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BRIGHT SMART SECURITIES

**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)**

**RESULTS OF THE RIGHTS ISSUE IN THE PROPORTION OF  
ONE RIGHTS SHARE FOR EVERY TWO SHARES  
HELD ON THE RECORD DATE  
AND  
ADJUSTMENTS TO THE EXERCISE PRICE AND NUMBER OF  
SHARES SUBJECT TO THE OUTSTANDING SHARE OPTIONS**

**RESULTS OF THE RIGHTS ISSUE**

As all conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriters at or before 4:00 p.m. on Tuesday, 21 October 2014, the Underwriting Agreement became unconditional in all respects at 4:00 p.m. on Tuesday, 21 October 2014.

As at 4:00 p.m. on Wednesday, 15 October 2014, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares, 541 valid acceptances of provisional allotment were received for a total of 553,467,903 Rights Shares (inclusive of 343,902,000 Rights Shares that Mr. Yip and his associates have undertaken to subscribe, and procure their respective nominee(s) (if any) to subscribe, for its/his entitlement of the Rights Shares pursuant to the Undertakings), representing approximately 98.63% of the total number of 561,154,006 Rights Shares being offered under the Rights Issue, and 627 valid applications for excess Rights Shares were received for a total of 4,505,044,685 Rights Shares, representing approximately 802.82% of the total number of Rights Shares being offered under the Rights Issue. In aggregate, 1,168 valid acceptances and applications in respect of 5,058,512,588 Rights Shares, representing approximately 901.45% of the total number of Rights Shares being offered under the Rights Issue, have been received. The Rights Issue was over-subscribed by 4,497,358,582 Rights Shares.

It is expected that the share certificates for all fully-paid Rights Shares and the refund cheques in respect of wholly or partially unsuccessful applications for the excess Rights Shares will be posted to those entitled thereto by ordinary post at their own risks to their registered addresses on Thursday, 23 October 2014.

Dealings in fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Friday, 24 October 2014.

### **ADJUSTMENTS TO THE EXERCISE PRICE AND NUMBER OF SHARES SUBJECT TO THE OUTSTANDING SHARE OPTIONS**

As a result of the Rights Issue, adjustments are required to be made to the exercise price and the number of Shares falling to be issued upon the exercise of the Share Options in accordance with the terms of the Share Option Scheme and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding the adjustment of share options under Rule 17.03(13) of the Listing Rules.

Reference is made to the prospectus of the Company dated 29 September 2014 (the “**Prospectus**”) in relation to the Rights Issue. Capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus unless the context otherwise stated.

### **RESULTS OF THE RIGHTS ISSUE**

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## Underwriting Agreement

As all conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriters at or before 4:00 p.m. on Tuesday, 21 October 2014, the Underwriting Agreement became unconditional in all respects at 4:00 p.m. on Tuesday, 21 October 2014. Based on the above acceptance results, the Rights Issue was over-subscribed and the obligations of the Underwriters under the Underwriting Agreement in respect of the Rights Shares have been fully discharged.

## Excess Rights Shares

Regarding the 627 valid applications for a total of 4,505,044,685 excess Rights Shares, the Board has resolved to allot a total of 7,686,103 Rights Shares available for excess applications.

After taking into account and assessing all relevant factors and circumstances available to the Company (including but not limited to the pattern of registration of Shareholders before and after the announcement of the Rights Issue on 3 September 2014, the spread and pattern of the excess applications, the number of excess Rights Shares applied for in those excess applications and the number of excess Rights Shares available for allocation), the Board has resolved to allocate 7,686,103 excess Rights Shares on a fair and equitable basis and on the principles set forth in the Prospectus, as follows:

- (i) 294,639 excess Rights Shares have been allocated to 299 applications for topping up odd-lot holdings to whole-lot holdings where it appeared to the Directors that such applications were not made with an intention to abuse this mechanism; and
- (ii) the remaining 7,391,464 excess Rights Shares have been allocated to the Qualifying Shareholders based on a sliding scale with reference to the number of excess Rights Shares applied for by them, details of which are set out below:

Number of excess Rights Shares applied for	Number of valid excess applications	Total number of excess Rights Shares applied for	Total number of excess Rights Shares allocated (Note)	Percentage of allocation based on total number applied for in that category (Approximate)	Basis of allocation
1 – 2,000	258	463,216	114,065	24.62%	Odd lot to the registered Shareholders who hold 2,000 Shares or above as at the Record Date plus additional Shares at approximately 0.20% on the remaining excess Rights Shares applied

<b>Number of excess Rights Shares applied for</b>	<b>Number of valid excess applications</b>	<b>Total number of excess Rights Shares applied for</b>	<b>Total number of excess Rights Shares allocated</b> <i>(Note)</i>	<b>Percentage of allocation based on total number applied for in that category</b> <i>(Approximate)</i>	<b>Basis of allocation</b>
2,001 – 20,000	193	968,057	123,920	12.80%	Odd lot to the registered Shareholders who hold 2,000 Shares or above as at the Record Date plus additional Shares at approximately 0.19% on the remaining excess Rights Shares applied
20,001 – 100,000	89	4,572,161	30,770	0.67%	Odd lot to the registered Shareholders who hold 2,000 Shares or above as at the Record Date plus additional Shares at approximately 0.18% on the remaining excess Rights Shares applied
100,001 – 1,000,000	86	147,540,411	286,752	0.19%	Odd lot to the registered Shareholders who hold 2,000 Shares or above as at the Record Date plus additional Shares at approximately 0.17% on the remaining excess Rights Shares applied
Over 10,000,000	1	4,351,500,840	7,130,596	0.16%	Odd lot to the registered Shareholders who hold 2,000 Shares or above as at the Record Date plus additional Shares at approximately 0.16% on the remaining excess Rights Shares applied
Total	<u>627</u>	<u>4,505,044,685</u>	<u>7,686,103</u>		

*Note:* The number of excess Rights Shares allocated to each applicant has been rounded down (as appropriate) to eliminate any fractional Shares which may arise after the foregoing basis of allocation has been applied.

## Shareholdings in the Company

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the following is a summary of the shareholding structure of the Company (i) immediately before the completion of the Rights Issue; and (ii) immediately after the completion of Rights Issue:

Name of Shareholder	(i) Immediately before the completion of the Rights Issue		(ii) Immediately after the completion of the Rights Issue	
	Number of Shares	Approximate % of total issued Shares	Number of Shares	Approximate % of total issued Shares
<b>Mr. Yip and his associates</b>				
NCHL	600,000,000	53.46	900,000,000	53.46
Mr. Yip	95,176,000	8.48	141,098,000	8.38
Ms. Yip	1,400,000	0.12	2,100,000	0.12
	<u>696,576,000</u>	<u>62.06</u>	<u>1,043,198,000</u>	<u>61.96</u>
Other Directors ( <i>Notes 1 &amp; 2</i> )	2,759,288	0.25	4,289,092	0.26
<b>Put Option Holders (<i>Note 3</i>)</b>				
Chow Tai Fook Nominee Limited	100,000,000	8.91	100,000,000	5.94
Other placees	3,000,000	0.27	3,000,000	0.18
	<u>103,000,000</u>	<u>9.18</u>	<u>103,000,000</u>	<u>6.12</u>
<b>Subtotal (Mr. Yip and his associates, other Directors and the Put Option Holders)</b>	<b>802,335,288</b>	<b>71.49</b>	<b>1,150,487,092</b>	<b>68.34</b>
Public Shareholders	<u>319,972,724</u>	<u>28.51</u>	<u>532,974,926</u>	<u>31.66</u>
<b>Total</b>	<b><u><u>1,122,308,012</u></u></b>	<b><u><u>100.00</u></u></b>	<b><u><u>1,683,462,018</u></u></b>	<b><u><u>100.00</u></u></b>

*Notes:*

- Mr. Chan Kai Fung (Chief Executive Officer), Mr. Kwok Sze Chi and Mr. Chan Wing Shing, Wilson, being the executive Directors and Mr. Yu Yun Kong, Mr. Szeto Wai Sun and Mr. Ling Kwok Fai, Joseph, being the independent non-executive Directors hold the Shares.

2. Mr. Yu Yun Kong, being the independent non-executive Director has applied 100,000 excess Rights Shares. Based on the allocation basis of the excess Rights Shares as set out in the section headed “Excess Rights Shares” to this announcement, it is assumed that 160 excess Rights Shares is allocated to Mr. Yu Yun Kong.
3. Reference is made to the announcements of the Company dated 27 January 2014 (the “**Placing Announcement**”) and 29 January 2014. As disclosed in the Placing Announcement, NCHL granted the Put Options in favour of the Placees at completion of the Placing. The Company is not a party to the Put Options. Under each Put Option, the relevant Placee has the right to require NCHL to purchase (or procure the purchase of) the Put Option Shares. The Put Option Shares comprise the placing shares of the Company placed to the Placees to the extent they remain to be beneficially owned by, and registered in the name of, the relevant Placees on the settlement date of the Put Option, being 27 January 2016. The Put Option Shares will be identified by the same numbered share certificates issued to the Placees on transfer of the relevant placing shares of the Company under the Placing. Unless exercised by the Placees during the period from 27 October 2015 to 27 November 2015 (both dates inclusive), the Put Options will lapse and cease to have any effect on the settlement date of the Put Options.

As at the date of this announcement, Chow Tai Fook Nominee Limited and other Put Option Holders hold in aggregate 103,000,000 Put Option Shares which are entitled to exercise the Put Options. For the avoidance of doubt, no adjustment on the number of the Put Option Shares or the exercise price of the Put Options is required as a result of the Rights Issue.

4. The percentages are subject to rounding error.

### **Despatch of the share certificates for the Rights Shares**

It is expected that the share certificates for all fully-paid Rights Shares and the refund cheques in respect of wholly or partially unsuccessful applications for the excess Rights Shares, will be posted to those entitled thereto by ordinary post at their own risks to their registered addresses on Thursday, 23 October 2014.

### **Commencement of dealings in fully-paid Rights Shares**

Dealings in fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Friday, 24 October 2014.

## ADJUSTMENTS TO THE EXERCISE PRICE AND NUMBER OF SHARES SUBJECT TO THE OUTSTANDING SHARE OPTIONS

Upon completion of the Rights Issue, the exercise price and the number of Shares to be issued and allotted under the outstanding Share Options will be adjusted pursuant to the terms of the Share Option Scheme and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding the adjustment of share options under Rule 17.03(13) of the Listing Rules. The adjustments to the exercise price and the number of the Shares falling to be issued under the outstanding Share Options are as follows with effect from 23 October 2014 upon the Company's allotment and issue of the Rights Shares pursuant to the Rights Issue:

Date of grant of the Share Options	Exercise period	Before completion of the Rights Issue		After completion of the Rights Issue	
		Exercise price per Share (HK\$)	Number of Shares falling to be issued	Adjusted exercise price per Share (HK\$)	Adjusted number of Shares falling to be issued
26 June 2013	26 June 2013 to 25 June 2016	0.98	2,490,000	0.89	2,756,430

In accordance with the note to paragraph 17.03(13) of the Listing Rules, the Directors have engaged KPMG, the auditor of the Company, to perform certain factual finding procedures on the compilation of the adjustments to the exercise price and the number of outstanding Share Options in accordance with Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed Upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants and report their findings to the Directors. Separate notification regarding the adjustments will be sent by the Company to each holder of the Share Options.

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

Hong Kong, 22 October 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*