THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Composite Document and/or the accompanying Form of Acceptance or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or otherwise transferred all your securities in **Bright Smart Securities & Commodities Group Limited**, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s), or the licensed securities dealer or registered institution in securities, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer. This Composite Document is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

耀才證券
BRIGHT SMART SECURITIES
香港交易所上市公司(1428)

WEALTHINESS AND PROSPERITY HOLDING LIMITED
(Incorporated in the Cayman Islands with limited liability)

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)

COMPOSITE OFFER AND RESPONSE DOCUMENT UNCONDITIONAL MANDATORY CASH OFFER BY MORGAN STANLEY ASIA LIMITED FOR AND ON BEHALF OF THE OFFEROR FOR ALL THE ISSUED SHARES OF THE COMPANY (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES)

EXCLUSIVE FINANCIAL ADVISER TO THE OFFEROR

Morgan Stanley

INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE

SOMERLEY CAPITAL LIMITED

Unless the context otherwise requires, capitalised terms used in this Composite Document (including this cover page) have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A "Letter from Morgan Stanley" containing, among other things, the details of the terms and conditions of the Offer is set out on pages 13 to 26 of this Composite Document. A "Letter from the Board" is set out on pages 27 to 36 of this Composite Document. A "Letter from the Independent Board Committee" containing the Independent Board Committee's recommendations to the Independent Shareholders in respect of the Offer is set out on pages 37 to 39 of this Composite Document. A "Letter from the Independent Financial Adviser" containing the Independent Financial Adviser's advice and recommendations to the Independent Board Committee in respect of the Offer is set out on pages 40 to 65 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in "Appendix I — Further Terms and Procedures for Acceptance of the Offer" to this Composite Document and in the accompanying Form of Acceptance. Acceptance of the Offer should be received by the Registrar by no later than 4:00 p.m. on Wednesday, 29 April 2026 (or such later time(s) and/or date(s) as the Offeror may determine and announce, with the consent of the Executive, in accordance with the Takeovers Code).

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside of Hong Kong should read the details in this regard which are contained in the sections headed "Overseas Shareholders" in the "Letter from Morgan Stanley" and "7. Overseas Shareholders" in Appendix I to this Composite Document before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Offer to satisfy himself, herself or itself as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with all necessary formalities, regulatory and/or legal requirements. Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer.

This Composite Document will remain on the websites of the Stock Exchange at https://www.hkexnews.hk and the Company at https://www.bsgroup.com.hk as long as the Offer remains open.

8 April 2026

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The expected timetable set out below is indicative only and may be subject to change. Further announcement(s) will be made by the Offeror and the Company in the event of any changes to the timetable as and when appropriate. Unless otherwise specified, all times and dates references contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong times and dates.

Event	**Hong Kong time and dates**
Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer *(Note 1)*	Wednesday, 8 April 2026
Offer open for acceptance *(Note 1)*	Wednesday, 8 April 2026
Latest time and date for acceptance of the Offer *(Notes 1, 3 and 5)*	4:00 p.m. on Wednesday, 29 April 2026
Closing Date *(Notes 2 and 3)*	Wednesday, 29 April 2026
Announcement of the results of the Offer (or its extension or revision, if any) to be posted on the websites of the Stock Exchange and of the Company *(Notes 2 and 5)*	no later than 7:00 p.m. on Wednesday, 29 April 2026
Latest date for despatch of cheques for payment of the amounts due in respect of valid acceptances received under the Offer *(Notes 4 and 5)*	Monday, 11 May 2026

Notes:

(1) The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as may be determined and announced by the Offeror in compliance with the Takeovers Code. Acceptance of the Offer shall be irrevocable and cannot be withdrawn, except in the circumstances set out in the paragraph headed "5. Right of Withdrawal" in Appendix I to this Composite Document.

(2) In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days after the date of this Composite Document. The latest time and date for acceptance will be at 4:00 p.m. on Wednesday, 29 April 2026 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror and the Company will jointly issue an announcement through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on Wednesday, 29 April 2026 stating the results of the Offer and whether the Offer has been revised, extended or expired. In the event that the Offeror decides to revise or extend the Offer, and the announcement does not specify the next closing date, at least 14 days' notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.

(3) Beneficial owners of the Offer Shares who hold their Offer Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant and who wish to accept the Offer should note the timing requirements (as set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of HKSCC and HKSCC Operational Procedures.

(4) Remittances in respect of the cash consideration (after deducting the seller's Hong Kong ad valorem stamp duty payable in respect of the Offer) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents (receipt of which renders such acceptance complete and valid), in accordance with the Takeovers Code, this Composite Document and the relevant accompanying Form of Acceptance.

(5) If a tropical cyclone warning signal number 8 or above, or a black rainstorm warning, or "extreme conditions" as announced by the Government of Hong Kong is/are in force in Hong Kong:

(a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer and/or the latest date for despatch of cheques for payment of the amounts due under the Offer in respect of valid acceptances (as the case may be), the latest time for acceptance of the Offer will remain at 4:00 p.m. on the same Business Day and/or the latest date for despatch of cheques will remain on the same Business Day; or

(b) at any time between 12:00 noon and/or thereafter on the latest date for acceptance of the Offer and/or the latest date for despatch of cheques for payment of the amounts due under the Offer in respect of valid acceptances (as the case may be), the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 12:00 noon and/or thereafter and/or the latest date for despatch of cheques will be rescheduled to the following Business Day which does not have either of those warnings in force between 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

NOTICE TO THE OVERSEAS SHAREHOLDERS

To the extent practicable and permissible under applicable laws and regulations, the Offeror is making the Offer available to all Independent Shareholders, including those who are citizens, residents or nationals of a jurisdiction outside Hong Kong. The making and the implementation of the Offer to persons with a registered address outside or otherwise not residing in Hong Kong may be subject to the laws and regulations of the relevant overseas jurisdictions in which such persons are resident. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe, at their own responsibility, any applicable legal or regulatory requirements and, where necessary, seek legal advice.

The acceptance of the Offer by the Overseas Shareholders may be subject to the laws and regulations of the relevant jurisdictions and may or may not be prohibited. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with all necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions) and, where necessary, seek legal advice.

Any acceptance by any Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror, the Company and their respective advisers (including Morgan Stanley) that the relevant local laws and regulatory requirements have been complied with.

The Offeror, the Offeror Concert Parties, the Company, Morgan Stanley, the Independent Financial Adviser, the Registrar, their respective ultimate beneficial owners, directors, officers, employees, advisers, agents and associates and any other persons involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please refer to the paragraphs headed “Overseas Shareholders” in the “Letter from Morgan Stanley” and “7. Overseas Shareholders” in Appendix I to this Composite Document for further information.

Overseas Shareholders should consult their professional advisers if in doubt.

Notice to U.S. investors

The Offer will be made for the securities of a company incorporated in the Cayman Islands and is subject to Hong Kong disclosure and other procedural requirements, which are different from those of the United States. In addition, U.S. holders of Shares should be aware that this

Composite Document has been prepared in accordance with Hong Kong format and style, which differs from United States format and style. The Offer will be extended to the United States pursuant to the applicable U.S. tender offer rules, in particular, Regulation 14E promulgated pursuant to the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**") or an available exemption therefrom and otherwise in accordance with the requirements of the SFO. Accordingly, the Offer will be subject to Hong Kong disclosure and other procedural requirements, including with respect to withdrawal rights and settlement procedures, which may differ from those applicable under U.S. domestic tender offer procedures and law.

The receipt of cash pursuant to the Offer by a U.S. holder of Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of acceptance of the Offer.

It may be difficult for U.S. holders of Shares to enforce their rights and any claims arising out of the U.S. federal securities laws, since the Offeror and the Company are located in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. In addition, most of the assets of the Offeror and the Group are located outside the United States. U.S. holders of Shares may not be able to bring a claim against a non-U.S. company or its officers or directors in a non-U.S. court for any violations of the securities laws of the United States. Further, it may be difficult for U.S. holders of Shares to effect service of process within the United States upon the Offeror or the Company or their respective officers or directors or to enforce against them a judgment of a U.S. court predicated upon the federal or state securities laws of the United States.

In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Offeror hereby discloses that it or its affiliates or its nominees, or their respective brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, provided that any such purchase or arrangement complies with applicable law and is made outside the United States. Any information about such purchases will be reported to the SFC and will be available on the SFC website at www.sfc.hk.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements which may be identified by words such as "believe", "expect", "anticipate", "intend", "plan", "seek", "estimate", "will", "would" or words of similar meaning, that involve risks and uncertainties, as well as assumptions.

All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Offeror and the Company assume no obligation and do not intend to update these forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the Listing Rules and/or the Takeovers Code.

Unless the context requires otherwise, the following expressions shall have the meanings set out below in this Composite Document:

"2023 Annual Report"	the annual report of the Company for the year ended 31 March 2023 published on 14 July 2023
"2023 Financial Statements"	the audited consolidated financial statements of the Group for the year ended 31 March 2023
"2024 Annual Report"	the annual report of the Company for the year ended 31 March 2024 published on 12 July 2024
"2024 Financial Statements"	the audited consolidated financial statements of the Group for the year ended 31 March 2024
"2025 Annual Report"	the annual report of the Company for the year ended 31 March 2025 published on 11 July 2025
"2025 Financial Statements"	the audited consolidated financial statements of the Group for the year ended 31 March 2025
"2025/26 H1 Financial Statements"	the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2025
"2025/26 Interim Report"	the interim report of the Company for the six months ended 30 September 2025 published on 15 December 2025
"Acquisition"	the sale and purchase of the Sale Shares by the Offeror from the Seller in accordance with the terms and conditions of the Share Purchase Agreement
"acting in concert"	has the same meaning as ascribed to it under the Takeovers Code

"Alibaba Holding"	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, with its American depository shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock Symbol: BABA) and its ordinary shares listed on the Main Board (Stock Codes: 9988 (HKD Counter) and 89988 (RMB Counter))
"Ant Holdco"	Ant Group Co., Ltd.* (螞蟻科技集團股份有限公司), a company organised under the laws of the PRC
"Ant Wealth"	Ant Wealth (Shanghai) Technology Co., Ltd.* (螞蟻財富(上海)科技有限公司) (formerly known as Ant Wealth (Shanghai) Financial Information Services Co., Ltd.* (螞蟻財富(上海)金融信息服務有限公司))
"associate(s)"	has the meaning ascribed to it under the Takeovers Code
"associated company(ies)"	has the meaning ascribed to it under the Takeovers Code
"Board"	the board of Directors
"Business Day"	a day on which the Stock Exchange is open for the transaction of business
"Company"	Bright Smart Securities & Commodities Group Limited (stock code: 1428), a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board
"Companies Act"	the Companies Act (2025 Revision) of the Cayman Islands, as amended from time to time
"Completion"	completion of the Acquisition in accordance with the terms and conditions of the Share Purchase Agreement
"Completion Announcement"	the joint announcement dated 30 March 2026 issued by the Offeror and the Company in relation to, among other things, Completion

"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Closing Date"	Wednesday, 29 April 2026, being the closing date of the Offer which is 21 days from the date of this Composite Document (or if the Offer is revised or extended, any subsequent closing date as may be determined and announced by the Offeror, with the consent of the Executive, in accordance with the Takeovers Code)
"Composite Document"	this composite offer and response document jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer
"Director(s)"	the director(s) of the Company from time to time
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegate(s) of the Executive Director
"Form of Acceptance"	the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	the independent committee of the Board, comprising the independent non-executive Directors, namely, Mr. Yu Yun Kong, Mr. Szeto Wai Sun, Mr. Ling Kwok Fai, Joseph and Ms. Wong Ting Ting, Priscilla to give a recommendation to the Independent Shareholders on whether the Offer is fair and reasonable and as to acceptance of the Offer

"Independent Financial Adviser" or "Somerley"	Somerley Capital Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Independent Board Committee in accordance with Rule 2.1 of the Takeovers Code for the purpose of advising the Independent Board Committee in respect of the Offer and as to the acceptance of the Offer
"Independent Shareholders"	Shareholders other than the Offeror and the Offeror Concert Parties
"Joint Announcement"	the joint announcement dated 25 April 2025 issued by the Offeror and the Company in relation to, among other things, the Share Purchase Agreement and the Offer
"Junao"	Hangzhou Junao Equity Investment Partnership (Limited Partnership)* (杭州君澳股權投資合夥企業(有限合夥))
"Junhan"	Hangzhou Junhan Equity Investment Partnership (Limited Partnership)* (杭州君瀚股權投資合夥企業(有限合夥))
"Last Trading Day"	22 April 2025, being the last full trading day of the Shares on the Stock Exchange before the publication of the Joint Announcement
"Latest Practicable Date"	Thursday, 2 April 2026, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macau"	the Macau Special Administrative Region
"Main Board"	the Main Board of the Stock Exchange

"Morgan Stanley"	Morgan Stanley Asia Limited, the exclusive financial adviser to the Offeror in connection with the Offer, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities
"New Directors"	the new Directors nominated by the Offeror, whose appointment takes effect upon the posting of this Composite Document, namely, Ms. Zheng Yanlan, Mr. Huang Hao, Mr. Liu Zheng, Mr. Richard Chih-Chiu Lin, Mr. Lyn Frank Yee Chon, Dr. Jiang Guorong, Mr. Hung Cheung Fuk and Prof. Zhang Qian
"Offer"	the unconditional mandatory cash offer made by Morgan Stanley for and on behalf of the Offeror to acquire the Offer Shares in compliance with the Takeovers Code
"Offeror"	Wealthiness and Prosperity Holding Limited, an exempted company incorporated in the Cayman Islands with limited liability, which is beneficially owned by Ant Holdco
"Offeror Concert Parties"	any parties acting in concert with the Offeror under the definition of "acting in concert" under the Takeovers Code (including Shanghai Yunjin and Ant Holdco)
"Offeror Group"	Ant Holdco, together with its subsidiaries
"Offer Period"	has the meaning ascribed to it under the Takeovers Code which commenced on 25 April 2025 (being the date of the Joint Announcement) and ends on the date when the Offer closes in accordance with the Takeovers Code
"Offer Price"	the price at which the Offer is made, being HK$3.28 per Offer Share

"Offer Share(s)"	all of the Shares (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties)
"Overseas Shareholder(s)"	Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong
"PRC"	the People's Republic of China (for the purpose of this Composite Document, excluding Hong Kong, Macau and Taiwan)
"Registrar"	Tricor Investor Services Limited, the Hong Kong branch share registrar of the Company, situated at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong, being the agent to receive the Form of Acceptance under the Offer
"Relevant Period"	the period commencing on 25 October 2024, being the date falling six months immediately preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
"Sale Shares"	857,980,000 Shares acquired by the Offeror from the Seller pursuant to the Share Purchase Agreement
"Seller"	New Charming Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Yip Mow Lum, the current chairman of the Company
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shanghai Yunjin"	Shanghai Yunjin Information Technology Co., Ltd.* (上海雲進信息技術有限公司), a limited liability company established under the laws of the PRC and wholly-owned by Ant Holdco

"Shareholder(s)"	the registered holder(s) of the Share(s)
"Share Purchase Agreement"	the share purchase agreement dated 25 April 2025 and entered into between the Seller and the Offeror in relation to the sale and purchase of the Sale Shares, as supplemented and amended by an amendment agreement dated 25 November 2025 entered into between the Seller and the Offeror
"Share(s)"	the ordinary share(s) of HK$0.30 each in the issued share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Xingtao"	Hangzhou Xingtao Enterprise Management Consultancy Co., Ltd.* (杭州星滔企業管理諮詢有限公司)
"Yunbo"	Hangzhou Yunbo Investment Consultancy Co., Ltd.* (杭州雲鉑投資諮詢有限公司)
"%"	per cent.

* *For identification purposes only*

Morgan Stanley

Morgan Stanley Asia Limited

8 April 2026

To the Independent Shareholders

Dear Sir/Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY
MORGAN STANLEY ASIA LIMITED
FOR AND ON BEHALF OF THE OFFEROR FOR ALL THE ISSUED SHARES OF THE COMPANY (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES)**

INTRODUCTION

We refer to (i) the Joint Announcement; (ii) the joint announcements dated 13 June 2025, 11 July 2025, 11 August 2025, 11 September 2025, 10 October 2025, 11 November 2025, 29 December 2025, 29 January 2026 and 2 March 2026 issued by the Offeror and the Company in relation to the status of satisfaction of the conditions precedent to Completion; (iii) the joint announcement dated 16 May 2025 issued by the Offeror and the Company in relation to the delay in despatch of the composite document in relation to the Offer; (iv) the announcement issued by the Company dated 28 May 2025 in relation to the appointment of the Independent Financial Adviser; (v) the joint announcement dated 25 November 2025 issued by the Offeror and the Company in relation to, among others, the extension of the long stop date under the Share Purchase Agreement and further delay in despatch of the composite document; (vi) the joint announcement dated 16 March 2026 issued by the Offeror and the Company in relation to the satisfaction of the conditions precedent under the Share Purchase Agreement; and (vii) the Completion Announcement.

As disclosed in the Joint Announcement, on 25 April 2025, the Seller and the Offeror entered into the Share Purchase Agreement pursuant to which the Seller conditionally agreed to sell and the Offeror conditionally agreed to acquire the Sale Shares, being 857,980,000 Shares, representing approximately 50.55% of the total issued Shares and the Seller's entire shareholding in the Company as at the date of the Share Purchase Agreement, for a total cash consideration of HK$2,814,174,400 (equivalent to HK$3.28 per Sale Share).

Immediately prior to Completion, none of the Offeror and the Offeror Concert Parties owned, controlled or had direction over any Shares or otherwise held convertible securities, warrants or options of the Company. Immediately upon Completion, which took place on 30 March 2026, and as at the Latest Practicable Date, the Offeror and the Offeror Concert Parties held in aggregate 857,980,000 Shares, representing approximately 50.55% of the total issued Shares.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make an unconditional mandatory cash offer to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties).

This letter sets out, among other things, details of the Offer (including the expected timetable) and information on the Offeror and the intention of the Offeror regarding the Group. Further details of the terms and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document (of which this letter forms part) and the accompanying Form of Acceptance.

The Independent Shareholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" as set out in this Composite Document, the appendices to this Composite Document and the accompanying Form of Acceptance and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

Terms used in this letter shall have the same meanings as defined in this Composite Document unless the context otherwise requires.

THE OFFER

Morgan Stanley is making the Offer for and on behalf of the Offeror to acquire all the Offer Shares on terms set out in this Composite Document in compliance with the Takeovers Code on the following basis:

For each Offer Share. . . . . **HK$3.28 in cash**

The Offer Price of HK$3.28 per Offer Share is the same as the price per Sale Share of HK$3.28 paid by the Offeror under the Share Purchase Agreement.

The Offeror will not increase the Offer Price. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares. The Offer is extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances and together with all rights attaching to them, including, without limitation, the right to receive all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of this Composite Document.

If after the date of this Composite Document, any dividend, distribution and/or return of capital is announced, declared, made and/or paid in respect of the Shares, the Offeror will reduce the Offer Price by the gross amount of the dividend, distribution and/or return of capital paid or made by the Company in respect of each Offer Share to such Independent Shareholders who accept or have accepted the Offer, and, unless otherwise specified or the context otherwise requires, any reference in the Joint Announcement, this Composite Document or any other announcement in relation to the Offer to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. Any such reduction will only apply to those Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital.

The Company had confirmed that, as at the Latest Practicable Date, (i) it had not declared any dividend and/or other distribution and/or other return of capital which remains unpaid; and (ii) it did not intend to declare, make or pay any dividend and/or other distribution and/or other return of capital before the Closing Date, or the lapse, withdrawal or termination of the Offer (whichever is earlier).

Further details of the terms of the Offer and the procedures for acceptance are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

Comparison of value

The Offer Price of HK$3.28 per Offer Share represents:

(a) a discount of approximately 74.0% to the closing price of the Shares as quoted on the Stock Exchange on the Latest Practicable Date of HK$12.60 per Share;

(b) a premium of approximately 17.6% over the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day of HK$2.79 per Share;

(c) a premium of approximately 20.6% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) trading days up to and including the Last Trading Day of HK$2.72 per Share;

(d) a premium of approximately 26.6% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the ten (10) trading days up to and including the Last Trading Day of HK$2.59 per Share;

(e) a premium of approximately 18.8% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the thirty (30) trading days up to and including the Last Trading Day of HK$2.76 per Share;

(f) a premium of approximately 23.8% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the sixty (60) trading days up to and including the Last Trading Day of HK$2.65 per Share;

(g) a premium of approximately 272.7% over the audited consolidated net asset value of approximately HK$0.88 per Share, based on the audited consolidated net assets of the Company as at 31 March 2025 and the number of Shares in issue as at the Latest Practicable Date; and

(h) a premium of approximately 203.7% over the unaudited consolidated net asset value of approximately HK$1.08 per Share, based on the unaudited consolidated net assets of the Company as at 30 September 2025 and the number of Shares in issue as at the Latest Practicable Date.

Highest and lowest Share prices

During the Relevant Period, the highest closing price per Share as quoted on the Stock Exchange was HK$17.10 on 21 July 2025 and the lowest closing price per Share as quoted on the Stock Exchange was HK$2.11 on 28 November 2024.

Value of the Offer

As at the Latest Practicable Date, there were 1,697,296,308 Shares in issue and the Company did not have any outstanding options, warrants, derivatives or securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

On the basis of the Offer Price of HK$3.28 per Offer Share, the entire issued share capital of the Company would be valued at HK$5,567,131,890.24.

Assuming no new Shares are issued after the Latest Practicable Date, and excluding the 857,980,000 Shares held by the Offeror, 839,316,308 Shares will be subject to the Offer. On the basis of the Offer Price of HK$3.28 per Offer Share and 839,316,308 Offer Shares, the Offer would be valued at, and the maximum consideration payable by the Offeror for full acceptance of the Offer would be, HK$2,752,957,490.24.

Confirmation of financial resources

The Offeror intends to finance and satisfy the consideration payable upon full acceptance of the Offer by internal resources.

Morgan Stanley, being the exclusive financial adviser to the Offeror in connection with the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable upon full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, the Independent Shareholders will sell their Shares to the Offeror free from all encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Independent Shareholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer which are included in this Composite Document.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with the acceptance of the Offer amounting to 0.1% of the higher of (i) the amount payable in respect of relevant acceptances by the Independent Shareholders; and (ii) the market value of the Offer Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the cash amount payable to the Independent Shareholders who accept the Offer. The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the accepting Independent Shareholders and will pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptances of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Settlement

Settlement of the consideration payable by the Offeror for acceptances in respect of the Offer Shares will be made in cash as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed acceptances of the Offer and the relevant documents of title in respect of such acceptances are received by the Offeror (or its agent) to render each such acceptance complete and valid pursuant to the Takeovers Code.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest cent.

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, the Offeror Concert Parties, the Company, Morgan Stanley, the Independent Financial Adviser and (as the case may be) their respective ultimate beneficial owners, directors, officers, employees, advisers, agents or associates or any other person involved in the Offer is in a position to advise the Independent Shareholders on their individual tax implications or accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer. Each Independent Shareholder is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Offer applicable to him/her/it. Shareholders accepting the Offer shall be responsible for completing all necessary tax reporting formalities and pay all taxes and charges due in any relevant jurisdiction.

Overseas Shareholders

To the extent practicable and permissible under applicable laws and regulations, the Offeror is making the Offer available to all Independent Shareholders, including those who are citizens, residents or nationals of a jurisdiction outside Hong Kong. The making and the implementation of the Offer to persons with a registered address outside or otherwise not residing in Hong Kong may be subject to the laws and regulations of the relevant overseas jurisdictions in which such persons are resident. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe, at their own responsibility, any applicable legal or regulatory requirements and, where necessary, seek legal advice.

The acceptance of the Offer by the Overseas Shareholders may be subject to the laws and regulations of the relevant jurisdictions and may or may not be prohibited. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with all necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions) and, where necessary, seek legal advice.

Any acceptance of the Offer by any Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror, the Company and their respective advisers (including Morgan Stanley) that the relevant local laws and regulatory requirements have been complied with. Overseas Shareholders should consult their professional advisers if in doubt.

Based on the register of members of the Company, as at the Latest Practicable Date, there were two Overseas Shareholders with registered addresses located outside Hong Kong (namely the PRC and Macau). Having made reasonable enquiries, it is satisfied that there is no restriction under the laws or regulation of the PRC and Macau against despatching the Composite Document and the accompanying Form of Acceptance. For U.S. investors, please refer to the section headed "Notice to U.S. investors".

Notice to U.S. investors

The Offer will be made for the securities of a company incorporated in the Cayman Islands and is subject to Hong Kong disclosure and other procedural requirements, which are different from those of the United States. In addition, U.S. holders of Shares should be aware that this Composite Document has been prepared in accordance with Hong Kong format and style, which differs from United States format and style. The Offer will be extended to the United States pursuant to the applicable U.S. tender offer rules, in particular, Regulation 14E promulgated pursuant to the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**") or an available exemption therefrom and otherwise in accordance with the requirements of the SFO. Accordingly, the Offer will be subject to Hong Kong disclosure and other procedural requirements, including with respect to withdrawal rights and settlement procedures, which may differ from those applicable under U.S. domestic tender offer procedures and law.

The receipt of cash pursuant to the Offer by a U.S. holder of Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of acceptance of the Offer.

It may be difficult for U.S. holders of Shares to enforce their rights and any claims arising out of the U.S. federal securities laws, since the Offeror and the Company are located in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. In addition, most of the assets of the Offeror and the Group are located outside the United States. U.S. holders of Shares may not be able to bring a claim against a non-U.S. company or its officers or directors in a non-U.S. court for any violations of the securities laws of the United States. Further, it may be difficult for U.S. holders of Shares to effect service of process within the United States upon the Offeror or the Company or their respective officers or directors or to enforce against them a judgment of a U.S. court predicated upon the federal or state securities laws of the United States.

In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Offeror hereby discloses that it or its affiliates or its nominees, or their respective brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, provided that any such purchase or arrangement complies with applicable law and is made outside the United States. Any information about such purchases will be reported to the SFC and will be available on the SFC website at www.sfc.hk.

INFORMATION ON THE OFFEROR

As at the Latest Practicable Date, the Offeror and the Offeror Concert Parties were interested in a total of 857,980,000 Shares, representing approximately 50.55% of the total issued Shares of the Company.

The Offeror is an exempted company incorporated in the Cayman Islands with limited liability and its principal activity is investment holding. It is directly wholly-owned by Innovatech Empowerment Company Limited, which is indirectly wholly-owned by Shanghai Yunjin. The sole director of the Offeror is Mr. Huang Hai and the sole director of Shanghai Yunjin is Mr. Huang Hao.

Shanghai Yunjin is a limited liability company established under the laws of the PRC and is wholly-owned by Ant Holdco. Shanghai Yunjin holds various investments, including its wholly-owned subsidiary, Ant Wealth. Ant Wealth is a financial technology service company established in the PRC, positioning itself as a one-stop wealth management service platform launched by the Offeror Group, with a scope of business that includes financial information services, research and development as well as design and consulting services for financial products. There are more than 150 asset management institutions providing diversified inclusive financial services for hundreds of millions of users on Ant Wealth's platform.

As at the Latest Practicable Date, Junhan and Junao held approximately 32% and 22% of Ant Holdco's total issued shares, respectively. Xingtao is the executive partner and general partner of Junhan; Yunbo is the executive partner and general partner of Junao; and Xingtao is held by Mr. Ma Yun, Mr. Han Xinyi, Ms. Zhang Yu, Mr. Huang Chenli and Ms. Zhou Yun as to 20% each and Yunbo is held by Mr. Jing Xiandong, Mr. Shao Xiaofeng, Mr. Ni Xingjun, Ms. Zhao Ying and Ms. Wu Minzhi as to 20% each. The remaining issued shares in Ant Holdco are held as to approximately 33% by Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司), an indirect wholly-owned subsidiary of Alibaba Holding, and as to approximately 13% by other minority shareholders.

The Offeror Group operates one of the world's leading open internet platforms. Through technological innovation, the Offeror Group supports its partners in providing inclusive, convenient digital life and digital financial services to consumers and small and medium enterprises (SMEs). In addition, the Offeror Group has been introducing new technologies and products to support the digital transformation of industries and facilitate collaboration. Working together with global partners, the Offeror Group enables merchants and consumers to make and receive payments and remit around the world.

INFORMATION ON THE GROUP

The Company is an investment holding company and principally engaged in the provision of financial services. The Group operates through four business segments: securities broking, commodities and futures broking, bullion trading and leveraged foreign exchange trading.

Detailed information on the Group is set out under the section headed “Information on the Group” in the “Letter from the Board” and Appendices II and III to this Composite Document.

REASONS FOR AND BENEFITS OF THE OFFER

Strengthen the Group’s market position as a leading local retail brokerage firm in Hong Kong

The securities brokerage industry in Hong Kong has experienced intensifying competition, with total number of brokers exceeding 500, and new players continuing to enter the market through organic application for licences or acquisition of existing brokers.

Despite fierce competition, the Group continues to maintain its market position as a leading brokerage firm in the market. With its expansive online and offline network, high quality services, loyal customer base, long-standing reputation and experienced management, the Group has established its unique value proposition over the years, delivering stable, recurring revenues and maintaining a robust financial profile.

The Offeror firmly believes in generating great market opportunities via the combination of technology and wealth management. With the Offeror Group’s product and technology innovation capabilities, the Group is expected to expand its service offering to a wider age group of customers, and enhance experience for existing customers, driving further business growth.

Accelerate the Group’s digital transformation

Over the past few years, the Group has established an online trading platform, in response to customers’ demand for faster and better online trading services. The Offeror Group’s demonstrated capabilities will facilitate the digitalisation and transformation for the Group, bringing its business operation to the next level, for the purpose of providing best-in-class services and top-notch experience.

With a comprehensive suite of capabilities and infrastructures including customer reach, intelligent decision making, risk management solutions, and innovative product development capabilities, the Offeror Group will accelerate the transformation of the Group's business into a leading trading platform backed by cutting edge technologies.

Refocus the Company's capital allocation strategy to invest in future growth

The Company has focused on shareholder returns via dividend distribution in the past. As the Company looks to accelerate future growth, the partnership with the Offeror Group provides an opportunity for the Company to revamp its capital allocation strategy, striking a balance between delivering near term shareholder returns and maximising long term shareholder value. More capital will be re-invested into the business to enhance its technology infrastructure and improve risk control efficiency, to create a safer, better, and faster platform for customers.

This being said, Shareholders are welcomed to stay invested in the Company alongside the Offeror. However, it is important for the Offeror to obtain sufficient control in order to implement the strategic transformation mentioned above.

Please note that there is no assurance that the technological transformation mentioned above will result in immediate improvements to the operational performance of the Company. Further, any initiatives to be undertaken as a result of the transformation to be conducted after the closing of the Offer will entail significant implementation risks and may or may not lead to positive results for the Company.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business. Nevertheless, following the close of the Offer, the Offeror intends to conduct a detailed review of the existing principal operations and businesses of the Group and the financial position of the Group for the purpose of formulating business plans and long-term development strategies, and will explore other business opportunities for the Group. In this regard, the Offeror may look into opportunities for potential expansion of the business scope within the Group's existing regulated activities, such as leveraging its experience in the wealth management business to develop the Group's wealth management business, subject to satisfying the relevant regulatory requirements.

Save as disclosed above, the proposed changes to the composition of the Board as set out below and the potential changes to certain management personnel, the Offeror has no plan to make any major changes to the current business operations of the Group, including any redeployment of the fixed assets of the Company, or to introduce any major changes in the continued employment of the employees of the Group as a result of the Offer. However, the Offeror reserves the right to make such changes that it deems necessary or appropriate to the benefit of the Group.

Proposed changes to the composition of the Board and Board committees

As at the Latest Practicable Date, the Board comprises seven Directors, with three executive Directors, namely, Mr. Yip Mow Lum, Mr. Hui Yik Bun and Mr. Chan Wing Shing, Wilson, and four independent non-executive Directors, namely, Mr. Yu Yun Kong, Mr. Szeto Wai Sun, Mr. Ling Kwok Fai, Joseph and Ms. Wong Ting Ting Priscilla.

As disclosed in the Completion Announcement, all the current Directors (save and except Mr. Hui Yik Bun) have tendered their resignations from the Board with their resignations taking effect from the day immediately after the closing date of the Offer (being the earliest date as permitted under the Takeovers Code).

The Offeror has nominated and the Board has appointed the following individuals as New Directors with effect upon the posting of this Composite Document (being the earliest date as permitted under the Takeovers Code):

(a) Ms. Zheng Yanlan has been appointed as an executive Director;

(b) each of Mr. Huang Hao, Mr. Liu Zheng and Mr. Richard Chih-Chiu Lin has been appointed as a non-executive Director; and

(c) each of Mr. Lyn Frank Yee Chon, Dr. Jiang Guorong, Mr. Hung Cheung Fuk and Prof. Zhang Qian has been appointed as an independent non-executive Director.

Biographical details of the New Directors have been set out in the Completion Announcement.

Further announcement(s) will be made upon any changes to the Board in compliance with the Takeovers Code and Listing Rules as and when appropriate.

LISTING OF THE SHARES AND RIGHT OF COMPULSORY ACQUISITION

The Stock Exchange has stated that if, at the close of the Offer:

(a) the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) an orderly market does not exist or may not exist, it will consider exercising its discretion to suspend dealings in the Shares; and

(b) the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then (i) the Stock Exchange will add a designated marker to the stock name of the Shares; and (ii) the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer and does not intend to avail itself of any power of compulsory acquisition.

The sole director of the Offeror and the New Directors have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirements of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the Company's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

PROCEDURES FOR ACCEPTANCE AND SETTLEMENT

Your attention is drawn to the further details regarding the procedures for acceptance and settlement of the Offer as set out in the Appendix I to this Composite Document and the accompanying Form of Acceptance.

GENERAL

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for the beneficial owners of the Offer Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions regarding the Offer.

Your attention is drawn to "Further terms and procedures for acceptance of the Offer" as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Attention of the Overseas Shareholders is drawn to the paragraph headed "Overseas Shareholders" under the section headed "THE OFFER" in this letter and Appendix I to this Composite Document.

All documents and remittances will be sent to the Independent Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members or, in case of joint holders, to the Shareholder whose name appears first in the said register of members, unless otherwise specified in the accompanying Form of Acceptance completed, returned and received by the Registrar. None of the Offeror and the Offeror Concert Parties, Morgan Stanley, the Registrar or any of their ultimate beneficial owners, respective directors, officers, employees, advisers, agents or associates or any other person involved in the Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof or in connection therewith.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. In addition, you are reminded to read carefully the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" as set out in this Composite Document and to consult your professional advisers as you see fit, before deciding whether or not to accept the Offer.

In considering what action to take in connection with the Offer, the Independent Shareholders should consult their own professional advisers for professional advice in case of any doubt.

Yours faithfully,
For and on behalf of
Morgan Stanley Asia Limited
Richard Wong
Managing Director

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)
(Stock Code: 1428)

Executive Directors:
Mr. Yip Mow Lum *(Chairman)*
Mr. Hui Yik Bun *(Chief Executive Officer)*
Mr. Chan Wing Shing, Wilson

Independent non-executive Directors:
Mr. Yu Yun Kong
Mr. Szeto Wai Sun
Mr. Ling Kwok Fai, Joseph
Ms. Wong Ting Ting, Priscilla

Registered office:
P.O. Box 31119
Grand Pavilion, Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

Head office and principal place of business:
10th Floor and 23rd Floor
Wing On House
71 Des Voeux Road Central
Central, Hong Kong

8 April 2026

To the Independent Shareholders:

Dear Sir or Madam,

UNCONDITIONAL MANDATORY CASH OFFER BY MORGAN STANLEY ASIA LIMITED FOR AND ON BEHALF OF THE OFFEROR FOR ALL THE ISSUED SHARES OF THE COMPANY (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES)

INTRODUCTION

We refer to (i) the Joint Announcement; (ii) the joint announcements dated 13 June 2025, 11 July 2025, 11 August 2025, 11 September 2025, 10 October 2025, 11 November 2025, 29 December 2025, 29 January 2026 and 2 March 2026 issued by the Offeror and the Company in relation to the status of satisfaction of the conditions precedent to Completion; (iii) the joint announcement dated 16 May 2025 issued by the Offeror and the Company in relation to the delay in despatch of the composite document in relation to the Offer; (iv) the announcement issued by the Company dated 28 May 2025 in relation to the appointment of the Independent Financial Adviser; (v) the joint announcement dated 25 November 2025 issued by the Offeror and the Company in relation to, among others, the extension of the long stop date under the Share Purchase Agreement and further delay in despatch of the composite document; (vi) the joint announcement dated 16 March 2026 issued by the Offeror and the Company in relation to the satisfaction of the conditions precedent under the Share Purchase Agreement; and (vii) the Completion Announcement dated 30 March 2026.

As disclosed in the Joint Announcement, on 25 April 2025, the Seller and the Offeror entered into the Share Purchase Agreement pursuant to which the Seller conditionally agreed to sell and the Offeror conditionally agreed to acquire the Sale Shares, being 857,980,000 Shares, representing approximately 50.55% of the total issued Shares and the Seller's entire shareholding in the Company as at the date of the Share Purchase Agreement, for a total cash consideration of HK$2,814,174,400 (equivalent to HK$3.28 per Sale Share).

Immediately prior to Completion, none of the Offeror and the Offeror Concert Parties owned, controlled or had direction over any Shares or otherwise held convertible securities, warrants or options of the Company. Immediately upon Completion, which took place on 30 March 2026, and as at the Latest Practicable Date, the Offeror and the Offeror Concert Parties held in aggregate 857,980,000 Shares, representing approximately 50.55% of the total issued Shares.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make an unconditional mandatory cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties).

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things: (i) further information relating to the Group, the Offeror and the Offer (including the expected timetable and terms of the Offer); (ii) the letter from Morgan Stanley containing, among other things, details of the Offer; (iii) the letter from the Independent Board Committee to the Independent Shareholders containing its recommendations in respect of the Offer; and (iv) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offer.

Terms used in this letter shall have the same meaning as defined in this Composite Document unless the context otherwise requires.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising the independent non-executive Directors of the Company, namely, Mr. Yu Yun Kong, Mr. Szeto Wai Sun, Mr. Ling Kwok Fai, Joseph and Ms. Wong Ting Ting, Priscilla, has been established in accordance with Rules 2.1 and 2.8 of the Takeovers Code to advise and give a recommendation to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

Pursuant to Rule 2.1 of the Takeovers Code, the Company has appointed, with the approval of the Independent Board Committee, Somerley as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

The full texts of the "Letter from the Independent Board Committee" addressed to the Independent Shareholders and the "Letter from the Independent Financial Adviser" addressed to the Independent Board Committee are set out in this Composite Document. You are advised to read both letters and the additional information contained in the appendices to the Composite Document carefully before taking any action in respect of the Offer.

THE OFFER

As set out in the "Letter from Morgan Stanley" on pages 13 to 26 of this Composite Document, Morgan Stanley is making the Offer for and on behalf of the Offeror to acquire all the Offer Shares on terms set out in this Composite Document in compliance with the Takeovers Code on the following basis:

For each Offer Share. . . . . **HK$3.28 in cash**

The Offer Price of HK$3.28 per Offer Share is the same as the price per Sale Share of HK$3.28 paid by the Offeror under the Share Purchase Agreement.

The Offeror will not increase the Offer Price. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares. The Offer is extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances and together with all rights attaching to them, including, without limitation, the right to receive all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of this Composite Document

If after the date of this Composite Document, any dividend, distribution and/or return of capital is announced, declared, made and/or paid in respect of the Shares, the Offeror will reduce the Offer Price by the gross amount of the dividend, distribution and/or return of capital paid or made by the Company in respect of each Offer Share to such Independent Shareholders who accept or have accepted the Offer, and, unless otherwise specified or the context otherwise requires, any reference in the Joint Announcement, this Composite Document or any other announcement in relation to the Offer to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. Any such reduction will only apply to those Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital.

As at the Latest Practicable Date, (i) the Company had not declared any dividend and/or other distribution and/or other return of capital which remains unpaid; and (ii) the Company did not intend to declare, make or pay any dividend and/or other distribution and/or other return of capital before the closing of the Offer, or the lapse, withdrawal or termination of the Offer (whichever is earlier).

Further details of the terms of the Offer can be found in the "Letter from Morgan Stanley", "Appendix I — Further Terms and Procedures for Acceptance of the Offer" in this Composite Document and the accompanying Form of Acceptance.

Comparison of value

The Offer Price of HK$3.28 per Offer Share represents:

(a) a discount of approximately 74.0% to the closing price of the Shares as quoted on the Stock Exchange on the Latest Practicable Date of HK$12.60 per Share;

(b) a premium of approximately 17.6% over the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day of HK$2.79 per Share;

(c) a premium of approximately 20.6% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) trading days up to and including the Last Trading Day of HK$2.72 per Share;

(d) a premium of approximately 26.6% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the ten (10) trading days up to and including the Last Trading Day of HK$2.59 per Share;

(e) a premium of approximately 18.8% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the thirty (30) trading days up to and including the Last Trading Day of HK$2.76 per Share;

(f) a premium of approximately 23.8% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the sixty (60) trading days up to and including the Last Trading Day of HK$2.65 per Share;

(g) a premium of approximately 272.7% over the audited consolidated net asset value of approximately HK$0.88 per Share, based on the audited consolidated net assets of the Company as at 31 March 2025 and the number of Shares in issue as at the Latest Practicable Date; and

(h) a premium of approximately 203.7% over the unaudited consolidated net asset value of approximately HK$1.08 per Share, based on the unaudited consolidated net assets of the Company as at 30 September 2025 and the number of Shares in issue as at the Latest Practicable Date.

Highest and lowest Share prices

During the Relevant Period, the highest closing price per Share as quoted on the Stock Exchange was HK$17.10 on 21 July 2025 and the lowest closing price per Share as quoted on the Stock Exchange was HK$2.11 on 28 November 2024.

Value of the Offer

As at the Latest Practicable Date, there were 1,697,296,308 Shares in issue and the Company did not have any outstanding options, warrants, derivatives or securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

On the basis of the Offer Price of HK$3.28 per Offer Share, the entire issued share capital of the Company would be valued at HK$5,567,131,890.24.

Assuming no new Shares are issued after the Latest Practicable Date, and excluding the 857,980,000 Shares held by the Offeror, 839,316,308 Shares will be subject to the Offer. On the basis of the Offer Price of HK$3.28 per Offer Share and 839,316,308 Offer Shares, the Offer would be valued at, and the maximum consideration payable by the Offeror for full acceptance of the Offer would be, HK$2,752,957,490.24.

INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability, the Shares of which are currently listed on the Main Board (stock code: 1428). The Company is an investment holding company and principally engaged in the provision of financial services. The Group operates through four business segments: securities broking, commodities and futures broking, bullion trading and leveraged foreign exchange trading.

Financial and general information of the Group are set out in "Appendix II — Financial Information of the Group" and "Appendix III — General Information of the Group" of this Composite Document.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately after Completion and as at the Latest Practicable Date:

	Immediately prior to Completion		**Immediately after Completion and as at the Latest Practicable Date**	
	Number of Shares	*Number of Shares as a percentage of total number of Shares in issue (%)*	*Number of Shares*	*Number of Shares as a percentage of total number of Shares in issue (%)*
(A) Offeror and the Offeror Concert Parties				
Offeror	—	—	857,980,000	50.55
Morgan Stanley[(1)]	—	—	—	—
(B) Seller				
Seller	857,980,000	50.55	—	—
(C) Directors				
Mr. Hui Yik Bun	600,000	0.04	600,000	0.04
Mr. Yu Yun Kong	558,829	0.03	558,829	0.03
Mr. Szeto Wai Sun	217,666	0.01	217,666	0.01
Mr. Ling Kwok Fai, Joseph	70,000	0.00	70,000	0.00
(C) Sub-total	**1,446,495**	**0.09**	**1,446,495**	**0.09**
(D) Public Shareholders	**837,869,813**	**49.36**	**837,869,813**	**49.36**
Total	**1,697,296,308**	**100**	**1,697,296,308**	**100**

Notes:

(1) Morgan Stanley is the exclusive financial adviser to the Offeror in connection with the Offer. Accordingly, Morgan Stanley and the relevant members of the Morgan Stanley group which respectively hold Shares on their own account or manage Shares on a discretionary basis are presumed to be acting in concert with the Offeror in relation to the Company in accordance with class (5) of the definition of "acting in concert" under the Takeovers Code (except in respect of Shares held by members of the Morgan Stanley group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code). Members of the Morgan Stanley group which are exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as Morgan Stanley are not presumed to be acting in concert with the Offeror.

(2) All percentages in the above table are approximations. This table is prepared on the assumption that no new Shares will be issued after the date of this Composite Document.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed "Information on the Offeror" in the "Letter from Morgan Stanley" and "Appendix IV — General Information of the Offeror" of this Composite Document for information on the Offeror.

INTENTION OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the section headed "Intention of the Offeror in relation to the Group" in the "Letter from Morgan Stanley" in this Composite Document for information on the intention of the Offeror regarding the Group. The Board notes the intention of the Offeror and welcomes in particular, the potential expansion of the business within the Group's existing regulated activities and the proposed changes to the composition of the Board and management personnel as set out in the sections headed "Reasons for and Benefits of the Offer" and "Intention of the Offeror in relation to the Group" in the "Letter from Morgan Stanley", and that the Offeror has no plan to make any major changes to the current business operations of the Group, including any redeployment of the fixed assets of the Company, or the introduction of any major changes in the continued employment of the employees of the Group as a result of the Offer. The Board will render cooperation with and support to the Offeror and continue to act in the best interests of the Company and the Shareholders as a whole.

PROPOSED CHANGES TO THE COMPOSITION OF THE BOARD

As at the Latest Practicable Date, the Board comprises seven Directors, with three executive Directors, namely, Mr. Yip Mow Lum, Mr. Hui Yik Bun and Mr. Chan Wing Shing, Wilson, and four independent non-executive Directors, namely, Mr. Yu Yun Kong, Mr. Szeto Wai Sun, Mr. Ling Kwok Fai, Joseph and Ms. Wong Ting Ting Priscilla.

Your attention is drawn to the section headed "Proposed changes to the composition of the Board and Board committees" in the "Letter from Morgan Stanley" of this Composite Document.

Further announcement(s) will be made upon any changes to the Board in compliance with the Takeovers Code and Listing Rules as and when appropriate.

LISTING OF THE SHARES AND RIGHT OF COMPULSORY ACQUISITION

Your attention is drawn to the section headed "Listing of the Shares and Right of Compulsory Acquisition" in the "Letter from Morgan Stanley" contained in this Composite Document.

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer and does not intend to avail itself of any power of compulsory acquisition.

The sole director of the Offeror and the New Directors have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirements of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the Company's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

RECOMMENDATIONS

Your attention is drawn to (i) the "Letter from the Independent Board Committee" to the Independent Shareholders containing its recommendations in respect of the Offer; and (ii) the "Letter from the Independent Financial Adviser" containing its advice to the Independent Board Committee in relation to the Offer and the principal factors and reasons considered by the Independent Financial Adviser in arriving at its recommendations. You are advised to read both letters and the remainder of this Composite Document carefully before taking any action in respect of the Offer.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the "Letter from Morgan Stanley" and the appendices to this Composite Document. You are also recommended to read carefully Appendix I "Further Terms and Procedures for Acceptance of the Offer" of this Composite Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax positions, if any, and, in case of any doubt, consult your professional advisers.

Yours faithfully,
By order of the Board of
Bright Smart Securities & Commodities Group Limited
Hui Yik Bun
Executive Director

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)
(Stock Code: 1428)

8 April 2026

To the Independent Shareholders:

Dear Sir or Madam,

UNCONDITIONAL MANDATORY CASH OFFER BY MORGAN STANLEY ASIA LIMITED FOR AND ON BEHALF OF THE OFFEROR FOR ALL THE ISSUED SHARES OF THE COMPANY (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES)

INTRODUCTION

We refer to the Composite Document dated 8 April 2026 in respect of the Offer jointly issued by the Offeror and the Company, of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as defined in this Composite Document.

We have been appointed by the Board as members of the Independent Board Committee to consider, among other things, the terms of the Offer and to make a recommendation as to whether, in our opinion, the Offer is fair and reasonable insofar as the Independent Shareholders are concerned, and as to the acceptance of the Offer.

Somerley has been appointed as the Independent Financial Adviser with our approval to advise and make recommendations in respect of the Offer and as to acceptance of the Offer. Details of its advice and recommendations and the principal factors and reasons which it has considered before arriving at such recommendations, are set out in the "Letter from the Independent Financial Adviser" in this Composite Document.

We also wish to draw your attention to the "Letter from the Board", the "Letter from Morgan Stanley" and the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance in respect of the Offer and the acceptance and settlement procedures for the Offer.

We, as members of the Independent Board Committee, have declared that we are independent and do not have any conflict of interest in respect of the Offer and are therefore able to consider the terms of the Offer and make recommendations accordingly to the Independent Shareholders.

RECOMMENDATIONS

Having considered the terms of the Offer and the letter of advice and recommendations from the Independent Financial Adviser, we concur with the view of the Independent Financial Adviser and consider that the terms of the Offer are not fair and reasonable as far as the Independent Shareholders are concerned. Accordingly, we would recommend the Independent Shareholders not to accept the Offer.

The Independent Shareholders are recommended to read the full text of the "Letter from the Independent Financial Adviser" set out in this Composite Document.

Notwithstanding our recommendations, the Independent Shareholders should consider carefully the terms of the Offer. In any case, the Independent Shareholders are reminded that the decision to realise or to hold their investment is subject to individual circumstances and investment objectives.

The Independent Shareholders who intend to accept the Offer are also reminded to closely monitor the market price and the liquidity of the Shares during the Offer Period and may, having regard to their own circumstances and investment objectives, consider selling the Shares in the open market instead of accepting the Offer if the net proceeds from the sale of such Shares in the open market would be higher than that receivable under the Offer.

The Independent Shareholders should closely monitor the business development of the Group and the intentions of the Offeror when there is more information available in this regard.

If in doubt, the Independent Shareholders should consult their own professional advisers for professional advice. In addition, Independent Shareholders who wish to accept the Offer are recommended to read and consider carefully the procedures for accepting the Offer detailed in "Appendix I — Further Terms and Procedures for Acceptance of the Offer" of this Composite Document and the accompanying Form of Acceptance.

Yours faithfully,
For and on behalf of the
Independent Board Committee of
Bright Smart Securities & Commodities Group Limited

Mr. Yu Yun Kong	**Mr. Szeto Wai Sun**	**Mr. Ling Kwok Fai, Joseph**	**Ms. Wong Ting Ting, Priscilla**
Independent Non- executive Director	*Independent Non- executive Director*	*Independent Non- executive Director*	*Independent Non- executive Director*

Set out below is the text of a letter from the Independent Financial Adviser to the Independent Board Committee, which has been prepared for the purpose of inclusion in the Composite Document.

SOMERLEY CAPITAL LIMITED
20th Floor
China Building
29 Queen's Road Central
Hong Kong

8 April 2026

To: the Independent Board Committee

Dear Sirs,

UNCONDITIONAL MANDATORY CASH OFFER BY MORGAN STANLEY ASIA LIMITED FOR AND ON BEHALF OF THE OFFEROR FOR ALL THE ISSUED SHARES OF THE COMPANY (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES)

INTRODUCTION

We refer to our appointment to advise the Independent Board Committee in connection with the unconditional mandatory cash offer by Morgan Stanley for and on behalf of the Offeror to acquire the Share(s) not already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties in compliance with the Takeovers Code (being the Offer). Details of the Offer are set out in the Composite Document dated 8 April 2026, of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

On 25 April 2025, the Seller and the Offeror entered into the Share Purchase Agreement, pursuant to which the Seller has conditionally agreed to sell, and the Offeror has conditionally agreed to acquire, the Sale Shares (being 857,980,000 Shares, representing approximately 50.55% of the total issued Shares and the Seller's entire shareholding in the Company as at the date of the Share Purchase Agreement) for a total cash consideration of HK$2,814,174,400 (equivalent to HK$3.28 per Sale Share) (the "**Transaction Price**"). The Completion took place on 30 March 2026.

Upon Completion and as at the Latest Practicable Date, the Offeror was interested in a total of 857,980,000 Shares, representing approximately 50.55% of the total issued Shares. Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make an unconditional mandatory cash offer to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties).

The Independent Board Committee, comprising the independent non-executive Directors, namely Mr. Yu Yun Kong, Mr. Szeto Wai Sun, Mr. Ling Kwok Fai, Joseph and Ms. Wong Ting Ting, Priscilla, has been established in accordance with Rules 2.1 and 2.8 of the Takeovers Code to advise and give a recommendation to the Independent Shareholders on whether the Offer is fair and reasonable and as to the acceptance of the Offer. With the approval of the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code, we, Somerley, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee in this regard.

We are not associated with the Company, the Offeror or any party acting, or presumed to be acting, in concert with any of them and, accordingly, are considered eligible to give independent advice on the Offer. Apart from normal professional fees paid or payable to us in connection with this appointment, no arrangement exists whereby we will receive any payment or benefits from the Company, the Offeror or any party acting, or presumed to be acting, in concert with any of them.

In formulating our opinion and recommendation, we have relied on the information and facts supplied, and the opinions expressed, by the Directors and management of the Group, which we have assumed to be true, accurate and complete in all material respects. We have reviewed, among other things, (i) the annual reports of the Group for the years ended 31 March 2024 and 2025, (ii) the interim report of the Group for the six months ended 30 September 2025, and (iii) the relevant information contained in the Composite Document. We have discussed with an executive Director (who acted on behalf of the Board) the statements set out in the section headed "3. Material Change" in Appendix II to the Composite Document that there had been no material change in the financial or trading position or outlook of the Group since 31 March 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up, and up to and including the Latest Practicable Date. We have also reviewed the trading performance of the Shares on the Stock Exchange since the beginning of 2024. We have sought and received confirmation from the Directors that all material relevant information has been supplied to us and that no material facts have been omitted from the information supplied and opinions expressed to us. We consider that the information we have received is sufficient for us to reach our opinion and recommendation as set out in this letter. We have no reason to doubt the truth and accuracy of the information provided to us or to believe that any material facts have been omitted or withheld. We have, however, not conducted any independent investigation into the business and affairs of the Group, the Offeror or any party acting, or presumed to be acting, in concert with any of them, nor have we carried out any independent verification of the information supplied. We have also assumed that all representations contained or referred to in the Composite Document were true as at the date of the Composite Document. Shareholders will be informed by the Offeror and the Company as soon as possible if there is any material change to such representations after the date of the Composite Document until the end of the Offer Period.

We have not considered the tax and regulatory implications on Independent Shareholders of acceptance or non-acceptance of the Offer, since these depend on their individual circumstances. In particular, Independent Shareholders who are resident overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions and, if in any doubt, consult their own professional advisers.

PRINCIPAL TERMS OF THE OFFER

Morgan Stanley, for and on behalf of the Offeror, is making the Offer to all Independent Shareholders to acquire all the Offer Shares in accordance with the Takeovers Code on the following basis:

For each Offer Share. . . . . **HK$3.28 in cash**

The Offer Price of HK$3.28 per Offer Share is equal to the Transaction Price per Share, which was determined after an arm's length negotiation between the Seller and the Offeror, after taking into account, among others, (i) the Company's historical share prices, (ii) relevant trading comparable companies and precedent transactions, (iii) the most recent published financial information of the Company, and (iv) the Company's confirmation of no intention to declare, make or pay any dividends and/or other distribution and/or other return of capital before the closing, lapse, withdrawal or termination of the Offer (whichever is earlier), and with reference to the historical dividends of the Company.

If after the date of the Composite Document, any dividend, distribution and/or return of capital is announced, declared, made and/or paid in respect of the Shares, the Offeror will reduce the Offer Price by the gross amount of the dividend, distribution and/or return of capital paid or made by the Company in respect of each Offer Share to such Independent Shareholders who accept or have accepted the Offer.

The Offeror will not increase the Offer Price. Independent Shareholders should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

As at the Latest Practicable Date, there were 1,697,296,308 Shares in issue and the Company did not have any outstanding options, warrants, derivatives or securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares. On the basis of the Offer Price of HK$3.28 per Offer Share and 1,697,296,308 Shares in issue as at the Latest Practicable Date, the entire issued share capital of the Company would be valued at approximately HK$5,567.1 million.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares.

By accepting the Offer, the Independent Shareholders will sell their Shares to the Offeror free from all encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and other distributions, if any, declared, made or paid, on or after the date on which the Offer is made, being the date of despatch of the Composite Document. Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Further details of the Offer, including the expected timetable and the terms and procedures for acceptance of the Offer, are set out in the sections headed "Expected Timetable", "Letter from Morgan Stanley", "Letter from the Board", Appendix I to the Composite Document and the Form of Acceptance.

Independent Shareholders are urged to read the Composite Document and the Form of Acceptance in full. The latest time and date for acceptance of the Offer is 4:00 p.m. on 29 April 2026, unless the Offeror extends the Offer in accordance with the Takeovers Code.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation with regard to the Offer, we have taken into account the following principal factors and reasons:

1. Background to the Offer

On 25 April 2025, the Offeror and the Company jointly announced that, subject to Completion, Morgan Stanley would make the Offer for and on behalf of the Offeror to acquire all the Offer Shares in compliance with the Takeovers Code. On 30 March 2026, the Offeror and the Company jointly announced that the Completion took place on 30 March 2026 and that immediately upon Completion, the Offeror held 857,980,000 Shares, representing approximately 50.55% of the total issued Shares. Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offer is being made at the Offer Price of HK$3.28 in cash for each Offer Share to all Independent Shareholders.

2. Information on the Group

The Company is a company incorporated in the Cayman Islands with limited liability, and the Shares have been traded on the Main Board of the Stock Exchange since August 2010. The Group principally engages in securities broking, commodities and futures broking, bullion trading and leveraged foreign exchange trading in Hong Kong.

The Group operates a total of 13 outlets across Hong Kong's core areas. As at 30 September 2025, the total number of the Group's client accounts increased to approximately 600,000, while the Group's client assets (including cash, stocks and margin deposits) reached approximately HK$86.3 billion, representing increases of approximately 2.7% and 34.4% respectively as compared to 31 March 2025. As at the Latest Practicable Date, the market capitalisation of the Company was approximately HK$21.4 billion.

In recent years, the Group has adjusted its marketing and operating strategies in response to the changes in the market conditions, and the Group has invested substantial resources in improving its online trading channels, services and network security so as to provide clients with more comprehensive, high-quality, and professional services.

3. Information on the Offeror

The Offeror is an exempted company incorporated in the Cayman Islands with limited liability and its principal activity is investment holding. It is indirectly wholly-owned by Shanghai Yunjin, which is in turn wholly-owned by Ant Holdco. Shanghai Yunjin holds various investments, including its wholly-owned subsidiary, Ant Wealth. Ant Wealth is a financial technology service company established in the PRC, positioning itself as a one-stop wealth management service platform launched by the Offeror Group, with a scope of business that includes financial information services, research and development as well as design and consulting services for financial products. There are more than 150 asset management institutions providing diversified inclusive financial services for hundreds of millions of users on Ant Wealth's platform.

As disclosed in the letter from Morgan Stanley, the Offeror Group operates one of the world's leading open internet platforms. Through technological innovation, the Offeror Group supports its partners in providing inclusive, convenient digital life and digital financial services to consumers and small and medium enterprises (SMEs). In addition, the Offeror Group has been introducing new technologies and products to support the digital transformation of industries and facilitate collaboration. Working together with global partners, the Offeror Group enables merchants and consumers to make and receive payments and remit around the world.

For further details of the Offeror Group, please refer to the section headed "INFORMATION ON THE OFFEROR" in the letter from Morgan Stanley.

4. Intention of the Offeror in relation to the Group

(i) Business of the Group

As set out in the letter from Morgan Stanley, following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business. Nevertheless, following the close of the Offer, the Offeror intends to conduct a detailed review of the existing principal operations and businesses of the Group and the financial position of the Group for the purpose of formulating business plans and long-term development strategies, and will explore other business opportunities for the Group. In this regard, the Offeror may look into opportunities for potential expansion of the business scope within the Group's existing regulated activities, such as leveraging its experience in the wealth management business to develop the Group's wealth management business, subject to satisfying the relevant regulatory requirements.

Save as disclosed above, the proposed changes to the composition of the Board as set out below and the potential changes to certain management personnel, the Offeror has no plan to make any major changes to the current business operations of the Group, including any redeployment of the fixed assets of the Company, or to introduce any major changes in the continued employment of the employees of the Group as a result of the Offer.

It is also disclosed that, subsequent to the closing of the Offer, the Offeror intends to adjust the amount of the final dividend to be declared compared to previous financial years. It is intended that sufficient capital will be reinvested into the Group to enhance the Group's infrastructure, strengthen its technological capabilities and improve operational efficiency. Based on the above, while the historical level of dividend distribution by the Company may not be maintained or sustained in future, the reinvestment of capital into the Group's businesses may, depending on how the action plans are carried out, bring positive momentum to the business performance of the Group in future.

(ii) Composition of the Board

As at the Latest Practicable Date, the Board comprises seven Directors, with three executive Directors, and four independent non-executive Directors. As disclosed in the Completion Announcement, all the current Directors (save and except Mr. Hui Yik Bun, an executive Director) have tendered their resignations from the Board, with their resignations taking effect from the day immediately after the closing date of the Offer.

The Offeror has nominated and the Board has appointed one executive Director, three non-executive Directors and four independent non-executive Directors with effect upon the posting of the Composite Document. Biographical details of these New Directors have been set out in the Completion Announcement.

Further announcement(s) will be made upon any changes to the Board in compliance with the Takeovers Code and Listing Rules as and when appropriate.

(iii) Listing status of the Company

As set out in the letter from Morgan Stanley, (i) the Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer and does not intend to avail itself any power of compulsory acquisition, and (ii) the sole director of the Offeror and the New Directors have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the minimum prescribed public float requirements under Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the Company's compliance with such requirements at the earliest possible moment. However, in our opinion, given that the closing price of the Shares on the Latest Practicable Date substantially exceeds the Offer Price by a factor of approximately 2.8 times, there is no realistic likelihood of any material acceptances of the Offer and accordingly no need to restore the public float if the price of the Shares continues to be well above the Offer Price.

5. Financial information and prospects of the Group

(i) Financial results

Set out below is a summary of the consolidated financial results of the Group for the three years ended 31 March 2023 ("**FY2023**"), 2024 ("**FY2024**") and 2025 ("**FY2025**"), and for the six months ended 30 September 2024 ("**HY2025**") and 2025 ("**HY2026**"), as extracted and summarised from the Company's consolidated financial statements. Further details and other financial information of the Group are set out in Appendix II to the Composite Document.

	For the six months ended 30 September		For the year ended 31 March		
	2025	**2024**	**2025**	**2024**	**2023**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(unaudited)	*(unaudited)*	*(audited)*	*(audited and restated) (Note)*	*(audited)*
Revenue	**496,876**	**448,778**	**972,316**	**908,781**	**881,733**
Other income	125,524	167,097	343,714	347,412	326,157
Other net income/(loss)	8,159	27,961	43,838	(19,971)	(8,674)
Staff costs	(75,092)	(73,301)	(160,847)	(139,415)	(120,120)
Amortisation and depreciation	(27,496)	(30,527)	(59,090)	(66,416)	(74,488)
Net charges for expected credit losses	(3,202)	(1,136)	(794)	(1,272)	(752)
Other operating expenses	(98,067)	(90,646)	(248,060)	(164,216)	(197,459)
Finance costs	(58,335)	(104,585)	(213,599)	(259,855)	(114,202)
Operating expenses	(262,192)	(300,195)	(682,390)	(631,174)	(507,021)
Profit before taxation	368,367	343,641	677,478	605,048	692,195
Income tax	(41,450)	(31,617)	(59,844)	(46,206)	(71,600)
Profit for the period/year	326,917	312,024	617,634	558,842	620,595
Profit attributable to the Shareholders for the period/year	**326,917**	**312,024**	**617,634**	**558,842**	**620,595**
Basic and diluted earnings per Share *(HK cents)*	19.26	18.38	36.39	32.93	36.56
Dividends paid per Share					
— Special dividends *(HK cents)*	—	—	—	—	70.00
— Final dividends *(HK cents)*	—	—	—	33.00	50.00

Note: Starting from 1 April 2024, the Group reclassified handling and settlement fee income from other income to revenue, as it is generated from principal activities of the Group, and the comparative figure for FY2024 has been restated accordingly. For FY2023, the handling and settlement fee income of approximately HK$76.2 million was recorded and accounted for as other income

Revenue

The Group's revenue mainly comprised (i) brokerage commission income, (ii) interest income, and (iii) handling and settlement fee income, accounting for approximately 52.5%, 34.9% and 12.0% of total revenue respectively in FY2025.

The Group recorded steady revenue growth during the periods under review, increasing from approximately HK$881.7 million in FY2023 to approximately HK$908.8 million in FY2024, and further to approximately HK$972.3 million in FY2025, mainly driven by the higher commission income generated from active market trading activities, partly offset by the lower interest income from margin financing. According to the Company's FY2025 annual report, the total turnover of securities on the Stock Exchange was approximately HK$40,932.4 billion during FY2025, representing a year-on-year increase of approximately 72.1%, contributing to the increase in commission income from the Group's securities brokerage by approximately 49.3% year-on-year to approximately HK$346.2 million in FY2025. On the other hand, due to the decreases in Hong Kong Interbank Offered Rate (HIBOR) and the Group's average daily margin lending (by approximately 9.2% year-on-year to approximately HK$4.9 billion), the Group's interest income from margin financing decreased by approximately 13.4% year-on-year to approximately HK$339.3 million in FY2025.

In HY2026, the Group recorded revenue of approximately HK$496.9 million, representing a year-on-year increase of approximately 10.7%. This was primarily due to the approximately 77.4% year-on-year increase in commission income earned from the Group's securities brokerage, partly offset by the reduced interest income from margin financing by approximately 21.5% year-on-year, resulting from the decrease in HIBOR, despite an approximately 13.1% year-on-year increase in average daily margin lending to approximately HK$5.4 billion. According to the Company's HY2026 interim report, the total turnover of securities on the Stock Exchange was approximately HK$32,873.7 billion during HY2026, representing a year-on-year increase of approximately 122.4%.

Other income

Other income of the Group mainly represented interest income from authorised institutions and cash clients, sundry income and dividend income.

Other net income/(loss)

Other net income/(loss) of the Group mainly represented the realised and unrealised gain/(loss) from the Group's proprietary investments (principally Hong Kong-listed securities, bonds and futures contracts), and net foreign exchange differences. In FY2025, the Group recorded investment income of approximately HK$39.9 million, as opposed to losses of approximately HK$15.1 million and HK$3.3 million in FY2024 and FY2023 respectively. In HY2026, the Group recorded an insignificant amount of realised and unrealised gains from financial assets, as compared to those of approximately HK$22.1 million in HY2025.

Operating expenses

Operating expenses of the Group mainly comprised (i) staff costs, including salaries, allowances and benefits in kind and discretionary bonuses, (ii) finance costs, mainly interest expenses on bank loans drawn down to support its margin financing business, (iii) commission, handling and settlement expenses, and (iv) information and communication expenses. The movements of the operating expenses during the periods under review were mainly driven by staff costs and finance costs. The higher staff costs in FY2024 and FY2025 were mainly attributable to the increased remuneration for key management personnel of the Group. Staff costs remained stable in HY2026 at a level similar to HY2025. The fluctuations of finance costs were dependent on the level of the Group's margin financing business and HIBOR. As disclosed in the Company's annual and interim reports, the Group's average daily margin lending decreased from approximately HK$6.0 billion in FY2023 to HK$5.4 billion in FY2024, and further decreased to approximately HK$4.9 billion in FY2025. In HY2026, it increased to approximately HK$5.4 billion from approximately HK$4.7 billion in HY2025. According to the statistics released by Hong Kong Monetary Authority, the 1-month average HIBOR started to climb up since mid-2022, reaching a high of approximately 5.5% in December 2023, and subsequently remained at elevated levels, ranging from approximately 3.8% to 4.8% between January 2024 and March 2025. In HY2026, the 1-month average HIBOR decreased to approximately 2.0%, from approximately 4.3% in HY2025. The above explains the increase in the Group's finance costs in FY2024, followed by decreases in FY2025 and HY2026.

Profit attributable to the Shareholders

In FY2025, the Group recorded a profit attributable to the Shareholders of approximately HK$617.6 million, an increase of approximately 10.5% from approximately HK$558.8 million in FY2024. It amounted to approximately HK$326.9 million in HY2026, an increase of approximately 4.8% compared to HY2025. The growth under the periods under review was primarily driven by the increase in revenue, partly offset by the higher staff costs and other operating expenses, as explained above.

Dividends paid to the Shareholders

The total dividends paid to the Shareholders decreased from HK$1.2 per Share in FY2023 to HK$0.33 per Share in FY2024, mainly due to the absence of a one-off special dividend of HK70 cents during FY2023.

In FY2025 and HY2026, the Directors resolved not to recommend payment of any dividend. As stated in the letter from the Board, as at the Latest Practicable Date, (i) the Company had not declared any dividend and/or other distribution and/or other return of capital which remains unpaid; and (ii) the Company did not intend to declare, make or pay any dividend and/or other distribution and/or other return of capital before the closing of the Offer, or the lapse, withdrawal or termination of the Offer (whichever is earlier).

(ii) Financial position

Set out below is a summary of the consolidated financial position of the Group as at 31 March 2024 and 2025 and as at 30 September 2025, as extracted and summarised from the Company's consolidated financial statements. Further details and other financial information of the Group are set out in Appendix II to the Composite Document.

	As at 30 September	**As at 31 March**	
	2025	**2025**	**2024**
	HK$'000	*HK$'000*	*HK$'000*
	(unaudited)	*(audited)*	*(audited)*
Property, plant and equipment	43,837	61,609	112,094
Accounts receivable	9,382,979	7,012,365	6,349,686
Financial assets at fair value through profit or loss	1,189	1,080	51,578
Financial assets at amortised cost	153	353	162
Cash and cash equivalents	640,008	476,613	441,275
Other assets	108,972	138,608	123,661
Total assets	**10,177,138**	**7,690,628**	**7,078,456**
Accounts payable	2,594,760	1,664,441	1,702,548
Bank loans	5,585,750	4,370,000	3,775,000
Other liabilities	167,910	154,386	156,633
Total liabilities	**8,348,420**	**6,188,827**	**5,634,181**
Equity attributable to the Shareholders	**1,828,718**	**1,501,801**	**1,444,275**

Accounts receivable

As at 30 September 2025, the Group's accounts receivable amounted to approximately HK$9,383.0 million, representing over 90% of its total assets. The accounts receivable were from:

(i) margin clients (who were required to pledge securities as collateral to the Group in order to obtain the margin loans) of approximately HK$6,586.1 million. On the same date, the total market value of the securities pledged as collateral in respect of the loans to borrowing margin clients and all margin clients was approximately HK$18,124.9 million and HK$34,681.0 million respectively;

(ii) cash clients (who were required to place deposits as prescribed in the Group's credit policy before execution of any purchase transactions) of approximately HK$539.6 million, which were secured by their portfolios of securities. On the same date, the total market value of their portfolios of securities was approximately HK$2,801.8 million; and

(iii) clearing houses, brokers and dealers of approximately HK$2,257.3 million in aggregate (net of loss allowance), which mainly related to pending trades and margin deposits arising from the business of dealing in securities and futures and options contracts respectively.

Cash and cash equivalents

As at 30 September 2025, the Group had cash and cash equivalents of approximately HK$640.0 million, mainly comprised cash at bank and in hand, and deposits with banks. The Group maintained segregated accounts with authorized institutions to hold client money in the normal course of business. On the same date, client money maintained in segregated accounts not otherwise dealt with in the Group's financial statements amounted to approximately HK$11,058.8 million.

Property, plant and equipment

As at 30 September 2025, the Group's property, plant and equipment amounted to approximately HK$43.8 million, mainly representing the right-of-use assets relating to properties leased for the Group's outlets, Central head office and branches in Hong Kong.

Bank loans

As at 30 September 2025, the Group had bank loans of approximately HK$5,585.8 million, including (i) secured loans of approximately HK$5,285.8 million, for which the Group re-pledged the securities collateral deposited by its margin clients to banks. The fair value of such securities collateral amounted to approximately HK$8,508.7 million on the same date, and (ii) unsecured loans of HK$300 million. All the Group's bank loans were repayable within one year. On the same date, the unutilised banking facilities of the Group amounted to approximately HK$12,948.5 million.

Accounts payable

As at 30 September 2025, the Group's accounts payable amounted to approximately HK$2,594.8 million, mainly representing payables to margin clients, brokers and cash clients. All of the accounts payable are expected to be settled within one year or are repayable on demand.

Gearing ratio

As at 30 September 2025, the Group's gearing ratio, being total bank borrowings divided by the total shareholders' equity, was approximately 305.4%. The Group regularly reviews and manages its capital structure and makes adjustments in response to changing economic conditions. During FY2025 and HY2026, all the licensed subsidiaries of the Group complied with the liquidity requirements under the Securities and Futures (Financial Resources) Rules (Cap. 571N of the Laws of Hong Kong).

Contingencies and commitments

The Company provided corporate guarantees totalling approximately HK$15,114.7 million in respect of banking facilities granted by authorised institutions to its subsidiaries engaging in securities and futures broking as at 30 September 2025, and these subsidiaries had utilised approximately HK$4,290.0 million of the banking facilities in aggregate. The Group had capital commitments of approximately HK$1.1 million as at 30 September 2025.

As set out in Appendix II to the Composite Document, as at 28 February 2026, the Group had (i) secured bank borrowings of approximately HK$4,890.0 million, and (ii) unsecured bank borrowings of approximately HK$631.5 million. In addition, the Company provided corporate guarantees of HK$15,522 million in respect of banking facilities granted to its subsidiaries engaging in securities and futures broking on the same date.

(iii) Prospects of the Hong Kong securities industry and the Group

According to the statistics published by the Hong Kong Exchanges and Clearing Limited, there were 71 and 119 companies newly listed[1] on the Stock Exchange in 2024 and 2025 respectively. The total equity funds raised on the Stock Exchange increased by approximately 235.3% to approximately HK$644.4 billion in 2025. Notably, the gross fundraising of Contemporary Amperex Technology Co., Limited's H share offering in May 2025 amounted to approximately HK$35.7 billion, being the largest initial public offerings (IPO) in Hong Kong during the year 2025. The abovementioned could at least in part be driven by a series of economic stimulus policies and measures implemented by the PRC government, the anticipated monetary easing policies adopted by global major central banks, and the investor enthusiasm for Mainland China's technology sector.

The positive momentum continued in the first two months of 2026. Hong Kong maintained its position as one of the world's top IPO venues, with over 20 companies listing and raising proceeds of approximately HK$89.2 billion in the first two months of 2026, representing more than ten times the amount raised for the same period last year. In terms of total deal value, Hong Kong ranked first globally in terms of IPO fundraising in 2025.

According to a research paper published by the SFC on 5 February 2026, after gaining approximately 17.7% in 2024, the Hang Seng Index rose approximately 27.8% further in 2025, outperforming most major overseas markets. Market sentiment was lifted by the advancements in the technology sector, while the anticipated policy measures in the PRC to stimulate economic growth bolstered investor confidence. The average daily turnover on the Stock Exchange surged by approximately 89.5% to approximately HK$249.8 billion in 2025 from approximately HK$131.8 billion in 2024. Southbound Stock Connect became more active in 2025, with an average daily trading increasing by approximately 151.2% year-on-year to approximately HK$121.1 billion. The Stock Exchange and the SFC have been working with the PRC authorities to, among others, expand the scope of eligible exchange-traded funds under the Hong Kong Stock Connect and include RMB denominated stocks in Southbound Stock Connect.

In the first two months of 2026, the average daily turnover on the Stock Exchange was approximately HK$260.9 billion, and representing an increase of approximately 17.3% as compared to the same period of 2025. As of 28 February 2026, there were 2,700 listed companies listed on the Stock Exchange, with a total market capitalisation of approximately HK$49,876.1 billion, representing increases of approximately 5.2% and 41.2% respectively compared to the end of 2025 and 2024. As at the Latest Practicable Date, the number of active IPO applications increased to over 400, as compared to 84 as of the end of 2024. The above statistics indicate encouraging signs and active market trading conditions.

1 *Including listing from GEM to Main Board and de-SPAC transactions*

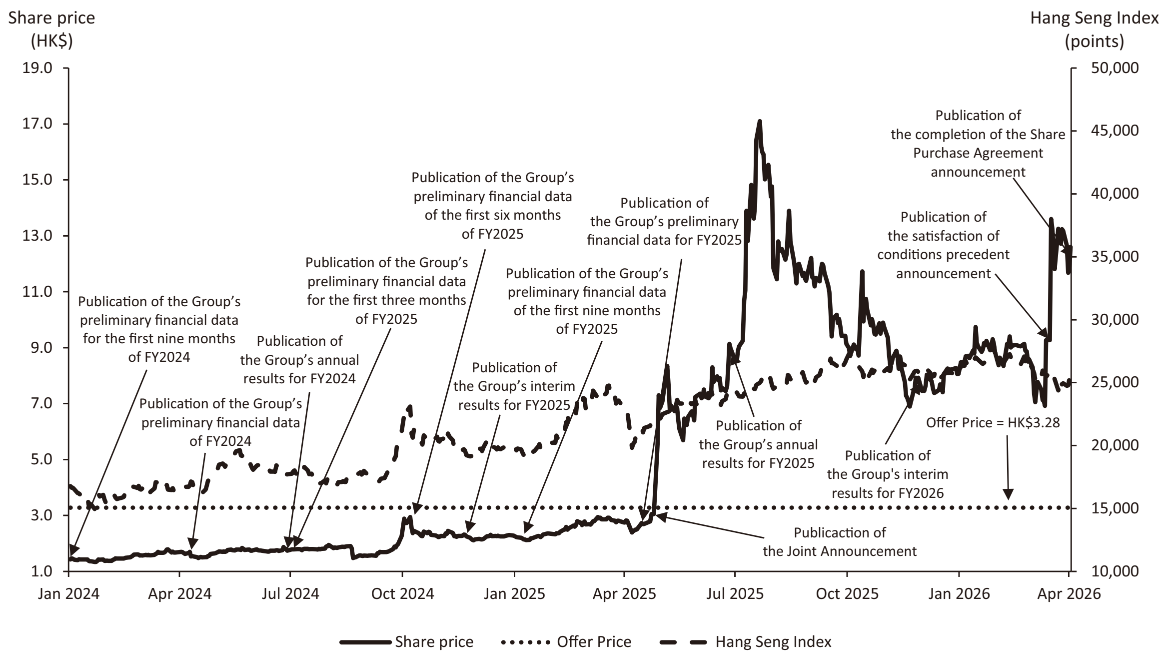
We note from the SFC's report titled "Financial Review of the Securities Industry for the year ended 31 December 2025" published on 31 March 2026 that the Hong Kong securities dealers and securities margin financiers delivered a strong performance in 2025, with total net profits and total value of transactions increased by approximately 61.6% and 51.9% to approximately HK$71.7 billion and HK$219.0 trillion respectively. Improvements across major income streams were recorded, in particular net securities commission income was up by approximately 49.7% to HK$$30.2 billion in 2025.

As discussed in the sub-section earlier, the Group's revenue and overall financial performance in recent periods have benefited from its clients' market trading activities, as evidenced by the uplifted IPO fundraising and average daily turnover on the Stock Exchange as analysed above. As a participant in the Hong Kong securities industry, we consider that the business prospects of the Group will continue to be influenced by these factors. These factors are in turn subject to, among others, stock market performance and sentiment, economies in the region, and significant global events, such as the latest conflicts in the Middle East, which may have led to the recent downturn in the stock market. If such conflicts can be solved in the short term, and the fundraising and trading activities in the market continue to improve, there may be higher levels of trading activities conducted by the Group's clients, which in turn will positively impact the revenue and profitability of the Group's principal operations and businesses in the near future.

6. Analysis of price performance and trading liquidity

(i) Historical price performance of the Shares

Set out below is the movement of the closing prices of the Shares during the period from the beginning of 2024 to the Latest Practicable Date (the "**Review Period**") and such prices compared against the movement of the Hang Seng Index during the Review Period:



Source: Bloomberg

Notes:

(1) Trading in the Company's shares on the Stock Exchange has been halted with effect from 11:10 a.m. on 23 April 2025, pending publication of the Joint Announcement and resumed with effect from 9:00 a.m. on 28 April 2025

(2) Trading in the Company's shares on the Stock Exchange has been halted with effect from 9: 00 a.m. on 16 March 2026, pending publication of the joint announcement regarding the satisfaction of the conditions precedent under the Share Purchase Agreement and resumed with effect from 9:00 a.m. on 17 March 2026

The Shares largely followed the broader market and closed consistently below the Offer Price of HK$3.28 during the Review Period prior to the Joint Announcement. Following the publication of the Joint Announcement, the prices of the Shares surged substantially and have since been trading at substantial premiums over the Offer Price up to and including the Latest Practicable Date.

During the first nine months of 2024, the macroeconomic environment in Mainland China and Hong Kong remained challenging, as reflected in slower-than-expected economic recovery and growth. Market turnover on the Stock Exchange, which directly influences the securities brokerage business of the Group, remained subdued. During this period, despite a slight upward trend, the prices of the Shares fluctuated between HK$1.3 and HK$2.0, and closed at HK$1.97 on 27 September 2024.

Since late September 2024, the PRC government introduced a series of economic stimulus policies and measures to bolster economic development and enhance the liquidity in the capital market, and the U.S. Federal Reserve and other major central banks began interest rate cuts following a period of elevated interest rates. Hang Seng Index rose from 18,247.11 points on 23 September 2024 to 23,099.78 points on 7 October 2024. Similarly, the Share price rose from around HK$2.00 in late September 2024 and reached a high of HK$2.95 on 7 October 2024. The prices of the Shares declined by approximately 13.6% to HK$2.55 on 8 October 2024, and trended downwards throughout the fourth quarter of 2024 and early January 2025, similar to the trend of the Hang Seng Index.

In the first quarter of 2025, the Share price exhibited a generally upward trajectory, closing at HK$2.82 on 2 April 2025. On 2 April 2025 (U.S. time), the U.S. Government announced to implement a series of tariff policies targeting countries around the world, leading to significant drop in Hang Seng Index and price of the Shares on the following two trading days. The prices of the Shares continued to fluctuate throughout April 2025, rising to HK$3.05 on 23 April 2025, being the Last Trading Date before the Joint Announcement.

Price of the Shares exhibited significant movement following the publication of the Joint Announcement. Upon resumption of trading of the Shares on 28 April 2025, the Share price surged by approximately 82.0% to HK$5.55. Since then, the upward momentum has continued. After reaching the highest point during the Review Period at HK$17.10 on 21 July 2025, the prices of the Shares gradually returned to around or below HK$10 level during the remainder period of 2025 and the first two months of 2026. On 16 March 2026, it was jointly announced that the Offeror completed the reporting procedures with the relevant authorities in the PRC, and it was expected that the Completion would take place on 30 March 2026. The trading of the Shares resumed on 17 March 2026, with the Share price increasing by approximately 46.7% and closed at HK$13.60. Subsequently, the prices of the Shares were largely traded within the range of approximately HK$11.60 to HK$13.30, and closed at HK$12.60 on the Latest Practicable Date, which represents an approximately 284.1% premium over the Offer Price.

(ii) Trading liquidity

Set out below are the monthly total trading volumes of the Shares and the percentages of the monthly total trading volumes of the Shares to the total issued Shares and public float of the Company during the Review Period:

	Monthly total trading volumes of the Shares *(Note 1)*	**Percentage of the monthly total trading volumes of the Shares to the total issued Shares** *(Note 2)*	**Percentage of the monthly total trading volumes of the Shares to public float of the Company** *(Note 3)*
2024			
January	50,058,837	2.9%	6.9%
February	50,888,280	3.0%	7.0%
March	69,647,800	4.1%	9.6%
April	88,204,176	5.2%	12.1%
May	106,515,000	6.3%	14.6%
June	109,486,688	6.5%	14.2%
July	115,861,583	6.8%	14.5%
August	166,782,906	9.8%	20.2%
September	224,780,003	13.2%	27.2%
October	569,012,527	33.5%	68.0%
November	140,215,000	8.3%	16.8%
December	78,387,000	4.6%	9.4%
2025			
January	72,340,000	4.3%	8.6%
February	229,966,466	13.5%	27.5%
March	249,406,445	14.7%	29.8%
April	1,732,258,430	102.1%	206.9%
May	1,430,108,562	84.3%	170.8%
June	911,890,322	53.7%	108.9%
July	1,453,388,855	85.6%	173.6%
August	960,853,631	56.6%	114.7%
September	619,551,693	36.5%	73.9%
October	704,298,680	41.5%	84.1%

	Monthly total trading volumes of the Shares *(Note 1)*	Percentage of the monthly total trading volumes of the Shares to the total issued Shares *(Note 2)*	Percentage of the monthly total trading volumes of the Shares to public float of the Company *(Note 3)*
November	283,488,583	16.7%	33.8%
December	162,497,416	9.6%	19.4%
2026			
January	242,106,293	14.3%	28.9%
February	167,918,641	9.9%	20.0%
March	2,198,052,087	129.5%	262.3%

Notes:

(1) *Source: Bloomberg*

(2) *The calculation is based on the monthly total trading volumes of the Shares divided by the total issued Shares at the end of each month*

(3) *The calculation is based on the monthly total trading volumes of the Shares divided by the total number of Shares held by the public (as defined in Rule 8.24 of the Listing Rules) at the end of each month*

As shown in the above table, except for the relatively higher monthly trading volumes in October 2024, the monthly trading volumes of the Shares before publication of the Joint Announcement represented approximately 2.9% to 14.7% of the total issued Shares, equivalent to approximately 6.9% to 29.8% of the Shares constituting the public float of the Company. Following the publication of the Joint Announcement, the monthly trading volumes of the Shares represented a range of approximately 19.4% to 262.3% of the Shares constituting the public float of the Company.

Overall, the Shares have been actively traded throughout the Review Period, especially the period after the publication of the Joint Announcement. However, if Independent Shareholders were to sell a significant number of Shares within a short timeframe, some downward pressure on the market price may be expected.

(iii) Offer Price comparisons

As discussed in the sub-section above headed "Historical price performance of the Shares", the prices of the Shares have exhibited a generally upward trajectory, and have been consistently trading well above the Offer Price of HK$3.28 following the publication of the Joint Announcement. Although the Offer Price represents (i) premiums of approximately 17.6% to 26.6% over the (average) closing price of the Shares on the Last Trading Day, for the last 5 to 60 trading days up to and including the Last Trading Day, and (ii) premiums of approximately 272.7% to 203.7% over the consolidated net asset value of approximately HK$0.88 and HK$1.08 per Share respectively as at 31 March 2025 and 30 September 2025, the Offer Price represents a significant discount of approximately 74.0% to the closing price of the Shares of HK$12.60 per Share on the Latest Practicable Date. On the basis of such substantial discount to market, we do not consider the Offer to be fair and reasonable so far as the Independent Shareholders are concerned.

In our opinion, the price of the Shares following the publication of the Joint Announcement has been largely influenced by the Offeror becoming the controlling shareholder of the Group and its stated intentions and potential changes to be introduced to the Group. As the timing and extent of the changes, or the detailed action plans for the changes, are not known as at the Latest Practicable Date, it would be difficult to evaluate their potential impacts on the Group's performance and financial position. As such, it is uncertain how the market price of the Shares will perform, or whether it will be maintained at the current level, following the close of the Offer.

7. Peer comparison

As set out in the sections above headed "2. Information on the Group" and "5. Financial information and prospects of the Group", the Group principally engages in securities broking, commodities and futures broking, bullion trading and leveraged foreign exchange trading in Hong Kong, with over 95% of total revenue from brokerage commission income, interest income, and handling and settlement fee income in FY2025. In order to evaluate the fairness and reasonableness of the Offer, we have analysed the companies (the "**Comparable Company(ies)**") listed on the Stock Exchange that we consider to have businesses similar to those of the Group, which (i) recorded total revenue of not less than HK$50 million, with over 50% attributable to commission income from the brokerage businesses and/or interest income from the margin financing business in Hong Kong, according to their latest published full year financial statements, and (ii) had a market capitalisation of at least HK$500 million as at the Latest Practicable Date. The above selection criteria aim to identify a sufficient number of companies comparable to the Company in the Hong Kong securities industry, having regard to the Company's business substance and operating scale, with an appropriate minimum revenue threshold to exclude those with insignificant business operations and activities.

A total of three Hong Kong listed Comparable Companies were identified, but one of them recorded net loss and loss before interest, taxes, depreciation and amortisation, in its latest full year financial results, rendering comparisons based on earnings-based multiples not applicable. With only two Comparable Companies that earnings-based multiples can be analysed, we have expanded the search for Comparable Companies to include those listed on stock exchanges outside Hong Kong that can be identified on Bloomberg, on a best effort basis. A total of four Comparable Companies were identified. We acknowledge that the listing venue of Futu Holdings Limited (i.e. NASDAQ) differs from, and its market capitalisation is significantly higher than, those of other Comparable Companies and the Company. Nevertheless, having regard to the fact that (i) all the Comparable Companies, including Futu Holdings Limited, are principally engaged in the businesses similar to those of the Group, and (ii) the majority of their revenue is generated from the brokerage businesses and/or margin financing business in Hong Kong, and (iii) our view that Futu Holdings Limited is a close Comparable Company despite the listing venue being on a stock exchange outside Hong Kong, as its brokerage commission and handling charge income and interest income accounted for over 90% of its total revenues, and nearly 80% of its brokerage commission and handling charge income were derived from Hong Kong, according to its latest published annual report, we consider these Comparable Companies to be fair and representative comparables for the purpose of this analysis, and our research on these Comparable Companies provides a meaningful guidance to the Independent Shareholders as to the fairness and reasonableness of the Offer Price. We consider the list of Comparable Companies represents an exhaustive list that we were able to identify from the Stock Exchange's website and Bloomberg, based on the above selection criteria.

When evaluating the valuation benchmarks, we have adopted the price-to-earnings ("**P/E**") ratio as the primary metric, as it is widely used for companies with mature and profitable businesses (including the Group) and, in our view, is a more suitable ratio for comparison than price-to-sales ratio, which is generally more appropriate for early-stage or fast-growing companies with limited profitability. In terms of assets-based ratios, we have analysed the price-to-book ("**P/B**") ratio of the Comparable Companies. Our findings are set out as follows:

Company and stock code	Market capitalisation as at the Latest Practicable Date	Closing price as at the Latest Practicable Date	TTM consolidated net profits	Latest consolidated net asset value	P/E ratio	P/B ratio
	(HK$ million)	*(HK$)*	*(HK$ million)*	*(HK$ million)*	*(times)*	*(times)*
	(A)		*(B)*	*(C)*	*(A/B)*	*(A/C)*
	(Note 1)	*(Note 1)*	*(Note 2)*	*(Note 3)*		
Listed on the Stock Exchange						
Get Nice Holdings Limited (Stock code: 64)	1,910	3.09	59	6,661	32.4	0.3
Victory Securities (Holdings) Company Limited (Stock code: 8540)	967	4.55	60	239	16.1	4.0
Quam Plus International Financial Limited (Stock code: 952)	868	0.14	N/A	1,690	N/A	0.5
Listed on stock exchanges outside Hong Kong						
Futu Holdings Limited (Stock code: FUTU)	152,080	US$140.04 (equivalent to HK$1,092)	11,338	40,001	13.4	3.8
				Maximum	32.4	4.0
				Minimum	13.4	0.3
				Mean	20.6	2.2
				Median	16.1	2.2
The Company at the Offer Price	**5,567**	**3.28**	**633**	**1,829**	**8.8**	**3.0**
	(Note 4)	*(Note 5)*				

Source: Comparable Companies' public filings, Bloomberg and website of the Stock Exchange

Notes:

(1) For Futu Holdings Limited, being 1 April 2026, the business day prior to the Latest Practicable Date, due to time zone difference

*(2) Being the respective consolidated reported net profits attributable to the ordinary shareholders for the trailing-twelve-months ("**TTM**"), as extracted from the respective latest published full-year financial statements and half-year financial statements (where available)*

(3) Being the respective consolidated reported net assets value attributable to the ordinary shareholders, as extracted from the respective latest published financial statements

(4) Being the Offer Price of HK$3.28 times 1,697,296,308 Shares in issue as at the Latest Practicable Date

(5) Being the Offer Price of HK$3.28

(i) P/E ratio

As shown above, the P/E ratio as represented by the Offer Price is approximately 8.8 times, lower than the P/E ratios of all profitable Comparable Companies, ranging from approximately 13.4 to 32.4 times. On P/E basis alone, the Offer Price represents a valuation that is much lower than the market valuation of the Company's profitable peers.

(ii) P/B ratio

The P/B ratio of the Comparable Companies exhibited a wide range, with two Comparable Companies having P/B ratios at or below 0.5 times and the remaining two Comparable Companies having P/B ratios at or above 3.8 times. Although the P/B ratio as represented by the Offer Price of approximately 3.0 times is within the range of the Comparable Companies, the wide range of P/B ratios and the fact that certain Comparable Companies holds significant financial investments and/or investment properties interests (in particular the two Comparable Companies with low P/B ratios) render the analysis of P/B ratio, in our view, less relevant to the Independent Shareholders.

We regard P/E ratio as our main consideration for peer comparison, as the financial performance and profitability are more relevant parameters for valuation of companies in the brokerage sector than their net asset backing. Based on our discussion with the management of the Group, the Group's financial performance is principally driven by its clients' trading activities rather than income generated from the Group's financial assets.

DISCUSSION

Improving financial performance and encouraging prospects of the Group prior to the Offer

The Group principally engages in securities broking, commodities and futures broking, bullion trading and leveraged foreign exchange trading in Hong Kong. The Group recorded steady growth in its revenue in recent periods, largely benefited from the increasingly active market trading activities in Hong Kong, as evidenced by the 89.5% increase in average daily turnover on the Stock Exchange to HK$249.8 billion in 2025. Positive momentum in the capital markets continued in the first two months of 2026, mainly driven by the stimulus policies by the PRC government, the anticipated monetary easing policies by global major central banks, and the investor enthusiasm for Mainland China's technology sector. These factors signal encouraging prospects for the Group's future financial performance.

Valuation of the Company as implied by the Offer Price appears unfavourable when compared with its profitable peers

We have identified several Comparable Companies which are principally engaged in similar businesses in Hong Kong. The P/E ratios of the three profitable Comparable Companies between 13.4 and 32.4 times are significantly higher than that of 8.8 times as represented by the Offer Price. As at the Latest Practicable Date, the Company's own P/E ratio based on its closing market price was approximately 33.8 times.

The P/B ratios of the Comparable Companies exhibited a wide range of approximately 0.3 to 4.0 times. While the P/B ratio as represented by the Offer Price of approximately 3.0 times is within such range, we consider the P/B ratio analysis to be less relevant to the Independent Shareholders given such wide range and the fact that certain Comparable Companies hold significant assets other than those directly relevant to brokerage businesses. We consider the P/E ratio to be a more relevant parameter when evaluating a profitable brokerage business. On the above basis, we consider the Offer Price reflects an unfavourable valuation when compared with those of the Comparable Companies.

The Offer Price represents a substantial discount to the prevailing market price

The Offer Price of HK$3.28 per Offer Share represents a premium of 17.6% to 26.6% over the (average) closing prices of the Shares for the periods of last 60 trading days up to the Last Trading Day. However, the prices of the Shares rose substantially following the publication of the Joint Announcement, and closed at HK$12.60 as at the Latest Practicable Date, approximately 2.8 times over the Offer Price.

OPINION AND RECOMMENDATION

Based on the above principal factors and reasons, in particular the unfavourable valuation of the Group as represented by the Offer Price against those of the Comparable Companies, the recent encouraging financial performance and position of the Group and its future prospects, and the discounts of the Offer Price to the latest market prices of the Shares, we consider the terms of the Offer are not fair and not reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders not to accept the Offer.

The sole director of the Offeror and the New Directors have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the minimum prescribed public float requirements, they will take appropriate steps to ensure the Company's compliance with such requirements at the earliest possible moment. However, as the market price of the Shares is currently substantially above the Offer Price, there seems no realistic likelihood of any material acceptances of the Offer and accordingly no reasonable likelihood of a need to restore the public float.

As the Shares have been trading consistently and substantially higher than the Offer Price of HK$3.28 since the publication of the Joint Announcement, closing at HK$12.60 as at the Latest Practicable Date, Independent Shareholders who are unsure of the future prospects of the Company may consider disposing of some or all of their Shares in the market instead of accepting the Offer. Independent Shareholders who wish to dispose of their Shares in the market should monitor the market price and the trading liquidity of the Shares closely.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED
M. N. Sabine
Chairman

Mr. M. N. Sabine is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Somerley Capital Limited, which is licensed under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. He has over forty years of experience in the corporate finance industry.

1. PROCEDURES FOR ACCEPTANCE

(a) To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Offer. You should insert the total number of Offer Shares for which the Offer is accepted. If no number is inserted or the number inserted is greater or smaller than that represented by the certificate(s) of Shares tendered for acceptance of the Offer and you have signed the Form of Acceptance, the Form of Acceptance will be considered to be incomplete and accordingly, your acceptance of the Offer will be invalid. The Form of Acceptance will be returned to you for correction and resubmission. Any corrected form must be resubmitted to and received by the Registrar on or before the latest time of acceptance of the Offer.

(b) By signing and returning the Form of Acceptance, you represent and warrant to the Offeror, the Offeror Concert Parties, Morgan Stanley and the Company that you have not taken or omitted to take any action which will or may result in the Offeror, the Offeror Concert Parties, the Company, Morgan Stanley or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the Offer or your acceptance thereof.

(c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares is/are in your name, and you wish to accept the Offer (whether in full or in part), you must lodge the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Offer Shares in respect of which you intend to accept the Offer, by post or by hand, to the Registrar, Tricor Investor Services Limited, at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong, marked "**Bright Smart Securities & Commodities Group Limited – Offer**" on the envelope as soon as possible but in any event so as to reach the Registrar by not later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce with the consent of the Executive, in accordance with the Takeovers Code.

(d) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer (whether in full or in part), you must either:

(i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Offer Shares for which you intend to accept the Offer with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on your behalf and requesting it to deliver the Form of Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Offer Shares in respect of which you intend to accept the Offer to the Registrar; or

(ii) arrange for the Offer Shares to be registered in your name by the Company, through the Registrar, and deliver the Form of Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Offer Shares for which you intend to accept the Offer to the Registrar; or

(iii) if your Offer Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on processing your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or

(iv) if your Offer Shares have been lodged with your investor participant's account maintained with CCASS, give your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.

(e) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer, the Form of Acceptance should nevertheless be completed, signed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter.

If you have lost the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares, you should also write to the Registrar requesting a letter of indemnity which, when completed and signed in accordance with the instructions given, should be returned to the Registrar. The Offeror shall have the absolute discretion to decide whether any Share(s) in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title or evidence of title is/are not readily available and/or is/are lost will be taken up by the Offeror.

(f) If you have lodged transfer(s) of any of your Offer Shares for registration in your name and have not received your share certificate(s), and you wish to accept the Offer, you should nevertheless complete and sign the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s), if any, duly signed by you. Such action will constitute an irrevocable authority to the Offeror and/or Morgan Stanley and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it/they were delivered to the Registrar with the Form of Acceptance.

(g) Acceptance of the Offer will be treated as valid only if the completed and signed Form of Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Date (or such later time and/or date as the Offeror may determine and announce, with the consent of the Executive, in compliance with the Takeovers Code), and the Registrar has recorded that such acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:

(i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Offer Shares for which you intend to accept the Offer and, if that/those share certificate(s) and/or transfer receipt(s) and/or other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or

(ii) from a registered Shareholder or his/her/its personal representatives (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (g) ; or

(iii) certified by the Registrar or the Stock Exchange.

(h) If the Form of Acceptance is executed by a person other than the registered Shareholder, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.

(i) Before delivering the Form of Acceptance to the Registrar, please ensure that you have signed the Form of Acceptance and that your signature has been witnessed.

(j) No acknowledgment of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

(k) The seller's Hong Kong ad valorem stamp duty arising in connection with the acceptance of the Offer amounting to 0.1% of the higher of (i) the amount payable in respect of relevant acceptances by the Independent Shareholders; and (ii) the market value of the Offer Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the cash amount payable to the Independent Shareholders who accept the Offer. The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the accepting Independent Shareholders and will pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptances of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

2. ACCEPTANCE PERIOD AND REVISION

(a) Unless the Offer has previously been revised or extended, with the consent of the Executive, in accordance with the Takeovers Code, to be valid, the Form of Acceptance must be received by the Registrar by 4:00 p.m. on the Closing Date in accordance with the instructions printed on the relevant Form of Acceptance and in this Composite Document, and the Offer will be closed on the Closing Date. The Offer is unconditional.

(b) The Offeror and the Company will jointly issue an announcement in accordance with the Takeovers Code through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired.

(c) In the event that the Offeror decides to extend the Offer, at least fourteen (14) days' notice by way of announcement will be given, before the latest time and date for acceptance of the Offer, to those Independent Shareholders who have not accepted the Offer.

(d) If the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to the revised terms. The revised Offer must be kept open for at least fourteen (14) days following the date on which the revised offer document is posted.

(e) If the Closing Date of the Offer is extended, any references in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the Closing Date of the Offer as so extended.

3. ANNOUNCEMENTS

As required under Rule 19 of the Takeovers Code, by 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement in accordance with the Listing Rules and the Takeovers Code on the Stock Exchange's website by 7:00 p.m. on Wednesday, 29 April 2026 stating the results of the Offer and whether the Offer has been revised, extended or has expired. The announcement will state the following:

(a) the total number of Offer Shares and rights over Offer Shares for which acceptances of the Offer has been received;

(b) the total number of Offer Shares and rights over Offer Shares held, controlled or directed by the Offeror and the Offeror Concert Parties before the Offer Period;

(c) the total number of Offer Shares and rights over Offer Shares acquired or agreed to be acquired during the Offer Period by the Offeror and the Offeror Concert Parties; and

(d) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or any of the Offeror Concert Parties have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The announcement will specify the percentages of the voting rights of the Company represented by these numbers of Offer Shares.

In computing the total number of Offer Shares represented by acceptances, only valid acceptances that are complete, in good order and fulfil the acceptance conditions set out in this Appendix I, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date, being the latest time and date for acceptance of the Offer, shall be included.

If any of the Offeror, the Offeror Concert Parties or their respective advisers make any statement during the Offer Period about the level of acceptances or the number or percentage of accepting Shareholders, the Offeror must make an immediate announcement in compliance with Note 2 to Rule 19 of the Takeovers Code.

4. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold the Offer Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for beneficial owners of the Offer Shares whose investments are registered in the names of nominees to accept the Offer, it is essential that they provide instructions of their intentions with regard to the Offer to their nominees.

5. RIGHT OF WITHDRAWAL

(a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in subparagraph (b) below.

(b) In the circumstances set out in Rule 19.2 of the Takeovers Code (i.e. the Offeror is unable to comply with any of the requirements of making announcements relating to the Offer as described under the paragraph headed "3. Announcement" above), the

Executive may require that the Independent Shareholders who have tendered acceptances of the Offer be granted a right of withdrawal on terms acceptable to the Executive, until such requirements of Rule 19 of the Takeovers Code can be met. In such case, when the Independent Shareholders withdraw their acceptances, the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days after receipt of the notice of withdrawal, return by ordinary post at the relevant Shareholder's own risk the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Offer Shares lodged with the Form of Acceptance to the relevant Independent Shareholder(s).

6. SETTLEMENT

Provided that the accompanying Form of Acceptance, together with the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Offer Shares are valid, complete and have been received by the Registrar no later than 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the accepting Independent Shareholders in respect of the Offer Shares tendered by him/her/it under the Offer (less seller's Hong Kong ad valorem stamp duty payable by him/her/it) will be despatched to such Independent Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of all relevant documents to render such acceptance complete and valid by the Registrar in accordance with the Takeovers Code.

Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be paid by the Offeror in full in accordance with the terms of the Offer (save in respect of the payment of seller's Hong Kong ad valorem stamp duty) set out in this Composite Document (including this Appendix) and the accompanying Form of Acceptance, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Shareholder.

No fractions of a cent will be payable and the amount of cash consideration payable to each Independent Shareholder who validly accepts the Offer will be rounded up to the nearest cent. Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

Shareholders are recommended to consult their professional advisers if they are in doubt as to the above procedures.

7. OVERSEAS SHAREHOLDERS

To the extent practicable and permissible under applicable laws and regulations, the Offeror is making the Offer available to all Independent Shareholders, including those who are citizens, residents or nationals of a jurisdiction outside Hong Kong. The making and the implementation of the Offer to persons with a registered address outside or otherwise not residing in Hong Kong may be subject to the laws and regulations of the relevant overseas jurisdictions in which such persons are resident. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe, at their own responsibility, any applicable legal or regulatory requirements and, where necessary, seek legal advice.

The acceptance of the Offer by the Overseas Shareholders may be subject to the laws and regulations of the relevant jurisdictions and may or may not be prohibited. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with all necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions) and, where necessary, seek legal advice.

Any acceptance by any Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror, the Company and their respective advisers (including Morgan Stanley) that the relevant local laws and regulatory requirements have been complied with.

The Offeror, the Offeror Concert Parties, the Company, Morgan Stanley, the Independent Financial Adviser, the Registrar, their respective ultimate beneficial owners, directors, officers, employees, advisers, agents and associates and any other persons involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please refer to the paragraphs headed "Overseas Shareholders" in the "Letter from Morgan Stanley" for further information.

Overseas Shareholders should consult their professional advisers if in doubt.

Notice to U.S. investors

The Offer will be made for the securities of a company incorporated in the Cayman Islands and is subject to Hong Kong disclosure and other procedural requirements, which are different from those of the United States. In addition, U.S. holders of Shares should be aware that this Composite Document has been prepared in accordance with Hong Kong format and style, which differs from United States format and style. The Offer will be extended to the United States pursuant to the applicable U.S. tender offer rules, in particular, Regulation 14E promulgated pursuant to the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**") or an available exemption therefrom and otherwise in accordance with the requirements of the SFO. Accordingly, the Offer will be subject to Hong Kong disclosure and other procedural requirements, including with respect to withdrawal rights and settlement procedures, which may differ from those applicable under U.S. domestic tender offer procedures and law.

The receipt of cash pursuant to the Offer by a U.S. holder of Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of acceptance of the Offer.

It may be difficult for U.S. holders of Shares to enforce their rights and any claims arising out of the U.S. federal securities laws, since the Offeror and the Company are located in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. In addition, most of the assets of the Offeror and the Group are located outside the United States. U.S. holders of Shares may not be able to bring a claim against a non-U.S. company or its officers or directors in a non-U.S. court for any violations of the securities laws of the United States. Further, it may be difficult for U.S. holders of Shares to effect service of process within the United States upon the Offeror or the Company or their respective officers or directors or to enforce against them a judgment of a U.S. court predicated upon the federal or state securities laws of the United States.

In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Offeror hereby discloses that it or its affiliates or its nominees, or their respective brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, provided that any such purchase or arrangement complies with applicable law and is made outside the United States. Any information about such purchases will be reported to the SFC and will be available on the SFC website at www.sfc.hk.

8. TAX IMPLICATIONS

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, the Offeror Concert Parties, the Company, Morgan Stanley, the Independent Financial Adviser and (as the case may be) their respective ultimate beneficial owners, directors, officers, employees, advisers, agents or associates or any other person involved in the Offer is in a position to advise the Independent Shareholders on their individual tax implications or accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer. Each Independent Shareholder is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Offer applicable to him/her/it. Shareholders accepting the Offer shall be responsible for completing all necessary tax reporting formalities and pay all taxes and charges due in any relevant jurisdiction.

9. GENERAL

(a) All communications, notices, the Form of Acceptance, share certificates, transfer receipts, other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. Such communications, notices, documents and remittances will be sent to the Independent Shareholders at their respective addresses as they appear in the register of members of the Company or, in the case of joint Shareholders, to the Shareholder whose name appears first in the register of members of the Company, unless otherwise specified in the relevant Form of Acceptance completed, returned and received by the Registrar. None of the Offeror, the Offeror Concert Parties, the Company, Morgan Stanley, the Independent Financial Adviser, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, employees, advisers, agents or associates or any other person involved in the Offer, accepts any liability for any loss or delay in transmission of such documents and remittances or such other liabilities whatsoever which may arise as a result.

(b) Acceptance of the Offer by any person or persons will be deemed to constitute a representation and warranty by such person or persons to the Offeror, the Offeror Concert Parties, Morgan Stanley and the Company that that all Offer Shares held by such persons and to be acquired under the Offer are fully paid and sold free from all liens, claims, charges, equities and encumbrances, rights of pre-emption and any other third-party rights of any nature and together with all rights, benefits and entitlements accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

(c) Acceptance of the Offer by any nominee will be deemed to constitute a representation and warranty by such nominee to the Offeror and Morgan Stanley that the number of Offer Shares it has indicated in the Form of Acceptance is the aggregate number of Offer Shares for which such nominee has received authorisations from the beneficial owners to accept the Offer on their behalf.

(d) Acceptance of the Offer by any person will be deemed to constitute a representation and warranty by such person that such person is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. Any such person will be responsible for any such issue, transfer and other applicable taxes or other governmental payments payable/due by such persons.

(e) All acceptances, instructions, authorities and undertakings given by the Independent Shareholders in the Forms of Acceptance shall be irrevocable, except as permitted under the Takeovers Code.

(f) The provisions set out in the accompanying Form of Acceptance form part of the terms of the Offer.

(g) The accidental omission to despatch this Composite Document and/or the accompanying Form of Acceptance or either of them to any person to whom the Offer is made shall not invalidate the Offer in any way.

(h) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong. Execution of a Form of Acceptance by or on behalf of a Shareholder will constitute such Shareholder's agreement that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the Offer.

(i) Due execution of the Form of Acceptance will constitute an irrevocable authority to the Offeror and/or Morgan Stanley (and/or such person or persons as any of them may direct) to complete, amend and execute any document on behalf of the person accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror (or such person or persons as it may direct) the Offer Shares in respect of which such person has accepted the Offer.

(j) Save for the payment of stamp duty, settlement of the consideration to which any Independent Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Shareholder.

(k) The Offer is made in accordance with the Takeovers Code.

(l) References to the Offer in this Composite Document and the Form of Acceptance shall include any extension and/or revision thereof.

(m) In making their decision, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, respectively, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of any of the Offeror, the Company, Morgan Stanley, the Independent Financial Adviser, the Registrar or their respective ultimate beneficial owners, directors, officers, employees, advisers, agents or associates or any other person involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.

(n) This Composite Document has been prepared for the purposes of compliance with the legislative and regulatory requirements applicable in respect of the Offer in Hong Kong and the operating rules of the Stock Exchange.

(o) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over the Chinese text for the purpose of interpretation.

(p) Unless otherwise expressly stated in this Composite Document and the accompanying Form of Acceptance, none of the terms of the Offer or any terms contained in this Composite Document will be enforceable, under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong), by any person other than the Offeror and the accepting Shareholders.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following table is a summary of certain audited consolidated financial results of the Group for the three financial years ended 31 March 2023, 2024 and 2025 and certain unaudited consolidated financial results of the Group for the six months ended 30 September 2024 and 2025, as extracted from the 2023 Annual Report, the 2024 Annual Report, the 2025 Annual Report and the 2025/26 Interim Report, respectively.

	For the year ended 31 March			For the six months ended 30 September	
	2025	**2024**	**2023**	**2025**	**2024**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
		(restated)		(unaudited)	(unaudited)
Revenue	972,316	908,781	881,733	496,876	448,778
Other income					
— Interest income calculated using effective interest rate method	288,927	294,685	196,721	97,421	140,284
— Interest income calculated using other method	42,313	40,528	36,481	22,934	20,043
— Others	12,474	12,199	92,955	5,169	6,770
Other net income/(loss)	43,838	(19,971)	(8,674)	8,159	27,961
	1,359,868	1,236,222	1,199,216	630,559	643,836
Staff costs	(160,847)	(139,415)	(120,120)	(75,092)	(73,301)
Amortisation and depreciation	(59,090)	(66,416)	(74,488)	(27,496)	(30,527)
Net charges for expected credit losses	(794)	(1,272)	(752)	(3,202)	(1,136)
Other operating expenses	(248,060)	(164,216)	(197,459)	(98,067)	(90,646)
Profit from operations	891,077	864,903	806,397	426,702	448,226
Finance costs	(213,599)	(259,855)	(114,202)	(58,335)	(104,585)
Profit before taxation	677,478	605,048	692,195	368,367	343,641
Income tax	(59,844)	(46,206)	(71,600)	(41,450)	(31,617)
Profit for the year/period	617,634	558,842	620,595	326,917	312,024
Profit for the year/period attributable to:					
— Equity holders of the Company	617,634	558,842	620,595	326,917	312,024
— Non-controlling interest	—	—	—	—	—

	For the year ended 31 March			For the six months ended 30 September	
	2025	2024	2023	2025	2024
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
		(restated)		(unaudited)	(unaudited)
Other comprehensive (loss)/ income					
Items that may be reclassified subsequently to profit or loss					
— Exchange reserve	—	(333)	285	Not stated	Not stated
Total comprehensive (loss)/ income attributable to:					
— Equity holders of the Company	617,634	558,509	620,880	326,917	312,024
— Non-controlling interest	—	—	—	—	—
Earnings per share					
Basic (cents)	36.39	32.93	36.56	19.26	18.38
Diluted (cents)	36.39	32.93	36.56	19.26	18.38
Dividends paid to Shareholders					
— Final dividend	—	560,108	848,648	—	—
— Special dividend	—	—	1,188,107	—	—
Dividends per share (Hong Kong cents)					
— Final dividend	—	33	50	—	—
— Special dividend	—	—	70	—	—

Save as disclosed, there was no item of any income or expense which was material in respect of the audited consolidated financial statements of the Group for each of the three financial years ended 31 March 2023, 2024 and 2025.

KPMG, the auditors of the Company, did not issue any qualified or modified opinion, nor any emphasis of matter or material uncertainty related to going concern in respect of the Group's audited consolidated financial statements for each of the three financial years ended 31 March 2023, 2024 and 2025.

In respect of the financial years ended 31 March 2023, 2024 and 2025, the Board recommended the payment of:

(i) a special dividend of 70 Hong Kong cents in an aggregate amount of HK$1,188,107,415.60 payable on 20 January 2023 to the Shareholders whose names appeared on the register of members of the Company on 12 January 2023;

(ii) a final dividend of 50 Hong Kong cents in an aggregate amount of HK$848,648,154 payable on 11 September 2023 to the Shareholders whose names appeared on the register of members of the Company on 28 August 2023; and

(iii) a final dividend of 33 Hong Kong cents in an aggregate amount of HK$560,107,781.64 payable on 9 September 2024 to the Shareholders whose names appeared on the register of members of the Company on 26 August 2024.

Save as disclosed above, no interim or final dividend was declared by the Company in respect of each of the three financial years ended 31 March 2023, 2024 and 2025 and the six months ended 30 September 2024 and 2025.

CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statements of financial position, consolidated statements of cash flows and any other primary statements as shown in (i) the 2023 Financial Statements; (ii) the 2024 Financial Statements; and (iii) the 2025 Financial Statements, together with the significant accounting policies and any points from the notes to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The 2023 Financial Statements are set out on pages 126 to 219 in the 2023 Annual Report, which is posted on the websites of the Stock Exchange and the Company and is accessible via the following links:

https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0714/2023071400588.pdf

https://enweb.bsgroup.com.hk/media/16630/c_890971_bright-smart_ar22_0710_2005_ess.pdf

The 2024 Financial Statements are set out on pages 140 to 235 in the 2024 Annual Report, which is posted on the websites of the Stock Exchange and the Company and is accessible via the following links:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0712/2024071200297.pdf

https://www.bsgroup.com.hk/media/19615/c_893827_bright-smart_ar23_0705_1814_ess.pdf

The 2025 Financial Statements are set out on pages 143 to 239 in the 2025 Annual Report, which is posted on the websites of the Stock Exchange and the Company and is accessible via the following links:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0711/2025071100693.pdf

https://enweb.bsgroup.com.hk/media/22256/c_896404_bright-smart_ar24_0708_1053_ess.pdf

The 2025/26 H1 Financial Statements are set out on pages 28 to 66 in the 2026 Interim Report, which is posted on the websites of the Stock Exchange and the Company and is accessible via the following links:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1215/2025121500816.pdf

https://enweb.bsgroup.com.hk/media/23258/cw_01428ir-26112025.pdf

The 2023 Financial Statements, the 2024 Financial Statements and the 2025 Financial Statements (but not any other part of the 2023 Annual Report, 2024 Annual Report and the 2025 Annual Report) are incorporated by reference into this Composite Document and form part of this Composite Document.

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 28 February 2026, being the latest practicable date for the purpose of preparation of this indebtedness statement prior to the printing of this Composite Document, the indebtedness of the Group was as follows:

Bank borrowings

As at 28 February 2026, the Group had total outstanding borrowings of approximately HK$5,521,526,000, comprising of (i) unsecured bank borrowings of approximately HK$631,526,000 and (ii) secured bank borrowings of approximately HK$4,890,000,000. The bank borrowings which were collateralised by the Company's margin clients' securities amounted to HK$4,890,000,000.

Lease liabilities

As at 28 February 2026, the Group had current and non-current lease liabilities amounting to approximately HK$44,750,000 and HK$48,252,000 respectively.

Contingent liabilities

As at 28 February 2026, the Company provided corporate guarantees in respect of banking facilities to its subsidiaries engaging in securities and futures broking which amounted to HK$15,522 million.

Loans from related parties

As at 28 February 2026, each of the Company and Bright Smart Securities International (H.K.) Limited, an indirect wholly-owned subsidiary of the Company, had entered into a loan facility letter with entities beneficially owned by Mr. Yip Mow Lum, the chairman and an executive director of the Company, for the provision of HK$1 billion each. No interest expense has been incurred and no drawing has been made under the facilities.

Save as aforesaid or otherwise mentioned in this section and apart from intra-group liabilities and normal accounts payable and bills payable in the ordinary course of business, the Group did not have any outstanding mortgages, charges, guarantee and other contingent liabilities, debentures, loan capital and debt securities (issued and outstanding or agreed to issue), bank loans and overdrafts or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptances (other than normal trade bills) or acceptance credits as at the close of business on 28 February 2026.

3. MATERIAL CHANGE

As at the Latest Practicable Date, the Directors confirm that, there had been no material change in the financial or trading position or outlook of the Group since 31 March 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up, and up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to the Offeror and the Offeror Concert Parties), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the directors of the Offeror and Shanghai Yunjin) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the authorised and issued share capital of the Company were as follows:

Authorised share capital:		***HK$***
10,000,000,000	ordinary shares of par value HK$0.30 each	3,000,000,000.00
Issued and fully paid share capital:		
1,697,296,308	ordinary shares of par value HK$0.30 each	509,188,892.40

All of the Shares currently in issue rank pari passu in all respects with each other, including, in particular, as to rights in respect of return of capital, dividends and voting. The issued Shares are listed on the Main Board of the Stock Exchange. No Shares are listed or dealt in on, nor is any listing of or permission to deal in the Shares being or proposed to be sought on, any other stock exchange.

Since 31 March 2026 (being the end of the last financial year of the Company) and up to the Latest Practicable Date, no Shares have been issued by the Company.

The Company did not have in issue any outstanding options, warrants, derivatives or securities convertible or exchangeable into Shares as at the Latest Practicable Date.

3. MARKET PRICES

The table below sets out the closing prices of the Shares as quoted on the Stock Exchange on (i) the last Business Day of each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per Share *(HK$)*
31 October 2024	2.24
29 November 2024	2.15
31 December 2024	2.28
28 January 2025	2.36
28 February 2025	2.68
31 March 2025	2.76
22 April 2025 (being the Last Trading Day)	2.79
30 April 2025	6.85
30 May 2025	7.27
30 June 2025	8.63
31 July 2025	14.76
29 August 2025	11.64
30 September 2025	9.13
31 October 2025	9.73
28 November 2025	7.93
31 December 2025	8.07
30 January 2026	8.85
27 February 2026	8.59
31 March 2026	11.68
2 April 2026 (being the Latest Practicable Date)	12.60

During the Relevant Period, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange were HK$17.10 per Share on 21 July 2025 and HK$2.11 per Share on 28 November 2024, respectively.

4. DISCLOSURE OF INTERESTS IN THE COMPANY'S SECURITIES

For the purpose of paragraphs 4 to 7 in this Appendix III, "interested" and "interests" have the same meanings as ascribed to such terms in Part XV of the SFO.

(a) Interests of the Directors and chief executive

As at the Latest Practicable Date, save as disclosed below, no Director or chief executive of the Company had any interests in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange; or (d) to be disclosed in this Composite Document pursuant to the Takeovers Code.

Name of Director and chief executive	Nature of interest	Number of Shares	Approximate percentage (%) of total issued Shares[1]
Mr. Hui Yik Bun	Beneficial owner	600,000	0.04
Mr. Yu Yun Kong	Beneficial owner	558,829	0.03
Mr. Szeto Wai Sun	Beneficial owner	217,666	0.01
Mr. Ling Kwok Fai Joseph	Beneficial owner	70,000	0.00

Note:

(1) All interests stated are long positions. All percentages in the above table are approximations.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, the substantial Shareholders (not being the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Name	Nature of interest	Number of Shares	Approximate percentage (%) of total issued Shares[(1)]
Ant Holdco	Interest in controlled corporations[(2)]	857,980,000	50.55

Notes:

(1) All interests stated are long positions. All percentages in the above table are approximations.

(2) As at the Latest Practicable Date, the Offeror beneficially owned 857,980,000 Shares. The Offeror is directly wholly-owned by Innovatech Empowerment Company Limited, which is indirectly wholly-owned by Shanghai Yunjin. Shanghai Yunjin is a limited liability company established under the laws of the PRC and is wholly-owned by Ant Holdco. By virtue of the SFO, Ant Holdco was deemed to be interested in those Shares held by the Offeror. Please refer to Appendix IV to this Composite Document for further details in relation to the beneficial ownership of the Offeror.

Save as disclosed above, as at the Latest Practicable Date, the Directors had not been notified by any other person (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

5. OTHER DISCLOSURE OF INTERESTS

As at the Latest Practicable Date:

(i) the Company had no shareholding in the Offeror or any convertible securities, warrants, options or derivatives in respect of shares of the Offeror;

(ii) none of the Directors was interested in any shares of the Offeror or any convertible securities, warrants, options or derivatives in respect of shares of the Offeror;

(iii) none of the subsidiaries of the Company, pension funds of the Company or of any member of the Group, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of "associate" under the Takeovers Code (but excluding exempt principal traders and exempt fund managers), owned or controlled any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period up to the Latest Practicable Date;

(iv) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of "associate" under the Takeovers Code and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) during the Offer Period up to the Latest Practicable Date;

(v) no fund manager (other than exempt fund managers) connected with the Company had managed any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares on a discretionary basis, and no such person had dealt for value in any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company during the Offer Period up to the Latest Practicable Date;

(vi) neither the Company nor any of the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares, save for any borrowed Shares which have been either on-lent or sold;

(vii) there was no understanding, arrangement, agreement or a special deal between (1) any Shareholder on the one hand; and (2) the Company, its subsidiaries or associated companies on the other hand; and

(viii) Each of Mr. Hui Yik Bun, being an executive Director, and Mr. Yu Yun Kong, Mr. Szeto Wai Sun and Mr. Ling Kwok Fai Joseph, being independent non-executive Directors, intend to reject the Offer in respect of the Shares held by them respectively as at the Latest Practicable Date.

6. DEALINGS IN SECURITIES

During the Relevant Period:

(i) save as disclosed in the section headed "4. Disclosure of Interests in the Company's Securities" of this Appendix III, none of the Directors had any interest in the Shares, derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into the Shares as at the Latest Practicable Date, and save for the Acquisition and the following, none of the Directors or companies owned or controlled by them had dealt for value in any Shares, options, derivatives, warrants or other securities convertible into the Shares or other types of equity interest in the Company during the Relevant Period:

Dealings from 25 February 2025 to 24 April 2025 (aggregated on a daily basis)

Name	Date of transactions	Nature of dealing	No. of Shares involved	Price per Share (HK$)
Mr. Szeto Wai Sun	7 March 2025	Sale	452,000	2.80–2.81

Dealings from 25 April 2025 to the Latest Practicable Date

Name	Date of transactions	Nature of dealing	No. of Shares involved	Price per Share (HK$)
Mr. Yu Yun Kong	10 July 2025	Sale	50,000	12.08
	10 July 2025	Sale	50,000	12.48
	10 July 2025	Sale	38,000	13.18
	10 July 2025	Sale	12,000	13.22
	25 July 2025	Sale	50,000	15.30
	25 July 2025	Sale	50,000	15.40
	1 August 2025	Sale	100,000	11.98
	1 August 2025	Sale	100,000	14.02
	4 August 2025	Sale	50,000	10.98
	4 August 2025	Sale	50,000	11.36

Name	Date of transactions	Nature of dealing	No. of Shares involved	Price per Share (HK$)
Mr. Ling Kwok Fai Joseph	4 August 2025	Sale	10,000	11.39
	4 August 2025	Sale	42,000	11.40
	4 August 2025	Sale	28,000	11.41
	4 August 2025	Sale	26,000	11.42
	4 August 2025	Sale	10,700	11.43
	4 August 2025	Sale	20,000	11.44
	4 August 2025	Sale	8,000	11.45
	4 August 2025	Sale	32,000	11.46
	4 August 2025	Sale	8,000	11.47
	4 August 2025	Sale	18,000	11.48
	4 August 2025	Sale	8,000	11.57
	30 December 2025	Purchase	8,000	8.05
	30 December 2025	Purchase	14,000	8.25
	30 December 2025	Purchase	6,000	8.30
	31 December 2025	Purchase	4,000	8.01
	31 December 2025	Purchase	2,000	8.02
	31 December 2025	Purchase	10,000	8.03
	31 December 2025	Purchase	12,000	8.06
	31 December 2025	Purchase	6,000	8.10
	31 December 2025	Purchase	8,000	8.11

(ii) none of the Company and the Directors had dealt for value in any shares in the Offeror or any convertible securities, warrants, options or derivatives in respect of shares in the Offeror.

7. ARRANGEMENTS AFFECTING DIRECTORS AND INTENTIONS OF DIRECTORS ON THE ACCEPTANCE OF THE OFFER

As at the Latest Practicable Date:

(i) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;

(ii) there was no agreement or arrangement between any Director and any other person which is conditional or dependent upon the outcome of the Offer or otherwise connected with the Offer; and

(iii) save for the Share Purchase Agreement, no material contract had been entered into by the Offeror in which any Director has a material personal interest.

8. SERVICE CONTRACTS WITH THE DIRECTORS

As at the Latest Practicable Date, none of the Directors had any service contracts with any members of the Group or the associated companies of the Company in force which:

(i) (including both continuous and fixed term contracts) had been entered into or amended within six months before the commencement of the Offer Period;

(ii) were continuous contracts with a notice period of 12 months or more; or

(iii) were fixed term contracts with more than 12 months to run irrespective of the notice period.

9. MATERIAL CONTRACTS

Save as disclosed below, no other contract (not being a contract entered into in the ordinary course of business carried on or intended to be carried on by the Group) was entered into by any member of the Group within the two years before the commencement of the Offer Period and up to and including the Latest Practicable Date, which is or may be material:

(i) 10 tenancy agreements, each dated 23 November 2023, were entered into by Ideal Magic Limited, a wholly-owned subsidiary of the Company, as tenant, with the Seller's affiliates (each being a company wholly-owned by Mr. Yip Mow Lum), as landlords, for the tenancy relating to the relevant premises for a term of two years, for a total estimated value of right-of-use assets to be recognised by the Group of HK$88,118,000, the details of which are set out in the Company's announcement of 23 November 2023; and

(ii) 10 amendment agreements to tenancy agreements, each dated 31 December 2025, were entered into by Ideal Magic Limited, a wholly-owned subsidiary of the Company, as tenant, with the Seller's affiliates (each being a company wholly-owned by Mr. Yip Mow Lum), as landlords, for the renewal of tenancy relating to the relevant premises for a term of two years, for a total estimated value of right-of-use assets to be recognised by the Group of HK$80,584,000, the details of which are set out in the Company's announcement of 31 December 2025.

10. MATERIAL LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration or claim of material importance and, so far as the Directors are aware, no litigation, arbitration or claim of material importance was pending or threatened by or against any member of the Group.

11. CONSENTS AND QUALIFICATIONS OF EXPERT

The following is the name and qualifications of the expert who has given a report, opinion or advice, which is contained in or referred to in this Composite Document:

Name	Qualification
Somerley	a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Somerley has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion in this Composite Document of the opinion, recommendation, letter or report (as the case may be) and references to its name, in the form and context in which they are included.

12. MISCELLANEOUS

(i) The company secretary of the Company is Mr. Chan Kwan Pak.

(ii) The address of the registered office of the Company is P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands.

(iii) The address of the head office and principal place of business of the Company in Hong Kong is 10th Floor and 23rd Floor, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong.

(iv) The Hong Kong branch share registrar of the Company is Tricor Investor Services Limited, whose address is at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(v) The Independent Financial Adviser is Somerley, whose headquarters and principal place of business in Hong Kong address is situated at 20th Floor, China Building, 29 Queen’s Road Central, Hong Kong.

(vi) In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over the Chinese text.

13. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection (i) on the website of the SFC at www.sfc.hk; and (ii) on the website of the Company at https://www.bsgroup.com.hk/, from the date of this Composite Document up to and including the Closing Date:

(a) the memorandum and articles of association of the Company;

(b) the 2023 Annual Report, the 2024 Annual Report, the 2025 Annual Report and the 2025/26 Interim Report;

(c) the letter from the Board, the text of which is set out on pages 27 to 36 of this Composite Document;

(d) the letter from the Independent Board Committee, the text of which is set out on pages 37 to 39 of this Composite Document;

(e) the letter from the Independent Financial Adviser, the text of which is set out on pages 40 to 65 of this Composite Document;

(f) the material contracts entered into by the Group referred to in the section headed "9. Material Contracts" in this Appendix III;

(g) the written consents as referred to in the section headed "11. Consents and Qualifications of Expert" in this Appendix III; and

(h) this Composite Document and the accompanying Form of Acceptance.

1. RESPONSIBILITY STATEMENT

The directors of the Offeror and Shanghai Yunjin jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Group), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. DISCLOSURE OF INTERESTS IN THE COMPANY'S SECURITIES

For the purpose of paragraphs 2 to 4 in this Appendix IV, "interested" or "interest" has the same meaning as ascribed thereto under Part XV of the SFO.

As at the Latest Practicable Date, the Offeror and the Offeror Concert Parties were in aggregate interested in a total of 857,980,000 Shares, representing approximately 50.55% of the total issued share capital of the Company.

Save for the aforesaid, as at the Latest Practicable Date, neither the Offeror nor the Offeror Concert Parties held, owned or had control or direction over any voting rights or rights over the Shares, convertible securities, warrants, options or derivatives of the Company.

Morgan Stanley is the exclusive financial adviser to the Offeror in connection with the Offer. Accordingly, Morgan Stanley and the relevant members of the Morgan Stanley group which respectively hold Shares on their own account or manage Shares on a discretionary basis are presumed to be acting in concert with the Offeror in relation to the Company in accordance with class (5) of the definition of "acting in concert"' under the Takeovers Code (except in respect of Shares held by members of the Morgan Stanley group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code). Members of the Morgan Stanley group which are exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as Morgan Stanley are not presumed to be acting in concert with the Offeror.

The sole director of the Offeror was not interested in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares.

3. DEALINGS IN THE COMPANY'S SECURITIES

Save for (1) the Acquisition and (2) the dealings in the Shares by the relevant members of the Morgan Stanley group for the account of non-discretionary investment clients of the Morgan Stanley group, neither the Offeror nor the Offeror Concert Parties had dealt in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares during the Relevant Period.

4. OTHER INFORMATION

As at the Latest Practicable Date,

(a) save as disclosed in the section headed "2. Disclosure of interests in the Company's securities" in this Appendix IV, none of the Offeror and the Offeror Concert Parties held, owned or had control or direction over any voting rights or rights over any Shares, convertible securities, warrants, options or derivatives in respect of any Shares;

(b) none of the Offeror and the Offeror Concert Parties had borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company, save for any borrowed Shares which have been either on-lent or sold;

(c) none of the Offeror and the Offeror Concert Parties had received any irrevocable commitment(s) to accept or reject the Offer;

(d) the Offeror had no intention to transfer, charge or pledge any Offer Shares acquired pursuant to the Offer to any other persons and had no agreement, arrangement or understanding with any third party to do so;

(e) no material contracts had been entered into by the Offeror in which any Director had a material personal interest;

(f) none of the Directors had been or will be given any benefit (other than statutory compensation required under the applicable laws) as compensation for loss of office or otherwise in connection with the Offer;

(g) save for the Share Purchase Agreement, there was no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or any of the Offeror Concert Parties and any of the Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Offer;

(h) there was no agreement or arrangement to which the Offeror was a party which related to circumstances in which it may or may not invoke or seek to invoke a condition to the Offer;

(i) save for the consideration for the Sale Shares of HK$2,814,174,400, there is no other consideration, compensation or benefit in whatever form paid or payable by the Offeror or the Offeror Concert Parties to the Seller in connection with the sale of the Sale Shares;

(j) save for the Share Purchase Agreement, there was no understanding, agreement, arrangement or special deal between (1) the Seller and the parties acting in concert with it; and (2) the Offeror or the Offeror Concert Parties;

(k) save for the Share Purchase Agreement, there was no understanding, arrangement, agreement or special deal between (1) any Shareholder; and (2) the Offeror or any of the Offeror Concert Parties;

(l) no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code had been entered into between the Offeror or any Offeror Concert Parties and any other person; and

(m) no person who has any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror or any of the Offeror Concert Parties owned, controlled or dealt in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares.

5. CONSENT AND QUALIFICATION OF EXPERT

The following is the name and qualification of the expert who has been appointed by the Offeror and who has been named in this Composite Document or who has given a report, opinion or advice, which is contained in or referred to in this Composite Document:

Name	**Qualification**
Morgan Stanley	a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

As at the Latest Practicable Date, Morgan Stanley had given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion in this Composite Document of its opinion or letter (as the case may be) and references to its name, in the form and context in which they respectively appear.

6. GENERAL

(a) The Offeror is an exempted company incorporated in the Cayman Islands with limited liability and its principal activity is investment holding. It is directly wholly-owned by Innovatech Empowerment Company Limited, which is indirectly wholly-owned by Shanghai Yunjin. The principal member of the Offeror Concert Parties in relation to the Offer is Shanghai Yunjin. The sole director of the Offeror is Mr. Huang Hai and the sole director of Shanghai Yunjin is Mr. Huang Hao. The registered office of the Offeror is situated at 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

(b) Shanghai Yunjin is a limited liability company established under the laws of the PRC and is wholly-owned by Ant Holdco. The registered office of Shanghai Yunjin is situated at Room 607, 6th Floor, No. 618 Waima Road, Huangpu District, Shanghai, PRC. Shanghai Yunjin holds various investments, including its wholly-owned subsidiary, Ant Wealth. Ant Wealth is a financial technology service company established in the PRC.

(c) As at the Latest Practicable Date, Junhan and Junao held approximately 32% and 22% of Ant Holdco's total issued shares, respectively. Xingtao is the executive partner and general partner of Junhan; Yunbo is the executive partner and general partner of Junao; and Xingtao is held by Mr. Ma Yun, Mr. Han Xinyi, Ms. Zhang Yu, Mr. Huang Chenli and Ms. Zhou Yun as to 20% each and Yunbo is held by Mr. Jing Xiandong, Mr. Shao Xiaofeng, Mr. Ni Xingjun, Ms. Zhao Ying and Ms. Wu Minzhi as to 20% each. The remaining issued shares in Ant Holdco are held as to approximately 33% by Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司), an indirect wholly-owned subsidiary of Alibaba Holding, and as to approximately 13% by other minority shareholders. As at the Latest Practicable Date, the directors of Ant Holdco are Mr. Jing Xiandong, Mr. Han Xinyi, Mr. Joe Tsai, Mr. Toby Hong Xu, Ms. Hao Quan, Mr. Huang Yiping, Ms. Yang Xiaolei, Ms. Cha Laura May-lung, Mr. Zhang Hongjiang.

(d) The correspondence address of the Offeror is 23/F, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

(e) The correspondence address of Shanghai Yunjin is Room 607, 6th Floor, No. 618 Waima Road, Huangpu District, Shanghai, PRC.

(f) The main business address of Morgan Stanley is at 30-32, 35-42 & 45-47 Floor and Part of Floor 3, 8-9, International Commerce Centre, 1 Austin Road West Kowloon, Hong Kong.

(g) In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over the Chinese text.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection (i) on the website of the SFC at www.sfc.hk; and (ii) on the website of the Company at https://www.bsgroup.com.hk/, from the date of this Composite Document up to and including the Closing Date:

(a) the memorandum and articles of association of the Offeror;

(b) the letter from Morgan Stanley, the text of which is set out on pages 13 to 26 of this Composite Document;

(c) the written consent as referred to in the section headed "5. Consent and Qualification of Expert" in this Appendix IV; and

(d) this Composite Document and the accompanying Form of Acceptance.