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)
(the **"Company"**, **Stock Code: 1428**)

Audit Committee
Terms of Reference

1. Constitution

The Audit Committee (the "**Committee**") was established pursuant to a resolution passed by the board ("**Board**") of directors (the "**Director(s)**") of the Company at its meeting held on 4 August 2010.

2. Membership

2.1 Members of the Committee ("**Members**", and each a "**Member**") shall be appointed by the Board from amongst the non-executive Directors of the Company (including independent non-executive Directors ("**INEDs**", and each an "**INED**") of the Company).

2.2 The Committee shall consist of not less than three Members, a majority of the Members shall be INEDs. At least one of the Members shall be an INED with appropriate professional qualifications or accounting or related financial management expertise as required in Rule 3.10(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) (the "**Listing Rules**").

2.3 A former partner of the Company's existing auditing firm shall be prohibited from acting as a Member for a period of two (2) years from the date of the person ceasing:
(a) to be a partner of the firm; or
(b) to have any financial interest in the firm,
whichever is the later.

2.4 The appointment of the Members may be revoked, or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee. If a Member ceases to be a Director of the Company, then his/her office as a Member shall ipso facto cease.

3. Chairperson

The Chairperson of the Committee shall be appointed by the Board and shall be an INED.

4. Secretary

4.1 The company secretary of the Company shall be the secretary of the Committee (the "**Secretary**").

4.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.

5. Meetings

5.1 The Committee shall meet at least twice each year. The Company's external auditor may request that a meeting be held if they consider it necessary. The chairperson of the Committee shall convene a meeting upon request by any member of the Committee.

5.2 Notice of any regular meetings has to be given at least 3 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.

5.3 The quorum required for a meeting of the Committee shall be any two Members.

5.4 Meetings could be held in person or via electronic means including but not limited to telephone or video conferencing. Members may participate in a meeting by means of a conference telephone or similar communications equipment or through electronic means of communications by means of which all persons participating in the meeting are capable of communicating with each other.

5.5 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present.

5.6 A resolution in writing signed by all Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

5.7 Full minutes shall be kept by the Secretary. The minutes shall be made available for inspection on reasonable notice by any Director. Minutes of meetings of the Committee shall record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by members or dissenting views expressed. Draft and final versions of minutes shall be circulated to all Members for their comment and records within a reasonable period of time after the meeting.

6. Attendance at Meetings

6.1 At least twice a year, representatives of the Company's external auditor will meet the Committee to discuss matters relating to its audit fees, any issues arising from the audit and any other matters the auditor may wish to raise.

6.2 The chief financial officer of the Company or in his/her absence, a

representative from the finance department shall attend the meetings. Other members of the Board or other persons may attend all or part of a Committee meeting at the invitation of the Committee.

6.3 Only Members of the Committee are entitled to vote at the meetings.

7. Annual General Meetings

The Chairperson of the Committee or in his/her absence, another Member (who must be an INED), or failing this, his/her duly appointed delegate, shall attend the Company's annual general meetings and be prepared to respond to shareholders' questions on the Committee's activities and their responsibilities.

8. Responsibility

The responsibility of the Committee is to assist the Board in fulfilling its audit duties through the review and supervision of the Company's financial control and reporting systems and to assist the Board with any other responsibility as may be delegated by the Board from time to time. Without prejudice to any requirements under the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Listing Rules, the Committee shall have the following responsibilities:

Relationship with the Company's External Auditor

8.1 to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and other terms of engagement of the external auditor, and any questions of resignation or dismissal;

8.2 to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Committee should discuss with the external auditor the nature and scope of the audit and reporting obligations before the audit commences;

8.3 to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally;

8.4 to report to the Board, identifying and making recommendations on any matters where action or improvement is needed; and

8.5 to act as the key representative body for overseeing the Company's relations with the external auditor.

Review of the Company's financial information

8.6 to monitor the integrity of the Company's financial statements and annual

report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them;

8.7 in reviewing these reports before submission to the Board, the Committee should focus particularly on:

(a) any changes in accounting policies and practices;

(b) major judgmental areas;

(c) significant adjustments resulting from the audit;

(d) the going concern assumption and any qualifications;

(e) compliance with accounting standards; and

(f) compliance with the Listing Rules and legal requirements in relation to financial reporting;

and to provide advice and comments thereon to the Board;

8.8 regarding to 8.7 above:

(a) Members of the Committee should liaise with the Board and senior management and the Committee must meet, at least twice a year, with the Company's auditors; and

(b) the Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;

8.9 to discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);

Oversight of the Company's financial reporting system

8.10 to review the Company's financial control and reporting systems;

8.11 to discuss the financial reporting system with management to ensure that management has performed its duty to have an effective internal control system. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;

8.12 to consider major investigation findings on financial reporting matters as

delegated by the Board or on its own initiative and management's response to these findings;

8.13 to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness. Where no internal audit function exists, the Committee shall review the need for one on an annual basis and shall disclose the reasons for the absence of such a function in the Corporate Governance Report;

8.14 to review the group's financial and accounting policies and practices;

8.15 to review the external auditor's management letter, any material queries raised by the auditor to management about the accounting records, financial accounts or systems of control and management's response;

8.16 to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;

8.17 to review arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee should ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action;

8.18 to review and monitor the establishment of a whistleblowing policy and system for employees and those who deal with the Company to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matter related to the Company;

8.19 where any concern raised pursuant to clauses 8.17 or 8.18, upon initial assessment, discloses a suspected deficiency in the Company's risk management or internal control systems (other than the financial control and reporting system), the Committee shall refer the matter to the risk management committee for further review and follow-up action;

Others

8.20 to report to the Board on the matters set out above;

8.21 to consider other matters, as defined or assigned by the Board from time to time; and

8.22 where the Board has taken a different view from the Committee regarding the selection, appointment, resignation or dismissal of the external auditors, the Committee shall submit a statement to the Company explaining its recommendation, which statement shall be disclosed by the Company in the Corporate Governance Report (as defined under the Listing Rules).

9. Reporting Responsibilities

The Committee shall report to the Board when appropriate.

10. Authority

10.1 The authorities and responsibilities of the Committee shall include such authorities and responsibilities set out in the relevant code provisions of the CG Code (as amended from time to time).

10.2 The Committee is authorised by the Board to inspect all accounts, books and records of the Company.

10.3 The Committee shall have the right to require the Company's management to furnish information on any matter relating to the financial position of the Company, its subsidiaries or affiliates, as may be required for the purposes of discharging its duties.

10.4 The Committee should be provided with sufficient resources to discharge its duties. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

Note: Arrangements to seek independent professional advice could be made through the Secretary.

11. Effective date and Amendments

11.1 These terms of reference shall come into effect on the date when they are approved by the Board.

11.2 Any amendments to these terms of reference shall be recommended by the Committee and come into effect on the date when they are approved by the Board.

(Amended as of 17 November 2026)