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耀才證券

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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Bright Smart Securities & Commodities Group Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2026 (the “**Year**”) together with the comparative figures for the year ended 31 March 2025 (the “**Prior Year**”) as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

(Expressed in Hong Kong dollars)

	<i>Note</i>	2026 \$'000	2025 \$'000
Revenue	4	1,008,319	972,316
Other income			
– Interest income calculated using effective interest rate method	5	239,077	288,927
– Interest income calculated using other method	5	52,130	42,313
– Others	5	10,923	12,474
Other net gain	6	18,385	43,838
		1,328,834	1,359,868

		2026	2025
	<i>Note</i>	<i>\$'000</i>	<i>\$'000</i>
Staff costs	7(b)	(170,935)	(160,847)
Amortisation and depreciation		(53,921)	(59,090)
Net charges for expected credit losses		(209)	(794)
Other operating expenses	7(c)	<u>(201,846)</u>	<u>(248,060)</u>
Profit from operations		901,923	891,077
Finance costs	7(a)	<u>(154,123)</u>	<u>(213,599)</u>
Profit before taxation	7	747,800	677,478
Income tax	8	<u>(77,551)</u>	<u>(59,844)</u>
Profit for the year		670,249	617,634
Other comprehensive income for the year		<u>—</u>	<u>—</u>
Total comprehensive income attributable to equity shareholders for the year		<u>670,249</u>	<u>617,634</u>
Earnings per share			
Basic (cents)	9	<u>39.49</u>	<u>36.39</u>
Diluted (cents)	9	<u>39.49</u>	<u>36.39</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026

(Expressed in Hong Kong dollars)

	<i>Note</i>	2026 \$'000	2025 \$'000
Non-current assets			
Property, plant and equipment		99,867	61,609
Intangible assets		5,783	5,783
Deferred tax assets		3,372	7,159
Other receivables, deposits and prepayments		14,898	1,708
Other assets		77,130	84,995
		<hr/>	<hr/>
Total non-current assets		201,050	161,254
		<hr/>	<hr/>
Current assets			
Accounts receivable	<i>11</i>	8,853,778	7,012,365
Other receivables, deposits and prepayments		14,475	36,245
Financial assets at fair value through profit or loss		1,010	1,080
Financial assets at amortised cost		95	353
Tax recoverable		1,518	2,718
Cash and cash equivalents		514,940	476,613
		<hr/>	<hr/>
Total current assets		9,385,816	7,529,374
		<hr/>	<hr/>

	<i>Note</i>	2026 \$'000	2025 \$'000
Current liabilities			
Accounts payable	<i>12</i>	2,410,166	1,664,441
Accrued expenses and other payables		49,910	84,465
Bank loans	<i>13</i>	4,839,041	4,370,000
Lease liabilities		44,231	49,666
Current taxation		19,919	16,506
		<u>7,363,267</u>	<u>6,185,078</u>
Total current liabilities		7,363,267	6,185,078
Net current assets		2,022,549	1,344,296
		<u>2,223,599</u>	<u>1,505,550</u>
Total assets less current liabilities		2,223,599	1,505,550
Non-current liabilities			
Accrued expenses and other payables		6,936	535
Lease liabilities		44,613	3,214
		<u>51,549</u>	<u>3,749</u>
Total non-current liabilities		51,549	3,749
NET ASSETS		2,172,050	1,501,801
EQUITY			
Share capital		509,189	509,189
Share premium		388,020	388,020
Merger reserve		(20,000)	(20,000)
Retained profits		1,294,841	624,592
		<u>2,172,050</u>	<u>1,501,801</u>
TOTAL EQUITY		2,172,050	1,501,801

Notes:

1 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Material accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new or amended HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2026 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except that certain financial instruments are stated at their fair value in accordance with the accounting policies set out below.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued amended HKFRS Accounting Standards 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 annual 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 overseas markets, margin and IPO 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 year and bullion trading information is not included in segment reporting but unallocated corporate information from this year and corresponding 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

	Securities	2026 Futures and commodities	Total
	broking	broking	Total
	\$'000	\$'000	\$'000
Revenue from customers:			
– Brokerage commission	469,496	107,637	577,133
– Interest income from margin financing	321,994	–	321,994
– Handling and settlement fee income	66,776	41,576	108,352
	<u>858,266</u>	<u>149,213</u>	<u>1,007,479</u>
Reportable segment revenue			
	<u>858,266</u>	<u>149,213</u>	<u>1,007,479</u>
Interest income from cash clients	52,130	–	52,130
Other interest income	210,293	28,125	238,418
	<u>210,293</u>	<u>28,125</u>	<u>238,418</u>
Reportable segment profit (EBIT)	<u>844,339</u>	<u>52,883</u>	<u>897,222</u>
Amortisation and depreciation for the year	(4,627)	–	(4,627)
Finance costs	(194,641)	–	(194,641)
	<u>(194,641)</u>	<u>–</u>	<u>(194,641)</u>
Reportable segment assets	9,682,706	1,167,607	10,850,313
Reportable segment liabilities	(7,450,794)	(812,910)	(8,263,704)
	<u>(7,450,794)</u>	<u>(812,910)</u>	<u>(8,263,704)</u>

	2025		
	Securities	Futures and	
	broking	commodities	Total
		broking	(restated)
	\$'000	\$'000	\$'000
Revenue from customers:			
– Brokerage commission	363,458	147,973	511,431
– Interest income from margin financing	339,349	–	339,349
– Handling and settlement fee income	<u>75,388</u>	<u>41,701</u>	<u>117,089</u>
Reportable segment revenue	<u>778,195</u>	<u>189,674</u>	<u>967,869</u>
Interest income from cash clients	42,313	–	42,313
Other interest income	<u>245,928</u>	<u>41,016</u>	<u>286,944</u>
Reportable segment profit (EBIT)	<u>783,081</u>	<u>92,906</u>	<u>875,987</u>
Amortisation and depreciation for the year	(7,373)	–	(7,373)
Finance costs	<u>(252,679)</u>	<u>(2)</u>	<u>(252,681)</u>
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 revenue, profit, assets and liabilities**

	2026	2025
	\$'000	(restated) \$'000
Revenue		
Reportable segment revenue	1,007,479	967,869
Elimination	(30)	(579)
Unallocated corporate revenue	<u>870</u>	<u>5,026</u>
Consolidated revenue	<u>1,008,319</u>	<u>972,316</u>
Profit		
Reportable segment profit (EBIT)	897,222	875,987
Finance costs	(154,123)	(213,599)
Unallocated corporate income	117,979	186,783
Unallocated corporate expenses	<u>(113,278)</u>	<u>(171,693)</u>
Consolidated profit before taxation	<u>747,800</u>	<u>677,478</u>
Assets		
Reportable segment assets	10,850,313	8,719,310
Elimination	(1,430,041)	(1,241,697)
Unallocated corporate assets	<u>166,594</u>	<u>213,015</u>
Consolidated total assets	<u>9,586,866</u>	<u>7,690,628</u>
Liabilities		
Reportable segment liabilities	(8,263,704)	(6,765,186)
Elimination	1,250,688	1,222,676
Unallocated corporate liabilities	<u>(401,800)</u>	<u>(646,317)</u>
Consolidated total liabilities	<u>(7,414,816)</u>	<u>(6,188,827)</u>

4 REVENUE

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

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

	2026	2025
	\$'000	\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Brokerage commission	577,103	510,852
Handling and settlement fee income	108,353	117,089
	685,456	627,941
Revenue from other sources		
Interest income from margin clients from financial assets carried at FVPL	321,994	339,349
Dealing income from trading of financial products	869	5,026
	322,863	344,375
	1,008,319	972,316

The Group's customer base is diversified and no customer had transactions which exceeded 10% of the Group's revenue.

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 and does not disclose information about the remaining performance obligation that have original expected durations of one year or less.

5 OTHER INCOME

	2026	2025
	<i>\$'000</i>	<i>\$'000</i>
Interest income from		
Financial assets carried at amortised cost		
– Authorised institutions	226,590	275,566
– Others	12,487	13,361
	239,077	288,927
Financial assets carried at FVPL		
– Cash clients	52,130	42,313
	291,207	331,240
Dividend income	33	3,193
Sundry income	10,890	9,281
	10,923	12,474
	302,130	343,714

6 OTHER NET GAIN

	2026	2025
	<i>\$'000</i>	<i>\$'000</i>
Realised gain from		
– Financial assets at fair value through profit or loss	303	39,868
Unrealised gain/(loss) from		
– Financial assets at fair value through profit or loss	42	15
– Account receivables	(7,501)	–
	(7,156)	39,883
Net foreign exchange gain	27,868	4,137
(Loss)/gain on disposals of property, plant and equipment	(15)	425
Error trades arising from dealings	(1,663)	(7)
Others	(649)	(600)
	<u>18,385</u>	<u>43,838</u>

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	2026	2025
	\$'000	\$'000
(a) Finance costs		
Interest expenses on		
– Bank loans	119,529	183,047
– Accounts payable to brokers	32,745	27,060
– Lease liabilities	1,849	3,492
	<u>154,123</u>	<u>213,599</u>
(b) Staff costs		
Salaries, allowances and benefits in kind	120,519	117,033
Discretionary bonuses	47,374	40,759
Contributions to Mandatory Provident Fund	3,042	3,055
	<u>170,935</u>	<u>160,847</u>
(c) Other operating expenses		
Advertising and promotion expenses	20,875	17,403
Auditors' remuneration	2,477	1,871
Commission expenses	15,715	17,685
Handling and settlement expenses	68,078	68,081
Information and communication expenses	45,497	42,934
Legal and professional fees	3,578	3,254
Rates and building management fees	4,524	5,723
Miscellaneous expenses	41,102	91,109
	<u>201,846</u>	<u>248,060</u>

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(a) Taxation in the consolidated statement of comprehensive income represents:

	2026 \$'000	2025 \$'000
Current tax – Hong Kong Profits Tax		
Provision for the year	75,986	63,113
(Over)/under-provision in respect of prior years	<u>(2,222)</u>	<u>129</u>
	73,764	63,242
Deferred tax		
Origination and reversal of temporary differences	<u>3,787</u>	<u>(3,398)</u>
Total tax charge for the year	<u>77,551</u>	<u>59,844</u>

The provision for Hong Kong Profits Tax for 2026 is calculated at 16.5% (2025: 16.5%) of the estimated assessable profits for the year, 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 2025.

The provision for Hong Kong Profits Tax for 2026 takes into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2025-26 subject to a maximum reduction of \$3,000 for each business (2025: a maximum reduction of \$1,500 was granted for the year of assessment 2024-25 and was taken into account in calculating the provision for 2025).

(b) **Reconciliation between tax expense and accounting profit at applicable tax rates:**

	2026	2025
	<i>\$'000</i>	<i>\$'000</i>
Profit before taxation	<u>747,800</u>	<u>677,478</u>
Notional tax on profit before taxation calculated at the rates applicable to profits in the countries concerned	123,211	111,619
Tax effect of non-deductible expenses	3,116	5,473
Tax effect of non-taxable income	(50,660)	(52,598)
Tax effect of unused tax losses not recognised	415	81
Utilisation of tax loss previously not recognised	(52)	(12)
(Over)/under-provision in respect of prior years	(2,222)	129
Others	<u>3,743</u>	<u>(4,848)</u>
Total tax charge for the year	<u>77,551</u>	<u>59,844</u>

9 EARNINGS PER SHARE

Basic earnings per share

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

	2026	2025
Earnings		
Profit for the year attributable to owners of the Company (<i>\$'000</i>)	<u>670,249</u>	<u>617,634</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>39.49</u>	<u>36.39</u>

Diluted earnings per share

There was no dilutive potential ordinary share during the year (2025: Nil) and diluted earnings per share is therefore equal to basic earnings per share.

10 DIVIDENDS

(i) Dividends payable to equity shareholders of the Group attributable to the year

The Board resolved not to recommend payment of any dividend for the year ended 31 March 2026 (2025: Nil).

(ii) Dividends payable to equity shareholders of the Group attributable to the previous financial year, approved and paid during the year:

	2026	2025
	\$'000	\$'000
No final dividend in respect of previous financial year, approved and paid during the year (2025: 33.0 cents per ordinary share) for a total of 1,697,296,308 issued shares (2025: 1,697,296,308 issued shares)	<u>–</u>	<u>560,108</u>

11 ACCOUNTS RECEIVABLE

	2026	2025
	<i>\$'000</i>	<i>\$'000</i>
Accounts receivable from:		
– Clearing houses	944,132	794,642
– Brokers and dealers	405,524	326,325
Less: Loss allowance	(2,872)	(3,182)
	<hr/>	<hr/>
Financial assets measured at amortised cost	1,346,784	1,117,785
	<hr/>	<hr/>
Accounts receivable from:		
– Cash clients	660,225	536,245
– Margin clients	6,846,769	5,358,335
	<hr/>	<hr/>
Financial assets measured at FVPL	7,506,994	5,894,580
	<hr/>	<hr/>
	8,853,778	7,012,365
	<hr/>	<hr/>

(a) **Ageing analysis**

The ageing analysis of accounts receivable from cash clients based on the settlement date as of the end of the reporting period is as follows:

	2026	2025
	<i>\$'000</i>	<i>\$'000</i>
Current	<u>105,927</u>	142,220
Less than 1 month	320,886	271,073
1 to 3 months	148,507	56,166
More than 3 months	<u>84,905</u>	66,786
	<u>554,298</u>	<u>394,025</u>
	<u>660,225</u>	<u>536,245</u>

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 31 March 2026, the total market value of their portfolios of securities was \$3,721,998,000 (2025: \$2,782,370,000).

Margin clients are required to pledge securities as 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 31 March 2026, margin loans due from margin clients were current and repayable on demand except for \$3,697,000 (2025: \$168,000) where the margin loans were past due. \$3,567,000 (2025: \$2,000) were past due for less than 1 month. \$1,000 (2025: \$2,000) were past due for 1 to 3 months. \$3,000 (2025: \$4,000) were past due for 3 months to 1 year. \$126,000 (2025: \$160,000) were past due for over 1 year. The margin loans that were past due was mainly attributable to trading suspension of some pledged securities. At 31 March 2026, the total market value of securities pledged as collateral in respect of the loans to borrowing margin clients and all margin clients were \$18,071,157,000 and \$32,423,746,000 respectively (2025: \$13,402,012,000 and \$24,889,174,000 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.

(b) Loss allowance of accounts receivable

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

	2026	2025
	<i>\$'000</i>	<i>\$'000</i>
Accounts payable		
– Cash clients	208,070	349,382
– Margin clients	1,200,677	806,235
– Clearing houses	110,914	2,774
– Brokers	890,505	506,050
	<u>2,410,166</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

	2026	2025
	<i>\$'000</i>	<i>\$'000</i>
Secured loans		
– Bank loans	4,519,000	3,870,000
Unsecured loans		
– Bank loans	320,041	500,000
	<u>4,839,041</u>	<u>4,370,000</u>

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

The bank loans as at 31 March 2026 are interest-bearing. Securities collateral deposited by the Group's margin clients was re-pledged to banks to secure loan facilities. Such banking facilities were utilised to the extent of \$4,519,000,000 (2025: \$3,870,000,000). The fair value of the collateral re-pledged to banks as at 31 March 2026 amounted to \$8,098,110,000 (2025: \$6,749,990,000).

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

Looking back on this year, the global financial markets experienced a cycle where economic recovery and volatility coexisted. Although multiple major market indices around the world hit historic highs, the global market remained challenging against the backdrop of geopolitical uncertainties and uneven paces of economic recovery across different nations. Changes in the international political and economic landscape, particularly the adjustments in global trade policies, have exerted a significant impact on global capital flows.

Faced with challenges from the external environment, the Hong Kong stock market demonstrated strong resilience in 2025. Benefiting from the interest rate cut policy implemented by the U.S. Federal Reserve in the second half of the year, alongside the continuous rollout of monetary and fiscal stimulus policies in Mainland China, liquidity in the Hong Kong stock market improved significantly. According to data from The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), net southbound purchases (Stock Connect) reached approximately HK\$1,412.9 billion, representing a year-on-year increase of 73.9%, while cumulative net inflows since the launch of the Mutual Market Access mechanism have reached HK\$5.1 trillion. Concurrently, the low-interest rate environment in 2025 also attracted a continuous inflow of foreign funds into the Mainland China and Hong Kong markets, with Northbound trading under the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect remaining consistently active. The combination of these factors has driven a strong rebound in Hong Kong stock trading volume. Entering the first quarter of 2026, trading volume of Hong Kong stocks maintained steady growth, with average daily trading volume reaching HK\$276.7 billion, representing a year-on-year increase of 14%, reflecting a continuously improving market sentiment.

In 2025, the performance of Hong Kong stock indices was exceptionally strong, with the Hang Seng Index, Hang Seng Tech Index, and Hang Seng China Enterprises Index all recording remarkable growth, outperforming several major global markets. The improvement in the market atmosphere has also boosted a recovery in IPO activities. During the year of 2025, the Hong Kong market ranked first globally in terms of IPO fundraising scale, attributable largely to the increase in A+H share listing activities and a resurgence of market confidence in the new economy sectors. Looking ahead to 2026, the Hong Kong IPO market is expected to remain highly active, driven by the listing regime for Specialist Technology Companies and the return of large-scale China concept stocks, with the total fundraising scale for the entire year anticipated to remain at the forefront globally. In addition, with the start of the rate cut cycle, the Asian bond market has also shown signs of revival amid easing issuance pressures.

Rooted in Hong Kong for over 30 years, the Bright Smart Group has weathered numerous market cycles. Faced with intense industry competition, the Group has consistently upheld an “aggressive, proactive” and “customer-centric” business philosophy, continuously expanding its market share through a strategy that balances “offense and defense.” To reinforce our brand competitiveness, the Group has continuously optimized its promotional strategies, ensuring our advertising presence visible across all channels, both online and offline, which is paired with highly competitive promotional schemes aiming to deliver a premium investment experience for our clients. In addition, the Group has adopted a diversified business approach to ensure our business resilience and profitability potential under various market conditions. Driven by the active performance of the Hong Kong stock market during the year, the Group’s business has reaped substantial rewards, delivering a solid overall financial performance and consistently creating long-term value for our Shareholders.

OPERATIONAL RESULTS

The Board announces that the Group recorded revenue of HK\$1,008.3 million (2025: HK\$972.3 million) for the Year, representing an increase of 3.7% compared to that for the Prior Year. Net profit after tax attributable to shareholders amounted to HK\$670.2 million (2025: HK\$617.6 million), representing an increase of 8.5% compared to that for the Prior Year. Earnings per share for the Year was 39.49 HK cents (2025: 36.39 HK cents), representing an increase of 8.5% compared to that for the Prior Year.

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 manner over the years to respond flexibly to the market environment. As customers' demand for online trading channels (including mobile applications and various online platforms) becomes increasingly keen, alongside their rising concern over cybersecurity, the Group invests substantial resources each year to continuously enhance various functions and performance of our mobile trading platforms, achieving remarkable results. Since its launch, the platform has successfully attracted nearly 300,000 downloads by users. The Group will continue to invest resources to optimize its online trading channels and service quality, while further upgrading its network security facilities to protect clients' interests, ensuring full preparation to navigate the rapidly changing market environment and overcome challenges.

The Group has made constant progress over the years and has invested significant resources regardless of market conditions to provide clients with an ever more comprehensive, high-quality and professional service offering. As of the end of March 2026, the total number of client accounts maintained steady growth. During the Year, the number of new accounts (after deducting the number of client accounts closed) reached 24,798, increasing the total number of client accounts to 611,870, representing a growth of 4.2% as compared to 587,072 as at 31 March 2025. Client assets (including cash, stocks and margin deposits) recorded on 31 March 2026 increased by 31.6% to approximately HK\$84.5 billion as compared to approximately HK\$64.2 billion as at 31 March 2025.

REVENUE

During the Year, the Group recorded revenue of HK\$1,008.3 million (2025: HK\$972.3 million), representing an increase of 3.7% as compared to that for the Prior Year. A summary of the Group's revenue by business divisions is set out below:

	Year ended 31 March				
	2026		2025		Increment/ (decrement) %
	HK\$'000	Proportion of total revenue	HK\$'000	Proportion of total revenue	
%		%			
Brokerage commission income:					
– Securities brokerage	469,496	46.6%	363,458	37.4%	29.2%
– Futures and commodities brokerage	107,607	10.7%	147,394	15.2%	(27.0%)
Handling and settlement fee income	108,353	10.7%	117,089	12.0%	(7.5%)
Interest income from margin financing	321,994	31.9%	339,349	34.9%	(5.1%)
Dealing income from trading of financial products	869	0.1%	5,026	0.5%	(82.7%)
	1,008,319	100%	972,316	100.0%	3.7%

Securities brokerage

Securities brokerage includes commission income from Hong Kong stocks, global stocks, stock options and IPO brokerage. The total turnover of securities on the Stock Exchange for the Year was HK\$63,491.8 billion, representing a year-on-year increase of 55.1% (2025: HK\$40,932.4 billion). A significant increase was also seen in both the number of newly listed companies on the Stock Exchange and the amount of funds raised. With an active market trading, the Group's commission income from securities brokerage was HK\$469.5 million (2025: HK\$363.5 million), representing a year-on-year increase of 29.2%, and accounted for 46.6% (2025: 37.4%) 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 Year, futures market was less active than the stock market. The number of derivative contracts traded on the Hong Kong Futures Exchange Limited (“**HKFE**”) for the Year decreased by 6.4% to 196.5 million (2025: 210.0 million). The Group recorded commission income of HK\$107.6 million (2025: HK\$147.4 million) from futures and commodities brokerage for the Year, representing a year-on-year decrease of 27.0%, accounting for 10.7% (2025: 15.2%) of its total revenue.

Margin financing

During the Year, benefiting from the positive market sentiment, the Group’s average daily margin borrowing increased by 25.8% to HK\$6.20 billion (2025: HK\$4.93 billion). However, due to the decrease in Hong Kong Interbank Offered Rate (“**HIBOR**”), interest income from margin financing decreased slightly by 5.1% year-on-year to HK\$322.0 million (2025: HK\$339.3 million), and accounted for 31.9% (2025: 34.9%) of its total revenue. In response to the decrease in HIBOR, the finance costs for the Year also decreased by approximately HK\$59.5 million, leading to an increase in net interest income compared to the Prior Year.

Handling and settlement fee income

The Group’s handling and settlement fee income decreased by 7.5% year-on-year to HK\$108.4 million (2025: HK\$117.1 million) during the Year, accounting for 10.7% (2025: 12.0%) of its total revenue.

PERFORMANCE OF PROPRIETARY INVESTMENTS

The Group mainly held Hong Kong-listed securities as investments during the Year. The book value of the investment portfolio as at 31 March 2026 stood at HK\$1.0 million (2025: HK\$1.1 million). During the Year, the investment income from financial assets at fair value through profit or loss was HK\$0.3 million (2025: gain of HK\$39.9 million).

OPERATING EXPENSES AND NET PROFIT MARGIN

The operating expenses of the Group for the Year decreased by 14.9% to HK\$581.0 million as compared to that for the Prior Year (2025: HK\$682.4 million), and net profit margin of the Group increased to 66.5% (2025: 63.5%).

A breakdown of operating expenses is as follows:

	2026	2025	Increment/ (decrement)
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Staff cost	170,935	160,847	6.3%
Amortisation and depreciation	53,921	59,090	(8.7%)
Net charges for expected credit losses	209	794	(73.7%)
Finance costs	154,123	213,599	(27.8%)
Advertising and promotion expenses	20,875	17,403	20.0%
Auditors' remuneration	2,477	1,871	32.4%
Commission expenses	15,715	17,685	(11.1%)
Handling and settlement expenses	68,078	68,081	0.0%
Information and communication expenses	45,497	42,934	6.0%
Rates and building management fees	4,524	5,723	(21.0%)
Legal and professional fee	3,578	3,254	10.0%
Miscellaneous expenses	41,102	91,109	(54.9%)
	<u>581,034</u>	<u>682,390</u>	<u>(14.9%)</u>

OUTLOOK

The Group completed the change in control on 30 March 2026. As at the date of this announcement, the Company is indirectly owned as to 50.63% by Ant Group Co., Ltd.* (螞蟻科技集團股份有限公司). Looking ahead, under the leadership of the new management, we will continue to uphold Bright Smart Securities' long-established corporate culture and strong reputation, and drive the ongoing upgrade of our business and steady growth in customer base through dual engines of technology and compliance. On the one hand, the Group will increase investment in technology, establish a technology research and development team, and steadily advance the upgrade of its information technology system, with the aim of enhancing operational efficiency and customer experience. On the other hand, the Group will continue to strengthen compliance and risk management, hold itself to higher standards, and ensure steady business development. We believe that Bright Smart Securities will continue to deepen its presence in Hong Kong and further enhance its service quality, business growth momentum and industry influence.

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\$514.9 million as at 31 March 2026 (2025: HK\$476.6 million). The Group had bank borrowings of HK\$4,839.0 million as at 31 March 2026 (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 31 March 2026, unutilised banking facilities amounted to HK\$11,112.6 million (2025: HK\$13,040.5 million). The Group's gearing ratio (total bank borrowings divided by the total shareholders' equity) was 222.8% (2025: 291.0%). As at 31 March 2026, the Group had net current assets of HK\$2,022.5 million (2025: HK\$1,344.3 million) and a current ratio (current assets divided by current liabilities) of 1.3 times (2025: 1.2 times).

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 31 March 2026 and 2025.

CONTINGENT LIABILITIES

As at 31 March 2026, 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\$12,875.0 million (2025: HK\$15,109.4 million). As at 31 March 2026, the subsidiaries of the Company have utilised HK\$3,999.0 million of these aggregate banking facilities (2025: HK\$3,675.0 million).

As at 31 March 2026, 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 31 March 2026 were approximately HK\$0.4 million (2025: HK\$0.2 million).

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2026, the Group had a work force of 188 employees (2025: 195 employees). Staff costs amounted to approximately HK\$170.9 million for the Year (2025: HK\$160.8 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 Year, the Group did not make any significant acquisitions or disposals of subsidiaries.

LITIGATION

As at 31 March 2026 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 real time 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.

FINAL DIVIDEND

The Directors resolved not to recommend payment of final dividend for the year ended 31 March 2026.

CLOSURE OF REGISTER OF MEMBERS FOR ENTITLEMENT TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING

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 Tuesday, 25 August 2026 to Friday, 28 August 2026 (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 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong for registration, not later than 4:30 p.m. on Monday, 24 August 2026. The AGM will be held on Friday, 28 August 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

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

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has been in compliance with the applicable code provisions set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules throughout the Year.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries of each Director that held office during the Year, all the Directors have confirmed that they have complied with the Model Code throughout the Year.

REVIEW OF ANNUAL RESULTS

The annual results for the Year had been reviewed by the audit committee of the Company, which comprises one non-executive Director and four independent non-executive Directors of the Company.

SCOPE OF WORK OF KPMG

The figures in respect of the preliminary announcement of the Group's results for the Year had been compared by the Company's auditors, KPMG, Certified Public Accountants, to the amounts set out in the Group's draft financial statements for the Year and the amounts were found to be in agreement. The work performed by KPMG in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by the auditors on this announcement.

CHANGE OF CONTROL

The Company was notified by New Charming Holdings Limited (the then-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 dated 30 March 2026 issued by the Offeror and the Company (the “**Completion Announcement**”), the completion of the Share Purchase Agreement took place on 30 March 2026 (the “**Completion**”) in accordance with the terms and provisions of the Share Purchase Agreement. Immediately after the Completion and as at the date of the Completion Announcement, the Offeror and the Offeror Concert Parties were interested in a total of 857,980,000 Shares, representing approximately 50.55% of the total issued Shares as at the date of the Completion Announcement.

Upon completion of the Acquisition, the Offeror made an unconditional mandatory cash offer (the “**Offer**”) for all the issued Shares of the Company pursuant to Rule 26.1 of the Takeovers Code.

EVENTS AFTER THE YEAR

As disclosed in the joint announcement dated 29 April 2026 issued by the Offeror and the Company (the “**Offer Results Announcement**”), the Offer was closed at 4:00 p.m. on Wednesday, 29 April 2026, and was not revised or extended by the Offeror. As at the close of the Offer, the Offeror had received valid acceptances in respect of 1,310,530 Shares, representing approximately 0.08% of total issued share capital and voting rights of the Company as at the date of the Offer Results Announcement. Immediately following the close of the Offer, taking into account the acceptance shares and subject to due registration of the transfer of such acceptance shares by the registrar, the Offeror and the Offeror Concert Parties owned, controlled or had direction over a total of 859,290,530 Shares, representing approximately 50.63% of the issued share capital and voting rights of the Company as at 29 April 2026.

In connection with the change in control of the Company after the Completion, the following changes took effect between 8 April 2026 and 30 April 2026:

- (i) Ms. Zheng Yanlan was appointed as an executive Director, Mr. Huang Hao, Mr. Liu Zheng and Mr. Richard Chih-Chiu Lin were appointed as non-executive Directors, and Mr. Lyn Frank Yee Chon, Dr. Jiang Guorong, Mr. Hung Cheung Fuk and Prof. Zhang Qian were appointed as independent non-executive Directors, all with effect from 8 April 2026.
- (ii) Mr. Yip Mow Lum ceased to be Chairman of the Board, and Mr. Huang Hao was appointed as Chairman of the Board, both with effect from 9 April 2026.
- (iii) Ms. Zheng Yanlan was appointed as Chief Executive Officer, and Mr. Hui Yik Bun was re-designated as co-Chief Executive Officer, both with effect from 9 April 2026.
- (iv) Mr. Chan Kwan Pak ceased to be Company Secretary and Ms. Xu Feiyue was appointed as Company Secretary, both with effect from 9 April 2026.
- (v) Mr. Chan Wing Shing, Wilson ceased to be an authorised representative of the Company and Ms. Zheng Yanlan was appointed as an authorised representative of the Company, both with effect from 9 April 2026.

- (vi) Mr. Yip Mow Lum subsequently resigned as an executive Director due to health reasons with effect from 10 April 2026.
- (vii) Mr. Chan Wing Shing, Wilson, Mr. Yu Yun Kong, Mr. Szeto Wai Sun, Mr. Ling Kwok Fai, Joseph and Ms. Wong Ting Ting, Priscilla each resigned as a Director with effect from 30 April 2026, being the day immediately after the closing date of the Offer.

Save as disclosed above, the Directors are not aware of any other significant events that have occurred since the end of the Year and up to the date of this announcement that would have a material effect on the financial position or results of the Group.

PUBLICATION OF THE RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange (<https://www.hkexnews.hk>) and the website of the Company (<https://www.bsgroup.com.hk>). The Annual Report 2025/26 and the notice of AGM will be despatched to the shareholders of the Company as applicable and published on the above websites in due course.

By Order of the Board
Bright Smart Securities & Commodities Group Limited
Zheng Yanlan
Executive Director and Chief Executive Officer

Hong Kong, 24 June 2026

As at the date of this announcement, the Board comprises Ms. Zheng Yanlan (Chief Executive Officer) and Mr. Hui Yik Bun (co-Chief Executive Officer) as Executive Directors; Mr. Huang Hao (Chairman), Mr. Liu Zheng and Mr. Richard Chih-Chiu Lin as Non-executive Directors; and Mr. Lyn Frank Yee Chon, Dr. Jiang Guorong, Mr. Hung Cheung Fuk and Prof. Zhang Qian as Independent Non-executive Directors.

* *For identification purposes only*