\$1.4 million or approximately 32.3%.

Profit attributable to equity holders of our Company for the six months ended 31 December 2014 was approximately HK\$9.2 million, representing an increase of approximately 5.4% as compared with that of the corresponding period in 2013.

As to the industry outlook ahead, taking into account the factors of prolonged shortage of permanent workforce of both healthcare professional personnel and healthcare supporting personnel and increase in demand for healthcare and elderly services (such as personal care, rehabilitation and home care services) with the ageing population in Hong Kong, our management is optimistic towards expanding our healthcare personnel pool, enhancing our healthcare staffing solution services to our clients and maintaining the leading position as a pioneer healthcare staffing solution service provider in Hong Kong.

We are always ready to go the extra mile to promote our business. During the six months ended 31 December 2014, we set up a member services center for handling registration of healthcare personnel, enhancing the delivery of information of our Group, and retailing a wide variety of beauty, health and personal care products at a special price to our members (including but not limited to our customers and healthcare personnel registered with our Group). We believe this move can enhance our Group's brand recognition, attract more potential customers to use our healthcare staffing solution services and more healthcare personnel to register with our Group, and bring our members closer to our Group.

## **FINANCIAL REVIEW**

### **Revenue**

The revenue of our Group for the six months ended 31 December 2014 was approximately HK\$21.9 million, representing an increase of approximately 28.7% as compared with that of approximately HK\$17.0 million for the six months ended 31 December 2013. The increase in revenue was mainly due to our effort in the improvement of differential rate earned and the increasing demand of healthcare personnel assignment from private clients and social service organisations, slightly offset by the decrease in demand for nursing staffing service to hospitals.

### **Other income**

Advertising income mainly represents income from advertisements placed by advertisers in our BamBoOs! Life, a magazine edited and published by our Group for free distribution. The increase of other income from approximately HK\$1.0 million for the six months ended 31 December 2013 to approximately HK\$1.1 million for the six months ended 31 December 2014 was mainly driven by administration fee in relation to registration and application matters received from healthcare personnel and our clients, and income generated from healthcare related activities.

## **Expenses**

Our employee benefit expenses increased from approximately HK\$3.2 million for the six months ended 31 December 2013 to approximately HK\$6.1 million for the six months ended 31 December 2014, which was mainly attributable to the increase in key management compensation, average number of employees and discretionary bonus paid to our staff.

Other operating expenses increased from approximately HK\$3.3 million for the six months ended 31 December 2013 to approximately HK\$5.2 million for the six months ended 31 December 2014, which was mainly driven by recognition of professional service fees, advertising expenses and public relation fees incurred after the Listing and up to the period under review.

## **Finance costs**

Finance costs represented the interest expenses on bank borrowings. Finance costs were approximately HK\$120,000 for the six months ended 31 December 2014, representing a decrease of approximately HK\$78,000 from approximately HK\$198,000 for the six months ended 31 December 2013. The decrease was primarily due to the repayment of the bank borrowing amounting to HK\$12 million drawn in September 2012 and the subsequent replacement of a new bank borrowing amounting to HK\$7 million drawn in July 2014.

## **Profit for the period attributable to equity holders of the Company**

Profit attributable to equity holders of the Company amounted to approximately HK\$9.2 million for the six months ended 31 December 2014, representing an increase of approximately 5.4% as compared with that of approximately HK\$8.7 million for the six months ended 31 December 2013.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 December 2014, our Group maintained cash and bank balances amounting to approximately HK\$59.9 million (30 June 2014: HK\$19.1 million). Net current assets increased from approximately HK\$5.9 million as at 30 June 2014 to approximately HK\$56.7 million as at 31 December 2014, which was mainly due to increase of cash and bank balances in relation to the net proceeds received from the Placing and net cash generated from operating activities.

As at 31 December 2014, our Group's total bank borrowings, all being denominated in Hong Kong dollars, amounted to approximately HK\$6.1 million (30 June 2014: HK\$8.1 million).



## **CAPITAL STRUCTURE**

During the six months ended 31 December 2014 and 2013, the capital structure of our Group consisted of cash and cash equivalents and equity attributable to equity holders of our Company, comprising issued share capital and reserves.

## **FOREIGN EXCHANGE EXPOSURE RISKS**

Our Group's exposure to currency risk is insignificant as our Group operates in Hong Kong with all of our transactions denominated and settled in Hong Kong dollar. As at 31 December 2014, our Group has not used any derivative financial instruments to hedge foreign exchange risk (30 June 2014: Nil).

## **GEARING RATIO**

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and bank balances. Total capital is calculated as "equity" (as shown in the unaudited condensed consolidated balance sheet) plus net debt. As at 31 December 2014 and 30 June 2014, the Group had a net cash position as its cash and bank balances exceeded the total balance of borrowings by approximately HK\$53.8 million and HK\$11.0 million, respectively.

## **CAPITAL COMMITMENTS**

As at 31 December 2014, our Group had no significant capital commitments (30 June 2014: Nil).

## **PLEDGE OF ASSETS**

As at 31 December 2014, there was no significant pledge on our Group's assets (30 June 2014: Nil).

## **CONTINGENT LIABILITIES**

As at 31 December 2014, our Group had no significant contingent liabilities (30 June 2014: Nil).

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Our Group did not have other plans for material investments or capital assets as at 31 December 2014.

## **SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES**

During the six months ended 31 December 2014 and 2013, our Group did not hold any significant investment in equity interest in any other company and there were no material acquisitions and disposals of subsidiaries and affiliated companies by our Group.

## **EMPLOYEES AND REMUNERATION POLICIES**

The remuneration package of our staff 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 staff promotion are based on evaluation of staff performance by way of annual review, and discretionary bonuses are paid to staff with reference to our financial performance of the preceding financial year and performance of individual staff.

As at 31 December 2014, our Group engaged a total of 35 employees (30 June 2014: 30). Total staff costs including Directors' remuneration for the six months ended 31 December 2014 amounted to approximately HK\$6.1 million (six months ended 31 December 2013: HK\$3.2 million). Our Group's remuneration policies are in line with the prevailing market practices.

Our Company has conditionally adopted a share option scheme on 24 June 2014 (the "Share Option Scheme") under which eligible participants (including, among others, full-time employees) may be granted options to subscribe for shares in our Company. As at 31 December 2014, no options had been granted under the Share Option Scheme.

## COMPARISON BETWEEN BUSINESS OBJECTIVES AND ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as stated in the Prospectus with our Group's actual business progress for the period from the Listing Date to 31 December 2014 (the "Review Period") is set out below:

<b>Business objectives for the Review Period as stated in the Prospectus</b>	<b>Actual business progress up to 31 December 2014</b>
<p>1. Enhancing business operation efficiency</p> <ul style="list-style-type: none"> <li>• Upgrade our accounting and financial system</li> </ul>	<p>Our Group has taken steps in upgrading and modifying the function of the accounting and financial system, which was partially completed by the end of the Review Period.</p>
<p>2. Strengthening brand awareness and expanding healthcare personnel pool</p> <ul style="list-style-type: none"> <li>• Commence our advertising campaign</li> <li>• Expand our healthcare personnel pool</li> </ul>	<p>Our Group had commenced advertising campaign which included launching advertisement through internet media and public transport, and sponsoring social and community events organised by non-government organisations.</p> <p>As at 30 June 2014 and 31 December 2014, the numbers of healthcare personnel registered in our database were over 13,500 and 14,200 respectively, representing an increase of approximately 5.2%.</p>
<p>3. Enhancing healthcare staffing solution services</p> <ul style="list-style-type: none"> <li>• Strengthen our customer services department and other back office support</li> </ul>	<p>In line with the increase of clients and the expansion of healthcare personnel pool, our Group had strengthened our customer services department and other back office support by recruiting additional employees.</p>

## USE OF PROCEEDS

The net proceeds from the Placing were approximately HK\$39.8 million. During the Review Period, the net proceeds from the Placing had been applied as follows:

	<b>Planned use of proceeds as stated in the Prospectus for the Review Period</b> <i>HK\$'million</i>	<b>Actual use of proceeds during the Review Period</b> <i>HK\$'million</i>
• Enhancing business operation efficiency ( <i>Note 1</i> )	0.7	–
• Strengthening brand awareness and expanding healthcare personnel pool	1.0	1.0
• Enhancing healthcare staffing solution services	0.2	0.2
	<hr/>	
	1.9	1.2
	<hr/>	

*Note:*

1. The actual use of proceeds was nil as compared to the planned use of proceeds stated in the Prospectus as the process of upgrading and modifying the function of the accounting and financial system, though carried out during the Review Period, was only partially completed by the end of the Review Period.

As disclosed in the Prospectus, to the extent that the net proceeds from the Placing are not immediately required for the above purposes, they had been placed on short-term interest bearing deposits with authorized financial institutions in Hong Kong.

In the event that any part of the business plans of our Group does not materialise or proceed as planned, our Directors will carefully evaluate the situation and may reallocate the intended funding to other business plans and/or to new projects of our Group and/or to hold the funds as short-term interest bearing deposits so long as our Directors consider it to be in the best interest of our Company and our shareholders taken as a whole.

## COMPETING INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS AND THEIR RESPECTIVE CLOSE ASSOCIATES

Save as disclosed in the Prospectus and summarised below, none of the Directors, controlling shareholders of our Company or their respective close associates (as defined under the GEM Listing Rules) had any business or interest in a business which competes or may compete with the business of our Group and any other conflict of interest with our Group throughout the period from the Listing Date to 31 December 2014.

<b>Name of company</b>	<b>Shareholding in the company attributable to our Directors or controlling shareholders</b>	<b>Nature of business</b>	<b>Remarks</b>
Bamboos Medicine Limited (" <b>BML</b> ")	100% by Ms. Hai Hiu Chu	Provision of Chinese medicine consultation and treatment services in Hong Kong	Ms. Hai Hiu Chu is a director of BML
Bamboos Education – School for Talents Limited (" <b>BEST</b> ")	90% by Ms. Hai Hiu Chu and 10% by Mr. Kwan Chi Hong	Provision of healthcare related training service in Hong Kong	Both Ms. Hai Hiu Chu and Mr. Kwan Chi Hong are directors of BEST

## **DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF OUR COMPANY OR ITS ASSOCIATED CORPORATIONS**

As at 31 December 2014, interests and short positions in the shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) held by the Directors and chief executives of our Company which have been notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or have been entered in the register maintained by our Company pursuant to section 352 of the SFO, or otherwise have been notified to our Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### **Long positions in shares of our Company (the "Shares")**

<b>Name of Director</b>	<b>Nature of interest</b>	<b>Number of Shares</b>	<b>Percentage of shareholding (%)</b>
Ms. Hai Hiu Chu	Interest of a controlled corporation	270,000,000 <i>(Note 1)</i>	75%
	Deemed interest	30,000,000 <i>(Note 3)</i>	
Mr. Kwan Chi Hong	Interest of a controlled corporation	30,000,000 <i>(Note 2)</i>	75%
	Deemed interest	270,000,000 <i>(Note 3)</i>	

*Note:*

1. Ms. Hai Hiu Chu is deemed to be interested in the Shares held by Gold Empress Limited (“Gold Empress”) by virtue of the SFO as Gold Empress is wholly owned by Ms. Hai Hiu Chu.
2. Mr. Kwan Chi Hong is deemed to be interested in the Shares held by Gold Beyond Limited (“Gold Beyond”) by virtue of the SFO as Gold Beyond is wholly owned by Mr. Kwan Chi Hong.
3. Ms. Hai Hiu Chu and Mr. Kwan Chi Hong, being our executive Directors, are deemed to be parties acting in concert under the Hong Kong Code on Takeovers and Mergers (the “Takeovers Code”). As such, Ms. Hai Hiu Chu, Mr. Kwan Chi Hong, Gold Empress and Gold Beyond are all regarded as parties acting in concert under the Takeovers Code and are therefore deemed to be interested in the Shares held by each other.

Save as disclosed above, as at 31 December 2014, none of the Directors and chief executives of our Company had an interest or short position in the shares, underlying shares or debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register maintained by our Company pursuant to section 352 of the SFO, or which were required to be notified to our Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF OUR COMPANY**

So far as our Directors are aware, as at 31 December 2014, other than the Directors and chief executives of our Company, the following persons/entities had interests or short positions in the shares or underlying shares of our Company which were required to be disclosed to our Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register required to be kept under section 336 of the SFO:

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of Shares held</b>	<b>Percentage of shareholding (%)</b>
Gold Empress	Beneficial owner	270,000,000	75%
	Deemed interest	30,000,000 (Note 1) (Note 3) (long position)	
Gold Beyond	Beneficial owner	30,000,000	75%
	Deemed interest	270,000,000 (Note 2) (Note 3) (long position)	

*Note:*

- Under the SFO, Ms. Hai Hiu Chu is deemed to be interested in 270,000,000 Shares held by Gold Empress by virtue of Ms. Hai Hiu Chu holding the entire issued share capital of Gold Empress.
- Under the SFO, Mr. Kwan Chi Hong is deemed to be interested in 30,000,000 Shares held by Gold Beyond by virtue of Mr. Kwan Chi Hong holding the entire issued share capital of Gold Beyond.
- Ms. Hai Hiu Chu and Mr. Kwan Chi Hong, being our executive Directors, are deemed to be parties acting in concert under the Takeovers Code. As such, Ms. Hai Hiu Chu, Mr. Kwan Chi Hong, Gold Empress and Gold Beyond are all regarded as parties acting in concert under the Takeovers Code and are therefore deemed to be interested in the Shares held by each other.

Save as disclosed above, as at 31 December 2014, no other person had any interests or short positions in the shares or underlying shares of our Company which were required to be disclosed to our Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of our Company required to be kept under section 336 of the SFO.



## **SHARE OPTION SCHEME**

The Share Option Scheme was conditionally approved and adopted by a resolution of the shareholders of our Company passed on 24 June 2014 and became unconditional upon the Listing of our Company's shares on the GEM of 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.

There was no option outstanding, granted, cancelled, exercised and lapsed during the six months ended 31 December 2014.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES**

During the six months ended 31 December 2014, neither our Company nor any of our subsidiaries had purchased, redeemed or sold any of our Company's listed securities.

## **INTERESTS OF THE COMPLIANCE ADVISER**

As notified by Halcyon Capital Limited ("Halcyon"), compliance adviser of our Company, neither Halcyon nor any of its close associates and none of the directors or employees of Halcyon had any interest in the share capital of our Company or any member of our Group (including options or rights to subscribe for such securities, if any) which is required to be notified to our Company pursuant to Rule 6A.32 of the GEM Listing Rules as at 31 December 2014.

Pursuant to the agreement dated 30 June 2014 entered into between Halcyon and our Company, Halcyon received and will receive fees for acting as our Company's compliance adviser.

## **COMPLIANCE OF CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS**

Our Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by our Company throughout the period from the Listing Date to 31 December 2014.

## **CORPORATE GOVERNANCE**

Our Board is committed to ensuring and upholding a high standard of corporate governance, transparency and business practices, which are fundamental to achieving our 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 protecting the overall interests of our Company and our shareholders.

Our Company's corporate governance practices are based on the principles of the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules. Throughout the period from the Listing Date to 31 December 2014, our Company had complied with the applicable code provisions set out in the CG Code.

## **CHANGE IN INFORMATION OF DIRECTORS**

Upon specific enquiry by our Company and following confirmations from the Directors, save as otherwise set out below, there was no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

<b>Name of Directors</b>	<b>Details of changes</b>
Mr. Mok Gar Lon, Francis	Resigned from his office as non-executive Director and the chairman of the compliance committee of the Board with effect from 25 September 2014
Mr. Wong Kam Pui	Appointed as non-executive Director and the chairman of the compliance committee of the Board with effect from 25 September 2014

## **AUDIT COMMITTEE**

Our Board established the audit committee with written terms of reference in compliance with the GEM Listing Rules.

Our audit committee comprises three independent non-executive Directors, namely Mr. Lam Cheung Wai, Professor Chan Chi Fai, Andrew and Dr. Luk Yim Fai. Mr. Lam Cheung Wai is the chairman of our audit committee.

The audit committee had reviewed and discussed with the management of our Company the accounting principles and practices adopted by our Group and the unaudited condensed consolidated interim financial information of our Group for the six months ended 31 December 2014, as well as internal controls and other financial reporting matters.

## **DIVIDEND**

Our Board does not recommend the payment of an interim dividend for the six months ended 31 December 2014.

By Order of the Board  
**Bamboos Health Care Holdings Limited**  
百本醫護控股有限公司  
**Kwan Chi Hong**  
Chairman

Hong Kong, 6 February 2015

*As at the date of this report, our Board comprises two executive Directors, namely, Mr. Kwan Chi Hong (Chairman) and Ms. Hai Hiu Chu (Chief Executive Officer); one non-executive Director, namely, Mr. Wong Kam Pui; and three independent non-executive Directors, namely, Mr. Lam Cheung Wai, Professor Chan Chi Fai, Andrew and Dr. Luk Yim Fai.*

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

