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**Bortex Global Limited**

**濠亮環球有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8118)**

**FIRST QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE THREE MONTHS ENDED 31 JULY 2021**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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

\* For identification purposes only

## **FIRST QUARTERLY RESULTS**

### **FINANCIAL HIGHLIGHTS**

- Based on the unaudited condensed consolidated financial results of the Group for the three months ended 31 July 2021, the Group's revenue for the three months ended 31 July 2021 was approximately HK\$56.5 million, representing an increase of approximately 13.2% as compared to approximately HK\$49.9 million for the corresponding period in 2020.
- During the three months ended 31 July 2021, the Group's gross profit was approximately HK\$15.2 million, representing an increase of approximately 11.8% as compared to approximately HK\$13.6 million for the corresponding period in 2020.
- The Group's profit for the three months ended 31 July 2021 was approximately HK\$9.1 million, representing an increase by approximately HK\$3.2 million or 54.2% as compared with the corresponding period in 2020. The increase was mainly attributable to the increase in revenue of LED luminaire lighting products and combined effect of decrease in administrative expenses during the three months ended 31 July 2021.
- The Board has resolved not to declare an interim dividend for the three months ended 31 July 2021 (three months ended 31 July 2020: Nil).

The board of Directors (the “**Board**”) announces the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the three months ended 31 July 2021 (the “**Period**”), together with the unaudited comparative figures for the corresponding period in 2020, as follows:

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**

*For the three months ended 31 July 2021*

	<i>Notes</i>	<b>2021</b> <i>HK\$'000</i> <b>(unaudited)</b>	2020 <i>HK\$'000</i> <b>(unaudited)</b>
Revenue	4	<b>56,518</b>	49,868
Cost of sales		<b>(41,287)</b>	(36,277)
Gross profit		<b>15,231</b>	13,591
Other income and gain		<b>103</b>	160
Allowance for expected credit losses, net		<b>762</b>	(362)
Selling and distribution expenses		<b>(681)</b>	(646)
Administrative expenses		<b>(3,793)</b>	(4,805)
Finance costs		<b>(464)</b>	(447)
Profit before taxation	5	<b>11,158</b>	7,491
Taxation	7	<b>(2,034)</b>	(1,556)
Profit for the period		<b>9,124</b>	5,935
Other comprehensive gain for the period, net of tax			
Exchange differences on translation of foreign operations		<b>166</b>	1,810
Other comprehensive gain for the period, net of tax		<b>166</b>	1,810
Total comprehensive income for the period		<b>9,290</b>	7,745
Profit for the period attributable to equity owners of the Company		<b>9,124</b>	5,935
Total comprehensive income for the period attributable to the equity owners of the Company		<b>9,290</b>	7,745
Earnings per share attributable to equity owners of the Company			
Basic and diluted (HK cents)	8	<b>1.82</b>	1.19

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the three months ended 31 July 2021*

	Share capital <i>HK'000</i>	Share premium <i>HK'000</i>	Statutory reserve <i>HK'000</i>	Translation reserve <i>HK\$'000</i>	Other reserve <i>HK\$'000</i>	Retain earnings <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 May 2020 (audited)	5,000	41,901	2,329	(4,826)	1	92,474	136,879
Profit for the period	-	-	-	-	-	5,935	5,935
Exchange different on translation of foreign operations	-	-	-	1,810	-	-	1,810
Total comprehensive income for the period	-	-	-	1,810	-	5,935	7,745
Transfer to statutory reserve	-	-	267	-	-	(267)	-
At 31 July 2020 (unaudited)	<u>5,000</u>	<u>41,901</u>	<u>2,596</u>	<u>(3,016)</u>	<u>1</u>	<u>98,142</u>	<u>144,624</u>
<b>At 1 May 2021 (audited)</b>	<b>5,000</b>	<b>41,901</b>	<b>3,869</b>	<b>273</b>	<b>1</b>	<b>115,060</b>	<b>166,104</b>
Profit for the period	-	-	-	-	-	9,124	9,124
Exchange different on translation of foreign operations	-	-	-	166	-	-	166
Total comprehensive income for the period	-	-	-	166	-	9,124	9,290
At 31 July 2021 (unaudited)	<u>5,000</u>	<u>41,901</u>	<u>3,869</u>	<u>439</u>	<u>1</u>	<u>124,184</u>	<u>175,394</u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the three months ended 31 July 2021*

## 1. GENERAL INFORMATION

The Company was incorporated in Cayman Islands as an exempted company with limited liability on 30 January 2014 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its ultimate and immediate parent is Real Charm Corp (incorporated in British Virgin Islands) and its ultimate controlling party is Mr. Shiu Kwok Leung. The Company's registered office is located at the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business in Hong Kong is at Flat A, 11th Floor, King Palace Plaza, 55 King Yip Street, Kwun Tong, Kowloon, Hong Kong.

The Company's issued shares have been listed on GEM of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") on 16 November 2017 (the "**Listing Date**").

The Company is an investment company. The Group principally engages in trading and manufacturing of LED lighting products.

The unaudited condensed consolidated financial information are presented in Hong Kong dollars ("**HK\$**") is also the reporting currency of the Company and all values are rounded to the nearest thousand except otherwise indicated.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the three months ended 31 July 2021 have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of the GEM Listing Rules.

The unaudited condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 30 April 2021. The accounting policies used in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in the annual consolidated financial statements of the Group for the year ended 30 April 2021.

As at the date of authorisation of these unaudited condensed consolidated financial statements, HKICPA has issued a number of new and amended HKFRSs. For those which are effective for accounting period beginning on 1 May 2020, the adoption of these new and amended HKFRSs had no material impact on how the results and financial position of the Group for the current or prior accounting periods have been prepared and presented. The Group elected to early adopt the Amendment to HKFRS 16 "COVID-19-Related Rent Concessions" which is effective for annual reporting periods beginning on or after 1 June 2020. Except this, the Group has not early adopted any new and amended HKFRSs that are relevant to the Group have been issued but are not yet effective for the current accounting period. The unaudited condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies set out in the annual consolidated financial statements of the Group for the year ended 30 April 2021.

The preparation of the unaudited condensed consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the accounting policies of the Group. The unaudited condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee (the "**Audit Committee**") and were approved for issue by the Board on 13 July 2021.

### 3. SEGMENT REPORTING

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the executive directors of the Company who are the Group's chief operating decision maker in order to allocate resources and assess performance of the segment. During the reporting period, the information reported to the executive directors of the Company, who are the chief operating decision makers for the purpose of resource allocation and assessment of performance, do not contain profit or loss information of each product line or geographical area and the executive directors of the Company reviewed the financial result of the Group as a whole report under HKFRSs. Therefore, the executive directors of the Company have determined that the Group has only one single business component/reportable segment as the Group is only engaged in designing, manufacturing and trading of LED lighting products. The executive directors of the Company allocate resources and assess performance on an aggregate basis. Accordingly, no operating segment is presented.

#### Geographical information

The Group's revenue from external customers is divided into the following geographical areas:

	For the three months ended 31 July	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Canada	22,283	18,476
The US	3,179	7,188
The PRC, excluding Hong Kong	12,982	3,336
Hong Kong	16,326	17,827
Others ( <i>note</i> )	1,748	3,041
	<u>56,518</u>	<u>49,868</u>

*Note:* Others include the South Africa, Italy and India.

### 4. REVENUE

Revenue, which is also the Group's turnover, represent the revenue generated by trading and manufacturing of LED decorative lighting products and LED luminaire lighting products, net of return, discounts and sales related taxes, during the three months ended 31 July 2021, and 2020.

All revenue contract as for period on one year less, as permitted by practical expedient under HKFRS 15, the transaction price allocated to these unsatisfied contract is not disclosed. All revenue were recognised at point in time.

	For the three months ended 31 July	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
LED decorative lighting	51,817	48,176
LED luminaire lighting	4,701	1,692
	<u>56,518</u>	<u>49,868</u>

## 5. PROFIT BEFORE TAXATION

	For the three months ended 31 July	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Profit before taxation has been arrived after charging		
Auditors' remuneration		
— Non-audit service	—	200
Cost of inventories recognised as cost of sales	41,287	36,277
Depreciation on property, plant and equipment	798	666
Employee benefit expenses (including director's emoluments)	7,133	6,416
Listing expenses related to the transfer of listing to Main Board	225	1,178
Allowance for expected credit losses, net	(762)	362
Foreign exchange gain, net	11	(153)
Research and development expenses	22	24

## 6. DIVIDENDS

No dividends were paid, declared or proposed during the reporting period (three months ended 31 July 2020: nil).

The Board did not recommend the payment of any dividend for the three months ended 31 July 2021 (three months ended 31 July 2020: nil).

## 7. TAXATION

	For the three months ended 31 July	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Current tax expenses/(credits):</b>		
Hong Kong	1,866	769
The PRC	—	807
<b>Deferred tax</b>	<b>168</b>	<b>(20)</b>
Total Taxation	<b>2,034</b>	<b>1,556</b>

### Hong Kong Profits Tax

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazette on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2,000,000 will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

## The PRC

Under the PRC Enterprise Income Tax Law (the “EIT Law”) and Implementation Regulations of the EIT Law, the tax rate of a PRC subsidiary is 25% during the reporting period.

### 8. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY OWNERS OF THE COMPANY

The calculation of the basic and diluted earnings per share for the period is based on the following data:

	For the three months ended 31 July	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Earnings</b>		
Earnings for the purposes of basic and diluted earnings per share, profit for the period attributable to equity owners of the company	<u>9,046</u>	<u>5,935</u>
<b>Number of share</b>	<u>'000</u>	<u>'000</u>
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>500,000</u>	<u>500,000</u>

### 9. CAPITAL COMMITMENTS

As at 31 July 2021, the Group has no commitment (as at 30 April 2020: nil) in respect of the acquisition of property, plant and equipment contracted for but not provided in the reporting period.



## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

During the three months ended 31 July 2021, the global economic activities continued to recover as a result of implementation of vaccination programme worldwide which leads to better control over the COVID-19 pandemic (the “**Pandemic**”). The revenue in North America increased during three months ended 31 July 2021 which is mainly attributable to the customers forecast increase in the demand and sales of indoor decorative lightings to household users in the forthcoming Christmas seasons. At the same time, the Group also approached many new customers in The People’s Republic of China (the “**PRC**”) to fill up the short fall of the revenue decrease in the PRC. The Group’s revenue for the three months ended 31 July 2021 is approximately HK\$56.5 million, representing an increase of approximately HK\$6.6 million or 13.2% as compared to the three months ended 31 July 2020 of approximately HK\$49.9 million.

However, due to the Pandemic, the operation of the Group’s new production line in Phnom Penh, Cambodia was briefly suspended during the three months ended 31 July 2021, but has resumed operation in July 2021. Some of purchase order requested to produce and export from Cambodia will be deferred to deliver in the second half calendar year 2021. The production line was set up through Qualified Investment Project application to take advantage of the tax benefits for the import of raw materials, semi-products and machinery from China to Cambodia as well as for the export of the lighting products to the US. With the tax benefits for the export to the US, the Group has devoted more marketing effort in procuring potential customers in the US and broaden its customer base.

### PROSPECT

Going forward, the management of the Company believed that the progress of vaccination rates worldwide and the Pandemic are the determining factors in the recovery of the global economy. As it is a global trend for countries to boost up the vaccination rates and to relax the lockdown measures, the management of the Company is confident that the global economy will continue to improve and will bring in more sales especially from North America customers.

The Group will continue to adopt prudent and risk balancing management approach in the coming years. Leveraging on the tax benefits available to the Group from the new production line in Phnom Penh, Cambodia, the management believes that the Group’s competitiveness will be enhanced and the export sales to North America will become more stable under the effects of Sino-US trade conflict. The Group also plans to participate in exhibitions across the world after the travel restrictions have been lifted.

## **FINANCIAL REVIEW**

### **Revenue**

#### *Revenue from LED decorative lighting products*

During the three months ended 31 July 2021, the Group's revenue from LED decorative lighting products was approximately HK\$51.8 million, representing an increase of approximately HK\$3.6 million or 7.5% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$48.2 million). The increase was mainly attributable to the increase in sales of LED decorative lighting products to Canada and the PRC customers which was partially offset by the decrease in sales to the US customers.

#### *Revenue from LED luminaire lighting products*

During the three months ended 31 July 2021, the Group's revenue from LED luminaire lighting products was approximately HK\$4.7 million, representing a significant increase of approximately HK\$3.0 million or 176.5% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$1.7 million). The significant increase was mainly attributable to the increase in sales of LED luminaire lighting products to the PRC customers and a South Africa customer.

### **Cost of sales**

During the three months ended 31 July 2021, the Group's cost of sales was approximately HK\$41.3 million, representing an increase of approximately HK\$5.0 million or 13.8% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$36.3 million). The increase in cost of sales was generally in line with the increase in the Group's total revenue.

### **Gross profit and gross profit margin**

The Group's gross profit for the three months ended 31 July 2021 was approximately HK\$15.2 million, representing an increase of approximately HK\$1.6 million or 11.8% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$13.6 million). The Group's overall gross profit margin for the three months ended 31 July 2021 was approximately 26.9%, representing a decrease of approximately 1.5% as compared to the same period in 2020 (three months ended 31 July 2020: approximately 27.3%). The decrease in gross profit margin was mainly due to lower profit margin of the Group's LED decorative lighting products during the three months ended 31 July 2021 as compared to the same period in 2020.

### **Selling and distribution expenses**

During the three months ended 31 July 2021, the Group's selling and distribution expenses were approximately HK\$0.7 million, representing an increase of approximately HK\$0.1 million or 16.7% as compared to the same period in 2020 (three months ended 31 July 2020: HK\$0.6 million). The increase was mainly attributable to the increase of shipping costs during the period.

## **Other income and gain**

During the three months ended 31 July 2021, the Group's other income and gain was approximately HK\$0.1 million, representing a decrease of approximately HK\$0.1 million or 50.0% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$0.2 million). The decrease in other income and gain was mainly attributable to the government anti-epidemic funding received during the three months ended 31 July 2020.

## **Administrative expenses**

During the three months ended 31 July 2021, the Group's administrative expenses were approximately HK\$3.8 million, representing a decrease of approximately HK\$1.0 million or 20.8% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$4.8 million). The decrease of administrative expenses was mainly due to the decrease in legal and professional fees and expenses related to the Group's application for transfer of listing to Main Board.

## **Finance costs**

During the three months ended 31 July 2021, the Group's finance costs were approximately HK\$0.5 million, representing an increase of approximately HK\$0.1 million or 25.0% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$0.4 million). The increase in finance costs was mainly attributable to the increase in bank borrowings and the interest expenses on the lease liabilities during the three months ended 31 July 2021.

## **Profit for the period**

During the three months ended 31 July 2021, the Group's profit for the period was approximately HK\$9.1 million, representing a slight increase by approximately HK\$3.2 million or 54.2% as compared to the same period in 2020 (three months ended 31 July 2020: approximately HK\$5.9 million). The increase was mainly attributable to a significant increase in LED luminaire lighting products and combined effect of decrease in administrative expenses during the three months ended 31 July 2021 as compared to the same period in 2020.

## **Dividend**

The Board has resolved not to declare an interim dividend for the three months ended 31 July 2021 (three months ended 31 July 2020: Nil).

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### DISCLOSURE OF INTERESTS

#### Directors' and Chief Executives' Interests and Short Positions in the Shares, the Underlying Shares or Debentures of the Company

As at 31 July 2021, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the required standard of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

#### *Long position in ordinary shares of the Company*

<b>Name of Director</b>	<b>Capacity/nature of interest</b>	<b>Number of shares</b>	<b>Approximate percentage<sup>+</sup> of shareholding in the Company</b>
Mr. Shiu Kwok Leung	Interest of controlled corporation	234,000,000 (Note 1)	46.8%
Mr. Yuen Lai Him	Interest of spouse	30,000,000 (Note 2)	6.0%

#### *Notes:*

1. These shares are held by Real Charm Corp, which is wholly and beneficially owned by Mr. Shiu Kwok Leung. Accordingly, Mr. Shiu Kwok Leung is deemed to be interested in these shares of the Company pursuant to Part XV of the SFO.
2. Mr. Yuen Lai Him is deemed to be interested in these shares of the Company through the interest of his spouse, Ms. Giang Maryanne Phung-van.

<sup>+</sup> The percentage represents the number of ordinary shares involved divided by the number of issued shares of the Company as at 31 July 2021.

Save as disclosed above, as at 31 July 2021, none of the Directors nor the chief executives of the Company had any interests or short positions in any 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 recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the required standard of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

## Substantial Shareholders' Interests and Short Positions in the Shares, the Underlying Shares or Debentures of the Company

As at 31 July 2021, the following parties (other than the Directors or the chief executives of the Company) had interests of 5% or more in the shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

### *Long position in ordinary shares of the Company*

<b>Name of shareholder</b>	<b>Capacity/nature of interest</b>	<b>Number of shares</b>	<b>Approximate percentage<sup>+</sup> of shareholding in the Company</b>
Real Charm Corp	Beneficial owner	234,000,000 <i>(Note 1)</i>	46.8%
Ms. Chung Yu Chun	Interest of spouse	234,000,000 <i>(Note 2)</i>	46.8%
Multi Tech Creation Limited	Beneficial owner	30,000,000 <i>(Note 3)</i>	6.0%
Ms. Giang Maryanne Phung-van	Interest of controlled corporation	30,000,000 <i>(Note 3)</i>	6.0%

#### *Notes:*

1. The above interest of Real Charm Corp was also disclosed as the interest of Mr. Shiu Kwok Leung in the section headed "Directors' and Chief Executives' Interests and Short Positions in the Shares, the Underlying Shares or Debentures of the Company" in this announcement.
2. Ms. Chung Yu Chun is deemed to be interested in these shares of the Company through the interest of her spouse, Mr. Shiu Kwok Leung.
3. These shares are held by Multi Tech Creation Limited, which is wholly and beneficially owned by Ms. Giang Maryanne Phung-van, spouse of Mr. Yuen Lai Him. The above interest of Ms. Giang Maryanne Phung-van was also disclosed as the interest of Mr. Yuen Lai Him in the section headed "Directors' and Chief Executives' Interests and Short Positions in the Shares, the Underlying Shares or Debentures of the Company" in this announcement.

<sup>+</sup> The percentage represents the number of ordinary shares involved divided by the number of issued shares of the Company as at 31 July 2021.

Save as disclosed above, as at 31 July 2021, the Company was not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## **COMPETING AND CONFLICT OF INTERESTS**

The Directors are not aware of any business or interest of the Directors nor the controlling shareholders of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Company and any other conflicts of interest which any such person has or may have with the Group during the three months ended 31 July 2021.

None of the Directors, the controlling shareholders or substantial shareholders of the Company or any of their respective close associates has engaged in or has interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during the three months ended 31 July 2021.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 July 2021.

## **CORPORATE GOVERNANCE PRACTICE**

The Company is committed to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are key to obtaining and maintaining the trust of the shareholders of the Company and other stakeholders, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the shareholders of the Company.

The Company has applied the principles as set out in the Corporate Governance Code (the "CG Code") set out in Appendix 15 to the GEM Listing Rules. The Board considers that the Company has complied with the CG Code during the three months ended 31 July 2021.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' securities transactions in the Company. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings and there was no event of non-compliance during the three months ended 31 July 2021.

## SHARE OPTION SCHEME

The purpose of the share option scheme is to enable the Company to grant options to any director, employee, adviser, consultant, agent, contractors, supplier, customer and/or such other person, who in the sole discretion of the Board has contributed or may contribute to the Group. The Group has conditionally adopted a share option scheme (the “**Share Option Scheme**”) on 24 October 2017 which has become effective on 16 November 2017 and, unless otherwise cancelled or amended, would remain in force for 10 years from 16 November 2017.

No share option has been granted by the Company under the Share Option Scheme since its adoption.

## AUDIT COMMITTEE

The Audit Committee consists of three members, namely Mr. Wong Ting Kon (Chairman), Ms. Cheng Ka Yan and Mr. Cheng Hok Ming Albert, all being independent non-executive Directors. The primary duties of the Audit Committee are to review the Company’s financial information and reporting process, risk management and internal control systems, relationship with external auditors and arrangements for employees of the Group to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the three months ended 31 July 2021.

By Order of the Board  
**Bortex Global Limited**  
**Shiu Kwok Leung**  
*Chairman*

Hong Kong, 13 September 2021

*As at the date of this announcement, the executive Directors are Mr. Shiu Kwok Leung, Mr. Shao Xu Hua and Mr. Yuen Lai Him; and the independent non-executive Directors are Mr. Wong Ting Kon, Ms. Cheng Ka Yan and Mr. Cheng Hok Ming Albert.*

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at “www.hkgem.com” for at least seven days from the date of its publication and on the Company’s website at “www.bortex.com.cn”.*