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## **BRIGHT SMART SECURITIES & COMMODITIES GROUP LIMITED**

**耀才證券金融集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(the “Company”, Stock Code: 1428)**

### **DISCLOSEABLE TRANSACTION ACQUISITION OF LISTED SECURITIES**

The Company, through its wholly-owned subsidiary, acquired on the market in a series of transactions conducted between 20 February 2020 and 13 March 2020 a total of 500,000 Alibaba Shares (which represents approximately 0.002% of the issued share capital of Alibaba) for an aggregate consideration of approximately HK\$97.2 million (exclusive of transaction costs), the average purchase cost of each Alibaba Share is approximately HK\$194.41.

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios is more than 5% but less than 25%.

### **THE ACQUISITION**

The Company, through its wholly-owned subsidiary, acquired on the market in a series of transactions conducted between 20 February 2020 and 13 March 2020 a total of 500,000 Alibaba Shares (which represents approximately 0.002% of the issued share capital of Alibaba) for an aggregate consideration of approximately HK\$97.2 million (exclusive of transaction costs), and the average purchase cost of each Alibaba Share is approximately HK\$194.41. The aggregate consideration of the Acquisition represented the market price of the Alibaba Shares and was payable from the Group’s internal resources.

As the Acquisition was made through the market, the Company was not aware of the identities of the sellers of such Alibaba Shares and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the sellers of such Alibaba Shares are Independent Third Parties.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group's principal businesses are provision of financial services, including securities broking, margin financing, commodities and futures broking and bullion trading. Without prejudice to the financial situation of the Company, the Group believes that investing in steady listed companies stock can enhance income for the Group.

Meanwhile, as the Acquisition was made at market price, the Directors (including the independent non-executive Directors) are of the view that the Acquisition was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

Alibaba, with businesses comprising core commerce, cloud computing, digital media and entertainment, innovation initiatives, and financial services provided to consumers and merchants, has performed and developed well in recent years. Having considered the performance of Alibaba in recent years and its future development potential, the Company considers that the Acquisition is an attractive investment and can enhance income for the Group.

## INFORMATION ON ALIBABA

Alibaba is a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange (Stock Code: 9988). According to publicly available information, Alibaba is a holding company that provides the technology infrastructure and marketing reach to help merchants, brands and other businesses to leverage the power of new technology to engage with users and customers to operate. Alibaba operates four business segments. The core commerce segment provides China retail, China wholesale, international retail, international wholesale, logistics services and local consumer services. The cloud computing segment provides complete suite of cloud services, including database, storage, network virtualization services, big data analytics and others. The digital media and entertainment segment provides consumer services beyond the core business operations. The innovation initiatives and others segment is to innovate and deliver new services and products.

The following financial information is extracted from the public documents of Alibaba:

	<b>For the year ended</b>	
	<b>31 March</b>	
	<b>2019</b>	<b>2018</b>
	<i>RMB</i>	<i>RMB</i>
	<i>million</i>	<i>million</i>
Revenue	376,844	250,266
Profit before taxation	96,221	100,403
Net profit after taxation	80,234	61,412

Based on the public documents of Alibaba, the consolidated net asset value of Alibaba as at 30 June 2019 was RMB637,966 million.

## GENERAL

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios is more than 5% but less than 25%.

## DEFINITIONS

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

“Acquisition”	the Company, through its wholly-owned subsidiary, acquired on the market in a series of transactions conducted between 20 February 2020 and 13 March 2020 a total of 500,000 Alibaba Shares (which represents approximately 0.002% of the issued share capital of Alibaba) for an aggregate consideration of approximately HK\$97.2 million (exclusive of transaction costs), and the average purchase cost of each Alibaba Share is approximately HK\$194.41
“Alibaba”	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange (Stock Code: 9988)
“Alibaba Share(s)”	Share(s) of Alibaba relating to the Acquisition
“Board”	the board of Directors
“Company”	Bright Smart Securities & Commodities Group Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1428)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 13 March 2020

*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 and Mr. Ling Kwok Fai, Joseph as Independent Non-executive Directors.*