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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: 2293)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2022

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 30 June 2022 amounted to approximately HK\$140.3 million, representing an increase of approximately 27.9% from approximately HK\$109.7 million recorded for the year ended 30 June 2021.
- Profit before income tax for the year ended 30 June 2022 amounted to approximately HK\$72.4 million, representing a decrease of approximately 1.5% from approximately HK\$73.5 million recorded for the year ended 30 June 2021.
- Profit attributable to equity holders of the Company for the year ended 30 June 2022 amounted to approximately HK\$58.6 million, representing a decrease of approximately 3.9% from approximately HK\$61.0 million recorded for the year ended 30 June 2021.
- Proposed final dividend of HK5.00 cents per ordinary share for the year ended 30 June 2022 (2021: Nil).

FINANCIAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Bamboos Health Care Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the results of the Group for the year ended 30 June 2022 (the “**Year**”).

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2022

| | | 2022 | 2021 |
|--|-------------|--------------------|-----------------|
| | <i>Note</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Revenue from contracts with customers | 4 | 140,295 | 109,668 |
| Other income | 5 | 4,106 | 4,167 |
| Cost of inventories sold | | (4,208) | (699) |
| Cost of service fee | | (4,458) | (3,344) |
| Other (losses)/gains, net | 6 | (2,490) | 930 |
| Employee benefit expenses | 8 | (41,268) | (24,084) |
| Operating lease rentals | | (176) | (159) |
| Depreciation of property, plant and equipment | 13 | (1,230) | (1,515) |
| Depreciation of right-of-use assets | | (6,459) | (2,846) |
| Other expenses | 7 | (10,953) | (8,434) |
| Operating profit | | 73,159 | 73,684 |
| Finance income | 9 | 53 | 89 |
| Finance costs | 9 | (775) | (204) |
| Share of results of a joint venture | | – | (89) |
| Profit before income tax | | 72,437 | 73,480 |
| Income tax expense | 10 | (13,817) | (12,458) |
| Profit for the year | | 58,620 | 61,022 |
| Earnings per share attributable to equity holders of the Company for the year <i>(expressed in HK cents per share)</i> | | | |
| Basic and diluted | 11 | 14.66 cents | 15.26 cents |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2022

| | 2022 | 2021 |
|--|----------------------|----------------------|
| | HK\$'000 | HK\$'000 |
| Profit for the year | 58,620 | 61,022 |
| Other comprehensive income | | |
| <i>Item that may be reclassified to profit or loss</i> | | |
| Currency translation differences | <u>(16)</u> | <u>(13)</u> |
| <i>Item that will not be reclassified to profit or loss</i> | | |
| Changes in fair value of equity instruments at fair value through other comprehensive income, net of tax | <u>(3,534)</u> | <u>(2,137)</u> |
| Total comprehensive income for the year, net of tax | <u>55,070</u> | <u>58,872</u> |

CONSOLIDATED BALANCE SHEET

As at 30 June 2022

| | <i>Note</i> | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|---|-------------|--------------------------------|-------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 13 | 15,458 | 946 |
| Right-of-use assets | 14 | 167,042 | 2,877 |
| Investment in a joint venture | | – | – |
| Prepayments and deposits | 17 | 3,453 | 4,871 |
| Financial assets at fair value through profit or loss | 15 | 13,396 | 36,148 |
| Financial assets at fair value through other comprehensive income | 15 | 8,506 | 23,478 |
| Deferred income tax assets | | 996 | 7 |
| | | 208,851 | 68,327 |
| Current assets | | | |
| Inventories | | 3,177 | 277 |
| Trade receivables | 16 | 44,755 | 65,512 |
| Prepayments, deposits and other receivables | 17 | 8,129 | 8,310 |
| Financial assets at fair value through profit or loss | 15 | – | 36,460 |
| Amounts due from related companies | | 169 | 104 |
| Time deposit | | – | 5,195 |
| Cash and cash equivalents | | 86,268 | 56,652 |
| | | 142,498 | 172,510 |
| Total assets | | 351,349 | 240,837 |
| Equity and liabilities | | | |
| Equity attributable to equity holders of the Company | | | |
| Share capital | | 4,000 | 4,000 |
| Share premium | | 39,123 | 39,123 |
| Reserves | | 167,480 | 151,664 |
| Total equity | | 210,603 | 194,787 |

| | <i>Note</i> | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|-------------------------------------|-------------|--------------------------------|-------------------------|
| Non-current liabilities | | | |
| Lease liabilities | 14 | – | 722 |
| Deferred income tax liabilities | | <u>55</u> | <u>–</u> |
| | | ----- 55 | ----- 722 |
| Current liabilities | | | |
| Trade payables | 18 | 29,080 | 22,711 |
| Accruals and other payables | | 22,336 | 9,542 |
| Lease liabilities | 14 | 724 | 2,592 |
| Tax payable | | 20,317 | 10,483 |
| Borrowings | 19 | <u>68,234</u> | <u>–</u> |
| | | ----- 140,691 | ----- 45,328 |
| Total liabilities | | <u>140,746</u> | <u>46,050</u> |
| Total equity and liabilities | | <u>351,349</u> | <u>240,837</u> |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

| | Attributable to equity holders of the Company | | | | | | | | Total equity HK\$'000 |
|---|---|---------------------------|--|---|---------------------------------|-------------------------------|-----------------------|---------------------------------------|--------------------------|
| | Share capital HK\$'000 | Share premium HK\$'000 | Share-based compensation reserve HK\$'000 | Fair value through other comprehensive income reserve HK\$'000 | Translation reserve HK\$'000 | Retained earnings HK\$'000 | Sub-total HK\$'000 | Non-controlling interests HK\$'000 | |
| At 1 July 2020 | 4,000 | 39,123 | 3,086 | - | 59 | 107,003 | 153,271 | 2 | 153,273 |
| Profit for the year | - | - | - | - | - | 61,022 | 61,022 | - | 61,022 |
| Currency translation differences | - | - | - | - | (13) | - | (13) | - | (13) |
| Changes in fair value of equity instrument at fair value through other comprehensive income | - | - | - | (2,137) | - | - | (2,137) | - | (2,137) |
| Total comprehensive income | - | - | - | (2,137) | (13) | 61,022 | 58,872 | - | 58,872 |
| Transaction with owners: | | | | | | | | | |
| 2020 final dividend | - | - | - | - | - | (10,000) | (10,000) | - | (10,000) |
| 2021 interim dividend | - | - | - | - | - | (10,000) | (10,000) | - | (10,000) |
| Acquisition of non-controlling interests | - | - | - | - | - | - | - | (2) | (2) |
| Employee share scheme | - | - | 2,644 | - | - | - | 2,644 | - | 2,644 |
| | - | - | 2,644 | - | - | (20,000) | (17,356) | (2) | (17,358) |
| At 30 June 2021 | <u>4,000</u> | <u>39,123</u> | <u>5,730</u> | <u>(2,137)</u> | <u>46</u> | <u>148,025</u> | <u>194,787</u> | <u>-</u> | <u>194,787</u> |
| At 1 July 2021 | 4,000 | 39,123 | 5,730 | (2,137) | 46 | 148,025 | 194,787 | - | 194,787 |
| Profit for the year | - | - | - | - | - | 58,620 | 58,620 | - | 58,620 |
| Currency translation differences | - | - | - | - | (16) | - | (16) | - | (16) |
| Changes in fair value of equity instrument at fair value through other comprehensive income, net of tax | - | - | - | (3,534) | - | - | (3,534) | - | (3,534) |
| Total comprehensive income | - | - | - | (3,534) | (16) | 58,620 | 55,070 | - | 55,070 |
| Transaction with owners: | | | | | | | | | |
| 2022 special dividend | - | - | - | - | - | (30,000) | (30,000) | - | (30,000) |
| 2022 interim dividend | - | - | - | - | - | (10,000) | (10,000) | - | (10,000) |
| Employee share scheme | - | - | 746 | - | - | - | 746 | - | 746 |
| Transfer from fair value through other comprehensive income reserve to retained earnings | - | - | - | 1,293 | - | (1,293) | - | - | - |
| | - | - | 746 | 1,293 | - | (41,293) | (39,254) | - | (39,254) |
| At 30 June 2022 | <u>4,000</u> | <u>39,123</u> | <u>6,476</u> | <u>(4,378)</u> | <u>30</u> | <u>165,352</u> | <u>210,603</u> | <u>-</u> | <u>210,603</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Bamboos Health Care Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) are principally engaged in the provision of healthcare staffing solution services, provision of outreach case assessment related services and vaccination services in Hong Kong.

The Company was incorporated in the Cayman Islands on 23 November 2012, as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business is Room 204, 2/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These consolidated financial statements of the Group are presented in thousands of units of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

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

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

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

The following new and amended standards and interpretation have been adopted by the Group for the first time for the financial year commencing on 1 July 2021:

| | |
|---|---|
| Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 | Interest Rate Benchmark Reform – Phase 2 |
| Amendments to HKFRS 16 | Covid-19-Related Rent Concessions beyond 2021 (amendments) |

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

(ii) *New and amended standards and framework not yet adopted*

Certain new and amended standards and framework have been published that are not mandatory for financial year beginning on 1 July 2022 and have not been early adopted by the Group:

| | | Effective for accounting periods beginning on or after |
|---|---|---|
| Amendments to HKFRS 3, HKAS 16 and HKAS 37 | Narrow-scope amendments | 1 January 2022 |
| Annual improvements 2018 – 2020 cycle | Improvements to HKFRSs | 1 January 2022 |
| Revised Accounting Guideline 5 | Merger Accounting for Common Control Combinations | 1 January 2022 |
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current | 1 January 2023 |
| Amendments to HKAS 1 and HKFRS Practice Statement 2 | Disclosure of Accounting Policies | 1 January 2023 |
| Amendments to HKFRS 17 | Insurance Contracts | 1 January 2023 |
| HKFRS 17 | Insurance Contracts | 1 January 2023 |
| Revised Hong Kong Interpretation 5 (2020) | Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause | 1 January 2023 |
| Amendments to HKAS 8 | Definition of Accounting Estimates | 1 January 2023 |
| Amendments to HKAS 12 | Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction | 1 January 2023 |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be determined |

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

3 SEGMENT INFORMATION

The Group is principally engaged in the provision of healthcare staffing solution services to private and institutional customers in which placement of healthcare personnel is made according to the specific request from these customers. The Group is also engaged in provision of outreach case assessment related services and provision of vaccination services.

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

The Group primarily operates in Hong Kong and most of its non-current assets are located in Hong Kong. During the year ended 30 June 2022, all revenue was earned from external customers in Hong Kong (2021: same).

4 REVENUE

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Revenue from provision of healthcare staffing solution services | 106,859 | 92,141 |
| Revenue from provision of outreach case assessment related services and vaccination services | 28,204 | 16,847 |
| Revenue from operation of aesthetic clinic | – | 680 |
| Revenue from sales of merchandise | 5,232 | – |
| | 140,295 | 109,668 |

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

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Gross fee | 401,983 | 329,751 |
| Cost attributable to healthcare personnel | (295,124) | (237,610) |
| Revenue from provision of healthcare staffing solution services | 106,859 | 92,141 |

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

5 OTHER INCOME

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|--------------------|-------------------------|-------------------------|
| Dividend income | 1,287 | 1,235 |
| Government grants | 469 | 1,026 |
| Sales of goods | 865 | 889 |
| Advertising income | 238 | 244 |
| Rent concession | 275 | – |
| Others | 972 | 773 |
| | 4,106 | 4,167 |

6 OTHER GAINS AND LOSSES, NET

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Net fair value (losses)/gains on financial assets at fair value through profit or loss (“FVTPL”) | (1,571) | 1,987 |
| Net foreign exchange losses | (919) | (1,057) |
| | <u>(2,490)</u> | <u>930</u> |

7 OTHER EXPENSES

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Auditor’s remuneration | | |
| – Audit services | 1,290 | 795 |
| – Non-audit services | 10 | 5 |
| Provision for impairment of property, plant and equipment | – | 2,431 |
| Postage, utilities and general office expenses | 1,926 | 1,188 |
| Legal and professional fee | 1,739 | 1,371 |
| Provision for impairment of inventories | 129 | 489 |
| Travelling and transportation expenses | 421 | 469 |
| Rates and management fee | 707 | 439 |
| Printing costs | 531 | 427 |
| Insurance expenses | 261 | 302 |
| Bank charges | 417 | 224 |
| Advertising and promotion expenses | 993 | 128 |
| Donation | 1,712 | 30 |
| Provision for loss allowance on other receivables | 211 | – |
| Other expenses | 606 | 136 |
| | <u>10,953</u> | <u>8,434</u> |

Note: Cost of inventories sold represented the cost of merchandise and cost of service fee represented the service fee incurred for the vaccination services. Cost of inventories sold and cost of service fee were included in other expenses in previous year. During the year, they were presented as a separate line item in the consolidated income statement and the comparative figures have been reclassified accordingly.

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Salaries, allowances, other benefits and performance related bonus | 38,282 | 19,946 |
| Pension costs – defined contribution plan | 1,171 | 901 |
| Share-based payments to directors and employees | 746 | 2,644 |
| Other staff welfare | 1,069 | 593 |
| | <u>41,268</u> | <u>24,084</u> |

9 FINANCE INCOME AND FINANCE COSTS

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Finance income | | |
| – Interest income on bank deposits | <u>53</u> | <u>89</u> |
| Finance costs | | |
| – Interest expenses on lease liabilities | (96) | (204) |
| – Interest expenses on borrowings | <u>(679)</u> | <u>–</u> |
| | <u>(775)</u> | <u>(204)</u> |

10 INCOME TAX EXPENSE

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying group entity in Hong Kong are taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5% for the Year (2021: same).

Corporate income tax on the assessable profit generated from the subsidiary operating in the People's Republic of China ("PRC") has been calculated at 25% in accordance with the relevant PRC tax law and regulations (2021: same).

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Current income tax: | | |
| – Hong Kong profits tax | 13,406 | 12,494 |
| – PRC corporate income tax | 106 | – |
| – Under/(over) provision in prior years | 368 | (232) |
| Deferred income tax (credit)/expense | <u>(63)</u> | <u>196</u> |
| Income tax expense | <u>13,817</u> | <u>12,458</u> |

11 EARNINGS PER SHARE

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

| | 2022 | 2021 |
|--|-----------------------|-----------------------|
| Profit attributable to equity holders of the Company (<i>HK\$'000</i>) | <u><u>58,620</u></u> | <u><u>61,022</u></u> |
| Weighted average number of ordinary shares in issue (<i>thousands</i>) | <u><u>400,000</u></u> | <u><u>400,000</u></u> |
| Basic earnings per share (<i>HK cents</i>) | <u><u>14.66</u></u> | <u><u>15.26</u></u> |

Diluted earnings per share for the years were the same as basic earnings per share. During the Year, the exercise of the outstanding share options would be anti-dilutive (2021: same).

12 DIVIDENDS

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

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

On 30 September 2021, the Board resolved to declare and pay a special dividend of HK\$30,000,000 (HK\$7.50 cents per ordinary share) to the Company's shareholders whose names appear on the register of members of the Company on 18 October 2021.

On 22 February 2022, the Board resolved to declare and pay an interim dividend of HK\$10,000,000 (HK\$2.50 cents per ordinary share) to the Company's shareholders whose names appear on the register of members of the Company on 15 March 2022.

13 PROPERTY, PLANT AND EQUIPMENT

| | Buildings (Note) HK\$'000 | Leasehold improvements HK\$'000 | Furniture and fixtures HK\$'000 | Operating equipment and machinery HK\$'000 | Computer equipment HK\$'000 | Motor vehicles HK\$'000 | Total HK\$'000 |
|--------------------------------|---------------------------------|---------------------------------------|---------------------------------------|--|-----------------------------------|-------------------------------|-------------------|
| At 1 July 2020 | | | | | | | |
| Cost | - | 1,940 | 458 | 3,781 | 1,557 | 799 | 8,535 |
| Accumulated depreciation | - | (913) | (162) | (990) | (801) | (799) | (3,665) |
| Net book amount | - | 1,027 | 296 | 2,791 | 756 | - | 4,870 |
| Year ended 30 June 2021 | | | | | | | |
| Opening net book amount | - | 1,027 | 296 | 2,791 | 756 | - | 4,870 |
| Additions | - | - | 4 | - | 18 | - | 22 |
| Provision for impairment | - | - | (72) | (2,272) | (87) | - | (2,431) |
| Depreciation | - | (677) | (87) | (519) | (232) | - | (1,515) |
| Closing net book amount | - | 350 | 141 | - | 455 | - | 946 |
| At 30 June 2021 | | | | | | | |
| Cost | - | 1,940 | 462 | 3,781 | 1,575 | 799 | 8,557 |
| Accumulated depreciation | - | (1,590) | (249) | (1,509) | (1,033) | (799) | (5,180) |
| Provision for impairment | - | - | (72) | (2,272) | (87) | - | (2,431) |
| Net book amount | - | 350 | 141 | - | 455 | - | 946 |
| Year ended 30 June 2022 | | | | | | | |
| Opening net book amount | - | 350 | 141 | - | 455 | - | 946 |
| Additions | 13,239 | 733 | 50 | 72 | 700 | 948 | 15,742 |
| Depreciation | (326) | (412) | (61) | (7) | (250) | (174) | (1,230) |
| Closing net book amount | 12,913 | 671 | 130 | 65 | 905 | 774 | 15,458 |
| At 30 June 2022 | | | | | | | |
| Cost | 13,239 | 2,673 | 512 | 3,853 | 2,275 | 1,747 | 24,299 |
| Accumulated depreciation | (326) | (2,002) | (310) | (1,516) | (1,283) | (973) | (6,410) |
| Provision for impairment | - | - | (72) | (2,272) | (87) | - | (2,431) |
| Net book amount | 12,913 | 671 | 130 | 65 | 905 | 774 | 15,458 |

Note: On 16 September 2021, the Group entered into the agreements for sale and purchase with an independent third party to acquire 8th floor and 9th floor of Good Hope Building for a total consideration of HK\$175,000,000. The consideration was funded by internal resources and banking facilities available to the Group. The Group drew down of HK\$93,000,000 loans for the year.

As at 30 June 2022, the book value of buildings and leasehold land portion amounted to HK\$12,913,000 (Note 13) and HK\$166,438,000 (Note 14) respectively.

14 LEASES

(a) Right-of-use assets

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|-----------------|-------------------------|-------------------------|
| Office premises | 604 | 2,877 |
| Leasehold land | <u>166,438</u> | <u>–</u> |
| | <u><u>167,042</u></u> | <u><u>2,877</u></u> |

(b) Lease liabilities

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|-------------|-------------------------|-------------------------|
| Current | 724 | 2,592 |
| Non-current | <u>–</u> | <u>722</u> |
| | <u><u>724</u></u> | <u><u>3,314</u></u> |

15 FINANCIAL ASSETS

The Group classifies the following financial assets at FVTPL:

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

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

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|---------------------------|-------------------------|-------------------------|
| Non-current assets | | |
| Listed bonds | 3,517 | 24,364 |
| Listed equity securities | <u>9,879</u> | <u>11,784</u> |
| | <u><u>13,396</u></u> | <u><u>36,148</u></u> |
| Current assets | | |
| Non-physical gold | <u>–</u> | <u>36,460</u> |

The Group classifies the following financial assets at FVOCI:

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

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

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|---------------------------|-------------------------|-------------------------|
| Non-current assets | | |
| Listed equity securities | <u>8,506</u> | <u>23,478</u> |

16 TRADE RECEIVABLES

The Group's trade receivables had no credit term and payment was immediately due upon presentation of invoices to customers. As at 30 June 2022 and 2021, all trade receivables were past due but not considered to be impaired because these mainly related to a number of independent customers with limited history of default. The ageing analysis of trade receivables by the date on which the respective sales invoices were issued was as follows:

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|-------------------|-------------------------|-------------------------|
| Less than 61 days | 36,995 | 52,441 |
| 61 to 90 days | 5,228 | 7,563 |
| 91 to 180 days | 2,271 | 5,343 |
| Over 180 days | <u>261</u> | <u>165</u> |
| | <u>44,755</u> | <u>65,512</u> |

17 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|--------------------|-------------------------|-------------------------|
| Current | | |
| Prepayments | 519 | 416 |
| Deposits | 7,565 | 7,858 |
| Other receivables | <u>45</u> | <u>36</u> |
| | 8,129 | 8,310 |
| Non-current | | |
| Prepayments | – | 573 |
| Deposits | <u>3,453</u> | <u>4,298</u> |
| | 3,453 | 4,871 |
| | <u>11,582</u> | <u>13,181</u> |

18 TRADE PAYABLES

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

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

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|-------------------|-------------------------|-------------------------|
| Less than 31 days | 25,081 | 22,711 |
| 31 to 60 days | 586 | – |
| 61 to 90 days | 3,413 | – |
| | <u>29,080</u> | <u>22,711</u> |

19 BORROWINGS

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|-------------------------|-------------------------|-------------------------|
| Secured bank borrowings | <u>68,234</u> | <u>–</u> |

The carrying amounts of the Group's bank borrowings approximated their fair value as the impact of discounting is not significant.

The carrying amounts of the Group's bank borrowings are denominated in the HK\$.

Bank borrowings, totaled HK\$68,234,000 (2021: HK\$nil), are classified as current liabilities under Hong Kong Interpretation 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause". Taking into account of the good track records and relationship with bank and the values of the underlying assets pledged to the respecting banking facilities, the directors do not consider that it is probable that the bank will exercise its discretion to immediate repayment. The directors believe that such term loans will be repaid in accordance with the scheduled repayment date as set out in the loan agreements. The maturity of the Group's bank borrowings are summarised in the following table:

| | 2022 <i>HK\$'000</i> | 2021 <i>HK\$'000</i> |
|-----------------------|-------------------------|-------------------------|
| Within 1 year | 2,907 | – |
| Between 1 and 2 years | 2,952 | – |
| Between 2 and 5 years | 9,235 | – |
| Over 5 years | 53,140 | – |
| | <u>68,234</u> | <u>–</u> |

At 30 June 2022, the Group's bank borrowings bear floating interest rates from Hong Kong Interbank Offered Rate ("HIBOR") plus 1.3% per annum (2021: Nil). The weighted average effective interest rate per annum of the Group's bank borrowings as at 30 June 2022 is 1.54% (2021: Nil).

At 30 June 2022, the Group's banking facilities amounted to approximately HK\$295,215,000 (2021: HK\$150,214,000) are made available to the Group and unused banking facilities amounted to HK\$226,981,000 (2021: HK\$150,214,000). The Group's banking facilities is secured by legal charges over certain of the Group's buildings and right-of-use assets with an aggregate carrying value of HK\$179,351,000 and guaranteed by the Company.

20 SHARE-BASED PAYMENTS

The Company has a share option scheme approved and adopted on 24 June 2014 (“**Share Option Scheme**”), pursuant to which share options may be granted to directors (including executive, non-executive or independent non-executive directors) and any employee (full-time or part-time) of the Group (on an employment or contractual or honorary basis and paid or unpaid) to subscribe for the shares of the Company, subject to a maximum of 10% of the total number of shares in issue as at the listing date or such maximum number as approved by the shareholders.

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

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

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

| | 2022 | | 2021 | |
|---------------------------|--|----------------------|--|----------------------|
| | Average exercise price in HK\$ per share option | Number of options | Average exercise price in HK\$ per share option | Number of options |
| As at 1 July | 1.178 | 13,450,000 | 1.159 | 15,410,000 |
| Granted during the year | – | – | – | – |
| Forfeited during the year | 1.087 | (1,200,000) | 1.028 | (1,960,000) |
| As at 30 June | <u>1.187</u> | <u>12,250,000</u> | <u>1.178</u> | <u>13,450,000</u> |

As at 30 June 2022, 12,174,000 options (2021: 9,277,000 options) out of the 12,250,000 (2021: 13,450,000) outstanding options were exercisable.

Share options outstanding as at 30 June 2022 and 2021 have the following expiry dates and exercise prices:

| Grant date | Expiry date | Exercise price in HK\$ per share option | 2022 Number of options | 2021 Number of options |
|---|--------------------|--|---------------------------------------|---------------------------------------|
| 29 April 2019 | 29 April 2029 | 1.440 | 5,310,000 | 5,560,000 |
| 26 June 2020 | 26 June 2030 | 0.994 | 6,940,000 | 7,890,000 |
| | | | 12,250,000 | 13,450,000 |
| Weighted average remaining contractual life of options outstanding at end of the year | | | 7.49 years | 8.52 years |

There were no options granted during the Year.

21 CONTINGENT LIABILITY

Litigation

A claim was lodged by Garden Medical Centre Limited (“GMC”), a wholly-owned subsidiary of the Group, in June 2019 asserting that the founder and ex-director of GMC (the “Defendant”) has breached certain clauses in an employment agreement. The Defendant has filed a defence and counterclaim in relation to the case for the reliefs to recover the compensation of employee. As of the balance sheet date and the date of this announcement, both parties were still in the phase of discovery of documents. No provision has been made.

Performance guarantee

There is a contractor who required the Company to provide performance guarantee issued by banks to protect the service contractors from financial loss in the event that the Company does not perform what is expected of it under the terms of related service contracts. As at 30 June 2022, the outstanding performance guarantee amounted to HK\$1,668,000 (2021: HK\$nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

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

The Group's revenue for the Year was approximately HK\$140.3 million (2021: HK\$109.7 million), representing an increase of approximately 27.9% from the year ended 30 June 2021. Profit attributable to equity holders of the Company for the Year was approximately HK\$58.6 million, representing a decrease of approximately 3.9% as compared with approximately HK\$61.0 million for the year ended 30 June 2021.

The revenue from the provision of healthcare staffing solution services for the Year was approximately HK\$106.9 million, representing an increase of approximately HK\$14.8 million as compared with approximately HK\$92.1 million for the year ended 30 June 2021, which was mainly due to COVID-19 testing institutions.

Revenue from the provision of outreach case assessment related services for the Year increased by approximately 67.9% to approximately HK\$28.2 million, which was mainly attributable to the increase in demand for medical and health assessment services, especially in the community vaccination centres in Hong Kong.

To maintain a vast and diversified pool of registered healthcare personnel to better seize the opportunities for growth, the Group has offered various member benefits to attract and retain healthcare personnel registered with the Group. There were approximately 25,000 healthcare personnel registered with the Group as at 30 June 2022.

During the Year, the Group, through its indirect wholly-owned subsidiary, Bamboos Fintech Limited (“**Bamboos Fintech**”), disposed of listed securities for a consideration of approximately HK\$12.2 million and 22,430 mace troy of non-physical gold for a consideration of approximately HK\$37.3 million (collectively, the “**Disposal**”). In view of the prevailing global economic outlook and the prospect of gold price performance, the Directors consider that the Disposal provided the Group with a good opportunity to release the cash-flow of its investment in listed securities and non-physical gold. The Disposal enables the Group to reallocate its assets in its investment portfolio in order to cater for the current circumstances of the market conditions.

During the Year, the Group acquired two properties (the “**Properties**”) at the aggregate consideration of approximately HK\$175 million (the “**Acquisition**”). The Acquisition was financed by the net proceeds from the Disposal, other internal resources and two 20-year term loans of an aggregate amount of HK\$70 million.

The Directors intended to utilise the Properties, which have a total gross floor area of about 21,000 square feet, for the establishment of a screening centre for healthcare personnel and other business purposes such as provision of wound caring services. A part of the Properties is used to set up a medical and shopping centre for our members where goods are offered at discounts as a members’ benefit. Given the increasing need of registered healthcare personnel for the business operation of the Group, the Directors consider that this would help to maintain loyalty of the healthcare personnel registered with the Group as well as to attract newcomers. Part of the Properties will be utilised for the establishment of the Group’s new office. 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 the Group’s business and expansion, the Directors consider that it is in the interests of the Group to utilise the Properties as its self-owned premises, thus saving rental and other administrative costs expenses in the long run, improving the efficiency of the Group’s operations and enabling business expansion.

The Group expects that the global capital markets in year 2023 will remain challenging and demanding. Therefore, the Group will continue to adopt prudent capital management and liquidity risk management in its investments. Despite the foregoing, the Group will continue to pursue long-term business opportunities and profitable growth in line with its corporate mission and goals.

In view of the ever-increasing ageing population, easing of COVID-19, numerous on-going hospital development plans and escalating demand for services in both institutional and private healthcare staffing solution, the Board remains optimistic towards the continuous growth of the core business of the Group in the medium and long term. The Group will continue to fortify its core business and solidify its market position.

The Board takes initiatives from time to time to explore business opportunities and cooperate or form alliance with strategic partners to pursue new business ventures with a view to diversifying the business of the Group beyond its existing dimension and geographical location, which is in line with the Group’s business strategy for sustainable development and to optimise business growth and return to its stakeholders.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the Year comprised revenue from (i) the provision of healthcare staffing solution services; (ii) the provision of outreach case assessment related services; and (iii) other revenue in Hong Kong. The total revenue was approximately HK\$140.3 million for the Year, representing an increase of approximately 27.9% from approximately HK\$109.7 million for the year ended 30 June 2021.

Revenue from the provision of healthcare staffing solution services for the Year was approximately HK\$106.9 million, representing an increase of approximately HK\$14.8 million as compared with approximately HK\$92.1 million for the year ended 30 June 2021. Among those, revenue from the institutional staffing solution services amounted to approximately HK\$75.2 million (2021: HK\$59.7 million), representing an increase of approximately 26.0%; and the revenue from the private nursing staffing services was relatively stable at approximately HK\$31.7 million (2021: HK\$32.4 million). Other revenue was approximately HK\$5.4 million for the year ended 30 June 2022.

Due to the increase in demand for medical and health assessment services, in particular COVID-19 testing services, the Group recorded an increase in revenue by HK\$11.5 million from the provision of services in the community vaccination centres as well as other outreach case assessment related services.

The revenue from the provision of healthcare staffing solution services as a percentage of gross fee is determined with reference to the mark-up ratio between the charge-out rate to the clients and the pay-out rate to different ranks of healthcare personnel placed by the Group and the number of service hours performed by the respective ranks of healthcare personnel. The revenue from the provision of healthcare staffing solution services as a percentage of gross fee slightly decreased to approximately 26.6% for the Year from approximately 27.9% for the year ended 30 June 2021.

Other income and other gains and losses, net

Other income mainly comprised sales of goods, government grants, advertising income and dividend income. Other income amounted to approximately HK\$4.1 million for the Year (2021: HK\$4.2 million), which remained stable as compared to the last year. Other losses, net was approximately HK\$2.5 million for the Year (2021: other gains, net of HK\$0.9 million) which mainly represented the net fair value changes on financial assets at fair value through profit or loss of approximately HK\$1.6 million and net foreign exchange loss of approximately HK\$0.9 million.

Expenses

The employee benefit expenses amounted to approximately HK\$41.3 million for the Year (2021: HK\$24.1 million), which increased as compared with the year ended 30 June 2021.

The operating lease rentals, depreciation of property, plant and equipment and depreciation of right-of-use assets increased from approximately HK\$4.4 million for the year ended 30 June 2021 to approximately HK\$7.7 million for the Year.

Other operating expenses increased from approximately HK\$8.4 million for the year ended 30 June 2021 to approximately HK\$11.0 million for the Year, which was mainly due to the increase in donation.

Finance income

Finance income represented the interest income on short-term bank deposits. Finance income decreased from approximately HK\$0.09 million for the year ended 30 June 2021 to approximately HK\$0.05 million for the Year.

Income tax expense

Income tax expense amounted to approximately HK\$13.8 million for the Year, representing an increase of approximately 10.4%, from approximately HK\$12.5 million for the year ended 30 June 2021. The Group's effective tax rate was increased from approximately 17% for the year ended 30 June 2021 to approximately 19% for the Year.

Profit for the Year and net profit margin

Profit for the Year amounted to approximately HK\$58.6 million, decreased by approximately HK\$2.4 million, or 3.9% from approximately HK\$61.0 million for the year ended 30 June 2021, mainly due to the increase in revenue by approximately 27.9% from approximately HK\$109.7 million for the year ended 30 June 2021 to approximately HK\$140.3 million for the Year and the operating performance analysed above. The net profit margin decreased from approximately 55.6% for the year ended 30 June 2021 to approximately 41.8% for the Year.

Trade receivables

Trade receivables decreased by approximately HK\$20.7 million from approximately HK\$65.5 million as at 30 June 2021 to approximately HK\$44.8 million as at 30 June 2022. The Group generally does not grant credit terms to clients and payment is immediately due upon presentation of invoices to customers. As at 30 June 2022 and 2021, all trade receivables were past due but not considered to be impaired, because these were mainly related to a number of independent customers with limited history of default. During the Year, the Group did not recognise any provision for trade receivables (2021: Nil).

Trade payables

Trade payables increased to approximately HK\$29.1 million as at 30 June 2022 from approximately HK\$22.7 million as at 30 June 2021, which was mainly due to the increase in costs payable to healthcare personnel placed by the Group during the Year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group remained in a healthy and sound liquidity position as at 30 June 2022. The working capital needs and other capital requirements have been met through a combination of shareholders' equity and cash generated from operations. Going forward, the Group intends to finance its future operations and capital expenditures with cash flow generated from operating activities and/or external funding resources. The primary uses of cash have been and are expected to continue to be operating costs and capital expenditure.

The current assets primarily comprise cash and cash equivalents, trade receivables, prepayments, deposits and other receivables, amounts due from related companies and inventories.

The current liabilities primarily comprise trade payables, lease liabilities, short-term portion of bank borrowing, tax payable, accruals and other payables.

As at 30 June 2022, the Group maintained cash and cash equivalents amounting to approximately HK\$86.3 million (2021: HK\$56.7 million). Net current assets decreased to approximately HK\$1.8 million as at 30 June 2022 from approximately HK\$127.2 million as at 30 June 2021.

As at 30 June 2022, the banking facilities amounting to approximately HK\$295.2 million (2021: HK\$150.2 million) are made available to the Group of which HK\$227.0 million remain unutilised as at 30 June 2022 (2021: HK\$150.2 million).

FOREIGN EXCHANGE RISK

The Group's exposure to foreign currency risk is not material. The Group mainly operates in Hong Kong with most of the operating transactions denominated and settled in Hong Kong dollars and the cash and cash equivalents of the Group are mainly denominated in Hong Kong dollars and United States dollars (2021: Hong Kong dollars and Renminbi).

As at 30 June 2022, the Group has not used any forward contracts, currency borrowings, derivative financial instruments or other means to hedge foreign exchange risk (2021: Same).

CAPITAL STRUCTURE

During the Year, the Group mainly relied on its equity and internally generated cash flows and bank borrowings to finance its operations. The total amount of outstanding borrowings was HK\$68.2 million, which was short-term loans.

TREASURY POLICY

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

GEARING RATIO

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including bank loans and lease liabilities) less cash and cash equivalents. Total capital is calculated as “equity” (as shown in the consolidated balance sheet) plus net debt. As at 30 June 2022, the gearing ratio was approximately nil (2021: Nil).

CAPITAL COMMITMENTS

As at 30 June 2022, the Group did not have any significant capital commitments (2021: Nil).

PLEDGE OF ASSETS

As at 30 June 2022, the Group’s banking facilities were secured by the Group’s property, plant and equipment, with aggregate carrying amounts of HK\$179.4 million (2021: Nil).

CONTINGENT LIABILITY

Litigation

A claim was lodged by Garden Medical Centre Limited (“GMC”), a wholly-owned subsidiary of the Group, in June 2019 asserting that the founder and ex-director of GMC (the “**Defendant**”) has breached certain clauses in an employment agreement. The Defendant has filed a defence and counterclaim in relation to the case for the reliefs to recover the compensation of employee. As of the date of this announcement, both parties were still in the phase of discovery of documents. No provision has been made.

Performance guarantee

There is a contractor who required the Company to provide performance guarantee issued by banks to protect the service contractors from financial loss in the event that the Company does not perform what is expected of it under the terms of the related service contracts. As at 30 June 2022, the outstanding performance guarantee amounted to HK\$1,668,000 (2021: HK\$nil).

SEGMENT INFORMATION

The Group is principally engaged in the provision of healthcare staffing solution services to private and institutional customers in which placement of healthcare personnel is made according to the specific request from these customers. The Group is also engaged in provision of outreach case assessment related services and provision of vaccination services.

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

The Group primarily operates in Hong Kong and most of its non-current assets are located in Hong Kong. During the Year, all revenue was earned from external customers in Hong Kong (2021: same).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have other plans for material investments or capital assets as at 30 June 2022 (2021: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2022, the Group employed a total of 67 employees (2021: 72 employees). Total staff costs including Directors' remuneration for the Year amounted to approximately HK\$41.3 million (2021: HK\$24.1 million).

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

To reward eligible participants (including but not limited to directors and employees of the Group) for their contributions to the Group and/or to incentivise or motivate them to work towards enhancing the value of the Group for its long-term growth and development for the benefit of the Company and its shareholders (the “Shareholders”) as a whole, the Company may from time to time grant share options pursuant to its share option scheme currently in force (which is valid and effective for a period of 10 years from 8 July 2014) to subscribe for ordinary shares in the Company or select eligible participants to participate in its share award scheme (which is valid and effective for a period of 10 years from 1 June 2022) and award shares to selected participants. During the Year, there are no share options granted by the Company under the share option scheme (2021: same). During the Year, no option has been exercised (2021: same). No shares have been awarded under the Company’s share award scheme since its adoption on 1 June 2022.

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

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

During the Year, Bamboos Fintech disposed of listed securities on the open market at an aggregate consideration of approximately HK\$12.2 million.

On 25 October 2021, Bamboos Fintech also disposed of 22,430 mace troy of non-physical form of gold to Hang Seng Bank Limited for a consideration of approximately HK\$37.3 million, with an average price of approximately HK\$1,664.1 per mace troy. For further details, please refer to the announcement of the Company dated 26 October 2021.

On 11 November 2021, Ever Kind International Limited and Kingswood International Limited, each an indirect wholly-owned subsidiary of the Company, completed the Acquisition. For further details, please refer to the section headed “Management discussion and analysis – Business review and prospects” in this announcement, the announcements of the Company dated 3 September 2021, 16 September 2021 and 24 September 2021, and the circular of the Company dated 26 October 2021.

SHARE OPTION SCHEME

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

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

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

SHARE AWARD SCHEME

The Company adopted a share award scheme (the “**Share Award Scheme**”) on 1 June 2022 (the “**Adoption Date**”) for a term of 10 years commencing from the Adoption Date. The purpose and objectives of the Share Award Scheme are to (i) recognise and reward the contribution of the eligible participants (the “**Eligible Participant(s)**”) to the growth and development of the Group and to give incentives to them in order to retain them for the continual operation and development of the Group and; (ii) attract suitable personnel for further development of the Group.

The Share Award Scheme shall be subject to the administration of the Board or a sub-committee of the Board (the “**Committee**”) without prejudice to the powers of the trustee (the “**Trustee**”) as provided under the trust deed (the “**Trust Deed**”) in accordance with the rules relating to the Share Award Scheme and the terms of the Trust Deed.

The Eligible Participants of the Share Award Scheme cover any employee, Directors of the Company or any of its subsidiaries or any invested entity, and any person who has contributed or may contribute to the Group by way of independent contract or other business arrangement involving the Group. Pursuant to the terms of the Share Award Scheme, the Board or the Committee may, from time to time and at its absolute discretion, select any Eligible Participants for participation in the Share Award Scheme. The remuneration committee of the Company shall have the power to recommend and/or decide the selection of the Eligible Participant and the number of award shares (the “**Awarded Shares**”) to be awarded to the selected participants. Awards may be satisfied by (i) existing shares to be purchased by the Trustee from the market, or (ii) new shares to be issued and allotted to the Trustee. The Awarded Shares shall be held by the Trustee and the Trustee shall transfer the Awarded Shares to the selected participants as soon as practicable subject to lock-up periods or restrictions on disposals as determined by the Board or the Committee after the latest of (i) the earliest vesting date to which the Awarded Shares relate; (ii) the receipt by the Trustee of the requisite information and documents stipulated by the Trustee; and (iii) where applicable, the date on which the condition(s) and/or performance target(s) (if any) to be attained or paid by the selected participants have been attained or paid and notified to the Trustee by the Board or the Committee in writing.

The aggregate number of shares awarded under the Share Award Scheme by the Board shall not exceed 10% of the total number of issued shares as at the Adoption Date, and the maximum number of share which may be awarded to a selected participant under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company as at the Adoption Date.

The Share Award Scheme does not constitute a share option scheme and is therefore not subject to the provisions of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). As at the date of this announcement, no shares have been awarded under the Share Award Scheme. For further details of the Share Award Scheme, please refer to the Company’s announcement dated 1 June 2022.

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

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding the Director’s dealing in the securities of the Company. The Directors, upon responding to specific enquiries by the Company, confirmed their compliance with the required standards for dealing in the Company’s securities set out in the Model Code throughout the Year and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

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

Code provision C.2.1

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

The Company does not have a separate chairman and chief executive officer. Since 18 August 2018, Ms. Hai Hiu Chu (“**Ms. Hai**”) has acted as the chairman of the Board and the chief executive officer of the Company. Ms. Hai is the founder of the Group and has extensive experience in the medical field and the pharmaceutical industry. Ms. Hai is responsible for the effective running of the Board and for formulating business strategies and development. The Board considers that Ms. Hai, by serving as the chairman of the Board and the chief executive officer of the Company, is able to lead the Board with efficiency and consistency in major business decision making for the Group. The existing management structure with Ms. Hai performing the roles of chairman and chief executive officer enables the Board’s decision to be more effectively made and facilitates the implementation of business strategies under the solid and experienced leadership of Ms. Hai, which is conducive to the effective management and the business development of the Group.

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

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

Currently, the Audit Committee comprises three independent non-executive Directors, namely Dr. Chan Kai Yue Jason, Mr. Wong Kon Man Jason (“**Mr. Wong**”) and Mr. Lam Kwok Ming. Mr. Wong is the chairman of the Audit Committee. These annual results have been reviewed by the Audit Committee of the Company.

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

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group’s consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group’s auditor, PricewaterhouseCoopers, to the amounts set out in the Group’s draft consolidated financial statements for the Year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

ANNUAL GENERAL MEETING

It is proposed that the forthcoming annual general meeting of the Company (the “**AGM**”) will be held on Tuesday, 29 November 2022. A notice convening the AGM will be published and despatched to the Shareholders in due course.

FINAL DIVIDEND

On 27 September 2022, the Board resolved to recommend a final dividend of HK5.00 cents (2021: Nil) per ordinary share for the year ended 30 June 2022 to the Company’s Shareholders whose names appear on the register of members of the Company on Thursday, 8 December 2022. Subject to the approval of the Company’s Shareholders at the AGM, the final dividend, which is payable in cash, is expected to be paid on or about Friday, 9 December 2022.

The proposed final dividend, together with the interim dividend of HK2.50 cents (2021: HK2.50 cents) per ordinary share paid in March 2022 and the special dividend of HK7.50 cents (2021: Nil) per ordinary share paid in November 2021, the total distribution of dividend paid to the ordinary Shareholders by the Company for the Year will thus be HK15.0 cents per ordinary share (2021: HK2.50 cents). The proposed final dividend is not reflected as dividend payable in these financial statements.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders’ qualification to attend and vote at the AGM, the register of members of the Company will be closed from 24 November 2022 to 29 November 2022 (both days inclusive), during which period no transfer of shares may be effected. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificate(s) should be lodged for registration with Union Registrars Limited (the “**Hong Kong Branch Share Registrar**”), at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong by no later than 4:00 p.m. on 23 November 2022.

For the purpose of ascertaining Shareholders’ entitlement to the recommended final dividend for the year ended 30 June 2022, the register of members of the Company will be closed from Tuesday, 6 December 2022 to Thursday, 8 December 2022 (both days inclusive) during which period no transfer of shares may be effected. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificate(s) should be lodged for registration with the Hong Kong Branch Share Registrar at the address above by no later than 4:00 p.m. on Monday, 5 December 2022.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement has been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.bamboos.com.hk>). The annual report for the Year containing all the information required by the Listing Rules will be despatched to the Shareholders and will be available on the aforesaid websites in due course.

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

Hong Kong, 27 September 2022

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

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