
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should obtain independent professional advice or consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Bright Smart Securities & Commodities Group Limited** you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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BRIGHT SMART SECURITIES & COMMODITIES GROUP LIMITED

耀才證券金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1428)

PROPOSALS FOR GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, FINAL DIVIDEND, RE-ELECTION OF DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting (“AGM”) of **Bright Smart Securities & Commodities Group Limited** (the “Company”) to be held at Mezzanine Floor, Honour House, 375–381 Nathan Road, Kowloon, Hong Kong on Wednesday, 18 August 2021 at 10:00 a.m. is set out in this circular. A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM if you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Please see page 3 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the AGM, including:

- compulsory body temperature checks and health declarations
- wearing of a surgical face mask for each attendee
- no refreshments or drinks will be served

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine will be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

16 July 2021

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

| | | |
|------------------------------------|-------|--|
| “Annual General Meeting” or “AGM” | means | the annual general meeting of the Company to be held at Mezzanine Floor, Honour House, 375–381 Nathan Road, Kowloon, Hong Kong on Wednesday, 18 August 2021 at 10:00 a.m.; |
| “AGM Notice” | means | the notice convening the AGM set out on pages 14 to 17 of this circular; |
| “Articles of Association” | means | the amended and restated articles of association of the Company adopted by a special resolution passed on 4 August 2010 and became effective upon listing on the Stock Exchange, as amended from time to time; |
| “Board” or “Board of Directors” | means | the board of Directors of the Company; |
| “CEO” | means | chief executive officer of the Company; |
| “Committee(s)” | means | the committee(s) established by the Board of Directors from time to time; |
| “Company” | means | Bright Smart Securities & Commodities Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange; |
| “Director(s)” | means | the director(s) of the Company; |
| “Group” | means | the Company and its subsidiaries; |
| “Hong Kong” | means | the Hong Kong Special Administrative Region of the PRC; |
| “HK\$” | means | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Latest Practicable Date” or “LPD” | means | 9 July 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein; |

DEFINITIONS

| | | |
|-------------------------|-------|--|
| “Listing Rules” | means | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “PRC” | means | the People’s Republic of China; |
| “Repurchase Mandate” | means | the general and unconditional mandate to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued and fully paid up share capital of the Company as at the date of passing of the resolution; |
| “Repurchase Resolution” | means | the proposed ordinary resolution as referred to in resolution no. 6(B) of the AGM Notice; |
| “SFC” | means | the Securities and Futures Commission of Hong Kong; |
| “SFO” | means | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); |
| “Share(s)” | means | the ordinary share(s) of HK\$0.30 each in the capital of the Company; |
| “Shareholder(s)” | means | holder(s) of Share(s); |
| “Stock Exchange” | means | The Stock Exchange of Hong Kong Limited; |
| “Takeovers Code” | means | The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC; and |
| “%” | means | per cent. |

PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread, the Company will implement, including but not limited to, the following preventive measures at the AGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (1) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 36.8 degrees Celsius or subject to any quarantine prescribed by the Hong Kong Government will be denied entry into the AGM venue and be required to leave the AGM venue.
- (2) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled outside of Hong Kong, or to their best of knowledge had physical contact with any person who has recently travelled outside of Hong Kong at any time in the preceding 21 days. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue.
- (3) All attendees will be required to wear surgical face masks before they are permitted to attend, and during their attendance of, the AGM. Please note that no masks will be provided at the AGM and attendees should wear their own masks.
- (4) No refreshments or drinks will be served.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM. The Company will monitor the development of COVID-19 situation and relevant guidance release by the Hong Kong Government from time to time, and may change the precautionary measures for the AGM as appropriate.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person.

If Shareholders have any questions relating to the AGM, please contact Tricor Investor Services Limited, the Company's Hong Kong branch Share Registrar as follows:

Tricor Investor Services Limited
Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax: (852) 2810 8185

LETTER FROM THE BOARD



BRIGHT SMART SECURITIES

香港交易所上市公司(1428)

BRIGHT SMART SECURITIES & COMMODITIES GROUP LIMITED

耀才證券金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1428)

Board of Directors:

Executive Directors:

Mr. Yip Mow Lum (*Chairman*)

Mr. Hui Yik Bun (*CEO*)

Mr. Chan Wing Shing, Wilson

Independent Non-executive Directors:

Mr. Yu Yun Kong

Mr. Szeto Wai Sun

Mr. Ling Kwok Fai, Joseph

Registered Office:

P.O. Box 31119

Grand Pavilion, Hibiscus Way

802 West Bay Road

Grand Cayman

KY1-1205

Cayman Islands

**Head Office and Principal Place
of Business:**

10th Floor and 23rd Floor

Wing On House

71 Des Voeux Road Central

Central, Hong Kong

16 July 2021

Dear Shareholders,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
FINAL DIVIDEND,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM regarding the (i) granting to the Board of Directors a general mandate to issue additional Shares; (ii) granting to the Board of Directors a general mandate for repurchasing Shares; (iii) extending the general mandate to issue additional Shares by adding the number of shares to be repurchased under the general mandate for repurchasing Shares; (iv) payment of final dividend; and (v) re-election of Directors.

LETTER FROM THE BOARD

GENERAL ISSUE MANDATE TO ISSUE ADDITIONAL SHARES

An ordinary resolution will be proposed at the AGM for the purpose of renewing the existing share issue mandate granted to the Board of Directors to allot, issue and otherwise deal with the Shares. The existing share issue mandate will expire at the conclusion of the AGM. The share issue mandate is subject to a limit equal to 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing the resolution.

Subject to the passing of the relevant ordinary resolution and on the basis that no further shares are issued or repurchased prior to the AGM, the Company will be allowed under the issue mandate to issue a maximum of 339,459,261 shares. The granting will ensure flexibility and discretion to the Board of Directors in the event it becomes desirable to issue any shares of the Company.

GENERAL MANDATE FOR REPURCHASE OF SHARES

The repurchase resolution will be proposed for the purpose of renewing the existing Repurchase Mandate granted to the Board of Directors to repurchase Shares. The existing Repurchase Mandate will expire at the conclusion of the AGM. The Repurchase Mandate is subject to a limit equal to 10% of the issued and fully paid up share capital of the Company as at the date of passing the resolution. An explanatory statement to the Repurchase Mandate is set out in Appendix I to this circular.

GENERAL MANDATE TO EXTEND TO ISSUE SHARES

Subject to the passing at the AGM of the proposed resolutions regarding the share issue mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to approve the extension of the 20% share issue mandate by adding to the share issue mandate the number of shares that may be repurchased under the Repurchase Mandate.

Shareholders are referred to the AGM notice herein for details of the resolutions. With reference to these resolutions, the Board of Directors wishes to state that it has no immediate plans to repurchase any Shares or to issue any new Shares pursuant to the relevant mandates.

RE-ELECTION OF DIRECTORS

By virtue of Article 108 of the Articles of Association, two Directors, namely, Mr. Chan Wing Shing, Wilson, and Mr. Yu Yun Kong, shall hold office only until the conclusion of the AGM and shall then be eligible and offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

Mr. Yu Yun Kong has served as an Independent Non-executive Director for more than 9 years since 4 August 2010. Pursuant to code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, (a) having served the company for more than 9 years could be relevant to the determination of a non-executive director's independence and (b) if an independent non-executive director has served more than 9 years, his further appointment should be subject to a separate resolution to be approved by Shareholders.

Mr. Yu has extensive experience and knowledge in public accounting practice. Throughout his directorship with the Company, he has not engaged in any executive management of the Group. He made objective judgement and contributed to the Board with his valuable experience for promoting the best interests of the Company and the Shareholders. Taking into consideration of the aforesaid factors and the confirmation of independence received from Mr. Yu based on the independence criteria set out in Rule 3.13 of the Listing Rules, the Nomination Committee of the Company considers Mr. Yu to be independent and has the required integrity, skills and experience to continue to assume the role of an Independent Non-executive Director. Accordingly, with the recommendation of the Nomination Committee of the Company, the Board has proposed that Mr. Yu will be subject to retirement by rotation and re-election by way of a separate resolution to be approved by the Shareholders at the AGM. Details of all the retiring Directors proposed for re-election at the AGM that are required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

A notice convening the AGM to be held on Wednesday, 18 August 2021 is set out on pages 14 to 17 of this circular.

PROXY ARRANGEMENT

A form of proxy for use at the AGM is enclosed with this circular. To be valid, the form of proxy must be completed and deposited in accordance with the instructions printed thereon with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM.

LETTER FROM THE BOARD

VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

An announcement will be published by the Company on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.bsgroup.com.hk) as soon as possible after the conclusion of the AGM to inform the Shareholders of the voting results of the AGM.

FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The worldwide spread of the unforeseen novel coronavirus epidemic during the year has dragged the global economy to its trough with no recent recovery expected to be seen, and the situation is grimmer than that caused by the SARS outbreak in 2003 and the financial crisis in 2008. As such, the Company timely reviewed its dividend policy without affecting its foreseeable future cash flow, financial condition and sustainable operation, and decided to declare dividends this year to help shareholders resolve their urgent needs. Therefore, the Board recommended the payment of a final dividend of 13.00 HK cents per Share for the year ended 31 March 2021 subject to Shareholders' approval at the AGM.

The register of members of the Company will be closed, for the purpose of determining Shareholders' entitlement to attend and vote at the AGM, from Thursday, 12 August 2021 to Wednesday, 18 August 2021 (both days inclusive), during this period no transfer of Shares will be registered. In order to attend and vote at the AGM, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration, not later than 4:30 p.m. on Wednesday, 11 August 2021.

The register of members of the Company will be closed, for the purpose of determining Shareholders' entitlement to the proposed final dividend, from Tuesday, 24 August 2021 to Thursday, 26 August 2021 (both days inclusive), during this period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration, not later than 4:30 p.m. on Monday, 23 August 2021.

LETTER FROM THE BOARD

RECOMMENDATION

No Shareholder is required to abstain from voting in respect of any of the resolutions to be proposed at the AGM.

The Board of Directors considers that the proposals for share issue mandate, Repurchase Mandate, the extension of share issue mandate, payment of final dividend and the re-election of Directors, among others, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board of Directors recommends that all the Shareholders should vote in favour of these resolutions as set out in the AGM notice to be proposed at the AGM.

Yours faithfully,

For and on behalf of the Board

Bright Smart Securities & Commodities Group Limited

Hui Yik Bun

Executive Director & Chief Executive Officer

This appendix serves as an explanatory statement, as required by Rule 10.06(1)(b) of the Listing Rules, to provide you with the information necessary for your consideration of the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,697,296,308 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares would be issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 169,729,630 Shares (representing 10% of the issued share capital of the Company as at the Latest Practicable Date).

REASONS FOR REPURCHASES

Although the Board of Directors has no present intention of repurchasing any Shares, it believes that the flexibility afforded by the repurchase proposal would be beneficial to the Company and its Shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Board of Directors believes that such repurchase will benefit the Company and its Shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the laws of the Cayman Islands.

The Board of Directors proposes that such repurchases of Shares would be appropriately financed by the Company's internal resources and/or available banking facilities. There might be material adverse impact on the working capital or gearing position of the Company in the event that the repurchase proposal was to be carried out in full at any time during the proposed repurchase period as compared with the position as disclosed in the latest published audited financial statements of the Company for the year ended 31 March 2021. However, the Board of Directors does not propose to exercise the repurchase proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing ratios which in the opinion of the Board of Directors is from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months and up to the Latest Practicable Date were as follows:

| Month | Price per Share | |
|---|------------------------|-----------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| 2020 | | |
| July | 2.27 | 1.51 |
| August | 2.29 | 1.78 |
| September | 1.92 | 1.55 |
| October | 2.03 | 1.71 |
| November | 2.41 | 1.90 |
| December | 2.19 | 1.96 |
| 2021 | | |
| January | 2.60 | 2.01 |
| February | 2.37 | 2.05 |
| March | 2.17 | 1.99 |
| April | 2.23 | 2.07 |
| May | 2.22 | 2.05 |
| June | 2.30 | 2.00 |
| July (made up to the Latest Practicable Date) | 2.03 | 1.83 |

UNDERTAKING

The Board of Directors has undertaken to the Stock Exchange that, so far as the same may be applicable, it will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the Memorandum and Articles of Association of the Company.

None of the Directors and, to the best of their knowledge having made all reasonable inquiries, their close associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to sell any Shares to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

EFFECT OF THE TAKEOVERS CODE

If, as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code) depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Board of Directors, Mr. Yip Mow Lum, the Chairman of the Board and Executive Director, was interested in 1,083,776,280 Shares (183,776,280 Shares were held personally by him and 900,000,000 Shares were held by New Charming Holdings Limited, a company wholly owned by him), representing approximately 63.85% of the issued share capital of the Company.

Assuming no issue of Shares and repurchase of Shares between the Latest Practicable Date and the AGM, and the Repurchase Mandate would have been approved by the Shareholders, in the event that the Repurchase Mandate is exercised in full, the controlling interest of Mr. Yip will be increased from approximately 63.85% to approximately 70.95%. In the opinion of the Board of Directors, such increase may not give rise to an obligation for Mr. Yip to make a mandatory offer under Rule 26 of the Takeovers Code. The Board of Directors does not have any intention to exercise its power to repurchase the Shares to the extent that will result in the public float of the Company falling below 25%.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchases of Shares pursuant to the Repurchase Mandate.

SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of the Shares had been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The biographical details of the Directors, proposed to be re-elected at the AGM are set out as follows:

1. Mr. Chan Wing Shing, Wilson, Executive Director

(Appointed on 4 August 2010)

Mr. Chan Wing Shing, Wilson, aged 56, is an Executive Director of the Company and the Dealing Director of the Group in charge of the daily dealing operations of securities and futures businesses. Mr. Chan is also a director of Bright Smart Securities International (H.K.) Limited and Bright Smart Futures & Commodities Company Limited, both are subsidiaries of the Group. He has over 20 years' experience in securities and futures businesses and is a responsible officer recognized by the SFC for engaging in the Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities.

Mr. Chan has entered into a service agreement with the Company for an initial term of three years commencing from 25 August 2010, which is automatically renewable for successive terms of one year each, which may be terminated by either party furnishing a prior written notice of not less than 12 months and in any event Mr. Chan shall be subject to retirement by rotation and re-election at annual general meetings pursuant to the Articles of Association. He received remuneration of HK\$1,309,000 for the financial year ended 31 March 2021. His remuneration was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company's remuneration policy and prevailing market situation.

Mr. Chan is the nephew of Mr. Yip Mow Lum (the Chairman of the Board, Executive Director and the controlling shareholder of the Company) and the cousin of Ms. Yip Wing Yan, Jacquelyn (the Assistant to Chairman of the Group). Save as disclosed above, Mr. Chan does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Mr. Chan did not hold any directorship in any public companies listed in or outside Hong Kong and did not have any other major appointments or professional qualifications in the past three years.

As at the Latest Practicable Date, Mr. Chan does not have any interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. Chan has not been involved in any of the matters referred to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

2. Mr. Yu Yun Kong, Independent Non-executive Director

(Appointed on 4 August 2010)

Mr. Yu Yun Kong, aged 55, is an Independent Non-executive Director, the chairman of the Audit Committee, the Remuneration Committee, the Risk Management Committee as well as a member of the Nomination Committee of the Company. Mr. Yu is a practising certified public accountant with over 30 years' experience in public accounting practice. He is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants and also an associate member of the Taxation Institute of Hong Kong.

Mr. Yu has renewed his appointment with the Company for a term of one year with effect from 25 August 2013, which is automatically renewable for one successive year, and will continue thereafter unless and until terminated by either party by giving the other party a three months' prior notice in writing. In any event, Mr. Yu shall be subject to retirement by rotation and re-election at annual general meetings pursuant to the Articles of Association. He received remuneration of HK\$252,000 for the financial year ended 31 March 2021. His remuneration was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company's remuneration policy and prevailing market situation.

Save as disclosed above, Mr. Yu did not hold any directorship in any other public companies listed in or outside Hong Kong and did not have any other major appointments or professional qualifications in the past three years. Save as disclosed above, he does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Yu was interested in 608,829 Shares, representing approximately 0.03% of the issued share capital of the Company. Save as disclosed above, he does not have any other interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. Yu has not been involved in any of the matters referred to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



BRIGHT SMART SECURITIES & COMMODITIES GROUP LIMITED

耀才證券金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1428)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Bright Smart Securities & Commodities Group Limited (the “Company”) will be held at Mezzanine Floor, Honour House, 375–381 Nathan Road, Kowloon, Hong Kong on Wednesday, 18 August 2021 at 10:00 a.m. for the purposes of transacting the following business:

AS ORDINARY BUSINESS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries, the directors’ report and the independent auditor’s report for the year ended 31 March 2021.
2. To declare a final dividend of 13.00 HK cents per share for the year ended 31 March 2021.
3. Each as a separate resolution, to re-elect the following retiring Directors:
 - (a) Mr. Chan Wing Shing, Wilson as an Executive Director; and
 - (b) Mr. Yu Yun Kong as an Independent Non-executive Director.
4. To authorize the Board of Directors to fix the Directors’ remuneration.
5. To re-appoint KPMG as the auditor of the Company and authorize the Board of Directors to fix their remuneration.

To consider and, if thought fit, pass the following resolutions, with or without amendments, as Ordinary Resolutions:

6. (A) **“THAT:**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the Board of Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to issue, allot and deal with additional shares in the Company, and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this Resolution shall authorise the Board of Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Board of Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any of the warrants or securities which are convertible into shares of the Company; or (iii) an issue of shares in the Company as scrip dividends pursuant to the Articles of Association of the Company from time to time; or (iv) an issue of shares in the Company under any option scheme or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries of shares in the Company or rights to acquire shares in the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) the revocation or variation of the authority given under this Resolution 6(A) by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares in the Company, open for a period fixed by the Board of Directors to the holders of shares, whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Board of Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

- (B) “**THAT:**
- (a) subject to paragraph (b) of this Resolution, the exercise by the Board of Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase shares of HK\$0.30 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of the shares of the Company to be purchased by the Company pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
 - (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution 6(B) by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**THAT** subject to the passing of the Ordinary Resolutions Nos. 6(A) and 6(B) in the Notice convening this Annual General Meeting, the general mandate granted to the Board of Directors and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by addition thereto of an amount representing the aggregate nominal amount of shares in the share capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to the exercise by the Board of Directors of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution.”

By order of the Board
Bright Smart Securities & Commodities Group Limited
Hui Yik Bun
Executive Director & Chief Executive Officer

Hong Kong, 16 July 2021

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions put to Shareholders at the Annual General Meeting will be voted by poll.
2. Any member entitled to attend and vote at the Annual General Meeting (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company, but must attend the meeting in person in order to represent the member.
3. In order to be valid, the form of proxy and the power of attorney (if any), under which it is signed, or a notarially certified copy thereof, must be lodged at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the above meeting or any adjournment thereof.
4. The register of members of the Company will be closed, for the purpose of determining Shareholders' entitlement to attend and vote at the Annual General Meeting, from Thursday, 12 August 2021 to Wednesday, 18 August 2021 (both days inclusive), during this period no transfer of Shares will be registered. In order to attend and vote at the Annual General Meeting, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration, not later than 4:30 p.m. on Wednesday, 11 August 2021.
5. The register of members of the Company will be closed, for the purpose of determining Shareholders' entitlement to the proposed final dividend, from Tuesday, 24 August 2021 to Thursday, 26 August 2021 (both days inclusive), during this period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration, not later than 4:30 p.m. on Monday, 23 August 2021.
6. Precautionary Measures for the Annual General Meeting:

In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread, the Company will implement relevant preventive measures at the Annual General Meeting. Details of which please refer to page 3 of this circular.
7. If Typhoon Signal No. 8 or above, or a Black Rainstorm Warning Signal or extreme conditions caused by super typhoon is in force in Hong Kong at or at any time after 8:00 a.m. on the date of the Annual General Meeting, the meeting will be adjourned. The Company will publish an announcement on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.bsgroup.com.hk) to notify Shareholders of the date, time and venue of the adjourned meeting.

As at the date of this notice, the Board comprises Mr. Yip Mow Lum (Chairman), Mr. Hui Yik Bun (Chief Executive Officer), Mr. Chan Wing Shing, Wilson as Executive Directors; and Mr. Yu Yun Kong, Mr. Szeto Wai Sun and Mr. Ling Kwok Fai, Joseph as Independent Non-executive Directors.