



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



2020/2021 INTERIM REPORT

2020/2021 中期報告

Incorporated in the Cayman Islands with limited liability
於開曼群島註冊成立的有限公司
Stock Code 股份代號: 2293

CONTENT

Corporate Information	2
Financial Highlights	3
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Condensed Consolidated Statement of Financial Position	6
Condensed Consolidated Statement of Changes in Equity	8
Condensed Consolidated Statement of Cash Flows	9
Notes to the Condensed Consolidated Financial Information	10
Management Discussion and Analysis	23
Other Information	28

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Director

Ms. Hai Hiu Chu

(Chairman and Chief Executive Officer)

Independent non-executive Directors

Dr. Chan Kai Yue Jason

Ms. Chhoa Peck Lim Bella

Dr. Ko Wing Man

Mr. Wong Kon Man Jason

BOARD COMMITTEES

Audit Committee

Mr. Wong Kon Man Jason *(Chairman)*

Dr. Chan Kai Yue Jason

Ms. Chhoa Peck Lim Bella

Remuneration Committee

Dr. Ko Wing Man *(Chairman)*

Dr. Chan Kai Yue Jason

Mr. Wong Kon Man Jason

Nomination Committee

Ms. Hai Hiu Chu *(Chairman)*

Ms. Chhoa Peck Lim Bella

Dr. Ko Wing Man

Compliance Committee

Ms. Chhoa Peck Lim Bella *(Chairman)*

Dr. Chan Kai Yue Jason

Mr. Wong Kon Man Jason

COMPANY SECRETARY

Ms. Chan Wan Ling Sammi

AUTHORISED REPRESENTATIVES

Ms. Hai Hiu Chu

Ms. Chan Wan Ling Sammi

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor

LEGAL ADVISER AS TO HONG KONG LAWS

Fairbairn Catley Low & Kong

REGISTERED OFFICE

PO Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 204, 2/F, Wing On Plaza

62 Mody Road

Tsim Sha Tsui

Kowloon, 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

Suites 3301-04, 33/F.

Two Chinachem Exchange Square

338 King's Road

North Point, Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking

Corporation Limited

Nanyang Commercial Bank

Hang Seng Bank

STOCK CODE

2293

COMPANY WEBSITE

www.bamboos.com.hk

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended 31 December 2020 remained stable at approximately HK\$37.4 million as compared to the last period (six months ended 31 December 2019: HK\$37.5 million).
- Profit attributable to equity holders of the Company for the six months ended 31 December 2020 amounted to approximately HK\$19.7 million, representing an increase of approximately 16.6% from approximately HK\$16.9 million for the six months ended 31 December 2019.
- On 23 February 2021, the Board resolved to declare an interim dividend of HK\$10,000,000 (HK2.50 cents per ordinary share) for the six months ended 31 December 2020 to the Company's shareholders whose names appear on the register of members of the Company on 19 March 2021.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2020

		Six months ended 31 December	
	Note	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Revenue from contracts with customers	5	37,424	37,526
Other income	6	3,183	764
Other gains/(losses), net		854	(35)
Employee benefit expenses		(11,712)	(12,620)
Operating lease rentals		(53)	(2,738)
Other operating expenses		(6,012)	(3,087)
Operating profit		23,684	19,810
Finance income		44	564
Finance cost		(119)	–
Share of profit/(loss) of a joint venture		57	(426)
Profit before income tax	7	23,666	19,948
Income tax expense	8	(3,959)	(3,057)
Profit for the period		19,707	16,891
Other comprehensive income			
<i>Item that may be reclassified to profit or loss</i>			
Changes in the fair value of debt instruments at fair value through other comprehensive income		(100)	–
Currency translation differences		(37)	(9)
<i>Item that will not be reclassified to profit or loss</i>			
Changes in the fair value of equity instruments at fair value through other comprehensive income		(1,999)	–
Other comprehensive income for the period, net of tax		(2,136)	(9)
Total comprehensive income for the period		17,571	16,882

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 31 December 2020

		Six months ended 31 December	
	Note	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Profit and total comprehensive income for the period attributable to equity holders of the Company		17,571	16,882
Earnings per share attributable to equity holders of the Company (expressed in HK cents per share)			
Basic and diluted	9	HK4.93 cents	HK4.22 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	3,746	4,870
Right-of-use assets	12	3,428	5,096
Investment in a joint venture		355	412
Prepayments and deposits	14	12,125	11,444
Financial assets at fair value through other comprehensive income		27,860	–
Financial assets at fair value through profit or loss		62,014	28,449
Deferred income tax assets		203	203
		109,731	50,474
Current assets			
Inventories		886	930
Trade receivables	13	35,872	24,240
Prepayments, deposits and other receivables	14	5,818	4,353
Amounts due from related companies		114	249
Cash and cash equivalents	15	42,617	101,633
		85,307	131,405
Total assets		195,038	181,879
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the Company			
Share capital	18	4,000	4,000
Share premium		39,123	39,123
Reserves		119,372	110,148
		162,495	153,271
Non-controlling interests		–	2
Total equity		162,495	153,273

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2020

		31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
	<i>Note</i>		
Non-current liabilities			
Lease liabilities	12	1,605	2,740
Current liabilities			
Trade payables	16	21,656	12,750
Accruals and other payables	17	4,804	4,450
Lease liabilities	12	2,386	3,019
Tax payable		2,092	5,647
		30,938	25,866
Total liabilities		32,543	28,606
Total equity and liabilities		195,038	181,879

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2020

Note	Attributable to equity holders of the Company						Non-controlling interests	Total
	Share capital HK\$'000	Share premium HK\$'000	Share-based compensation reserve HK\$'000	Financial assets at FVOCI HK\$'000	Translation reserve HK\$'000	Retained earnings HK\$'000	Sub-total HK\$'000	HK\$'000
At 1 July 2019 (audited)	4,000	39,123	549	–	(3)	106,312	149,981	149,981
Total comprehensive income								
Profit for the period	–	–	–	–	–	16,891	16,891	16,891
Currency translation differences	–	–	–	–	(9)	–	(9)	(9)
Total comprehensive income for the period	–	–	–	–	(9)	16,891	16,882	16,882
Transaction with owners								
Dividends relating to 2019	10(ii)	–	–	–	–	(20,000)	(20,000)	(20,000)
Employee share scheme								
Transfer of share option	–	–	1,541	–	–	–	1,541	1,541
Reverse upon forfeiture of share options	–	–	(171)	–	–	171	–	–
At 31 December 2019 (unaudited)	4,000	39,123	1,919	–	(12)	103,374	148,404	148,404
At 1 July 2020 (audited)	4,000	39,123	3,086	–	59	107,003	153,271	153,273
Total comprehensive income								
Profit for the period	–	–	–	–	–	19,707	19,707	19,707
Currency translation differences	–	–	–	–	(37)	–	(37)	(37)
Changes in the fair value of debt instruments at FVOCI	–	–	–	(100)	–	–	(100)	(100)
Changes in the fair value of equity instruments at FVOCI	–	–	–	(1,999)	–	–	(1,999)	(1,999)
Total comprehensive income for the period	–	–	–	(2,099)	(37)	19,707	17,571	17,571
Transfer of gain on disposal of equity instruments at FVOCI to retained earnings	–	–	–	(226)	–	226	–	–
Transaction with owners								
Dividends relating to 2020	10(ii)	–	–	–	–	(10,000)	(10,000)	(10,000)
Employee share scheme								
Transfer of share option	–	–	1,653	–	–	–	1,653	1,653
Reverse upon forfeiture of share options	–	–	(135)	–	–	135	–	–
Acquisition of non-controlling interests	–	–	–	–	–	–	–	(2)
At 31 December 2020 (unaudited)	4,000	39,123	4,604	(2,325)	22	117,071	162,495	162,495

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2020

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Net cash generated from operating activities	16,839	17,581
Net cash used in investing activities	(64,016)	(2,500)
Net cash used in financing activities	(11,886)	(20,000)
Net decrease in cash and cash equivalents	(59,063)	(4,919)
Cash and cash equivalents at the beginning of the period	101,633	118,703
Effects of exchange rate changes on cash and cash equivalents	47	—
Cash and cash equivalents at the end of the period	42,617	113,784

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Bamboos Health Care Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 23 November 2012 as an exempted company with limited liability under the Companies Act (as 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 Room 204, 2/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is listed on the Main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (stock code: 2293).

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

2 BASIS OF PREPARATION

The condensed consolidated interim results (the “Interim Financial Information”) of the Group for the six months ended 31 December 2020 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Interim Financial Information is presented in Hong Kong dollars (“HK\$”), unless otherwise stated.

The Interim Financial Information has been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 30 June 2020, except for the accounting policy changes that are expected to be reflected in the annual financial statements for the year ending 30 June 2021 and they should be read in conjunction with the consolidated financial statements for the year ended 30 June 2020. Details of any changes in accounting policies are set out in note 3.

The preparation of the Interim Financial Information in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

2 BASIS OF PREPARATION (CONTINUED)

The Interim Financial Information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 30 June 2020. The Interim Financial Information and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The Interim Financial Information has not been audited or reviewed by the auditors pursuant to the Hong Kong Standards on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2020, as described in those annual financial statements, except for the adoption of new standards, amendments to standards and interpretation that are effective on 1 July 2020.

- (a) New standards and amendments to standards that are mandatory for the financial year beginning on 1 July 2020:

HKFRS 3 (Amendments)	Definition of Business
HKAS 1 and HKAS 8 (Amendments)	Definition of Material
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments)	Interest Rate Benchmark Reform
HKFRS 16 (Amendment)	COVID-19-Related Rent Concessions
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting

The adoption of the above new standards and amendments to standards beginning on 1 July 2020 did not give rise to any significant impact on the Group's results of operations and financial position for the six months ended 31 December 2020.

3 ACCOUNTING POLICIES (CONTINUED)

- (b) The following new standards and amendments to standards have been issued but not yet effective for the financial year beginning on 1 July 2020 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-Current	1 January 2022
HKAS 16 (Amendments)	Property, Plant and Equipment: Proceeds Before Intended Use	1 January 2022
HKAS 37 (Amendments)	Onerous Contracts – Cost of Fulfilling a contract	1 January 2022
HKFRS 3 (Amendments)	Reference to the Conceptual Framework	1 January 2022
HKFRS 17	Insurance Contracts	1 January 2023
Annual Improvements Project	Annual Improvements to HKFRS 2018–2020 Cycle	1 January 2022
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	To be announced

The directors of the Company expect that the adoption of the above new standards and amendments to standards will have no significant impact on the financial performance and the financial position of the Group.

4 SEGMENT INFORMATION

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

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

The Group primarily operates in Hong Kong and most of its non-current assets are located in Hong Kong. During the six months ended 31 December 2020 and 2019, all revenue was earned from external customers in Hong Kong.

5 REVENUE FROM CONTRACTS WITH CUSTOMERS

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Revenue from provision of healthcare staffing solution services	35,378	34,623
Revenue from provision of outreach case assessment related services	2,039	2,335
Revenue from operation of aesthetic clinic	7	568
	37,424	37,526
Timing of revenue recognition		
– At a point in time	35,385	35,191
– Over time	2,039	2,335
	37,424	37,526

5 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

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

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Gross fee	129,016	132,171
Cost attributable to healthcare personnel	(93,638)	(97,548)
Revenue from provision of healthcare staffing solution services	35,378	34,623

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

6 OTHER INCOME

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Advertising income	54	77
Dividend income	349	–
Interest income from debt instruments	1,073	–
Government grant*	985	–
Sales of goods	366	77
Others	356	610
	3,183	764

* There are no unfulfilled conditions or contingencies relating to this income.

7 PROFIT BEFORE INCOME TAX

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

		Six months ended 31 December	
		2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
(a) Finance income			
Interest income from bank deposits		(44)	(564)
(b) Employee benefit expenses (including directors' remuneration)			
Wages, salaries and bonus		9,304	9,770
Pension costs – defined contribution plan		383	470
Share-based payments to directors and employees		1,653	1,541
Other staff welfare		372	839
		11,712	12,620
(c) Other items			
Cost of inventories sold		70	216
Depreciation of property, plant and equipment		1,087	1,113
Depreciation of right-of-use assets		1,662	–
Loss of written off property, plant and equipment		54	35
Legal and professional fee		1,067	1,404
Net fair value gains on financial assets at FVTPL		(1,247)	–

8 INCOME TAX EXPENSE

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Current income tax		
– Hong Kong profits tax	3,959	3,090
Deferred tax	–	(33)
	3,959	3,057

The provision for Hong Kong profits tax is calculated at 16.5% of estimated assessable profits for the six months ended 31 December 2020 and 2019 which is a qualifying entity under two-tiered profit tax rates regime. The first HK\$2,000,000 (2019: HK\$2,000,000) of estimated assessable profits of this subsidiary is tax at 8.25% and the remaining estimated assessable profits are taxed at 16.5%.

9 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the six months ended 31 December 2020 and 2019.

	Six months ended 31 December	
	2020 (unaudited)	2019 (unaudited)
Profit attributable to equity holders of the Company (HK\$'000)	19,707	16,891
Weighted average number of ordinary shares in issue (thousands)	400,000	400,000
Basic earnings per share (HK cents)	4.93	4.22

Diluted earnings per share for the six months ended 31 December 2020 and 2019 were the same as basic earnings per share. During the six months ended 31 December 2020 and 2019, the exercise of the outstanding share options would be anti-dilutive.

10 DIVIDENDS

- (i) The Board declared an interim dividend of HK2.50 cents per ordinary Share for the six months ended 31 December 2020 (for the six months ended 31 December 2019: HK2.50 cents) to be paid by cash on Friday, 26 March 2021, to Shareholders whose names appear on the register of members of the Company on Friday, 19 March 2021.
- (ii) Dividends payable to the Company's shareholders attributable to the previous financial year, approved and paid during the respective periods:

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Final dividend in respect of the previous financial year of HK2.50 cents per share (six months ended 31 December 2019: HK5.00 cents per share)	10,000	20,000

11 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2020, the Group purchased property, plant and equipment of approximately HK\$17,000 (for the six months ended 31 December 2019: HK\$2,409,000). The Group's depreciation expenses during the six months ended 31 December 2020 amounted to approximately HK\$1,087,000 was included in other operating expenses (for the six months ended 31 December 2019: HK\$1,113,000).

12 LEASE

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
Non-current asset Right of use assets	3,428	5,096
Current liability Lease Liabilities	2,386	3,019
Non-current liability Lease Liabilities	1,605	2,740

13 TRADE RECEIVABLES

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
Trade receivables	35,872	24,240

The Group's trade receivables had no credit term and payment was immediately due upon presentation of invoices to customers. As at 31 December 2020 and 30 June 2020, 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.

As of the end of the reporting period, the ageing analysis of trade receivables by the date on which the respective sales invoices were issued was as follows:

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
Less than 61 days	32,326	20,539
61 days to 90 days	2,806	2,034
91 days to 180 days	556	885
Over 180 days	184	782
	35,872	24,240

The credit quality of trade receivables past due but not impaired has been assessed by reference to historical information about the counterparty default rates. The existing counterparties do not have significant defaults in the past.

As at 31 December 2020 and 30 June 2020, no collateral has been received from these counterparties.

14 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
Current		
Prepayments	332	467
Deposits	3,168	3,648
Other receivables	2,318	238
	5,818	4,353
Non-current		
Prepayments	335	335
Deposits	11,790	11,109
	12,125	11,444
Total	17,943	15,797

15 CASH AND CASH EQUIVALENTS

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
Cash at banks	42,589	41,364
Bank deposits	–	60,233
Cash on hand	28	36
	42,617	101,633

The effective interest rate on the bank deposits was 1% per annum (30 June 2020: 1%). These deposits had original maturity of three months or less.

16 TRADE PAYABLES

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

As of the end of the reporting period, the ageing analysis of trade payables based on the invoice date was as follows:

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
Less than 31 days	21,656	12,750

17 ACCRUALS AND OTHER PAYABLES

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (audited)
Accrued expenses	1,403	1,954
Other payables	2,153	1,635
Contract liabilities	1,248	861
	4,804	4,450

18 SHARE CAPITAL

	Number of shares	Ordinary shares of HK\$0.01 each HK\$'000
Authorised:		
At 1 July 2019, 30 June 2020, 1 July 2020 and 31 December 2020 (Unaudited)	2,000,000,000	20,000
Issued and fully paid:		
At 1 July 2019, 30 June 2020, 1 July 2020 and 31 December 2020 (Unaudited)	400,000,000	4,000

19 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. During the six months ended 31 December 2020 and 2019, except for The Hong Kong Health Care Federation Limited (being an entity in which Ms. Hai Hiu Chu, the chairman of the Board and the chief executive officer of the Company, holds 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) Transactions with related party

During the six months ended 31 December 2020 and 2019, the Group had the following significant transactions with its related party:

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Bamboos Group Limited		
– Operating lease rental	–	1,600
– Management fee	–	96

Operating lease rental is charged in accordance with the agreement entered into between the relevant parties, whereas those transactions with related company are entered into upon mutually agreed terms between the relevant parties.

19 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management compensation

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

	Six months ended 31 December	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Fees	360	300
Basic salaries, bonuses, other allowances and benefits in kind	1,120	947
Pension costs – defined contribution plan	9	10
Share-based payment	426	587
	1,915	1,844

20 COMMITMENTS

Capital commitments contracted but not provided for:

	31 December 2020 HK\$'000 (unaudited)	30 June 2020 HK\$'000 (unaudited)
Capital injection to Bamboos Professional Nursing Services PTE. Limited	2,500	2,500
Intangible asset contracted but not provided for	535	543

21 APPROVAL OF INTERIM FINANCIAL INFORMATION

The interim financial information was approved by the Board on 23 February 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

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

During the six months ended 31 December 2020 (the “Period”) under review, the Group’s revenue remained stable at approximately HK\$37.4 million (six months ended 31 December 2019: HK\$37.5 million). The increase in revenue from the provision of healthcare staffing solution services was approximately HK\$0.8 million. There was a slight decrease of approximately HK\$0.3 million in revenue from the provision of outreach case assessment related services, which contributed to approximately HK\$2.0 million in revenue for the Period (six months ended 31 December 2019: HK\$2.3 million).

Profit attributable to equity holders of the Company for the Period was approximately HK\$19.7 million, representing an increase of approximately 16.6% as compared with approximately HK\$16.9 million for the six months ended 31 December 2019.

During the Period, the Group has utilised our idle cash balances by acquiring non-physical gold amounting to approximately HK\$38.4 million and securities and bonds amounting to approximately HK\$34.2 million (“Acquisitions”). The purpose of the Acquisitions is to enhance the efficiency of use of idle cash without affecting the daily operation of the principal business development of the Group or adversely affecting the interests of the investors of the Company. The Directors consider that the Acquisitions provide the Group with the opportunity to balance and diversify its investment portfolio. Having considered, among other factors, the low interest-rate environment and the instability of economic environment, the Directors consider that the Acquisitions are stable investments that could protect the Group from currency debasements and inflation in times of uncertainty.

During the Period, the impact of the COVID-19 pandemic on our operations performance, financial resources and liquidity position was not material. However, it is difficult to estimate how long the COVID-19 pandemic will persist and its effects on the business environment are uncertain. The Group will continue to pay close attention to the COVID-19 pandemic and to evaluate its impact on our operations and financial position.

To maintain a vast and diversified pool of registered healthcare personnel to better seize all possible business opportunities, as and when they arise, the Group had offered various member benefits to attract, incentivise and retain healthcare personnel registered with the Group. There were over 23,000 healthcare personnel registered with the Group as at 31 December 2020.

OUTLOOK

In view of the ever-increasing ageing population, numerous on-going hospital development plans and escalating demand for services in both institutional and private healthcare staffing solution, the Board remains optimistic towards the continued growth of the core business of the Group in the medium and long term.

Although the COVID-19 vaccine is expected to be available in Hong Kong in the first quarter of 2021, the economic outlook remains uncertain. Moreover, the Directors consider that global and local stock markets are expected to be volatile. In spite of this challenging environment, the Directors will continue to remain committed to our core business and strategies in the provision of healthcare staffing solution services. Furthermore, the Directors are also committed to diversifying our business practices in healthcare and related industries and identifying suitable business partners for acquisitions and partnerships.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the Period remained stable at approximately HK\$37.4 million as compared to the last period (six months ended 31 December 2019: HK\$37.5 million). Among this, the revenue generated from the provision of healthcare staffing solution services was approximately HK\$35.4 million for the Period, representing an increase of approximately HK\$0.8 million or approximately 2.0% from approximately HK\$34.6 million for the six months ended 31 December 2019.

The revenue from the provision of healthcare staffing solution services as a percentage of gross fee is determined with reference to the mark-up ratio between the charge-out rate to the clients and the pay-out rate to different ranks of healthcare personnel placed by the Group and the number of service hours performed by respective rank of healthcare personnel. The revenue generated from the provision of healthcare staffing solution services as a percentage of gross fee slightly increased to approximately 27.42% for the Period from approximately 26.2% for the six months ended 31 December 2019.

The revenue from the provision of outreach case assessment related services was approximately HK\$2.0 million for the Period, representing a slight decrease of approximately HK\$0.3 million or approximately 13.0% from approximately HK\$2.3 million for the six months ended 31 December 2019.

The increase in trade receivables as at 31 December 2020 (HK\$35.9 million) as compared to 30 June 2020 (HK\$24.2 million) was contributed by the revenue generated from the provision of healthcare staffing solution services in December 2020.

Other income and other gains/(losses), net

Other income mainly comprised advertising income, dividend income, interest income from debt instruments, government grant and sales of goods. Other income amounted to approximately HK\$3.1 million for the Period, representing an increase of approximately HK\$2.3 million as compared to the last period (six months ended 31 December 2019: HK\$0.8 million). The increase was partially contributed by interest income from debt instruments and government grant of approximately HK\$1.1 million and HK\$1.0 million respectively.

Other gains, net was approximately HK\$0.9 million for the Period (six months ended 31 December 2019: other losses, net: HK\$35,000) which mainly represented the net fair value gains on financial assets at fair value through profit or loss of approximately HK\$1.2 million and partially offset by net foreign exchange losses of approximately HK\$0.3 million.

Expenses

Employee benefit expenses was approximately HK\$11.7 million for the Period, representing a decrease of approximately HK\$0.9 million as compared to the last period (six months ended 31 December 2019: HK\$12.6 million).

Operating lease rental and depreciation of right-of-use assets for the Period was approximately HK\$1.7 million, represents a decrease of approximately HK\$1.0 million when compared to the last period (six months ended 31 December 2019: HK\$2.7 million).

Other operating expenses (excluding depreciation of right-of-use assets) amounted to approximately HK\$4.4 million for the Period, representing an increase of approximately HK\$1.3 million when compared to the last period (six months ended 31 December 2019: HK\$3.1 million).

Finance income

Finance income represented the interest income on short-term bank deposits. Finance income decreased from approximately HK\$564,000 for the six months ended 31 December 2019 to approximately HK\$44,000 for the Period, representing a decrease of approximately HK\$520,000 or approximately 92.2%.

Profit for the period attributable to equity holders of the Company

Profit attributable to equity holders of the Company amounted to approximately HK\$19.7 million for the Period, representing an increase of approximately HK\$2.8 million or approximately 16.6% as compared with that of approximately HK\$16.9 million for the six months ended 31 December 2019.

LIQUIDITY AND FINANCIAL RESOURCES

The Group remained in a healthy and sound liquidity position as at 31 December 2020. The working capital needs and other capital requirements have been met through a combination of shareholders' equity and cash generated from operations. Going forward, the Group intends to finance its future operations and capital expenditures with cash flow generated from operating activities. The primary uses of cash have been and are expected to continue to be operating costs and capital expenditure.

As at 31 December 2020, the Group maintained cash and cash equivalents amounting to approximately HK\$42.6 million (30 June 2020: HK\$101.6 million). The Group had no bank loans and overdrafts as at 31 December 2020 (30 June 2020: Nil).

As at 31 December 2020, the Group had net current assets of approximately HK\$54.4 million, as compared to approximately HK\$105.5 million as at 30 June 2020, which was mainly due to idle cash balances utilised by acquiring non-physical gold, securities and bonds.

FOREIGN EXCHANGE EXPOSURE RISKS

The Group's exposure to currency risk is insignificant as the Group mainly operates in Hong Kong with most of the transactions denominated and settled in Hong Kong dollars. As at 31 December 2020, the Group has not used any forward contracts, currency borrowings, derivative financial instruments or other means to hedge foreign exchange risk (30 June 2020: Nil).

CAPITAL STRUCTURE

During the Period and the year ended 30 June 2020, the Group mainly relied on its equity and internally generated cash flows to finance its operations.

GEARING RATIO

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" (as shown in the condensed consolidated statement of financial position) plus net debt. As at 31 December 2020 and 30 June 2020, the Group had no outstanding bank and other borrowings.

CAPITAL COMMITMENTS

As at 31 December 2020, the Group has capital commitment of HK\$2.5 million to Bamboos Professional Nursing Services PTE. Limited (the joint venture company set up in Singapore) (30 June 2020: HK\$2.5 million). Also, the Group has capital commitment of approximately HK\$0.5 million for intangible asset contracted but not provided for as at 31 December 2020 (30 June 2020: HK\$0.5 million).

PLEDGE OF ASSETS

As at 31 December 2020, there was no significant pledge on the Group's assets (30 June 2020: Nil).

CONTINGENT LIABILITIES

A claim was lodged by Garden Medical Centre Limited ("GMC"), a wholly-owned subsidiary of the Group, in June 2019 asserting that the founder and ex-director of GMC (the "defendant") has breached certain clauses in an employment agreement. The defendant has filed a defense and counterclaim in relation to the case for the reliefs to recover the employee's compensation. The matter is currently being processed in the court and the date of hearing has not been scheduled. The Group considers the litigation is in early stage, and the evidences are not sufficient for the court judgment, therefore no provision is recognised in relation to this claim.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have other plans for material investments or capital assets as at 31 December 2020 (30 June 2020: Nil).

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

The Group did not hold any significant investment in equity interest in any other company and there were no material acquisitions or disposal of subsidiaries and affiliated companies by the Group during the Period and the year ended 30 June 2020.

OTHER INFORMATION

EMPLOYEES, REMUNERATION POLICIES AND RETIREMENT BENEFITS

As at 31 December 2020, the Group employed a total of 73 employees (2019: 69). Total staff costs including Directors' remuneration for the Period amounted to approximately HK\$11.7 million (2019: HK\$12.6 million).

The remuneration package of the 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 the Group's financial performance of the preceding financial year and performance of individual staff. Other benefits include medical schemes, contributions to statutory mandatory provident fund schemes for Hong Kong employees and social insurance together with housing provident funds for employees in The People's Republic of China.

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.

On 29 April 2019 and 26 June 2020, share options were granted by the Company under the Share Option Scheme to selected grantees to subscribe for an aggregate of 8,000,000 and 10,000,000 ordinary shares with nominal value of HK\$0.01 per share in the share capital of the Company respectively. During the Period, no options has been exercised.

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

Save as disclosed in this interim report and summarised below, none of the Directors, controlling shareholders of the Company or their respective close associates (as defined under the Listing Rules) had any business or interest in a business which competes or likely to compete with the business of the Group and any other conflict of interest with the Group during the Period.

Name of company which is considered to compete or likely to compete with the business of the Group	Shareholding in the company attributable to the Directors or controlling shareholder	Nature of business	Remarks
Bamboos Medicine Limited ("BML")	100% by Ms. Hai Hiu Chu	Provision of Chinese medicine consultation and treatment services in Hong Kong	Ms. Hai Hiu Chu is a director of BML
Bamboos Education – School for Talents Limited ("BEST")	100% by Ms. Hai Hiu Chu	Provision of healthcare related training service in Hong Kong	Ms. Hai Hiu Chu is a director of BEST

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

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

As at 31 December 2020, the 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 Securities and Future Ordinance (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 taken 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 the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

(1) Long position in the ordinary shares (each a "Share") of HK\$0.01 each in the Company

Name of Director	Nature of interest	Number of Shares	Percentage of shareholding (%) (Note 2)
Ms. Hai Hiu Chu	Interest of a controlled corporation	270,000,000 (Note 1)	67.5%

Notes:

- Ms. Hai Hiu Chu is deemed to be interested in the 270,000,000 shares held by Gold Empress Limited ("Gold Empress") by virtue of the SFO as Gold Empress is wholly owned by Ms. Hai Hiu Chu.
- All the interests stated above represent long positions. The percentage of shareholding is calculated on the basis of 400,000,000 shares of the Company in issue as at 31 December 2020.

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

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

Notes:

1. 50% of the share options shall be vested from 30 April 2020 to 29 April 2029 (both dates inclusive) and the remaining 50% of the share options shall be vested from 30 April 2021 to 29 April 2029 (both dates inclusive), being Type 1 Share Options referred to in the Company's announcement dated 29 April 2019.
2. 50% of the share options shall be vested from 27 June 2021 to 26 June 2030 (both dates inclusive) and the remaining 50% of the share options shall be vested from 27 June 2022 to 26 June 2030 (both dates inclusive).
3. The percentage of shareholding is calculated on the basis of 400,000,000 Shares in issue as at 31 December 2020.

Save as disclosed above, as at 31 December 2020, none of the Directors or the chief executives of the Company had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have taken under such provisions of the SFO), or which were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules.

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

So far as the Directors are aware of, as at 31 December 2020, other than the Directors and chief executives of the Company, the following persons/entities had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO:

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

Notes:

1. Under the SFO, Ms. Hai Hiu Chu is deemed to be interested in the 270,000,000 shares held by Gold Empress by virtue of her holding of the entire issued share capital of Gold Empress.
2. HRnet Group Limited is a corporation incorporated in Singapore whose issued shares are listed on the Mainboard of the Singapore Exchange Securities Trading Limited.
3. All the interests stated above represent long positions. The percentage of shareholding is calculated on the basis of 400,000,000 shares of the Company in issue as at 31 December 2020.

Save as disclosed above, as at 31 December 2020, no other person/entities had any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

SHARE OPTION SCHEME

The Company's Share Option Scheme was conditionally approved and adopted by a resolution of the shareholders of the Company passed on 24 June 2014 and became unconditional on 8 July 2014, being the date on which the Company's shares were first listed on the Stock Exchange.

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

On 29 April 2019 and 26 June 2020, share options were granted by the Company under the Share Option Scheme to selected grantees to subscribe for an aggregate of 8,000,000 and 10,000,000 ordinary shares in the Company respectively. During the Period, no options has been exercised.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 31 December 2020 and up to the date of this interim report, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code for securities transactions by Directors on terms no less exacting than the required standards of the Model Code. The Directors, after specific enquiries by the Company, confirmed their compliance with the required standards set out in the Model Code throughout the Period.

CORPORATE GOVERNANCE

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

The Company's corporate governance practices are based on the principles of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules. During the Period and up to the date of this interim report, the Company had complied with the applicable code provisions set out in the CG Code, except for the deviation from Code provision A.2.1 which is explained below.

Code provision A.2.1

Under Code provision A.2.1, the roles of the chairman and the chief executive officer should be segregated and should not be performed by the same individual.

Since 18 August 2018, Ms. Hai Hiu Chu ("Ms. Hai") has been acting as the Chairman of the Board and the Chief Executive Officer of the Company. Ms. Hai is the founder of the Group and has extensive experience in the medical field and the pharmaceutical industry. Ms. Hai is responsible for the effective running of the Board and for the formulating business strategies. The Board considers that Ms. Hai, by serving the dual roles, is able to lead the Board in major business decision making for the Group. The management structure enables the Board's decision to be more effectively made and facilitates the implementation of business strategies under the leadership of Ms. Hai, which is conducive to the effective management and the business development of the Group.

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

AUDIT COMMITTEE

The Board established the audit committee with written terms of reference which are of no less exacting terms than those set out in the CG Code. The full terms of reference setting out details of duties of the audit committee are available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.bamboos.com.hk.

The primary duties of the audit committee are to oversee the Company's financial reporting system, risk management and internal control systems, make recommendations to the Board on the appointment, re-appointment and removal of the external auditors and to approve their terms of engagement and remuneration, review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, meet with external auditor regularly and provide advice and recommendations to the Board.

The Company's interim results for the Period have not been audited but the Company's audit committee, which comprises three independent non-executive Directors, namely Mr. Wong Kon Man Jason, Dr. Chan Kai Yue Jason and Ms. Chhoa Peck Lim Bella, has reviewed the unaudited consolidated financial results and the interim report of the Company for the Period and agreed to the accounting principles and practices adopted by the Company.

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

On 23 February 2021, the Board resolved to declare an interim dividend of HK2.50 cents per ordinary share for the Period (2019: HK2.50 cents). The interim dividend will be paid in cash. Based on the number of shares in issue as at the date of this interim report, a total amount of dividend of approximately HK\$10,000,000 will be distributed.

The interim dividend will be distributed to shareholders of the Company whose names appeared on the register of members of the Company at the close of business on Friday, 19 March 2021. The register of members of the Company will be closed from Wednesday, 17 March 2021 to Friday, 19 March 2021 (both days inclusive), during such period no share transfer will be registered. To qualify for the interim dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, no later than 4:00 p.m. on Tuesday, 16 March 2021. The interim dividend will be payable on or about Friday, 26 March 2021.

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

關懷備至 · 專業實幹 · 全心全意
Care · Competence · Commitment