

**CASH**   
**CELESTIAL ASIA SECURITIES HOLDINGS LIMITED**  
(Incorporated in Bermuda with limited liability)  
(Stock code: 1049)

**DISCLOSEABLE TRANSACTION  
FURTHER DISPOSAL OF SHARE INVESTMENT**

On 7 March 2007, the Company issued the Announcement in respect of the Disposal for approximately 4.19% equity interest in CRMG.

On 12 March 2007, the Company was further informed by CIGL (a wholly-owned subsidiary of the Company) and its subsidiaries in respect of the Second Disposal for the remaining around 3.70% equity interest in CRMG at a total consideration of HK\$9,253,125 in cash.

The Disposal, when aggregated with the Share Disposal, still constitutes a discloseable transaction for the Company under the Listing Rules. A circular containing the details of the Disposal and the Second Disposal will be sent to the Shareholders as soon as practicable.

**INTRODUCTION**

Reference is made to the Announcement. Terms used herein shall have the same meanings as ascribed in the Announcement unless the context otherwise requires.

On 12 March 2007, the Company was further informed by CIGL and its subsidiaries that they have sold to the Second Purchaser the Second Sale Shares at the following terms of the Second Disposal.

**THE SECOND DISPOSAL**

Second Sale Date: 12 March 2007

Second Sale Shares: 44,062,500 existing CRMG Shares, being around 3.70% 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 Second Disposal taking place, altogether holding 44,062,500 CRMG Shares (being around 3.70% equity interest in CRMG).

Second Purchaser: The Second Purchaser is an individual investor and is not the same Purchaser in respect of the Disposal. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Second Purchaser is third party independent of the Company and connected person (as defined under the Listing Rules) of the Company.

Second Sale Price: HK\$0.21 per Sale Share in cash having been settled on the Second Sale Date. The total consideration for the Second Sale Shares is HK\$9,253,125.

The Second Sale Price represents a premium of approximately 6.6% over the closing price of the CRMG Shares immediately preceding the Second Sale Date of HK\$0.197 and a premium of approximately 4.0% over the 5-day average closing price of the CRMG Shares immediately preceding the Second Sale Date of HK\$0.202.

The Second Sale Price was determined between CIGL and the Second 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 Second Sale Price as mentioned above, the Board considers that the Second Sale Price is fair and reasonable.

Completion: There was no condition precedent to the Second Disposal. The Second Disposal was completed on the Second 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 SECOND DISPOSAL AND USE OF PROCEEDS**

On 7 March 2007, the Company announced the Disposal of around 4.19% equity interest in CRMG and its intention to dispose the remaining around 3.70% equity interest in CRMG. Having considering the downturn of the current stock market in Hong Kong and the price of the Second Sale Shares offered by the Second Purchaser, the Board considers that the terms of the Second Disposal are fair and reasonable and it is an opportunity for the Group to realise all the remaining share investment in CRMG. The proceeds from the Second 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 Second Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The book value of the Second Sale Shares represented in the accounts of the Group is around HK\$15.6 million as at the Second Sale Date. The Second Disposal will result in a loss before taxation for the Group of around HK\$6.4 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, when aggregated with the Second Disposal, still constitutes a discloseable transaction for the Company under the Listing Rules. A circular containing the details of the Disposal and the Second Disposal will be sent to the Shareholders as soon as practicable.

**DEFINITIONS**

"Announcement"	the announcement issued by the Company on 7 March 2007 in respect of the Disposal of approximately 4.19% equity interest in CRMG
"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 the share capital of CRMG
"Group"	the Company and its subsidiaries
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Second Disposal"	the disposal of the Second Sale Shares by CIGL and its subsidiaries to the Second Purchaser at the Second Sale Price on the Second Sale Date
"Second Purchaser"	the Second Purchaser of the Second Sale Shares who is a third party independent of the Company and connected person (as defined under the Listing Rules) of the Company. The Second Purchaser is not the same person as the Purchaser in respect of the Disposal
"Second Sale Date"	the date of the Second Disposal, being 12 March 2007
"Second Sale Price"	the sale price of HK\$0.21 per Sale Share
"Second Sale Share(s)"	44,062,500 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, 13 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.*