



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

ANNUAL REPORT

2021 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 : 2293

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

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

Dr. Leung Wai Cheung (appointed on 1 April 2021)

Independent non-executive Directors

Dr. Chan Kai Yue Jason

Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)

Dr. Ko Wing Man (resigned on 17 August 2021)

Mr. Wong Kon Man Jason

Mr. Lam Kwok Ming (appointed on 17 August 2021)

BOARD COMMITTEES

Audit Committee

Mr. Wong Kon Man Jason (*Chairman*)

Dr. Chan Kai Yue Jason

Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)

Mr. Lam Kwok Ming (appointed on 17 August 2021)

Remuneration Committee

Dr. Ko Wing Man (*Chairman*)

(resigned on 17 August 2021)

Dr. Chan Kai Yue Jason

Mr. Wong Kon Man Jason

Mr. Lam Kwok Ming (*Chairman*)

(appointed on 17 August 2021)

Nomination Committee

Ms. Hai Hiu Chu (*Chairman*)

Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)

Dr. Ko Wing Man (resigned on 17 August 2021)

Dr. Chan Kai Yue Jason (appointed on 17 August 2021)

Mr. Lam Kwok Ming (appointed on 17 August 2021)

COMPANY SECRETARY

Ms. Chan Wan Ling Sammi

AUTHORISED REPRESENTATIVES

Ms. Hai Hiu Chu

Ms. Chan Wan Ling Sammi

INDEPENDENT AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor

LEGAL ADVISER AS TO HONG KONG LAWS

Fairbairn Catley Low and 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

Chairman's Statement

Dear Shareholders,

On behalf of the board ("the Board") of Bamboos Health Care Holdings Limited ("the Company") together with its subsidiaries (collectively, the "Group"), it is my honour to present the Group's annual results for the fiscal year ended 30 June 2021 ("the Year").

REVIEW OF THE YEAR

Amid the COVID-19 pandemic, the world has experienced extraordinary challenges for the past two years. The pandemic has profound impacts on the livelihoods of everyone. In light of these circumstances, the Group has conscientiously devoted its energy to safeguard customers' and communities' health and safety.

Our Group is a frontrunner of epidemic prevention in the community and caring for the health of the communities of Hong Kong. At the beginning of 2020, when an ounce of preventions was certainly worth a pound of cure. Given the pandemic severity in Hong Kong, the Group provided COVID-19 testing services to the public. This was implemented across all 18 districts and in restricted areas as well as mobile specimen collection stations in various districts. The Group is also one of the operators of community vaccination centres.

Despite the challenges of the pandemic, which dealt a heavy blow to the global economy and the communities of Hong Kong, we are delighted to report that we have attained approximately 51.7% growth in revenue (HK\$109.7 million) from the previous fiscal year ended 30 June 2020 (HK\$72.3 million). Profit for the Year achieved an increase of approximately 98.7%, which amounted to approximately HK\$61.0 million, from the approximately HK\$30.7 million recorded for the previous fiscal year.

CARE FOR SOCIETY

The past two years have been remarkable and transformative. They will probably be remembered as two of the most challenging years in the 21st century. Despite the dire situation, the Group continued to care for the society as always.

The Group aimed to make Bamboos' services accessible not only to the business sector but to every sector in the community. We continue to embrace our Three Cs core values – Care, Competence and Commitment as we play an active role in various community initiatives. Such as "Community Care Service Voucher for the Elderly", donation of face masks and anti-epidemic items to the public and donation of Personal Protective Equipment (PPE) to healthcare practitioners during periods of severe shortage.

RETURNS FOR OUR SHAREHOLDERS

The Group wishes to thank its shareholders for their long-term supports. Without prejudice to the health or sustainable development of the Group and to offer better returns to its shareholders, the Board announced that a Board meeting will be held on 30 September 2021 to consider the proposed declaration and payment of a special dividend.

Chairman's Statement

PROSPECTS

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

APPRECIATION

On behalf of the Group, I would like to express my sincere gratitude to our customers and business partners for their continual support, as well as to all of my colleagues and staff for all of their dedication, loyalty and contributions to the Group.

Lastly, on behalf of the Board, I would like to thank all shareholders and the Board's members for their support and effort given to the Group.

HAI Hiu Chu

Chairman

Hong Kong, 27 September 2021

Management Discussion and Analysis

BUSINESS REVIEW AND PROSPECTS

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

The Group's revenue for the Year was approximately HK\$109.7 million (2020: HK\$72.3 million), representing an increase of approximately 51.7% from the year ended 30 June 2020. Profit attributable to equity holders of the Company for the Year was approximately HK\$61.0 million, representing an increase of approximately 98.7% as compared with approximately HK\$30.7 million for the year ended 30 June 2020.

The revenue from the provision of healthcare staffing solution services for the Year was approximately HK\$92.1 million, representing an increase of approximately HK\$25.2 million as compared with approximately HK\$66.9 million for the year ended 30 June 2020, which was mainly due to COVID-19 testing institutions.

Revenue from the provision of outreach case assessment related services for the Year increased by approximately 242.9% to approximately HK\$16.8 million, which was mainly attributable to the increase in demand for medical and health assessment services, especially in the community vaccination centres in Hong Kong.

To maintain a vast and diversified pool of registered healthcare personnel to better seize the opportunities for growth, the Group has offered various member benefits to attract and retain healthcare personnel registered with the Group. The number of healthcare personnel registered with the Group remained almost the same, at approximately 22,000 for the Year compared with the year ended 30 June 2020.

During the Year, the Group has acquired non-physical gold, bonds, and securities which amounts to approximately HK\$73.0 million (the "Acquisitions"). The purpose of the Acquisitions is to enhance the efficiency of use of the 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 Board considers 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 the economic environment, the Board considers that the Acquisitions are stable investments that could protect the Group from currency debasements and inflation in times of uncertainty.

Management Discussion and Analysis

As at 30 June 2021, the Group had the following significant investment held with a value of five percent or more of the Group's total assets, which was classified as financial assets at fair value through profit or loss:

Name of the investment	Investment costs (HK\$ million)	Fair value as at 30 June 2021 (HK\$ million)	Percentage of investments held as at 30 June 2021 (%)	Loss on change in fair value for the year ended 30 June 2021 (HK\$ million)	Investment	Total
					costs as compared to the Group's total assets as at 30 June 2021 (%)	amount of income received for the year ended 30 June 2021
Non-physical gold	38.4	36.5	38%	1.9	15.9%	Nil

The Group expects that the global capital markets in year 2022 will remain challenging and demanding. Therefore, the Group will continue to adopt prudent capital management and liquidity risk management in its investments. Despite the foregoing, the Group will continue to pursue long-term business opportunities and profitable growth in line with its corporate mission and goals.

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

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

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The revenue of the Group for the Year comprised revenue from (i) the provision of healthcare staffing solution services; (ii) the provision of outreach case assessment related services; and (iii) the operation of aesthetic clinic in Hong Kong. The total revenue was approximately HK\$109.7 million for the Year, representing an increase of approximately 51.7% from approximately HK\$72.3 million for the year ended 30 June 2020.

Revenue from the provision of healthcare staffing solution services for the Year was approximately HK\$92.1 million, representing an increase of approximately HK\$25.2 million as compared with approximately HK\$66.9 million for the year ended 30 June 2020. Among those, revenue from the institutional staffing solution services amounted to approximately HK\$59.7 million (2020: HK\$37.0 million), representing an increase of approximately 61.4%; and the revenue from the private nursing staffing services was approximately HK\$32.4 million (2020: HK\$29.9 million), representing an increase of approximately 8.4%.

Due to the increase in demand for medical and health assessment services, in particular COVID-19 testing services, the Group recorded an increase in revenue by HK\$11.9 million from the provision of services in the community vaccination centres as well as other outreach case assessment related services.

The revenue from the provision of healthcare staffing solution services as a percentage of gross fee is determined with reference to the mark-up ratio between the charge-out rate to the clients and the pay-out rate to different ranks of healthcare personnel placed by the Group and the number of service hours performed by the respective ranks of healthcare personnel. The revenue from the provision of healthcare staffing solution services as a percentage of gross fee slightly increased to approximately 27.9% for the Year from approximately 27.4% for the year ended 30 June 2020.

Other income and other gains, net

Other income mainly comprised sales of goods, government grants, advertising income and dividend income. Other income decreased from approximately HK\$5.2 million for the year ended 30 June 2020 to approximately HK\$4.2 million for the Year, representing a decrease of approximately HK\$1.0 million or approximately 19.2%. The decrease was mainly due to the decrease in sales of goods of approximately HK\$2.0 million, which was partially offset by the increase in dividend income of approximately HK\$1.2 million.

Other gains, net for the Year represented the net fair value gains on financial assets at fair value through profit or loss of approximately HK\$2.0 million and partially offset by net foreign exchange losses of approximately HK\$1.0 million.

Management Discussion and Analysis

Expenses

The employee benefit expenses amounted to approximately HK\$24.1 million for the Year (2020: HK\$24.1 million), which was relatively stable as compared with the year ended 30 June 2020.

The operating lease rentals, depreciation of property, plant and equipment and depreciation of right-of-use assets decreased from approximately HK\$7.6 million for the year ended 30 June 2020 to approximately HK\$4.5 million for the Year.

Other expenses increased from approximately HK\$10.4 million for the year ended 30 June 2020 to approximately HK\$12.5 million for the Year, which was mainly due to the increase of provision of impairment of property, plant and equipment and service fee and partially offset by the decrease in cost of inventories sold.

Finance income

Finance income represented the interest income on short-term bank deposits. Finance income decreased from approximately HK\$1.0 million for the year ended 30 June 2020 to approximately HK\$0.09 million for the Year, which was mainly due to the decrease in short-term bank deposits.

Income tax expense

Income tax expense amounted to approximately HK\$12.5 million for the Year, representing an increase of approximately 127.1%, from approximately HK\$5.5 million for the year ended 30 June 2020. The Group's effective tax rate increased from approximately 15.2% for the year ended 30 June 2020 to approximately 17.0% for the Year.

Profit for the Year and net profit margin

Profit for the Year amounted to approximately HK\$61.0 million, increased by approximately HK\$30.3 million, or 98.7%, from approximately HK\$30.7 million for the year ended 30 June 2020, mainly due to the increase in revenue by approximately 51.7% from approximately HK\$72.3 million for the year ended 30 June 2020 to approximately HK\$109.7 million for the Year and the operating performance analysed above. The net profit margin increased from approximately 42.4% for the year ended 30 June 2020 to approximately 55.6% for the Year.

Management Discussion and Analysis

Trade receivables

Trade receivables increased by approximately HK\$41.3 million from approximately HK\$24.2 million as at 30 June 2020 to approximately HK\$65.5 million as at 30 June 2021. The Group generally does not grant credit terms to clients and payment is immediately due upon presentation of invoices to customers. As at 30 June 2021 and 2020, all trade receivables were past due but not considered to be impaired, because these mainly related to a number of independent customers with limited history of default. During the Year, the Group did not recognise any provision for trade receivables (2020: Nil).

Trade payables

Trade payables increased to approximately HK\$22.7 million as at 30 June 2021 from approximately HK\$12.8 million as at 30 June 2020, which was mainly due to the increase in costs payable to healthcare personnel placed by the Group during the Year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group remained in a healthy and sound liquidity position as at 30 June 2021. The working capital needs and other capital requirements have been met through a combination of shareholders' equity and cash generated from operations. Going forward, the Group intends to finance its future operations and capital expenditures with cash flow generated from operating activities and/or external fundings resources. The primary uses of cash have been and are expected to continue to be operating costs and capital expenditure.

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

The current liabilities primarily comprise trade payables, lease liabilities, tax payable, accruals and other payables.

As at 30 June 2021, the Group maintained cash and cash equivalents amounting to approximately HK\$56.7 million (2020: HK\$101.6 million). Net current assets increased to approximately HK\$127.2 million as at 30 June 2021 from approximately HK\$105.5 million as at 30 June 2020.

As at 30 June 2021, the banking facilities amounting to approximately HK\$150.2 million (2020: HK\$150.2 million) are made available to the Group and are unutilised.

FOREIGN EXCHANGE RISK

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

Management Discussion and Analysis

CAPITAL STRUCTURE

During the Year, the Group mainly relied on its equity and internally generated cash flows to finance its operations.

TREASURY POLICY

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

GEARING RATIO

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including bank loans and lease liabilities) less cash and cash equivalents. Total capital is calculated as “equity” (as shown in the consolidated balance sheet) plus net debt. As at 30 June 2021, the gearing ratio is nil (2020: Nil).

CAPITAL COMMITMENTS

As at 30 June 2021, the Group did not have any significant capital commitments (2020: HK\$3.0 million).

PLEDGE OF ASSETS

As at 30 June 2021, there was no significant pledge on the Group’s assets (2020: Nil).

CONTINGENT LIABILITY

A claim was lodged by Garden Medical Centre Limited (“GMC”), a wholly-owned subsidiary of the Group, in June 2019 asserting that the founder and ex-director of GMC (the “Defendant”) has breached certain clauses in an employment agreement. The Defendant has filed a defence and counterclaim in relation to the case for the reliefs to recover the compensation of employee. As of the date of this report, the proceedings have completed the pleadings stage and the Board considers that it is premature to make provision in relation to this claim.

Management Discussion and Analysis

SEGMENT INFORMATION

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

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

The Group primarily operates in Hong Kong and most of its non-current assets are located in Hong Kong. During the Year, all revenue was earned from external customers in Hong Kong (2020: same).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have other plans for material investments or capital assets as at 30 June 2021 (2020: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2021, the Group employed a total of 72 employees (2020: 75 employees). Total staff costs including Directors' remuneration for the Year amounted to approximately HK\$24.1 million (2020: HK\$24.1 million).

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

To reward eligible participants (including but not limited to directors and employees of the Group) for their contributions to the Group and/or to incentivise or motivate them to work towards enhancing the value of the Group for its long-term growth and development for the benefit of the Company and its shareholders (the "Shareholders") as a whole, the Company may from time to time grant share options pursuant to its share option scheme currently in force (which is valid and effective for a period of 10 years from 8 July 2014) to subscribe for ordinary shares in the Company. During the Year, there are no share options granted by the Company under the share option scheme (2020: share options were granted by the Company under the share option scheme to selected grantees to subscribe for an aggregate of 10,000,000 ordinary shares in the Company).

Management Discussion and Analysis

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

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

Between 29 September 2020 and 25 November 2020, Bamboos FinTech Limited, an indirect wholly-owned subsidiary of the Company, acquired in aggregate 22,430 mace troy of non-physical gold from Hang Seng Bank for an aggregate consideration of approximately HK\$38.4 million for the purpose of enhancing efficiency of use of the 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. For further details, please refer to the Company's announcements dated 10 November 2020 and 20 January 2021.

EVENTS AFTER THE REPORTING PERIOD

On 2 September 2021, Ever Kind International Limited and Kingswood International Limited (the "Purchasers") (each an indirect wholly-owned subsidiaries of the Company), entered into the provisional agreements (the "Provisional Agreements") with Hong Kong Professional Teachers' Union (the "Vendor"), pursuant to which the Purchasers respectively agreed to purchase the properties at the aggregate consideration of HK\$175 million. On 16 September 2021, the formal agreements have been entered into between the Purchasers and the Vendor pursuant to the Provisional Agreements. We intend to utilise the properties as the Group's principal business office, for the establishment of a screening centre for healthcare personnel and other business operational purposes. For further details, please refer to the Company's announcements dated 3 September 2021 and 16 September 2021.

Corporate Governance Report

The Company is committed to maintaining high standards 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 its shareholders (the "Shareholders"). The Company believes that high standards of corporate governance provide a solid foundation for the Group to manage business risks, enhance transparency and maintain high standards of accountability.

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 Rules Governing the Listing of Securities (the "Listing Rules") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The corporate governance principles of the Company emphasise sound internal control and aim to protect Shareholders' interests in general. During the Year and up to the date of this report, the Company had complied with the applicable code provisions set out in the CG Code, except for the deviation as disclosed in the paragraph headed "Corporate Governance" in this report.

BOARD OF DIRECTORS

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

The day-to-day management, administration and operation of the Company are delegated to the executive Director(s), who is/are assisted by the senior management of the Group. The independent non-executive Directors are responsible for participating in Board meetings of the Company to make an independent judgement on issues of strategy, performance, resources and standards of conducts of the Group, taking the lead where potential conflicts of interest arise and serving on the audit, remuneration, nomination and/or other governance committees.

The 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. The 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 our Board from time to time.

Corporate Governance Report

Board Composition

During the Year and up to the date of this report, the Board comprises the following Directors and their respective roles are set out as follows:

Executive Directors:

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

Dr. Leung Wai Cheung (appointed on 1 April 2021)

Independent non-executive Directors:

Dr. Chan Kai Yue Jason

Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)

Dr. Ko Wing Man (resigned on 17 August 2021)

Mr. Wong Kon Man Jason

Mr. Lam Kwok Ming (appointed on 17 August 2021)

Save as the relationships in the companies disclosed elsewhere in the annual report for the Year and summarised below, there are no financial, business, family or other material/relevant relationships among our Directors during the Year.

Name of company	Principal business	Nature of relationship
Bamboos Group Limited ("BGL")	Principally engaged in tenancy holding and was the head tenant of the head office and principal place of business of the Company in Hong Kong since January 2017 to October 2019 (namely, 4/F, Star House, 3 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong)	Business relationship – Bamboos Group Limited is directly owned as to 100% by Ms. Hai Hiu Chu (a director of BGL) as at year ended 30 June 2021.
Bamboos Education – School for Talents Limited ("BEST")	Principally engaged in the provision of healthcare related training services in Hong Kong	Business relationship – BEST is directly owned as to 100% by Ms. Hai Hiu Chu (a director of BEST) as at year ended 30 June 2021.

A description of the Directors is set out in the section headed "Biographical Details of Directors and Senior Management" on pages 57 to 59 in this annual report.

Corporate Governance Report

Chairman and Chief Executive Officer

As disclosed in this report above, Ms. Hai Hiu Chu is the chairman and the chief executive officer of the Company, Ms. Hai performs a leadership role in monitoring, managing and evaluating the business, strategic planning and development and major decision making of the Group.

Director's Appointments, Re-election and Removal

All the Directors, including independent non-executive Directors, are subject to retirement by rotation and eligible for re-election in accordance with the 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 3.13 of the Listing Rules for relevant periods and the Board is satisfied that all the independent non-executive Directors were independent and met the independent guidelines set out in Rule 3.13 of the Listing Rules for relevant periods since the date of their respective appointments, up to the date of this annual report.

Number of Meetings and Directors' Attendance

Under code provision A.1.1 of the CG Code, the Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals and under code provision A.2.7 of the CG Code, the Chairman of the Board should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. The 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 the Company. Additional meetings are held when significant events or important issues are required to be discussed and resolved.

As regards the meeting of the Shareholders and to comply with the requirement under Code Provision E.1.2 of the CG Code, the chairman of the Board, as well as the chairman of each of the audit, nomination, remuneration and compliance committees attended the annual general meeting of the Company held on 6 November 2020 (the "2020 AGM") to answer questions at the 2020 AGM.

Corporate Governance Report

During the Year, the Board held four meetings and the attendance records of each Director at the meetings of the Board and the Shareholders held during the Year are set out as follows:

	Board meeting	2020 AGM (held on 6 November 2020)
<i>Executive Directors:</i>		
Ms. Hai Hiu Chu	4/4	1/1
Dr. Leung Wai Cheung (appointed on 1 April 2021)	2/2	N/A
<i>Independent non-executive Directors:</i>		
Dr. Chan Kai Yue Jason	4/4	1/1
Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)	4/4	1/1
Dr. Ko Wing Man (resigned on 17 August 2021)	4/4	1/1
Mr. Wong Kong Man Jason	4/4	1/1
Mr. Lam Kwok Ming (appointed on 17 August 2021)	N/A	N/A

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 circulated to the Directors and open for inspection by the Directors.

The 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 the Directors apprised of the latest developments of the Group and financial position of the Company and to enable them to make informed decisions. During the Year, the management has provided all members of the Board with adequate information giving a balanced and understandable assessment of the Company's performance, position and prospects.

Corporate Governance Report

BOARD COMMITTEES

Audit Committee

The Board established its audit committee on 24 June 2014 with written terms of reference (updated on 1 January 2019), which are of no less exacting terms than those set out in the CG Code. The full terms of reference of the audit committee is available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.bamboos.com.hk.

As at 30 June 2021, the audit committee comprised three independent non-executive Directors, namely Dr. Chan Kai Yue Jason, Ms. Chhoa Peck Lim Bella and Mr. Wong Kon Man Jason. Mr. Wong Kon Man Jason was the chairman of the audit committee during the Year.

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.

During the Year, the audit committee had reviewed the interim and annual consolidated financial statements of the Group, and was satisfied that the accounting policies and standards of the Group complied with the applicable accounting standards and requirements and that adequate disclosures have been made. Also, the audit committee oversees the effectiveness and objectivity of the systems of risk management and internal controls, and the audit process.

Two audit committee meetings were held during the Year. The attendance records of individual committee members are set out below:

	Number of meetings attended/eligible to attend
Mr. Wong Kon Man Jason	2/2
Dr. Chan Kai Yue Jason	2/2
Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)	2/2
Mr. Lam Kwok Ming (appointed on 17 August 2021)	N/A

Corporate Governance Report

Remuneration Committee

The Board established its remuneration committee on 24 June 2014 with written terms of reference (updated on 1 March 2017), which are of no less exacting terms than those set out in the CG Code. The full terms of reference of the remuneration committee is available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.bamboos.com.hk.

As at 30 June 2021, the remuneration committee comprised three independent non-executive Directors, namely Dr. Chan Kai Yue Jason, Dr. Ko Wing Man and Mr. Wong Kon Man Jason. Dr. Ko Wing Man was the chairman of the remuneration committee during the Year.

The primary duties of the remuneration committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group, establish a formal and transparent procedure for developing such remuneration policies, review and approve the management's remuneration proposals and ensure that none of the Directors determine his/her own remuneration.

The remuneration committee determines Directors' remuneration by reference to the benchmarking of the market. The Company also looks into individual Director's competence, duties, responsibilities, performance and the results of the Group in determining the exact level of remuneration for each Director. During the Year, the remuneration committee had reviewed and made recommendations to the Board on the remuneration packages of the Directors based on the outcome of the review conducted by the remuneration committee.

Details of the remuneration of the Directors and the five highest paid individuals are set out in Note 11 to the consolidated financial statements.

One remuneration committee meeting was held during the Year. The attendance records of individual committee members are set out below:

	Number of meetings attended/eligible to attend
Dr. Ko Wing Man (resigned on 17 August 2021)	1/1
Dr. Chan Kai Yue Jason	1/1
Mr. Wong Kon Man Jason	1/1
Mr. Lam Kwok Ming (appointed on 17 August 2021)	N/A

Corporate Governance Report

Nomination Committee

The Board established the nomination committee on 24 June 2014 with written terms of reference (updated on 1 March 2017) which are of no less exacting terms than those set out in the CG Code. The full terms of reference of the nomination committee is available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.bamboos.com.hk.

As at 30 June 2021, the nomination committee comprised one executive director, namely Ms. Hai Hiu Chu, and two independent non-executive Directors, namely Ms. Chhoa Peck Lim Bella and Dr. Ko Wing Man. Ms. Hai Hiu Chu was the chairman of the nomination committee during the Year.

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

The Board adopted the board diversity policy in accordance with the requirement as set out in the CG Code. The Board recognises 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. The nomination committee regularly monitors and reviews the implementation and the effectiveness or appropriateness of the Board diversity policy.

During the Year, the nomination committee had reviewed the structure, size and composition of the Board, the independence of independent non-executive Directors and the appointment of Directors of the Company.

Two nomination committee meetings were held during the Year. The attendance records of individual committee members are set out below:

	Number of meetings attended/eligible to attend
Ms. Hai Hiu Chu	2/2
Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)	2/2
Dr. Ko Wing Man (resigned on 17 August 2021)	2/2
Dr. Chan Kai Yue Jason (appointed on 17 August 2021)	N/A
Mr. Lam Kwok Ming (appointed on 17 August 2021)	N/A

Board diversity policy

On 31 December 2018, the nomination committee recommended to the Board and the Board approved and adopted a board diversity policy for the Company, a summary of which is set out below:

1. the Company is committed to equality of opportunity in all aspects of its business and does not discriminate on the grounds of race, gender, disability, nationality, religious or philosophical belief, age, sexual orientation, family status or any other factor;

Corporate Governance Report

2. the Company believes that a diversity of perspectives can be achieved through consideration of a number of factors, including skills, regional and industry experience, professional experience, background, education, race, gender, age, culture and other qualities etc.;
3. the Company endeavours to ensure that its Board has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy and to maximise the Board's effectiveness;
4. appointments of members of the Board will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board; and
5. the Board will review the board diversity policy on a regular basis to ensure its continued effectiveness.

During the Year, the nomination committee had reviewed the board diversity policy and considered that the implementation of board diversity policy was adequate and effective.

Nomination policy

To ensure the composition of the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business, the Company has, with the recommendation of the nomination committee, adopted a formal, considered and transparent procedures for the selection, appointment and re-appointment of Directors. The nomination committee has been delegated to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships.

Nomination procedures

The nomination committee utilises various methods for identifying director candidates, including recommendations from Board members, management, and professional search firms. In addition, the nomination committee will consider director candidates properly submitted by the Shareholders.

All director candidates, including incumbents and candidates nominated by the Shareholders are evaluated by the nomination committee based upon the director qualifications, as summarised below. While director candidates will be evaluated on the same criteria, the nomination committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, and experiences of the collective Board rather than on the individual candidate.

The evaluation of director candidates may include, without limitation, the following:

- review of resume and job history;
- personal interviews;
- verification of professional and personal references; and
- performance of background checks.

Corporate Governance Report

The Board will consider the recommendations of the nomination committee and is responsible for designating the director candidate(s) to be considered by the Shareholders for their election at the general meeting of the Company, or appointing the suitable candidate to act as Director to fill the Board vacancies subject to compliance of the constitutional documents of the Company.

All appointments of director(s) should be confirmed by letter of appointment and/or service contract setting out the key terms and conditions of the appointment of the Directors.

Selection criteria

The criteria to be taken into account when considering the suitability of a candidate will be whether a candidate has the qualifications, skills and experience, gender diversity, etc. that can add to and complement the range of skills, experience and background of existing Directors, in particular, the following:

- the highest personal and professional ethics and integrity;
- proven achievement and competence in the nominee's field and the ability to exercise sound business judgement;
- skills that are complementary to those of the existing Board;
- the ability to assist and support management and make significant contributions to the Company's success; and
- an understanding of the fiduciary responsibilities that is required of a member of the Board and the commitment of time and energy necessary to diligently carry out those responsibilities.

Compliance Committee

The Board established the compliance committee on 24 June 2014. As at 30 June 2021, the compliance committee comprised three independent non-executive Directors, namely Dr. Chan Kai Yue Jason, Ms. Chhoa Peck Lim Bella and Mr. Wong Kong Man Jason. Ms. Chhoa Peck Lim Bella was the chairman of the compliance committee during the Year.

The primary functions of the compliance committee include, among others, reviewing and making recommendations to the Board in respect of the compliance of the Group's policies and practices with any requirement, direction and regulation as may be prescribed by the Board from time to time, contained in any constitutional documents applicable to the Group, or imposed by the applicable laws, regulations, rules and codes (including but not limited to the Listing Rules for relevant periods), 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 the Group's plan to maintain high compliance with own risk management standards.

During the Year, the compliance committee had reviewed the Group's compliance with the Listing Rules, the Companies Ordinance, the Competition Ordinance and other applicable laws, regulations, rules and codes of the Company. The compliance committee also reviewed the policies and practices regarding the training and continuous professional development, as well as the code of conduct and compliance of the Directors regarding securities transaction.

Corporate Governance Report

One compliance committee meeting was held during the Year. The attendance records of individual committee members are set out below:

	Number of meetings attended/eligible to attend
Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)	1/1
Dr. Chan Kai Yue Jason	1/1
Mr. Wong Kon Man Jason	1/1

After due and careful considerations of the Company's current circumstances and state of affairs, the Board announces that with effect from 17 August 2021, following the resignation of Ms. Chhoa Peck Lim Bella, each of Dr. Chan Kai Yue Jason and Mr. Wong Kon Man Jason has ceased to be a member of the Compliance Committee and subsequently the Compliance Committee has ceased to function.

Following the above-mentioned reorganisation and with effect from 17 August 2021, in order to further enhance the corporate governance structure and improve the efficiency in decision making of the Board, the Audit Committee has taken up the roles and responsibilities of the Compliance Committee and shall continue to review and monitor the corporate governance functions and duties so as to ensure a high standard of corporate governance practices in the Group and assure that the Group is in compliance with prevailing statutory requirements, guidelines and regulations.

SENIOR MANAGEMENT'S REMUNERATION

Senior management's remuneration payment of the Group for the year ended 30 June 2021 falls within the following band:

	Number of individuals
Nil to HK\$1,000,000	2

Corporate Governance Report

DIVIDEND POLICY

On 31 December 2018, the Board adopted a new dividend policy of the Company. Under the dividend policy:

1. the Company considers stable and sustainable returns to Shareholders to be its goal and endeavours to maintain a dividend policy to achieve such goal. In deciding whether to recommend or declare a dividend and in determining the dividend amount, the Board will take into account the Group's results of operations, earnings performance, cashflows, financial condition, future prospects, as well as statutory and regulatory restrictions on the payment of dividends, and other factors that the Board may consider relevant.
2. whilst the Board will review from time to time to decide whether a dividend should be recommended or declared with the above factors taken into account, there can be no assurance that dividends will be paid in any particular amount for any given period or at all.

CORPORATE GOVERNANCE FUNCTIONS

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

During the Year, the Board had reviewed the Company's policies and practices on corporate governance.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code for dealings in the Company's securities by the Directors. Having made specific enquiries with all Directors, the Company confirmed their compliance with the required standards set out in the Model Code throughout the Year.

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 its Shareholders.

The Company's corporate governance practices are based on the principles of the CG Code as set out in Appendix 14 to the Listing Rules. During the Year and up to the date of this 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.

Corporate Governance Report

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”) acted as the chairman of the Board and the chief executive officer of the Company. Ms. Hai is the founder of the Group and has extensive experience in the medical field and the pharmaceutical industry. Ms. Hai is responsible for the effective running of the Board and for formulating business strategies and development. The Board considers that Ms. Hai, by serving as the chairman of the Board and the chief executive officer of the Company, is able to lead the Board with efficiency and consistency in major business decision making for the Group. The existing management structure with Ms. Hai performing the roles of chairman and chief executive officer enables the Board’s decision to be more effectively made and facilitates the implementation of business strategies under the solid and experienced leadership of Ms. Hai, which is conducive to the effective management and the business development of the Group.

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

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.

During the Year, all Directors (namely Ms. Hai Hiu Chu, Dr. Leung Wai Cheung, Dr. Chan Kai Yue Jason, Ms. Chhoa Peck Lim Bella, Dr. Ko Wing Man and Mr. Wong Kon Man Jason) participated in the continuous professional developments regarding the duties and responsibility of the Directors under the relevant legal and regulatory requirement which included reading materials in relation to directors’ liability and insurance and other legal or regulatory updates. All Directors have participated in trainings regarding the Listing Rules and the CG Code updates conducted by the Company Secretary during the Year.

CONSTITUTIONAL DOCUMENT

During the Year, there were no changes in the Company’s articles of association. The latest version of the Company’s articles of association is available on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.bamboos.com.hk.

Corporate Governance Report

AUDITOR'S REMUNERATION

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

Services rendered during the Year	HK\$'000
Statutory audit services	800

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Board is responsible for the preparation of the financial statements which should give a true and fair view of the state of affairs of the Group and of the financial performance and cash flows for such reporting period. 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, the Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has overall responsibility for the adequacy and effectiveness of the risk management and internal control systems of the Group. The Board has developed its systems of internal control and risk management to safeguard the interests of the Shareholders and the assets of the Group. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatements or losses.

The Group has engaged an external professional consultant (the "Internal Control Consultant") to conduct an independent internal control review for the year ended 30 June 2021 and the review is completed as at the date of this annual report.

The main features of the risk management and internal control systems are described below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with our business and operations and compliance with applicable laws and regulations. The system comprises the following phases:

- Identification: Identify the category and ownership of risks, risks that could affect the achievement of objectives and the risk appetite.
- Assessment: Analyse the likelihood and impact of risks and evaluate the risk portfolio semi-annually.
- Management: Consider the risk action plan, ensure effective communication to the Board and on-going monitoring.

Corporate Governance Report

Internal Control System

The Company has in place an internal control system devised, recommended and/or reviewed by the Internal Control Consultant who reported directly to the Audit Committee. The system covers mainly, amongst all, the effectiveness and efficiency of operations and reliability of accounting and financial reporting.

The Group's internal control system comprises an established organisational structure and comprehensive policies and working procedures. Areas of responsibilities of each department are reasonably defined to ensure sufficient segregation of duties.

The key procedures that the Board established to provide effective controls are as follows:

- a distinct organisational structure exists with defined lines of authority and control responsibilities;
- a comprehensive management accounting system is in place to provide financial and operational performance information to the management and the relevant financial information for reporting and disclosure purpose; and
- the Audit Committee reviews recommendations submitted by the Internal Control Consultant and the external auditors annually to the Group's management in connection with the internal review exercise and annual audit respectively.

Internal control in relation to insider information

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of the public disclosures, the Group adopts and implements an inside information/price sensitive information disclosure policy.

Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confirmation on commitment to non-disclosure of the received information and undertaking of not to deal in the Company's securities are in place when any external parties who may become privy to or in possession of the Company's unpublished inside information/price sensitive information respectively.
- Only authorised persons shall explain information already in the public domain, and shall avoid giving answers which individually or cumulatively may provide unpublished or potential inside information/price sensitive information to the receiving party.

During the Year, the Board had adopted a risk management system policy and assessment plan and conducted a review of the adequacy and effectiveness of the risk management and internal control systems which covered all material controls, including financial, operational and compliance controls and risk managements functions of the Group. There was no significant control deficiency identified and the Board considered the risk management and internal control systems effective and adequate.

Corporate Governance Report

COMPANY SECRETARY

All Directors have access to the advice and services of the Company Secretary to ensure that the Board procedures and all applicable laws are followed. Moreover, the Company Secretary is responsible for facilitating communications among Directors as well as with the management. The company secretary of the Company, Ms. Chan Wan Ling Sammi (“Ms. Chan”), is delegated by an external service provider. The external service provider’s primary contact person at our Company is Ms. Hai Hiu Chu, the Chief Executive Officer of the Company. The biographical details of Ms. Chan are set out under the section headed “Biographical Details of Directors and Senior Management”. Ms. Chan has confirmed that she has undertaken no less than 15 hours of professional training to update her skills and knowledge during the Year.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

According to article 12.3 of the Company’s articles of association, two or more Shareholders (or a Shareholder who is a recognised clearing house (or its nominee(s)) (the “Requisitionists”), holding not less than 10% of the paid-up capital of the Company can convene an extraordinary general meeting (the “EGM”) by depositing a requisition (the “Requisition”) in writing to the Directors or the 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 Room 204, 2/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong or through email at the e-mail address designated by the Company from time to time and marked for the attention of the Board of Directors/Company Secretary.

If the 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 the 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 the Board in convening the meeting shall be reimbursed to them by the Company.

PROCEDURES FOR SHAREHOLDERS TO PUT FORWARD PROPOSALS AT SHAREHOLDERS’ MEETINGS

To put forward proposals at a general meeting of the Company, a Shareholder should lodge a written notice of his/her/its proposal (the “Proposal”) with his/her/its detailed contact information at the Company’s office at Room 204, 2/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong.

Upon confirming the Proposal is proper and in order by the Company’s branch share registrar in Hong Kong, the 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).

Corporate Governance Report

COMMUNICATION WITH SHAREHOLDERS

The 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. The Company updates the Shareholders on its latest business developments and financial performance through its annual and interim reports. The corporate website of the 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.

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

The Company will continue to maintain an open and effective investor communication policy and to update investors on relevant information on the 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 the Company's branch share registrar in Hong Kong, details of which are as follows:

Attention: Union Registrars Limited
Address: Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong
Telephone no.: (852) 2849 3399
Fax no.: (852) 2849 3319

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

Attention: The Company Secretary
Address: Room 204, 2/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong
Email: 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 the Company's website.

Hong Kong, 27 September 2021

Environmental, Social and Governance Report

ABOUT THIS REPORT

The Group is pleased to present its 2021 Environmental, Social and Governance (“ESG”) Report (this “Report”) to provide an overview of the Group’s management of significant issues affecting the operation, including environmental, social and governance issues. This Report is prepared by the Group with the professional assistance of APAC Compliance Consultancy and Internal Control Services Limited.

Preparation Basis and Scope

This Report is prepared in accordance with Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) – “Environmental, Social and Governance Reporting Guide” and has complied with “comply or explain” provision in the Listing Rules.

This Report summarises the performance of the Group in respect of corporate social responsibility, covering its operating activities which are considered as material by the Group – provision of healthcare staffing solution services to individuals and institutional customers in Hong Kong. Our Guangzhou subsidiary, which is engaged in technology promotion and application service in the PRC, is not included in the reporting scope this year as the environmental impact of its business operation is considered as insignificant by the management. With the aim to optimise and improve the disclosure requirements in the Report, the Group has taken the initiative to formulate policies, record relevant data as well as implement and monitor measures. This Report shall be published both in Chinese and English on the website of the Stock Exchange. Should there be any discrepancy between the Chinese and the English versions, the English version shall prevail. The Board of Directors of the Company confirmed that during the reporting period, the Company complied with the applicable provisions contained in the “Environmental, Social and Governance Reporting Guide” of the Listing Rules.

Reporting Period

This Report demonstrates our sustainability initiatives during the reporting period from 1 July 2020 to 30 June 2021.

Sources of Data and Assurance to Reliability

The data reported in this Report was prepared based on our internal statistical reports, internal policies and other internal documents. The Board hereby confirms that, to the best knowledge and belief, no false or misleading statements have been made in this Report.

Board Approval

This Report was approved by the Board on 27 September 2021.

Contact Information

The Group welcomes your feedback on this Report for the sustainability initiatives. Please contact it by email to contact@bamboos.com.hk.

Environmental, Social and Governance Report

INTRODUCTION

The Group is dedicated to the provision of healthcare staffing solution services to individuals and institutional clients including hospitals, social service organisations and clinics in Hong Kong. With over 20,000 qualified healthcare personnel registered under the Group, it serves as a trusted strategic advisor to provide the clients with the most comprehensive, professional and reliable services. Services offered by healthcare personnel include healthcare institution support and private nursing solutions.

Bamboos embraces the Three Cs core values – Care, Competence and Commitment. The Group is committed to the standards of service excellence and dedicated to exceeding the expectations of those it serves. In addition, it seeks to build a professional team with a positive contribution to the society, for which the business and future success will depend on. With the aim to build a healthy community, the Group devotes substantial effort to advance the quality of health care services and promote public awareness about health issues.

Sustainable development is an integral part of the Group's business strategy in order to achieve business excellence and enhance capabilities for long-term competitiveness. The Group is committed to maintaining its operation in a manner that is economically, environmentally and economically sustainable while balancing the interests of our stakeholders and fostering a positive impact on the society. The Chief Executive Officer ensures that the operation is in a responsible and sustainable manner and monitors the progress on related activities. The Group has established and implemented various policies to manage and monitor the risks related to the environment, employment, operating practices and community. Details of the management approaches to sustainable development of different areas are illustrated in this Report.

STAKEHOLDER ENGAGEMENT

The Group understands the success of the Group's business depends on the support from its key stakeholders, who (a) have invested or will invest in the Group; (b) have the ability to influence the outcomes within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group's activities, products, services and relationships. This allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

The Group strive to align its business practices with stakeholders' needs and expectations to continuously improve our sustainability performance and achieve sustainable development. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community and environment.

The Group acknowledges the importance of intelligence gained from the stakeholders' insights, inquiries and continuous interest in the Group's business activities. The Group has identified key stakeholders that are important to the business and established various channels for communication. The following table provides an overview of the Group's key stakeholders, and various platforms and methods of communication which we are currently engaging to reach, listen and respond to the stakeholders.

Environmental, Social and Governance Report

Stakeholders	Expectations	Engagement Channels
Government	<ul style="list-style-type: none"> • Compliance with the laws and regulations • Proper tax payment • Promotion of regional economic development and employment 	<ul style="list-style-type: none"> • Corporate events • Annual and interim reports and other published information
Shareholders and investors	<ul style="list-style-type: none"> • Low risk • Return on the investment • Information disclosure and transparency • Protection of interests and fair treatment of shareholders 	<ul style="list-style-type: none"> • Annual general meeting and other shareholder meetings • Corporate events • Annual and interim reports and other published information • Website of the Company and the Stock Exchange, respectively
Employees	<ul style="list-style-type: none"> • Working environment • Career development opportunities • Self-actualization • Health and safety 	<ul style="list-style-type: none"> • Training, seminars, briefing sessions • Cultural activities • Intranet and emails
Clients	<ul style="list-style-type: none"> • Compliance with the laws and regulations • High-quality services • Stable relationship • Information transparency • Integrity • Business ethics 	<ul style="list-style-type: none"> • Website, brochures, annual and interim reports and other published information • Email and customer service hotline • Social communication channels • Feedback forms • Magazines (BamBoOs! Life)
Healthcare personnel	<ul style="list-style-type: none"> • Career opportunities • Stable relationship 	<ul style="list-style-type: none"> • Seminars • Exhibitions • Corporate events
Peer and industry associations	<ul style="list-style-type: none"> • Experience sharing • Corporations • Fair competition 	<ul style="list-style-type: none"> • Industry seminars • Exhibitions • Corporate events • Website of the Company
Public and communities	<ul style="list-style-type: none"> • Community involvement • Social responsibilities 	<ul style="list-style-type: none"> • Volunteering • Charity and social initiatives

Environmental, Social and Governance Report

Through general communication with the stakeholders, the Group is able to understand the expectations and concerns from its stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact of our business decisions.

The Group has adopted the principle of materiality in the ESG reporting by understanding the key ESG issues that are important to the business of the Group. All the key ESG issues and key performance indicators (“KPIs”) are reported in this Report according to recommendations of the ESG Reporting Guide (Appendix 27 of the Listing Rules) and the guidelines of Global Reporting Initiative (“GRI”).

The Group has evaluated the materiality and importance in ESG aspects through the following steps:

Step 1: Identification – Industry Benchmarking

- Relevant ESG areas were identified through the review of relevant ESG reports of the local and international industry peers.
- The materiality of each ESG area was determined based on the importance of each ESG area to the Group through internal discussion of the management and the recommendation of ESG Reporting Guide (Appendix 27 of the Listing Rules).

Step 2: Prioritization – Stakeholder Engagement

- The Group discussed with key stakeholders on key ESG areas identified above to ensure all the key aspects were covered.

Step 3: Validation – Determining Material Issues

- Based on the discussion with key stakeholders and internal discussion among the management, the Group’s management ensured all the key and material ESG areas, which were important to the business development, were reported and in compliance with ESG Reporting Guide.

As a result of this process carried out in 2021, those important ESG areas to the Group were discussed in this Report.

Environmental, Social and Governance Report

ESG GOVERNANCE

Board's oversight of ESG issues

Board's overall vision and strategy in managing ESG issues

The board of directors (the "Board") has a primary role in overseeing the management of the Group's sustainability issues. During the year, the Board and the ESG Working Group spent significant time in evaluating the impacts of ESG-related risks of our operation and formulating relevant policies in dealing with the risks. The oversight of the Board is to ensure that the management can have all the right tools and resources to oversee the ESG issues in the context of strategy and long-term value creation.

To demonstrate our commitment to transparency and accountability, our Group has established an ESG Working Group which has clear terms of reference that set out the powers delegated to it by the Board. We highly value the opinions of each stakeholder and treat them as the cornerstone for the development of the Group. During the reporting period, the ESG Working Group consisted of the Board, senior management and project managers of the Group.

The ESG Working Group is primarily responsible for reviewing and supervising the ESG process and risk management of the Group. Different ESG issues are reviewed by the ESG Working Group at the regular meetings, which are held once a year. During the reporting period, the ESG Working Group and the management reviewed the ESG governance and different ESG issues.

Board's ESG management approach and strategy for material ESG-related issues

In order to better understand the opinions and expectations of different stakeholders on our ESG issues, materiality assessment is conducted annually. We ensure various platforms and channels of communication are used to reach, listen and respond to our key stakeholders. Through general communication with the stakeholders, the Group is able to understand the expectations and concerns from its stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impacts of our business decisions.

The Group has evaluated the materiality and importance in ESG aspects through the following steps: (1) material ESG areas identification by industry benchmarking; (2) key ESG areas prioritization with stakeholder engagement; and (3) validation and determining material ESG issues based on the results of communication among the management of the Company and the stakeholders.

Engaging these steps can enhance our understanding of the degree of importance and change of attention of our stakeholders to each significant ESG issue, and can enable us to plan our sustainable development direction more comprehensively in the future. Those important and material ESG areas identified during our materiality assessment were discussed in this Report.

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Board review progress against ESG-related goals and targets

The progress of target implementation and the performance of the goals and targets should be closely reviewed from time to time. Rectification may be needed if the progress falls short of expectation. Effective communication about the goals and targets with key stakeholders such as employees is essential, as this enables them to be engaged in the implementation process, and to feel that they are part of the change that the Group is aspired to achieve.

Setting strategic goals for the coming three to five years enables the Group to develop a realistic roadmap and focus on results of achieving the visions.

Setting targets require the ESG Working Group to carefully examine the attainability of the targets which should be weighed against the Company's ambitions and goals. During the reporting period, our Group set targets on an absolute basis.

A. ENVIRONMENTAL ASPECTS

A1. EMISSIONS

Environmental consideration remains one of the key focuses in fulfilling the obligation to both the environment and community. The Group is committed to continuously improving its sustainability performance by establishing relevant emission reduction and energy saving initiatives to manage its emissions and maintain green operation. The Group has implemented a "Environmental Policy" which outlines the environmental objectives and targets of the Group.

During the reporting period, the Group was not aware of any specific laws and regulations that had significant impact on the Group related to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste.

Air Pollutants Emission

The operation of the Group is mainly office-based and it is not involved in the combustion of stationary sources. The air pollutants emitted by the Group are mainly generated from the company's vehicles. The Group encourages employees to adopt alternative communication means, such as telephone conferences and video conferences, to reduce air pollutants emission that arise from additional traffic. The decrease in air pollutants emission in 2021 was mainly attributable to the reduced vehicle use for business meetings as a result of the implementation of work from home arrangement for the COVID-19 pandemic during the year.

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During the reporting period, the air pollutants emission of our Group were as follows:

Type of air pollutants	Unit	2021	2020
Nitrogen oxides (NO _x)	kg	1.25	1.56
Sulphur oxides (SO _x)	kg	0.02	0.03
Particulate matter (PM)	kg	0.09	0.12

Greenhouse Gas ("GHG") Emission

GHG is considered as one of the major contributors to the climate change and global warming. During the business operation of the Group, electricity and fuel consumptions account for a major part of its GHG emission. In an effort to minimise the carbon footprint, the Group is devoted to maintaining an efficient and effective use of resources by adopting energy-saving initiatives which will be further elaborated in the section "Use of Resources" of this Report. The decrease in GHG scope 1 and scope 2 emissions in 2021 were mainly attributable to the reduced office operation and vehicle use as a result of the implementation of work from home arrangement for the COVID-19 pandemic during the year. The GHG scope 3 emission in 2021 remained stable when compared with 2020 as the Group strived for finding ways to conserve water effectively during the Year.

During the reporting period, the GHG emissions of our Group were as follows:

Type of GHG emission	Unit	2021	2020
Scope 1 ¹	tonnes of CO ₂ -e	4.20	5.24
Scope 2 ²	tonnes of CO ₂ -e	18.88	27.78
Scope 3 ³	tonnes of CO ₂ -e	0.12	0.12
Total GHG emission	tonnes of CO₂-e	23.20	33.14
GHG emission intensity	tonnes of CO ₂ -e/revenue in HK\$'000	0.0003	0.0004

¹ Direct emission from sources that are owned or controlled by the Group.

² Indirect emissions from the generation of purchased electricity consumed by the Group.

³ All other indirect emissions that occur outside the Group, including emissions from paper waste disposal and the electricity used for fresh water processing and sewage processing.

Hazardous and Non-hazardous Wastes

Regarding the business nature of the Group, it does not generate any hazardous waste. The non-hazardous waste is generated from the office operation and is considered as insignificant to the Group's business. In spite of this, the Group endeavours to reduce the amount of waste and strengthen the environmental awareness of the employees.

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In order to reduce paper waste, the Group introduced paper consumption reduction initiatives and promoted recycling of paper. Employees are encouraged to use double sides of paper and recycled paper. Besides, the Group reduced the thickness of printing paper from 80 gsm to 70 gsm as an initiative to reduce paper consumption. The Group has also implemented recycling scheme for paper wastes. The decrease in non-hazardous waste generated in 2021 was mainly attributable to the reduced in office operation brought by the implementation of work from home arrangement for the COVID-19 pandemic during the Year.

As the Group is only involved in office operation, water discharge from office use is systematically collected by the building sewage system of its office premises and treated in sewage treatment plants. Besides, the office solid waste is properly collected and handled by a cleaning company engaged by property management department. The discharges into water and land are relatively small and insignificant as compared with the Group's business.

The wastes generated by the Group, which mainly consist of paper waste, during the reporting period were summarised as follows:

Wastes	Unit	2021	2020
Non-hazardous waste generated	tonnes	0.069	0.081
Non-hazardous waste generated intensity	tonnes/employee	0.002	0.002
Non-hazardous waste recycled	tonnes	0.069	0.081
Non-hazardous waste recycled intensity	tonnes/employee	0.002	0.002

A2. USE OF RESOURCES

The Group places great emphasis on ensuring efficient use of resources. It strives to promote resource saving by adopting green office practices and motivating the employees to participate in resource conservation activities. It has incorporated the guidelines of using resources efficiently into the staff handbook in order to enhance their environmental awareness.

Energy

The energy consumption of the Group comes from purchased electricity for premises operation and fuel used by the Company's vehicles. In order to reduce the energy consumption, the Group advocated various energy conservation strategies. The Group has implemented lighting zone control and adopted energy-efficient lamps in its office.

By posting energy-saving notices, employees are reminded to switch off the electrical appliances when they are not in use. Besides, room temperature is maintained at an energy-efficient level of 25°C and monitored by designated personnel. The decrease in energy consumption in 2021 was mainly attributable to the reduced in office operation and vehicle use brought by the implementation of work from home arrangement for the COVID-19 pandemic during the Year.

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During the reporting period, the energy consumption was as follows:

Type of energy	Unit	2021	2020
Purchased electricity	MWh	51.02	55.57
Petrol	MWh	13.78	17.19
Total energy consumption	MWh	64.80	72.76
Energy consumption intensity	MWh/revenue in HK\$'000	0.0009	0.0010

Water

Water is another important resources. The water used by the Group is supplied by the Water Supplies Department. The Group strives to reduce water consumption by strengthening water-saving awareness of its employees. It reminds the employees to conserve water by sending emails and posting signs in the office premises. The water consumption in 2021 remained stable when compared with 2020 as the Group strived to find ways to conserve water effectively during the Year.

During the reporting period, the total water consumption was as follows:

Water	Unit	2021	2020
Total water consumption	m³	191.44	194.95
Water consumption intensity	m ³ /revenue in HK\$'000	0.0026	0.0026

A3. THE ENVIRONMENT AND NATURAL RESOURCES

Regarding the business nature of the Group, it is not aware of any significant impact of the business activities on the environment and natural resources. With the implementation of "Environmental Policy" and the aforementioned green office practices to reduce air pollutants and GHG emissions, waste generation and resources consumption, the Group strives to enhance environmental sustainability and minimise the impacts on the environment.

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A4. CLIMATE CHANGE

Governance

Our Group addresses climate-related risks based on the nature of the risk to our operations. The physical impacts of climate change, including extreme weather events, or damage to facilities have immediate operational impacts, are treated as operational risks. Long-term challenges, such as emerging ESG issues and climate-related risks and opportunities, may be discussed by the Group's ESG Working Group.

Our ESG Working Group provides effective governance for integrating and addressing ESG issues, including climate change, within our business. The ESG Working Group is responsible for approving operational emissions targets for the Group and commissioning an ESG benchmarking, as well as gap analysis exercise to identify gaps in both disclosure and policy relative to the best practice standards. Moreover, the ESG Working Group works closely with the Group's different operation departments, with an aim to develop consistent and enhanced approaches on addressing ESG risk issues and report to the management.

Strategy

Climate change risk forms part of our overall risk profile through its role in increasing the frequency and intensity of certain diseases, and the health and mortality impacts resulting from natural disasters. We assess the overall level of risk by taking into consideration a range of diverse risk factors across the many categories in our services range. This diversity of risk is combined with our business strategy and broad geographic footprint helps us mitigate risk and provide protection against the impacts of short-term climate change effects.

Our services continue to provide protection for people in our communities against weather and heat-related diseases. Besides, we plan to explore opportunities to engage our business partners and encourage them to develop climate resilience and reduce their operational carbon footprint by taking into consideration of different climate-related scenarios, including a "2°C or lower scenario" through the following steps:

Step 1: Set Future Images Assuming Climate Change Effects

As climate change measures proceed, there is a possibility that the industry will be exposed to substantial changes, such as stricter policies including the introduction of and increases in carbon pricing, as well as advances in technology and changes in customer awareness.

In light of these climate change effects, based on the International Energy Agency ("IEA") scenarios and others, we developed multiple future images of 2025 as the external environment that will surround our Group. With regard to the IEA scenarios, we put focus on the 2°C scenario (2DS) and pictured future images in case where climate change measures do not progress and where such measures progress further Beyond 2°C scenario.

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Step 2: Consider the Impacts

We considered the impacts on our Group for each of the future images developed in Step 1. We believe that in such a society, it will be possible to expand carbon dioxide reduction effects.

With regard to effects on our Group's procurement and office operation, introduction of and increase in carbon pricing is anticipated in accordance with the global advance of climate change measures, leading to the possibility of higher procurement and office operation costs.

On the other hand, in the case where climate change measures are not adequate throughout society, business operation interruptions and supply chain disruptions are likely to increase as a result of higher frequency and intensification of natural disasters such as typhoon and flooding.

Step 3: Respond to the Strategies

Our Group will begin promoting the reduction of non-renewable energy in our office operation. This strategy will allow for flexible and strategic responses to each demand for the regions where the emission factors of purchased electricity consumptions are high. By promoting real carbon emissions reductions throughout the world through comprehensive energy-saving policies and introduction of renewable energy, we are working to achieve zero carbon emission in our business.

With respect to renewable energy in particular, we have set a new target, which is to achieve a 5 percent reduction rate for purchased electricity by 2025. With regard to the ongoing confirmation of the suitability and progress of the Group's strategies, we believe that we will have opportunities for stable funding and sustainable increases in corporate value through appropriate information disclosure, dialogue with institutional investors and other stakeholders.

Risk Management

Our Group identifies the climate change related risks or to test the existing risk management strategies under climate change with the aid of risk assessment. Hence, the areas where new strategies are needed could be identified.

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The risk assessment takes a standard risk-based approach using national data, local information and expert knowledge, which can identify how climate change may compound existing risks or create new ones. The risk assessment is conducted through the following steps:

Step 1: Establish the context

- Objective/goal
- Scale
- Time frame
- Climate change scenario for most climate variables and sea level

Step 2: Identify existing risk (past and current)

- Identify the record of occurrence of climatic hazard in the past in the area
- Risk management strategies in place to tackle future occurrence of the hazard

Step 3: Identify future risk and opportunities

- Explore climate change projections for the selected time frame(s) and emission scenario(s)
- Identify potential hazards
- Investigate whether any existing risk from Step 2 may get worse under future projected changes
- Identify new risks that can emerge under future projected changes

Step 4: Analyse and evaluate risk

- Identify a set of decision areas or systems (i.e. geographical areas, business operation, assets, ecosystems, etc.) that has the potential to be at risk in future

As outlined within the Governance section above, the Group has robust risk management and business planning processes that are overseen by the Board in order to identify, assess and manage climate-related risks. The Group engages with the government and other appropriate organizations in order to keep abreast of expected and potential regulatory and/or fiscal changes.

We continue to raise awareness of climate change in regard to monitoring of carbon and energy footprint in our daily operation. However, there remains gaps in understanding how such climate risks and opportunities may impact our operations, assets and profits. Our Group assesses how the business addresses climate change risks and opportunities and takes the initiative to monitor and reduce their environmental footprint.

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Significant Climate-related Issues

During the reporting period, the significant climate-related physical risks and transition risks, which have impacted and/or may impact our Group, as well as the steps taken to manage these risks, were as follows:

Detailed description of risks	Financial impact	Steps taken to manage the risks
Physical Risk		
Acute physical risks		
<ul style="list-style-type: none"> Climate change can lead to more frequent extreme weather. Super typhoon may be an extreme weather in Hong Kong. It can cause serious impacts on the office infrastructure. Office windows may be broken due to heavy wind and rain. The Group's equipment, documents, systems, back up storage may be destroyed as a result of typhoon. 	<ul style="list-style-type: none"> Operating cost and maintenance cost increase 	<ul style="list-style-type: none"> Office will take sufficient and necessary measures when there is an announcement of typhoon. All documents will be stored in a proper manner and kept away from the window. Additionally, the electronic version of the documents will also be saved for backup. The backup will be kept by the senior management and be stored outside of the office.
Chronic physical risks		
<ul style="list-style-type: none"> Prolonged hot weather may increase the energy consumption. As electricity supply is very important for running a business, a surge of energy consumption may lead to fuel shortage, results in shortage of electricity supply. Climate change can lead to an increase in extreme weather, such as drought, super typhoon, flood, etc., which can affect the ecosystem. The Group is dependent on paper for printing and consumes a huge amount of paper. Papers are essential for office operation. One of the raw materials for paper is wood. If prolonged extreme weather events occurred, the supply of wood will be affected, hence, affecting the supply of paper. 	<ul style="list-style-type: none"> Operating cost increases 	<ul style="list-style-type: none"> The Group has implemented lighting zone control and adopted energy-efficient lamps in the office. By posting energy-saving notices, employees are reminded to switch off the electrical appliance when they are not in use. Room temperature is maintained at an energy-efficient level of 25°C.

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Detailed description of risks	Financial impact	Steps taken to manage the risks
Transitional Risk		
Policy risk		
<ul style="list-style-type: none"> Mandates on and regulation of existing services. If there is a restriction on logging for environmental protection purpose imposed by relevant governments, the supply of wood will be affected, hence, affecting the supply of paper and other natural resources. 	<ul style="list-style-type: none"> Operating cost increases for high compliance costs and increased insurance premiums for the Group. 	<ul style="list-style-type: none"> Monitor the updates of the relevant laws and agreements, to avoid the unnecessary increase in cost and expenditure due to non-compliance.
Legal risk		
<ul style="list-style-type: none"> Exposure to litigation. We have to adapt to the tightened law and regulations issued by the government due to climate change, and the Group will be exposed to the risk of litigation if it fails to comply with the new rules. Strict ESG reporting requirement. The Group may have to spend much time on fulfilling the report standards to comply the new requirement. The loan, investment and the underwriting in insurance of economic systematic risk may increase or worsen. 	<ul style="list-style-type: none"> Operating cost increases for high compliance costs and increased insurance premiums for the Group. 	<ul style="list-style-type: none"> Monitor the updates of the relevant laws and agreements, to avoid the unnecessary increase in cost and expenditure due to non-compliance.

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Detailed description of risks	Financial impact	Steps taken to manage the risks
Technology risk		
<ul style="list-style-type: none"> More low carbon energy-saving materials and energy saving technologies are developed, the capital investment and R&D expense increase consequently. More green building strategies with low-carbon, energy-saving technologies are adopted by industry peers. Lagging behind may weaken our competitive edges. 	<ul style="list-style-type: none"> Upgrade office supplies with low-carbon and energy saving technologies may involve higher investment cost and R&D expense. 	<ul style="list-style-type: none"> Examined the feasibility and benefits of applying the latest environmental technologies into our operation.
Market risk		
<ul style="list-style-type: none"> More customers are considering climate-related risks and opportunities, which may lead to changes in customers' demand for services. Increased cost of office supplies. Environmental-friendly office supplies may be much more expensive, which may increase our cost. 	<ul style="list-style-type: none"> Revenue decreases for the change in customers' preference. Procurement cost increases as abrupt and unexpected shifts in market price of office supplies. 	<ul style="list-style-type: none"> Tighten the control of the environmental pollution when operating and studied the application of recycled materials and lower-emission energy sources.
Reputational risk		
<ul style="list-style-type: none"> Unable to fulfil the expectations of the customers, damage the Group's reputation and image. Stigmatization of our business sector, such as more stakeholders giving negative feedbacks on our business operation that it operates in a less environmental-friendly way. 	<ul style="list-style-type: none"> Revenue decreases from the reduced customers. Operating costs increases from negative impacts on workforce management and planning. 	<ul style="list-style-type: none"> Planned to support and participate in the activities that are related to environmental protection and conservation. Planned to select suppliers who carry out relevant policies to protect the environment.

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Detailed description of opportunities	Financial impact
<p>Resource efficiency</p> <ul style="list-style-type: none"> Reduce paper usage Reduce water usage and consumption 	<ul style="list-style-type: none"> Operating cost reduces through efficiency gains and cost reductions Operating cost reduces through use of lowest cost abatement
<p>Energy source</p> <ul style="list-style-type: none"> Use of lower-emission energy sources Use of supportive policy incentives Use of new technologies 	<ul style="list-style-type: none"> Returns on investment in low-emission technologies
<p>Products and services</p> <ul style="list-style-type: none"> Development of climate adaptation and environmental-friendly solutions Ability to diversify business activities 	<ul style="list-style-type: none"> Revenue increases through new solutions to adaptations needs
<p>Markets</p> <ul style="list-style-type: none"> Access to new markets 	<ul style="list-style-type: none"> Revenue increases through access to new and emerging markets
<p>Resilience</p> <ul style="list-style-type: none"> Participation in renewable energy programs and adoption of energy-efficiency measures Resource substitution or diversification 	<ul style="list-style-type: none"> Market valuation increases through resilience planning, such as infrastructure, land and buildings Reliability of supply chain and ability to operate under various condition increase Revenue increases through new services related to ensuring resiliency

Metrics and Targets

Our Group adopts the key metrics to measure and manage climate-related risks and opportunities. The energy consumption and greenhouse gas (“GHG”) emissions indicators are the key metrics used to assess and manage relevant climate-related risks where we consider such information is material and crucial for assessing the impact of our operation on global climate change during the Year.

Our Group tracks our energy consumption and greenhouse gas emissions indicators regularly to assess the effectiveness of emission reduction initiatives, as well as set targets to contribute our effort to have minimal impact on global warming. The details are described in the section A1: “Emissions” of this Report. Our Group has adopted absolute target to manage climate-related risks and opportunities and performance.

Environmental, Social and Governance Report

B. SOCIAL ASPECTS

EMPLOYMENT AND LABOUR PRACTICES

B1. EMPLOYMENT

The Group believes that people are the most valuable assets and resources to the continuing development and success of the Group. The Group's staff handbook has covered issues in respect of compensation and dismissal, recruitment and promotion, working hours, rest periods and other benefits and welfare. The Group strictly abides by relevant laws and regulations, such as the Employment Ordinance (Cap. 57). During the Year, the Group was not subject to any punishment by the government and was not involved in any lawsuit relating to employment.

Equal Opportunity

The Group strives to construct a diverse and inclusive workplace where all its employees are treated with dignity and respect. The Group adheres to the principles of fairness in all aspects of employment and strictly prohibits all forms of discrimination or harassment against any individual on the basis of seniority, nationality, gender, age, marital status, disability, race, colour, religion or sexual preference. The Group participates in the Hong Kong government's "Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme", where it supports disabled people in unleashing their potential and creating an inclusive working environment.

Harassment-Free Workplace

All employees are committed to maintaining a professional and harassment-free working environment – places where employees act with respect for one another and for those with whom we do business. Behaviors such as unwelcome conduct and sexual harassment are strictly prohibited.

Remuneration and employee benefits are crucial to retain and motivate employees in achieving key objectives of the Group. It provides competitive remuneration and benefits for the employees in accordance with the Employment Ordinance (Cap. 57). The Group offers a five-day work week, medical insurance and mandatory provident fund ("MPF") to the employees. It is recognised as a "Good MPF Employer" by the Mandatory Provident Fund Schemes Authority. Employees are also entitled to various leaves, such as paid annual leave, sick leave and maternity and paternity leave. The Group also provides a fresh supply of snacks, fruits and drinks for the employees. Recognising the importance of a work-life balance to a motivated and productive workforce, it organises recreational activities, such as birthday celebrations, Christmas and spring dinners, seafood feast and health seminars to create a relaxing working environment and enrich the staff relations.

During the reporting period, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

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As at 30 June 2021, the employee compositions by gender, age group and geographical region, employment category and employment mode were as follows:

Employee compositions	2021	2020
By gender		
• Male	29%	29%
• Female	71%	71%
By age group		
• Age 30 or below	26%	29%
• Age 31–40	68%	40%
• Age 41–50	6%	24%
• Age 51 or above	–	7%
By geographical region		
• Hong Kong	100%	100%
By employment category		
• Senior management	9%	2%
• Middle management	11%	12%
• General staff	80%	86%
• Short term/Contract staff	–	–
By employment mode		
• Full-time staff	100%	100%
• Part-time staff	–	–

The employee annual turnover rate by gender, age group, geographical region during the reporting period was as follows:

	2021	2020
By gender		
• Male	100%	67%
• Female	55%	30%
By age group		
• 30 years old or below	100%	92%
• 31–40 years old	41%	–
• 41–50 years old	–	40%
• 51 years old or above	–	67%
By geographical region		
• Hong Kong	79%	41%
Overall	79%	41%

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B2. HEALTH AND SAFETY

Given the nature of the Group's business operation, chances of occupational accidents are comparatively lower than other industries. In spite of this, the Group places the health and safety of its employees in the top of its priorities. The Group is in strict compliance with the Occupational Safety and Health Ordinance (Cap. 509) and strives to provide and maintain a safe and hygienic working environment for its employees and to protect them from work-related injuries. The "Guidelines on Occupational Health and Safety" covers potential hazards in the office and guidelines to minimise the potential health and safety risks. Below are some of the examples:

Lighting

Sufficient lightings in the workplace enable employees to recognise hazards and reduce visual strain. Louver and diffuser have been installed for fluorescent lights to control the distribution of light. To reduce glare and screen reflection, daylight may be shielded by blinds or curtains.

Indoor Air Quality and Ventilation

Efficient ventilation can provide a comfortable working environment and avoid invisible health hazard. The Group prohibits smoking within the office area. Air outlets are cleaned on a regular basis to improve the indoor air quality and increase the efficiency of the ventilation system. Air purifiers have also been placed at each department to enhance air quality.

Working Posture

The Group provides employees with adjustable chairs and encourage them to pay attention to their usual sitting posture to reduce stress and strain on their bodies. In addition, soft chair pads for posture are available to all staff to provide extra support to minimise back-pain.

During the reporting period, there was no work-related fatality or injury. The Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group in providing a safe and healthy working environment during the reporting period.

B3. DEVELOPMENT AND TRAINING

The Group considers the skills and knowledge of its employees as the key elements of the Group's continued business growth and success. With the implementation of the "Training Policies", it encourages the employees to participate in training programs to enhance their skills and competencies to meet the business needs and personal growth.

For newly recruited employee, the Group provides induction orientation, which covers corporate culture and responsibilities of the position. For existing employees, the Group provides various training opportunities, covering complaint handling procedures, branding and customer service, healthcare and nursing knowledge, etc.

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During the reporting period, the percentage of employees trained by gender and employee category was as follows:

Percentage of employee trained (%)	2021	2020
By gender		
• Male	48%	100%
• Female	84%	100%
By employment category		
• Senior management	100%	100%
• Middle management	100%	100%
• General staff	50%	100%
• Short term/Contract staff	–	N/A ⁴
Overall	71%	100%

⁴ The data for 2020 was not available.

During the reporting period, the detailed breakdown of employees trained (in percentage) and the average training hours completed per employee by gender and employee category was as follows:

Training	Average training hours (hours/employee)		Breakdown of employee trained (%)	
	2021	2020	2021	2020
By gender				
• Male	79.2	123.3	23%	32%
• Female	167.0	83.1	77%	68%
By employment category				
• Senior management	318.7	180.0	17%	7%
• Middle management	306.4	62.3	27%	12%
• General staff	95.7	79.7	56%	79%
• Short term/Contract staff	–	N/A ⁴	–	2%
Overall	136.7	96.8		

B4. LABOUR STANDARDS

With the implementation of the Group's "Labour Standards Policy", the Group is committed to supporting the effective abolition of child labour and upholding the elimination of all forms of compulsory labour. The Group adheres to the relevant laws and regulations, including the Employment Ordinance (Cap. 57) and strictly prohibits recruitment of children aged under 15. During the recruitment process, applicants are required to present their identity documents to Human Resources Department for age verification as prevention of engaging child labour. Besides, all work should be performed on a voluntary basis. Working hours and rest periods are stipulated in the staff handbook.

During the reporting period, the Group was not aware of any non-compliance with relevant laws and regulations related to recruitment of child labour or forced labour practices.

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OPERATING PRACTICES

B5. SUPPLY CHAIN MANAGEMENT

The Group mainly cooperates with third-party services providers such as information technology service, property management service, advertising service, legal and consulting service. The Group also works with suppliers which supply office equipment, printing and stationery to it.

With its “Green Procurement Policy” covering guidelines in making sustainable procurement decisions, the Group strives to promote and support the environmental and social initiatives in the supply chain as customers become more concerned about environmental issues and stress the importance of using environmental-friendly materials. The Group has priority in procuring products that with greater energy efficiency, recyclable and with less packaging materials, in order to reduce the environmental impacts.

B6. PRODUCT RESPONSIBILITY

The Group regards service quality as one of the key competitive advantages of the business. It continues to provide high-quality services in order to meet the expectations of the clients and enhance their satisfaction. The Group adheres with the Personal Data (Privacy) Ordinance (Cap. 486), the Books Registration Ordinance (Cap. 142) and the Trade Description Ordinance (Cap. 362).

Quality Management System

In order to maintain the high-quality services, the Group has established the training manual which covers the customer service procedures. The Group ensures that the employees are familiarise with the work procedures in order to deliver standardised and high-quality services.

In addition, to ensure healthcare personnel registered under Bamboos are qualified to deliver high-quality services, the Group has a stringent healthcare personnel registration procedure. It conducts interviews with healthcare personnel and requires them to provide relevant certifications and employment proofs.

Complaints Handling Management System

The Group believes the opinions from the clients are valuable input for its continuous improvement and vital to its pursuit for excellence. The Group conducts customer satisfaction survey and phone interview regularly to monitor client satisfaction and understand their needs for our continuous improvement.

The Group is committed to the efficient and fair resolution of all complaints. The “Complaint Handling Policy” outlines the Group’s complaint handling process. In the receipt of complaints, the relevant information including the description of complaint, the requested remedy and the action taken, will be recorded immediately. The Group will then assess its severity and investigate the complaints thoroughly. Following the investigation, it will contact the complainant and provide the complainant with a response and remedy.

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With the “Complaints Handling Procedures”, the Group ensures that employees are adequately trained and provided with sufficient support to handle complaints appropriately. Training is provided at the induction stage for all employees and will be updated and reinforced as necessary.

Personal Data Privacy and Protection

The Group is aware of the importance in handling personal information. It takes high precaution in ensuring its confidentiality to avoid misuse or leakage of personal data. It has engaged an independent information technology consultant under a service agreement which specifies that information and data must be managed with strict care to restrict any unauthorised access and avoid careless leakage. Besides, its internal server system and customer relationship management system are restricted with different access levels. Employees can only access to certain data on a “need-to-know” basis in order to reduce the risk of data leakage.

The Group has incorporated its requirements in relation of confidentiality into staff handbook and employment contracts. Employees are required to fully abide by the guidance on prohibiting any unauthorised disclosure of confidential information. Besides, it conducts exit interviews with leaving employees to emphasise the importance of confidential data protection after the termination of employment and requires them to be aware of by signing a declaration.

Intellectual Property Rights

The Group has always attached great importance to the protection of the intellectual property rights by ensuring necessary filing or registration. The Group has registered its logos and its representing cartoon characters.

Advertising

The Group ensures that information for service introduction is real. All external advertisements were produced in accordance with the relevant request and scope of legislations. They would only be put on the websites and other advertising platforms after being reviewed by the Group’s management.

Labelling

The Group mainly provides health care services, which do not involve any labeling issues relating to the services provided.

During the reporting period, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to services provided and methods of redress.

B7. ANTI-CORRUPTION

The Group is committed to upholding high standards of business ethics and integrity. The Group strictly complies with the Prevention of Bribery Ordinance (Cap. 201) and forbids any form of corruption, extortion, bribery, fraud, money laundering and embezzlement. As stipulated in the staff handbook, Directors and employees shall not solicit or accept any banquets, gifts, rebate or other forms of bribing benefits for the sake of relation, influence, interests or activities that could compromise the best interest of the Group.

Environmental, Social and Governance Report

The Group's "Whistle-blowing Policy" allows whistleblowers to report any unlawful conduct, any incident of corruption, avoidance of internal controls, incorrect or improper financial or other reporting to the management by the compliance hotline. The case of suspected corruption will be handled in an unbiased and confidential manner. The Group provided a 1-hour anti-corruption training held by Independent Commission Against Corruption ("ICAC") to all staff during the Year.

During the reporting period, our Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to bribery, extortion, fraud and money laundering. There was no legal case regarding corrupt practices brought against the Group during the reporting period.

COMMUNITY

B8. COMMUNITY INVESTMENT

As a socially responsible enterprise, the Group is constantly aware of the community needs and strives to bring a positive impact on community development. The Group has been a Caring Company of Hong Kong Council of Social Service's Caring Company Scheme since the Group's establishment. The Group has participated in various community activities concerning public health, elderly care, healthcare professional development and social diversity and inclusion. It encourages service to the community through staff voluntary efforts and in-kind donations.

Our Group supports community development by cash donation and in-kind donation. During the reporting period, it made cash donation to various charitable organisations and sponsored charity activities with in-kind donation. To support the healthcare workers during COVID-19, the Group has organised various free gift events for them.

The details of sponsorship made by the Group during the Year were as follows:

Nature of support	2021	2020
	HK\$'000	HK\$'000
Cash sponsorship	40	70
Sponsorship in-kind to:	110	69
• Sponsoring gift bags and lucky draw gifts to activities		
• Supporting charity sales		
• Volunteering in initiatives		
• Support in promotion and media		
• Support in event management		
Total	150	139

The Group encourages its employees to dedicate their time and skills to participate in different voluntary activities and support the local communities. During the reporting period, it initiated and participated in various volunteer programmes in supporting community development with the aim of creating a harmonious community.

Environmental, Social and Governance Report

During the Year, the Group attended and organized some cooperate social responsibility (CSR) related events and the details were summarised in the following table:

Events

- Summer internship: 8 students participated in different jobs in the company
- Bamboos Scholarship to support local students and education
- Provided Mid-Autumn festival lucky bag gifts and mooncakes to the healthcare workers
- Over 20 staff received ICAC Corruption Prevention Training via ZOOM
- Christmas lucky bag gifts given to the healthcare workers
- Visited the Sha Tin community, conducted a site inspection and shared opinions on the COVID-19 vaccine tests with Mr. Yau, who was the district representative of "Jat Min Chuen" in Sha Tin and the Manager of the Hong Kong Housing Society
- The provision of vaccination services for the citizens in Yuen Wo Road Sports Centre, Sha Tin
- Caring for its employees to allow them to take a vacation leave for those who felt unwell after receiving vaccination
- The government commissioned a professional team from the Group to the Hong Kong Institute of Sport to vaccinate a group of athletes with the COVID-19 vaccine
- Vaccination plan promotion: encouragement for the food and drink catering industry
- Vaccination plan promotion: encouragement for the foreign domestic helpers
- "Nurse's Day" – "One sentence by every person to support medical care" event
- COVID-19 outreach vaccination services for construction workers
- Attended the "Hong Kong Trendy Business Strategy and Hong Kong Development Symposium" to share the Group's contribution, such as providing various supports to praise the professionalism and dedication of the medical staff during the epidemic
- COVID-19 outreach vaccination services for CLP workers

Environmental, Social and Governance Report

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)

Section

Pages

A. Environmental

A1: Emissions

General Disclosure

"Emissions"

34

KPI A1.1 The types of emissions and respective emissions data

"Emissions – Air Pollutant Emissions"

35

KPI A1.2 Greenhouse gas emissions in total and, where appropriate, intensity

"Emission – Greenhouse Gas Emissions"

35

KPI A1.3 Total hazardous waste produced and, where appropriate, intensity

Not applicable to our Group's business.

N/A

KPI A1.4 Total non-hazardous waste produced and, where appropriate, intensity

"Emissions – Hazardous and Non-hazardous Wastes"

36

KPI A1.5 Description of measures to mitigate emissions and results achieved

"Emissions – Air Pollutant Emissions"

34

"Emissions – Greenhouse Gas Emissions"

35

KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved

"Emissions – Hazardous and Non-hazardous Wastes"

35

A2: Use of Resources

General Disclosure

"Use of Resources"

36

KPI A2.1 Direct and/or indirect energy consumption by type in total and intensity

"Use of Resources – Energy"

37

KPI A2.2 Water consumption in total and intensity

"Use of Resources – Water"

37

KPI A2.3 Description of energy use efficiency initiatives and results achieved

"Use of Resources – Energy"

36

KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved

"Use of Resources – Water"

37

KPI A2.5 Total packaging material used for finished products and, if applicable, with reference to per unit produced

Not applicable to our Group's business.

N/A

A3: The Environment and Natural Resources

General Disclosure

"The Environment and Natural Resources"

37

KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them

No significant impact of activities on the environment and natural resources was noted.

N/A

Environmental, Social and Governance Report

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)	Section	Pages
A4: Climate Change		
General Disclosure	"Climate Change"	38
KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	"Climate Change"	38
B. Social		
Employment and Labour Practices		
B1: Employment		
General Disclosure	"Employment"	45
KPI B1.1 Total workforce by gender, employment type, age group and geographical region	"Employment"	46
KPI B1.2 Employee turnover rate by gender, age group and geographical region	"Employment"	46
B2: Health and safety		
General Disclosure	"Health and Safety"	47
KPI B2.1 Number and rate of work-related fatalities	No work-related fatality was recorded during the year.	N/A
KPI B2.2 Lost days due to work injury	No lost day due to work injury was recorded during the year.	N/A
KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	"Health and Safety"	47
B3: Development and Training		
General Disclosure	"Development and Training"	47
KPI B3.1 The percentage of employee trained by gender and employee category	"Development and Training"	48
KPI B3.2 The average training hours completed per employee by gender and employee category	"Development and Training"	48
B4: Labour Standards		
General Disclosure	"Labour Standards"	48
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour	"Labour Standards"	48
KPI B4.2 Description of steps taken to eliminate such practices when discovered	–	N/A

Environmental, Social and Governance Report

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)	Section	Pages
Operating Practices		
B5: Supply Chain Management		
General Disclosure		
	"Supply Chain Management"	49
KPI B5.1	Number of suppliers by geographical region	–
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	"Supply Chain Management" 49
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	"Supply Chain Management" 49
KPI B5.4	Descriptions of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	"Supply Chain Management" 49
B6: Product Responsibility		
General Disclosure		
	"Product Responsibility"	49
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	The Group currently does not report on this indicator. N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with	"Product Responsibility – Complaints Handling Management System" 49
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights	"Product Responsibility – Intellectual Property Rights" 50
KPI B6.4	Description of quality assurance process and recall procedures	"Product Responsibility – Quality Management System" 49
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	"Product Responsibility – Personal Data Privacy and Protection" 50
B7: Anti-corruption		
General Disclosure		
	"Anti-corruption"	50
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the case	No concluded legal case regarding corrupt practices was noted. N/A
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	"Anti-corruption" 51
KPI B7.3	Description of anti-corruption training provided to directors and staff	"Anti-corruption" 51

Environmental, Social and Governance Report

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)	Section	Pages
Community		
B8: Community Investment		
General Disclosure		
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	"Community Investment"	51
KPI B8.2 Resources contributed (e.g. money or time) to the focus area	"Community Investment"	51

Biographical Details of Directors and Senior Management

EXECUTIVE DIRECTORS

Ms. Hai Hiu Chu, aged 50, is an executive Director, the Chief Executive Officer and the controlling shareholder of the Company. Ms. Hai was appointed as the Chairman of the Board with effect from 18 August 2018. Ms. Hai co-founded the 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 Chinese Medicine and a master's degree of Chinese Medicine from The University of Hong Kong in November 2008 and November 2012 respectively. She has also completed a programme in EMBA and obtained a master's degree in Business Administration from The Chinese University of Hong Kong in December 2010. She obtained an EN qualification from the Nursing Council of Hong Kong in February 1993. Ms. Hai has over 22 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.

Ms. Hai currently serves as the chairman of Hong Kong Health Care Federation, a member of Registration Committee of Chiropractors Council; and a visiting professor of Guangdong Pharmaceutical University. Also, Ms. Hai is the winner of the Most Promising Entrepreneurship Award in Asia Pacific Entrepreneurship Awards 2012.

Dr. Leung Wai Cheung, aged 57, was appointed as an executive Director of the Company with effect from 1 April 2021. Dr. Leung was graduated with a Bachelor's degree of Commerce from the Curtin University of Technology in 1995 and subsequently obtained a Postgraduate Diploma in Corporate Administration in 1998, a Master degree in Professional Accounting from The Hong Kong Polytechnic University in 1999, a Doctor degree of Philosophy in Management from the Empresarial University in 2004, a Doctor degree of Educational Management from the Bulacan State University in 2008, a Doctor degree of Business Administration from European University in 2015, a Doctor degree of Philosophy in Forensic Accounting and Auditing from Charisma University in 2020, and a LL.M international and commercial law from University of Greenwich in 2021.

Dr. Leung has more than 30 years of experience in financial reporting and financial management. He is an adjunct lecturer at the University of Hong Kong School of Professional and Continuing Education, and has been teaching diploma/bachelor/postgraduate/master courses and short courses of professional accounting examinations since 2003. He was the company secretary and financial controller from 2000 to 2011, and an executive director from 2000 to 2003 in FlexSystem Holdings Limited (currently known as Quantum Thinking Limited) (stock code: 8050). He was also the financial controller of Fortune Realty Company Limited from 1996 to 2000, the accounting manager of Wang On Group Limited (stock code: 1222) from 1993 to 1996 and the assistant accountant of Eton Management Limited from 1987 to 1992. He is currently an independent non-executive director of Mobicon Group Limited (stock code: 1213).

Dr. Leung has been an associate member of the Hong Kong Institute of Certified Public Accountants since 1993, CPA Australia since 1996, the Institute of Chartered Secretaries and Administrators since 1997, the Hong Kong Institute of Chartered Secretaries since 1997, the Taxation Institute of Hong Kong since 1998 and the Chartered Professional Accountants of British Columbia, Canada since 2017. He has also been a fellow member of the Association of Chartered Certified Accountants since 1998 and the Institute of Chartered Accountants in England and Wales since 2017.

Biographical Details of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Chan Kai Yue Jason, JP, aged 47, is an independent non-executive Director since April 2019 and a member of the audit committee, remuneration committee and compliance committee of the Company. Dr. Chan has extensive experience in education and information technology industries. Dr. Chan has been the Head of Information Technology of the College of Professional and Continuing Education (CPCE) at the Hong Kong Polytechnic University since July 2010.

Dr. Chan graduated from City University of Hong Kong with a Bachelor of Arts in Public and Social Administration with First Class Honours in 1998. He further obtained a Master of Science degree in Computing at City University of Hong Kong in 2004 and a Master of Educational Technology degree at The University of British Columbia in 2005. He completed the Stanford Certified Project Manager certificate program in Stanford University in 2007 and his doctorate in Doctor of Education at The University of Bristol in 2010.

Dr. Chan has been appointed in several public services. He is currently serving as a member of the Dissemination and Promotion Sub-committee of the Quality Education Fund for Education Bureau, a member of Property Management Services Authority, a lay member of the Solicitors Disciplinary Tribunal of Judiciary Hong Kong, a member of the Transports Tribunals Panel for Transport and Housing Bureau, a member of Advisory Committee of the Innovation and Technology Venture Fund (ITVF) for Innovation and Technology Bureau, a member of the Steering Committee of Child Development Fund for Labour and Welfare Bureau, a co-opted member of Consumer Council and a member of the Entrepreneurship Committee Advisory Group for Hong Kong Cyberport. Dr. Chan was appointed as Justice of the Peace of Hong Kong on 30 June 2017.

Mr. Wong Kon Man Jason, aged 57, is an independent non-executive Director since January 2019 and the chairman of the audit committee and a member of the remuneration committee and compliance committee. Mr. Wong graduated from the University of Hawaii at Manoa in the United States with a bachelor's degree in business administration (majoring in accountancy) in 1988. He has over 25 years of experience in finance and investment. He was a financial consultant for Transpac Capital Ltd. from 1993 to 2000. He has been the managing director of Fortune Capital Group Limited since 2000. He is also one of the founding members and an investment committee member of Whiz Partners Asia Ltd.. He is a member of American Institute of Certified Public Accountants and Hong Kong Institute of Certified Public Accountants.

Mr. Wong was an independent non-executive director of Ascent International Holdings Limited (stock code: 264) from 2017 to 2018; an independent non-executive director of China Lending Corporation Ltd. (Nasdaq: CLDC) from 2016 to 2017; an independent non-executive director of DT Asia Investments Ltd. (Nasdaq: CADTU) from 2014 to 2016; an independent non-executive director of Group Sense (International) Limited (currently known as Rare Earth Magnesium Technology Group Holdings Limited) (stock code: 601) from 2004 to 2015; an independent non-executive director of Neo-Neon Holdings Limited (stock code: 1868) from 2011 to 2014 and an independent non-executive director of Polyard Petroleum International Group Limited (stock code: 8011) from 2010 to 2013.

Biographical Details of Directors and Senior Management

Mr. Lam Kwok Ming, aged 70, was appointed as an independent non-executive Director with effect from 17 August 2021. Mr. Lam graduated with a Bachelor's degree in Arts (Hons) from The University of Hong Kong in 1973 and subsequently obtained a Master degree in Business Administration from Oklahoma City University in 1990, a Bachelor of Laws (Hons) degree from The University of Hong Kong in 1994 and a Master of Laws degree in Information Technology Law from The University of Hong Kong in 2004.

Mr. Lam has more than 20 years of experience in legal practice and has extensive experience in providing legal service and advice to private and public listed companies in respect of corporate and commercial, regulatory and compliance matters in Hong Kong. He was admitted as a solicitor in Hong Kong in 1997 and is currently a partner of Guantao & Chow Solicitors and Notaries, a firm of solicitors and notaries in Hong Kong. Before that, he also worked as an assistant solicitor and subsequently a partner in various law firms in Hong Kong. Mr. Lam has also been delivering directors' training with various listed companies in Hong Kong. The Board believes that with his extensive legal knowledge and corporate experience, Mr. Lam will provide valuable advice on the Company's compliance matters and strengthen the corporate governance and internal control of the Company.

SENIOR MANAGEMENT

Ms. Lui Yin Ping, aged 49, is the senior general manager (customer service) of the Group. Ms. Lui joined the Group in July 2009, and is responsible for the supervision of operation and performance of the Customer Service 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 25 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.

COMPANY SECRETARY

Ms. Chan Wan Ling Sammi, aged 35, is a practising solicitor admitted in the Hong Kong Special Administrative Region and a member of the Law Society of Hong Kong. She has also been a Certified Management Accountant since 2016 and a Lawyer of the Supreme Court of New South Wales since 2014. Ms. Chan has a Postgraduate Certificate in Laws and a Bachelor of Laws degree from the City University of Hong Kong and a Bachelor of Business Administration in Accounting and Finance degree from the University of Hong Kong. Ms. Chan has not held any directorships in any listed company over the past three years.

Directors' Report

The Board is pleased to present to the Shareholders this annual report together with the audited consolidated financial statements for the Year.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are set out in Note 37 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the Year.

BUSINESS REVIEW

A fair review of the business of the Group as required under Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) comprising analysis of the Group's performance during the Year, assessment of the principal risks and uncertainties faced by the Group, particulars of important events affecting the Group that have occurred subsequent to the end of the Year, as well as indication of likely future development in the business of the Group are set out in the sections headed "Chairman's Statement" on pages 3 to 4 and "Management Discussion and Analysis" on pages 5 to 12.

Discussions on the environmental policies and performance, compliance by the Group with the relevant laws and regulations that have a significant impact on the Group and the account of the key relationships of the Group with our stakeholders are contained in the "Environmental, Social and Governance Report" on pages 29 to 56.

RESULTS AND APPROPRIATIONS

The Group's results for the year ended 30 June 2021 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements on pages 79 to 141.

The Board did not recommend the payment of a final dividend for the year ended 30 June 2021.

On 17 September 2021, the Board announced that a Board meeting will be held on 30 September 2021 to consider the proposed declaration and payment of a special dividend to the Shareholders.

On 23 February 2021, the Board resolved to declare and pay an interim dividend of HK\$10,000,000 (HK2.50 cents per ordinary share) for the six months ended 31 December 2019 to the Company's shareholders whose names appear on the register of members of the Company on 19 March 2021.

Directors' Report

SUMMARY OF FINANCIAL INFORMATION

A summary of the results, assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out on page 142. This summary does not form part of the audited consolidated 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 16 to the consolidated financial statements.

BANK BORROWING

There was no bank borrowing maintained by our Group as at 30 June 2021 (2020: Nil).

SHARES IN ISSUE IN THE YEAR

Details of the ordinary shares (the "Shares") of HK\$0.01 each in issue in the Year are set out in Note 26 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 30 June 2021, our Company's reserves available for distribution, calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$20,787,000 (2020: HK\$10,123,000).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the Year and up to the date of this report.

Directors' Report

DIRECTORS

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

Executive Directors

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

Dr. Leung Wai Cheung (appointed on 1 April 2021)

Independent non-executive Directors

Dr. Chan Kai Yue Jason

Ms. Chhoa Peck Lim Bella (resigned on 17 August 2021)

Dr. Ko Wing Man (resigned on 17 August 2021)

Mr. Wong Kon Man Jason

Mr. Lam Kwok Ming (appointed on 17 August 2021)

Biographical details of the Directors and the senior management of the Group are set out on pages 57 to 59 of this annual report.

All the Directors, including non-executive and independent non-executive Directors, are subject to retirement by rotation and eligible for re-election in accordance with the 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.

Ms. Chhoa Peck Lim Bella and Dr. Ko Wing Man resigned as independent non-executive Directors of the Company with effect from 17 August 2021. They have confirmed that they have no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the Shareholders of the Company.

Confirmation of Independence

Each independent non-executive Director has given the Company an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules for relevant periods. The Company considers that all the independent non-executive Directors are independent and meet the independent guidelines set out in Rule 3.13 of the Listing Rules for relevant periods.

Directors' interests in competing businesses

None of the Directors is or was interested in any business apart from the Group's business, that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the Year and up to and including the date of this annual report.

Directors' Report

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

DIRECTORS' AND CONTROLLING SHAREHOLDERS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Except for the transactions disclosed in Note 34 to the consolidated financial statements, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries, fellow subsidiaries or its parent companies was a party and in which a Director or his or her connected party had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

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

Save as disclosed in this annual 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 may compete with the business of the Group and any other conflict of interest with the Group throughout the Year.

Name of company	Shareholding in the company attributable to the Directors or controlling shareholders	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

Directors' Report

COMPLIANCE WITH NON-COMPETITION UNDERTAKINGS BY THE CONTROLLING SHAREHOLDERS

Pursuant to the deed of non-competition undertaking dated 21 February 2017 (the "DNU") given by, among others, the controlling shareholders of the Company (namely, Ms. Hai Hiu Chu and Gold Empress Limited) (the "Controlling Shareholders") in favour of the Company (for itself and as trustee for and on behalf of each of its subsidiaries) and save and except for those exceptions as expressly stated in the DNU, the Controlling Shareholders have jointly and severally, unconditionally and irrevocably covenanted and undertaken, among other things, to the Company (for itself and as trustee for and on behalf of each of its subsidiaries) various non-competition and other undertakings, including but not limited to the undertakings not to, and to procure that none of their respective associates (as defined in the Listing Rules and other than members of the Group) will during the period during which (a) the Company's shares remain listed on the Stock Exchange; and (b) the Controlling Shareholders and their respective associates (other than members of the Group), individually or jointly, are entitled to exercise, or control the exercise of, not less than 30% of the voting power at general meetings of the Company; or (c) the Controlling Shareholders or the relevant associates remain as a director of any member of the Group, directly or indirectly, either on their own account, in conjunction with, on behalf of, or through any person, entities, organisations, firm or company, among other things:

- (i) carry on, participate or be interested, engaged or otherwise involved in or acquire or hold (in each case whether as an investor, a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) any business (including but not limited to the core business in Hong Kong (namely the provision of healthcare staffing solution services but excluding the businesses operated by BML and BEST as disclosed in this annual report above) which is or is likely to be in competition with the core business of the Group, and any other new business that the Group may undertake from time to time after its listing on the Stock Exchange (the "Restricted Business") and where they become aware of such engagement of the Restricted Business they shall notify the Company forthwith;
- (ii) without the consent from the Company, make use of any information pertaining to the business of the Group which may have come to its knowledge in its capacity as its controlling shareholders for any purpose of engaging, investing or participating in any Restricted Business; and
- (iii) if there is any project or new business opportunity that relates to the Restricted Business, each of them will refer such project or new business opportunity to the Group for consideration.

The Controlling Shareholders had also continued to uphold, among others, their undertaking by allowing the Company and its representatives to have access to such information, financial and/or corporate records to facilitate the Company to determine the compliance of the undertakings contained in the DNU during the Year.

The Controlling Shareholders have provided to the Company a written confirmation confirming that, during the Year, they and their respective associates have complied with the undertakings contained in the DNU, and that there is no matter in relation to their compliance with or enforcement of the DNU that needs to be brought to the attention of the Stock Exchange, the Company and/or the Shareholders. The independent non-executive Directors have also confirmed to the Company that, having made such reasonable enquiries with the Controlling Shareholders and reviewed such documents as they considered appropriate, nothing has come to their attention that causes them to believe that the terms of the DNU had not been complied with by the Controlling Shareholders during the Year.

Directors' Report

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 30 June 2021, 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 Futures 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 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 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 held	Percentage of shareholding (Note 2)
Ms. Hai Hiu Chu	Interest of a controlled corporation	270,000,000 (Note 1)	67.50%
Ms. Hai Hiu Chu	Beneficial owner	3,866,000	0.97%

Notes:

1. 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.
2. All the interests stated above represent long positions. The percentage of shareholding is calculated on the basis of 400,000,000 Shares in issue as at 30 June 2021.

Directors' Report

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

Name of Director	Date of grant	Exercise period	Exercise price per Share	Number of underlying share	Approximate percentage of shareholding (Note 3)
Ms. Hai Hiu Chu	29/04/2019	Note 1	HK\$1.440	1,850,000	0.463%
	26/06/2020	Note 2	HK\$0.994	2,000,000	0.500%
Mr. Wong Kon Man Jason	29/04/2019	Note 1	HK\$1.440	250,000	0.063%
	26/06/2020	Note 2	HK\$0.994	300,000	0.075%
Ms. Chhoa Peck Lim Bella	26/06/2020	Notes 2, 4	HK\$0.994	300,000	0.075%
Dr. Chan Kai Yue Jason	26/06/2020	Note 2	HK\$0.994	300,000	0.075%

Notes:

- 50% of the share options shall be vested from 30 April 2020 to 29 April 2029 (both dates inclusive) and 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. For details, please refer to the section "Share Option Scheme" in this report.
- 50% of the share options shall be vested from 27 June 2021 to 26 June 2030 (both dates inclusive) and 50% of the share options shall be vested from 27 June 2022 to 26 June 2030 (both dates inclusive), being Type 1 Share Options referred to in the Company's announcement dated 26 June 2020. For details, please refer to the section "Share Option Scheme" in this report.
- The percentage of shareholding is calculated on the basis of 400,000,000 Shares in issue as at 30 June 2021.
- With effect from 17 August 2021, Ms. Chhoa Peck Lim Bella resigned as an independent non-executive Director and the share options granted to her was forfeited.

Save as disclosed above, none of the Directors and 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 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.

Directors' Report

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

So far as the Directors are aware, as at 30 June 2021, 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 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)	67.50%
HRnetGroup Limited (Note 2)	Beneficial owner	32,000,000	8.00%

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. HRnetGroup Limited is a corporation incorporated in Singapore whose issued shares are listed on the Main Board 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 in issue as at 30 June 2021.

Save as disclosed above, as at 30 June 2021, no other persons/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.

Directors' Report

SHARE OPTION SCHEME

The Company's share option scheme (the "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 upon the date of the Company's initial listing of its Shares on GEM (that is 8 July 2014) (the "Listing Date").

The purpose of the Share Option Scheme is to reward eligible participants who have contributed to the Group and to encourage them to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole.

The Directors may, at their discretion, offer options (the "Options" or "share options") to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to the following eligible participants: directors (including executive Directors, non-executive Director and independent non-executive Directors) and employees of the Group and any advisers, consultants, distributors, contractors, suppliers, agents, customers, partners, joint venture business partners, promoters or service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the 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 the Company shall not, in the absence of Shareholders' approval, in aggregate exceed 40,000,000 Shares (the "General Scheme Limit"), being 10% of the aggregate number of 400,000,000 Shares in issue on the Listing Date. As at the date of this annual report, the total number of Shares that remained available for issue under the General Scheme Limit was 12,550,000 Shares, representing approximately 3.14% of the issued share capital of the Company. No Options may be granted to any eligible 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. Eligible participants of the Share Option Scheme are required to pay our Company HK\$1 upon acceptance of the grant within 28 days after the offer date.

Directors' Report

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

- (i) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the business day on which the Option is granted;
- (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 is valid and effective for a period of 10 years from 8 July 2014, after which no further Options will be granted or offered.

During the year ended 30 June 2021, no share options were granted by the Company under the Share Option Scheme (30 June 2020: 10,000,000 shares options were granted).

Option type	Date of grant	Exercisable period	Exercise price
2019 Type 1 Options	29 April 2019	30/04/2020 to 29/04/2029	HK\$1.440
	29 April 2019	30/04/2021 to 29/04/2029	HK\$1.440
2019 Type 2 Options	29 April 2019	30/04/2020 to 29/04/2029	HK\$1.440
	29 April 2019	30/04/2021 to 29/04/2029	HK\$1.440
2019 Type 3 Options	29 April 2019	30/04/2020 to 29/04/2029	HK\$1.440
	29 April 2019	30/04/2021 to 29/04/2029	HK\$1.440
	29 April 2019	30/04/2022 to 29/04/2029	HK\$1.440
2020 Type 1 Options	26 June 2020	27/06/2021 to 26/06/2030	HK\$0.994
	26 June 2020	27/06/2022 to 26/06/2030	HK\$0.994
2020 Type 2 Options	26 June 2020	27/06/2021 to 26/06/2030	HK\$0.994
	26 June 2020	27/06/2022 to 26/06/2030	HK\$0.994
	26 June 2020	27/06/2023 to 26/06/2030	HK\$0.994

The closing price of the Company immediately before the date of granting the Company's share option on 29 April 2019 and 26 June 2020 were HK\$1.400 and HK\$1.000 respectively.

Directors' Report

The following table discloses movements in the share options of the Company during the Year:

Category 1: Directors

Name of Director	Options type	Date of grant	Exercisable period	Number	Number	Number	Number	Number	Number
				of Shares					of share
				subject	options	options	options	options	subject
				to the	granted	exercised	cancelled	forfeited	to the
				outstanding	during	during	during	during	outstanding
				options	the Year	the Year	the Year	the Year	options
				as at					as at
				01.07.2020					30.06.2021
Ms. Hai Hiu Chu	2019 Type 1	29/04/2019	30/04/2020 to 29/04/2029	925,000	-	-	-	-	925,000
	2019 Type 1	29/04/2019	30/04/2021 to 29/04/2029	925,000	-	-	-	-	925,000
	2020 Type 1	26/06/2020	27/06/2021 to 26/06/2030	1,000,000	-	-	-	-	1,000,000
	2020 Type 1	26/06/2020	27/06/2022 to 26/06/2030	1,000,000	-	-	-	-	1,000,000
Dr. Chan Kai Yue Jason	2020 Type 1	26/06/2020	27/06/2021 to 26/06/2030	150,000	-	-	-	-	150,000
	2020 Type 1	26/06/2020	27/06/2022 to 26/06/2030	150,000	-	-	-	-	150,000
Ms. Chhoa Peck Lim Bella	2020 Type 1	26/06/2020	27/06/2021 to 26/06/2030	150,000	-	-	-	-	150,000
	2020 Type 1	26/06/2020	27/06/2022 to 26/06/2030	150,000	-	-	-	-	150,000
Mr. Wong Kon Man Jason	2019 Type 1	29/04/2019	30/04/2020 to 29/04/2029	125,000	-	-	-	-	125,000
	2019 Type 1	29/04/2019	30/04/2021 to 29/04/2029	125,000	-	-	-	-	125,000
	2020 Type 1	26/06/2020	27/06/2021 to 26/06/2030	150,000	-	-	-	-	150,000
	2020 Type 1	26/06/2020	27/06/2022 to 26/06/2030	150,000	-	-	-	-	150,000
Total for Directors				5,000,000	-	-	-	-	5,000,000

Directors' Report

Category 2: Employees

Employees	Options type	Date of grant	Exercisable period	Number	Number	Number	Number	Number	Number		
				of Shares					subject	of share	of share
				outstanding	to the	options	granted	exercised	cancelled	forfeited	outstanding
				options	as at	during	during	during	during	during	options
				as at	01.07.2020	the Year	the Year	the Year	the Year	the Year	as at
											30.06.2021
	2019 Type 2	29/04/2019	30/04/2020 to 29/04/2029	1,344,000	-	-	-	-	-	-	1,344,000
	2019 Type 2	29/04/2019	30/04/2021 to 29/04/2029	2,016,000	-	-	-	-	-	-	2,016,000
	2019 Type 3	29/04/2019	30/04/2020 to 29/04/2029	75,000	-	-	-	-	(45,000)	-	30,000
	2019 Type 3	29/04/2019	30/04/2021 to 29/04/2029	75,000	-	-	-	-	(45,000)	-	30,000
	2019 Type 3	29/04/2019	30/04/2022 to 29/04/2029	100,000	-	-	-	-	(60,000)	-	40,000
	2020 Type 1	26/06/2020	27/06/2021 to 26/06/2030	2,025,000	-	-	-	-	-	-	2,025,000
	2020 Type 1	26/06/2020	27/06/2022 to 26/06/2030	2,025,000	-	-	-	-	-	-	2,025,000
	2020 Type 2	26/06/2020	27/06/2021 to 26/06/2030	825,000	-	-	-	-	(543,000)	-	282,000
	2020 Type 2	26/06/2020	27/06/2022 to 26/06/2030	825,000	-	-	-	-	(543,000)	-	282,000
	2020 Type 2	26/06/2020	27/06/2023 to 26/06/2030	1,100,000	-	-	-	-	(724,000)	-	376,000
Total for Employees				10,410,000	-	-	-	-	(1,960,000)	-	8,450,000
All Categories				15,410,000	-	-	-	-	(1,960,000)	-	13,450,000

PERMITTED INDEMNITY PROVISION

The Company's articles of association provides that every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to the Director.

The Company has taken out and maintained Directors' liability insurance throughout the Year, which provides appropriate cover for the Directors.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 30 June 2021, the revenue attributable to our five largest clients accounted for less than 30% of the revenue for the Year. Costs payable to the five largest healthcare personnel placed by the Company also accounted for less than 10% of our total pay-out costs for the Year. During the Year, none of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in these clients or healthcare personnel of the Group.

Directors' Report

CONNECTED TRANSACTIONS

None of the "Related Party Transactions" as set out in Note 34 to the consolidated financial statements for the Year constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the 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 13 to 28.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as the code for securities transactions by Directors. The Directors, after specific enquiries made by the Company, confirmed their compliance with the required standards set out in the Model Code throughout the Year.

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 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 the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is determined by the remuneration committee on the basis of merit, qualifications and competence. The emoluments of the Directors and senior management of the Company are recommended by the remuneration committee and approved by the Board, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a Share Option Scheme as an incentive to Directors and eligible employees. Details of the scheme are set out above and in note 28 to the consolidated financial statements.

Directors' Report

CHARITABLE DONATIONS

Charitable donations in cash made by the Group during the Year amounted to approximately HK\$30,000 (2020: HK\$70,000). Please also refer to the section headed "Environmental, Social and Governance Report" contained in this annual report for details of other sustainability initiatives and efforts made by our Group during the Year.

LEGAL COMPLIANCE

We have kept ourselves abreast with the development of laws, rules and regulations which have or may have a significant impact on, and have been abiding the laws, rules and regulations applicable to, the operation of our business.

We have devised and implemented policies and procedures within the business structure to ensure that the operations are being run in line with the applicable laws, rules and regulations, monitored its effectiveness through regular internal review, encouraged the employees and healthcare personnel registered with the Company to familiarise themselves with the applicable laws, rules and regulations so as to raise their awareness in this respect as well as for their own benefit.

During the Year, we had complied with and were not aware of any violation of the applicable laws, rules and regulations that have a significant impact on the business operation of the Group.

RELATIONSHIPS WITH EMPLOYEES, HEALTHCARE PERSONNEL AND CLIENTS

We are committed to maintaining, and consider that we have overall maintained good relations with the employees, the healthcare personnel registered with the Company and the clients, with a view to fostering mutual trust and better understanding towards each other, and on which the success and sustainability depend.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders' qualification to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 24 November 2021 to Monday, 29 November 2021 (both days inclusive) during which period no transfer of shares may be effected. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificate(s) should be lodged for registration with Union Registrars Limited (the "Hong Kong Branch Share Registrar"), at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by no later than 4:00 p.m. on Tuesday, 23 November 2021.

AUDITORS

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

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

Hong Kong, 27 September 2021

Independent Auditor's Report



羅兵咸永道

To the Shareholders of Bamboos Health Care Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Bamboos Health Care Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 79 to 141, which comprise:

- the consolidated balance sheet as at 30 June 2021;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

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T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Independent Auditor's Report

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is related to revenue recognition of revenue from provision of healthcare staffing solution services.

Key Audit Matter

How our audit addressed the Key Audit Matter

Revenue recognition of revenue from provision of healthcare staffing solution services

Refer to Note 2.21, Note 4 and Note 6 to the consolidated financial statements.

For the year ended 30 June 2021, the Group recognised revenue from the provision of healthcare staffing solution services to private and institutional customers amounted to HK\$92,141,000.

The Group makes significant judgements in determining its role as an agent and presents all such revenue on a net basis, based on gross fee received or receivable from the customers, net of service fee paid or payable to the healthcare personnel. In making this determination, management has taken into account all the attributes in the existing service arrangements including, among others, the following factors:

- The terms of agreement with healthcare personnel which specify that there is no employment relationship between the Group and the healthcare personnel.
- The standard term sheet with customers which sets out certain material terms governing the relationship between the Group and the customers, including the term that the Group will perform a referral service for the customers based on their requested level of qualification of the healthcare personnel subject to the availability, which is not guaranteed by the Group, and the term that the Group does not directly participate in the performance of healthcare services and is not contractually responsible for the conduct, professional expertise or any liability in relation to the work of healthcare personnel so assigned to the customers.

We obtained an understanding of the management's internal control and assessment process of revenue recognition in respect of initiation of transactions and referral of healthcare personnel, the basis, calculation and timing of the recognition, and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as subjectivity.

We tested, on a sample basis, the agreements the Group signed with the healthcare personnel and service fee reports issued by the Group to the healthcare personnel. We also checked the relevant terms in the agreements to validate management's explanation that the healthcare personnel have no employment relationship with the Group, and the Group is not required to pay any service fee to the healthcare personnel in case of customer default.

We tested, on a sample basis, the standard term sheet and invoices issued by the Group to the customers. We also checked the standard term sheet stating that (i) the Group will perform a referral service for the customers based on their requested level of qualification of the healthcare personnel subject to the availability, which is not guaranteed by the Group; and (ii) the Group does not directly participate in the performance of healthcare services and is not contractually responsible for the conduct, professional expertise or any liability in relation to the work of healthcare personnel so assigned to the customers.

Independent Auditor's Report

Key Audit Matter

We focused on this area due to the high volume of transactions, significance of the balance to the consolidated financial statements, and the significant management judgements involved. The inherent risk in relation to the revenue recognition of revenue from provision of healthcare staffing solution services is considered significant due to its subjectivity and significant judgements involved in determining its role as an agent and thus resultant presentation of revenue on a net basis.

How our audit addressed the Key Audit Matter

We also tested, on a sample basis, the accuracy of revenue transactions by obtaining the agency income schedule, checking the mathematic accuracy and recalculating the revenue from provision of healthcare staffing solution services.

We also inquired and assessed management's assessment of the determination of revenue recognition on a net basis in accordance with the applicable accounting framework.

Based on the results of the procedures performed, we considered that the revenue transactions tested including management judgements made in revenue transactions were supportable by the available evidence.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Chairman's Statement, Management Discussion and Analysis, and Environmental, Social and Governance Report (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Corporate Information, Corporate Governance Report, Biographical Details of Directors and Senior Management, Directors' Report, and Financial Summary, which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Corporate Information, Corporate Governance Report, Biographical Details of Directors and Senior Management, Directors' Report, and Financial Summary, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee and take appropriate action considering our legal rights and obligations.

Independent Auditor's Report

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA 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.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ho Chun Yu.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 September 2021

Consolidated Income Statement

For the year ended 30 June 2021

	Note	2021 HK\$'000	2020 HK\$'000
Revenue from contracts with customers	6	109,668	72,318
Other income	7	4,167	5,237
Other gains, net	8	930	611
Employee benefit expenses	10	(24,084)	(24,051)
Operating lease rentals	17	(159)	(1,758)
Depreciation of property, plant and equipment	16	(1,515)	(2,234)
Depreciation of right-of-use assets	17	(2,846)	(3,570)
Other expenses	9	(12,477)	(10,413)
Operating profit		73,684	36,140
Finance income	12	89	1,048
Finance costs	12	(204)	(326)
Share of results of a joint venture	18	(89)	(686)
Profit before income tax		73,480	36,176
Income tax expense	13	(12,458)	(5,486)
Profit for the year		61,022	30,690
Profit for the year attributable to:			
Equity holders of the Company		61,022	30,691
Non-controlling interests		–	(1)
		61,022	30,690
Earnings per share attributable to equity holders of the Company for the year (expressed in HK cents per share)			
Basic and diluted	14	15.26 cents	7.67 cents

The above consolidated income statement should be read in conjunction with accompanying notes.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2021

	2021 HK\$'000	2020 HK\$'000
Profit for the year	61,022	30,690
Other comprehensive income		
<i>Item that may be reclassified to profit or loss</i>		
Currency translation differences	(13)	62
<i>Item that will not be reclassified to profit or loss</i>		
Changes in fair value of equity instruments at fair value through other comprehensive income	(2,137)	–
Total comprehensive income for the year, net of tax	58,872	30,752
Total comprehensive income for the year attributable to:		
Equity holders of the Company	58,872	30,753
Non-controlling interests	–	(1)
	58,872	30,752

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 30 June 2021

	Note	2021 HK\$'000	2020 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	946	4,870
Right-of-use assets	17	2,877	5,096
Investment in a joint venture	18	–	412
Prepayments and deposits	23	4,871	11,444
Financial assets at fair value through profit or loss	19	36,148	28,449
Financial assets at fair value through other comprehensive income	19	23,478	–
Deferred income tax assets	31	7	203
		68,327	50,474
Current assets			
Inventories	22	277	930
Trade receivables	21	65,512	24,240
Prepayments, deposits and other receivables	23	8,310	4,353
Financial assets at fair value through profit or loss	19	36,460	–
Amounts due from related companies	24	104	249
Time deposit	25	5,195	–
Cash and cash equivalents	25	56,652	101,633
		172,510	131,405
Total assets		240,837	181,879

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 30 June 2021

	Note	2021 HK\$'000	2020 HK\$'000
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	26	4,000	4,000
Share premium	26	39,123	39,123
Reserves	27	151,664	110,148
		194,787	153,271
Non-controlling interests		-	2
Total equity		194,787	153,273
Non-current liabilities			
Lease liabilities	17	722	2,740
Current liabilities			
Trade payables	29	22,711	12,750
Accruals and other payables	30	9,542	4,450
Lease liabilities	17	2,592	3,019
Tax payable		10,483	5,647
		45,328	25,866
Total liabilities		46,050	28,606
Total equity and liabilities		240,837	181,879

The consolidated financial statements on pages 79 to 141 were approved by the Board of Directors on 27 September 2021 and were signed on its behalf.

Hai Hiu Chu

Director

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2021

	Attributable to equity holders of the Company								Total equity HK\$'000
	Share capital (Note 26) HK\$'000	Share premium (Note 26) HK\$'000	Share-based compensation reserve (Note 28) HK\$'000	Fair value through other comprehensive reserve HK\$'000	Translation reserve HK\$'000	Retained earnings HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	
At 1 July 2019	4,000	39,123	549	-	(3)	106,312	149,981	-	149,981
Profit for the year	-	-	-	-	-	30,691	30,691	(1)	30,690
Currency translation differences	-	-	-	-	62	-	62	-	62
Total comprehensive income	-	-	-	-	62	30,691	30,753	(1)	30,752
Transaction with owners:									
2019 final dividend	-	-	-	-	-	(20,000)	(20,000)	-	(20,000)
2020 interim dividend	-	-	-	-	-	(10,000)	(10,000)	-	(10,000)
Capital injection from non-controlling interests	-	-	-	-	-	-	-	3	3
Employee share scheme	-	-	2,537	-	-	-	2,537	-	2,537
	-	-	2,537	-	-	(30,000)	(27,463)	3	(27,460)
At 30 June 2020	4,000	39,123	3,086	-	59	107,003	153,271	2	153,273
At 1 July 2020	4,000	39,123	3,086	-	59	107,003	153,271	2	153,273
Profit for the year	-	-	-	-	-	61,022	61,022	-	61,022
Currency translation differences	-	-	-	-	(13)	-	(13)	-	(13)
Changes in fair value of equity instrument at fair value through other comprehensive income	-	-	-	(2,137)	-	-	(2,137)	-	(2,137)
Total comprehensive income	-	-	-	(2,137)	(13)	61,022	58,872	-	58,872
Transaction with owners:									
2020 final dividend (Note 15)	-	-	-	-	-	(10,000)	(10,000)	-	(10,000)
2021 interim dividend (Note 15)	-	-	-	-	-	(10,000)	(10,000)	-	(10,000)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(2)	(2)
Employee share scheme	-	-	2,644	-	-	-	2,644	-	2,644
	-	-	2,644	-	-	(20,000)	(17,356)	(2)	(17,358)
At 30 June 2021	4,000	39,123	5,730	(2,137)	46	148,025	194,787	-	194,787

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 HK\$'000	2020 HK\$'000
Cash flows from operating activities			
Cash generated from operations	35(a)	57,068	54,943
Interest paid		(204)	(326)
Income tax paid		(7,426)	(10,146)
Net cash generated from operating activities		49,438	44,471
Cash flows from investing activities			
Purchase of property, plant and equipment	16	(22)	(2,620)
Payment for acquisition of financial assets at FVTPL		(55,171)	(38,062)
Proceeds from disposals of financial assets at FVTPL		10,298	10,964
Payment for acquisition of financial assets at FVOCI		(25,615)	–
Proceeds from disposal of joint venture		303	–
Interest received on financial assets at FVTPL		2,701	–
Interest received on bank deposits		89	1,048
Dividend income received		1,235	–
Placement of time deposits		(5,195)	–
Net cash used in investing activities		(71,377)	(28,670)
Cash flows from financing activities			
Dividends paid	15	(20,000)	(30,000)
(Payment for acquisition)/capital injection from non-controlling interest		(2)	3
Principal elements of lease payments		(3,042)	(2,871)
Net cash used in financing activities		(23,044)	(32,868)
Net decrease in cash and cash equivalents		(44,983)	(17,067)
Cash and cash equivalents at the beginning of the year	25	101,633	118,703
Effect of foreign exchange rate changes on cash and cash equivalents		2	(3)
Cash and cash equivalents at the end of the year	25	56,652	101,633

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

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

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 Room 204, 2/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong.

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These 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 (“HKFRSs”) and requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, except for the financial assets at fair value through profit or loss which are carried at fair value.

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

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

The following new and amended standards and interpretation have been adopted by the Group for the first time for the financial year commencing on 1 July 2020:

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

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

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

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

Certain new and amended standards and framework have been published that are not mandatory for financial year beginning on 1 July 2021 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 (amendments)	1 January 2021
HKFRS 16	Covid-19-Related Rent Concessions beyond 2021 (amendments)	1 April 2021
AG 5 (revised)	Revised Accounting Guideline 5 Merger Accounting for Common Control Combinations	1 January 2022
Annual Improvements Project	Annual Improvements to HKFRSs 2018–2020 (amendments)	1 January 2022
HKFRS 3, HKAS 16 and HKAS 37	Narrow-scope Amendments (amendments)	1 January 2022
HKAS 1	Classification of Liabilities as Current or Non-current (amendments)	1 January 2023
HKFRS 17	Insurance Contracts (new standard)	1 January 2023
HKFRS 17	Amendments to HKFRS 17	1 January 2023
HK Int 5 (2020)	Hong Kong Interpretation 5 (2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (HK Int 5 (2020))	1 January 2023
HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies (amendments)	1 January 2023
HKAS 8	Definition of Accounting Estimates (amendments)	1 January 2023
HKAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (amendments)	1 January 2023
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	To be determined

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

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

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

2.2 Principles of consolidation and equity accounting

2.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

2.2.2 An associate

An associate is the entity over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in an associate is accounted for using the equity method of accounting (see Note 2.2.4 below), after initially being recognised at cost.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Principles of consolidation and equity accounting (Continued)

2.2.3 A joint venture

Investment in a joint venture is accounted for using the equity method (see Note 2.2.4 below), after initially being recognised at cost in the consolidated balance sheet.

2.2.4 Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income ("OCI") of the investee in OCI. Dividends received or receivable from associate and joint venture are recognised as a reduction in the carrying amount of the investments.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.8.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes directly 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.

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 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 functional and the Group's presentation currency.

(ii) *Transactions and balances*

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

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement, within finance costs. All other foreign exchange gains and losses are presented in the consolidated income statement on a net basis within other gains, net.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Foreign currency translation (Continued)

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in OCI.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in OCI. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate cost net of their residual values, over their estimated useful lives or, in the case of leasehold improvement, the shorter lease term, as follows:

Leasehold improvements	33%
Furniture and fixtures	20%
Operating equipment and machinery	10%–20%
Computer equipment	20%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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 are determined by comparing the proceeds with the carrying amount. These are included in profit or loss.

2.8 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 of disposal 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 which are largely independent of the cash inflows from other assets or groups of assets ("cash-generating units"). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting period.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets

(a) *Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (“FVTPL”);
- those to be measured subsequently at fair value through other comprehensive income (“FVOCI”); and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (“FVOCI”).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (Continued)

(c) *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following category:

(i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains, net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

(ii) FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

(iii) FVTPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains, net in the period in which it arises.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (Continued)

(c) *Measurement (Continued)*

Equity instruments

The group's management has elected part of the equity investments to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

The Group subsequently measures part of the equity investments at fair value. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains, net in the consolidated income statement as applicable.

(d) *Impairment*

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See Note 2.12 for further details.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average cost. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2.12 Trade 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 receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 3.1(b) for a description of the Group's impairment policies.

2.13 Cash and bank balances

For the purpose of presentation in the consolidated statement of cash flows, cash and bank balances includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are really convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Time deposits

Time deposits represent short-term bank deposits with original maturities over three months.

2.15 Share capital

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

2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates 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*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or 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 substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Employee benefits

(a) Pension obligations

The Group operates a number of defined contribution plans. Under defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) 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.

2.19 Share-based payments

Share-based compensation benefits are provided to directors and employees via the employee option plan scheme. Information relating to these schemes is set out in Note 28.

The fair value of options granted under the employee option plan is recognised as an employee benefits expense with a corresponding increase in equity.

The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or hold shares for a specified period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to equity.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.21 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable for the sale of goods or services rendered in the ordinary course of the Group's activities. Revenue is shown net of discounts and after eliminating sales within the Group.

The Group recognises revenue when the control of goods or services is transferred to a customer. Depending on the terms of the contract and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

- (a) Revenue from the provision of healthcare staffing solution services is recognised at point in time 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.
- (b) Revenue from outreach services is recognised over the time because the customer simultaneously receives and consumes the benefits provided by the Group.
- (c) Revenue from operation of aesthetic clinic is recognised at point in time when the services are rendered.
- (d) Advertising income is recognised at point in time when the relevant advertisements have been published on a healthcare-related magazine which is issued by the Group for free distributions.
- (e) Sales of goods are recognised at point in time when a group entity sells a product to the customer. Retail sales are usually in cash or by credit card.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to the equity holders of the Company, excluding any costs of servicing equity other than ordinary shares; and
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.23 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Leases (Continued)

- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Notes to the Consolidated Financial Statements

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Leases (Continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of office and warehouse are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2.24 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.25 Interest income

Interest income from financial assets at FVTPL is included in the net fair value gains on these assets, see Note 8 below.

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in profit or loss as part of finance income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 12 below. Any other interest income is included in finance income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.26 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest-rate risks and price risk), credit risk and liquidity risk. 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) *Market risk*

(i) Foreign exchange risk

For the year ended 30 June 2021, the Group mainly operates in Hong Kong with most of the sales transactions and purchase transactions are settled in HK\$ and the cash and bank balances are mainly denominated in HK\$ and Renminbi ("RMB").

At 30 June 2021, if RMB had strengthened/weakened by 1% against HK\$ with all other variables held constant, post-tax loss for the year would have been approximately HK\$111,000 higher/lower, mainly as a result of the foreign exchange differences on translation of RMB denominated cash and bank balances.

For the year ended 30 June 2020, the Group's transactions are mainly denominated in HK\$ and United States dollars ("USD"). The majority of assets and liabilities are denominated in HK\$ and USD, and there are no significant assets and liabilities denominated in other currencies.

At 30 June 2020, if USD had strengthened/weakened by 1% against HK\$ with all other variables held constant, post-tax loss for the year would have been approximately HK\$826,000 higher/lower, mainly as a result of the foreign exchange differences on translation of USD denominated cash and bank balances.

(ii) Cash flow interest-rate risks

As the Group has no significant interest-bearing assets, other than short-term bank deposits, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

At 30 June 2021, if interest rates on all interest-bearing bank and cash deposits had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been approximately HK\$55,000 (2020: HK\$602,000) higher/lower due to interest income earned on market interest rate.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the consolidated balance sheet as financial assets at fair value through profit or loss (Note 19).

Had fund investments price been increased/decreased by 10%, with all other variables held constant, the post-tax profit and equity for the year ended 30 June 2021 would have been approximately HK\$7,261,000 higher/lower (2020: HK\$2,845,000), as a result of change in fair value in financial assets classified at FVTPL.

(b) Credit risk

(i) Risk management

Credit risk is managed on a group basis. The carrying amounts of cash and bank balances, trade receivables, debt instruments measured at FVTPL, deposits, other receivables and amounts due from related companies represent the Group's maximum exposure to credit risk in relation to financial assets. The Group has policies that limit the amount of credit exposure to any financial institutions. The Group has also policies in place to ensure that the sales are made to customers with appropriate credit history and the Group performs periodic credit evaluations of its customers.

The Group's cash and bank balances are placed with reputable banks and financial institutions. The Group reviews regularly the recoverable amount of deposits, other receivable and amounts due from related companies to ensure that adequate impairment losses are made for irrecoverable amounts.

(ii) Impairment of financial assets

The group has three types of financial assets that are subject to the expected credit loss model:

- Trade receivables; and
- Other financial assets carried at amortised cost.

While cash and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Based on shared credit risk characteristics, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the expected loss rates are based on the corresponding historical credit losses experienced within this period.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The trade receivables relating to customers with known financial difficulties or with significant doubt on collection of receivables are assessed individually for provision for impairment allowance. Expected credit losses are also estimated by grouping the remaining receivables based on shared credit risk characteristics and collectively assessed for the likelihood of loss allowance for each group. The expected credit loss is immaterial and no provision was made as of 30 June 2021.

Other financial assets carried at amortised cost

The Group applies a 12-month expected credit loss on other financial assets at amortised cost. Management considered among other factors, analysed historical pattern and concluded that the expected credit loss for other financial assets at amortised cost to be immaterial as the credit risk is assessed as low.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(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 and operating.

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.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Total HK\$'000
At 30 June 2021				
Trade payables	22,711	–	–	22,711
Accruals and other payables	4,916	–	–	4,916
Lease liabilities	2,688	729	–	3,417
	30,315	729	–	31,044
At 30 June 2020				
Trade payables	12,750	–	–	12,750
Accruals and other payables	2,645	–	–	2,645
Lease liabilities	3,221	2,376	443	6,040
	18,616	2,376	443	21,435

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 and issue new shares.

3.3 Fair value estimation

The Group analyses the financial instruments carried at fair value by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Group's financial assets at FVTPL are included in Level 1 as at 30 June 2021 and 2020 and financial assets at FVOCI are included in Level 1 as at 30 June 2021. There were no transfers of financial assets between levels 1, 2 and 3 during the year.

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

Notes to the Consolidated Financial Statements

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 existing service arrangements. The major features that indicate that the Group is acting as an agent include:

– ***Employment relationships between the Group and the healthcare personnel***

The terms of agreement with healthcare personnel specify that there is no employment relationship between the Group and the healthcare personnel.

– ***Contractual exposure***

The standard term sheet with customers sets out certain material terms governing the relationship between the Group and the customers, including the terms that the Group will perform a referral service for the customers based on their requested level of qualification of the healthcare personnel subject to the availability of the healthcare personnel which is not guaranteed by the Group, and the terms that the Group does not directly participate in the performance of healthcare services and is not contractually responsible for the conduct, professional expertise or any liability after the commencement of work of healthcare personnel so assigned to the customers.

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

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

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

The Group primarily operates in Hong Kong and most of its non-current assets are located in Hong Kong. During the year ended 30 June 2021, all revenue was earned from external customers in Hong Kong (2020: same).

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

	2021 HK\$'000	2020 HK\$'000
Revenue from provision of healthcare staffing solution services	92,141	66,898
Revenue from provision of outreach case assessment related services	16,847	4,882
Revenue from operation of aesthetic clinic	680	538
	109,668	72,318
	2021 HK\$'000	2020 HK\$'000
Timing of revenue recognition		
– At a point in time	92,821	67,436
– Over time	16,847	4,882
	109,668	72,318

Notes to the Consolidated Financial Statements

6 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:

	2021 HK\$'000	2020 HK\$'000
Gross fee	329,751	244,430
Cost attributable to healthcare personnel	(237,610)	(177,532)
Revenue from provision of healthcare staffing solution services	92,141	66,898

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

7 OTHER INCOME

	2021 HK\$'000	2020 HK\$'000
Dividend income (Note 19)	1,235	–
Government grants	1,026	971
Sales of goods	889	2,925
Advertising income	244	513
Rent concession	–	149
Others	773	679
	4,167	5,237

8 OTHER GAINS, NET

	2021 HK\$'000	2020 HK\$'000
Net fair value gains on financial assets at FVTPL (Note 19)	1,987	1,351
Net foreign exchange losses	(1,057)	(483)
Losses on disposals of property, plant and equipment (Note 35)	–	(257)
	930	611

Notes to the Consolidated Financial Statements

9 OTHER EXPENSES

	2021	2020
	HK\$'000	HK\$'000
Auditor's remuneration	800	800
Service fee	3,344	–
Provision for impairment of property, plant and equipment	2,431	–
Postage, utilities and general office expenses	1,188	1,014
Legal and professional fee	1,371	1,585
Cost of inventories sold	699	1,973
Provision for impairment of inventories	489	–
Travelling and transportation expenses	469	1,000
Rates and management fee	439	1,118
Printing costs	427	521
Insurance expenses	302	265
Bank charges	224	401
Advertising and promotion expenses	128	514
Donation	30	70
Entertainment	27	259
Other expenses	109	893
	12,477	10,413

10 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2021	2020
	HK\$'000	HK\$'000
Wages, salaries and bonuses	19,946	20,010
Pension costs – defined contribution plan	901	901
Share-based payments to directors and employees	2,644	2,537
Other staff welfare	593	603
	24,084	24,051

Notes to the Consolidated Financial Statements

10 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

The Group has arranged 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 incorporated subsidiaries of the Group and their 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\$1,500 each, with contributions beyond these amounts being voluntary.

Contributions to the MPF Scheme charged to the consolidated income statement for the year amounted to approximately HK\$506,000 (2020: HK\$582,000). No forfeited contribution in respect of the defined contribution retirement scheme was utilised during the year (2020: same). No forfeiture contribution was available as at 30 June 2021 to reduce future contributions (2020: same). Contributions totaling approximately HK\$35,000 (2020: HK\$55,000) were payable to the MPF Scheme at the year end and were included in accruals and other payables.

The Company's subsidiary in the People's Republic of China ("PRC") is a member of the state-managed retirement benefits scheme operated by the government of the PRC. The retirement benefits scheme contributions of approximately HK\$395,000 (2020: HK\$319,000), which are based on a certain percentage of the salaries of the subsidiary's employees, are charged to the consolidated income statement in the period to which they relate and represent the amount of contributions payable by these subsidiary to the scheme.

For both retirement benefits schemes, the Group has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior periods.

Notes to the Consolidated Financial Statements

11 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive for the year ended 30 June 2021 is set out below:

Emoluments paid to or receivable by directors in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

	Fees HK\$'000	Salaries HK\$'000	Discretionary bonuses HK\$'000	Allowances and benefits in kind (Note v) HK\$'000	Employer's contribution to a retirement benefit scheme HK\$'000	Remunerations paid to or receivable by directors in respect of accepting office as director HK\$'000	Emoluments paid to or receivable by directors in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking HK\$'000	Total HK\$'000
<u>Executive directors:</u>								
Ms. Hai Hiu Chu (Chief executive officer)	-	1,200	320	1,567	18	-	-	3,105
Dr. Leung Wai Cheung (ii)	-	340	-	-	75	-	-	415
<u>Independent non-executive directors:</u>								
Dr. Ko Wing Man (iii)	180	-	-	122	-	-	-	302
Mr. Wong Kon Man Jason	180	-	-	122	-	-	-	302
Ms. Chhoa Peck Lim Bella (iv)	180	-	-	80	-	-	-	260
Dr. Chan Kai Yue Jason	180	-	-	80	-	-	-	260
	720	1,540	320	1,971	93	-	-	4,644

Notes to the Consolidated Financial Statements

11 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(a) Directors' and chief executive's emoluments (Continued)

The remuneration of every director and the chief executive for the year ended 30 June 2020 is set out below:

Emoluments paid to or receivable by directors in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

	Fees HK\$'000	Salaries HK\$'000	Discretionary bonuses HK\$'000	Allowances and benefits in kind (Note v) HK\$'000	Employer's contribution to a retirement benefit scheme HK\$'000	Remunerations paid to or receivable by directors in respect of accepting office as director HK\$'000	Emoluments paid to or receivable by directors in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking HK\$'000	Total HK\$'000
<u>Executive directors:</u>								
Ms. Hai Hiu Chu (Chief executive officer)	-	1,350	290	1,457	18	-	-	3,115
Mr. Woo King Hang (i)	-	17	-	-	1	-	-	18
<u>Independent non-executive directors:</u>								
Dr. Ko Wing Man (iii)	165	-	-	-	-	-	-	165
Mr. Wong Kon Man Jason	165	-	-	124	-	-	-	289
Ms. Chhoa Peck Lim Bella (iv)	165	-	-	1	-	-	-	166
Dr. Chan Kai Yue Jason	165	-	-	1	-	-	-	166
	660	1,367	290	1,583	19	-	-	3,919

Notes to the Consolidated Financial Statements

11 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(a) Directors' and chief executive's emoluments (Continued)

Notes:

- (i) Appointed on 16 May 2019 and resigned on 5 July 2019. The remunerations of Mr. Woo King Hang represent remunerations received from the Group by him in his capacity as an employee to the Group during 16 May 2019 to 30 June 2019.
- (ii) Appointed on 1 April 2021. The remunerations of Dr. Leung Wai Cheung represent remunerations received from the Group by him in his capacity as an employee to the Group during 1 December 2020 to 30 June 2021.
- (iii) Appointed on 18 August 2018 and resigned on 17 August 2021.
- (iv) Appointed on 28 March 2019 and resigned on 17 August 2021.
- (v) Includes housing, travelling allowances and estimated money value of the non-cash benefits share options.

No directors waived or agreed to waive any emoluments during the year ended 30 June 2021 (2020: same).

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include one (2020: one) director whose emoluments are reflected in the analysis presented in Note 11(a) above. The emoluments payable to the remaining four (2020: four) individuals during the year are as follows:

	2021 HK\$'000	2020 HK\$'000
Basic salaries, bonuses, others allowances and benefits in kind	3,018	3,201
Pension costs – defined contribution plan	54	56
Share-based payments to employees	950	918
	4,022	4,175

The emoluments fell within the following bands:

	2021	2020
Emolument bands		
HK\$500,000 – HK\$1,000,000	2	2
HK\$1,000,001 – HK\$1,500,000	2	2
	4	4

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 (2020: Nil).

Notes to the Consolidated Financial Statements

11 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(c) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits under a defined benefit scheme or termination benefits during the year (2020: Nil).

(d) Consideration provided to third parties for making available directors' services

The Company did not pay consideration to any third parties for making available directors' services during the year (2020: Nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans and other dealings were made available in favour of directors, controlled body corporate by and connected entities with such directors subsisted at the end of the period or at any time during the year (2020: Nil).

(f) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in Note 34, no significant transactions, arrangements or contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2020: Nil).

12 FINANCE INCOME AND FINANCE COSTS

	2021 HK\$'000	2020 HK\$'000
Finance income		
Interest income on bank deposits	89	1,048
Finance costs		
Interest expenses on lease liabilities	(204)	(326)

Notes to the Consolidated Financial Statements

13 INCOME TAX EXPENSE

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying group entity in Hong Kong will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. Accordingly, the Hong Kong profits tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits for the Group's qualifying entity and at 16.5% on the estimated assessable profits above HK\$2,000,000 for the year ended 30 June 2021 (2020: same). The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5% (2020: same).

Corporate income tax on the assessable profit generated from the subsidiary operating in the PRC has been calculated at 25% in accordance with the relevant PRC tax law and regulations (2020: same).

	2021 HK\$'000	2020 HK\$'000
Current income tax:		
– Hong Kong profits tax	12,494	6,141
– PRC corporate income tax	–	89
– Over provision in prior years	(232)	(349)
Deferred income tax expense/(credit) (Note 31)	196	(395)
Income tax expense	12,458	5,486

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

	2021 HK\$'000	2020 HK\$'000
Profit before income tax	73,480	36,176
Tax at the applicable tax rate of 16.5% (2020: 16.5%)	12,124	5,969
Effect of progressive rate at 8.25% (2020: 8.25%)	(165)	(165)
Effect of different tax rate in PRC	(52)	30
Income not subject to tax	(724)	(476)
Expenses not deductible for tax purpose	1,236	869
Utilisation of previously unrecognised tax loss	(31)	(382)
Tax losses not recognised	312	30
Tax concession	(10)	(40)
Over provision in prior years	(232)	(349)
	12,458	5,486

Notes to the Consolidated Financial Statements

14 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.

	<u>2021</u>	<u>2020</u>
Profit attributable to equity holders of the Company (HK\$'000)	61,022	30,691
Weighted average number of ordinary shares in issue (thousands)	400,000	400,000
Basic earnings per share (HK cents)	15.26	7.67

Diluted earnings per share for the years were the same as basic earnings per share. During the Year, the exercise of the outstanding share options would be anti-dilutive (2020: same).

15 DIVIDENDS

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

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

The Board did not recommend the payment of a final dividend for the year ended 30 June 2021.

On 17 September 2021, the Board announced that a Board meeting will be held on 30 September 2021 to consider the proposed declaration and payment of a special dividend to the shareholders of the Company.

Notes to the Consolidated Financial Statements

16 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK\$'000	Furniture and fixtures HK\$'000	Operating equipment and machinery HK\$'000	Computer equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
At 1 July 2019						
Cost	1,740	357	2,337	1,550	799	6,783
Accumulated depreciation	(388)	(71)	(100)	(554)	(773)	(1,886)
Net book amount	1,352	286	2,237	996	26	4,897
Year ended 30 June 2020						
Opening net book amount	1,352	286	2,237	996	26	4,897
Adjustment for change in accounting policy	(156)	–	–	–	–	(156)
Restated as at July 2019	1,196	286	2,237	996	26	4,741
Additions	845	101	1,444	230	–	2,620
Disposals and write off	(34)	–	–	(223)	–	(257)
Depreciation	(980)	(91)	(890)	(247)	(26)	(2,234)
Closing net book amount	1,027	296	2,791	756	–	4,870
At 30 June 2020						
Cost	1,940	458	3,781	1,557	799	8,535
Accumulated depreciation	(913)	(162)	(990)	(801)	(799)	(3,665)
Net book amount	1,027	296	2,791	756	–	4,870
Year ended 30 June 2021						
Opening net book amount	1,027	296	2,791	756	–	4,870
Additions	–	4	–	18	–	22
Provision for impairment	–	(72)	(2,272)	(87)	–	(2,431)
Depreciation	(677)	(87)	(519)	(232)	–	(1,515)
Closing net book amount	350	141	–	455	–	946
At 30 June 2021						
Cost	1,940	462	3,781	1,575	799	8,557
Accumulated depreciation	(1,590)	(249)	(1,509)	(1,033)	(799)	(5,180)
Provision for impairment	–	(72)	(2,272)	(87)	–	(2,431)
Net book amount	350	141	–	455	–	946

Notes to the Consolidated Financial Statements

17 LEASES

(i) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

(a) Right-of-use assets

	2021 HK\$'000	2020 HK\$'000
Office premises	<u>2,877</u>	<u>5,096</u>

Addition to the right-of-use assets during the year ended 30 June 2021 was approximately HK\$597,000 (2020: HK\$5,923,000).

(b) Lease liabilities

	2021 HK\$'000	2020 HK\$'000
Current	2,592	3,019
Non-current	722	2,740
	<u>3,314</u>	<u>5,759</u>

(ii) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

	2021 HK\$'000	2020 HK\$'000
Depreciation of right-of-use assets		
Office premises	<u>2,846</u>	<u>3,570</u>
Interest expense on lease liabilities (Note 12)	204	326
Expenses relating to leases of short-term leases	<u>159</u>	<u>1,758</u>

The total cash outflow for leases for the year ended 30 June 2021 was approximately HK\$3,405,000 (2020: HK\$4,955,000).

Notes to the Consolidated Financial Statements

17 LEASES (CONTINUED)

(iii) The Group's leasing activities and how these are accounted for

The Group leases various offices. Rental contracts are typically made for fixed periods of one to three years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the rental deposits in the leased assets that are held by the lessor. Leased assets were not be used as security for borrowing purposes.

(iv) There are no variable lease payments contain in the leases.

18 INVESTMENT IN A JOINT VENTURE

	2021 HK\$'000	2020 HK\$'000
Interests in joint venture	–	412

Movement of investment in a joint venture are analysed as below:

	2021 HK\$'000	2020 HK\$'000
As at 1 July	412	1,033
Share of losses of a joint venture	(89)	(686)
Return of capital (note)	(303)	–
Currency translation differences	(20)	65
As at 30 June	–	412

Set out below is the joint venture of the Group as at 30 June 2021 and 2020 which, in the opinion of the directors, is material to the Group. The joint venture as listed below has share capital consisting solely of ordinary shares, which are held directly by the subsidiary of the Company. The country of incorporation or registration is also its principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Notes to the Consolidated Financial Statements

18 INVESTMENT IN A JOINT VENTURE (CONTINUED)

Nature of investment in a joint venture as at 30 June 2021 and 2020 is as follows:

Name	Place of incorporation	% of ownership interest		Principal activities
		2021	2020	
Bamboos Professional Nursing Services PTE. Limited ("PNS PTE")	Singapore	0%	50%	Healthcare staffing solution services in Singapore

PNS PTE is a private company and there is no quoted market price available for its shares. There are no contingent liabilities relating to the Group's investment in the joint venture.

Note:

On 10 June 2021, PNS PTE was deregistered and the remaining capital of HK\$303,000 was returned.

Summarised financial information for a joint venture

Summarised balance sheet

	2020 HK\$'000
Current	
Cash and bank balances	627
Other current assets (excluding cash)	56
Total current assets	683
Trade payables	(3)
Current financial liabilities (excluding trade payables)	(249)
Total current liabilities	(252)
Non-current	
Assets	393
Liabilities	-
Net assets	824

Notes to the Consolidated Financial Statements

18 INVESTMENT IN A JOINT VENTURE (CONTINUED)

Summarised financial information for a joint venture (Continued)

Summarised statement of comprehensive income

	For the period from 1 July 2020 to 10 June 2021 HK\$'000	2020 HK\$'000
Revenue	–	541
Depreciation	(178)	(327)
Loss and total comprehensive loss	(178)	(1,372)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its investment in a joint venture

	2020 HK\$'000
Summarised financial information	
Opening net assets	2,066
Loss for the year	(1,372)
Exchange difference	130
Closing net assets	824
Group's share in %	50%
Investment in a joint venture	412
Carrying amount as at 30 June	412

Notes to the Consolidated Financial Statements

19 FINANCIAL ASSETS

(i) Classification of financial assets

The Group classifies the following financial assets at FVTPL:

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

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

	2021 HK\$'000	2020 HK\$'000
Non-current assets		
Listed bonds	24,364	15,416
Listed equity securities	11,784	13,033
	36,148	28,449
Current assets		
Non-physical gold	36,460	–

The Group classifies the following financial assets at FVOCI:

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

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

	2021 HK\$'000	2020 HK\$'000
Non-current assets		
Listed equity securities	23,478	–

Notes to the Consolidated Financial Statements

19 FINANCIAL ASSETS (CONTINUED)

(ii) Amounts recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss:

	2021 HK\$'000	2020 HK\$'000
Fair value gains on debt instruments at FVTPL recognised in other gains, net (Note 8)	3,848	2,229
Fair value loss on investment funds at FVTPL recognised in other gains, net (Note 8)	–	(852)
Fair value gains/(losses) on equity instruments at FVTPL recognised in other gains, net (Note 8)	49	(26)
Fair value losses on paper gold at FVTPL recognised in other gains, net (Note 8)	(1,910)	–
Dividend income (Note 7)	1,235	–
	3,222	1,351

(iii) Amounts recognised in other comprehensive income

During the year, the following losses were recognised in other comprehensive income:

	2021 HK\$'000	2020 HK\$'000
Fair value losses on equity investments at FVOCI recognised in other comprehensive income	(2,137)	–

(iv) Risk exposure and fair value measurements

Information about the Group's exposure to price risk is provided in Note 3.1(a)(iii). For information about the methods and assumptions used in determining fair value refer to Note 3.3.

Notes to the Consolidated Financial Statements

20 FINANCIAL INSTRUMENTS BY CATEGORY

	2021 HK\$'000	2020 HK\$'000
Financial assets at amortised cost		
Trade receivables (Note 21)	65,512	24,240
Deposits and other receivables (Note 23)	12,192	14,995
Amounts due from related companies (Note 24)	104	249
Cash and bank balances (Note 25)	61,847	101,633
	139,655	141,117
Financial assets at FVTPL		
Financial assets at FVTPL (Note 19)	72,608	28,449
Financial assets at FVOCI		
Financial assets at FVOCI (Note 19)	23,478	–
Financial liabilities at amortised costs		
Trade payables (Note 29)	22,711	12,750
Accruals and other payables	4,916	2,645
Lease liabilities (Note 17)	3,314	5,759
	30,941	21,154

The Group's exposure to various risks associated with the financial instruments is discussed in Note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

Notes to the Consolidated Financial Statements

21 TRADE RECEIVABLES

	2021	2020
	HK\$'000	HK\$'000
Trade receivables	65,512	24,240

The carrying amounts of the Group's trade receivables are denominated in HK\$ and approximated their fair values at the end of each reporting period.

As at 30 June 2021, balances due from the top five customers accounted for 55% (2020: 37%) of the total balances. There is no concentration of credit risk with respect to trade receivables as there is a dispersed number of independent customers. The directors consider that the credit risk in respect of these customers is currently low after considering past experience with these customers.

The Group's trade receivables had no credit term and payment was immediately due upon presentation of invoices to customers. As at 30 June 2021 and 2020, all trade receivables were past due but not considered to be impaired because these mainly related 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 was as follow:

	2021	2020
	HK\$'000	HK\$'000
Less than 61 days	52,441	20,539
61 to 90 days	7,563	2,034
91 to 180 days	5,343	885
Over 180 days	165	782
	65,512	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 30 June 2021 and 2020, no collateral has been received from these counterparties.

Notes to the Consolidated Financial Statements

22 INVENTORIES

	2021	2020
	HK\$'000	HK\$'000
Trading merchandise	277	930

Cost of inventories sold recognised as expenses and included in "other expenses" amounted to approximately HK\$699,000 (2020: HK\$1,973,000).

For the year ended 30 June 2021, the Group has made provision of HK\$489,000 (2020: Nil) for impairment of inventories and included in 'other expenses' in the consolidated income statement.

23 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2021	2020
	HK\$'000	HK\$'000
Current		
Prepayments	416	467
Deposits	7,858	3,648
Other receivables	36	238
	8,310	4,353
Non-current		
Prepayment	573	335
Deposits	4,298	11,109
	4,871	11,444
Total	13,181	15,797

The carrying amounts of prepayments, deposits and other receivables of the Group are denominated in following currencies.

	2021	2020
	HK\$'000	HK\$'000
HK\$	13,046	15,682
RMB	135	115
	13,181	15,797

Notes to the Consolidated Financial Statements

24 AMOUNTS DUE FROM RELATED COMPANIES

	2021	2020
	HK\$'000	HK\$'000
Bamboos Education School For Talents Limited	–	25
The Hong Kong Health Care Federation Limited	104	224
	104	249

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

	2021	2020
	HK\$'000	HK\$'000
Bamboos Professional Nursing Services PTE. Limited	–	102
Bamboos Limited	–	25
Bamboos Education School For Talents Limited	–	321
The Hong Kong Health Care Federation Limited	–	444

The amounts due from related companies are unsecured, interest-free, repayable on demand and denominated in Hong Kong dollars.

25 CASH AND BANK BALANCES

	2021	2020
	HK\$'000	HK\$'000
Cash at banks	56,600	101,597
Cash on hand	52	36
Cash and cash equivalents	56,652	101,633
Time deposits with maturity over three months	5,195	–
Total cash and bank balances	61,847	101,633
Maximum exposure to credit risk	61,488	101,597

Notes to the Consolidated Financial Statements

25 CASH AND BANK BALANCES (CONTINUED)

The effective interest rate on the bank deposits was 2.8% per annum (2020: 1% per annum). These deposits had original maturity of three months or less.

The carrying amounts of the cash and bank balances are denominated in following currencies:

	2021	2020
	HK\$'000	HK\$'000
JPY	7,353	–
HK\$	41,633	17,596
USD	1,634	83,492
RMB	11,057	545
SGD	170	–
	61,847	101,633

26 SHARE CAPITAL AND SHARE PREMIUM

Share capital

	Number of shares	Ordinary shares of HK\$0.01 each
		HK\$'000
Authorised:		
At 1 July 2019, 30 June 2020 and 30 June 2021	2,000,000,000	20,000
Issued and fully paid:		
At 1 July 2019, 30 June 2020 and 30 June 2021	400,000,000	4,000

Share premium

	2021	2020
	HK\$'000	HK\$'000
At 30 June 2020 and 2021	39,123	39,123

Information relating to the share option, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 28.

Notes to the Consolidated Financial Statements

27 RESERVES

Movement in reserves of the Group are set out in the consolidated statement of changes in equity.

28 SHARE-BASED PAYMENTS

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

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

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

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

	2021		2020	
	Average exercise price in HK\$ per share option	Number of options	Average exercise price in HK\$ per share option	Number of options
As at 1 July	1.159	15,410,000	1.440	6,800,000
Granted during the year	–	–	0.994	10,000,000
Forfeited during the year	1.028	(1,960,000)	1.344	(1,390,000)
As at 30 June	1.178	13,450,000	1.159	15,410,000

As at 30 June 2021, 9,277,000 options (2020: 2,469,000 options) out of the 13,450,000 (2020: 15,410,000) outstanding options were exercisable.

Notes to the Consolidated Financial Statements

28 SHARE-BASED PAYMENTS (CONTINUED)

Share options outstanding as at 30 June 2021 and 2020 have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price in HK\$ per share option	2021 Number of options	2020 Number of options
29 April 2019	29 April 2029	1.440	5,560,000	5,710,000
26 June 2020	26 June 2030	0.994	7,890,000	9,700,000
			13,450,000	15,410,000
Weighted average remaining contractual life of options outstanding at the end of the year			8.52 years	9.57 years

The assumptions for valuation of fair value of share options are as follows:

	26 June 2020	29 April 2019
Exercise price	HK\$0.994	HK\$1.440
Fair value at grant date	HK\$0.33	HK\$0.68
Grant date	26 June 2020	29 April 2019
Expiry date	26 June 2030	29 April 2029
Share price at grant date	HK\$0.980	HK\$1.440
Expected price volatility of the company's shares	46%	52%
Expected dividend yield	3.09%	1.74%
Risk-free interest rate	0.65%	1.67%

The fair value at grant date is independently determined using an adjusted form of the Black Scholes Model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The Group has no share option granted during the year ended 30 June 2021.

Notes to the Consolidated Financial Statements

29 TRADE PAYABLES

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

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

	2021	2020
	HK\$'000	HK\$'000
Less than 31 days	22,711	12,750
31 to 60 days	–	–
61 to 90 days	–	–
	22,711	12,750

The carrying amounts of the Group's trade payables are denominated in HK\$ and approximated their fair values at the end of each reporting period.

30 ACCRUALS AND OTHER PAYABLES

	2021	2020
	HK\$'000	HK\$'000
Accrued expenses	3,319	1,954
Deposits	1,535	60
Other payables	1,997	1,575
Contract liabilities	2,691	861
	9,542	4,450

The carrying amounts of the Group's accruals and other payables are approximated their fair values at the end of each reporting period.

The carrying amounts of accruals and other payables are denominated in following currencies:

	2021	2020
	HK\$'000	HK\$'000
HK\$	9,312	4,274
RMB	230	176
	9,542	4,450

Notes to the Consolidated Financial Statements

31 DEFERRED INCOME TAX

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5% (2020: 16.5%). The movement on deferred income tax assets/(liabilities) in respect of accelerated/decelerated tax depreciation is as follows:

	2021 HK\$'000	2020 HK\$'000
At 1 July	203	(192)
(Charged)/credited to profit or loss (Note 13)	(196)	395
At 30 June	7	203

Deferred income tax assets are recognised for deductible temporary differences to the extent that the realisation of the related tax benefits through future taxable profits is probable.

As at 30 June 2021, the Group had cumulative tax losses of approximately HK\$8,219,000 (2020: HK\$6,197,000), that are available for offset against future taxable profits of the companies in which the losses arose, for which deferred tax assets of approximately HK\$1,408,000 (2020: HK\$1,022,000) were not recognised due to uncertainty of their recoverability. As at 30 June 2021, the tax losses of approximately HK\$7,605,000 (2020: HK\$6,197,000), can be carried forward indefinitely under the current tax legislation. The remaining tax losses of approximately HK\$614,000 (2020: Nil) will expire in five years from the year incurred.

32 BANKING FACILITIES

At 30 June 2021, the banking facilities amounting to approximately HK\$150,214,000 (2020: HK\$150,210,000) are made available to the Group and unused banking facilities amounting to HK\$150,214,000 (2020: HK\$150,210,000).

33 COMMITMENTS

(a) Capital commitment

	2021 HK\$'000	2020 HK\$'000
Capital injection to PNS PTE contracted but not yet incurred	–	2,500
Intangible asset contracted but not provided for	–	543
	–	3,043

Notes to the Consolidated Financial Statements

34 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 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) Transactions with related parties

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

	2021	2020
	HK\$'000	HK\$'000
Operating lease rental to Bamboos Group Limited	–	1,600
Management fee to Bamboos Group Limited	–	394

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

(b) Key management compensation

The emoluments of the key management include two executive directors (2020: one) whose emoluments are disclosed in Note 11(a).

Notes to the Consolidated Financial Statements

35 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of profit before income tax to cash generated from operations

	2021 HK\$'000	2020 HK\$'000
Cash flow from operating activities		
Profit before income tax	73,480	36,176
Adjustments for:		
– Depreciation of property, plant and equipment	1,515	2,234
– Depreciation of right-of-use assets	2,846	3,570
– Dividend income	(1,235)	–
– Losses on disposals of property, plant and equipment	–	257
– Provision for impairment of property, plant and equipment	2,431	–
– Provision for impairment of inventories	489	–
– Interest income on bank deposits	(89)	(1,048)
– Interest expenses on lease liabilities	204	326
– Share of losses of a joint venture	89	686
– Share-based payments to directors and employees	2,644	2,537
– Net fair value gains on financial assets at FVTPL	(1,987)	(1,351)
	80,387	43,387
Changes in working capital:		
– Trade receivables	(41,272)	17,186
– Prepayments, deposits and other receivables	2,616	(2,684)
– Balances with related companies	145	643
– Trade payables, accruals and other payables	15,028	(3,606)
– Inventories	164	17
Cash generated from operations	57,068	54,943

Notes to the Consolidated Financial Statements

35 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

- (b) In the consolidated statement of cash flows, proceeds from disposals and impairment of property, plant and equipment comprise:

	2021	2020
	HK\$'000	HK\$'000
Net book amount (Note 16)	–	257
Losses on disposals for property, plant and equipment (Note 16)	–	(257)
Proceeds from disposals of property, plant and equipment	–	–

- (c) **Reconciliation of liabilities arising from financing activities**

	2021	2020
	HK\$'000	HK\$'000
At 1 July	5,759	2,726
Additions	597	5,923
Cash flows	(3,042)	(2,871)
Currency translation differences	–	(19)
At 30 June	3,314	5,759

Notes to the Consolidated Financial Statements

36 BALANCE SHEET AND RESERVES MOVEMENTS OF THE COMPANY

	2021 HK\$'000	2020 HK\$'000
ASSETS		
Non-current assets		
Investments in subsidiaries	22,984	21,070
Current assets		
Prepayments and other receivables	203	129
Amounts due from subsidiaries	65,346	14,600
Cash and bank balances	231	39,299
	65,780	54,028
Total assets	88,764	75,098
EQUITY AND LIABILITIES		
Capital and reserves attributable to equity holders of the Company		
Share capital	4,000	4,000
Share premium	39,123	39,123
Reserve (Note (a))	43,189	29,881
Total equity	86,312	73,004
Current liabilities		
Accruals and other payables	49	87
Amounts due to subsidiaries	2,403	2,007
Total liabilities	2,452	2,094
Total equity and liabilities	88,764	75,098

The balance sheet of the Company was approved by the Board of Directors on 27 September 2021 and was signed on its behalf.

Hai Hiu Chu

Director

Notes to the Consolidated Financial Statements

36 BALANCE SHEET AND RESERVES MOVEMENTS OF THE COMPANY (CONTINUED)

Note (a):

Reserves movements of the Company

	Contributed surplus	Share-based compensation reserve	Retained earnings	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 July 2019	16,672	549	20,056	37,277
Profit for the year	–	–	20,067	20,067
Employee share scheme (Note 28)	–	2,537	–	2,537
2019 final dividend	–	–	(20,000)	(20,000)
2020 final dividend	–	–	(10,000)	(10,000)
	16,672	3,086	10,123	29,881
Balance at 30 June 2020 and 1 July 2020	–	–	30,664	30,664
Profit for the year	–	2,644	–	2,644
Employee share scheme (Note 28)	–	–	(10,000)	(10,000)
2020 final dividend	–	–	(10,000)	(10,000)
2021 interim dividend	–	–	(10,000)	(10,000)
	16,672	5,730	20,787	43,189
Balance at 30 June 2021	–	–	–	–

Notes to the Consolidated Financial Statements

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries at 30 June 2021 and 2020 is as follows:

Name of company	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued share capital/ registered capital	Interest held	
				2021	2020
<i>Directly held</i>					
Achiever Team Limited	BVI, limited liability company	Investment holding	10 Ordinary shares	100%	100%
Achiever Empire Limited	BVI, limited liability company	Investment holding	1 Ordinary share	100%	100%
Achiever Matrix Limited	BVI, limited liability company	Investment holding	1 Ordinary share	100%	100%
Achiever Ventures Limited	BVI, limited liability company	Investment holding	1 Ordinary share	100%	100%
Achiever Vantage Limited	BVI, limited liability company	Investment holding	1 Ordinary share	100%	100%
Ocean Force Limited	BVI, limited liability company	Investment holding	50,000 Ordinary shares	100%	100%
Achiever Voyage Limited	BVI, limited liability company	Investment holding	50,000 Ordinary shares	100%	100%
<i>Indirectly held</i>					
Bamboos Professional Nursing Services Limited	Hong Kong, limited liability company	Healthcare staffing solution services in Hong Kong	100 Ordinary shares	100%	100%
Bamboos FinTech Limited	Hong Kong, limited liability company	Investment holding in Hong Kong	1 Ordinary share	100%	100%
Bamboos Marketing and Consulting Limited	Hong Kong, limited liability company	Marketing and consulting services in Hong Kong	1 Ordinary share	100%	100%
Garden Medical Centre Limited	Hong Kong, limited liability company	Operation of aesthetic clinic in Hong Kong	5,000 Ordinary shares	100%	100%
Eager PacMan Technology Limited	Hong Kong, limited liability company	Investment holding in Hong Kong	10,000 Ordinary shares	100%	100%
Bamboos Health Care Holdings (China) Limited	Hong Kong, limited liability company	Dormant	1 Ordinary share	100%	100%
Bamboos Health Management Limited	Hong Kong, limited liability company	Dormant	10,000 Ordinary shares	100%	70%
廣州易嘉柏科技有限公司	PRC, limited liability company	Technology promotion and application services in PRC	Registered capital RMB100,000	100%	100%

The above table sets out the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group.

Notes to the Consolidated Financial Statements

38 CONTINGENT LIABILITY

A claim was lodged by Garden Medical Centre Limited (“GMC”), a wholly-owned subsidiary of the Group, in June 2019 asserting that the founder and ex-director of GMC (the “Defendant”) has breached certain clauses in an employment agreement. The Defendant has filed a defence and counterclaim in relation to the case for the reliefs to recover the compensation of employee. As of the date of this annual report, the proceedings have completed the pleadings stage and the Board considers it is premature to make provision in relation to this claim.

39 SUBSEQUENT EVENTS

On 2 September 2021, Ever Kind International Limited and Kingswood International Limited (the “Purchasers”) (each an indirect wholly-owned subsidiaries of the Company), entered into the provisional agreements (the “Provisional Agreements”) with Hong Kong Professional Teachers’ Union (the “Vendor”), pursuant to which the Purchasers respectively agreed to purchase the properties at the aggregate consideration of HK\$175,000,000. On 16 September 2021, the formal agreements have been entered into between the Purchasers and the Vendor pursuant to the Provisional Agreements. We intend to utilise the properties as the Group’s principal business office, for establishment of a screening centre for healthcare personnel and other business operational purposes.

Financial Summary

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

	For the year ended 30 June				
	2021 HK\$'000	2020 HK\$'000	2019 HK\$'000	2018 HK\$'000	2017 HK\$'000
Results					
Revenue	109,668	72,318	78,464	81,359	62,476
Profit for the year attributable to equity holders of the Company	61,022	30,691	38,920	42,221	32,611
Dividend	10,000 (Note ii)	20,000	20,000	10,000	35,000
As at 30 June					
	2021 HK\$'000	2020 HK\$'000	2019 HK\$'000	2018 HK\$'000	2017 HK\$'000
Assets and liabilities					
Total assets	240,837	181,879	181,011	152,251	124,731
Total liabilities	(46,050)	(28,606)	(31,030)	(31,734)	(26,437)
Total equity	194,787	153,273	149,981	120,517	98,294

Notes: (i) The summary above does not form part of the audited consolidated financial statements.

(ii) On 17 September 2021, the Board announced that a Board meeting will be held on 30 September 2021 to consider the proposed declaration and payment of a special dividend to the shareholders of the Company.

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