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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
Major and Connected Transactions
- Proposed issue of a convertible note and
proposed acquisition of the properties in Hong Kong and the PRC**

As additional time is required for the issue of the accountants' report of the Properties Group, the compilation of financial information for inclusion into the Circular, including the pro forma financial information on the enlarged Group, the indebtedness statement on the Group and the review on sufficiency of working capital on the enlarged Group, and preparation of the draft Circular, the despatch of the Circular will be deferred.

Reference is made to the announcement issued by Celestial Asia Securities Holdings Limited ("Company") dated 11 November 2008 ("Announcement") in respect of, among other things, the major and connected transactions for the proposed issue of a convertible note and proposed acquisition of the properties in Hong Kong and the PRC ("Transactions"). Terms used herein shall have the same meanings as ascribed in the Announcement unless the context otherwise requires.

Pursuant to Rules 14.38 and 14A.49 of the Listing Rules, a circular ("Circular") containing, among other things, the details of the Transactions, the letter from the independent financial adviser and the notice of the SGM shall be despatched to the Shareholders within 21 days after the publication of the Announcement, which is on or before 2 December 2008.

It is required that an accountants' report of the Properties Group be included in the Circular. As additional time is required for the issue of the accountants' report of the Properties Group, the compilation of financial information for inclusion into the Circular, including the pro forma financial information on the enlarged Group, the indebtedness statement on the Group and the review on sufficiency of working capital on the enlarged Group, and preparation of the draft 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 Rules 14.38 and 14A.49 of the Listing Rules by extending the despatch date of the Circular to on or before 23 January 2009.

By Order of the Board
Suzanne W S Luke
Company Secretary

Hong Kong, 1 December 2008

As at the date hereof, the directors of the Company are:-

Executive directors:

Mr Kwan Pak Hoo Bankee
Mr Lin Che Chu George
Mr Law Ping Wah Bernard

Independent non-executive directors:

Mr Leung Ka Kui Johnny
Mr Wong Chuk Yan
Dr Chan Hak Sin