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CELESTIAL ASIA SECURITIES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock code: 1049)

**DEFERRAL OF DESPATCH OF CIRCULAR
in relation to
Possible Major Transaction
– Formation of Joint Venture in respect of TD-SCDMA Technology**

As additional time is required for issue of the valuation report and preparation of the Circular, the despatch of the Circular will be deferred.

Reference is made to the announcement issued by Celestial Asia Securities Holdings Limited (“Company”) dated 19 July 2007 (“Announcement”) in respect of, among other things, the possible major transaction for the formation of joint venture in respect of TD-SCDMA Technology (“Transaction”). Terms used herein shall have the same meanings as ascribed in the Announcement unless the context otherwise requires.

Pursuant to Rule 14.38 of the Listing Rules, a circular (“Circular”) containing, among other things, the details of the Transaction, shall be despatched to the Shareholders within 21 days after the publication of the Announcement.

Since the date of the issue of the Announcement, the JV Partners have been looking for independent valuers to be appointed for the valuation of the TD-SCDMA Technology. The independent valuers have not yet been appointed as at the date of this announcement. As the JV Partners intend to appoint joint independent valuers in both Hong Kong and the PRC for conducting the valuation of the TD-SCDMA Technology and the appointments of the joint independent valuers should be as mutually agreed by the JV Partners, additional time is required for arranging the appointments. The JV Partners expect that the joint independent valuers will be appointed the latest by end of August 2007. As additional time is required for issue of the valuation report and preparation of the Circular, the despatch of the Circular will be deferred. The Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rule 14.38 of the Listing Rules by extending the despatch date of the Circular to on or before 31 October 2007.

By Order of the Board
Suzanne W S Luke
Company Secretary

Hong Kong, 9 August 2007

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