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**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: 8216)

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

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

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**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.**

*This announcement, 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 announcement 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 announcement misleading; and (iii) all opinions expressed in this announcement 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 2016 amounted to approximately HK\$29.8 million, representing an increase of approximately 21.6% as compared with that of approximately HK\$24.5 million for the six months ended 31 December 2015.
- Profit before income tax for the six months ended 31 December 2016 amounted to approximately HK\$19.1 million, representing an increase of approximately 20.1% from approximately HK\$15.9 million recorded for the six months ended 31 December 2015.
- Profit attributable to equity holders of the Company for the six months ended 31 December 2016 amounted to approximately HK\$15.6 million, representing an increase of approximately 18.2% from approximately HK\$13.2 million recorded for the six months ended 31 December 2015.
- On 7 February 2017, the board of directors (the “Board”) resolved to declare an interim dividend of HK3.75 cents per ordinary share in the Company for the six months ended 31 December 2016, which is payable in cash on or about Tuesday, 7 March 2017 to shareholders whose names appear on the register of members of the Company on Tuesday, 28 February 2017.

## FINANCIAL RESULTS

The Board is pleased to present the unaudited condensed consolidated interim financial information of the Group for the six months ended 31 December 2016 (which has been reviewed by the Company's audit committee), together with the comparative unaudited figures for the corresponding period in 2015 as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 December 2016

	Note	Three months ended 31 December		Six months ended 31 December	
		2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)
Revenue	6	15,266	12,347	29,844	24,493
Other income	7	864	1,278	1,895	1,768
Employee benefit expenses	8(b)	(3,428)	(2,932)	(7,049)	(5,883)
Operating lease rentals		(274)	(462)	(664)	(780)
Other operating expenses	8(c)	(2,181)	(1,979)	(5,035)	(3,762)
<b>Operating profit</b>		<b>10,247</b>	<b>8,252</b>	<b>18,991</b>	<b>15,836</b>
Finance income	8(a)	68	50	94	111
Finance expenses	8(a)	–	–	–	(17)
Finance income, net		68	50	94	94
<b>Profit before income tax</b>	8	<b>10,315</b>	<b>8,302</b>	<b>19,085</b>	<b>15,930</b>
Income tax expense	9	(1,855)	(1,413)	(3,533)	(2,737)
<b>Profit and total comprehensive income for the period attributable to equity holders of the Company</b>		<b>8,460</b>	<b>6,889</b>	<b>15,552</b>	<b>13,193</b>
<b>Earnings per ordinary share attributable to equity holders of the Company</b>					
Basic and diluted (unaudited)	10	<b>HK2.12 cents</b>	HK1.72 cents	<b>HK3.89 cents</b>	HK3.30 cents

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

# UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 December 2016

	<i>Note</i>	<b>31 December 2016 HK\$'000 (unaudited)</b>	30 June 2016 HK\$'000 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>1,105</b>	1,338
Prepayments and deposits	<i>13</i>	<b>30</b>	3
		<b>1,135</b>	1,341
<b>Current assets</b>			
Inventories		<b>109</b>	131
Trade receivables	<i>12</i>	<b>21,949</b>	18,990
Prepayments, deposits and other receivables	<i>13</i>	<b>1,220</b>	1,033
Amount due from a related company		<b>72</b>	72
Cash and bank balances		<b>93,073</b>	80,690
		<b>116,423</b>	100,916
<b>Total assets</b>		<b>117,558</b>	102,257
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital		<b>4,000</b>	4,000
Share premium		<b>39,123</b>	39,123
Retained earnings		<b>53,112</b>	37,560
<b>Total equity</b>		<b>96,235</b>	80,683
<b>Non-current liabilities</b>			
Deferred income tax liabilities		<b>51</b>	46
<b>Current liabilities</b>			
Trade payables	<i>14</i>	<b>14,244</b>	12,838
Accruals and other payables	<i>15</i>	<b>2,559</b>	2,504
Tax payable		<b>4,469</b>	6,186
		<b>21,272</b>	21,528
<b>Total liabilities</b>		<b>21,323</b>	21,574
<b>Total equity and liabilities</b>		<b>117,558</b>	102,257

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY***For the six months ended 31 December 2016*

	<b>Attributable to equity holders of the Company</b>			
	<b>Share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 July 2015 (audited)	4,000	39,123	20,718	63,841
Total comprehensive income				
Profit for the period	—	—	13,193	13,193
At 31 December 2015 (unaudited)	<u>4,000</u>	<u>39,123</u>	<u>33,911</u>	<u>77,034</u>
At 1 July 2016 (audited)	<b>4,000</b>	<b>39,123</b>	<b>37,560</b>	<b>80,683</b>
Total comprehensive income				
Profit for the period	—	—	15,552	15,552
At 31 December 2016 (unaudited)	<u><b>4,000</b></u>	<u><b>39,123</b></u>	<u><b>53,112</b></u>	<u><b>96,235</b></u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS***For the six months ended 31 December 2016*

	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2016</b>	<b>2015</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Net cash generated from operating activities</b>	<b>12,299</b>	<b>9,714</b>
<b>Net cash generated from/(used in) investing activities</b>	<b>84</b>	<b>62</b>
<b>Net cash (used in)/generated from financing activities</b>	<b>–</b>	<b>(5,064)</b>
<b>Net increase in cash and bank balances</b>	<b>12,383</b>	<b>4,712</b>
<b>Cash and bank balances at 1 July</b>	<b>80,690</b>	<b>66,942</b>
<b>Cash and bank balances at 31 December</b>	<b>93,073</b>	<b>71,654</b>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 1 GENERAL INFORMATION

Bamboos Health Care Holdings Limited (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, KYI-1104, Cayman Islands and its principal place of business is 4/F, Star House, 3 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong. The Company’s shares are listed on GEM of the Stock Exchange (the “Listing”) since 8 July 2014 (the “Listing Date”).

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 2016 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 2016 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute 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 2016, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

### 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 2016, except as mentioned below.

#### (a) Effect of adopting amendments to standards

The following new standards and amendments to standards are mandatory for financial year beginning on 1 July 2016, the adoption of which does not have any significant impact to the results and financial position of the Group.

HKAS 1 (amendments)	Disclosure initiative
HKAS 16 and HKAS 38 (amendments)	Clarification of acceptable methods of depreciation and amortisation
HKAS 16 and HKAS 41 (amendments)	Agriculture: bearer plants
HKAS 27 (amendments)	Equity method in separate financial statements
HKFRSs (amendments)	Annual improvements to HKFRSs 2012-2014 cycle
HKFRS 10 and HKFRS 12 and HKAS 28 (amendments)	Investment entities: applying the consolidation exception
HKFRS 11 (amendments)	Accounting for acquisitions of interests in joint operations
HKFRS 14	Regulatory deferral accounts

**(b) New standards and amendments to standards that have been issued but are not yet effective**

The following new standards and amendments to existing standards have been published by the HKICPA but are not yet effective for the financial period beginning on or after 1 July 2016 and have not been early adopted by the Group:

HKAS 7 (amendments)	Disclosure initiative <sup>1</sup>
HKAS 12 (amendments)	Recognition of deferred tax assets for unrealised losses <sup>1</sup>
HKFRS 2 (amendments)	Classification and measurement of share-based payment transactions <sup>2</sup>
HKFRS 9	Financial instruments <sup>2</sup>
HKFRS 10 and HKAS 28 (amendments)	Sale or contribution of assets between an investor and its associate or joint venture <sup>4</sup>
HKFRS 15	Revenue from contracts with customers <sup>2</sup>
HKFRS 16	Leases <sup>3</sup>

<sup>1</sup> Effective for the Company for annual period beginning on 1 January 2017

<sup>2</sup> Effective for the Company for annual period beginning on 1 January 2018

<sup>3</sup> Effective for the Company for annual period beginning on 1 January 2019

<sup>4</sup> Effective date to be determined

The Group has commenced an assessment of the impact of these new standards and amendments, but is not yet in a position to state whether they would have a significant impact on its 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 2016.

**5 SEGMENT INFORMATION**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group is principally engaged in the provision of healthcare staffing solution services to private and institutional customers in which placement of healthcare personnel is made according to the specific demand from these customers, and resources are allocated based on what is most beneficial to the Group in enhancing the value as a whole, instead of any specific unit.

In addition, the Group's chief operating decision-maker considers that the performance assessment of the Group should be based on the profit before income tax of the Group as a whole. Accordingly, management considers there is only one operating segment under the requirements of HKFRS 8.

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 2016 and 2015, all revenue was from external customers in Hong Kong.



## 6 REVENUE

	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2016</b>	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(unaudited)
Revenue from provision of healthcare staffing solution services	<b>28,195</b>	24,223
Revenue from provision of outreach case assessment related activities	<b>1,649</b>	270
	<b>29,844</b>	24,493

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

	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2016</b>	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(unaudited)
Gross fee	<b>112,982</b>	100,095
Cost attributable to healthcare personnel	<b>(84,787)</b>	(75,872)
Revenue from provision of healthcare staffing solution services	<b>28,195</b>	24,223

Gross fee does not represent the Group's revenue.

## 7 OTHER INCOME

	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2016</b>	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(unaudited)
Other income		
– Activities income	<b>163</b>	190
– Advertising income	<b>923</b>	735
– Sales of goods	<b>345</b>	181
– Others	<b>464</b>	662
	<b>1,895</b>	1,768

## 8 PROFIT BEFORE INCOME TAX

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

	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2016</b>	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>(a) Finance (income)/expenses, net</b>		
<b>Finance income</b>		
Interest income on short-term bank deposits	(94)	(111)
<b>Finance expenses</b>		
Interest expenses arising from bank borrowings	—	17
	<u>(94)</u>	<u>(94)</u>
<b>(b) Staff costs (including directors' remuneration)</b>		
Wages, salaries and bonus	6,677	5,446
Pension costs – defined contribution plan	139	310
Other staff welfare	233	127
	<u>7,049</u>	<u>5,883</u>
<b>(c) Other items</b>		
Auditor's remuneration	498	500
Cost of inventories	46	65
Depreciation for property, plant and equipment	243	266
Professional service in respect of transfer of listing preparation	1,178	—
Legal and professional fee	875	650
Advertising and promotional expenses	368	422
	<u>3,168</u>	<u>1,843</u>

## 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 2016 (2015: 16.5%).

	Six months ended 31 December	
	2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)
Current income tax		
– Hong Kong profits tax	3,529	2,745
Deferred income tax	4	(8)
	<u>3,533</u>	<u>2,737</u>

## 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 2016 and 2015.

	Six months ended 31 December	
	2016 (unaudited)	2015 (unaudited)
Profit attributable to equity holders of the Company (HK\$'000)	<u>15,552</u>	<u>13,193</u>
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share ('000)	<u>400,000</u>	<u>400,000</u>
Basic and diluted earnings per ordinary share (HK cents)	<u>3.89</u>	<u>3.30</u>

No adjustment has been made to the basic earnings per share amount for the six months ended 31 December 2016 and 2015 as the Group had no potential dilutive ordinary shares in issue during the respective periods.

## 11 DIVIDENDS

On 7 February 2017, the Board resolved to declare an interim dividend of HK3.75 cents per ordinary share in the Company for the six months ended 31 December 2016, which is payable in cash on or about Tuesday, 7 March 2017 to shareholders whose names appear on the register of members of the Company on Tuesday, 28 February 2017. This interim dividend, amounting to a total of HK\$15,000,000, has not been recognised as a liability in these unaudited condensed consolidated financial information of the Company. It will be recognised in equity in the three months ending 31 March 2017.

On 4 February 2016, the Board resolved to declare and pay an interim dividend of HK\$10,000,000 (HK2.50 cents per ordinary share) for the six months ended 31 December 2015 to shareholders whose names appeared on the register of members of the Company on Friday, 26 February 2016.

## 12 TRADE RECEIVABLES

	<b>31 December 2016 HK\$'000 (unaudited)</b>	<b>30 June 2016 HK\$'000 (audited)</b>
Trade receivables	<b><u>21,949</u></b>	<b><u>18,990</u></b>

During the six months ended 31 December 2016 and 30 June 2016, the Group's trade receivables have no credit term and payment is immediately due upon presentation of invoices to customers. At 31 December 2016 and 30 June 2016, 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 2016 HK\$'000 (unaudited)</b>	<b>30 June 2016 HK\$'000 (audited)</b>
Less than 60 days	<b>20,580</b>	17,321
60 days to 180 days	<b>1,009</b>	1,498
Over 180 days	<b><u>360</u></b>	<u>171</u>
	<b><u>21,949</u></b>	<b><u>18,990</u></b>

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 2016 and 30 June 2016, no collateral has been received from these counterparties.

**13 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES**

	<b>31 December 2016 HK\$'000 (unaudited)</b>	<b>30 June 2016 HK\$'000 (audited)</b>
Current		
Prepayments	591	499
Deposits	508	507
Other receivables	121	27
	<u>1,220</u>	<u>1,033</u>
Non-current		
Prepayments	30	3
	<u>30</u>	<u>3</u>
Total	<u>1,250</u>	<u>1,036</u>

**14 TRADE PAYABLES**

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

The ageing analysis of trade payables as at the balance sheet date is as follows:

	<b>31 December 2016 HK\$'000 (unaudited)</b>	<b>30 June 2016 HK\$'000 (audited)</b>
Less than 30 days	<u>14,244</u>	<u>12,838</u>

**15 ACCRUALS AND OTHER PAYABLES**

	<b>31 December 2016 HK\$'000 (unaudited)</b>	<b>30 June 2016 HK\$'000 (audited)</b>
Accrued expenses	1,388	1,359
Deferred income	401	515
Other payables	770	630
	<u>2,559</u>	<u>2,504</u>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW AND PROSPECTS**

Our Group offers customised healthcare staffing solution services to individuals and institutional clients such as hospitals and social service organisations in Hong Kong. At the same time, we provide duty opportunities to self-employed healthcare personnel registered with us. Besides, we provide outreach case assessment related services through an outreach team comprising healthcare professionals.

The revenue of our Group for the six months ended 31 December 2016 was approximately HK\$29.8 million (six months ended 31 December 2015: HK\$24.5 million), representing an increase of approximately 21.6%. The growth in revenue was mainly attributable to the increase in revenue generated from both provision of healthcare staffing solution services and outreach case assessment related activities. The growth in provision of healthcare staffing solution services was mainly attributable to, amongst other factors, (i) the effect of the upward price adjustment exercise in August 2016 for all ranks of healthcare personnel for both institutional and individual clients; and (ii) the rise in demand for services from individual clients. There was also a remarkable growth in our provision of outreach case assessment related services, which contributed to approximately 25.8% of the revenue growth for the six months ended 31 December 2016. Revenue generated from the provision of outreach case assessment related activities had a growth of approximately 510.7% as compared with that of the corresponding period in 2015.

The outreach team of our Group had further developed during the six months ended 31 December 2016 with one more registered nurse and one medical doctor engaged in our outreach team to cater for the overwhelming demand for our outreach case assessment related services.

Profit attributable to equity holders of our Company for the six months ended 31 December 2016 was approximately HK\$15.6 million, representing an increase of approximately 18.2% as compared with that of the corresponding period in 2015.

We value the healthcare personnel registered with us. We will continue our efforts to expand and diversify the pool of healthcare personnel and bring them closer to the Group. During the six months ended 31 December 2016, we provide various member offers to healthcare personnel registered with us at our member service centre. With our efforts, we continue to maintain a vast pool of healthcare personnel. The number of healthcare personnel registered with us increased from approximately 16,400 as at 30 June 2016 to approximately 17,100 as at 31 December 2016.

We believe that the ageing population in Hong Kong and the increase in health awareness in the general public will drive a strong demand for customised healthcare and elderly staffing solution services, as well as the continual growth of personal care, rehabilitation and home care solution services. We are confident that our Group is capable of capturing the future opportunities and bringing sustainable return to our stakeholders.

## **FINANCIAL REVIEW**

### **Revenue**

The revenue of our Group for the six months ended 31 December 2016 was approximately HK\$29.8 million, representing an increase of approximately 21.6% as compared with that of approximately HK\$24.5 million for the six months ended 31 December 2015.

Revenue from the provision of healthcare staffing solution services was approximately HK\$28.2 million for the six months ended 31 December 2016, representing an increase of approximately HK\$4.0 million, or approximately 16.5% from approximately HK\$24.2 million for the six months ended 31 December 2015.

Revenue from the provision of private nursing staffing services was approximately HK\$18.6 million for the six months ended 31 December 2016, representing an increase of approximately 25.7% from approximately HK\$14.8 million for the six months ended 31 December 2015. Such increase was primarily attributable to (i) the enhanced differentials between the Charge-out Rates to the individual clients and the Pay-out Rates to healthcare personnel placed by the Group, arisen from upward price adjustment exercises in August 2016 for both individual and institutional clients and for all ranks of healthcare personnel; and (ii) an increase in number of service hours provided by healthcare personnel placed by the Group to individual clients of approximately 49,000 hours, or 8.6% for the six months ended 31 December 2016, where such increase was mainly driven by the increase in the placement of registered nurses and enrolled nurses, which the Group earned a higher differentials as compared to other ranks of healthcare personnel, to individual clients.

Revenue from the institutional staffing solution services was approximately HK\$9.6 million for the six months ended 31 December 2016, representing an increase of approximately 2.1% from approximately HK\$9.4 million for the six months ended 31 December 2015 which was primarily attributable to the enhanced differentials between the Charge-out Rates to the institutional clients and the Pay-out Rates to healthcare personnel placed by the Group, arisen from upward price adjustment exercises in August 2016 for both individual and institutional clients and for all ranks of healthcare personnel. Such increase was partially offset by the decrease in number of service hours provided by healthcare personnel placed by the Group to social service organisations of approximately 56,000 hours, or 15.7% for the six months ended 31 December 2016 due to keener competition in social service healthcare staffing solution services.

### **Other income**

Other income mainly comprised advertising income, sales of goods, activities income and others. Other income increased from approximately HK1.8 million for the six months ended 31 December 2015 to approximately HK\$1.9 million for the six months ended 31 December 2016. It was mainly driven by the substantial increase in sales of goods income and advertising income, which had an increase of approximately 90.6% and 25.6% respectively. The increase was partially offset by the decrease in income generated from administration income in relation to healthcare personnel and clients as well as a slight decrease in activities income. The growth was mainly due to the marketing effort in promoting various member offers promotion to attract members to visit our member service centre more often, which increased the chances of making more sales of goods and income generated from there.

## **Expenses**

Our employee benefit expenses increased from approximately HK\$5.9 million for the six months ended 31 December 2015 to approximately HK\$7.0 million for the six months ended 31 December 2016, which was mainly attributable to the engagement of a medical doctor in the outreach team and general employee remuneration package enhancement.

Other operating expenses increased from approximately HK\$3.8 million for the six months ended 31 December 2015 to approximately HK\$5.0 million for the six months ended 31 December 2016. The increase was mainly attributable to the one-off non-recurring expenses incurred for the preparation of the transfer of listing of the shares of our Company from the GEM to the Main Board of the Stock Exchange during the six months ended 31 December 2016.

Operating lease rental decreased by approximately HK\$0.1 million, from approximately HK\$0.8 million for the six months ended 31 December 2015 to approximately HK\$0.7 million. It was mainly attributable to the decrease in lease rental of our member service centre after its relocation to combine with our headquarters during the six months ended 31 December 2016.

## **Net finance income**

Net finance income represented the interest income on short-term bank deposits offset by interest expenses on bank borrowings. Net finance income was approximately HK\$0.1 million for the six months ended 31 December 2016 (2015: HK\$0.1 million). During the six months ended 31 December 2016, there was a slight decrease of finance income from bank deposit interests when comparing to the six month ended 31 December 2015. There was no finance expenses (six months ended 31 December 2015: approximately HK\$17,000) due to full repayment of the bank borrowing during the six months ended 31 December 2015, 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\$15.6 million for the six months ended 31 December 2016, representing an increase of approximately 18.2% as compared with that of approximately HK\$13.2 million for the six months ended 31 December 2015. The increase was mainly attributable to the operating performance analysed above.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 December 2016, our Group maintained cash and bank balances amounting to approximately HK\$93.1 million (30 June 2016: HK\$80.7 million). There was no bank and other borrowings as at 31 December 2016 (30 June 2016: nil). Net current assets increased from approximately HK\$79.4 million as at 30 June 2016 to approximately HK\$95.2 million as at 31 December 2016, which was mainly due to an increase in cash and bank balances in relation to the net cash generated from operating activities.

## **CAPITAL STRUCTURE**

During the six months ended 31 December 2016 and 2015, 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 cash and cash equivalents and transactions denominated and settled in Hong Kong dollar. As at 31 December 2016, our Group has not used any derivative financial instruments to hedge foreign exchange risk (30 June 2016: 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. Our Group had no outstanding bank and other borrowings as at 31 December 2016 and 30 June 2016.

## **CAPITAL COMMITMENTS**

As at 31 December 2016, our Group had no significant capital commitments (30 June 2016: Nil).

## **PLEDGE OF ASSETS**

As at 31 December 2016, there was no significant pledge on our Group's assets (30 June 2016: Nil).

## **CONTINGENT LIABILITIES**

As at 31 December 2016, our Group had no significant contingent liabilities (30 June 2016: 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 2016.

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

During the six months ended 31 December 2016 and 2015, 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.

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

Save as disclosed in the Company's prospectus issued on 30 June 2014 (the "Prospectus") and summarised below, none of the Directors, the 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 during the six months ended 31 December 2016.

<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 (“BML”)	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 (“BEST”)	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

The controlling shareholders of our Company (namely Mr. Kwan Chi Hong, Ms Hai Hiu Chu, Gold Empress Limited and Gold Beyond Limited) had confirmed to the Company that, during the six months ended 31 December 2016, they and their respective close associates (as defined under the GEM Listing Rules) had complied with the undertakings contained in the deed of non-competition undertaking dated 24 June 2014 given by them in favour of our Company (for ourselves and as trustee for and on behalf of each of our subsidiaries) as disclosed in the Prospectus.

## **SHARE OPTION SCHEME**

Our Company’s share option scheme was conditionally approved by a resolution of our shareholders passed on 24 June 2014 and became unconditional upon the Listing Date.

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 or lapsed during the six months ended 31 December 2016.

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

During the six months ended 31 December 2016, 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 (as defined in the GEM Listing Rules) 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 2016.

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 during the six months ended 31 December 2016.

## **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. During the six months ended 31 December 2016, our Company had complied with the applicable code provisions set out in the CG Code.

## **AUDIT COMMITTEE**

Our Board established the audit committee with written terms of reference which are of no less exacting terms than those set out in the CG code.

Our audit committee comprises three independent non-executive Directors, namely Mr. Lam Cheung Wai, Dr. Luk Yim Fai and Dr. Leung Yu Lung. 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 2016, as well as risk management, internal controls and other financial reporting matters.

## **INTERIM DIVIDEND**

On 7 February 2017, the Board resolved to declare an interim dividend of HK3.75 cents per ordinary share in the Company for the six months ended 31 December 2016, which is payable in cash on or about Tuesday, 7 March 2017 to shareholders whose names appear on the register of members of the Company on Tuesday, 28 February 2017. This interim dividend, amounting to a total of HK\$15,000,000, has not been recognised as a liability in these unaudited condensed consolidated financial information of the Company. It will be recognised in equity in the three months ending 31 March 2017.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of our Company will be closed on Monday, 27 February 2017 and Tuesday, 28 February 2017. In order to qualify for the interim dividend for the six months ended 31 December 2016, all transfer documents should be lodged for registration with our Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by 4:00 p.m. on Friday, 24 February 2017.

## **INTERIM REPORT**

The interim report of our Company for the six months ended 31 December 2016 will be despatched to the shareholders of our Company and available on the respective websites of GEM and our Company in due course.

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, 7 February 2017

*As at the date of this announcement, 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, Dr. Luk Yim Fai and Dr. Leung Yu Lung.*

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

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the day of its posting and on our Company's website at [www.bamboos.com.hk](http://www.bamboos.com.hk).*