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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)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The board (the “Board”) of directors (the “Directors”) of Bright Smart Securities & Commodities Group Limited (the “Company”, together with its subsidiaries, the “Group” or “Bright Smart Group”) is pleased to announce the unaudited consolidated results of the Group for the six months ended 30 September 2025 (the “Period”) together with the comparative figures for the six months ended 30 September 2024 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2025 — unaudited

(Expressed in Hong Kong dollars unless otherwise indicated)

		Six months ended	
		30 September	
		2025	2024
	<i>Note</i>	\$'000	\$'000
Revenue	4	496,876	448,778
Other income			
— Interest income calculated using effective interest rate method	5	97,421	140,284
— Interest income calculated using other method	5	22,934	20,043
— Others	5	5,169	6,770
Other net gain	6	8,159	27,961
		630,559	643,836

		Six months ended	
		30 September	
		2025	2024
	<i>Note</i>	\$'000	\$'000
Staff costs		(75,092)	(73,301)
Amortisation and depreciation		(27,496)	(30,527)
Net charges for expected credit losses		(3,202)	(1,136)
Other operating expenses	7(b)	<u>(98,067)</u>	<u>(90,646)</u>
Profit from operations		426,702	448,226
Finance costs	7(a)	<u>(58,335)</u>	<u>(104,585)</u>
Profit before taxation	7	368,367	343,641
Income tax	8	<u>(41,450)</u>	<u>(31,617)</u>
Profit for the period		<u>326,917</u>	<u>312,024</u>
Total comprehensive income attributable to equity shareholders for the period		<u>326,917</u>	<u>312,024</u>
Earnings per share			
Basic (<i>cents</i>)	9	<u>19.26</u>	<u>18.38</u>
Diluted (<i>cents</i>)	9	<u>19.26</u>	<u>18.38</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2025 – unaudited

(Expressed in Hong Kong dollars unless otherwise indicated)

		At 30 September 2025 \$'000	At 31 March 2025 \$'000
	Note		
Non-current assets			
Property, plant and equipment		43,837	61,609
Intangible assets		5,783	5,783
Deferred tax assets		4,271	7,159
Other receivables, deposits and prepayments		2,481	1,708
Other assets		59,428	84,995
Total non-current assets		115,800	161,254
Current assets			
Accounts receivable	11	9,382,979	7,012,365
Other receivables, deposits and prepayments		35,345	36,245
Financial assets at fair value through profit or loss		1,189	1,080
Financial assets at amortised cost		153	353
Tax recoverable		1,664	2,718
Cash and cash equivalents		640,008	476,613
Total current assets		10,061,338	7,529,374
Current liabilities			
Accounts payable	12	2,594,760	1,664,441
Accrued expenses and other payables		79,122	84,465
Bank loans	13	5,585,750	4,370,000
Lease liabilities		28,124	49,666
Current taxation		54,014	16,506
Total current liabilities		8,341,770	6,185,078

	At 30 September 2025 <i>Note</i> <i>\$'000</i>	At 31 March 2025 <i>\$'000</i>
Net current assets	<u><u>1,719,568</u></u>	<u><u>1,344,296</u></u>
Total assets less current liabilities	<u><u>1,835,368</u></u>	<u><u>1,505,550</u></u>
Non-current liabilities		
Accrued expenses and other payables	580	535
Lease liabilities	<u>6,070</u>	<u>3,214</u>
Total non-current liabilities	<u><u>6,650</u></u>	<u><u>3,749</u></u>
NET ASSETS	<u><u>1,828,718</u></u>	<u><u>1,501,801</u></u>
EQUITY		
Share capital	509,189	509,189
Share premium	388,020	388,020
Merger reserve	(20,000)	(20,000)
Retained profits	<u>951,509</u>	<u>624,592</u>
TOTAL EQUITY	<u><u>1,828,718</u></u>	<u><u>1,501,801</u></u>

NOTES:

(Expressed in Hong Kong dollars unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report for the six months period ended 30 September 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). This interim financial report also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued an amendment to HKFRSs that is first effective for the current accounting period of the Group.

- Amendments to HKAS 21, *“The effects of changes in foreign exchange rates: Lack of exchangeability”*

The above development does not have a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in this interim financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Securities broking – provision of broking services in securities traded in Hong Kong and selected overseas markets, and margin financing services to those broking clients.
- Futures and commodities broking – provision of broking services in futures and commodities contracts traded in Hong Kong and overseas markets.

The scale of bullion trading decreased during the period and bullion trading information is not included in segment reporting but unallocated corporate information from this period and corresponding period last year.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets and current assets with the exception of unallocated corporate assets. Segment liabilities include liabilities and accruals attributable to the activities of the individual segments.

The measure used for reporting segment profit is earnings before finance costs and taxes ("EBIT"). To arrive at EBIT, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as corporate administration costs.

(b) Segment information

	Six months ended 30 September 2025		
	Securities	Futures and	
	broking	commodities	
	\$'000	broking	Total
		\$'000	\$'000
Revenue from customers:			
— Brokerage commission income	253,541	52,969	306,510
— Interest income from margin financing	128,779	—	128,779
— Handling and settlement fee income	39,878	21,172	61,050
Reportable segment revenue	422,198	74,141	496,339
Interest income from cash clients	22,934	—	22,934
Other interest income	86,338	10,639	96,977
Reportable segment profit (EBIT)	400,301	23,663	423,964
Amortisation and depreciation	(2,284)	—	(2,284)
Finance costs	(75,190)	—	(75,190)

	At 30 September 2025		
	Securities	Futures and	
	broking	commodities	
	\$'000	broking	Total
		\$'000	\$'000
Reportable segment assets	10,447,287	953,929	11,401,216
Reportable segment liabilities	(8,511,016)	(625,405)	(9,136,421)

Six months ended 30 September 2024			
	Securities	Futures and	
	broking	commodities	
	\$'000	broking	Total
		\$'000	\$'000
			(restated)
Revenue from customers:			
— Brokerage commission income	142,933	79,733	222,666
— Interest income from margin financing	164,094	—	164,094
— Handling and settlement fee income	37,498	20,640	58,138
Reportable segment revenue	<u>344,525</u>	<u>100,373</u>	<u>444,898</u>
Interest income from cash clients	20,043	—	20,043
Other interest income	<u>116,819</u>	<u>22,351</u>	<u>139,170</u>
Reportable segment profit (EBIT)	<u>385,903</u>	<u>54,418</u>	<u>440,321</u>
Amortisation and depreciation	(4,628)	—	(4,628)
Finance costs	<u>(124,266)</u>	<u>(2)</u>	<u>(124,268)</u>

At 31 March 2025			
	Securities	Futures and	
	broking	commodities	
	\$'000	broking	Total
		\$'000	\$'000
			(restated)
Reportable segment assets	7,930,158	789,152	8,719,310
Reportable segment liabilities	<u>(6,281,431)</u>	<u>(483,755)</u>	<u>(6,765,186)</u>

(c) **Reconciliation of reportable segment profit, assets and liabilities**

	Six months ended	
	30 September	
	2025	2024
	\$'000	\$'000
		(restated)
Revenue		
Reportable segment revenue	496,339	444,898
Elimination	(29)	(296)
Unallocated corporate revenue	566	4,176
	<hr/>	<hr/>
Consolidated revenue	496,876	448,778
	<hr/>	<hr/>
Profit		
Reportable segment profit (EBIT)	423,964	440,321
Finance costs	(58,335)	(104,585)
Unallocated corporate income	29,874	65,083
Unallocated corporate expenses	(27,136)	(57,178)
	<hr/>	<hr/>
Consolidated profit before taxation	368,367	343,641
	<hr/>	<hr/>

	At 30 September 2025 \$'000	At 31 March 2025 \$'000 (restated)
Assets		
Reportable segment assets	11,401,216	8,719,310
Elimination	(1,336,826)	(1,241,697)
Unallocated corporate assets	<u>112,748</u>	<u>213,015</u>
Consolidated total assets	<u><u>10,177,138</u></u>	<u><u>7,690,628</u></u>
Liabilities		
Reportable segment liabilities	(9,136,421)	(6,765,186)
Elimination	1,144,317	1,222,676
Unallocated corporate liabilities	<u>(356,316)</u>	<u>(646,317)</u>
Consolidated total liabilities	<u><u>(8,348,420)</u></u>	<u><u>(6,188,827)</u></u>

4 REVENUE

The principal activities of the Group are securities broking, margin financing, futures and commodities broking and trading of financial products including bullion and leveraged foreign exchange.

The amount of each significant category of revenue is as follows:

	Six months ended	
	30 September	
	2025	2024
	\$'000	\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Brokerage commission income	306,480	222,370
Handling and settlement fee income	61,050	58,138
Revenue from other sources		
Interest income from margin financing	128,779	164,094
Dealing income from trading of financial products	567	4,176
	496,876	448,778

5 OTHER INCOME

	Six months ended	
	30 September	
	2025	2024
	\$'000	\$'000
Interest income from		
Financial assets carried at amortised cost		
— Authorised institutions	94,098	133,073
— Others	3,323	7,211
	97,421	140,284
Financial assets carried at		
fair value through profit or loss (“FVPL”)		
— Cash clients	22,934	20,043
	120,355	160,327
Dividend income	24	2,407
Sundry income	5,145	4,363
	125,524	167,097

6 OTHER NET GAIN

	Six months ended	
	30 September	
	2025	2024
	\$'000	\$'000
Realised gain from financial assets at fair value through profit or loss	229	122
Unrealised gain from financial assets at fair value through profit or loss	<u>63</u>	<u>21,940</u>
	292	22,062
Net foreign exchange gain	8,853	6,024
(Loss)/gain on disposals of property, plant and equipment	(15)	209
Others	<u>(971)</u>	<u>(334)</u>
	<u><u>8,159</u></u>	<u><u>27,961</u></u>

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	Six months ended	
	30 September	
	2025	2024
	\$'000	\$'000
(a) Finance costs		
Interest expense on		
— Bank loans	42,754	89,640
— Lease liabilities	1,030	2,025
— Accounts payable to brokers	14,551	12,920
	58,335	104,585
(b) Other operating expenses		
Advertising and promotion expenses	11,530	7,469
Auditors' remuneration	788	771
Commission expenses	8,201	8,327
Handling and settlement expenses	38,123	32,390
Information and communication expenses	22,177	21,957
Legal and professional fees	1,663	836
Rates and building management fees	2,251	2,811
Miscellaneous expenses	13,334	16,085
	98,067	90,646

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended	
	30 September	
	2025	2024
	\$'000	\$'000
Current tax — Hong Kong Profits Tax		
Provision for the period	38,562	33,945
Deferred tax		
Origination and reversal of temporary differences	2,888	(2,328)
Total tax charge for the period	<u>41,450</u>	<u>31,617</u>

The provision for Hong Kong Profits Tax is calculated by applying the tax rate of 16.5% (2024: 16.5%) on estimated assessable profit for the six months ended 30 September 2025, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first \$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

9 EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended	
	30 September	
	2025	2024
Earnings		
Profit for the period attributable to equity shareholders of the Company (\$'000)	<u>326,917</u>	<u>312,024</u>
Number of shares		
Weighted average number of ordinary shares in issue (<i>in thousands</i>)	<u>1,697,296</u>	<u>1,697,296</u>
Basic earnings per share (<i>cents</i>)	<u><u>19.26</u></u>	<u><u>18.38</u></u>

Diluted earnings per share

There was no dilutive potential ordinary share during the period (six months ended 30 September 2024: nil) and diluted earnings per share is therefore equal to basic earnings per share.

10 DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 September 2025 (six months ended 30 September 2024: nil).

11 ACCOUNTS RECEIVABLE

	At 30 September 2025 \$'000	At 31 March 2025 \$'000
Accounts receivable		
Accounts receivable from:		
— Clearing houses	1,875,435	794,642
— Brokers and dealers	387,761	326,325
Less: Loss allowance	<u>(5,909)</u>	<u>(3,182)</u>
Financial assets measured at amortised cost	<u>2,257,287</u>	<u>1,117,785</u>
Accounts receivable from:		
— Cash clients	539,637	536,245
— Margin clients	<u>6,586,055</u>	<u>5,358,335</u>
Financial assets measured at FVPL	<u>7,125,692</u>	<u>5,894,580</u>
	<u><u>9,382,979</u></u>	<u><u>7,012,365</u></u>

The ageing analysis of accounts receivable from cash clients as at the end of the reporting period is as follows:

	At 30 September 2025 \$'000	At 31 March 2025 \$'000
Current	167,712	142,220
Less than 1 month	264,699	271,073
1 to 3 months	55,346	56,166
More than 3 months	51,880	66,786
	371,925	394,025
	539,637	536,245

Accounts receivable from cash clients relate to a wide range of customers for whom there was no recent history of default. These receivables are secured by their portfolios of securities. Cash clients are required to place deposits as prescribed in the Group's credit policy before execution of any purchase transactions. At 30 September 2025, the total market value of their portfolios of securities was \$2,801,755,000 (31 March 2025: \$2,782,370,000). Based on past experience and current assessment, management believes that the balances are fully recoverable.

Margin clients are required to pledge securities collateral to the Group in order to obtain margin loans. When determining the fair value of the accounts receivable at the reporting date, management evaluate the margin loan portfolios on a fair value basis by primarily considering the value of collateral, which principally comprised listed securities, with reference to the quoted prices, to the extent of the outstanding loan amounts. At 30 September 2025, margin loans due from margin clients were current and repayable on demand except for \$236,000 (31 March 2025: \$168,000) where the margin loans were past due. \$4,000 (31 March 2025: \$2,000) were past due for less than 1 month. \$1,000 (31 March 2025: \$2,000) were past due for 1 to 3 months. \$68,000 (31 March 2025: \$4,000) were past due for 3 months to 1 year. \$163,000 (31 March 2025: \$160,000) were past due for over 1 year following the trading suspension of the pledged securities. At 30 September 2025, the total market value of securities pledged as collateral in respect of the loans to borrowing margin clients and all margin clients were \$18,124,894,000 and \$34,680,992,000 respectively (31 March 2025: \$13,402,012,000 and \$25,123,717,000 respectively). Margin loans that were past due were considered immaterial by management.

Accounts receivable from clearing houses, brokers and dealers are current. These represent (1) pending trades arising from the business of dealing in securities, which are normally due within a few days after the trade date and (2) margin deposits arising from the business of dealing in futures and options contracts.

Loss allowance in respect of accounts receivable measured at amortised cost are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the loss is written off against the accounts receivable directly.

12 ACCOUNTS PAYABLE

	At 30 September 2025 \$'000	At 31 March 2025 \$'000
Accounts payable		
— Cash clients	671,983	349,382
— Margin clients	1,239,919	806,235
— Clearing houses	6,697	2,774
— Brokers	676,161	506,050
	<u>2,594,760</u>	<u>1,664,441</u>

All of the accounts payable are expected to be settled within one year or are repayable on demand.

No ageing analysis in respect of accounts payable is disclosed as the ageing analysis does not give additional value in view of the business nature.

13 BANK LOANS

	At 30 September 2025 \$'000	At 31 March 2025 \$'000
Secured loans		
— Bank loans	5,285,750	3,870,000
Unsecured loans		
— Bank loans	<u>300,000</u>	<u>500,000</u>
	<u><u>5,585,750</u></u>	<u><u>4,370,000</u></u>

All the bank loans are repayable within one year and are classified as current liabilities. The carrying amounts of the bank borrowings approximate their fair value.

The bank loans as at 30 September 2025 and 31 March 2025 were interest-bearing. Securities collateral deposited by the Group's margin clients was repledged to banks to secure these loan facilities. Such banking facilities were utilised to the extent of \$5,285,750,000 (31 March 2025: \$3,870,000,000). The fair value of the collateral repledged to banks as at 30 September 2025 amounted to \$8,508,688,000 (31 March 2025: \$6,749,990,000).

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

During the Period, although signs of global economic recovery emerged, the pace was less smooth than expected. The trade war launched by the U.S. President Donald Trump dealt a heavy blow to major global trade supply chain. Although the U.S. has eased its stance on trade war issues this year, trade policies remain highly uncertain, and markets have yet to fully reflect these risks. If major economies fail to reach effective agreements and tariffs return to elevated levels, businesses will face dual pressures of rising costs and declining orders, global economic growth will be significantly impacted and economies of certain countries will be severely damaged. Under the influence of multiple political factors, the foundation for growth remains unstable, with international institutions holding divergent forecasts for economic growth, further weakening market confidence in economic prospects. Meanwhile, high government debt levels across many countries pose additional risks. If markets lose faith in fiscal sustainability, it may lead to financial contraction. Additionally, geopolitical tensions continue to disrupt global supply chains, driving up energy and raw material prices. As operating costs continue to rise, economic development is inevitably impaired. In response, countries are adopting prudent fiscal policies to strengthen medium-term fiscal sustainability, flexibly adjusting monetary policies while implementing in-depth structural reforms to enhance productivity and long-term growth potential.

Nevertheless, Hong Kong – firmly backed by the Mainland China – has seen a remarkable transformation in its financial markets during the Period, best described as “rebirth” and “resurgence” with momentum continuing to build. The Hang Seng Index (“HSI”) not only recorded five consecutive months of gains but also outperformed all major global financial markets. It has even exceeded the 27,000-point mark. The average daily turnover has also reached an unprecedented HK\$260 billion. This stellar performance was largely driven by economic stimulus measures introduced by the Mainland China, aimed at revitalizing capital markets, enhancing liquidity, and addressing long-standing domestic demand challenges. These policies were widely seen as effective, propelling the Shanghai Composite Index to a new high in recent years. The Hong Kong’s stock market, which often relies on A-share momentum and awaited economic stimulus policies from Mainland China, also responded with a strong

rebound. Since the Lunar New Year in 2025, there was a surge of interest in Deepseek technology and artificial intelligence (AI) across the mainland. As a number of related companies are listed in Hong Kong, it fueled a stronger southbound capital inflow and led to a record-breaking 26 consecutive months of net inflows. Since the launch of Stock Connect in November 2014, mainland investors have become a rising force in Hong Kong's equity market. Over the past decade, capital inflows via Southbound Stock Connect have grown from just HK\$13.1 billion in 2014 to HK\$807.9 billion in 2024, an increase of more than sixty times. According to the data of Hang Seng Indexes Company, up till 12 September this year, net inflows via Southbound Stock Connect reached HK\$1,072.9 billion, surpassing the 2024 full-year total by 33% and on track to set a new annual record for southbound investment. Data from HKEX indicates that in the first nine months of this year, the average daily turnover via Southbound Stock Connect (one-way) was approximately HK\$63 billion, accounting for approximately 24.6% of the total market turnover, a significant jump from less than 3% in 2015. Additionally, the inclusion of exchange-traded funds (ETFs) in the Stock Connect has provided mainland investors with more options, driving southbound ETF trading volumes to new annual highs. The improved sentiment in Hong Kong's financial markets has also revived its long-dormant initial public offering (IPO) sector, reinforcing its status as a leading international financial center. As of 30 June this year, Hong Kong's capital markets once again demonstrated exceptional resilience and institutional strength. The IPO market saw robust growth, surpassing other major international markets to rank first globally in terms of fundraising amount. This positive momentum continued into the second half of the year, with 69 new listings in the first nine months raising a total of approximately HK\$183 billion – an increase of 229% compared to the same period last year, and higher than the annual totals of each of the past three years. Over 260 IPO applications were still under processing. In contrast, the global IPO market saw only an approximately 10% year-on-year increase in fundraising in the first half, with a decrease of 5% in terms of deal volume. Hong Kong's market clearly outperformed in the world and attracted strong interests from international investors. Notably, among all IPOs in the first half of the year, four raised over HK\$5 billion, and seven were dual listed "A+H" shares, collectively raising approximately HK\$77 billion. This highlights Hong Kong's capacity to support large-scale listings and its role as a vital bridge between Mainland China and international capital markets. Upon their listing, H-shares generally traded at smaller discounts compared to their A-share counterparts, with some even commanding premiums –

reflecting robust international demand for these stocks via Hong Kong's market. Buoyed by these favorable developments, Hong Kong's stock market has shed its previous sluggishness, with the Hang Seng Index achieving impressive results in terms of index performance, trading volume, and IPO fundraising – all thanks to the strong support from the mainland.

With 30 years of deep roots in Hong Kong, Bright Smart Group has consistently upheld proactive enterprise philosophy, continuously investing its resources in promotional strategies. Regardless of the ups and downs of Hong Kong's economic environment over the years, its advertising presence has remained strong both online and offline. The Group has also adopted a diversified business approach to capitalize on thriving stock markets worldwide. The Group's sales team consistently introduces highly competitive promotions for investors to reap fruitful rewards. Amid a series of strong trading volume and performances in the Hong Kong stock market, together with record highs in major markets such as the U.S. and Japan, the Bright Smart Group's diversified product offerings have driven significant growth in both business performance and customer acquisition.

OPERATING RESULTS

During the Period, the Group recorded a revenue of HK\$496.9 million (2024: HK\$448.8 million), representing a year-on-year increase of 10.7%. Net profit after tax attributable to shareholders amounted to HK\$326.9 million (2024: HK\$312.0 million), representing a year-on-year increase of 4.8%. Earnings per share for the Period was 19.26 HK cents (2024: 18.38 HK cents).

In addition to the solid implementation of the active, flexible and “client-oriented” and “caring about clients’ needs” business philosophy, the satisfactory performance of the Group was attributed to the following advantages:

1. Two proprietary trading apps, BS Securities (Baobao) and BS Futures (Doudou), have been well received by investors since their eye-catching launch.

2. Staying abreast of market trend, the Group has adopted some market-oriented strategies and put forth some offers such as:
- i. Rewards of 20 shares of TraHK (2800.hk) and 10 shares of HSBC (0005.hk) for opening new accounts;
 - ii. Rewards of up to 100 shares of Tencent (0700.hk) for rollover, with full refund of rollover fee up to HK\$200,000;
 - iii. Margin ratio up to 95%;
 - iv. 1-month genuine zero commission for trading of Hong Kong stocks/A shares, and lifetime waiver of platform charge;
 - v. Unprecedented interest rebate of up to HK\$16,800 for newly opened margin securities account;
 - vi. Provision of free real-time streaming quotes (LV1) for Hong Kong stocks;
 - vii. Commission of only US\$0.008 per share for trading of U.S. stocks, waiver of platform charge, and interest rates for margin financing as low as 4.78%;
 - viii. For clients who are conducting their first trading on the U.S. stock market, two U.S. shares of the Manchester United (MANU.US) will be provided to them upon meeting the basic requirements;
 - ix. Rewards of US\$800 and lifetime waiver of platform charge for trading of U.S. futures/Nikkei futures/foreign exchange futures/gold and various global futures;
 - x. Commission for trading of Hong Kong futures and options as low as HK\$2.88 and HK\$5, respectively;
 - xi. Real-time streaming quotes and real-time chart analysis for global futures products;

- xii. All clients with stock accounts and futures accounts can enjoy lifetime platform fee waiver;
- xiii. Bright Smart's clients can enjoy handling fee waiver and interest waiver for new shares subscription, regardless of in cash or on margin

TOTAL NUMBER OF CLIENT ACCOUNTS AND ASSETS

In view of changes in the market conditions, the Group has adjusted its marketing and operating strategies in a timely and appropriate manner over the years. The Group anticipated that online trading channels (mobile applications (APP) and online platforms) and cybersecurity would be highly valued by clients and their demands would be ever-increasing. Therefore, the Group invests heavily in enhancing functions of various systems each year to keep pace with the mobile trading apps, BS Securities (Baobao) and BS Futures (Doudou). With continuous improvement of their performance and remarkable results, the apps successfully drew nearly 300,000 user downloads since launch. In the future, the Group will continue to invest substantial resources and continuously improve its online trading channels and services while upgrading its network security devices to strengthen the protection of its clients' interests, be well-prepared for market fluctuations, overcome challenges and seize opportunities.

The Group has made constant progress over the years and has invested a lot of resources regardless of market conditions to provide clients with more comprehensive, high-quality and more professional services. As at the end of September 2025, the Group, together with the Central Head Office and all branches and "Bright Smart Mobile Teaching Centre", had a total of 13 outlets, covering the core areas of Hong Kong. Some of which operate 7 days a week, breaking the industry tradition and attracting more customers to open their accounts on Sundays, to improve the quality of client service and bring convenience to our clients. The Group's proactive expansion successfully led to a steady growth in the total number of client accounts. During the Period, the number of new accounts (after deducting the number of client accounts closed) reached 15,581, increasing the total number of client accounts to 602,653, representing a growth of 2.7% as compared to 587,072 as at 31 March 2025. Client assets (including cash, stocks and margin deposits) recorded on 30 September 2025 increased by 34.4% to approximately HK\$86.3 billion (31 March 2025: approximately HK\$64.2 billion).

REVENUE

During the Period, the Group recorded revenue of HK\$496.9 million (2024: HK\$448.8 million), representing a year-on-year increase of 10.7%. A summary of the Group's revenue by business divisions is set out below:

	Six months ended 30 September				
	2025		2024		
	<i>HK\$'000</i>	Proportion of total revenue	<i>HK\$'000</i>	Proportion of total revenue	Increment/ (decrement)
Brokerage commission income					
— Securities brokerage	253,541	51.0%	142,933	31.9%	77.4%
— Futures and commodities brokerage	52,939	10.7%	79,437	17.7%	(33.4%)
Handling and settlement fee income	61,050	12.3%	58,138	12.9%	5.0%
Interest income from margin financing	128,779	25.9%	164,094	36.6%	(21.5%)
Dealing income from trading of financial products	567	0.1%	4,176	0.9%	(86.4%)
	<u>496,876</u>	<u>100.0%</u>	<u>448,778</u>	<u>100.0%</u>	<u>10.7%</u>

Securities brokerage

Securities brokerage includes commission income from Hong Kong stocks, global stocks, stock options and IPO brokerage. The total turnover of securities on HKEX for the Period was HK\$32,873.7 billion, representing a year-on-year increase of 122.4% (2024: HK\$14,782.0 billion). A significant increase was also seen in both the number of newly listed companies on HKEX and the amount of funds raised. Amid active market trading, the Group's commission income from securities brokerage was HK\$253.5 million (2024: HK\$142.9 million), representing a year-on-year increase of 77.4%, and accounted for 51.0% (2024: 31.9%) of its total revenue.

Futures and commodities brokerage

Futures and commodities brokerage includes commission income from Hong Kong futures and global futures brokerage. During the Period, futures market was not as active as the stock market. The trading volume of derivative contracts at the Hong Kong Futures Exchange Limited (“HKFE”) was 93.9 million (2024: 99.6 million), representing a decrease of 5.7%. The Group recorded commission income of HK\$52.9 million (2024: HK\$79.4 million) from futures and commodities brokerage for the Period, representing a year-on-year decrease of 33.4%, accounting for 10.7% (2024: 17.7%) of its total revenue.

Margin financing

During the Period, benefiting from the positive market sentiment, the Group’s average daily margin borrowings increased by 13.1% to HK\$5.35 billion (2024: HK\$4.73 billion). However, due to the decrease in Hong Kong Interbank Offered Rate (“HIBOR”), the Group’s interest income from margin financing amounted to HK\$128.8 million (2024: HK\$164.1 million), representing a year-on-year decrease of HK\$35.3 million, and accounted for 25.9% (2024: 36.6%) of the total revenue. Nevertheless, due to the decrease in HIBOR, the Group’s finance costs also recorded a year-on-year decrease of HK\$46.3 million.

Handling and settlement fee income

The Group’s handling and settlement fee income increased by 5.0% year-on-year to HK\$61.1 million (2024: HK\$58.1 million) during the Period, accounting for 12.3% (2024: 12.9%) of its total revenue.

OPERATING EXPENSES AND NET PROFIT MARGIN

The Group's operating expenses for the Period decreased by 12.7% year-on-year to HK\$262.2 million (2024: HK\$300.2 million), and its net profit margin decreased slightly to 65.8% (2024: 69.5%).

A breakdown of operating expenses is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	Increment/ (decrement)
Staff cost	75,092	73,301	2.4%
Amortisation and depreciation	27,496	30,527	(9.9%)
Net charges for expected credit losses	3,202	1,136	181.9%
Finance costs	58,335	104,585	(44.2%)
Advertising and promotion expenses	11,530	7,469	54.4%
Auditors' remuneration	788	771	2.2%
Commission expenses	8,201	8,327	(1.5%)
Handling and settlement expenses	38,123	32,390	17.7%
Information and communication expenses	22,177	21,957	1.0%
Rates and building management fees	2,251	2,811	(19.9%)
Legal and professional fee	1,663	836	98.9%
Miscellaneous expenses	13,334	16,085	(17.1%)
	<u>262,192</u>	<u>300,195</u>	<u>(12.7%)</u>

OUTLOOK

Since taking office, the U.S. President Donald Trump has imposed varying degrees of tariffs on multiple countries, not only putting global governments on high alert but also causing confusion among the U.S. officials and the public. Trump's "reciprocal tariffs" measures have frequently triggered volatility in financial markets. The impact of the trade war could undermine the recovery of economies of China, Hong Kong, and the world. Despite it is difficult for Hong Kong to remain unaffected, the Group firmly believes that the pace of Hong Kong's economic growth is closely intertwined with the mainland's economic revival. The Group is confident in the recovery capabilities of mainland's economy, as evidenced by the significant improvements in the economy and the renewed vitality in capital markets following timely and targeted rescue measures which has benefited the stock markets in both China and Hong Kong. Amid the global economic transformation, the demand for the AI industry has surged. The mainland, with its favorable strategic advantages, is advancing rapidly in this high-profile sector. Its technology and innovation industry has already positioned well in front among the global leaders, with China achieving leading positions in industries such as artificial intelligence, green technology, and biotechnology in recent years. These innovations have not only solidified China's position as the world's second-largest economy but also contributed to development of the world. Leveraging these advantageous conditions, China's robust economic rebound is poised to drive Hong Kong's economy out of its trough in the near future.

Backed by the strong support of China and bolstered by the mainland's implementation of various policies to enhance capital market liquidity, the momentum of "southbound capital flows" is expected to increase further. Foreign investors are also expected to reposition their investments in the Hong Kong and Mainland China stock markets as both capital markets undergo a strong recovery. With sustained capital inflows into Hong Kong's financial markets, the strong trading momentum in Hong Kong stocks is expected to continue for an extended period. According to data from the HKEX, the average daily turnover of Hong Kong stocks has reached over HK\$260 billion, setting a record high. Trading volumes of products such as exchange-traded funds (ETF), derivatives etc. have also seen significant growth. Meanwhile, over 260 companies were lining up for IPO, reflecting the market's vitality and innovation. As China's international financial center, Hong Kong possesses a unique edge in bridging the China and global markets. The city plays a dual role in facilitating the

overseas expansion of Chinese enterprises while attracting international capital into the Mainland China. Since the beginning of this year, there has been listing of enterprises and bonds from countries along the Belt and Road Initiative in Hong Kong. At the same time, investors from the Middle East, Southeast Asia, Europe, and the U.S. have actively participated in various IPOs and refinancing projects.

The Group believes that Hong Kong's position as an international financial center is irreplaceable. Regardless of the market conditions, the Group has remained steadfast, rising to challenges with unwavering commitment and perseverance. We have never wavered in our efforts, overcoming numerous obstacles to deliver maximum returns for our shareholders. We are particularly grateful for the long-term support and trust of our shareholders and the dedication of our staff, which have brought many important achievements to the Group. Our entire workforce has not only shown perseverance but has also been able to adapt to rapid changes, to carry out the Group's missions with determination, and to meet and even exceed the most stringent standards in the process. The Group will continue to focus on maintaining strict compliance with the regulatory requirements in Hong Kong, building market and public confidence and implementation of effective cost control measures through the performance of its daily duties. The Group would also like to express its gratitude to the members of the Board for their continued guidance and support for the Group.

The Group firmly believes that only by keeping abreast of the needs of clients can it stand out in fierce competition. The Group will continue to adhere to the "client-oriented and service-first" philosophy and adopt both aggressive and defensive strategies. On the one hand, it would strive to optimize the functionalities of all trading systems, and on the other hand, it would introduce products of great interest to the market, with a view to enhancing customer experience at all times. In terms of the promotion strategy, the Group will allocate resources on promotion via online and offline channels to increase brand awareness and to attract more investors to open accounts and trade through Bright Smart Group. The Group plans to further optimize its regional promotions to reach a wider range of target clients more effectively, thereby expanding its market share and strengthening its brand competitiveness.

The Group's achievements today depend on the long-standing support and trust of its clients. In the future, the Group will be dedicated to providing clients with better services and developing more secure, stable, fast and convenient trading platforms, so as to give back clients for their support and make them feel at home. Meanwhile, the Group will develop more diversified businesses, recruit talent from different sectors and seize every valuable opportunity so as to enhance our operation efficiency and seek higher returns for our shareholders.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group's operations were financed by shareholders' equity, cash generated from operation and bank borrowings.

The Group maintains sufficient liquidity with total bank deposits, bank balances and cash amounting to HK\$640.0 million as at 30 September 2025 (31 March 2025: HK\$476.6 million). The Group had bank borrowings of HK\$5,585.8 million as at 30 September 2025 (31 March 2025: HK\$4,370.0 million) which bore interest primarily at floating rate. The bank borrowings were primarily collateralised by its margin clients' securities pledged to the Group. As at 30 September 2025, unutilised banking facilities amounted to HK\$12,948.5 million (31 March 2025: HK\$13,040.5 million). The Group's gearing ratio (total bank borrowings divided by the total shareholders' equity) was 305.4% (31 March 2025: 291.0%). As at 30 September 2025, the Group had net current assets of HK\$1,719.6 million (31 March 2025: HK\$1,344.3 million) and a current ratio (current assets divided by current liabilities) of 1.2 (31 March 2025: 1.2).

The Group actively and regularly reviews and manages its capital structure and makes adjustments in light of changes in economic conditions. For the licensed subsidiaries, the Group ensures that each of the subsidiaries maintains a liquidity level adequate to support the level of activities with a sufficient buffer to accommodate increases in liquidity requirements arising from potential increases in the level of business activities. During the Year, all the licensed subsidiaries complied with the liquidity requirements under the Securities and Futures (Financial Resources) Rules (Cap. 571N of the Laws of Hong Kong "FRR").

CHARGES ON ASSETS

No asset of the Group was subject to any charge as at 30 September 2025 and 31 March 2025.

CONTINGENT LIABILITIES

As at 30 September 2025, corporate guarantees provided by the Company in respect of banking facilities granted by authorised institutions to its subsidiaries engaging in securities and futures broking amounted to HK\$15,114.7 million (31 March 2025: HK\$15,109.4 million). As at 30 September 2025, the subsidiaries of the Company have utilised HK\$4,290.0 million of these aggregate banking facilities (31 March 2025: HK\$3,675.0 million).

As at 30 September 2025, the Directors did not consider that any claim would be made against the Group under any of the guarantees.

CAPITAL COMMITMENTS

The capital commitments as at 30 September 2025 were approximately HK\$1.1 million (31 March 2025: HK\$0.2 million).

EMPLOYMENT AND REMUNERATION POLICIES

As at 30 September 2025, the Group had a work force of 191 employees (31 March 2025: 195 employees). Staff costs amounted to approximately HK\$75.1 million for the Period (2024: HK\$73.3 million). The Group's remuneration policy aims to offer competitive remuneration packages to recruit, retain and motivate competent employees. The Group believes that the remuneration packages are reasonable and competitive and in line with market trends. The Group has put in place a bonus scheme for its executives and employees as a measure to provide a competitive remuneration package for the Group's long-term growth and development. The Group also provides appropriate training and development programmes to its employees to enhance the staff's work ability and personal efficiency.

SIGNIFICANT ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the Period, the Group did not make any significant acquisitions or disposals of subsidiaries.

LITIGATION

As at 30 September 2025 and up to the date of this announcement, the Group has not been involved in any litigation of significance.

RISK MANAGEMENT

Credit risk

The Group's credit risk is primarily attributable to amounts due from clients, brokers and clearing houses. The management has a credit policy in place and the exposure to the credit risk is monitored on an ongoing basis.

In respect of amounts due from clients, individual credit evaluations are performed on all clients (including cash and margin clients) based on the underlying collateral. Cash clients are required to place deposits as prescribed in the Group's credit policy before execution of any purchase transactions. Receivables due from cash clients are due within the settlement period commonly adopted in the relevant market practices, which is usually within a few days from the trade date. Because accounts receivable from cash clients relate to a wide range of customers for whom there was no recent history of default, there has not been a significant change in credit quality and the balances are considered fully recoverable, and the prescribed deposit requirements and the short settlement period involved, the credit risk arising from the amounts due from cash clients is considered low. The Group normally obtains liquid securities and/or cash deposits as collateral for providing financing to its cash and margin clients and has policy to manage these exposures on a fair value basis. Margin loans due from margin clients are repayable on demand. For futures and commodities brokerage, an initial margin is required prior to opening transaction. Market conditions and adequacy of securities collateral and margin deposits of each cash account, margin account and futures account are monitored by the management on a daily basis. Margin calls and forced liquidation are made where necessary.

In respect of amounts receivable from brokers and clearing houses, credit risks are considered low as the Group normally enters into transactions with brokers and clearing houses which are registered with regulatory bodies and enjoy sound reputation in the industry.

The Group has no significant concentration of credit risk as credits are granted to a large population of clients.

The Group does not provide any other guarantees which would expose the Group to credit risk.

Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, and to ensure compliance with FRR. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long terms.

Interest rate risk

The Group charges interest to its margin clients and cash clients with outstanding loan amounts on the basis of its cost of funding plus a mark-up. Financial assets, such as margin loans and bank deposits, and financial liabilities, such as bank loans, bear interest primarily at floating rates. The interest-bearing assets and liabilities, such as margin loans and bank loans, are mainly priced based on HIBOR rate. The Group mitigates its interest rate risk by monitoring market interest rate movements and revising the interest rates offered to its customers on an ongoing basis in order to limit potential adverse effects of interest rate movements on net interest income. The Group regularly calculates the impact on profit or loss of a possible interest rate shift on its portfolio of bank borrowings, margin loans receivable and interest-bearing bank deposits.

Foreign exchange risk

The Group is exposed to currency risk primarily arising from financial instruments that are denominated in United States dollars (“USD”), Renminbi (“RMB”), Singapore dollars (“SGD”), Japanese Yen (“JPY”), Australian dollars (“AUD”) and British pound (“GBP”). As the Hong Kong dollar (“HKD”) is pegged to the USD, the Group considers the risk of movements in exchange rates between the HKD and the USD as insignificant. In respect of financial instruments denominated in other currencies, the Group ensures that the net exposure is kept at an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. The management monitors all the foreign currency positions on a daily basis.

Price risk

The Group is exposed to price changes arising from accounts receivable classified as financial assets at fair value through profit or loss.

Accounts receivable from margin, cash and IPO clients expose the Group to price risk as their fair value is made with reference to the fair value of collaterals, capped by the principal amount and accrued interest, without discounting.

POSSIBLE CHANGE OF CONTROL

The Company was notified by New Charming Holdings Limited (controlling shareholder of the Company, the “Seller”) and Wealthiness and Prosperity Holding Limited (the “Offeror”) that they entered into a share purchase agreement dated 25 April 2025 (the “Share Purchase Agreement”) pursuant to which the Seller has conditionally agreed to sell and the Offeror has conditionally agreed to acquire 857,980,000 shares (representing approximately 50.55% of the total issued shares) of the Company at a total cash consideration of HK\$2,814,174,400 (the “Acquisition”). The Company issued a joint announcement with the Offeror dated 25 April 2025 (the “Joint Announcement”) in relation to, amongst other things, the Acquisition.

As disclosed in the Joint Announcement, pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers, upon completion of the Acquisition, the Offeror will be required to make an unconditional mandatory cash offer for all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties (as defined in the Joint Announcement)).

As at 30 September 2025, the Acquisition has not been completed.

EVENTS AFTER THE PERIOD

As disclosed in the joint announcement of the Company and the Offeror dated 25 November 2025, the Seller and the Offeror entered into an amendment agreement to the Share Purchase Agreement on 25 November 2025, and the long stop date of the Acquisition has been extended to 25 March 2026. Further announcement(s) will be made by the Offeror and the Company as and when appropriate.

Save as above mentioned, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to the end of the Period and up to the date of this announcement.

INTERIM DIVIDEND

The Directors resolved not to recommend payment of interim dividend for the six months ended 30 September 2025.

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

During the Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to ensuring high standards of corporate governance practices. During the Period, the Company fully complied with the code provisions set out in the Corporate Governance Code as contained in Appendix C1 to the Rule Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”).

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. In response to specific enquiries made by the Company, all Directors have confirmed full compliance with the required standard set out in the Model Code during the Period.

REVIEW OF INTERIM FINANCIAL INFORMATION

The principal duties of the Audit Committee of the Company include the review and supervision of the financial reporting processes and internal control procedures of the Company. The Audit Committee, together with the external auditor of the Group, KPMG, had reviewed the accounting principles and practices adopted by the Group and discussed financial reporting matters concerning the unaudited consolidated results of the Group for the six months ended 30 September 2025 (including review of this interim results).

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at <https://www.hkexnews.hk> and the website of the Company at <https://www.bsgroup.com.hk>. The Interim Report 2025/26 will be despatched to the shareholders of the Company and published on the above websites in due course.

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

Hong Kong, 26 November 2025

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.