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CELESTIAL ASIA SECURITIES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 1049)

DISCLOSEABLE TRANSACTION DISPOSAL OF SHARE INVESTMENT

On 6 March 2007, the Company was informed by CIGL, a wholly-owned subsidiary of the Company, that it has sold to the Purchaser (an independent third party) the Sale Shares, being around 4.19% equity interest in CRMG, at a total consideration of HK\$10,500,000 in cash.

The Disposal constitutes a discloseable transaction for the Company under the Listing Rules. A circular containing the details of the Disposal will be sent to the Shareholders as soon as practicable.

INTRODUCTION

On 6 March 2007, the Company was informed by CIGL that it has sold to the Purchaser the Sale Shares at the following terms of the Disposal.

THE DISPOSAL

Sale Date: 6 March 2007

Sale Shares: 50,000,000 existing CRMG Shares, being around 4.19% of the entire issued share capital of CRMG

Seller: CIGL, a wholly-owned subsidiary of the Company, and together with its subsidiaries were, before the Disposal taking place, altogether holding 94,062,500 CRMG Shares (being around 7.89% equity interest in CRMG)

Purchaser: The Purchaser is an individual investor. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Purchaser is third party independent of the Company and connected person (as defined under the Listing Rules) of the Company.

Sale Price: HK\$0.21 per Sale Share in cash having been settled on the Sale Date. The total consideration for the Sale Shares is HK\$10,500,000.

The Sale Price represents a premium of approximately 4.5% over the closing price of the CRMG Shares immediately preceding the Sale Date of HK\$0.201 and a discount of approximately 18.0% to the 5-day average closing price of the CRMG Shares immediately preceding the Sale Date of HK\$0.256.

The Sale Price was determined between CIGL and the Purchaser on an arm's length basis with reference to the then current market price of the CRMG Shares. In view of the downturn of the current stock market and the premium of the Sale Price as mentioned above, the Board considers that the Sale Price are fair and reasonable.

Completion: There was no condition precedent to the Disposal. The Disposal was completed on the Sale Date.

INFORMATION ON THE GROUP

The Group is principally engaged in the (a) financial services provided via CASH Financial Services Group Limited (stock code: 8122) including online and traditional brokerage of securities, options, futures and leveraged foreign exchange contracts as well as mutual funds and insurance-linked investment products, margin financing, corporate finance, other financial services and online game services; (b) retailing of furniture and household items and trendy digital products; and (c) investment holding.

INFORMATION ON CRMG

The CRMG Group is mainly engaged in department store business and the provision of retail management services such as development planning advisory and marketing services.

REASON FOR THE DISPOSAL AND USE OF PROCEEDS

Before the Disposal, the Group was holding around 7.89% shareholding interest in CRMG as share investment. Having considering the downturn of the current stock market in Hong Kong and the price of the Sale Shares offered by the Purchaser in view of the size of the Sales Shares, the Board considers that the terms of the Disposal are fair and reasonable and it is an opportunity for the Group to realise portion of its investment in CRMG. The Board will consider to dispose the remaining around 3.70% shareholding interest in CRMG in the event that opportunities arises. The proceeds from the Disposal will also enable the Group to settle part of the balance of the consideration for the acquisition of the Hong Kong retail business (as announced by the Company on 21 February 2006) and for working capital of the Group. The Board considers that the terms of the Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The book value of the Sale Shares represented in the accounts of the Group is around HK\$17.8 million as at the Sale Date. The Disposal will result in a loss before taxation for the Group of around HK\$7.3 million which will be reported in the financial results of the Group for the current financial year.

FINANCIAL INFORMATION OF CRMG

The audited consolidated net losses before and after taxation, minority interest and extraordinary items of the CRMG Group for the year ended 31 December 2005 were both around HK\$76.6 million. The audited consolidated net losses before and after taxation, minority interest and extraordinary items of the CRMG Group for the year ended 31 December 2004 were both around HK\$85.4 million. The audited consolidated net assets of the CRMG Group as at 31 December 2005 and 31 December 2004 were around HK\$240.7 million and HK\$143.8 million respectively. The unaudited consolidated net assets of the CRMG Group as at 30 June 2006 were around HK\$223.0 million.

GENERAL

The Disposal constitutes a discloseable transaction for the Company under the Listing Rules. A circular containing the details of the Disposal will be sent to the Shareholders as soon as practicable.

DEFINITIONS

"Board"	the board of directors of the Company
"CIGL"	Celestial Investment Group Limited, a wholly-owned subsidiary of the Company
"Company"	Celestial Asia Securities Holdings Limited (stock code: 1049), a company listed on the main board of the Stock Exchange
"CRMG"	CASH Retail Management Group Limited (stock code: 996), a company listed on the main board of the Stock Exchange
"CRMG Group"	CRMG and its subsidiaries
"CRMG Shares"	shares of HK\$0.02 each in CRMG
"Disposal"	the disposal of the Sale Shares by CIGL to the Purchaser at the Sale Price on the Sale Date
"Group"	the Company and its subsidiaries
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Purchaser"	the Purchaser of the Sale Shares who is a third party independent of the Company and connected person (as defined under the Listing Rules) of the Company
"Sale Date"	the date of the Disposal, being 6 March 2007
"Sale Price"	the sale price of HK\$0.21 per Sale Share
"Sale Share(s)"	50,000,000 existing CRMG Shares
"Shareholder(s)"	shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK\$"	Hong Kong dollar(s), the currency of Hong Kong

On behalf of the Board
Bankee P Kwan
Chairman

Hong Kong, 7 March 2007

As at the date hereof, the Company's executive directors are Mr Kwan Pak Hoo Bankee, Mr Law Ping Wah Bernard, Mr Wong Kin Yick Kenneth and Mr Lin Che Chu George, and its independent non-executive directors are Mr Leung Ka Kui Johnny, Mr Wong Chuk Yan and Dr Chan Hak Sin.