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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)

VOLUNTARY ANNOUNCEMENT

REPRIMAND BY THE SECURITIES AND FUTURES COMMISSION

On 29 July 2014, the SFC issued a reprimand against a subsidiary of the Group for allowing an advertisement which contains false and/or misleading information to be published and fined it for HK\$700,000.

The Board wishes to state that the inclusion of such false and/or misleading information in the said advertisement was an inadvertent mistake and none of the above sanctions has any material adverse financial impact on the Group and neither of them would cause any disruption to the business and operations of the Group.

The board of directors (the “Board”) of Bright Smart Securities & Commodities Group Limited (the “Company”, together with its subsidiaries, the “Group”) wishes to announce that on 29 July 2014, the Securities & Futures Commission (the “SFC”) issued a reprimand against Bright Smart Securities International (H.K.) Limited (“BSSI”), a wholly-owned subsidiary of the Company, for allowing an advertisement which contains false and/or misleading information to be published and fined it for HK\$700,000.

The advertisement, which was published in four newspapers and on the website of the Group from 27 August 2013 to 14 September 2013, gave the false impression that the gold bullion business of the Group is regulated by the SFC when, in fact, gold bullion business is not a regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the relevant subsidiary carrying out the gold bullion business, Bright Smart Global Bullion Limited (“BS Bullion”), is not licensed by the SFC to carry on any regulated activities. Based on the above incident, the SFC also questioned the fitness and properness of BSSI as a licensed person.

The Board wishes to state that the inclusion of such false and/or misleading information in the said advertisement was an inadvertent mistake and none of the above sanctions has any material adverse financial impact on the Group and neither of them would cause any disruption to the business and operations of the Group. The Group would be more cautious in scrutinising contents of its advertisements in the future and seek professional advice where appropriate.

The Board wishes to state that BSSI always operates in accordance with the SFC's licensing requirements strictly, so as to uphold the protection of clients' interests as the first and foremost premise. Although the gold bullion business is not regulated by the SFC at the moment, BS Bullion still acts as if it is being regulated, adheres to the value of being honest to clients and fulfills social responsibilities. Since the commencement of the gold bullion business, BS Bullion has never offered any discretionary account management to its clients. All clients' transactions are placed directly to the electronic trading systems without human intervention, so as to achieve fairness, justice, openness and transparency. BS Bullion takes the responsibility in protecting the interests of the clients in all aspects and takes it seriously in regard to the interests of the investors.

By order of the Board
Bright Smart Securities & Commodities Group Limited
Chan Kai Fung
Executive Director and Chief Executive Officer

Hong Kong, 29 July 2014

As at the date of this announcement, the Board comprises Messrs. Yip Mow Lum (Chairman), Chan Kai Fung (Chief Executive Officer), Kwok Sze Chi, Chan Wing Shing, Wilson, Yu Yun Kong, Szeto Wai Sun* and Ling Kwok Fai, Joseph*.*

** Independent Non-executive Directors*