
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Bamboos Health Care Holdings Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.



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)

**MAJOR TRANSACTION
ACQUISITION OF THE PROPERTIES**

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular, unless the context requires otherwise.

The Company has obtained an irrevocable and unconditional written approval for the Acquisition from the controlling shareholder of the Company holding more than 50% of the issued share capital of the Company. Accordingly, no general meeting of Shareholders will be convened to approve the Acquisition pursuant to Rule 14.44 of the Listing Rules. This circular is being despatched to the Shareholders for information only.

26 October 2021

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I — FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II — PROPERTY VALUATION REPORT	II-1
APPENDIX III — GENERAL INFORMATION	III-1

DEFINITIONS

In this circular, the following terms shall have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of the Properties by the Purchasers pursuant to the Formal Agreements
“Announcements”	the announcements of the Company dated 3 September 2021, 16 September 2021 and 24 September 2021
“Board”	the board of Directors
“Company”	Bamboos Health Care Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (Stock code: 2293)
“Completion”	completion of the Acquisition
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the aggregate consideration of HK\$175 million, being the purchase price of the Properties
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Formal Agreement (1)”	the formal sale and purchase agreement dated 16 September 2021 entered into between the Vendor (as vendor) and Ever Kind International Limited (as purchaser) in respect of the sale and purchase of Property (1)
“Formal Agreement (2)”	the formal sale and purchase agreement dated 16 September 2021 entered into between the Vendor (as vendor) and Kingswood International Limited (as purchaser) in respect of the sale and purchase of Property (2)
“Formal Agreements”	together, Formal Agreement (1) and Formal Agreement (2)
“Group”	the Company and its subsidiaries
“HIBOR”	the Hong Kong Interbank Offered Rate

DEFINITIONS

“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, is/are not connected with the Company and its connected persons (as defined in the Listing Rules)
“Independent Valuer”	Cushman & Wakefield Limited, an independent qualified valuer appointed by the Company in relation to the Acquisition
“Latest Practicable Date”	18 October 2021, being the latest practicable date for ascertaining certain information in this circular prior to its printing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Properties”	together, Property (1) and Property (2)
“Property (1)”	all that the whole of 8th Floor (except the portion assigned to a third party), Good Hope Building, Nos. 612/618 Nathan Road, No. 5 Sai Yeung Choi Street South, Kowloon, Hong Kong
“Property (2)”	all that the whole of 9th Floor, Good Hope Building, Nos. 612/618 Nathan Road, No. 5 Sai Yeung Choi Street South, Kowloon, Hong Kong
“Provisional Agreement (1)”	the provisional agreement for sale and purchase dated 2 September 2021 entered into between the Vendor (as vendor) and Ever Kind International Limited (as purchaser) in respect of the sale and purchase of Property (1)

DEFINITIONS

“Provisional Agreement (2)”	the provisional agreement for sale and purchase dated 2 September 2021 entered into between the Vendor (as vendor) and Kingswood International Limited (as purchaser) in respect of the sale and purchase of Property (2)
“Provisional Agreements”	together, Provisional Agreement (1) and Provisional Agreement (2)
“Purchasers”	together, Ever Kind International Limited and Kingswood International Limited, each a limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Hong Kong Professional Teachers’ Union, a trade union registered under the Trade Unions Ordinance (Chapter 332 of the Laws of Hong Kong)
“%”	per cent.
“sq.ft”	square foot/square feet
“sq.m.”	square metre(s)

LETTER FROM THE BOARD



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)

Executive Directors:

Ms. Hai Hiu Chu

(Chairman and Chief Executive Officer)

Dr. Leung Wai Cheung

Independent non-executive Directors:

Dr. Chan Kai Yue Jason

Mr. Wong Kon Man Jason

Mr. Lam Kwok Ming

Registered office:

PO Box 309, Uglund House

Grand Cayman

KY1-1104

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Room 204, 2/F

Wing On Plaza

62 Mody Road

Tsim Sha Tsui

Kowloon

Hong Kong

26 October 2021

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
ACQUISITION OF THE PROPERTIES**

INTRODUCTION

References are made to the Announcements in relation to the Acquisition.

On 2 September 2021, the Purchasers (each an indirect wholly-owned subsidiary of the Company) entered into the Provisional Agreements with the Vendor, pursuant to which the Purchasers respectively agreed to purchase, and the Vendor agreed to sell, the Properties at the aggregate Consideration of HK\$175 million. The Formal Agreements were entered into between each of the Purchasers and the Vendor on 16 September 2021 respectively pursuant to the Provisional Agreements.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, further details of the Acquisition and other information required under the Listing Rules.

THE ACQUISITION

The Formal Agreements

On 16 September 2021, each of the Purchasers and the Vendor entered into the Formal Agreements respectively which superseded the Provisional Agreements. The principal terms of the Formal Agreements are as follows:

Formal Agreement (1)

- Parties:
- (a) Ever Kind International Limited (as purchaser); and
 - (b) Hong Kong Professional Teachers' Union (as the Vendor)

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owners (if any) are Independent Third Parties.

Property (1) to be acquired: All that the whole of 8th Floor (except the portion assigned to a third party), Good Hope Building, Nos. 612/618 Nathan Road, No. 5 Sai Yeung Choi Street South, Kowloon, Hong Kong

Purchase price and payment terms: The purchase price is HK\$91.5 million, which shall be paid in the following manner:

- (a) a sum of HK\$5 million, being the initial deposit, was paid to the Vendor's solicitors as stakeholders upon signing of Provisional Agreement (1);
- (b) a sum of HK\$4.15 million, being the further deposit was paid to the Vendor's solicitors as stakeholders on 16 September 2021; and
- (c) a sum of HK\$82.35 million, being the balance of the purchase price, shall be paid upon Completion.

LETTER FROM THE BOARD

The above-mentioned initial deposit and further deposit are paid to the Vendor's solicitors as stakeholders who may release the same to the Vendor provided that the title deeds of Property (1) shall have been approved and accepted by the purchaser's solicitors who shall have seven working days to peruse and to raise requisitions or to object in respect of the title to Property (1) upon receipt of the said title deeds.

- Completion: Completion shall take place on or before 11 November 2021.
- Costs: All stamp duties payable on Formal Agreement (1) and the subsequent assignment under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) in respect of the acquisition of Property (1) shall be borne and paid by the purchaser.
- Failure of Completion: Should the purchaser (other than due to the default of the Vendor) fail to complete the purchase of Property (1) in accordance with the terms and conditions of Formal Agreement (1), the Vendor may forthwith terminate Formal Agreement (1) by notice in writing to the purchaser or its solicitors and shall whereupon be entitled to forfeit all the deposits paid by the purchaser and claim for damages.
- Should the Vendor (other than due to the default of the purchaser) fail to complete the sale of Property (1) in accordance with the terms and conditions of Formal Agreement (1), all the deposits paid by the purchaser shall be returned to the purchaser who shall also be entitled to claim for damages.
- Nothing in Formal Agreement (1) shall be so construed as to prevent either the Vendor or the purchaser from bringing an action and obtaining a decree for specific performance either in lieu of or in addition to the aforesaid damages as the party bringing such action may have sustained by reason of the breach by the other party.

LETTER FROM THE BOARD

Formal Agreement (2)

- Parties: (a) Kingswood International Limited (as purchaser); and
(b) Hong Kong Professional Teachers' Union (as the Vendor)
- Property (2) to be acquired: All that the whole of 9th Floor, Good Hope Building, Nos. 612/618 Nathan Road, No. 5 Sai Yeung Choi Street South, Kowloon, Hong Kong
- Purchase price and payment terms: The purchase price is HK\$83.5 million, which shall be paid in the following manner:
- (a) a sum of HK\$5 million, being the initial deposit, was paid to the Vendor's solicitors as stakeholders upon signing of Provisional Agreement (2);
 - (b) a sum of HK\$3.35 million, being the further deposit was paid to the Vendor's solicitors as stakeholders on 16 September 2021; and
 - (c) a sum of HK\$75.15 million, being the balance of the purchase price, shall be paid upon Completion.
- The above-mentioned initial deposit and further deposit are paid to the Vendor's solicitors as stakeholders who may release the same to the Vendor provided that the title deeds of Property (2) shall have been approved and accepted by the purchaser's solicitors who shall have seven working days to peruse and to raise requisitions or to object in respect of the title to Property (2) upon receipt of the said title deeds.
- Completion: Completion shall take place on or before 11 November 2021.
- Costs: All stamp duties payable on Formal Agreement (2) and the subsequent assignment under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) in respect of the acquisition of Property (2) shall be borne and paid by the purchaser.

LETTER FROM THE BOARD

Failure of Completion: Should the purchaser (other than due to the default of the Vendor) fail to complete the purchase of Property (2) in accordance with the terms and conditions of Formal Agreement (2), the Vendor may forthwith terminate Formal Agreement (2) by notice in writing to the purchaser or its solicitors and shall whereupon be entitled to forfeit all the deposits paid by the purchaser and claim for damages.

Should the Vendor (other than due to the default of the purchaser) fail to complete the sale of Property (2) in accordance with the terms and conditions of Formal Agreement (2), all the deposits paid by the purchaser shall be returned to the purchaser who shall also be entitled to claim for damages.

Nothing in Formal Agreement (2) shall be so construed as to prevent either the Vendor or the purchaser from bringing an action and obtaining a decree for specific performance either in lieu of or in addition to the aforesaid damages as the party bringing such action may have sustained by reason of the breach by the other party.

The Properties are non-residential properties. They are sold free from encumbrance and on an “as is” basis. Immediately after the signing of the Formal Agreements, the Properties shall as between the Vendor and the Purchasers be at the Purchasers’ risk. The Vendor shall deliver vacant possession of the Properties to the Purchasers upon Completion. The completions of Formal Agreement (1) and Formal Agreement (2) are inter-conditional upon each other. The Purchasers are required to complete the purchases of Property (1) and Property (2) together. If either of the Formal Agreements is not completed in accordance with its terms, then the Acquisition will not proceed to Completion. It is estimated that the total cost of the Acquisition together with the transaction costs such as stamp duty will be approximately HK\$8.6 million.

The Consideration was determined after arm’s length negotiations between the parties with reference to the prevailing market value of comparable properties available in the vicinity.

The market value of the Properties as at 2 September 2021 as appraised by the Independent Valuer were HK\$175 million. A valuation report of the Properties has been prepared by the Independent Valuer and is set out in Appendix II to this circular.

The Consideration will be funded by internal resources and banking facilities available to the Group. As at the Latest Practicable Date, the Group has been granted some banking facilities (the “Facilities”) to finance the Acquisition.

LETTER FROM THE BOARD

The Facilities comprise, among others, two term loans of an aggregate amount of HK\$70 million with relevant details as follows:

- (a) Interest: 2.75% per annum below the prime rate quoted by the bank from time to time or 1.3% per annum over HIBOR rate, whichever is lower;
- (b) Repayment: principal together with accrued interest will be repayable by 240 equal monthly instalments, subject to the bank's right to vary the amount and/or the number of monthly instalments if the interest rate changes;
- (c) Prepayment: a fee equivalent to 1% of the amount prepaid if prepayment is made within 1st year of drawdown;
- (d) Security: (i) all monies first legal charge/mortgage, assignment of rentals and assignment of insurance policy over or in respect of each of the Properties; and (ii) corporate guarantee and indemnity of an unlimited amount to be provided by the Company; and
- (e) Overriding right: notwithstanding any provisions of the Facilities, the loans are repayable on demand by the bank.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group currently rents premises for use as offices in Hong Kong, the lease of which will expire in September 2022. The space provided by the leased premises, which is estimated to be about 5,000 sq.ft in area, has become insufficient for the Group's operation and has restricted its business expansion. The Directors intend to utilize the Properties, which have a total gross floor area of about 21,000 sq.ft as the principal business office of the Group in or around September 2022, for establishment of a screening centre for healthcare personnel in or around March 2022 and other business purposes such as provision of wound caring services in or around April 2022. Having considered, among others, (i) the rental cost of the existing leased premises; (ii) the risk of relocation upon expiration or termination of the existing lease as the Group may not be able to renew the lease with comparable and/or commercially acceptable terms and conditions; (iii) the removal and renovation expenses and time costs that would have incurred by the Group for relocation and looking for replacement and/or additional premises to lease; and (iv) the additional space to be provided by the Properties for establishment of a screening centre for healthcare personnel and a centre for providing wound caring services and for business expansion, the Directors consider that it is in the interests of the Group to acquire the Properties as its self-owned premises, thus saving rental, administrative costs and removal and renovation expenses in the long run, improving the efficiency of the Group's operations and enabling business expansion.

The Directors (including the independent non-executive Directors) consider that the Acquisition and the terms of the Formal Agreements are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

FINANCIAL IMPACT OF THE ACQUISITION

Earnings

As disclosed in the section headed “Reasons for and Benefits of the Acquisition”, the Group currently rents premises for use as offices in Hong Kong and intends to acquire the Properties as its self-owned principal business office, as well as for establishment of a screening centre for healthcare personnel and other business purposes such as provision of wound caring services. The Group expects that there will be an increase in the annual depreciation expenses by approximately HK\$7.3 million and HK\$0.9 million relating to the Properties and the one-off renovation cost of the Properties respectively. However the impact could be offset in the long run by the combined effect of (i) annual saving of rental of property by way of depreciation of rights-of-use assets and finance cost of lease liabilities; (ii) the removal and renovation expenses that would have been incurred by the Group for relocation and looking for replacement and/or additional premises to lease and (iii) expected income from other business operations.

Assets and Liabilities

Based on the published financial position of the Group as at 30 June 2021, upon Completion, the property, plant and equipment of the Group are expected to increase by approximately HK\$183.6 million and the total non-current assets of the Group are expected to increase by approximately HK\$183.6 million taking into account the Consideration of HK\$175 million and other estimated transaction costs such as stamp duty and professional fee of HK\$8.6 million attributable to the Acquisition. As the Acquisition will be financed by internal resources and the two 20-year term loans of an aggregate amount of HK\$70 million under the Facilities, the total liabilities of the Group are expected to increase by HK\$70 million. As at the Latest Practicable Date, the term loans have not been drawn down yet pending the Completion to take place on 11 November 2021.

Save as disclosed above, there will be no immediate material effect on the earnings and assets and liabilities of the Group associated with the Acquisition.

LISTING RULES IMPLICATIONS

The Consideration represents the aggregate of the purchase prices of Property (1) and Property (2). As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition is more than 25% but is less than 100%, the Acquisition constitutes a major transaction for the Company and is therefore subject to the announcement, reporting and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has any material interest in the Acquisition and is required to abstain from voting if the Company were to convene an extraordinary general meeting for the approval of the Acquisition. The Company has obtained an irrevocable and unconditional written approval of the Acquisition from Gold Empress Limited, the controlling shareholder of the Company

LETTER FROM THE BOARD

holding 270,000,000 Shares, representing 67.5% of the issued share capital of the Company as at the dates of the Announcements and the Latest Practicable Date. Gold Empress Limited is wholly and beneficially owned by Ms. Hai Hiu Chu, the chairman of the Board and the chief executive officer of the Company.

Accordingly, in accordance with Rule 14.44 of the Listing Rules, the shareholders' approval requirement in respect of the Acquisition under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of the Company.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Properties are self-used by the Vendor and therefore not revenue-generating assets before Completion.

A valuation report of the Properties as at 2 September 2021 as appraised by the Independent Valuer is set out in Appendix II to this circular.

GENERAL INFORMATION ON THE PARTIES

The Company

The Company is an investment holding company and its subsidiaries are principally engaged in provision of healthcare staffing solution services to individuals and institutional clients including hospitals and social service organisations in Hong Kong.

The Purchasers

Each of the Purchasers is a limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company. They will become the Group's property holding companies upon Completion.

The Vendor

The Vendor is a trade union of professional teachers in Hong Kong. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owners (if any) are Independent Third Parties.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, there is, and in the past twelve months, there has been, no material loan arrangement between (a) the Hong Kong Professional Teachers' Union, its directors and legal representatives and the ultimate beneficial owners of Hong Kong Professional Teachers' Union, if any; and (b) the Company, any connected person at the Company's level, and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the Acquisition).

LETTER FROM THE BOARD

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Formal Agreements are on normal commercial terms and are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole. Accordingly, notwithstanding that no general meeting will be convened by the Company to approve the Acquisition, the Directors would recommend the Shareholders to vote in favour of the relevant ordinary resolution regarding the Acquisition if the Company were to convene a general meeting for the approval of the Acquisition.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

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

1. FINANCIAL INFORMATION

The audited consolidated financial statements of the Group for the three years ended 30 June 2021 are disclosed in the following documents which have been published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.bamboos.com.hk:

- (a) annual report of the Company for the year ended 30 June 2019;

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/1011/ltn20191011199.pdf>

- (b) annual report of the Company for the year ended 30 June 2020; and

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0929/2020092900590.pdf>

- (c) annual report of the Company for the year ended 30 June 2021.

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/1022/2021102200533.pdf>

2. INDEBTEDNESS

Statement of Indebtedness

(1) Borrowings

As at 31 August 2021, being the latest practicable date for the purpose of this indebtedness statement, the Group did not have any bank overdrafts and borrowings.

(2) Lease liabilities

As at 31 August 2021, the Group had lease liabilities of approximately HK\$2.9 million.

(3) Contingent liabilities

As at 31 August 2021, a claim was lodged by Garden Medical Centre Limited (“GMC”), a wholly-owned subsidiary of the Company, 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. The proceedings have completed the pleadings stage and the Directors consider that it is premature to make provision in relation to this claim.

Save as disclosed above and apart from intra-group liabilities and normal trade payables in the normal course of business, at the close of business on 31 August 2021, the Group did not have any other debt securities issued and outstanding or authorised or

otherwise created but unissued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, lease liabilities, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors, taking into account of (i) the internal resources of the Group; (ii) cash flows from operations; (iii) the available banking facilities to the Group; and (iv) the cash flow impact of the Acquisition, and in the absence of unforeseen circumstances such as acts of God and change in existing government policies or political, legal, fiscal, market or economic conditions in Hong Kong which will materially and adversely affect the business and the operations of the Group, are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since 30 June 2021, being the date to which the latest audited financial statements of the Group were made up and up to the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS

Our Group is principally engaged in the provision of healthcare staffing solution services, provision of outreach case assessment related services in Hong Kong and operation of aesthetic clinic in Hong Kong.

During the year ended 30 June 2021, our Group's profit attributable to equity holders 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 Group is currently taking proactive steps to expand its business operations in order to maximise shareholders' returns. Amongst others, geographical expansion is our priority in order to develop a sustainable and diversified business of the Group in the future. As demand for high-quality healthcare and wellness services in the Guangdong-Hong Kong-Macao Greater Bay Area (the "Greater Bay Area") continues to grow, the Group faces an excellent opportunity to expand its business in an area with total population of over 86 million. By leveraging its in-house healthcare experiences in Hong Kong, the Group believes that now is the time to integrate medical and healthcare services in the Greater Bay Area, particularly in providing elderly care services for older adults residing in the region. Moreover, by purchasing landed properties in Hong Kong, the Group has formed a solid foundation for more commitments and, in turn, expanding its business in the Greater Bay Area.

The following is the full text of a letter and valuation report prepared for the purpose of inclusion in this circular by Cushman & Wakefield Limited, an independent qualified property valuer, in connection with the valuation as at 2 September 2021 of the Properties.



27/F One Island East
Taikoo Place
18 Westlands Road
Quarry Bay
Hong Kong

26 October 2021

The Directors
Bamboos Health Care Holdings Limited
Room 204, 2/F
Wing On Plaza
62 Mody Road
Tsim Sha Tsui
Kowloon
Hong Kong

Dear Sirs,

Re: Whole of 8th Floor (except the Portion assigned to Hang Seng Bank Limited vide Memorial No. 901938) and 9th Floor, Good Hope Building, Nos. 612/618 Nathan Road, No. 5 Sai Yeung Choi Street South, Mong Kok, Kowloon (the “Properties”)

INSTRUCTIONS, PURPOSE & VALUATION DATE

In accordance with the instructions of Bamboos Health Care Holdings Limited (the “Company”) for Cushman & Wakefield Limited (“C&W”) to value the Properties which the Company and/or its subsidiaries (collectively the “Group”) have contracted to acquire, we confirm that we have inspected the Properties, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the Properties as at 2 September 2021 (the “Valuation Date”).

BASIS OF VALUATION

Our valuation of the Properties represents their market value which in accordance with The HKIS Valuation Standards 2020 issued by The Hong Kong Institute of Surveyors is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

We confirm that the valuation is undertaken in accordance with the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited and The HKIS Valuation Standards 2020 issued by The Hong Kong Institute of Surveyors.

Our valuation of the Properties is on an entirety interest basis.

VALUATION ASSUMPTIONS

Our valuation of the Properties excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

METHOD OF VALUATION

We have valued the Properties by market approach assuming sale of the Properties in their existing state by making reference to comparable sales transactions as available in the relevant market.

SOURCE OF INFORMATION

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as planning approvals, statutory notices, easements, tenure, identification of property, particulars of occupancy, floor areas, tenancy details, floor plans, interest attributable to the Group and all other relevant matters.

Dimensions and measurements are based on the copies of documents or other information provided to us by the Group and are therefore only approximations. No on-site measurement has been carried out. We have no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuations. We were also advised by the Group that no material facts have been omitted from the information provided.

TITLE INVESTIGATION

We have not been provided with copies of the title documents relating to the Properties but have caused searches to be made at the Land Registry. However, we have not searched the original documents to verify ownership or to ascertain any amendments. All documents have been used for reference only and all dimensions, measurements and areas are approximate.

SITE INSPECTION

Our valuer, Ms. Angelina Kwok (Member of HKIS), inspected the exterior and wherever possible, the interior of the Properties on 14 September 2021. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the Properties are free of rot, infestation or any other structural defects. No test was carried out on any of the services.

CONFIRMATION OF INDEPENDENCE

We hereby confirm that C&W and the undersigned have no pecuniary or other interests that could conflict with the proper valuation of the properties or could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion.

We enclose herewith our valuation report for your attention.

Yours faithfully
For and on behalf of
Cushman & Wakefield Limited
K. B. Wong

MRICS, FHKIS, RPS(GP)

Executive Director

Valuation & Advisory Services, Hong Kong

Note: Mr. K. B. Wong is a Member of the Royal Institution of Chartered Surveyors, a Fellow of the Hong Kong Institute of Surveyors and a Registered Professional Surveyor who has over 35 years of experience in the professional property valuation and advisory in Hong Kong. Mr. Wong has sufficient current notional knowledge of the market, and the skills and understanding to undertake the valuations competently.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 2 September 2021
Whole of 8th Floor (except the Portion assigned to Hang Seng Bank Limited vide Memorial No. 901938) and 9th Floor, Good Hope Building, Nos.612/618 Nathan Road, No. 5 Sai Yeung Choi Street South, Mong Kok, Kowloon 22/372nd shares of and in Kowloon Inland Lot No. 11025	<p>The Properties comprise the office spaces on 8th and 9th floors of a 23-storey (including lower ground floor) composite building completed in 1971.</p> <p>The total saleable area of the Properties is approximately 20,360 sq.ft (1,891.49 sq.m.). The total area of the lavatories is approximately 650 sq.ft (60.39 sq.m.).</p> <p>The immediate locality of the Properties is predominately a mix of commercial and residential developments. Accessibility of the Properties is considered to be good with public transport services available along Nathan Road.</p> <p>The Properties are held from the Government under a Government Lease for a term from 9 August 1991 to 30 June 2047. The Government Rent payable for the Properties is an amount equal to 3% of the rateable value for the time being of the Properties per annum.</p>	The Properties are vacant.	HK\$175,000,000 (HONG KONG DOLLARS ONE HUNDRED AND SEVENTY FIVE MILLION)

Notes:

- (1) The registered owner of the Properties is Hong Kong Professional Teachers' Union.
- (2) Property (2) is subject to a Mortgage to secure general banking facilities for all moneys in favour of Standard Chartered Bank vide Memorial No. UB6858716 dated 28 November 1996. (Re: 9/F)
- (3) The Properties fall within a land use zone for "Commercial" purpose under Draft Mong Kok Outline Zoning Plan No. S/K3/33 dated 16 April 2021.
- (4) In undertaking our valuation, we have made reference to sale prices of comparable properties with a price range of approximately HK\$6,100 to HK\$11,300 per sq.ft. The unit rate assumed by us is consistent with the relevant comparables after adjustments of location, age, size, time and other relevant factors.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility for the information contained herein, includes particulars given in compliance with the Listing Rules for the purpose of giving information relating to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director and chief executive of the Company is taken or deemed to have under such provisions of the SFO); or which (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or which (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules are set out below:

Long Position in the Shares

Name of director	Nature of interest	Number of Shares held	Approximate percentage of shareholding (Note 2)
Ms. Hai Hiu Chu	Interest of a controlled corporation (Note 1)	270,000,000 (L)	67.5%
	Beneficial owner	3,866,000 (L)	0.97%

(L) denotes long position

Notes:

- Ms. Hai Hiu Chu is deemed to be interested in the 270,000,000 shares held by Gold Empress Limited ("Gold Empress") by virtue of the SFO as Gold Empress is wholly and beneficially owned by Ms. Hai Hiu Chu.

2. The percentage of shareholding is calculated on the basis of 400,000,000 Shares in issue as at the Latest Practicable Date.

Interests in share options granted by the Company under its share option scheme

Name of Director	Date of grant	Exercise/ vesting period	Exercise price per Share	Number of underlying Shares subject to outstanding share options	Approximate percentage of shareholding (Note 3)
Ms. Hai Hiu Chu	29/4/2019	<i>Note 1</i>	HK\$1.44	1,850,000	0.463%
	26/6/2020	<i>Note 2</i>	HK\$0.994	2,000,000	0.500%
Mr. Wong Kon Man Jason	29/4/2019	<i>Note 1</i>	HK\$1.44	250,000	0.063%
	26/6/2020	<i>Note 2</i>	HK\$0.994	300,000	0.075%
Dr. Chan Kai Yue Jason	26/6/2020	<i>Note 2</i>	HK\$0.994	300,000	0.075%

Notes:

- 50% of the share options shall be vested from 30 April 2020 to 29 April 2029 (both dates inclusive) and the remaining 50% of the share options shall be vested from 30 April 2021 to 29 April 2029 (both dates inclusive), being Type 1 Share Options referred to in the Company's announcement dated 29 April 2019.
- 50% of the share options shall be vested from 27 June 2021 to 26 June 2030 (both dates inclusive) and the remaining 50% of the share options shall be vested from 27 June 2022 to 26 June 2030 (both dates inclusive).
- The percentage of shareholding is calculated on the basis of 400,000,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, the chief executive of the Company nor their associates, had any other interests or short positions in the Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director and chief executive of the Company is taken or deemed to have under such provisions of the SFO); or which (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or which (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

(b) Persons who have interests or short positions which are discloseable under Divisions 2 and 3 of Part XV of the SFO

As at the Latest Practicable Date, the following persons (not being a Director or chief executive of the Company), so far as are known to any Director, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of shareholder	Capacity	Number of Shares held	Percentage of shareholding (%) <i>(Note 3)</i>
Gold Empress <i>(Note 1)</i>	Beneficial owner	270,000,000 (L)	67.5%
HRnet Group Limited <i>(Note 2)</i>	Beneficial owner	32,000,000 (L)	8.0%

(L) denotes long position

Notes:

- Under the SFO, Ms. Hai Hiu Chu is deemed to be interested in the 270,000,000 shares held by Gold Empress by virtue of her holding of the entire issued share capital of Gold Empress.
- HRnet Group Limited is a corporation incorporated in Singapore whose issued shares are listed on the Mainboard of the Singapore Exchange Securities Trading Limited.
- The percentage of shareholding is calculated on the basis of 400,000,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any person (other than a Director or chief executive of the Company) who had any other interests or short positions in the Shares or underlying Shares and debentures of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into any service contracts with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date:

- (i) none of the Directors, directly or indirectly, had any interest in any assets which have been since 30 June 2021 (being the date to which the latest published audited financial statements of the Group were made up) acquired or disposed of by or leased to or by any member of the Group, or are proposed to be acquired or disposed of by or leased to or by any member of the Group; and
- (ii) none of the Directors was materially interested, directly or indirectly, in any contract or arrangement which was subsisting and which was significant in relation to the business to the Group.

5. COMPETING INTERESTS

As at the Latest Practicable Date, to the best knowledge of the Directors, none of the Directors or the controlling shareholders of the Company or their respective close associates (as defined in the Listing Rules) had interests in any business which competes or may compete with the business of the Group or has or may have any other conflicts of interest with the Group pursuant to the Listing Rules, save as summarised below:

Name of company which is considered to compete or likely to compete with the business of the Group	Shareholding in the company attributable to the Directors or controlling shareholder of the Company	Nature of business	Remarks
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")	100% by Ms. Hai Hiu Chu	Provision of healthcare related training services in Hong Kong	Ms. Hai Hiu Chu is a director of BEST

The controlling shareholder of the Company (namely Ms. Hai Hiu Chu) had confirmed to the Company that she and her close associates (as defined under the Listing Rules) have complied with the undertakings contained in the deeds of non-competition undertaking dated 24 June 2014 and 21 February 2017 in favour of the Company (for itself and as trustee for and on behalf of each of its subsidiaries).

6. LITIGATION AND CLAIMS

Save as disclosed in this circular, there was no litigation or claim of material importance pending or threatened against any member of the Group as at the Latest Practicable Date.

7. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given opinion or advice which is contained in this circular:

Name	Qualification
Cushman & Wakefield Limited	Independent Valuer

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its report and the references to its name included herein in the form and context in which it is respectively included.

The above expert has confirmed that, as at the Latest Practicable Date, it was not beneficially interested in the share capital of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it have any direct or indirect interests in any assets which had since 30 June 2021 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

8. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within two years immediately preceding the date of this circular and are, or may be, material:

- (a) the Provisional Agreements; and
- (b) the Formal Agreements.

9. GENERAL

- (a) The registered office of the Company is at PO Box 309, Uglan House, Grand Cayman KY1-1104, Cayman Islands.
- (b) The head office and principal place of business of the Company in Hong Kong is at Room 204, 2/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong.
- (c) The Company's Hong Kong share registrar is Union Registrar Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.
- (d) The company secretary of the Company is Ms. Chan Wan Ling Sammi, who is a practising solicitor admitted in Hong Kong and a member of the Law Society of Hong Kong.
- (e) In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be published and displayed on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.bamboos.com.hk) for a period of 14 days from the date of this circular:

- (a) the property valuation report from Cushman & Wakefield Limited, the text of which is set out in Appendix II to this circular;
- (b) the written consent from the expert as referred to under the section headed "Qualification and Consent of Expert" in this appendix;
- (c) the material contracts referred to in the section headed "Material Contracts" in this appendix; and
- (d) the annual reports of the Company for the three financial years ended 30 June 2019, 2020 and 2021.