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Celestial Asia Securities Holdings Limited

時富投資集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1049)

**Proposed Rights Issue on the basis of 1 Rights Share
for every 2 Shares held on the Record Date**

Underwriter



Celestial Capital Limited

- The Board announces that the Company proposed to raise approximately HK\$110.8 million (before expenses) by issuing not more than 277,073,892 Rights Shares (assuming the number of Shares in issue remains unchanged up to the Record Date) at the Subscription Price of HK\$0.40 per Rights Share by way of rights issue. Currently, the Company has 554,147,785 Shares in issue. The Company will provisionally allot 1 Rights Share in nil-paid form for every 2 Shares held by Qualifying Shareholders on the Record Date. Rights Shares will not be issued to the Excluded Overseas Shareholders.
- The Undertaking Shareholders and their respective associates, as at the date of this announcement, are interested in an aggregate of 202,315,413 Shares, representing approximately 36.50% of the existing issued share capital of the Company. The Undertaking Shareholders have respectively and irrevocably undertaken to the Company that, inter alia, they will accept or procure the acceptance of a total of 101,157,706 Rights Shares to be provisionally allotted to them and/or their respective associates under the Rights Issue.
- The balance of the 175,916,186 Rights Shares (assuming the number of Shares in issue remains unchanged up to the Record Date) has been fully underwritten by the Underwriter.

- The Rights Issue is subject to the Conditions as described under the section headed “Conditions of the Rights Issue” below. **Accordingly, the Rights Issue may or may not proceed. It should be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate its obligations thereunder on the occurrence of certain events, including force majeure.** Shareholders’ and potential investors’ attentions are also drawn to the sections headed “Termination of the Underwriting Agreement” and “Warning of risk of dealings in Shares and nil-paid Rights Shares” below.
- It is expected that the Company will on 19 August 2015 despatch the Prospectus Documents to the Qualifying Shareholders and, for information only, the Prospectus to the Excluded Overseas Shareholders.
- The last day of dealings in Shares on a cum-rights basis will be 11 August 2015. Shares will be dealt in on an ex-rights basis from 12 August 2015. To qualify for the Rights Issue, all transfers of Shares must be lodged with the Branch Registrars for registration by 4:30 p.m. on 13 August 2015.
- The proceeds from the Rights Issue will be used for the expansion of the retail management business of the Group, as general working capital of the Group as well as financing potential acquisitions or new investments as and when opportunities arise.

TERMS OF THE RIGHTS ISSUE

Issue statistics

Existing number of Shares in issue	: 554,147,785 Shares
Basis of the Rights Issue	: 1 Rights Share for every 2 Shares held on the Record Date
Number of Rights Shares to be issued	: Not more than 277,073,892 Rights Shares with nominal value of HK\$0.10 each (assuming the number of Shares in issue remains unchanged up to the Record Date)
Aggregate nominal value of the Rights Shares to be issued:	: HK\$27,707,389.20

- Subscription Price : HK\$0.40 per Rights Share in cash which represents:
- (a) a discount of approximately 57.45% to the closing price of HK\$0.94 per Share as quoted on the Stock Exchange on the Last Trading Day;
 - (b) a discount of approximately 60.78% to the average closing price of approximately HK\$1.02 per Share for the last 5 consecutive trading days up to and including the Last Trading Day as quoted on the Stock Exchange;
 - (c) a discount of approximately 64.41% to the average closing price of approximately HK\$1.124 per Share for the last 10 consecutive trading days up to and including the Last Trading Day as quoted on the Stock Exchange;
 - (d) a discount of approximately 47.37% to the theoretical ex-rights price of approximately HK\$0.76 per Share based on the closing price of HK\$0.94 per Share as quoted on the Stock Exchange on the Last Trading Day; and
 - (e) a discount of approximately 39.39% to net asset value of approximately HK\$0.66 per Share based on the audited consolidated net asset value of the Group attributable to the Shareholders of HK\$366,626,000 as at 31 December 2014 and 554,147,785 Shares in issue as at the date of this announcement.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the recent market price of the Shares under the prevailing market conditions. The Board (including the independent non-executive Directors) considers the terms of the Rights Issue, including the Subscription Price which has been set at a discount to the recent closing prices of the Shares with an objective of encouraging all existing Shareholders to take up their entitlements so as to participate in the potential growth of the Company in the future, are fair and reasonable and in the interests of the Company and Shareholders as a whole.

As at the date of this announcement, there are 31,400,000 outstanding Options, but which are either ineligible for exercise on or before the Record Date or have been undertaken by the respective Option holders that they will not exercise the Options on or before the Record Date. Apart from the above, the Company has no outstanding options, convertible securities or warrants which confer the right to subscribe for the Shares as at the date of this announcement.

Assuming no Shares will be issued on or before the Record Date, the 277,073,892 Rights Shares represent 50% of the Company's issued share capital as at the date of this announcement and will represent approximately 33.33% of the Company's issued share capital as enlarged by the Rights Issue.

Status of the Rights Shares

When allotted and issued as fully paid, the Rights Shares will rank pari passu in all respects with the then existing Shares in issue. Holders of the fully-paid Rights Shares will be entitled to receive all dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

Despatch of Rights Share certificates and refund cheques

Subject to the fulfilment of the Conditions as set out in the section headed "Conditions of the Rights Issue" below, share certificates for all fully-paid Rights Shares and refund cheques in respect of wholly or partly unsuccessful applications for excess Rights Shares are expected to be posted by 17 September 2015 to those entitled thereto.

Qualifying Shareholders and Excluded Overseas Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date and not be an Excluded Overseas Shareholder on the Record Date. In order to be registered as members of the Company on the Record Date, all transfers of the Shares (together with the relevant share certificate(s) and/or instrument(s) of transfer) must be lodged with the Branch Registrars, Tricor Standard Limited, at 22/F Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on 13 August 2015. It is expected that the last day of dealings in the Shares on a cum-rights basis is 11 August 2015 and the Shares will be dealt in on an ex-rights basis from 12 August 2015.

The Company will provisionally allot the Rights Shares, and send a Prospectus containing details of the Rights Issue to the Qualifying Shareholders and, for information only, to the Excluded Overseas Shareholders. PALs and EAFs will also be sent to the Qualifying Shareholders only.

If, at the close of business on the Record Date, a Shareholder's address on the register of members of the Company is in a place outside Hong Kong, that Shareholder may not be eligible to take part in the Rights Issue as the Prospectus Documents will not be registered and/or filed under the applicable securities legislation of any jurisdictions other than Hong Kong and Bermuda. The Board will make enquiries to its lawyers as to whether the issue of Rights Shares to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange pursuant to Rule 13.36(2)(a) of the Listing Rules. If, after making such enquiry, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to offer Rights Shares to such Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. Accordingly, the Rights Issue will not be extended to the Excluded Overseas Shareholders. The result of the enquiries will be included in the Prospectus.

Arrangements will be made for Rights Shares which would otherwise be provisionally allotted to Excluded Overseas Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be distributed to Excluded Overseas Shareholders on a pro rata basis and be sent to them, at their own risk, in Hong Kong dollars as soon as practicable. Individual amount of less than HK\$100 will be retained by the Company. Entitlements not sold in the market will be available for application by Qualifying Shareholders on EAFs.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot fractions of Rights Shares. The aggregate of fractions of the Rights Shares will be sold by the Company in the market if a net premium can be obtained. Any unsold fractions of the Rights Shares will be made available for excess application by the Qualifying Shareholders.

Application for excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of Excluded Overseas Shareholders, any Rights Shares provisionally allotted but not accepted and any unsold fractions of Rights Shares not provisionally allotted. Applications for excess Rights Shares can be made by completing the EAFs and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate the excess Rights Shares at their discretion but will give preference to topping-up odd lots to whole board lots and on a fair and equitable basis on the following principles:

- (1) preference will be given to applications for less than a board lot of Rights Shares where they appear to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings and that such applications are not made with intention to abuse this mechanism; and
- (2) subject to availability of excess Rights Shares after allocation under principle (1) above, the excess Rights Shares will be allocated to Qualifying Shareholders based on a sliding scale with reference to the number of the excess Rights Shares applied by them (i.e. Qualifying Shareholders applying for smaller number of Rights Shares are allocated with a higher percentage of successful application but will receive less number of Rights Shares; whereas Qualifying Shareholders applying for larger number of Rights Shares are allocated with a smaller percentage of successful application but will receive higher number of Rights Shares) and with board lots allocations to be made on best effort's basis.

Shareholders with their Shares held by a nominee company (or which are held in CCASS) should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the application for excess Rights Shares will not be extended to beneficial owners individually. Shareholders with their Shares held by a nominee company are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

For Shareholders whose Shares are held by their nominee(s) (or which are held in CCASS) and would like to have their names registered on the register of members of the Company, they must complete the relevant registration with Branch Registrars by 4:30 p.m. on 13 August 2015.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listings of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms.

No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to the payment of stamp duty in Hong Kong.

Registration

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdictions other than Hong Kong and Bermuda (if necessary).

ADJUSTMENT OF EXERCISE PRICE OF OPTIONS

As at the date of this announcement, there are 31,400,000 outstanding Options granted to participants under the share option scheme of the Company. The issuance of the Rights Shares may cause an adjustment to the exercise price and number of option shares, which adjustments shall be certified by the auditors or independent financial adviser of the Company. As soon as the certification is issued, the Company will inform each of the Option grantees accordingly.

UNDERTAKINGS BY THE UNDERTAKING SHAREHOLDERS

As at the date of this announcement, the Undertaking Shareholders and their respective associates are beneficially interested in an aggregate of 202,315,413 Shares, representing approximately 36.50% of the total number of existing issued share capital of the Company. The Undertaking Shareholders have respectively and irrevocably undertaken to the Company to take up or procure the acceptance of the 101,157,706 Rights Shares which will be provisionally allotted to them and/or their respective associates. The Undertaking Shareholders have further undertaken that the number of Shares that they and their respective associates are interested in will remain unchanged up to and including the Record Date.

Save as the Undertaking Shareholders and their respective associates, the Board has not received any information from any substantial Shareholders of their intention to accept the Rights Share to be provisionally allotted to them.

UNDERWRITING ARRANGEMENT

The Underwriter has agreed with the Company to fully underwrite the balance of the Rights Shares pursuant to the Underwriting Agreement as disclosed below.

- Date : 31 July 2015
- Underwriter : The Underwriter
- Issuer : The Company
- Number of Rights Shares underwritten : Not more than 175,916,186 Rights Shares, being Rights Shares other than those undertaken to be taken up or procured to be taken up by the Undertaking Shareholders and their respective associates (assuming the number of Shares in issue remains unchanged up to the Record Date)
- Subscription Price : HK\$0.40 per Rights Share
- Underwritten amount : Not more than HK\$70,366,474.40
- Underwriter's commission : 2.5% of the aggregate Subscription Price of the Rights Shares underwritten. Assuming that there is no change in the shareholding structure of the Company up to the Record Date, it is estimated that the Underwriter's commission will be HK\$1,759,161.86. The Board considers that the underwriting commission is fair and reasonable and is on normal commercial terms.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. The Board considers the terms of the Underwriting Agreement including the commission rate are fair and reasonable so far as the Company and the Shareholders are concerned.

THE SUB-UNDERWRITING ARRANGEMENTS

On 31 July 2015, the Underwriter has made sub-underwriting arrangements with 4 sub-underwriters, being Independent Third Parties, to fully sub-underwrite the underwritten Rights Shares. If some or all of the underwritten Rights Shares is not accepted or applied for under PALs or EAFs, the sub-underwriters shall take up, or procure Independent Third Parties to take up, the underwritten Rights Shares that are not taken up by the Qualifying Shareholders, and the Underwriter shall in any event not itself take up any Rights Shares pursuant to the Underwriting Agreement. The Underwriter undertakes in the Underwriting Agreement that the Underwriter will use its best endeavour to procure that each of the ultimate subscribers or purchasers procured by it or the sub-underwriters will not (together with each of the respective parties acting in concert or any of their respective connected persons or associates) hold in aggregate 10% or more of the voting rights of the Company immediately after the Rights Issue.

Major terms of the sub-underwriting arrangements are summarised as below:

Number of sub-underwritten Rights Shares	:	Sub-underwriter A	12,000,000 Rights Shares
		Sub-underwriter B	54,638,700 Rights Shares
		Sub-underwriter C	54,638,700 Rights Shares
		Sub-underwriter D	54,638,786 Rights Shares
		Total:	175,916,186 Rights Shares

where all the 4 sub-underwriters are Independent Third Parties

Sub-underwriting commissions : 1.25% of the aggregate Subscription Price of the Rights Shares to be sub-underwritten by the sub-underwriters

Conditions precedent : (i) the Rights Issue being made on the terms of, or substantially on the terms of, the Underwriting Agreement; and
(ii) the Rights Issue becoming unconditional on or before 11 September 2015 (or such later date as the Company and the Underwriter may agree)

TERMINATION OF THE UNDERWRITING AGREEMENT

If any of the following events happens before 4:30 p.m. on the second Business Day after the last day for acceptance of, and payment of, Rights Shares, then the Underwriter may in its reasonable opinion terminate the Underwriting Agreement:

- (a) **the success of the Rights Issue would be materially and adversely affected by:**
- (i) **the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may materially adversely affect the business or the financial or trading position or prospects of the Group as a whole; or**
 - (ii) **the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic, currency or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which materially adversely affects the business or the financial or trading position or prospects of the Group as a whole or materially adversely prejudices the success of the Rights Issue or the taking up of the Rights Shares by the Shareholders or otherwise makes it inexpedient or inadvisable for the Company or the Underwriter to proceed with the Rights Issue;**
- (b) **any material change in market conditions or combination of circumstances in Hong Kong or elsewhere (including without limitation suspension or material restriction or trading in securities) occurs which may adversely and materially affect the success of**

the Rights Issue or the taking up of the Rights Shares by the Shareholders;

- (c) **any matter or event showing any of the representations and warranties referred to in the Underwriting Agreement to be untrue and inaccurate in any respect which considers to be material; or**
- (d) **any suspension in the trading of securities generally or the Shares on the Stock Exchange for a period of more than 5 consecutive trading days.**

If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional upon, inter alia, each of the following events occurring on or before 11 September 2015 (or such later date as the Company and the Underwriter may agree):

- (a) the Bermuda Monetary Authority granting consent to the issue of the Rights Shares, if required;
- (b) the due filing and registration of the Prospectus Documents with the Registrar of Companies in Bermuda, if required;
- (c) the due filing and registration of the Prospectus Documents with the Registrar of Companies in Hong Kong and delivery of the same to the Stock Exchange;
- (d) the Listing Committee of the Stock Exchange granting and not having withdrawn or revoked the listings of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms by no later than the date of despatch of the Prospectus Documents;
- (e) the despatch of the Prospectus Documents by the Company;
- (f) the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and the Underwriting Agreement not being terminated in accordance with its terms;
- (g) the compliance with and performance of all the undertakings and obligations of all relevant Option holders not to exercise the rights attached to the Options from the date of the Underwriting Agreement up to and including the Record Date; and
- (h) the compliance with and performance of all the undertakings and obligations of all the Undertaking Shareholders and their respective associates not to change the number of Shares they are interested in from the date of the Underwriting Agreement up to and including the Record Date and to take up or procure the taking up of all Rights Shares provisionally allotted to them.

The Conditions are incapable of being waived. The Rights Issue will not be completed if any of the above Conditions is not satisfied. The Rights Issue is not subject to Shareholders' approval requirement.

EXPECTED TIMETABLE

The timetable for the Rights Issue arrangement is listed below and may be subject to changes. The final timetable will be set out in the Prospectus.

2015

Last day of dealings in existing Shares on a cum-rights basis	Tuesday, 11 August
Commencement of dealings in existing Shares on an ex-rights basis	Wednesday, 12 August
Latest time for lodging transfers of Shares in order to qualify for the allotment of Rights Shares in nil-paid form	4:30 p.m. on Thursday, 13 August
Register of members closed (both dates inclusive)	Friday, 14 August – Tuesday, 18 August
Record Date	Tuesday, 18 August
Register of members re-open	Wednesday, 19 August
Prospectus Documents expected to be despatched on	Wednesday, 19 August
First day of dealings in nil-paid Rights Shares	9:00 a.m. on Friday, 21 August
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Monday, 31 August
Last day of dealings in nil-paid Rights Shares	4:00 p.m. on Friday, 4 September
Latest time for acceptance of and payment for Rights Shares and application and payment for excess Rights Shares	4:30 p.m. on Wednesday, 9 September
Rights Issue and Underwriting Agreement to become unconditional on or before	4:30 p.m. on Friday, 11 September
Publication of the announcement of result of acceptance of the Rights Issue	Wednesday, 16 September
Refund cheques in respect of unsuccessful or partially successful applications for excess Rights Shares expected to be despatched on or before	Thursday, 17 September
Certificates for fully-paid Rights Shares expected to be despatched on or before	Thursday, 17 September
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Friday, 18 September

CLOSURE OF REGISTER OF MEMBERS

In order to be registered as a member on the Record Date, Shareholders must lodge the transfer of Shares (with the relevant share certificate(s)) with the Branch Registrars at 22/F Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on 13 August 2015.

The register of members of the Company will be closed from 14 August 2015 to 18 August 2015 (both dates inclusive). During the period, no transfer of Shares will be effected.

WARNING OF RISK OF DEALINGS IN SHARES AND NIL-PAID RIGHTS SHARES

The Shares will be dealt in on an ex-rights basis from 12 August 2015. Dealings in the nil-paid Rights Shares are expected to take place from 21 August 2015 to 4 September 2015 (both dates inclusive) in the same board lot size of the existing Shares, that is, 6,000 nil-paid Rights Shares. If the Underwriter terminates the Underwriting Agreement or any of the Conditions is not fulfilled, the Rights Issue will not proceed.

Any Shareholders or other persons contemplating selling or purchasing Shares up to the date on which all the Conditions are fulfilled and the date on which the Underwriter's right of termination ceases who are in any doubt about their position are recommended to consult their professional advisers. Any Shareholders or other persons dealing in the Shares up to the date on which all the Conditions are fulfilled and the date on which the Underwriter's right of termination ceases, and any persons dealings in the nil-paid Rights Shares during the period from 21 August 2015 to 4 September 2015 will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. In particular, the Board would like to draw your attention to the fact that the Underwriting Agreement may be terminated if prior to 4:30 p.m. on the second Business Day after the latest time for acceptance and payment of Rights Shares, in the reasonable opinion of the Underwriter that, inter alia, the success of the Rights Issue would be materially and adversely affected by, inter alia, any of the conditions mentioned under the section headed "Termination of the Underwriting Agreement" above.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company as at the date of this announcement and immediately after completion of the Rights Issue (assuming the number of Shares in issue remains unchanged up to the Record Date):

Shareholders:	As at the date of this announcement		Immediately after completion of the Rights Issue (assuming all the underwritten Rights Shares are accepted or applied for under the PALs or EAFs)		Immediately after completion of the Rights Issue (assuming none of the underwritten Rights Shares are accepted or applied for under the PALs or EAFs)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Undertaking Shareholders						
- Mr Kwan Pak Hoo Bankee and associates (<i>Note 1</i>)	184,085,205	33.21	276,127,807	33.21	276,127,807	33.21
- Mr Law Ping Wah Bernard	18,230,208	3.29	27,345,312	3.29	27,345,312	3.29
Sub-total:	202,315,413	36.50	303,473,119	36.50	303,473,119	36.50
The Underwriter (<i>Note 2</i>)	-	-	-	-	175,916,186	21.16
Sub-total:	202,315,413	36.50	303,473,119	36.50	479,389,305	57.66
Public Shareholders	351,832,372	63.50	527,748,558	63.50	351,832,372	42.34
Total:	554,147,785	100.00	831,221,677	100.00	831,221,677	100.00

Notes:

1. Mr Kwan Pak Hoo Bankee and associates includes the shareholding interests in the Company held by Mr Kwan Pak Hoo Bankee personally and Cash Guardian.
2. Pursuant to the sub-underwriting arrangement made by the Underwriter, in case of under-subscription, the sub-underwriters shall take up, or procure Independent Third Parties to take up, the Rights Shares that are not taken up by the Qualifying Shareholders.

FUND RAISING IN THE PAST 12 MONTHS

The Company had no fund raising activity in the past 12 months immediately preceding the date of this announcement.

INFORMATION ON THE GROUP

The current principal activities of the Group consist of (a) financial services business carried out via the CFSG Group; (b) algorithmic trading businesses including algorithmic trading and alternative trading; (c) retail management business including sales of furniture and household items and electrical appliances through the chain stores under the brand names of “Pricerite” in Hong Kong and “生活經艷” (translated as Sheng Huo Jing Yan) in the PRC; (d) mobile internet services business including the provision of mobile internet (to include content, operations and distribution activities) services and online game (sales of online game auxiliary products and licensing) services; and (e) investment holding.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Board believes that, taking into account the prevalent financial market conditions, it would be in the interest of the Company to raise equity funding via the proposed Rights Issue to expand the retail management business of the Group, to strengthen the Company's capital base for general working capital and to finance potential acquisitions or new investments as and when opportunities arise.

The Board consider the terms of the Rights Issue and the Subscription Price are fair and reasonable, and the Rights Issue is in the interests of the Company and the Shareholders as a whole.

Assuming 277,073,892 Rights Shares will be issued, the estimated expenses in relation to the Rights Issue will amount to approximately HK\$3.0 million and the estimated net proceeds of the Rights Issue will be approximately HK\$107.8 million. The Group plans to use the proceeds from the Rights Issue as to 50% for retail management business and the remaining 50% for general working capital of the Group as well as financing potential acquisitions or new investments as and when opportunities arise. The net subscription price per Rights Share is expected to be approximately HK\$0.39.

GENERAL

The Prospectus containing further information regarding, among other things, the Rights Issue, information on application and acceptances of the Rights Issue and application for excess Rights Shares, and other information in respect of the Group, the PALs and the EAFs are expected to be despatched to the Qualifying Shareholders on 19 August 2015. The Prospectus (without the PAL and EAF) will be despatched to the Excluded Overseas Shareholders for their information only.

DEFINITIONS

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Branch Registrars”	Tricor Standard Limited, the branch registrars of the Company, and whose principle place of business is situated at 22/F Hopewell Centre, 183 Queen's Road East, Hong Kong
“Business Day”	a day on which banks are open for business in Hong Kong other than a Saturday, Sunday, public holiday and a day on which a tropical typhoon signal no. 8 or above or a “black rainstorm” warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Cash Guardian”	Cash Guardian Limited, the controlling Shareholder, and is a company controlled by Mr Kwan Pak Hoo Bankee, Chairman of the Board and the Director

“CCASS”	The Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“CFSG”	CASH Financial Services Group Limited (stock code: 510), a company incorporated in Bermuda, whose shares are listed on the main board of the Stock Exchange. It is a non-wholly-owned subsidiary of the Company
“CFSG Group”	CFSG and its subsidiaries
“Company”	Celestial Asia Securities Holdings Limited (stock code: 1049), a company incorporated in Bermuda with limited liability and which Shares are listed on the main board of the Stock Exchange
“Conditions”	the conditions precedent of the Rights Issue as set out in the section headed “Conditions of the Rights Issue” in this announcement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EAF(s)”	application form(s) for excess Rights Shares
“Excluded Overseas Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date and whose addresses as shown on that register of members of the Company on that date situated outside Hong Kong where the Board, after making enquiries, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Rights Shares to such Overseas Shareholders
“Group”	the Company and its subsidiaries, including CFSG
“Independent Third Party(ies)”	third party(ies) who is(are) independent and not connected with the Group and its connected persons
“Last Trading Day”	30 July 2015, being the last trading day for the Shares on the Stock Exchange prior to the date of this announcement
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	share option(s) granted or to be granted by the Board under the share option scheme of the Company

“Overseas Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date and whose addresses as shown on that register of members of the Company on that date situated outside Hong Kong
“PAL(s)”	provisional allotment letter(s)
“PRC”	the People’s Republic of China
“Prospectus”	prospectus in relation to the Rights Issue
“Prospectus Documents”	documents comprising the Prospectus, the EAF(s) and the PAL(s)
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company as at the Record Date other than the Excluded Overseas Shareholders
“Record Date”	18 August 2015, the record date for ascertaining entitlements to the PALs and the EAFs
“Rights Issue”	the issue of 1 Rights Share for every 2 existing Shares in issue as at the Record Date at the Subscription Price
“Rights Share(s)”	new Share(s) to be issued under the Rights Issue
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	holders of Shares
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.40 per Rights Share
“Underwriter”	Celestial Capital Limited, being a corporation licensed under SFO to conduct type 1 and type 6 regulated activities under SFO, and an indirect non-wholly-owned subsidiary of the Company held through CFSG. The Underwriter is a wholly-owned subsidiary of CFSG and its principal activities are provision of corporate finance, investment and financial advisory services. The Underwriter is not a connected person of the Company as defined under the Listing Rules
“Underwriting Agreement”	the underwriting agreement dated 31 July 2015 entered into between the Company and the Underwriter in relation to the underwriting for the Rights Issue

“Undertaking Shareholders”	Cash Guardian, Mr Kwan Pak Hoo Bankee (Chairman of the Board and the Director), whom together with Mr Law Ping Wah Bernard (the Director) and their respective associates, and as at the date of this announcement, are interested in an aggregate of 202,315,413 Shares, representing approximately 36.50% of the existing issued share capital of the Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent

Note: All times and dates in this announcement refer to Hong Kong local times and dates.

On behalf of the Board
Bankee P. Kwan
Chairman

Hong Kong, 31 July 2015

As at the date hereof, the Board comprises:-

Executive Directors:

Mr Kwan Pak Hoo Bankee, JP
Mr Law Ping Wah Bernard
Mr Ng Hin Sing Derek

Independent non-executive Directors:

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

* *For identification purpose only*