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CELESTIAL ASIA SECURITIES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

MAJOR TRANSACTION INVESTMENT IN A BEIJING PROPERTY INTEREST BY THE PROPOSED ACQUISITION OF RAINBOW DAY INVESTMENTS LIMITED

A Circular relating to the proposed Acquisition will be despatched to the shareholders of the Company on 21 January 2004 and the following statement of the pro forma adjusted unaudited consolidated net tangible assets of the enlarged Group immediately following completion of the proposed Acquisition will be incorporated into the Circular.

Reference is made to the two announcements of the Company dated 19 December 2003 and 7 January 2004 respectively ("Announcements") in respect of the proposed Acquisition of Rainbow Day Investments Limited. Terms used herein shall have the same meanings as defined in the Announcements unless otherwise stated.

The Company will despatch a circular ("Circular") relating to the proposed Acquisition to its shareholders on 21 January 2004 and the following statement of the pro forma adjusted unaudited consolidated net tangible assets of the enlarged Group immediately following completion of the proposed Acquisition will be incorporated into the Circular:–

	<i>HK\$'000</i>	<i>HK\$'000</i>
Net assets per the audited consolidated balance sheet of the Group as at 31 December 2002		375,805
<i>Less:</i> Goodwill		(55,260)
Intangible assets		(12,752)
		307,793
<i>Add:</i> Net proceeds from the issue of 60 million new shares (transaction was completed and details of which were disclosed in the announcement of the Company dated 22 May 2003)		16,094
<i>Add:</i> Amortisation of intangible assets and goodwill for the six months ended 30 June 2003		2,800
<i>Less:</i> Increase in goodwill resulting from the partial conversion of convertible notes issued by CASH Financial Services Group Limited ("CFSG")		(14,575)
<i>Less:</i> Unaudited loss as set out in the interim report of the Group for the six months ended 30 June 2003		(32,479)
		279,633
<i>Add:</i> Proceeds from disposals and placing of approximately 11 million shares in CFSG (transaction was completed and details of which were disclosed in the announcement of CFSG dated 19 September 2003)	12,332	
Net assets of the shares of CFSG disposed of	(3,885)	
Amount of goodwill attributable to the shares of CFSG disposed of	(2,123)	6,324
		285,957
<i>Add:</i> Net proceeds from rights shares issued by CFSG (transaction was completed and details of which were disclosed in the announcement of CFSG dated 29 September 2003)	62,000	
The Group's 51.27% interest in CFSG	(31,787)	30,213
Net tangible assets of the Group immediately before the completion of the Acquisition		316,170
<i>Add:</i> Net tangible assets of Rainbow Day		234,700
<i>Less:</i> Consideration for the Acquisition by way of :		
Cash		(7,540)
3-year term loan given by the Vendor		(113,100)
Pro forma net tangible assets of the Group immediately after completion of the Acquisition		430,230

A special general meeting of the Company will be held at 9:30 am on 9 February 2004 at 21/F The Center, 99 Queen's Road Central, Hong Kong at which ordinary resolutions will be proposed for consideration, and if thought fit, be passed by the shareholders of the Company for, inter alia, approving the Acquisition.

On behalf of the Board
Bankee P Kwan
Chairman & CEO

Hong Kong, 20 January 2004