

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

PRELIMINARY FINANCIAL DATA FOR THE YEAR 2023/24

This announcement is made by Bright Smart Securities & Commodities Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and its potential investors that based on the preliminary assessment of the latest unaudited consolidated management accounts of the Group for the year 2023/24 (the “**Year**”), the Group’s unaudited consolidated net profit after tax was approximately HK\$558 million, representing a decrease of approximately 10% as compared to that for the last year of approximately HK\$621 million.

In contrast, according to the statistics of the Stock Exchange, the total trading volume of the market for the Year was approximately HK\$24,133.1 billion, representing a decrease of approximately 18% from the total trading volume of approximately HK\$29,586.1 billion in the previous year.

In the Year, Hong Kong's stock market faced unprecedented difficulties, with the Hang Seng Index once falling below 15,000 points during the Year, to as low as 14,794 points, a 14-month low under lack of capital inflow. The circumstance was even worse than the adversity under the pandemic. Hong Kong stocks continued to weaken during the Year, resulting in a continuous contraction in trading volume. Besides the weak investment sentiment and the lack of improvement in trading volumes in Hong Kong, the Hang Seng Index continued to record sluggish data last year. Let alone that Hong Kong has been left far behind by the US and Japanese markets, it has also been surpassed in terms of points by Taiwan, a non-major stock market. Hong Kong market, previously in the top three in the world in the IPO market for long, was even squeezed out of the top five last year, and could only manage to hold the sixth place, miserably overcome by India. Amid such harsh environment, over 40 brokerage firms closed down from January 2023 to the end of March 2024. It is believed that the problem of brokerage closure may persist in the uncertain environment.

Apart from unprecedented impacts faced by Hong Kong's stock market, overall economy was trapped in an unprecedented predicament, the road to economic recovery after the epidemic was not as smooth as expected. The opportunities brought by the reopening of customs between China and Hong Kong were not as perfect as expected either. Due to economic downturn, the United States has repeatedly raised interest rates, which has in turn caused Hong Kong's interest rate hikes, and Hong Kong's property market has undergone a deep adjustment as a result. The prolonged weakness of the Hong Kong stock market last year might be related to the close coherence between China and Hong Kong economy. Believably the sluggish post-epidemic economic recovery in mainland China is partly attributable to the unexpectedly slow recovery of all sectors after the epidemic, and partly attributable to uncertainties in the economic growth rate of various provinces and municipalities resulting from the intertwined problems fermenting in the property market in China. The RMB exchange rate has lost its strength in face of the persistently rising interest rates of the United States. Hong Kong stocks, which have often relied on south bound funds, seemingly lack an important support. Furthermore, with successive sanctions introduced unreasonably and redundantly by the United States against China, foreign investment sentiment in China and Hong Kong stocks also plummeted last year, falling to an unprecedented low level.

The Group can achieve such performance in the market adversity with under the unceasing support and trust of all its clients, launch of various timely promotional marketing strategies and effective cost control. Besides, the Group, being listed in Hong Kong for more than 13 years, has tided over the vicissitudes without fear of market downturn. With the “client-oriented” and “following the clients’ mind” philosophy, the Group continues to generously allocate more resources to strengthen various promotion in spite of adversity. The Group also aggressively develops diversified global financial products, so that clients can trade a whole array of financial products around the world with just one account. From time to time the Group has introduced various innovative and timely offers (e.g. “One for Five futures account”, “rewards of 2 shares of Manchester United Plc (MANU:US) for trading US stocks, commission of only US\$0.008 per share for trading US stocks and a flat interest rate for margin financing as low as 4.78%” and “1-month genuine zero commission for trading of Hong Kong stocks, A-shares and CME Futures and lifetime waiver of platform charge for new clients”). During the Year, the Group broke the industry tradition and provided free real-time quotes (LV1) for all customers with Hong Kong stocks, which was well received after its launch. Furthermore, in order to grasp business opportunities from reopening of international borders, some branches at prime locations with high pedestrian flow operate 7 days a week to provide clients with better services, which drives a steady growth in the number of client accounts under adversity and further improve the business of the Group.

Information contained in this announcement is only a preliminary assessment made by the Board with reference to the latest unaudited consolidated management accounts of the Group and the information currently available, which has not been reviewed by the auditors and the audit committee of the Company.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 9 April 2024

As at the date of this announcement, 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, Mr. Ling Kwok Fai, Joseph and Ms. Wong Ting Ting, Priscilla as Independent Non-executive Directors.