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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)

**RESULTS OF THE OPEN OFFER
ON THE BASIS OF TWO (2) OFFER SHARES
FOR EVERY ONE (1) EXISTING SHARE**

References are made to the prospectus of Celestial Asia Securities Holdings Limited (“Company”) dated 11 June 2020 (“Prospectus”) and the announcement issued by the Company dated 2 July 2020 in relation to the Open Offer. Unless otherwise specified herein, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

THE OPEN OFFER COMPLETION

The Board is pleased to announce that all conditions precedent to the Open Offer (including those as detailed in the section headed “Conditions of the Open Offer” set out in the letter from the Board contained in the Prospectus) have been fulfilled and the Open Offer Completion took place on 7 July 2020.

As at the date of this announcement immediately after the Open Offer Completion, an aggregate of 783,181,944 Offer Shares, being an aggregate of 643,181,944 Offer Shares accepted by Qualifying Shareholders (including a total of 518,303,701 Offer Shares taken up by the Controlling Shareholders and parties acting in concert with any of them) and 140,000,000 Unsubscribed Shares successfully placed by the Placing Agent under the Unsubscribed Arrangement, representing approximately 47.11% of the total number of Offer Shares available for subscription under the Open Offer, are issued by the Company.

The gross proceeds and net proceeds from the Open Offer are approximately HK\$46,991,000 and HK\$43,991,000 respectively. The Company will apply the net proceeds from the Open Offer to reduce the debt level of, and as additional working capital of, the Group according to the priority order detailed in the section headed “Reasons for the Open Offer and use of Proceeds” set out in the letter from the Board contained in the Prospectus.

RESULTS OF THE OPEN OFFER, THE UNSUBSCRIBED ARRANGEMENT AND THE CLAWBACK MECHANISM

Results of Applications for the Offer Shares

As announced by the Board on 2 July 2020, as at 4:00 p.m. on Tuesday, 30 June 2020, being the Latest Time for Application, a total of 52 valid applications had been received for a total of 697,565,365 Offer Shares (including a total of 572,687,122 Offer Shares taken up by the Controlling Shareholders and parties acting in concert with any of them, being an aggregate of (i) a maximum of 572,055,614 Offer Shares taken up by the Controlling Shareholders pursuant to the Undertakings, (ii) 501,900 Offer Shares taken up by Mr Leung Siu Pong James (a Director of the Company), and (iii) 129,608 Offer Shares taken up by Mr Kwan Pak Leung Horace and Ms Chan Siu Fei Susanna (other parties acting in concert with the Controlling Shareholders)), representing approximately 41.96% of the total number of Offer Shares available for subscription under the Open Offer. The remaining 964,877,989 Unsubscribed Shares, representing approximately 58.04% of the total number of Offer Shares available for subscription under the Open Offer, would be subject to the Unsubscribed Arrangement followed by the Clawback Mechanism.

The Unsubscribed Arrangement

As at 4:00 p.m. on Monday, 6 July 2020, being the Placing End Date, a total of 140,000,000 Unsubscribed Shares have been placed by the Placing Agent at the Placing Price of HK\$0.06 per Unsubscribed Share to 3 (three) Placees as follows:-

Placees	No. of Unsubscribed Shares taken up by the Placees	Approximate % of the enlarged share capital of the Company upon the Open Offer Completion
Mr Law Ping Wah Bernard (<i>Note</i>)	40,000,000	2.47%
Suncraft Limited	50,000,000	3.10%
Van Shung Chong (B.V.I.) Limited	50,000,000	3.10%
	140,000,000	8.67%

Note: Mr Law Ping Wah Bernard is a former executive director of the Company and its subsidiaries and is an Independent Third Party before the Placing and as at the date of this announcement.

To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Placees and (for those Placees which are corporations) the beneficial owners/ultimate beneficial owners of the Placees are third parties independent of and not connected with the Company and its connected persons (as defined under the Listing Rules) and independent of and not acting in concert (as defined under the Takeovers Code) with the Controlling Shareholders and parties acting in concert with any of them.

The Clawback Mechanism

Following the issue of the Unsubscribed Shares pursuant to the Unsubscribed Arrangement, the Clawback Mechanism also took place, pursuant to which the maximum of 572,055,614 Offer Shares as subscribed by the Controlling Shareholders under the Open Offer pursuant to the Undertakings has been scaled down to 517,672,193 Offer Shares, such that the total number of Shares held by the Controlling Shareholders, upon the Open Offer Completion, should be 49.78% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares upon the Open Offer Completion. Please refer to the following section headed “Effect on the shareholding structure of the Company immediately after the Open Offer Completion” for details of the shareholding interests of, among others, the Controlling Shareholders immediately after the Open Offer Completion (after the Unsubscribed Arrangement and the Clawback Mechanism having taken place).

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY IMMEDIATELY AFTER THE OPEN OFFER COMPLETION

The table below depicts the shareholding structure of the Company (i) immediately before taking into account any Offer Shares agreed to be subscribed for and/or to be allotted under the Open Offer, (ii) after taking into account all Offer Shares agreed to be subscribed for by the Qualifying Shareholders under the Open Offer (before the Unsubscribed Arrangement and the Clawback Mechanism having taken place); and (iii) immediately after the Open Offer Completion as at the date of this announcement (after the Unsubscribed Arrangement and the Clawback Mechanism having taken place).

Shareholders	(i) Immediately before taking into account any Offer Shares agreed to be subscribed for and/or to be allotted under the Open Offer		(ii) After taking into account all Offer Shares agreed to be subscribed for by the Qualifying Shareholders under the Open Offer (before the Unsubscribed Arrangement and the Clawback Mechanism having taken place)		(iii) Immediately after the Open Offer Completion as at the date of this announcement (after the Unsubscribed Arrangement and the Clawback Mechanism having taken place)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
The Controlling Shareholders (Notes 1 & 2)	286,027,807	34.41	858,083,421	56.13	803,700,000	49.78
The Director - Mr Leung Siu Pong James (Note 3)	250,950	0.03	752,850	0.05	752,850	0.05
Other parties acting in concert with the Controlling Shareholders (Note 4)	64,804	0.01	194,412	0.01	194,412	0.01
The Controlling Shareholders and parties acting in concert with any of them (Notes 1 to 4)	286,343,561	34.45	859,030,683	56.19	804,647,262	49.84
Public Shareholders Placees and beneficial owners/ultimate beneficial owners of the Placees (Note 5)	34,176,342	4.11	36,085,242	2.36	176,085,242	10.91
Other public Shareholders (Note 5)	510,701,774	61.44	633,671,117	41.45	633,671,117	39.25
Total:	831,221,677	100.00	1,528,787,042	100.00	1,614,403,621	100.00

Notes:

1. *The shareholding of the Controlling Shareholders upon the Open Offer Completion includes the shareholding interests in the Company held by Cash Guardian as to 791,729,968 Shares and Dr Kwan Pak Hoo Bankee in his personal name as to 11,970,032 Shares.*
2. *Pursuant to the Clawback Mechanism, the total number of Offer Shares subscribed by the Controlling Shareholders upon the Open Offer Completion has been scaled down from a maximum of 572,055,614 Offer Shares to 517,672,193 Offer Shares such that the total number of Shares held by the Controlling Shareholders were 49.78% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares immediately after the Open Offer Completion.*
3. *Mr Leung Siu Pong James, the Director, is a party acting in concert with the Controlling Shareholders by virtue of his capacity as the Director, has accepted all of the 501,900 Offer Shares provisionally allotted to him under the Open Offer.*
4. *The other parties acting in concert with the Controlling Shareholders (namely Mr Kwan Pak Leung Horace and Ms Chan Siu Fei Susanna) are the close relatives of Dr Kwan Pak Hoo Bankee, who have accepted all of the 129,608 Offer Shares provisionally allotted to them.*
5. *A total number of 140,000,000 Unsubscribed Shares (representing around 8.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares immediately upon the Open Offer Completion) has been successfully placed to Placees by the Placing Agent. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Placees and (for those Placees which are corporations) the beneficial owners/ultimate beneficial owners of the Placees in aggregate held a total of 36,085,242 Shares (after taking into account all Offer Shares accepted under the Open Offer) immediately before placing of the Unsubscribed Shares to the Placees. Immediately after the Open Offer Completion, a total number of 176,085,242 Shares (including the 140,000,000 Unsubscribed Shares taken by the Placees under the Unsubscribed Arrangement), representing around 10.91% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Share, are held in aggregate by the Placees and their respective beneficial owners/ultimate beneficial owners, and a total number of 633,671,117 Shares, representing around 39.25% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares, are held by other public Shareholders. No Placee and their respective beneficial owners/ultimate beneficial owners has become a substantial Shareholder of the Company (as defined under the Listing Rules) immediately after the Open Offer Completion.*

Despatch of share certificates for the Offer Shares

As disclosed in the Prospectus, share certificates for the fully-paid Offer Shares are expected to be posted on Thursday, 9 July 2020 to those Qualifying Shareholders entitled thereto by ordinary post to their registered address at their own risks.

Commencement of dealings in fully-paid Offer Shares

Dealings in the fully-paid Offer Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Friday, 10 July 2020.

By order of the Board
Suzanne W S Luke
Company Secretary

Hong Kong, 7 July 2020

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

Executive Directors:

Dr Kwan Pak Hoo Bankee, JP
Mr Leung Siu Pong James
Mr Kwan Teng Hin Jeffrey
Mr Ng Hin Sing Derek

Independent non-executive Directors:

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

** For identification purpose only*