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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should obtain independent professional advice or consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Bright Smart Securities & Commodities Group Limited** you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
FINAL DIVIDEND,  
RE-ELECTION OF DIRECTORS,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting (“AGM”) of **Bright Smart Securities & Commodities Group Limited** (the “Company”) to be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 20 July 2011 at 9:00 a.m. is set out in the Notice of AGM in this circular. A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you are able to attend at the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

16 June 2011

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	3
<b>Appendix I — Explanatory Statement</b> .....	7
<b>Appendix II — Details of Directors Proposed for Re-election</b> .....	10
<b>Notice of Annual General Meeting</b> .....	17
<b>Accompanying Document — Form of Proxy</b>	

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## DEFINITIONS

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*In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:*

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 20 July 2011 at 9:00 a.m.
“AGM Notice”	the notice convening the AGM set out on pages 17 to 20 of this circular
“Articles of Association”	the amended and restated articles of association of the Company adopted by a special resolution passed on 4 August 2010 and became effective upon listing on the Stock Exchange, as amended from time to time
“Board”	the board of Directors
“CEO”	chief executive officer of the Company
“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 Stock Exchange
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and any amendments or other statutory modifications thereof
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	10 June 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the general and unconditional mandate to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued and fully paid up share capital of the Company as at the date of passing of the resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 5(A) of the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.30 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Option Scheme”	the share options scheme of the Company adopted on 4 August 2010
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary for the time being of the Company within the meaning of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) whether incorporated in Hong Kong or elsewhere and “Subsidiaries” shall be construed accordingly
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	Per cent.

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LETTER FROM THE BOARD

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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)**

*Executive Directors*

Mr. Yip Mow Lum (*Chairman*)

Mr. Chan Kai Fung (*CEO*)

Mr. Kwok Sze Chi

Mr. Chan Wing Shing, Wilson

*Registered Office*

Scotia Centre, 4th Floor

P.O. Box 2804

George Town

Grand Cayman KY1-1112

Cayman Islands

*Independent Non-executive Directors*

Mr. Yu Yun Kong

Mr. Szeto Wai Sun

Mr. Ling Kwok Fai, Joseph

*Head Office and Principal Place of  
Business*

10th Floor, Wing On House

71 Des Voeux Road Central

Hong Kong

16 June 2011

*To shareholders,*

Dear Sir/Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
FINAL DIVIDEND,  
RE-ELECTION OF DIRECTORS,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM regarding the (i) granting to the Directors a general mandate to issue additional Shares; (ii) granting to the Directors a general mandate for repurchasing Shares; (iii) extending the general mandate to issue additional Shares by adding the number of shares to be repurchased under the general mandate for repurchasing Shares; (iv) payment of final dividend; and (v) re-election of Directors.

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## LETTER FROM THE BOARD

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### **GENERAL MANDATE TO ISSUE ADDITIONAL SHARES**

An ordinary resolution will be proposed at the AGM for the purpose of renewing the existing share issue mandate granted to the Directors to allot, issue and otherwise deal with the Shares. The existing share issue mandate will expire at the conclusion of the AGM. The share issue mandate is subject to a limit equal to 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing the resolution.

Subject to the passing of the relevant ordinary resolution and on the basis that no further shares are issued or repurchased prior to the AGM, the Company will be allowed under the issue mandate to issue a maximum of 135,936,400 shares. The granting will ensure flexibility and discretion to the Directors in the event it becomes desirable to issue any shares of the Company.

### **GENERAL MANDATE FOR REPURCHASE OF SHARES**

The repurchase resolution will be proposed for the purpose of renewing the existing Repurchase Mandate granted to the Directors to repurchase Shares. The existing Repurchase Mandate will expire at the conclusion of the AGM. The Repurchase Mandate is subject to a limit equal to 10% of the issued and fully paid up share capital of the Company as at the date of passing the resolution. An explanatory statement to the Repurchase Mandate is set out in Appendix I to this circular.

### **GENERAL MANDATE TO EXTEND TO ISSUE SHARES**

Subject to the passing at the AGM of the proposed resolutions regarding the share issue mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to approve the extension of the 20% share issue mandate by adding to the share issue mandate the number of shares that may be repurchased under the Repurchase Mandate.

Shareholders are referred to the AGM notice herein for details of the resolutions. With reference to these resolutions, the Board wishes to state that it has no immediate plans to repurchase any shares or to issue any new shares pursuant to the relevant mandates.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF DIRECTORS

By virtue of Article 112 of the Articles of Association, the Directors, namely, Mr. Yip Mow Lum, Mr. Chan Kai Fung, Mr. Kwok Sze Chi, Mr. Chan Wing Shing, Wilson, Mr. Yu Yun Kong, Mr. Szeto Wai Sun and Mr. Ling Kwok Fai, Joseph shall hold office only until the AGM and shall then be eligible, offer themselves for re-election at the AGM. The particulars of these Directors which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

A notice convening the AGM to be held on Wednesday, 20 July 2011 is set out on pages 17 to 20 of this circular.

### PROXY ARRANGEMENT

A form of proxy for use at the AGM is enclosed with this circular. To be valid, the form of proxy must be completed and deposited in accordance with the instructions printed thereon with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM.

### VOTING BY POLL

According to rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll.

An announcement will be published by the Company on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.bsgroup.com.hk](http://www.bsgroup.com.hk)) after the conclusion of the Annual General Meeting to inform the Shareholders of the voting results of the Annual General Meeting.

### FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has recommended a final dividend of HK1.80 cents per Share subject to Shareholders' approval at the Annual General Meeting.

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## LETTER FROM THE BOARD

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The register of members of the Company will be closed from Monday, 18 July 2011 to Wednesday, 20 July 2011 (both days inclusive) during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend and to attend and vote at the AGM to be held on Wednesday, 20 July 2011, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 15 July 2011.

### RECOMMENDATION

There is no Shareholder who is required to abstain from voting in respect of any of the resolutions to be proposed at the AGM.

The Directors consider that the proposals for Repurchase Mandate, share issue mandate, the extension of share issue mandate and the re-election of Directors, among others, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders should vote in favour of these resolutions as set out in the AGM notice to be proposed at the AGM.

Yours faithfully,

For and on behalf of

**Bright Smart Securities & Commodities Group Limited**

**Chan Kai Fung**

*CEO & Executive Director*



This appendix serves as an explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide you with the information necessary for your consideration of the Repurchase Mandate.

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 679,682,000 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 67,968,200 Shares (representing not more than 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the Repurchase Resolution).

## **REASONS FOR REPURCHASES**

Although the Directors have no present intention of repurchasing any Shares, they believe that the flexibility afforded by the repurchase proposal would be beneficial to the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

## **FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association and the laws of the Cayman Islands.

The Directors propose that such repurchases of Shares would be appropriately financed by the Company's internal resources and/or available banking facilities. There might be material adverse impact on the working capital or gearing position of the Company in the event that the repurchase proposal was to be carried out in full at any time during the proposed repurchase period as compared with the position as disclosed in the latest published audited financial statements of the Company for the year ended 31 March 2011. However, the Directors do not propose to exercise the repurchase proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing ratios which in the opinion of the Directors are from time to time appropriate for the Company.

**SHARE PRICES**

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the following months since the day the Shares commenced trading on the Stock Exchange on 25 August 2010 and up to the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2010</b>		
August ( <i>since 25 August 2010</i> )	1.86	1.39
September	1.72	1.44
October	1.65	1.43
November	1.52	1.33
December	1.44	1.19
<b>2011</b>		
January	1.38	1.17
February	1.22	1.00
March	1.13	0.99
April	1.16	1.02
May	1.05	0.88
June ( <i>up to and including the Latest Practicable Date</i> )	0.93	0.87

**UNDERTAKING**

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, to exercise the power of the Company to repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the Memorandum of Association and Articles of Association of the Company.

None of the Directors or, to the best of their knowledge having made all reasonable inquiries, any of their associates (as defined in the Listing Rules) have a present intention to sell any securities to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

**EFFECT OF THE TAKEOVERS CODE**

If, as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code) depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Yip Mow Lum was interested in 474,580,000 Shares (24,580,000 Shares were held personally by him and 450,000,000 Shares were held by New Charming Holdings Limited, a company wholly owned by him), representing approximately 69.82% of the issued share capital of the Company

Assuming no issue of Shares and repurchase of Shares between the Latest Practicable Date and the AGM, and given the Repurchase Mandate been approved by the Shareholders, in the event that the Repurchase Mandate is exercised in full, the controlling interest of Mr. Yip will be increased from 69.82% to 77.58%. In the opinion of the Directors, such increase may not give rise to an obligation for Mr. Yip to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not have any intention for the Company to exercise its power to repurchase the Shares to the extent that will result in the public float of the Company falling below 25%.

**SHARE PURCHASES MADE BY THE COMPANY**

No purchase of the Shares had been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**The following are the particulars of the Directors proposed to be re-elected at the AGM:**

**Mr. Yip Mow Lum** (“Mr. Yip”), aged 59, is the founder, the Chairman and Controlling Shareholder of the Company. Mr. Yip was appointed as a Director on 4 August 2009 and subsequently appointed as the Chairman of the Board and an Executive Director, as well as the Chairman of the Company’s Remuneration Committee and Nomination Committee on 4 August 2010. He is responsible for the formulation of corporate strategies, overseeing operations and the overall steering of the Group’s management.

Mr. Yip has a solid background in brokerage industry and investment with over 10 years of management experience in securities brokerage and futures brokerage. Mr. Yip established Bright Smart Futures & Commodities Company Limited (“Bright Smart Futures”) and Bright Smart Securities International (H.K.) Limited (“Bright Smart Securities”), both indirect wholly-owned subsidiaries of the Company, and has served as a director of both companies since 1995 and 1998 respectively. Mr. Yip is also a director of Bright Smart Investment Holdings Limited (“Bright Smart Investment”), a direct wholly owned subsidiary of the Company. Mr. Yip is a licensed responsible officer by the Securities & Futures Commission of Hong Kong (“SFC”) for engaging in the Type 2 (dealing in futures contracts) regulated activity.

Mr. Yip has entered into a service agreement with the Company for an initial term of three years commencing from 25 August 2010, which is automatically renewable for successive terms of one year each, which may be terminated by either party furnishing a prior written notice of not less than three months and in any event subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. His remuneration is HK\$1,200,000 per annum, with a performance bonus at the absolute discretion of the Company. His remuneration was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company’s remuneration policy and prevailing market situation.

Mr. Yip did not hold any directorship in any public companies listed in or outside Hong Kong in the past three years.

Mr. Yip is the son of Madam Hung Seu Ying, a director of Bright Smart Securities and is also the uncle of Mr. Chan Wing Shing, Wilson, another executive Director. Save as disclosed above, Mr. Yip does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Yip was interested in 474,580,000 Shares (24,580,000 Shares were held personally by him and 450,000,000 Shares were held by New Charming Holdings Limited, a company wholly owned by him), representing approximately 69.82% of the issued share capital of the Company. Mr. Yip has not been involved in any of the matters referred to Rules 13.51(2)(h) to 13.51(2)(x) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

**Mr. Chan Kai Fung** (“Mr. KF Chan”), aged 44, is the Chief Executive Officer of the Company. Mr. KF Chan was appointed as a Director on 4 August 2009 and subsequently appointed as an Executive Director on 4 August 2010. He became a director of both Bright Smart Securities and Bright Smart Futures in 2005. Mr. KF Chan is responsible for the formulation of the Group’s policy, overseeing operations and the overall steering of the Group’s management focusing on the core areas of marketing and corporate expansion. Mr. KF Chan has over eight years of management experience in securities and futures businesses, particularly in IPO financing. He is also a director of Bright Smart Investment.

Prior to joining the Group, Mr. KF Chan was a director of a securities brokerage company, Coin Fall Limited from 1991 to 1994. He was also a director of Lucky Man Properties Limited from 1992 to 1995 and the administration manager for Maxview Enterprises Limited from 1995 to 2003.

Mr. KF Chan has entered into a service agreement with the Company for an initial term of three years commencing from 25 August 2010, which is automatically renewable for successive terms of one year each, which may be terminated by either party furnishing a prior written notice of not less than three months and in any event subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. His remuneration is HK\$1,440,000 per annum, with a performance bonus at the absolute discretion of the Company. His remuneration was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company’s remuneration policy and prevailing market situation.

Mr. KF Chan did not hold any directorship in any public companies listed in or outside Hong Kong in the past three years. He does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. KF Chan has been granted 2,000,000 options under the Share Option Scheme (each option shall entitle him to subscribe for one Share) at an exercise price of HK\$1.12 each, which are exercisable from 25 February 2011 to 24 February 2013. Save

as disclosed above, he does not have any other interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. KF Chan has not been involved in any of the matters referred to Rules 13.51(2)(h) to 13.51(2)(x) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

**Mr. Kwok Sze Chi** (“Mr. Kwok”), aged 56, joined the Group as its marketing director in 2008 and was appointed as an Executive Director of the Company on 4 August 2010. Mr. Kwok is responsible for the formulation of corporate strategy, overseeing operations, investment analysis, staff training and the overall steering of the Group’s management, focusing on the areas of marketing and business development for both Bright Smart Securities and Bright Smart Futures. Mr. Kwok is a licensed responsible officer by SFC for engaging in the Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities. He is also a licensed representative by SFC for engaging in the type 2 (dealing in futures contracts) regulated activity. Mr. Kwok previously held senior positions with Peace Town Securities Limited and Cheerful Securities Limited. He has over 20 years of experience in securities and futures businesses and has expertise in marketing strategy, securities analysis and corporate management. Mr. Kwok has held the position of director of The Institute of Securities Dealers Limited and vice chairman of The Hong Kong Institute of Financial Analysts and Professional Commentators Limited since 2001 and 2004 respectively. Mr. Kwok is also an independent non-executive director of Victory City International Holdings Limited, a listed company in Hong Kong.

Mr. Kwok has entered into a service agreement with the Company for an initial term of three years commencing from 25 August 2010, which is automatically renewable for successive terms of one year each, which may be terminated by either party furnishing a prior written notice of not less than 12 months and in any event subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. His remuneration is HK\$1,320,000 (after adjustment from HK\$1,200,000 with effect from 1 February 2011) per annum, with a performance bonus at the absolute discretion of the Company. His remuneration was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company’s remuneration policy and prevailing market situation.

Mr. Kwok does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Kwok has been granted 2,000,000 options under the Share Option Scheme (each option shall entitle him to subscribe for one Share) at an exercise price of HK\$1.12 each, which are exercisable from 25 February 2011 to 24 February 2013. Save as disclosed above, he does not have any other

interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. Kwok has not been involved in any of the matters referred to Rules 13.51(2)(h) to 13.51(2)(x) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

**Mr. Chan Wing Shing, Wilson** (“Mr. Wilson Chan”), aged 46, is the dealing director of the Group and was appointed as an Executive Director of the Company on 4 August 2010. He became a director for both Bright Smart Securities and Bright Smart Futures in 2003. He is responsible for supervising the daily operations of Bright Smart Securities and Bright Smart Futures, focusing on the core area of dealing operations. Mr. Wilson Chan has over eight years of experience in securities and futures businesses. Mr. Wilson Chan is a licensed responsible officer by SFC for engaging in the Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities.

Mr. Wilson Chan is the nephew of Mr. Yip, the Chairman, an Executive Director and the Controlling Shareholder of the Company. Save as disclosed above, Mr. Wilson Chan does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Wilson Chan has entered into a service agreement with the Company for an initial term of three years commencing from 25 August 2010, which is automatically renewable for successive terms of one year each, which may be terminated by either party furnishing a prior written notice of not less than 12 months and in any event subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. His remuneration is HK\$660,000 (after adjustment from HK\$540,000 with effect from 1 February 2011) per annum, with a performance bonus at the absolute discretion of the Company. His remuneration was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company’s remuneration policy and prevailing market situation.

Mr. Wilson Chan did not hold any directorship in any public companies listed in or outside Hong Kong in the past three years. Mr. Wilson Chan has been granted 400,000 options under the Share Option Scheme (each option shall entitle him to subscribe for one Share) at an exercise price of HK\$1.12 each, which are exercisable from 25 February 2011 to 24 February 2013. Save as disclosed above, he does not have any other interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. Wilson Chan has not been involved in any of the matters referred to Rules 13.51(2)(h) to 13.51(2)(x) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.



**Mr. Yu Yun Kong** (“Mr. Yu”), aged 45, was appointed as an Independent Non-executive Director on 4 August 2010 and was appointed as a member of the Company’s Remuneration Committee and Nomination Committee, as well as the Chairman of the Audit Committee on the same date. Mr. Yu is a practising certified public accountant with over 20 years of experience in public accounting practice. Mr. Yu is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Yu has entered into a service agreement with the Company for a fixed term of three years commencing from 25 August 2010, which may be terminated by either party furnishing a prior written notice of not less than three months and in any event subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. His remuneration is HK\$140,000 per annum (HK\$154,000 per annum with effect from 1 July 2011), which was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company’s remuneration policy and prevailing market situation.

Mr. Yu did not hold any directorship in any public companies listed in or outside Hong Kong in the past three years. He does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Yu has been granted 666,000 options under the Share Option Scheme (each option shall entitle him to subscribe for one Share) at an exercise price of HK\$1.12 each, which are exercisable from 25 February 2011 to 24 February 2013. Save as disclosed above, he does not have any other interest in the Share, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. Yu has not been involved in any of the matters referred to Rules 13.51(2)(h) to 13.51(2)(x) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

**Mr. Szeto Wai Sun** (“Mr. Szeto”), aged 52, was appointed as an Independent Non-executive Director on 4 August 2010 and was appointed as a member of the Company’s Audit Committee, Remuneration Committee and Nomination Committee on the same date. Mr. Szeto holds a Bachelor’s Degree in Laws (Hons) from the University of Hong Kong and a Postgraduate Certificate in Laws from the same university. He was admitted as a solicitor in Hong Kong in 1985 and worked in a number of law firms in Hong Kong including Chan & Co., Y.T. and Cheung & Co., Edmund before becoming a partner in Szeto W.S. & Lee. Mr. Szeto obtained the Professional Certificate in Chinese Civil & Commercial Law, a course which was jointly organised by Tsinghua University in the PRC and the School of Professional and Continuing Education of The University of Hong Kong in 2002.



Mr. Szeto has entered into a service agreement with the Company for a fixed term of one year commencing from 25 August 2010, which has been extended to 24 August 2013 by virtue of a supplemental agreement signed between the Company and Mr. Szeto on 8 June 2011. The service agreement may be terminated by either party furnishing a prior written notice of not less than three months and in any event subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. His remuneration is HK\$120,000 per annum (HK\$132,000 per annum with effect from 1 July 2011), which was determined by the Board on recommendation of the Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company's remuneration policy and prevailing market situation.

Mr. Szeto did not hold any directorship in any public companies listed in or outside Hong Kong in the past three years. He does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Szeto has been granted 666,000 options under the Share Option Scheme (each option shall entitle him to subscribe for one Share) at an exercise price of HK\$1.12 each, which are exercisable from 25 February 2011 to 24 February 2013. Save as disclosed above, he does not have any other interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. Szeto has not been involved in any of the matters referred to Rules 13.51(2)(h) to 13.51(2)(x) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

**Mr. Ling Kwok Fai, Joseph** ("Mr. Ling"), aged 55, was appointed as an Independent Non-executive Director on 4 August 2010 and was appointed as a member of the Company's Audit Committee, Remuneration Committee and Nomination Committee on the same date. He is an associate member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries. He has over 15 years' experience in accounting, finance and administration. Mr. Ling joined Midland Realty (Holdings) Limited in 1990 and was the executive director when he left the company in 1997. Prior to that, Mr. Ling was a controller of Hong Kong Telephone Company Limited. Mr. Ling has also worked at Chase Manhattan Bank and the First National Bank of Boston in accounting field. Mr. Ling has been a director and the company secretary of a charitable organisation since 2004 onwards.

Mr. Ling has entered into a service agreement with the Company for a fixed term of three years commencing from 25 August 2010, which may be terminated by either party furnishing a written notice of not less than three months and in any event subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. His remuneration is HK\$100,000 per annum (HK\$110,000 per annum with effect from 1 July 2011), which was determined by the Board on recommendation of the

Remuneration Committee of the Company and by reference to his duties, responsibilities and experience, as well as the Company's remuneration policy and prevailing market situation.

Mr. Ling did not hold any directorship in any public companies listed in or outside Hong Kong in the past three years. He does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Ling has been granted 666,000 options under the Share Option Scheme (each option shall entitle him to subscribe for one Share) at an exercise price of HK\$1.12 each, which are exercisable from 25 February 2011 to 24 February 2013. Save as disclosed above, he does not have any other interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO. Mr. Ling has not been involved in any of the matters referred to Rules 13.51(2)(h) to 13.51(2)(x) of the Listing Rules and there are no other matters that needs to be brought to the attention of the Shareholders.

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# NOTICE OF ANNUAL GENERAL MEETING

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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)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Bright Smart Securities & Commodities Group Limited (the “Company”) will be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 20 July 2011 at 9:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries, the directors’ report and the independent auditor’s report for the year ended 31 March 2011.
2. To approve a final dividend for the year ended 31 March 2011.
3. To re-elect retiring Directors and to authorize the Board to fix the Directors’ remuneration.
4. To re-appoint the auditor and to authorize the Board to fix their remuneration.

**As Special Business:**

5. To consider and, if thought fit, pass the following resolutions, with or without amendments, as Ordinary Resolutions:

**Ordinary Resolutions**

(A) “**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase shares of HK\$0.30 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules

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## NOTICE OF ANNUAL GENERAL MEETING

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Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution, and the said approval shall be limited accordingly; and
  - (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the revocation or variation of the authority given under this Resolution 5(A) by an ordinary resolution of the shareholders of the Company in general meeting; or
    - (iii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held.”
- (B) **“THAT:**
- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to issue, allot and deal with additional shares in the Company, and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any of the warrants or securities which are convertible into shares of the Company; or (iii) an issue of shares in the Company as scrip dividends pursuant to the Articles of Association of the Company from time to time; or (iv) an issue of shares in the Company under any option scheme or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries of shares in the Company or rights to acquire shares in the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this Resolution 5(B) by an ordinary resolution of the shareholders of the Company in general meeting; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and

“Rights Issue” means an offer of shares in the Company, open for a period fixed by the directors to the holders of shares, whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

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## NOTICE OF ANNUAL GENERAL MEETING

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- (C) “**THAT** subject to the passing of the Ordinary Resolutions Nos. 5(A) and 5(B) in the Notice convening this Annual General Meeting, the general mandate granted to the Directors and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by addition thereto of an amount representing the aggregate nominal amount of shares in the share capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to the exercise by the Directors of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution.”

By Order of the Board

**Chan Kai Fung**

*CEO & Executive Director*

Hong Kong, 16 June 2011

*Principal Share Registrar and Transfer Office*

Appleby Trust (Cayman) Ltd.

Clifton House, 75 Fort Street

P.O. Box 1350

Grand Cayman

KY1-1108

Cayman Islands

*Hong Kong Share Registrar*

Tricor Investor Services Limited

26th Floor, Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

*Notes:*

1. A member of the Company entitled to attend and vote at the Annual General Meeting (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the Annual General Meeting is enclosed herewith.
3. In order to be valid, the form of proxy and the power of attorney (if any), under which it is signed or a notarially certified copy thereof, must be lodged at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the above meeting or any adjournment thereof.

*As at the date of this notice, the Executive Directors are Mr. Yip Mow Lum (Chairman), Mr. Chan Kai Fung (CEO), Mr. Kwok Sze Chi and Mr. Chan Wing Shing, Wilson; and the Independent Non-executive Directors are Mr. Yu Yun Kong, Mr. Szeto Wai Sun and Mr. Ling Kwok Fai, Joseph.*