



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



## Annual Report 2014 年報

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

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*This report, for which the directors (the “Directors”) of Bamboos Health Care Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Kwan Chi Hong (*Chairman*)

Ms. Hai Hiu Chu (*Chief Executive Officer*)

### Non-executive Director

Mr. Mok Gar Lon, Francis

### Independent Non-executive Directors

Mr. Lam Cheung Wai

Professor Chan Chi Fai, Andrew

Dr. Luk Yim Fai

## BOARD COMMITTEES

### Audit Committee

Mr. Lam Cheung Wai (*Chairman*)

Professor Chan Chi Fai, Andrew

Dr. Luk Yim Fai

### Remuneration Committee

Dr. Luk Yim Fai (*Chairman*)

Professor Chan Chi Fai, Andrew

Mr. Lam Cheung Wai

Ms. Hai Hiu Chu

### Nomination Committee

Mr. Lam Cheung Wai (*Chairman*)

Professor Chan Chi Fai, Andrew

Dr. Luk Yim Fai

Mr. Kwan Chi Hong

### Compliance Committee

Mr. Mok Gar Lon, Francis (*Chairman*)

Professor Chan Chi Fai, Andrew

Dr. Luk Yim Fai

## COMPANY SECRETARY

Mr. Cheng Chin Wing (CPA)

## COMPLIANCE OFFICER

Mr. Kwan Chi Hong

## AUTHORISED REPRESENTATIVES

Mr. Kwan Chi Hong

Mr. Cheng Chin Wing (CPA)

## AUDITOR

PricewaterhouseCoopers

## COMPLIANCE ADVISER

Halcyon Capital Limited

## REGISTERED OFFICE

PO Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit B and C, 16th Floor, E-Trade Plaza

24 Lee Chung Street

Chai Wan

Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited

PO Box 1093, Boundary Hall

Cricket Square, Grand Cayman

KY1-1102

Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited

18th Floor, Fook Lee Commercial Centre

Town Place, 33 Lockhart Road

Wanchai

Hong Kong

## PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Bank of Communications Co., Ltd

Hong Kong Branch

## STOCK CODE

8216

## COMPANY WEBSITE

[www.bamboos.com.hk](http://www.bamboos.com.hk)

# Chairman's Statement

Dear Shareholders,

On behalf of the board of directors (the "**Board**") of Bamboos Health Care Holdings Limited (our "**Company**", together with our subsidiaries, our "**Group**"), I am pleased to present our Group's annual results for the year ended 30 June 2014 (the "**Year**").

2014 is definitely a remarkable year for the development of our Group. Our successful listing on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 8 July 2014 (the "Listing") symbolizes our reaching of a new milestone. The listing has strengthened further our Group's leading position as a pioneer healthcare staffing solution service provider.

Our Group, without taking into account the recognition of non-recurring professional service fees in respect of the preparation of our Listing, recorded satisfactory results for the Year. Revenue from the provision of healthcare staffing solution services was approximately HK\$36.5 million for the Year, representing an increase of approximately 20.5% as compared with last financial year. Apart from achieving a record-high total revenue, there has been a marked expansion of our pool of healthcare personnel (with over 13,500 healthcare personnel registered with our Group as at the date of this annual report) for the provision of healthcare staffing solution services.

Looking ahead, with the ageing population in Hong Kong, we believe that home care and private nursing staffing services will play an increasingly important role in the community health system and for the achievement of quality life. In response, we will adopt a client-oriented approach and further strengthen our private nursing staffing solution service so as to achieve a high level of client satisfaction and bring satisfactory return to our shareholders and our dedicated staff, with the persistence in the 3 "C"s core values- "Care, Competence and Commitment" always in our mind.

**KWAN Chi Hong**

*Chairman*

Hong Kong, 24 September, 2014



# Corporate Governance Report

The Board is committed to ensuring and upholding a high standard of corporate governance, transparency and business practices, which are fundamental to achieving our Group's vision of becoming or continuing to be a leading, most respected and fast growing provider of healthcare staffing solution services in Hong Kong and protecting the overall interests of our Company and our shareholders (the "Shareholders").

Our Company's corporate governance practices are based on the principles of the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules. Our Company has become listed on the GEM since 8 July 2014 (the "Listing Date"), that is, after the financial year ended 30 June 2014. Since the Listing Date and up to the date of this Corporate Governance Report, our Company had complied with the applicable code provisions (the "Code Provisions") set out in the CG Code.

## BOARD OF DIRECTORS

Our Board is responsible for leadership and control of our Company and overseeing the management of the business and affairs of our Company. Our Directors are accountable for making decisions objectively in the best interests of our Company and our Shareholders as a whole.

The day-to-day management, administration and operation of our Company are delegated to our executive Directors. Our non-executive Director is primarily responsible for advising on business opportunities for investment, development and expansion. Our independent non-executive Directors are responsible for participating in Board meetings of our Company to make an independent judgment on issues of strategy, performance, resources and standards of conducts of our Group, taking the lead where potential conflicts of interest arise and serving on the audit, remuneration and/or other governance committees.

Our Board is responsible for making decisions on all major aspects of our Company's affairs, including the approval and monitoring of key policy matters, overall strategies, business plans and annual budgets, internal control and risk management systems, material transactions, major capital expenditure, appointment of Directors and other significant financial and operational matters. Our senior management is mainly responsible for the execution or implementation of the policy, strategies, business plans, budgets, internal control and risk management practices as may be formulated or adopted by the Board from time to time.

## Board Composition

Our Board comprises six Directors and their respective roles are set out as follows:

### *Executive Directors:*

Mr. Kwan Chi Hong (*Chairman*) (*appointed on 23 November 2012 and designated as Executive Director on 28 March 2014*)

Ms. Hai Hiu Chu (*Chief Executive Officer*) (*appointed on 23 November 2012 and designated as Executive Director on 28 March 2014*)

### *Non-executive Director:*

Mr. Mok Gar Lon, Francis (*appointed on 8 May 2013*) (*Note*)

### *Independent non-executive Directors:*

Mr. Lam Cheung Wai (*appointed on 24 June 2014*)

Professor Chan Chi Fai, Andrew (*appointed on 24 June 2014*)

Dr. Luk Yim Fai (*appointed on 24 June 2014*)

There are no financial, business, family or other material/relevant relationships among our Directors.

# Corporate Governance Report

Note: Mr. Mok Gar Lon, Francis was appointed as a Director on 8 May 2013 and redesignated as a non-executive Director on 28 May 2014.

A description of our Directors is set out in the section headed "Biographical Details of Directors and Senior Management" on pages 18 to 21 in this annual report.

## **Chairman and Chief Executive Officer**

The roles of the Chairman and the Chief Executive Officer are separate and are not performed by the same individual. Mr. Kwan Chi Hong holds the position of the Chairman of our Group and performs a leadership role in monitoring and evaluating our Group's business, strategic planning and major decision making of our Group. Ms. Hai Hiu Chu holds the position of the Chief Executive Officer of our Group and is responsible for the overall management, strategic development and major decision making for our Group.

## **Director's Appointments, Re-election and Removal**

Each of the executive Directors and the non-executive Director has entered into a service agreement with our Company for an initial term of three years commencing from the Listing Date, and will continue thereafter until terminated by not less than three months' written notice or subject to the terms and conditions thereunder.

Independent non-executive Directors are appointed for an initial fixed term of three years commencing from the Listing Date and may be terminated by not less than three months' written notice.

All our Directors, including non-executive and independent non-executive Directors, are subject to retirement by rotation and eligible for re-election in accordance with our Company's articles of association. At each annual general meeting, not less than one third of the Directors then in office shall retire and every Director is subject to retirement by rotation at least once every three years.

## **Confirmation of Independence**

Each of the independent non-executive Directors had made a confirmation of independence by reference to Rule 5.09 of the GEM Listing Rules and the Board is satisfied that all the independent non-executive Directors were independent and met the independent guidelines set out in Rule 5.09 of the GEM Listing Rules since the date of their respective appointments, up to the date of this annual report.

## **Number of Meetings and Directors' Attendance**

Our Board meets regularly for considering, reviewing and/or approving matters relating to, among others, the financial and operating performance, as well as, the overall strategies and policies of our Company. Additional meetings are held when significant events or important issues are required to be discussed and resolved.

# Corporate Governance Report

As our Company was first listed on GEM on 8 July 2014, only one Board meeting was held on 24 June 2014 (before the Listing Date) during the Year. The individual attendance record of the Board meeting are set out as follows:

	<b>Number of Board Meetings attended/eligible to attend</b>
<i>Executive Directors:</i>	
Mr. Kwan Chi Hong	1/1
Ms. Hai Hiu Chu	1/1
<i>Non-executive Director:</i>	
Mr. Mok Gar Lon, Francis	1/1
<i>Independent non-executive Directors:</i>	
Mr. Lam Cheung Wai	1/1
Professor Chan Chi Fai, Andrew	1/1
Dr. Luk Yim Fai	1/1

From the Listing Date and up to the date of this annual report, no general meeting was held.

The company secretary (the "Company Secretary") of our Company also attended the Board meeting.

## **Practice and Conduct of Meetings**

The schedule and agenda of each meeting are made available to the Directors in advance such that each Director is given an opportunity to provide his/her input to the agenda items. Advance notice of at least 14 days is given for a regular Board meeting. For other Board and committee meetings, reasonable notices are generally given.

Minutes of all Board meetings recording sufficient details of matters considered and decisions reached are duly kept by our Company Secretary at the meetings and open for inspection by our Directors.

Our Company's articles of association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

Board papers together with all appropriate, complete and reliable information are sent to all Directors well in advance before each Board meeting or Board committee meeting to keep our Directors apprised of the latest developments and financial position of our Company and to enable them to make informed decisions.

## **BOARD COMMITTEES**

### **Audit committee**

Our Board established the audit committee on 24 June 2014 with written terms of reference which are of no less exacting terms than those set out in the CG Code. The full terms of reference setting out details of duties of our audit committee are available on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and our Company's website at [www.bamboos.com.hk](http://www.bamboos.com.hk).

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



# Corporate Governance Report

The primary duties of our audit committee are to review and supervise the financial reporting process and internal control system of our Company, nominate and monitor external auditors, meet with external auditor regularly and provide advice and comments to our Board.

Our audit committee had reviewed the Group's consolidated financial statements for the Year.

As our Company was first listed on GEM on 8 July 2014, no audit committee meeting was held during the Year. From the Listing Date and up to the date of this annual report, one audit committee meeting was held to review and discuss with the management of the Company and the external auditors the accounting principles and practices adopted by our Group, as well as internal controls and other financial reporting matters. The attendance records of individual committee members are set out below:

	<b>Number of Meetings attended/eligible to attend</b>
Mr. Lam Cheung Wai	1/1
Professor Chan Chi Fai, Andrew	1/1
Dr. Luk Yim Fai	1/1

## Remuneration committee

Our Board established the remuneration committee on 24 June 2014 with written terms of reference which are of no less exacting terms than those set out in the CG Code. The full terms of reference setting out details of duties of our Remuneration Committee are available on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.bamboos.com.hk](http://www.bamboos.com.hk).

Our remuneration committee comprises all the independent non-executive Directors, namely Mr. Lam Cheung Wai, Professor Chan Chi Fai, Andrew and Dr. Luk Yim Fai, and our executive Director and Chief Executive Officer, Ms. Hai Hiu Chu. Dr. Luk Yim Fai is the chairman of our remuneration committee.

The primary duties of our remuneration committee are to make recommendations to our Board on the overall remuneration policy and structure relating to all Directors and senior management of our Group, review and approve the management's remuneration proposals, and ensure that none of our Directors determine his/her own remuneration.

Our remuneration committee determines Directors' remuneration by reference to the benchmarking of the market. Our Company also looks into individual Director's competence, duties, responsibilities, performance and the results of our Group in determining the exact level of remuneration for each Director.

Details of the remuneration of our Directors and the five highest paid individuals pursuant to Rules 18.28 to 18.30 of the GEM Listing Rules are set out in note 10 to the consolidated financial statements.

As our Company was first listed on GEM on 8 July 2014, no remuneration committee meeting was held during the Year. From the Listing Date and up to the date of this annual report, one remuneration committee meeting was held to review and discuss with the management of the Company the remuneration policy and structure of the Directors and senior management of our Group. The attendance records of individual committee members are set out below:

	<b>Number of Meetings attended/eligible to attend</b>
Dr. Luk Yim Fai	1/1
Professor Chan Chi Fai, Andrew	1/1
Mr. Lam Cheung Wai	1/1
Ms. Hai Hiu Chu	1/1

# Corporate Governance Report

## Nomination committee

Our Board established the Nomination Committee on 24 June 2014 with written terms of reference which are of no less exacting terms than those set out in the CG Code. The full terms of reference setting out details of duties of the Nomination Committee are available on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and our Company's website at [www.bamboos.com.hk](http://www.bamboos.com.hk).

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

The primary function of our nomination committee is to make recommendations to our Board regarding appointment of Directors and candidates to fill vacancies on our Board.

Our Board adopted the board diversity policy in accordance with the requirement as set out in the CG Code. Our Board recognizes the benefits of having a diverse Board and considers a number of factors which include but are not limited to age, gender, professional experience, cultural and education background as to its composition. Our nomination committee regularly monitors and reviews the implementation of the Board diversity policy.

As our Company was first listed on GEM on 8 July 2014, no nomination committee meeting was held during the Year. From the Listing Date and up to the date of this annual report, one nomination committee meeting was held to consider potential candidate and make recommendation to fill vacancies on our Board. The attendance records of individual committee members are set out below:

	<b>Number of Meetings attended/eligible to attend</b>
Mr. Lam Cheung Wai	1/1
Professor Chan Chi Fai, Andrew	1/1
Dr. Luk Yim Fai	1/1
Mr. Kwan Chi Hong	1/1

## Compliance Committee

Our Board established the compliance committee on 24 June 2014 which comprises one non-executive Director, namely Mr. Mok Gor Lon, Francis and two independent non-executive Directors, Dr. Luk Yim Fai and Professor Chan Chi Fai, Andrew. Mr. Mok Gar Lon, Francis is the chairman of our compliance committee.

The primary functions of our compliance committee include, among others, reviewing and making recommendations to our Board in respect of the compliance of the Group's policies and practices with any requirement, direction and regulation as may be prescribed by our Board from time to time, contained in any constitutional documents applicable to our Group, or imposed by the applicable laws, regulations, rules and codes (including but not limited to the GEM Listing Rules), and ensuring that appropriate monitoring systems are in place to ensure compliance against the relevant internal control systems, processes and policies, and monitoring the implementation of our Group's plan to maintain high compliance with own risk management standards.

As our Company was first listed on GEM on 8 July 2014, no compliance committee meeting was held during the Year or from the Listing Date and up to the date of this annual report.

# Corporate Governance Report

## SENIOR MANAGEMENT'S REMUNERATION

Senior management's remuneration payment of our Group for the year ended 30 June 2014 falls within the following band:

	<b>Number of individuals</b>
Nil to HK\$1,000,000	5

## CORPORATE GOVERNANCE FUNCTIONS

Our Board is responsible for performing the functions specified in Code Provision D.3.1 of the CG Code, which include reviewing our Company's corporate governance policies and practices, the continuous professional development of the Directors and senior management, our Company's policies and practices on compliance with legal and regulatory requirements (including the GEM Listing Rules) and our Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

## DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

Pursuant to Code Provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to our Board remains informed and relevant.

Each Director received induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Group and that he/she is sufficiently aware of his/her responsibilities and obligations under the GEM Listing Rules and other relevant legal and regulatory requirements.

During the Year, all Directors participated in the continuous professional developments regarding the duties and responsibility of our Directors under the relevant legal and regulatory requirement which included reading materials in relation to legal or regulatory update and/or attending training course provided by the legal advisors.

## SECURITIES TRANSACTIONS BY DIRECTORS

Our Company had adopted Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct (the "Code of Conduct") regarding securities transactions by our Directors. All Directors, after specific enquiries by our Company, confirmed to our Company their compliance with the Code of Conduct since the Listing Date and up to the date of this annual report.

## SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENT

The memorandum of association and the articles of association of our Company were adopted on 24 June 2014 before the Listing Date. There had been no change to our Company's constitutional documents during the period from 24 June 2014 to 30 June 2014. A consolidated version of our Company's constitutional documents is available on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and our Company's website at [www.bamboos.com.hk](http://www.bamboos.com.hk).

## AUDITOR'S REMUNERATION

The remuneration paid/payable to the auditor of our Company during the Year is set out as follows:

<b>Services rendered in 2014</b>	<b>HK\$'000</b>
Statutory audit services	750
Non-audit services	
– as reporting accountant for our Company's listing on GEM by way of placing	1,750
– review of financial information	180

# Corporate Governance Report

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Our Board is responsible for the preparation of the financial statements. In preparing the financial statements, the generally accepted accounting standards in Hong Kong have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. Having made appropriate enquiries, our Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over our Group's ability to continue as a going concern. Accordingly, our Board has continued to adopt the going concern basis in preparing the financial statements.

## **INTERNAL CONTROLS**

Our Board has overall responsibility for the internal control system of our Group. Our Board has developed its systems of internal control and risk management and is also responsible for reviewing and maintaining an adequate internal control system to safeguard the interests of our Shareholders and the assets of our Group. During the Year, our Board had conducted a review of the effectiveness of the internal control system which covered all material controls, including financial, operational and compliance controls and risk managements functions of our Group.

## **COMPANY SECRETARY**

All Directors have access to the advice and services of our Company Secretary to ensure that the Board procedures and all applicable laws are followed. Moreover, our Company Secretary is responsible for facilitating communications among Directors as well as with the management. Mr. Cheng Chin Wing ("Mr. Cheng") was appointed as the company secretary of our Company on 17 March 2014. The biographical details of Mr. Cheng are set out under the section headed "Biographical Details of Directors and Senior Management".

## **GENERAL MEETINGS WITH SHAREHOLDERS**

Since the Listing Date and up to the date of this annual report, no general meeting had been held and our Company's forthcoming annual general meeting will be held on 30 October 2014.

## **PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING**

According to article 12.3 of our Company's articles of association, two or more Shareholders (or a Shareholder who is a recognized clearing house (or its nominee(s)) (the "Requisitionists"), holding not less than 10% of the paid-up capital of our Company can convene an extraordinary general meeting (the "EGM") by depositing a requisition (the "Requisition") in writing to our Directors or our Company Secretary for the purpose of requiring the convening of the EGM. The written requisition shall be deposited to the Company's principal place of business at Units B and C, 16th Floor, E-Trade Plaza, 24 Lee Chung Street, Chai Wan, Hong Kong or through email at the e-mail address designated by our Company from time to time and marked for the attention of our Board of Directors/Company Secretary.

If our Board does not within 21 days from the date of deposit of the Requisition proceed duly to convene the meeting to be held, within a further 21 days, the Requisitionists themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by our Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the Requisition, and all reasonable expenses incurred by the Requisitionists as a result of the failure of our Board in convening the meeting shall be reimbursed to them by our Company.

# Corporate Governance Report

## **PROCEDURES FOR SHAREHOLDERS TO PUT FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS**

To put forward proposals at a general meeting of our Company, a Shareholder should lodge a written notice of his/her/its proposal (the "Proposal") with his/her/its detailed contact information at our Company's office at Units B and C, 16th Floor, E-Trade Plaza, 24 Lee Chung Street, Chai Wan, Hong Kong.

Upon confirming the Proposal is proper and in order by our Company's branch share registrar in Hong Kong, our Board will determine in its own discretion whether the Proposal may be included in the agenda for general meeting. The notice period to be given to all the Shareholders for consideration of the Proposal at the general meeting varies from 14 to 21 clear days and not less than 10 or 20 clear business days depending on the nature of the Proposal and the nature of the general meeting (annual or extraordinary).

## **COMMUNICATION WITH SHAREHOLDERS**

Our Company endeavors to maintain an on-going dialogue with the Shareholders and in particular, through annual general meetings or other Shareholders' meetings to communicate with the Shareholders and encourage their participation. Our Company updates its Shareholders on its latest business developments and financial performance through its annual, interim and quarterly reports. The corporate website of our Company (<http://www.bamboos.com.hk>) has provided an effective communication platform to the public and the Shareholders through regularly updating its "Investor Relations" section.

Our Company will ensure that there are separate resolutions for separate issues proposed at all the Shareholders' meetings.

Our Company will continue to maintain an open and effective investor communication policy and to update investors on relevant information on our Group's business in a timely manner, subject to relevant regulatory requirements.

Shareholders should direct their questions about their shareholdings, share transfer, registration and payment of dividend to our Company's branch share registrar in Hong Kong, details of which are as follows:

Attention: Union Registrars Limited  
Address: 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong  
Telephone no.: (852) 2849 3399  
Fax no.: (852) 2849 3319

Shareholders are encouraged to communicate with our Company for requesting publicly available information and any enquiries in relation to our Group:

Attention: The Company Secretary  
Address: Units B and C, 16th Floor, E-Trade Plaza, 24 Lee Chung Street, Chai Wan, Hong Kong  
Email: [financial@bamboos.com.hk](mailto:financial@bamboos.com.hk)  
Telephone no.: (852) 2575 5617  
Fax no.: (852) 2575 5836

Detailed procedures for Shareholders to propose a person for election as a Director are available on our Company's website.

Hong Kong, 24 September 2014

# Management Discussion and Analysis

## BUSINESS REVIEW

We are a leading provider of healthcare staffing solution services in Hong Kong. Our principal business is to provide customised healthcare staffing solution services on a temporary basis to individuals and institutional clients in a timely manner as well as duty opportunities to self-employed healthcare personnel registered with us. We place healthcare personnel registered with us in the capacity of self-employed persons, in appropriate vacancies and refer them duty assignments which fit their preference including nature of duty assignments, location and working hours.

As at 30 June 2014, the number of healthcare personnel registered with us was over 13,500, of which healthcare personnel with healthcare assistant (HCA)/health worker (HW)/personal care worker (PCW) (collectively, the “Healthcare Supporting Personnel”) and registered nurse/enrolled nurse (collectively, the “Healthcare Professional Personnel”) qualifications registered with us accounted for approximately 63% and 30% of our healthcare personnel database respectively.

Our services comprise of (i) institutional staffing solution services; and (ii) private nursing staffing services. Under our institutional staffing solution service, we provide (a) placement services which deliver locum and ward relief services to hospitals and social service organisations (mainly residential care homes for the elderly and rehabilitation centres) by placing healthcare personnel to fill vacancies; and (b) clinical programme support such as provision of injection services and health education services by placing healthcare personnel on a temporary or project basis. Our private nursing staffing service is designed for individual clients, by matching their needs with the healthcare personnel registered with us.

The ageing of Hong Kong’s population and the associated need for quality or customized healthcare services have driven greater demand for personal care, rehabilitation and home care services over the years. With our leading position, industry experience, brand awareness, comprehensive and efficient healthcare staffing solution services, vast pool of healthcare personnel registered with us, well established and diversified client base, proven track record (in terms of number of service hours provided by the healthcare personnel placed by us and the increase in our revenue during the previous financial years) and dedicated and experienced management team, we have managed to achieve a satisfactory pace of business growth. Our management is confident that we will continue to solidify our position as a market leader in the healthcare staffing solution service industry in Hong Kong and our business will continue to flourish.

As to industry outlook, our management is optimistic as to the overall demand for healthcare staffing solution services, taking into account the combined factors of increase in demand for healthcare and elderly services (such as personal care, rehabilitation and home care services) with the ageing population in Hong Kong, increased budget of the government of Hong Kong to enhance general healthcare services and social welfare, planned investments by the government of Hong Kong in the redevelopment and expansion projects in healthcare infrastructure as well as prolonged shortage of permanent workforce of both Healthcare Professional Personnel and Healthcare Supporting Personnel. Having said that and as with other business sectors, our management recognises that our future business and financial performance are subject to risks and uncertainties which may be beyond our control. Any adverse change or disruption in market conditions, operation and business environment or government policies may materially affect the business of our Group. Our management will, as always, closely monitor the industry and market development, take steps to mitigate such risks and uncertainties in a proactive and prudent manner and, to the extent practicable and within our management’s best ability, turn such crisis into our opportunities to create enduring values for our Company and our Shareholders.



# Management Discussion and Analysis

## FINANCIAL REVIEW

### Revenue

Our revenue (being gross fee from provision of healthcare staffing solution services to clients net of cost payable to healthcare personnel placed by us) is determined with reference to the difference between the rate that we charge our clients for provisions of healthcare staffing solution services (the "Charge-out Rate") and the rate that we pay to different ranks of healthcare personnel placed by us for their services rendered (the "Pay-out Rate") and the number of service hours performed by those healthcare personnel. The revenue of the Group for the year ended 30 June 2014 was approximately HK\$36.5 million, representing an increase of approximately 20.5% as compared to that of HK\$30.3 million for the year ended 30 June 2013. The increase in revenue was mainly due to our effort in the improvement of differential rate earned and the increasing demand of healthcare personnel assignment from private clients, social service organisations, clinics and pharmaceutical companies, slightly offset by the decrease of nursing staffing service to hospitals.

Revenue from our institutional staffing solution services was approximately HK\$14.9 million for the year ended 30 June 2014, representing an increase of approximately 9.6% from approximately HK\$13.6 million for the year ended 30 June 2013. The increase was mainly attributable to the rise in placement of PCWs and HCA/HWs to institutional clients (in particular, social service organisations), as well as the increase of average Charge-out Rate per hour of certain ranks of healthcare personnel in December 2013 and April 2014 respectively in the range of approximately 8.6% and approximately 13.8% for institutional clients.

Revenue from the provision of private nursing staffing services was approximately HK\$21.6 million for the year ended 30 June 2014, representing an increase of approximately 30.1% from approximately HK\$16.6 million for the year ended 30 June 2013 due to an increase in service hours of private nursing services for the year ended 30 June 2014, as well as the increase of average Charge-out Rate per hour of certain ranks of healthcare personnel in December 2013 and April 2014 respectively in the range of approximately 11.9% and approximately 13.3% for individual clients.

### Revenue as a percentage of gross fee

Our revenue as a percentage of gross fee is determined with reference to the mark-up ratio between the Charge-out Rate to our clients and Pay-out Rate to different ranks of healthcare personnel placed by us and the number of service hours performed by respective rank of healthcare personnel. Our revenue as a percentage of the gross fee increased from approximately 21.3% for the year ended 30 June 2013 to approximately 22.4% for the year ended 30 June 2014, mainly as a result of enhanced differences and mark-up ratios between the Charge-out Rates to our clients and Pay-out Rates to healthcare personnel placed by us, arisen from the upward price adjustment exercises in December 2013 and April 2014.

### Other income

Other income comprised advertising income (which mainly represents income from advertisements placed by advertisers in our BamBoOs! Life, a magazine edited and published by our Group for free distribution) and sundry income. The increase of other income from approximately HK\$1.1 million for the year ended 30 June 2013 to approximately HK\$1.9 million for the year ended 30 June 2014 was mainly driven by the increase in advertising income generated from BamBoOs! Life following the change in publication interval from a bi-monthly basis to monthly basis since May 2013. This led to an increase in the number of advertisements or the frequency of the publication of advertisements placed by advertisers in the magazine.

### Employee benefit expenses

Employee benefit expenses mainly represent salaries and discretionary bonus paid to our staff, directors' remuneration and pension costs relating to a defined contribution retirement plan. For the year ended 30 June 2014, our employee benefit expenses increased from approximately HK\$6.3 million for the year ended 30 June 2013 to approximately HK\$7.4 million for the year ended 30 June 2014 which was mainly attributable to the increase in average number of employees for the year ended 30 June 2014 as compared to the year ended 30 June 2013.

# Management Discussion and Analysis

## Operating lease rentals

Operating lease rentals mainly represent expenses incurred for our office premises located at Chai Wan, Hong Kong. Operating lease rentals were approximately HK\$0.7 million for the year ended 30 June 2014, representing an increase of approximately HK\$0.1 million, or 16.7%, from approximately HK\$0.6 million for the year ended 30 June 2013. The increase was primarily due to the increase in the rental charges for our office premises since our relocation of office from Kwun Tong to Chai Wan in early 2013.

## Other operating expenses

Other operating expenses were approximately HK\$16.8 million for the year ended 30 June 2014, representing an increase of approximately HK\$9.0 million, or approximately 115.4%, from approximately HK\$7.8 million for the year ended 30 June 2013. The increase was primarily due to recognition of professional service fees in respect of the preparation of the listing of our Company's shares on the GEM of the Stock Exchange of approximately HK\$12.2 million compared to HK\$3.6 million recognised for the year ended 30 June 2013.

## Finance costs

Finance costs represented the interest expenses on bank borrowings. Finance costs were approximately HK\$0.4 million for the year ended 30 June 2014, representing an increase of approximately HK\$0.1 million from approximately HK\$0.3 million for the year ended 30 June 2013. The increase was primarily due to the whole period effect of interest expenses in the year ended 30 June 2014 arising from the bank borrowings drawn in September 2012.

## Income tax expense

Income tax expense increased from approximately HK\$3.3 million for the year ended 30 June 2013 to approximately HK\$4.4 million for the year ended 30 June 2014, which was mainly due to the non-deductible nature of the professional service fees incurred for the preparation of the Listing. All professional service fees incurred for the preparation of the Listing were not deductible for Hong Kong profits tax purpose for the year ended 30 June 2014, which led to the effective tax rate for the year ended 30 June 2014 being higher than 16.5%.

## Profit for the year and net profit margin

Profit for the year decreased by approximately HK\$4.4 million, or 33.6%, from approximately HK\$13.1 million for the year ended 30 June 2013 to approximately HK\$8.7 million for the year ended 30 June 2014, mainly as a result of: (a) the increase in revenue by approximately 20.5% from approximately HK\$30.3 million for the year ended 30 June 2013 to approximately HK\$36.5 million for the year ended 30 June 2014 resulted from an increase of service hours provided by healthcare personnel placed by us to our clients; such increase was mainly driven by increase in placements of PCWs and HCA/HWs to individual clients and social service organisations; and enhanced differences and mark-up ratios between the Charge-out Rates to our clients and Pay-out Rates to healthcare personnel placed by us, arisen from upward price adjustment exercises in December 2013 and in April 2014 for both individual and institutional clients and for various ranks of healthcare personnel; and (b) offset by the recognition of professional service fees in preparation for the Listing of approximately HK\$12.2 million for the year ended 30 June 2014 compared to HK\$3.6 million recognised for the year ended 30 June 2013. This also led to the drop in net profit margin from approximately 43.2% for the year ended 30 June 2013 to approximately 23.8% for the year ended 30 June 2014.

## Trade receivables

Trade receivables increased to approximately HK\$15.3 million as at 30 June 2014 from approximately HK\$14.8 million as at 30 June 2013 which was mainly due to the increase in revenue generated from increased assignment of healthcare personnel for the year ended 30 June 2014. The trade receivables turnover days for the year ended 30 June 2014 decreased to approximately 35.4 days from approximately 43.9 days for the year ended 30 June 2013, which was mainly due to the improvement of ageing of trade receivables as at 30 June 2014 as a result of our efforts in collecting trade receivables.

# Management Discussion and Analysis

We generally do not grant credit terms to our clients and payment is immediately due upon presentation of invoices to customers. At 30 June 2013 and 2014, all trade receivables were past due but not considered to be impaired because these mainly relate to a number of customers with limited history of default. During the year ended 30 June 2014, we did not provide any provision for trade receivables.

## Trade payables

Trade payables increased to approximately HK\$10.6 million as at 30 June 2014 from approximately HK\$9.0 million as at 30 June 2013 which was mainly because of the increased costs payable to healthcare personnel placed by us along with the increased assignment during the year ended 30 June 2014. The trade payables turnover days for year ended 30 June 2013 and the year ended 30 June 2014 were approximately 30.7 days and approximately 30.1 days respectively, which remained at similar level and was in line with our normal payment schedule to the healthcare personnel.

## BUSINESS OBJECTIVES

Our Company has only become listed on GEM since 8 July 2014. The period prior to the Listing Date (that is, from 24 June 2014, being the latest practicable date as defined in the prospectus of the Company issued on 30 June 2014 (the "Prospectus"), to 30 June 2014 (the "Relevant Period")) was relatively short and no proceeds was available during the Relevant Period. The Group is in its preliminary stage of implementing its business objectives and strategies as disclosed in the Prospectus. The Group will strive to achieve the milestone events as stated in the Prospectus.

## USE OF PROCEEDS FROM THE PLACING OF SHARES

Our Company was successfully listed on the GEM on 8 July 2014 by way of placing of a total of 100,000,000 new shares in our Company at the placing price of HK\$0.5 each (the "Placing") and the net proceeds raised from the Placing were about HK\$39.8 million after deducting the listing-related expenses.

In line with that disclosed in the Prospectus, the Company intends to use approximately HK\$3.9 million, HK\$5.8 million, HK\$15.2 million, HK\$7.9 million, HK\$2.2 million and HK\$4.8 million respectively for (i) enhancing business operation efficiency; (ii) strengthening brand awareness and expanding healthcare personnel pool; (iii) enhancing healthcare staffing solution services; (iv) developing our outreach services team; (v) general working capital; and (vi) repayment of our bank loan so as to reduce interest expense and better our gearing ratio. Such bank loan bears interest at a rate of 1.25% per annum below the bank's HK\$ best lending rate from time to time and are repayable in full by September 2017.

Since the Company was listed after 30 June 2014, the disclosure requirement under Rule 18.08A of the GEM Listing Rules is not applicable in this annual report.

## LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

Our working capital needs and other capital requirements have been met through a combination of shareholders' equity, cash generated from operations and bank borrowings. Going forward, we intend to finance our future operations and capital expenditures with cash flow from operating activities, banking facilities made available to us and the net proceeds from the Placing. Our primary uses of cash have been and are expected to continue to be operating costs and capital expenditure.

Our current assets primarily comprise cash and bank balances, trade receivables and prepayments, deposits and other receivables.

Our current liabilities primarily comprise trade payables, bank borrowings, amounts due to directors and a related company, accruals and other payables and tax payable.

# Management Discussion and Analysis

As at 30 June 2014, our Group maintained cash and cash equivalents amounting to approximately HK\$19.1 million (2013: HK\$29.4 million). Net current assets decreased from approximately HK\$19.5 million as at 30 June 2013 to approximately HK\$5.9 million as at 30 June 2014, which was mainly due to decrease of cash and bank balances in relation to the settlement of professional service fees in respect of the preparation of the Listing.

As at 30 June 2014, our Group's total bank borrowings, all being denominated in Hong Kong dollars, amounted to approximately HK\$8.1 million (2013: HK\$10.3 million).

## **CAPITAL STRUCTURE**

During the Year, the capital structure of our Group consisted of cash and cash equivalents and equity attributable to owners of our Company, comprising issued share capital and reserves.

## **FOREIGN EXCHANGE EXPOSURE RISKS**

Our Group's exposure to currency risk is insignificant as our Group operates in Hong Kong with all of our transactions denominated and settled in Hong Kong dollar. Our Group has not used any derivative financial instruments to hedge foreign exchange risk.

## **GEARING RATIO**

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and bank balances. Total capital is calculated as "equity" (as shown in the consolidated balance sheet) plus net debt. As at 30 June 2014 and 30 June 2013, the Group had a net cash position as its cash and bank balances exceeded the total balance of borrowings by approximately HK\$11.0 million and HK\$19.1 million, respectively.

## **CAPITAL COMMITMENTS**

As at 30 June 2014, our Group had no significant capital commitments.

## **PLEDGE OF ASSETS**

As at 30 June 2014, there was no significant pledge on our Group's assets.

## **CONTINGENT LIABILITIES**

As at 30 June 2014, our Group had no significant contingent liabilities.

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

Save as disclosed in the Prospectus and this annual report, our Group did not have other plans for material investments or capital assets as at 30 June 2014.

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

During the year ended 30 June 2014 and save as disclosed in the Prospectus, our Group did not hold any significant investment in equity interest in any other company and there were no material acquisitions and disposal of subsidiaries and affiliated companies by our Group.

# Management Discussion and Analysis

## EMPLOYEES AND REMUNERATION POLICIES

Our Group recognises the importance of good relationship with employees. Our Directors believe that the working environment and benefits offered to employees have contributed to building good staff relations and retention. Our Group continues to provide training for new staff and existing staff to enhance their service skill and knowledge. Employees are oriented with induction training about corporate culture and operations when they join our Group. Training on corporate policy and procedures with the ISO management system, as well as customer satisfaction and complaint handling with ISO9001 and ISO10002 compliance are provided to staff regularly.

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

As at 30 June 2014, our Group engaged a total of 30 employees (2013: 28). Total staff costs including Directors' remuneration for the year ended 30 June 2014 amounted to approximately HK\$7.4 million (2013: HK\$6.3 million). Our Group's remuneration policies are in line with the prevailing market practices.

The Company has conditionally adopted a share option scheme on 24 June 2014 (the "Share Option Scheme") under which eligible participants (including, among others, full-time employees) may be granted options to subscribe for shares in the Company. As at 30 June 2014, no options had been granted under the share option scheme.

## RETIREMENT BENEFIT

Our Group operates a defined contribution mandatory provident fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all of our employees in Hong Kong in accordance with the rules of the MPF Scheme.

## SOCIAL RESPONSIBILITY

With the commitment to being a socially responsible corporation, we are dedicated to sustainably developing and implementing good corporate policies in areas including environmental protection, community service, staff management and development as well as occupational health and safety.

We implement corporate social responsibility in part of our regular operation. Our Group has been named by The Hong Kong Council of Social Service as a "Caring Company" for five consecutive years since 2009. We have been the chief sponsor for three consecutive years since 2012, of the Rehab Power Day, which was organised by Hong Kong Rehabilitation Power, advocating support for disabled persons and social harmony. This year, our Group was awarded as one of the "Distinguished Family-Friendly Employers" in the 2013/14 Family-Friendly Employers Award Scheme organised by the Family Council.

On top of our regular fruit delivery activity to hospital wards and elderly centres in the Mid-Autumn Festival every year, we have supported various community initiatives this year. We supported Food Grace for the "Moon Festival Moon Cake Passing On" programme in promotion as well as elderly home visit activities organisation. In September 2014, our Group was the sponsor of the "Running to your home" programme organised by CUHK EMBA alumni to visit solitary elderly. It was also the second year our Group supporting the "Art of Fong Yim-fun Sustainability Project" organised by the Shaw College of the Chinese University of Hong Kong in Cantonese operatic songs performance for blind seniors in elderly homes.

Our Group will continue our endeavors to contribute to the community for sustainability development and at the same time bring satisfactory return to our Shareholders.

# Biographical Details of Directors and Senior Management

## EXECUTIVE DIRECTORS

**Mr. Kwan Chi Hong**, aged 42, is an executive Director, the chairman of the Board, one of the controlling shareholders of our Company, the compliance officer and a member of our nomination committee. Mr. Kwan co-founded our Group in May 2009. He was appointed as a Director on 23 November 2012 and redesignated as an executive Director on 28 March 2014. Mr. Kwan performs a leadership role in monitoring and evaluating our business, strategic planning and major decision making for our Group.

Mr. Kwan obtained a bachelor's degree in Economics and a master's degree in Economics from The University of Hong Kong in January 1995 and December 2005 respectively. Mr. Kwan has completed a programme in Executive MBA and obtained a master's degree in Business Administration from The Chinese University of Hong Kong in December 2007.

Mr. Kwan has over 10 years of managerial experience in the public sector, from February 1995 to December 2007, including working as an executive officer in various government departments including Registration and Electoral Office, Urban Services Department, Home Affairs Department, Hong Kong Police Force and Chief Secretary for Administration's Office Government Secretariat, mainly responsible for human resources management including manpower and succession planning, financial resources management including planning and allocating financial resources and exercising control over revenue and expenditure, policy support including analysing the information collected and liaising with parties concerned to facilitate the formulation of policies, and general administration. Mr. Kwan was the chairman of Bamboos Limited between April 2008 and April 2009, and was mainly responsible for strategic planning. Mr. Kwan has been a part-time teacher of certain bachelor/diploma courses in Chinese medicine conducted by HKU School of Professional and Continuing Education since March 2013.

Mr. Kwan was awarded the Young Entrepreneur of the Year 2012 from the Hong Kong Business Awards hosted by DHL Express and South China Morning Post and the EY Entrepreneur of the Year 2013 China – Emerging Entrepreneur hosted by EY.

**Ms. Hai Hiu Chu**, aged 43, is an executive Director, the chief executive officer and one of the controlling shareholders of our Company and a member of our remuneration committee. Ms. Hai co-founded our Group in May 2009. She was appointed as a Director on 23 November 2012 and redesignated as an executive Director on 28 March 2014. Ms. Hai is responsible for the overall management, strategic development and major decision making for our Group. Ms. Hai obtained a bachelor's degree in pharmacy in Chinese Medicine and a master's degree of Science in Chinese Medicines from The University of Hong Kong in November 2008 and November 2012 respectively. She has completed a programme in Executive MBA and obtained a master's degree in Business Administration from The Chinese University of Hong Kong in December 2010.

Ms. Hai obtained an EN qualification from the Nursing Council of Hong Kong in February 1993. Ms. Hai has over 16 years of experience in the medical field and the pharmaceutical industry. From September 2005 to April 2009, Ms. Hai was a managing director of Bamboos Limited.

## NON-EXECUTIVE DIRECTOR

**Mr. Mok Gar Lon, Francis**, aged 56, is a non-executive Director and the chairman of our compliance committee. He was appointed as a Director on 8 May 2013 and redesignated as a non-executive Director on 28 March 2014. Mr. Mok is responsible for advising on business opportunities for investment, development and expansion. Mr. Mok obtained a bachelor's degree in Engineering from McGill University, Montreal, Canada in June 1980 and a master's degree in the Business Administration from The Chinese University of Hong Kong in December 1995.



# Biographical Details of Directors and Senior Management

Mr. Mok has over 16 years of experience in human resources management, managerial training and consulting, including working in the management training and development department in the MTR Corporation Limited, a railway operator in Hong Kong; being responsible for management training from September 1992 to May 1996 and June 1999 to May 2007; working as a group human resources director of Jebsen & Co. Ltd., where he was principally engaged in marketing and distribution for premium products, from May 2007 to April 2012, responsible for overseeing the human resources management team to provide human resources management and administrative services to the Hong Kong and PRC offices; and working as the group head of talent management in American International Assurance Company Limited, an insurance company, from April 2012 to October 2012, where he was responsible for formulating and managing enterprise wide talent management. Mr. Mok is a founder and is currently the principal consultant of Francis Mok & Associates Limited, a management consultancy firm. He is currently the president of the Hong Kong Institute of Human Resources Management. He has been a chartered engineer registered with The Engineering Council since November 1989 and a member of the Hong Kong Institution of Engineers since March 2002.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Lam Cheung Wai**, aged 57 is an independent non-executive Director, the chairman of our audit committee and nomination committee and a member of our remuneration committee. He was appointed as an independent non-executive Director on 24 June 2014. Mr. Lam is responsible for providing independent judgement on issues of strategy, performance, resources and standards of conduct of our Group. Mr. Lam graduated from The Chinese University of Hong Kong with a bachelor's degree in Business Administration in December 1981.

Mr. Lam has been a member of the Hong Kong Institute of Certified Public Accountants (formerly known as Hong Kong Society of Accountants) since February 1998 and Mr. Lam has been a certified internal auditor of the Institute of Internal Auditors since March 2009. He has been an Accounting Officer in The Treasury of HKSAR Government since July 1986.

Mr. Lam is a co-founder of Hong Kong Rehabilitation Power, and he served as the president of its council of management. He is also a co-founder of Empowering Life Network, an organisation aiming to serve deprived youths.

**Professor Chan Chi Fai, Andrew**, aged 60, is an independent non-executive Director and a member of our audit committee, nomination committee, remuneration committee and compliance committee. He was appointed as an independent non-executive Director on 24 June 2014. Professor Chan is responsible for providing independent judgment on issues of strategy, performance, resources and standards of conduct of our Group. Professor Chan graduated from The Chinese University of Hong Kong in November 1977 with a bachelor's degree in business administration. He also obtained a master's degree in business administration from the University of California at Berkeley, the United States in December 1979 and a doctorate degree of Philosophy from The Chinese University of Hong Kong in December 1993.

Professor Chan has been teaching marketing at The Chinese University of Hong Kong since 1986 and is currently the director of its Executive MBA Programme. He was awarded the Vice-Chancellor's Exemplary Teaching Award in 2001 and 2009.

From 1999 to 2005, Professor Chan was chairman of the Hong Kong Consumer Council, while during 2004 to 2010, he was chairman of the Hong Kong Deposit Protection Board. Currently, he is the chairman of the Process Review Committee of the Hong Kong Monetary Authority, a member of the Quality Tourism Services Sub-Committee of the Hong Kong Tourism Board, an advisor to the Governing Council of the Quality Tourism Services Association and the chairman of the Chinese Medicine Council of Hong Kong. In recognition of his distinguished public and community service, he was appointed as a Justice of the Peace in 2005 by the Hong Kong SAR Government and was awarded the Silver Bauhinia Star in 2007.

In addition to his directorship in our Company, Professor Chan is currently an independent non-executive director of Tao Heung Holdings Limited (stock code: 573), a company listed on the Main Board of the Stock Exchange.

# Biographical Details of Directors and Senior Management

**Dr. Luk Yim Fai**, aged 62, is an independent non-executive Director, the chairman of our remuneration committee and a member of our audit committee, nomination committee and compliance committee. He was appointed as an independent non-executive Director on 24 June 2014. Dr. Luk is responsible for providing independent judgment on issues of strategy, performance, resources and standards of conduct of our Group. Dr. Luk graduated from the University of Chicago, the United States with a bachelor's degree in economics in June 1974 and obtained a master's degree of Arts and a doctorate degree of Philosophy from Cornell University, the United States in May 1983 and August 1989 respectively.

Dr. Luk currently serves as an associate professor of the School of Economics and Finance at the University of Hong Kong. He has been an associate dean (IMBA and special projects) of the Faculty of Business and Economics since August 2012, and was a director of the School of Economics and Finance from July 2001 to February 2012 at The University of Hong Kong. Dr. Luk's teaching career in Hong Kong started in January 1985 at The Chinese University of Hong Kong as an assistant lecturer of the Department of Economics, he then moved on to be a lecturer and began his teaching at the School of Economics and Finance at The University of Hong Kong from September 1993 as a lecturer and has been an associate professor since May 2004.

Dr. Luk was a member of the Banking and Finance Industrial Training Board, the Vocational Training Council and a member of the Economics Subject Committee, Hong Kong Examinations Authority from January 1999 to December 1999 and September 1989 to August 1992 respectively.

## SENIOR MANAGEMENT

**Mr. Tam Hon Fai**, aged 31, is the financial controller of our Company. Mr. Tam joined our Group in February 2014. Mr. Tam is responsible for financial operations and management of our Group. Mr. Tam graduated from the Hong Kong University of Science and Technology with a bachelor's degree majoring in accounting in May 2006.

Mr. Tam has over 4 years of experience in auditing and accounting. He worked at Deloitte Touche Tohmatsu from September 2006 to August 2011. From December 2011 to July 2013, Mr. Tam was the company secretary of Noble House (China) Holdings Limited (stock code: 8246), a company listed on GEM of the Stock Exchange responsible for general corporate governance affairs. Mr. Tam has been a qualified accountant of the Hong Kong Institute of Certified Public Accountants since January 2010.

**Ms. Liu Huanming**, aged 42, is the consultant of our Group. She joined our Group in January 2012 and is responsible for strategic planning and providing assistance from the medical perspective. Ms. Liu obtained a bachelor's degree in clinical medicine and a master's degree in ophthalmology from Shandong Medical University, which later merged with other institutions to form Shandong University, the PRC in July 1995 and June 2000 respectively. Ms. Liu was awarded a doctorate degree of Philosophy in Ophthalmology and Visual Sciences from The Chinese University of Hong Kong in December 2010. Ms. Liu has been a qualified doctor in the PRC since May 1999 and practised at Shandong Province Qianfushan Hospital from December 1999 to June 2006.

**Ms. Lui Yin Ping**, aged 42, is the general manager (customer service) of our Group. Ms. Lui joined our Group in July 2009, and is responsible for the supervision of operation and performance of the CS Department. Ms. Lui obtained an Executive Secretarial Diploma from Professional of Career Youth Department of Hong Kong Young Women's Christian Association in October 1996. She has over 20 years of experience in the customer service field. Prior to joining our Group, she worked in various positions relating to customer relations in Reader's Digest Association Far East Limited, a publisher from June 1995 to February 2008, where she was mainly responsible for handling customer inquiries and complaints and assisting the manager to carry out the customer loyalty program. From April 2008 to June 2009, Ms. Lui worked as a customer service executive of Bamboos Limited, responsible for providing general customer services.

# Biographical Details of Directors and Senior Management

**Ms. Lao Liling**, aged 41, is the internal audit officer of our Group. She joined our Group in April 2013. Ms. Lao is responsible for the overall quality control and the compliance with internal procedures and certifications of our Company. She obtained her master's degree of business administration in executive management from Royal Roads University, British Columbia, Canada in June 2010. She also completed the SA8000 Introduction & basic auditor course in Guangzhou China conducted by the Social Accountability International in August 2009.

She has over 13 years of experience in quality assurance, including working as the general manager of business development, in Hong Kong Quality Assurance Agency from July 2006 to January 2013, where she was responsible for operations management prior to joining our Group.

## COMPANY SECRETARY

**Mr. Cheng Chin Wing**, aged 29, is our company secretary and an authorised representative of our Company. Mr. Cheng obtained a bachelor's degree in accountancy from the Hong Kong Baptist University in May 2008.

Mr. Cheng has over 5 years of experience in auditing and financial reporting. Mr. Cheng joined our Group in February 2014 and was appointed as our company secretary in March 2014. Prior to joining our Group, Mr. Cheng was the deputy financial controller of Noble House (China) Holdings Limited (stock code: 8246) from April 2012 to October 2013, where he was responsible for the management of the financial reporting function and internal control over financial reporting of the group. From September 2008 to April 2012, Mr. Cheng worked at the audit department of Deloitte Touche Tohmatsu. He has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since January 2012.

# Directors' Report

## REPORT OF THE DIRECTORS

The Directors of the Company submit herewith their annual report together with the audited financial statements for the year ended 30 June 2014.

## CORPORATE REORGANISATION

The Company was incorporated with limited liability in the Cayman Islands on 23 November 2012.

The companies now comprising the Group underwent a reorganisation ("Reorganisation") to rationalise the structure of the Group in preparation for the initial public offering of the shares of the Company on GEM of the Stock Exchange. Pursuant to the Reorganisation, the Company became the holding company of the subsidiaries now comprising the Group. Further details of the Reorganisation are set out in the section headed "History and Reorganisation and Group structure" to the Prospectus.

The shares of the Company were listed on the GEM of the Stock Exchange by way of Placing with effect from 8 July 2014.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are set out in note 12 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the Year.

## RESULTS AND DIVIDENDS

The Group's profit for the year ended 30 June 2014 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 31 to 66.

The Board does not recommend the payment of a final dividend for the year ended 30 June 2014.

## SUMMARY OF FINANCIAL INFORMATION

A summary of the results, assets, liabilities of the Group for the past three financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out on page 67. This summary does not form part of the audited financial statements.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 17 to the financial statements.

## BANK BORROWINGS

Particulars of bank borrowings of the Group as at 30 June 2014 are set out in note 28 to the financial statements.

## SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in note 24 to the financial statements.

# Directors' Report

## **DISTRIBUTABLE RESERVES**

The Company has no distributable reserves as at 30 June 2014.

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

Neither our Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities since the Listing Date and up to the date of this annual report.

## **DIRECTORS**

The Directors of the Company during the Year and up to the date of this annual report were:

### **Executive Directors**

Mr. Kwan Chi Hong (Chairman) (appointed on 23 November 2012 and designated as Executive Director on 28 March 2014)

Mr. Hai Hiu Chu (Chief Executive Officer) (appointed on 23 November 2012 and designated as Executive Director on 28 March 2014)

### **Non-executive Director**

Mr. Mok Gar Lon, Francis (appointed on 8 May 2013)

### **Independent non-executive Directors**

Mr. Lam Cheung Wai (appointed on 24 June 2014)

Professor Chan Chi Fai, Andrew (appointed on 24 June 2014)

Dr. Luk Yim Fai (appointed on 24 June 2014)

All our Directors, including non-executive and independent non-executive Directors, are subject to retirement by rotation and eligible for re-election in accordance with our Company's articles of association. At each annual general meeting, not less than one third of the Directors then in office shall retire and every Director is subject to retirement by rotation at least once every three years.

### **Confirmation of Independence**

Each independent non-executive Director has given the Company an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that all the independent non-executive Directors are independent and meet the independent guidelines set out in Rule 5.09 of the GEM Listing Rules.

## **DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES**

Biographical details of the Directors and the senior management of the Group are set out on pages 18 to 21 of this annual report.

## **DIRECTORS' SERVICE CONTRACTS**

Each of the executive Directors and the non-executive Director has entered into a service agreement with our Company for an initial term of three years commencing from the Listing Date, and will continue thereafter until terminated by not less than three months' written notice or subject to the terms and conditions thereunder. Each of the independent non-executive Directors has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from the Listing Date and may be terminated by not less than three months' written notice.

# Directors' Report

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company, which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

None of our Directors had a material interest, whether directly or indirectly, in any contract of significance to the business of our Group to which our Company or any of its subsidiaries was a party at the end of the Year or at any time during the Year.

As at 30 June 2014, no contract of significance had been entered into between our Company, or any of its subsidiaries and the controlling Shareholders or any of its subsidiaries.

## DIRECTORS' INTERESTS IN COMPETING INTERESTS

None of the Directors or their respective associates (as defined under the GEM Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group and any other conflict of interest with the Group during the Year and up to the date of this annual report.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

### Directors' and chief executives' interests and short positions in the shares of the Company

As at 30 June 2014, the shares of our Company were not listed on GEM. The respective Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO"), Section 352 of the SFO and Rules 5.46 to 5.67 of the GEM Listing Rules were not applicable.

As at the date of this annual report, interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) held by the Directors and chief executives of the Company which have been 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 were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules are as follows:

### Long positions in shares

Name of Directors	Nature of interest	Number of shares	Percentage of shareholding (%)
Ms. Hai Hiu Chu	Interest of a controlled corporation	270,000,000 (Note 1)	75%
	Deemed interest	30,000,000 (Note 3)	
Mr. Kwan Chi Hong	Interest of a controlled corporation	30,000,000 (Note 2)	75%
	Deemed interest	270,000,000 (Note 3)	



# Directors' Report

Note:

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

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

As at 30 June 2014, the shares of our Company were not listed on the GEM. So far as our Directors are aware, as at the date of this annual report, other than the director and chief executive of our Company, the following persons/entities have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

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

Note:

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

## SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally approved by a resolution of the Shareholders passed on 24 June 2014 and became unconditional upon the Listing of the Company's shares on the Stock Exchange. The principal terms of which are set out in the paragraph headed "Share Option Scheme" in the section headed "Further information about our Company" in Appendix IV to the Prospectus.

The purpose of the Share Option Scheme is to reward Participants (as defined in the following paragraph) who have contributed to our Group and to encourage Participants to work towards enhancing the value of our Company and our Shares for the benefit of our Company and our Shareholders as a whole.

Our Directors may, at their discretion, offer options to subscribe to such number of Shares in accordance with the terms set out in the Share Option Scheme to the following persons (the "Participants"): directors (including executive Directors, non-executive Director and independent non-executive Directors) and employees of our Group and any advisers, consultants, distributors, contractors, suppliers, agents, customers, partners, joint venture business partners, promoters or service providers of any member of our Group who our Board considers, in its sole discretion, have contributed or will contribute to our Group.

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Company shall not, in the absence of Shareholders' approval, in aggregate exceed 10% in nominal amount of the aggregate number of Shares in issue on 8 July 2014 (the "Listing Date"). As at the date of this annual report, the total number of Share available for issue under the Share Option Scheme is 40,000,000 Shares, representing 10% of the issued share capital of our Company. No options may be granted to any Participant of the Share Option Scheme such that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital for the time being.

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of grant under the Share Option Scheme (the "Option Period"). After the expiration of the Option Period, no further Options shall be offered or granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects. Options granted during the life of the Share Option Scheme shall continue to be exercisable in accordance with their terms of grant after the end of the ten-year period.

There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the Share Option Scheme. Participants of the Share Option Scheme are required to pay the Company HK\$1.0 upon acceptance of the grant within 28 days after the offer date.

The subscription price shall be determined by our Board in its absolute discretion but in any event shall not be less than the higher of:

- (i) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date on which the option is granted, which date must be a business day;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days immediately preceding the date on which the option is granted; and
- (iii) the nominal value of the Shares.

The Share Option Scheme shall be valid and effective for a period of 10 years from 8 July 2014, after which no further options will be granted or offered.

# Directors' Report

There is no option outstanding, granted, cancelled, exercised and lapsed during the year ended 30 June 2014 and as at the date of this annual report.

## **INTERESTS OF THE COMPLIANCE ADVISERS**

In accordance with Rule 6A.19 of the GEM Listing Rules, our Company has appointed Halcyon Capital Limited ("Halcyon") to be the compliance adviser. Halcyon, being the sponsor of our Company in relation to the Listing, has declared its independence pursuant to Rule 6A.07 of the GEM Listing Rules. Save as provided for in relation to the Placing and/or disclosed in the Prospectus, neither Halcyon nor any of its associates and none of our directors or employees of Halcyon who have been involved in providing advice to our Company as the sponsor, has or may, as a result of the Placing, have any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities, if any) as at 30 June 2014.

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

## **MAJOR CUSTOMERS AND SUPPLIERS**

During the year ended 30 June 2014, the revenue attributable to our five largest clients accounted for less than 30% of our revenue for the Year. Costs payable to our five largest healthcare personnel placed by us also accounted for less than 30% of our total pay-out costs for the Year. During the Year, none of our Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in these clients or healthcare personnel of our Group.

## **RELATED PARTY TRANSACTIONS**

Related party transactions in relation to the rental fee paid to a related party during the year ended 30 June 2014 as set out in note 31 to the financial statements fall under the definition of "continuing connected transaction" in Chapter 20 of the GEM Listing Rules and are exempted from the reporting, annual review, announcement and independent shareholders' approval requirement set out in Chapter 20 of the GEM Listing Rules. Further details are set out in the section headed "Connected Transactions" in the Prospectus.

Save as disclosed above, our Directors consider that those material related party transactions disclosed in note 31 to the financial statements did not fall under the definition of "connected transactions" or "continuing connected transactions" (as the case may be) in Chapter 20 of the GEM Listing Rules which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules. Our Company confirmed that we have complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

## **CORPORATE GOVERNANCE**

Principal corporate governance practices as adopted by the Company are set out in the section headed "Corporate Governance Report" on pages 4 to 11.

# Directors' Report

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the Company and within the knowledge of the Directors, up to the date of this annual report, there is sufficient public float of 25% of the Company's issued shares as required under the GEM Listing Rules.

## **PRE-EMPTIVE RIGHTS**

There is no provision for pre-emptive rights under the Company's articles of association and there was no restriction against such rights under the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## **CLOSURE OF REGISTER OF MEMBERS**

In order to determine entitlements to attend and vote at the annual general meeting, the register of members of the Company will be closed from Tuesday, 28 October 2014 to Thursday, 30 October 2014, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 27 October 2014.

## **AUDITOR**

PricewaterhouseCoopers was appointed as the first auditor of the Company and will retire and, being eligible, offer itself for reappointment as auditor of the Company at the forthcoming annual general meeting.

By order of the Board of  
Bamboos Health Care Holdings Limited  
**Kwan Chi Hong**  
*CHAIRMAN*

Hong Kong, 24 September 2014

# Independent Auditor's Report



羅兵咸永道

## TO THE SHAREHOLDERS OF BAMBOOS HEALTH CARE HOLDINGS LIMITED

*(incorporated in Cayman Islands with limited liability)*

We have audited the consolidated financial statements of Bamboos Health Care Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 31 to 66, which comprise the consolidated and company balance sheets as at 30 June 2014, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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# Independent Auditor's Report



羅兵咸永道

## OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2014, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 24 September 2014

# Consolidated Statement of Comprehensive Income

For the year ended 30 June 2014

	Note	2014 HK\$'000	2013 HK\$'000
Revenue	6	36,540	30,258
Other income	7	1,863	1,092
Employee benefit expenses	9	(7,363)	(6,252)
Operating lease rentals		(720)	(619)
Other operating expenses	8	(16,846)	(7,808)
<b>Operating profit</b>		<b>13,474</b>	16,671
Finance costs	11	(372)	(336)
<b>Profit before income tax</b>		<b>13,102</b>	16,335
Income tax expense	13	(4,403)	(3,269)
<b>Profit and total comprehensive income for the year attributable to equity holders of the Company</b>		<b>8,699</b>	13,066
<b>Earnings per ordinary share attributable to the equity holders of the Company</b>			
Basic and diluted	15	<b>HK2.90 cents</b>	HK4.36 cents

The notes are an integral part of these consolidated financial statements.

	Note	2014 HK\$'000	2013 HK\$'000
Dividend	16	23,000	–



# Consolidated Balance Sheet

As at 30 June 2014

	Note	2014 HK\$'000	2013 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	17	465	922
Prepayments and deposits	20	–	299
Deferred income tax assets	29	12	–
		<b>477</b>	1,221
<b>Current assets</b>			
Trade receivables	19	15,337	14,764
Prepayments, deposits and other receivables	20	3,967	919
Amount due from a related company	21	60	–
Cash and bank balances	23	19,057	29,446
		<b>38,421</b>	45,129
<b>Total assets</b>		<b>38,898</b>	46,350
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital	24	–	–
Retained earnings		6,331	20,632
<b>Total equity</b>		<b>6,331</b>	20,632
<b>Non-current liabilities</b>			
Deferred income tax liabilities	29	–	55
<b>Current liabilities</b>			
Trade payables	26	10,571	8,989
Accruals and other payables	27	8,849	1,994
Amount due to a related company	21	115	752
Amounts due to directors	22	160	–
Tax payable		4,802	3,579
Bank borrowings	28	8,070	10,349
		<b>32,567</b>	25,663

# Consolidated Balance Sheet

As at 30 June 2014

	Note	2014 HK\$'000	2013 HK\$'000
<b>Total liabilities</b>		<b>32,567</b>	25,718
<b>Total equity and liabilities</b>		<b>38,898</b>	46,350
<b>Net current assets</b>		<b>5,854</b>	19,466
<b>Total assets less current liabilities</b>		<b>6,331</b>	20,687

On behalf of the board

**Kwan Chi Hong**

Director

**Hai Hiu Chu**

Director

The notes are an integral part of these consolidated financial statements.

# Balance Sheet

As at 30 June 2014

	Note	2014 HK\$'000	2013 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	12	16,672	–
<b>Current assets</b>			
Prepayments	20	3,496	625
<b>Total assets</b>		<b>20,168</b>	625
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital	24	–	–
Contributed surplus	25	16,672	–
Accumulated losses	25	(15,830)	(3,627)
<b>Total equity/(deficits)</b>		<b>842</b>	(3,627)
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accruals and other payables	27	6,643	446
Amount due to a subsidiary	12	12,683	3,806
<b>Total liabilities</b>		<b>19,326</b>	4,252
<b>Total equity and liabilities</b>		<b>20,168</b>	625
<b>Net current liabilities</b>		<b>(15,830)</b>	(3,627)
<b>Total assets less current liabilities</b>		<b>842</b>	(3,627)

On behalf of the board

**Kwan Chi Hong**

Director

**Hai Hiu Chu**

Director

The notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Changes in Equity

For the year ended 30 June 2014

	Attributable to the equity holders of the Company		
	Share capital (Note 24) HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 1 July 2012	–	7,566	7,566
Total comprehensive income			
Profit for the year	–	13,066	13,066
At 30 June 2013	–	20,632	20,632
At 1 July 2013	–	<b>20,632</b>	<b>20,632</b>
Total comprehensive income			
Profit for the year	–	<b>8,699</b>	<b>8,699</b>
Transaction with owners:			
Dividend (Note 16)	–	<b>(23,000)</b>	<b>(23,000)</b>
At 30 June 2014	–	<b>6,331</b>	<b>6,331</b>

The notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Cash Flows

For the year ended 30 June 2014

	2014 HK\$'000	2013 HK\$'000
<b>Cash flow from operating activities</b>		
Profit before income tax	13,102	16,335
Adjustments for:		
– Depreciation	483	412
– Finance costs	372	336
	<b>13,957</b>	17,083
Changes in working capital:		
– Trade receivables	(573)	2,013
– Prepayments, deposits and other receivables	421	(707)
– Balances with directors and related companies	670	–
– Trade payables, accruals and other payables	5,267	1,701
	<b>19,742</b>	20,090
Cash generated from operations	(372)	(336)
Interest paid	(3,247)	(4,343)
Income tax paid		
<b>Net cash generated from operating activities</b>	<b>16,123</b>	15,411
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(26)	(512)
<b>Net cash used in investing activities</b>	<b>(26)</b>	(512)
<b>Cash flows from financing activities</b>		
Balances with directors and related companies	(9,989)	354
Dividend paid	(14,218)	–
Proceeds from bank borrowings	–	12,000
Repayment of bank borrowings	(2,279)	(1,651)
<b>Net cash (used in)/generated from financing activities</b>	<b>(26,486)</b>	10,703
<b>Net (decrease)/increase in cash and bank balances</b>	<b>(10,389)</b>	25,602
Cash and bank balances at 1 July	29,446	3,844
Cash and bank balances at 30 June	<b>19,057</b>	29,446

Major non-cash transactions:

During the year ended 30 June 2014, dividend amounting to HK\$8,782,000 was settled through current account with a director.

The notes are an integral part of these consolidated financial statements.

# Notes to the Consolidated Financial Statements

## 1 GENERAL INFORMATION

Bamboos Health Care Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 23 November 2012 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business is Unit B-C, 16/F, E-Trade Plaza, 24 Lee Chung Street, Chai Wan, Hong Kong. The Company’s shares are listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited (“the “Stock Exchange”) on 8 July 2014 (the “Listing”).

The Company is an investment holding company and its subsidiaries (together, the “Group”) are principally engaged in the provision of healthcare staffing solution services.

Pursuant to a group reorganisation (the “Reorganisation”) in preparation for the Listing completed on 28 March 2014, the Company acquired the entire share capital of Achiever Team Limited and became the holding company of the subsidiaries now comprising the Group, further details of which are set out in the prospectus issued by the Company dated 30 June 2014 (the “Prospectus”).

On 24 June 2014, the authorised share capital of the Company was increased from HK\$10,000 to HK\$20,000,000 by the creation of 1,999,000,000 shares of HK\$0.01 each. On 8 July 2014, 299,999,980 shares were issued by way of capitalisation of share premium arising from the gross proceeds of HK\$50,000,000 from the issue of 100,000,000 shares to public investors at the offer price of HK\$0.5 per share. Upon the Listing on 8 July 2014, the Company is 67.5% held by Gold Empress Limited (which is wholly owned by Ms. Hai Hiu Chu) and 7.5% held by Gold Beyond Limited (which is wholly owned by Mr. Kwan Chi Hong), and 25% held by public investors.

These financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 24 September 2014.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### 2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) under the historical cost convention.

The preparation of financial statements in conformity with HKFRS 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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

Prior to and following the Reorganisation, the Company and its subsidiaries were and are directly or indirectly controlled by the same shareholders. Accordingly, the Reorganisation has been accounted for as a reorganisation of businesses under common control in a manner similar to a uniting of interests. The consolidated financial statements of the Group for the year ended 30 June 2014 including the comparative figures have been prepared on the merger basis as if the Company has been the holding company of these companies comprising the Group since 1 July 2012, or since the dates of their incorporation or establishment.

All accounting standards, amendments and interpretation to standards effective for annual periods on or before 1 July 2013 had already been adopted upon the preparation of the financial statements underlying the comparative financial figures.

The following new standards, amendments and interpretation to existing standards have been published by the HKICPA but are not yet effective and have not been early adopted by the Group:

- HKFRS 9, "Financial instruments" <sup>5</sup>;
- Additions to HKFRS 9, "Financial instruments – Financial liabilities" <sup>5</sup>;
- HKFRS 14, "Regulatory deferral accounts" <sup>3</sup>;
- HKFRS 15, "Revenue from contracts with customers" <sup>4</sup>;
- HK(IFRIC)-Int 21-"Levies" <sup>1</sup>;
- Amendments to HKAS 16 "Property, plant and equipment" and HKAS 38 "Intangible assets" – Clarification of acceptable methods of depreciation and amortisation <sup>3</sup>;
- Amendments to HKAS 16 "Property, plant and equipment" and HKAS 41 "Agriculture" – Agriculture: Bearer plants <sup>3</sup>;
- Amendment to HKAS 19, "Employee benefits" on employee contribution <sup>2</sup>;
- Amendment to HKAS 32, "Financial instruments: Presentation" on asset and liability offsetting <sup>1</sup>;
- Amendment to HKAS 36, "Impairment of assets" on recoverable amount disclosures <sup>1</sup>;
- Amendment to HKAS 39 "Financial instruments: Recognition and measurement" – Novation of derivatives <sup>1</sup>;
- Amendments to HKFRS 10, 12 and HKAS 27, "Consolidation for investment entities" <sup>1</sup>;
- Amendments to HKFRS 11, "Joint Arrangements" – Accounting for acquisitions of interests in joint operations <sup>3</sup>;
- Amendments to HKFRSs, "Improvements to HKFRSs 2010-2012 cycle" <sup>2</sup>; and
- Amendments to HKFRSs, "Improvements to HKFRSs 2011-2013 cycle" <sup>2</sup>.

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2014

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2015

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2016

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2017

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2018

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



# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.2 Consolidation

#### *Subsidiaries*

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Except for the Reorganisation, the Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

During the year, save as disclosed in Note 1, the Group did not involve in any acquisition of subsidiaries. During the year, the Group did not have any non-controlling interest.

### 2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.4 Foreign currency translation

#### (i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's and its subsidiaries' functional and the Group's presentation currency.

#### (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company who make strategic decisions.

### 2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisitions of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost of each asset to their residual values over their estimated useful lives, as follows:

Leasehold improvements	Over the unexpired period of lease or useful life, whichever is shorter
Furniture and fixtures	20%
Computer equipment	20%
Motor vehicles	20%

# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.6 Property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### 2.7 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units"). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

### 2.8 Financial assets

The Group classifies its financial assets into loans and receivables. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprises trade and other receivables, deposits, amount due from a related company, and cash and bank balances.

Regular way purchases and sales of financial assets are recognised on trade-date, that is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using effective interest method.

# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.9 Impairment of financial assets carried at amortised cost

The Group assesses at the balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivable category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

### 2.10 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

### 2.12 Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Financial liabilities (as disclosed in Note 18) are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. An equity instrument is any contract that does not meet the definition of financial liability and evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Ordinary shares are classified as equity. Incremental costs, net of tax, directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

### 2.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2.14 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.15 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.15 Current and deferred income tax (continued)

#### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the places where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (b) Deferred income tax

##### *Inside basis differences*

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

##### *Outside basis differences*

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

#### (c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.16 Employee benefits

#### (i) Pension obligations

The Group participates in a defined contribution retirement benefit plan which is available to all relevant employees. The plan is generally funded through payments to schemes established by trustee-administered funds. A defined contribution plan is a pension plan under which the Group pays contributions on a mandatory, contractual or voluntary basis into a separate entity. The contributions are recognised as employee benefit expenses when they are due. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to employee service in the current and prior periods.

All contributions to pension plans are fully and immediately vested and the Group has no unvested benefits available to reduce its future contributions.

#### (ii) Bonus plan

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities of bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

### 2.17 Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from the provision of healthcare staffing solution services is recognised when the relevant services have been performed by the healthcare personnel as referred by the Group in accordance with services requested by the respective healthcare service demanders.

Advertising income is recognised at the time when the relevant advertisements have been published on a healthcare-related magazine which is issued by the Group for free distributions.

Interest income is recognised using the effective interest method.



# Notes to the Consolidated Financial Statements

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.18 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

### 2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

## 3 FINANCIAL RISK MANAGEMENT

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk, and cash flow interest-rate risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### (a) Foreign exchange risk

The Group operates in Hong Kong with all of its transactions denominated and settled in Hong Kong dollars, management are of the opinion that the Group's exposures to changes in exchange rates of foreign currencies are insignificant.

The Group does not use any derivative financial instruments to hedge its exposure to foreign exchange risk.

#### (b) Credit risk

The Group has no significant concentrations of credit risk. The carrying amounts of cash at banks, trade receivables, deposits and other receivables and amount due from a related company included in the balance sheet represent the Group's maximum exposure to credit risk in relation to its financial assets.

The Group's cash at banks is deposited in major financial institutions located in Hong Kong, which are of high credit rating. Management does not expect any losses arising from non-performance by these counterparties.

The Group also has policies in place to ensure that services are made to customers with an appropriate credit history.

# Notes to the Consolidated Financial Statements

## 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

Management makes periodic collective assessment as well as individual assessment on the recoverability of trade and other receivables based on historical payment records, the length of the overdue period, the financial strength of the trade and other debtors and whether there are any disputes with the relevant debtors. The Group collects service fees earned by healthcare personnel on their behalf. The billing amounts on the commercial invoices issued by the Group to the service demanders represent the aggregate sums of the respective service fees attributable to the healthcare personnel and the Group, and the credit risk in respect of the former is not contractually assumed by the Group although there is generally a timing asymmetry between the payments to these personnel which are made on a monthly basis and the receipts of total invoiced amounts. Taking into account that there is no significant default by the service demanders in the past, management is of the opinion that no provision for uncollectible trade receivables is required in the consolidated financial statements.

#### (c) Liquidity risk

Prudent liquidity management implies maintaining sufficient cash and bank balances.

The Group's primary cash requirements have been the payment of service fees to healthcare personnel on behalf of the respective service demanders, operating expenses and repayment of bank borrowings. The Group mainly finances its working capital requirements through internal resources.

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure it maintains sufficient cash and bank balances to meet its liquidity requirements in the short and long term.

Taking into account the repayment on demand clauses on bank borrowings, the Group's financial liabilities as at 30 June 2014 were all due for settlement contractually within 12 months, with their contractual undiscounted cash flows approximate their respective carrying amounts.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payments computed using contractual rates, based on the earliest date on which the Group can be required to pay. For the purpose of maturity analysis, the maturity date of bank borrowings with a repayment on demand clause is based on agreed scheduled repayments set out in the loan agreements, disregarding the repayment on demand clauses. Taking into account the Group's financial position, management do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. Management believe that such term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreement.

# Notes to the Consolidated Financial Statements

## 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 3.1 Financial risk factors (Continued)

#### (c) Liquidity risk (continued)

	Within 1 year HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Total HK\$'000
<b>Group</b>				
<b>At 30 June 2014</b>				
Trade payables	10,571	–	–	10,571
Accruals and other payables	8,849	–	–	8,849
Amount due to a related company	115	–	–	115
Amounts due to directors	160	–	–	160
Bank borrowings	2,652	2,652	3,094	8,398
<b>At 30 June 2013</b>				
Trade payables	8,989	–	–	8,989
Accruals and other payables	1,994	–	–	1,994
Amount due to a related company	752	–	–	752
Bank borrowings	2,652	2,652	5,967	11,271
<b>Company</b>				
<b>At 30 June 2014</b>				
Accruals and other payables	6,643	–	–	6,643
Amount due to a subsidiary	12,683	–	–	12,683
<b>At 30 June 2013</b>				
Accruals and other payables	446	–	–	446
Amount due to a subsidiary	3,086	–	–	3,086

#### (d) Cash flow interest-rate risks

The Group does not have any significant interest bearing financial assets or liabilities except for cash at banks and bank borrowings, details of which are disclosed in note 23 and note 28, respectively. Borrowings are all carried at floating rates which expose the Group to cash flow interest rate risk. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

At 30 June 2014, if interest rates on floating rate borrowings had been 100 basis points higher/lower with all other variables held constant, profit before income tax for the years ended 30 June 2014 would have been approximately HK\$110,000 (2013: HK\$191,000) lower/higher, mainly as a result of higher/lower interest expenses on floating rate borrowings.

# Notes to the Consolidated Financial Statements

## 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders, issue new shares or obtain bank borrowings.

The Group also monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and bank balances. Total capital is calculated as "equity", as shown in the consolidated balance sheet, plus net debt.

As at 30 June 2014, the Group has a net cash position and its cash and bank balances exceeded the total balance of borrowings by HK\$10,987,000 (2013: HK\$19,097,000) respectively. Accordingly, the analysis on the Group's gearing ratio is not presented in the consolidated financial statements.

### 3.3 Fair value estimation

As at 30 June 2014 and 2013, the Group did not have any financial assets or financial liabilities that are measured at fair value.

The carrying amounts of the Group's current financial assets, including cash and bank balances, trade receivables, deposits and other receivables and amount due from a related company; and the Group's current financial liabilities including trade payables, accruals and other payables, amounts due to a related company and directors, and bank borrowings, approximate their fair values due to their short maturities.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing consolidated financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, or the presentation of the consolidated financial statements within the next financial year are discussed below.

### Determination of the Group's role as a principal or an agent

The management considers that under the Group's healthcare staffing solution services, it is acting as an agent, taking into account the totality of all relevant attributes underlying the service arrangements. The major consideration taken in this assessment included whether employment relationships exist between the Group and the healthcare personnel assigned; and the degree of (a) its credit risks in respect of service fee attributable to the healthcare personnel; (b) its contractual exposures to any unfavourable outcome of the healthcare services rendered by the healthcare personnel assigned; and (c) latitude in its determination of service fee arrangement. The management reassesses the Group's position upon any subsequent changes in the existing service arrangements.

# Notes to the Consolidated Financial Statements

## 5 SEGMENT INFORMATION

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

The Group primarily operates in Hong Kong with all of its non-current assets located at and capital expenditure incurred in Hong Kong. During the years ended 30 June 2014 and 2013, all revenue is earned from external customers in Hong Kong.

## 6 REVENUE

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Turnover		
Revenue from provision of healthcare staffing solution services	<b>36,540</b>	30,258

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

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Gross fee	<b>163,074</b>	141,967
Cost attributable to healthcare personnel	<b>(126,534)</b>	(111,709)
	<b>36,540</b>	30,258

Gross fee does not represent the Group's revenue.

## 7 OTHER INCOME

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Advertising income	<b>1,111</b>	519
Others	<b>752</b>	573
	<b>1,863</b>	1,092

# Notes to the Consolidated Financial Statements

## 8 OTHER OPERATING EXPENSES

Included in other operating expenses are the following:

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Depreciation (Note 17)	<b>483</b>	412
Auditor's remuneration	<b>750</b>	600
Legal and professional fee	<b>120</b>	140
Professional service fees in respect of listing preparation	<b>12,203</b>	3,627
Rates and management fee	<b>71</b>	194
Building naming license fee	<b>–</b>	153
Postage, utilities charges and general office expenses	<b>802</b>	606
Travelling and transportation expenses	<b>167</b>	142
Printing costs	<b>770</b>	617
Advertising and promotion expenses	<b>332</b>	397
Insurance expenses	<b>207</b>	228
Other expenses	<b>941</b>	692
	<b>16,846</b>	7,808

## 9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' REMUNERATIONS)

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Wages, salaries and bonus	<b>6,611</b>	5,777
Pension costs – defined contribution plan	<b>260</b>	237
Other staff welfare	<b>492</b>	238
	<b>7,363</b>	6,252

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), which is a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the Hong Kong subsidiary of the Group and its Hong Kong employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions made by the Group and the employees are subject to a cap of HK\$1,250 prior to 1 June 2014 and HK\$1,500 thereafter, with contributions beyond these amounts being voluntary.

# Notes to the Consolidated Financial Statements

## 10 DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATIONS

### (a) Directors' remunerations

The aggregate amount of emoluments paid/payable to directors of the Company is as follows:

	2014 HK\$'000	2013 HK\$'000
Fees	670	700
Basic salaries, bonuses, others allowances and benefits in kind	–	–
Pension costs – defined contribution plan	30	–
	<b>700</b>	700

The remunerations of each director for the year ended 30 June 2014 are set out below:

	Fees HK\$'000	Salaries and allowances HK\$'000	Discretionary bonuses HK\$'000	Employer's contribution to pension scheme HK\$'000	Total HK\$'000
<i>Executive directors</i>					
Mr. Kwan Chi Hong	385	–	–	15	400
Ms. Hai Hiu Chu (Chief executive)	285	–	–	15	300
<i>Non-executive director</i>					
Mr. Mok Gar Lon, Francis (Note ii)	–	–	–	–	–
<i>Independent non-executive directors</i>					
Mr. Lam Cheung Wai (Note i)	–	–	–	–	–
Professor Chan Chi Fai, Andrew (Note i)	–	–	–	–	–
Dr. Luk Yim Fai (Note i)	–	–	–	–	–
	<b>670</b>	–	–	<b>30</b>	<b>700</b>



# Notes to the Consolidated Financial Statements

## 10 DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATIONS (CONTINUED)

### (a) Directors' remunerations (continued)

The remunerations of each director for the year ended 30 June 2013 are set out below:

	Fees HK\$'000	Salaries and allowances HK\$'000	Discretionary bonuses HK\$'000	Employer's contribution to pension scheme HK\$'000	Total HK\$'000
<i>Executive directors</i>					
Mr. Kwan Chi Hong	400	–	–	–	400
Ms. Hai Hiu Chu (Chief executive)	300	–	–	–	300
<i>Non-executive director</i>					
Mr. Mok Gar Lon, Francis (Note ii)	–	–	–	–	–
	700	–	–	–	700

No directors waived or agreed to waive any emoluments during the years ended 30 June 2014 and 2013.

Notes:

- (i) Mr. Lam Cheung Wai, Professor Chan Chi Fai Andrew and Dr. Luk Yim Fai were appointed as the Company's independent non-executive directors on 24 June 2014. During the year ended 30 June 2014, the independent non-executive directors received no directors' remuneration in the capacity of independent non-executive directors.
- (ii) Mr. Mok Gar Lon, Francis was appointed as the Company's non-executive director on 8 May 2013. During the years ended 30 June 2014 and 2013, the non-executive director received no director's remuneration in the capacity of non-executive director.

### (b) Five highest paid individuals

The five individuals whose emolument were the highest in the Group for the year include two (2013: two) directors whose emoluments are reflected in the analysis presented in Note 10(a) above. The emoluments payable to the remaining three (2013: three) individuals during the year are as follows:

	2014 HK\$'000	2013 HK\$'000
Basic salaries, bonuses, others allowances and benefits in kind	1,404	1,026
Pension costs – defined contribution plan	28	41
	1,432	1,067

# Notes to the Consolidated Financial Statements

## 10 DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATIONS (CONTINUED)

The emoluments fell within the following bands:

	2014	2013
Emolument Bands		
Nil to HK\$1,000,000	3	3

No emoluments have been paid to the directors of the Company or the highest paid individuals as an inducement to join or upon joining the Company or as compensation for loss of office during the year.

## 11 FINANCE COSTS

	2014 HK\$'000	2013 HK\$'000
Finance costs:		
– Interest expenses arising from bank borrowings	372	336

## 12 INTERESTS IN SUBSIDIARIES – COMPANY

### (a) Investments in subsidiaries

	2014 HK\$'000	2013 HK\$'000
Unlisted investment, at cost	16,672	–

As at 30 June 2014, the Company had direct and indirect interests in the following subsidiaries, all being limited liability companies:

Name	Place and date of incorporation	Place of operation and principal activities	Particulars of issued/ registered and paid up capital	Interest held	
				2014	2013
<b>Directly held:</b>					
Achiever Team Limited	British Virgin Islands ("BVI"), 16 October 2012	Investment holding in Hong Kong	10 ordinary shares of 1 United States dollars each	100%	–
<b>Indirectly held:</b>					
Bamboos Professional Nursing Services Limited	Hong Kong, 11 March 2009	Provision of healthcare staffing solution services in Hong Kong	HK\$100	100%	–

### (b) Amount due to a subsidiary

Amount due to a subsidiary is unsecured, non-interest bearing and repayable on demand.

# Notes to the Consolidated Financial Statements

## 13 INCOME TAX EXPENSE

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

	<b>2014</b>	2013
	<b>HK\$'000</b>	HK\$'000
Current income tax		
– Hong Kong profits tax	<b>4,242</b>	3,278
– Under/(over) provision in previous years	<b>228</b>	(9)
Deferred income tax (Note 29)	<b>(67)</b>	–
	<b>4,403</b>	3,269

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate of Hong Kong, the principal place of the Group's operations, as follows:

	<b>2014</b>	2013
	<b>HK\$'000</b>	HK\$'000
Profit before income tax	<b>13,102</b>	16,335
Calculated at a taxation rate of 16.5% (2013: 16.5%)	<b>2,162</b>	2,695
Expenses not deductible	<b>2,013</b>	583
Under/(over) provision in previous years	<b>228</b>	(9)
	<b>4,403</b>	3,269

## 14 LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Loss attributable to equity holders of the Company has been dealt with in the consolidated financial statements of the Group to the extent of HK\$12,203,000 (2013: HK\$3,627,000).

# Notes to the Consolidated Financial Statements

## 15 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.

The weighted average number of ordinary shares in issue during the year ended 30 June 2014 used in the basic earnings per share calculation is determined on the assumption that the 20 ordinary shares issued during the Reorganisation (Note 1) and the 299,999,980 ordinary shares issued upon the capitalisation issue (Note 1) had been in issue throughout the years ended 30 June 2014 and 2013.

	2014	2013
Profit attributable to equity holders of the Company (HK\$'000)	8,699	13,066
Weighted average number of ordinary shares in issue ('000)	300,000	300,000
Basic earnings per ordinary share (HK cents)	2.90	4.36

No adjustment has been made to the basic earnings per share amount for the years ended 30 June 2014 and 2013 as the Group had no potentially dilutive ordinary shares in issue during these years.

## 16 DIVIDENDS

Interim dividends of HK\$23,000,000 were declared by a subsidiary of the Group before the completion of the Reorganisation to its then equity holders. The amount of dividend per share is not presented as the disclosure is not considered meaningful for the purpose of these consolidated financial statements.

No final dividends were declared by the Company during the years 30 June 2014 and 2013.

# Notes to the Consolidated Financial Statements

## 17 PROPERTY, PLANT AND EQUIPMENT

	<b>Leasehold improvements</b> HK\$'000	<b>Furniture and fixtures</b> HK\$'000	<b>Computer equipment</b> HK\$'000	<b>Motor vehicles</b> HK\$'000	<b>Total</b> HK\$'000
<b>At 1 July 2012</b>					
Cost	577	339	252	450	1,618
Accumulated depreciation	(441)	(125)	(87)	(143)	(796)
Net book amount	136	214	165	307	822
<b>Year ended 30 June 2013</b>					
Opening net book amount	136	214	165	307	822
Additions	464	48	–	–	512
Depreciation (Note 8)	(202)	(70)	(50)	(90)	(412)
Closing net book amount	398	192	115	217	922
<b>At 30 June 2013</b>					
Cost	1,041	387	252	450	2,130
Accumulated depreciation	(643)	(195)	(137)	(233)	(1,208)
Net book amount	398	192	115	217	922
<b>Year ended 30 June 2014</b>					
Opening net book amount	<b>398</b>	<b>192</b>	<b>115</b>	<b>217</b>	<b>922</b>
Additions	–	<b>2</b>	<b>24</b>	–	<b>26</b>
Depreciation (Note 8)	<b>(265)</b>	<b>(78)</b>	<b>(50)</b>	<b>(90)</b>	<b>(483)</b>
Closing net book amount	<b>133</b>	<b>116</b>	<b>89</b>	<b>127</b>	<b>465</b>
<b>At 30 June 2014</b>					
Cost	<b>1,041</b>	<b>389</b>	<b>276</b>	<b>450</b>	<b>2,156</b>
Accumulated depreciation	<b>(908)</b>	<b>(273)</b>	<b>(187)</b>	<b>(323)</b>	<b>(1,691)</b>
Net book amount	<b>133</b>	<b>116</b>	<b>89</b>	<b>127</b>	<b>465</b>

Depreciation expenses are charged to "other operating expenses" in the consolidated statement of comprehensive income.

# Notes to the Consolidated Financial Statements

## 18 FINANCIAL INSTRUMENTS BY CATEGORY

### Group

#### Assets included in the consolidated balance sheet

Trade receivables (Note 19)
Deposits and other receivables (Note 20)
Amount due from a related company (Note 21)
Cash and bank balances (Note 23)

#### Loans and receivables

2014 HK\$'000	2013 HK\$'000
15,337	14,764
264	262
60	–
19,057	29,446
34,718	44,472

#### Liabilities included in the consolidated balance sheet

Trade payables (Note 26)
Accruals and other payables (Note 27)
Amount due to a related company (Note 21)
Amounts due to directors (Note 22)
Bank borrowings (Note 28)

#### Financial liabilities at amortised costs

2014 HK\$'000	2013 HK\$'000
10,571	8,989
8,849	1,994
115	752
160	–
8,070	10,349
27,765	22,084

#### Financial liabilities at amortised costs

2014 HK\$'000	2013 HK\$'000
6,643	446
12,683	3,806
19,326	4,252

### Company

#### Liabilities included in the balance sheet

Accruals and other payables (Note 27)
Amount due to a subsidiary (Note 12)

# Notes to the Consolidated Financial Statements

## 19 TRADE RECEIVABLES

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Trade receivables	<b>15,337</b>	14,764

The carrying amounts of the Group's trade receivables are denominated in Hong Kong dollars.

As at 30 June 2014, balances due from the top five customers account for 14% (2013: 13%) of the total balances. There is no concentration of credit risk with respect to trade receivables as there is a dispersed number of customers. The directors consider that the credit risk in respect of these customers is currently low after considering past experience with these customers.

During the years ended 30 June 2014 and 2013, the Group's trade receivables have no credit term and payment is immediately due upon presentation of invoices to customers. At 30 June 2014 and 2013, all trade receivables were past due but not considered to be impaired because these mainly relate to a number of customers with limited history of default. The ageing analysis of trade receivables by the date on which the respective sales invoices were issued is as follows:

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Less than 60 days	<b>14,573</b>	13,824
60 days to 180 days	<b>764</b>	899
Over 180 days	–	41
	<b>15,337</b>	14,764

The credit quality of trade receivables neither past due nor impaired has been assessed by reference to historical information about the counterparty default rates. The existing counterparties do not have significant defaults in the past.

As at 30 June 2014 and 2013, no collateral has been received from these counterparties.

# Notes to the Consolidated Financial Statements

## 20 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### Group

	2014 HK\$'000	2013 HK\$'000
Current		
Prepaid professional service fees in respect of listing preparation	3,496	625
Other prepayments	207	229
Deposits	244	47
Other receivables	20	18
	<b>3,967</b>	919
Non-current		
Prepayments	–	102
Deposits	–	197
	–	299
Total	<b>3,967</b>	1,218

### Company

	2014 HK\$'000	2013 HK\$'000
Current		
Prepaid professional service fees in respect of listing preparation	3,496	625

The carrying amounts of prepayments, deposits and other receivables of the Group and the Company are denominated in Hong Kong dollars.

## 21 AMOUNT DUE FROM/(TO) A RELATED COMPANY

	2014 HK\$'000	2013 HK\$'000
Amount due from/(to) a related company		
The Hong Kong Health Care Federation Limited	(115)	(752)
Bamboos Limited	60	–



# Notes to the Consolidated Financial Statements

## 21 AMOUNT DUE FROM/(TO) A RELATED COMPANY (CONTINUED)

The maximum outstanding receivable balance during the year is as follows:

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Bamboos Limited	<b>60</b>	–

Balances with related companies are unsecured, interest-free, repayable on demand and denominated in Hong Kong dollars.

## 22 AMOUNTS DUE TO DIRECTORS

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Amounts due to directors		
Mr. Kwan Chi Hong	<b>92</b>	–
Ms. Hai Hiu Chu	<b>68</b>	–
	<b>160</b>	–

The balances with directors are unsecured, interest-free, repayable on demand and denominated in Hong Kong dollars.

## 23 CASH AND BANK BALANCES

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Cash at banks	<b>19,037</b>	29,440
Cash on hand	<b>20</b>	6
	<b>19,057</b>	29,446

The carrying amounts of the Group's cash and bank balances are denominated in Hong Kong dollars.

# Notes to the Consolidated Financial Statements

## 24 SHARE CAPITAL

	Number of shares	Ordinary shares of HK\$0.01 each HK\$'000
Authorised:		
At 1 July 2012	–	–
Incorporation of the Company on 23 November 2012	1,000,000	10
At 30 June 2013	1,000,000	10
At 1 July 2013	1,000,000	10
Increase in authorised share capital (Note a)	1,999,000,000	19,990
At 30 June 2014	<b>2,000,000,000</b>	<b>20,000</b>
Issued and fully paid:		
At 1 July 2012	–	–
Issuance of shares (Note b)	10	–
At 30 June 2013	10	–
At 1 July 2013	10	–
Issuance of shares (Note c)	10	–
At 30 June 2014	<b>20</b>	<b>–</b>

*Notes:*

- (a) On 24 June 2014, the authorised share capital of the Company was increased to HK\$20,000,000 consisting of 2,000,000,000 ordinary shares of HK\$0.01 each.
- (b) The Company was incorporated in the Cayman Islands on 23 November 2012. Upon incorporation, one ordinary share of HK\$0.01 was issued at par value to the Company's initial subscriber. The subscribed share was subsequently transferred to Gold Empress Limited. During the Reorganisation, 8 ordinary shares were issued to Gold Empress Limited and 1 share was issued to Gold Beyond Limited for cash.
- (c) On 28 March 2014, the Company further issued 9 ordinary shares and 1 ordinary share to Gold Empress Limited and Gold Beyond Limited respectively, for acquiring their respective interests in Achiever Team Limited. These shares rank pari passu in all respects with the existing issued ordinary shares.

# Notes to the Consolidated Financial Statements

## 25 RESERVES – COMPANY

	<b>Contributed surplus</b> HK\$'000	<b>Accumulated losses</b> HK\$'000	<b>Total</b> HK\$'000
Balance at 23 November 2012	–	–	–
Loss for the period	–	(3,627)	(3,627)
Balance at 30 June 2013	–	(3,627)	(3,627)
Balance at 1 July 2013	–	(3,627)	(3,627)
Loss for the year	–	(12,203)	(12,203)
Excess of aggregate net asset value of subsidiaries acquired over nominal value of shares issued pursuant to the Reorganisation	16,672	–	16,672
<b>Balance at 30 June 2014</b>	<b>16,672</b>	<b>(15,830)</b>	<b>842</b>

## 26 TRADE PAYABLES

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

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

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Less than 30 days	<b>10,571</b>	8,989

The carrying amounts of the Group's trade payables are denominated in Hong Kong dollars.

# Notes to the Consolidated Financial Statements

## 27 ACCRUALS AND OTHER PAYABLES

### Group

	2014 HK\$'000	2013 HK\$'000
Accrued professional service fees in respect of listing preparation	6,643	446
Other accrued expenses	1,925	1,336
Other payables	281	212
	<b>8,849</b>	1,994

### Company

	2014 HK\$'000	2013 HK\$'000
Accrued professional fees in respect of listing preparation	6,643	446

The carrying amounts of the Group's and the Company's accruals and other payables are denominated in Hong Kong dollars.

## 28 BANK BORROWINGS

	2014 HK\$'000	2013 HK\$'000
<b>Current</b>		
Bank borrowings due for repayment within one year which contain a repayment on demand clause	2,372	2,280
Bank borrowings due for repayment after one year which contain a repayment on demand clause	5,698	8,069
	<b>8,070</b>	10,349

The Group's borrowings as at 30 June 2014 and 2013 were all denominated in Hong Kong dollars, and were secured by personal guarantees given by Ms. Hai Hiu Chu and Mr. Kwan Chi Hong, the directors of the Company, guarantee by the Hong Kong Mortgage Corporation Limited, and corporate guarantee by Bamboos Limited.

The weighted average effective interest rate of the bank borrowings as at 30 June 2014 was 4.04% (2013: 4.01%).

The carrying amounts of the Group's bank borrowings at 30 June 2014 and 2013 approximate their fair value.

# Notes to the Consolidated Financial Statements

## 28 BANK BORROWINGS (CONTINUED)

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

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
Within 1 year	<b>2,372</b>	2,280
Between 1 and 2 years	<b>2,469</b>	2,372
Between 2 and 5 years	<b>3,229</b>	5,697
	<b>8,070</b>	10,349

## 29 DEFERRED INCOME TAX

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5% (2013: 16.5%). The movement on deferred income tax assets/(liabilities) in respect of accelerated/decelerated tax depreciation is as follows:

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
At 1 July	<b>(55)</b>	(55)
Credited to profit or loss (Note 13)	<b>67</b>	–
At 30 June	<b>12</b>	(55)

## 30 COMMITMENTS

### Operating lease commitments

The Group leases offices under a non-cancellable operating lease agreement from a related party (Note 31(b)). The lease terms are within two years.

The future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows:

	<b>2014</b> <b>HK\$'000</b>	2013 HK\$'000
No later than 1 year	<b>360</b>	720
Later than 1 year and no later than 5 years	<b>–</b>	360
	<b>360</b>	1,080

The Group has no other significant commitments.

As at 30 June 2014 and 2013, the Company has no significant commitments.

# Notes to the Consolidated Financial Statements

## 31 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. During the year, except for The Hong Kong Health Care Federation Limited (being an entity in which Ms. Hai Hiu Chu and Mr. Kwan Chi Hong individually hold directorship), the equity interests of all other related parties involving in transactions or having balances with the Group are controlled by Ms. Hai Hiu Chu.

### (a) Year-end balances

Details of balances with related companies and directors are disclosed in Note 21 and 22 respectively.

### (b) Transactions with related parties

During the year, the Group carried out the following significant transactions with its related parties:

	2014 HK\$'000	2013 HK\$'000
Operating lease rental to Bamboos Limited	720	298

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

### (c) Key management compensation

Details of key management compensations are disclosed in Note 10.

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

Details of the guarantees are disclosed in Note 28.

## 32 ULTIMATE CONTROLLING PARTY

The directors regard the ultimate controlling party of the Group is Ms. Hai Hiu Chu who has 90% interest in the Company.

# Financial Summary

## For the year ended 30 June

	<b>2014</b>	2013	2012
	<b>HK\$'000</b>	HK\$'000	HK\$'000
<b>Results</b>			
Revenue	<b>36,540</b>	30,258	25,216
Profit for the year attributable to equity holders of the Company	<b>8,699</b>	13,066	13,235
Dividends	<b>23,000</b>	–	16,500

## As at 30 June

	<b>2014</b>	2013	2012
	<b>HK\$'000</b>	HK\$'000	HK\$'000
<b>Assets and liabilities</b>			
Total assets	<b>38,898</b>	46,350	23,743
Total liabilities	<b>(32,567)</b>	(25,718)	(16,177)
Total equity	<b>6,331</b>	20,632	7,566

Note:

The summary above does not form part of the audited consolidated financial statements.

No financial statements of the Group for the years ended 30 June 2011 and 2010 have been published.

The financial information for the years ended 30 June 2013 and 2012 were extracted from the prospectus of the Company dated 30 June 2014. Such summary was prepared as if the current structure of the Group had been in existence throughout these financial years and is presented on the basis as set out in note 2 to the consolidated financial statements.

