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If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Celestial Asia Securities Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CASH 
CELESTIAL ASIA SECURITIES HOLDINGS LIMITED
時富投資集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock code: 1049)

**MAJOR TRANSACTION
IN RELATION TO
DISPOSAL OF A PROPERTY INTEREST**

AND

NOTICE OF SPECIAL GENERAL MEETING

A notice convening a special general meeting of Celestial Asia Securities Holdings Limited to be held at 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong on 6 July 2016 (Wednesday) at 9:30 am is set out on pages 29 to 30 of this circular. Whether or not you are able to attend the meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event by not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting. Completion and return of a form of proxy will not preclude you from attending and voting at the meeting should you so wish and in such event, the proxy shall be deemed to be revoked.

17 June 2016

* For identification purpose only

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“associate(s)”	has the same meaning ascribed in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or a Sunday) on which banks in Hong Kong are generally opened for normal banking business
“CFSG”	CASH Financial Services Group Limited (stock code: 510), a company incorporated in Bermuda with limited liability and which securities are listed on the main board of the Stock Exchange. It is an indirect non-wholly-owned subsidiary of the Company
“CFSG Board”	the board of directors of CFSG
“CFSG Group”	CFSG and its subsidiaries
“Cheer Wise”	Cheer Wise Investments Limited, a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of CFSG and an indirect non-wholly-owned subsidiary of the Company held through CFSG
“CIGL”	Celestial Investment Group Limited, a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company
“Company”	Celestial Asia Securities Holdings Limited (stock code: 1049), a company incorporated in Bermuda with limited liability and which securities are listed on the main board of the Stock Exchange. It is the holding company of CFSG
“Completion”	completion of the Disposal, as particularly described in the sub-section of “Completion” under the section of “The MOU” in this circular
“Conditions”	the conditions precedent for completion of the MOU, as particularly described in the sub-section of “Conditions precedent” under the section of “The MOU” in this circular
“Consideration”	HK\$140,500,000, being the aggregate consideration for the Sale Share and the Sale Loans, to be settled in cash

DEFINITIONS

“Director(s)”	director(s) of the Company
“Disposal”	the transaction contemplated under the MOU and/or the S&P Agreement, being the disposal of the Sale Share and the Sale Loans by the Seller to the Purchaser at the Consideration
“Due Diligence Period”	a period of four (4) calendar weeks (or longer if necessary) after the date of signing of the MOU (or such other period extended by the parties by their agreement in writing)
“Due Diligence Review”	a due diligence review on the financial and legal aspects of Cheer Wise by the Purchaser, as particularly described in the sub-section of “Due Diligence Review” under the section of “The MOU” in this circular
“Group”	the Company and its subsidiaries, including the CFSG Group
“Independent Third Party(ies)”	to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the Purchaser and the ultimate beneficial owner of the Purchaser are third parties independent of the Company and connected persons (as defined under the Listing Rules) of the Company
“Joint Announcement”	the joint announcement made by the Company and CFSG on 4 May 2016 in relation to the Disposal
“Latest Practicable Date”	10 June 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	a legally binding memorandum of understanding in relation to the Disposal entered into between the Seller and the Purchaser on 4 May 2016 (after trading hours)
“Model Code”	the required standard of dealings regarding securities transactions by Directors or the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Listing Rules
“Percentage Ratios”	the percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules

DEFINITIONS

“Property”	the whole floor of 21/F of Rykadan Capital Tower, No. 135-137 Hoi Bun Road, Kwun Tong, Kowloon (Kwun Tong Inland Lot No. 526) with a total gross area of approximately 12,007 square feet, together with four car parking spaces Nos. P15 to P18 on 1/F of the same building
“Purchaser”	Ultimate Luck Global Limited, and is the Independent Third Party
“S&P Agreement”	the formal sale and purchase agreement in relation to the Disposal, which has been executed between the Seller and the Purchaser on 10 June 2016
“Sale Loans”	the entire amount of loans or moneys due or payable by Cheer Wise to the Seller or any other person(s) or corporation(s) who could join in and execute any deed or document for assigning to the Purchaser (or its nominee) the rights and entitlements to claim or receive or recover such loans or moneys from Cheer Wise
“Sale Share”	1 fully paid ordinary share of Cheer Wise, representing the entire issued share capital of Cheer Wise
“Seller”	Max Luck Associates Limited, a company incorporated in the British Virgin Islands with limited liability, which is the legal and beneficial owner of the Sale Share. It is an indirect non-wholly-owned subsidiary of the Company held through CFSG
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company to be held on 6 July 2016 at 9:30 am to approve, if thought fit, the Disposal, notice of which is set out on pages 29 to 30 of this circular
“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xinyi Glass”	Xinyi Glass Holdings Limited (信義玻璃控股有限公司), a company incorporated in the Cayman Islands with limited liability, all the shares of which are listed on the main board (stock code: 00868)
“Xinyi Glass Group”	Xinyi Glass and its subsidiaries

DEFINITIONS

“Xinyi Solar”	Xinyi Solar Holdings Limited (信義光能控股有限公司), a company incorporated in the Cayman Islands with limited liability, all the shares of which are listed on the main board (stock code: 00968)
“Xinyi Solar Group”	Xinyi Solar and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

LETTER FROM THE BOARD



CELESTIAL ASIA SECURITIES HOLDINGS LIMITED

時富投資集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1049)

Board of Directors:

Executive:

KWAN Pak Hoo Bankee

LAW Ping Wah Bernard

LAW Ka Kin Eugene

NG Hin Sing Derek

Independent non-executive:

LEUNG Ka Kui Johnny

WONG Chuk Yan

CHAN Hak Sin

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Head office and principal place of business:

28/F Manhattan Place

23 Wang Tai Road

Kowloon Bay

Hong Kong

17 June 2016

To Shareholders

Dear Sir/Madam,

**MAJOR TRANSACTION
IN RELATION TO
DISPOSAL OF A PROPERTY INTEREST**

AND

NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

On 4 May 2016, the Board and the CFSG Board made the Joint Announcement relating to the Disposal.

As one or more of the relevant Percentage Ratios of the Disposal for the Company under the Listing Rules is more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under the Listing Rules and is subject to, among other things, the Shareholders' approval at the SGM accordingly. As no Shareholder has material interest in the Disposal, no Shareholder is required to abstain from voting at the SGM.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to give you further information on the Disposal and the notice of the SGM at which an ordinary resolution will be proposed to approve the Disposal.

THE MOU

- Date: 4 May 2016 (after trading hours)
- The Seller: Max Luck Associates Limited, an indirect non-wholly-owned subsidiary of the Company held through CFSG. Its principal business is investment holding.
- The Purchaser: Ultimate Luck Global Limited, whose principal business is investment holding. It is an Independent Third Party.
- Assets to be disposed: The Sale Share, being one fully paid ordinary share of Cheer Wise, and the Sale Loans.
- The Sale Share represents the entire issued share capital of Cheer Wise, which in turn owns the Property.
- Cheer Wise is an indirect non-wholly-owned subsidiary of CASH held through CFSG. Its principal business is investment holding and it has been holding the Property as its only asset.
- The Property: The whole floor of 21/F of Rykadan Capital Tower, No. 135-137 Hoi Bun Road, Kwun Tong, Kowloon (Kwun Tong Inland Lot No. 526) (with a total gross area of approximately 12,007 square feet), together with four car parking spaces Nos. P15 to P18 on 1/F of the same building.
- The Consideration: HK\$140,500,000, being the aggregate consideration for the Sale Share and the Sale Loans, to be settled in cash.

The Consideration was arrived at after arm's length negotiation between the parties to the MOU on normal commercial terms with reference to the actual transaction prices of similar properties in nearby location amid the recent property market in Hong Kong after considering the recent valuation of the Property, the latest net asset value of Cheer Wise and the carrying value of the Sale Loans as at 31 December 2015.

The Board considers that the terms of the MOU are fair and reasonable and are in the best interest of the Company and Shareholders as a whole.

LETTER FROM THE BOARD

Payment terms: The Consideration has been/shall be paid by the Purchaser to the Seller by cash in the following manner:

- (i) an earnest money in the sum of HK\$6,950,000 has been paid to the Seller's solicitors upon signing of the MOU;
- (ii) a further sum of HK\$7,100,000 has been paid to the Seller's solicitors upon signing of the S&P Agreement, and the said earnest money and further sum shall then be regarded as deposit(s) in partial payment of the Consideration upon the parties' signing of the S&P Agreement, which shall be not later than the expiry of the Due Diligence Period, and such deposit(s) shall be stake-held by the Seller's solicitors upon the satisfaction of the Due Diligence Review; and
- (iii) HK\$126,450,000 being the remaining balance of the Consideration shall be paid upon the Completion.

The Seller shall sell the Sale Share to the Purchaser free from all kinds of liabilities, encumbrances and/or debts (except the Sale Loans being sold and assigned to the Purchaser or its nominee). For avoidance of doubt, the Seller shall clear up all the assets of Cheer Wise (including cash and balances of money at all bank accounts) except the Property and fully settle and pay all the bank loans and interest (including all sums of money due or payable by Cheer Wise to bank(s)) as well as all tax liabilities of Cheer Wise before the Completion. For the avoidance of doubt, for the calculation of tax liabilities, the deferred tax of Cheer Wise shall not be calculated or taken into account.

Conditions precedent: The Disposal is conditional upon, among others, satisfaction of the following conditions:

- (i) the approval of the MOU and/or the S&P Agreement and the transactions contemplated hereunder by the Shareholders at the SGM to be duly convened in accordance with the requirements of the Listing Rules; and
- (ii) all necessary governmental, regulatory and third party approvals or consents for the MOU and/or the S&P Agreement and the transactions contemplated hereunder (including such approval by the Stock Exchange).

The above Conditions cannot be waived.

LETTER FROM THE BOARD

If the above conditions shall not be fulfilled by either the Seller or the Purchaser (as the case may be) (“Defaulting Party”) on or before 15 July 2016 (or such other date to be agreed in writing by the parties), the MOU and/or the S&P Agreement shall be terminated, and the Seller shall refund in full the said earnest money and further sum (or deposit) to the Purchaser without interest, compensation or cost (save and except that the Defaulting Party shall indemnify the other party a sum of HK\$200,000 for compensating such other party’s solicitors fee incurred for the legal works done for this transaction) and the parties shall (subject to such indemnity of HK\$200,000) have no claim against and no liability to each other, save and except any accrued rights and obligations of any party.

If the Seller or the Purchaser shall be in breach of the MOU or the S&P Agreement and fail to complete the sale and purchase, not due to the default of the other party, if the defaulting party (except the Defaulting Party as provided above) is the Purchaser, the deposit or deposits paid by the Purchaser to the Seller shall be wholly forfeited by the Seller as liquidated damage, and if the defaulting party (except the Defaulting Party as provided above) is the Seller, the Seller shall return in full all the deposit or deposits paid by the Purchaser to the Purchaser and on top shall pay to the Purchaser the equal amount of the deposit or deposits paid under the MOU or the S&P Agreement as liquidated damage. Also, the defaulting party (except the Defaulting Party as provided above) shall be responsible to pay to the agent both the Seller’s and Purchaser’s agency fees.

Due Diligence Review:

If the Purchaser shall not be satisfied with the due diligence review on the financial and legal aspects of Cheer Wise and/or the title of the Property after expiration of the Due Diligence Period (or any other extended period mutually agreed in writing by the parties), of which the Purchaser must be satisfied with the due diligent exercise on a reasonable basis, the MOU and/or the S&P Agreement shall be cancelled by agreement at the parties’ own costs and the said earnest money and further sum (or deposit) so stakeheld by the Seller’s solicitors shall be refunded in full to the Purchaser without interest, compensation or costs, and the Seller shall thereafter be at liberty and entitled to sell or dispose of the Sale Share and/or Sale Loans and/or any assets of Cheer Wise and/or the Property to others.

Other terms and conditions:

The Seller shall not, and shall also procure Cheer Wise and its respective affiliates, associates, subsidiaries and related parties not to, within the Due Diligence Period, enter into or agree to enter into any discussions, negotiations, contracts, arrangements or agreements with any person(s)

LETTER FROM THE BOARD

or corporation(s) for sale or assignment or otherwise disposal of the Sale Share and/or Sale Loans or any shareholders' loans or directors' loans of Cheer Wise (if any) and/or the Property which may be in conflict or in competition with the transaction contemplated under the MOU.

The Seller shall co-operate with the Purchaser by providing access to and/or copies of all documents and drawings related to Cheer Wise and title deeds and documents and tenancy agreements and/or leases of the Property as more particularly listed in the MOU. The Purchaser is also entitled to inspect the Property at any time upon prior reasonable notice.

Completion: Completion of the Disposal shall take place within 7 business days after the date of fulfillment of the above conditions precedent and on or before 15 July 2016, whichever shall be later, or such other later date as the parties may agree in writing.

INFORMATION ABOUT CHEER WISE

Cheer Wise is a limited company incorporated in the British Virgin Islands on 18 October 2012. Cheer Wise is an investment holding company and is holding the Property as its only asset.

Based on the audited accounts of Cheer Wise, the net profits (before and after taxation and extraordinary items) for the financial year ended 31 December 2014 were approximately HK\$33.3 million and approximately HK\$27.5 million respectively, and the audited net asset value as at 31 December 2014 was approximately HK\$27.5 million.

Based on the audited accounts of Cheer Wise, the net losses (both before and after taxation and extraordinary items) for the financial year ended 31 December 2015 were approximately HK\$2.0 million, and the unaudited net asset value as at 31 December 2015 was approximately HK\$25.5 million.

INFORMATION ABOUT THE PURCHASER

Ultimate Luck Global Limited, a company incorporated in the British Virgin Islands with limited liability, is a non-wholly-owned subsidiary of Xinyi Glass Group and an associated company of Xinyi Solar Group.

Xinyi Glass Group is principally engaged in the production and sales of a wide range of glass products, including automobile glass, construction glass, float glass and other glass products for different commercial and industrial applications. All shares of Xinyi Glass are listed on the main board of the Stock Exchange.

Xinyi Solar Group is principally engaged in the production and sale of solar glass products at its production complex in the PRC as well as the development and operation of solar farms in the PRC. All shares of Xinyi Solar are listed on the main board of the Stock Exchange.

LETTER FROM THE BOARD

THE PROPERTY

The Property comprises the whole floor of 21/F of Rykadan Capital Tower, No. 135-137 Hoi Bun Road, Kwun Tong, Kowloon (Kwun Tong Inland Lot No. 526) with a total gross area of approximately 12,007 square feet, together with four car parking spaces Nos. P15 to P18 on 1/F of the same building. The Property is currently vacant.

The Property was purchased by Cheer Wise at a consideration of HK\$114,824,960 pursuant to provisional sale and purchase agreement dated 10 November 2012 as announced by CFSG on 10 November 2012. According to the latest valuation report of the Property prepared by Peak Vision Appraisals Limited, as set out in Appendix II to this circular, the latest market value of the Property as at 30 April 2016 was estimated at HK\$140,400,000.

USE OF PROCEEDS FROM THE DISPOSAL

It is expected that after repayment of all the outstanding bank loans of approximately HK\$53.0 million as at 31 December 2015 of Cheer Wise and the other related legal costs, commission and expenses relating to the Disposal of approximately HK\$1.1 million, the net proceeds of the Disposal will be approximately HK\$86.4 million. The net proceeds from the Disposal will be used for general working capital of the Group.

Upon the Completion, the Company will cease to have any interest in Cheer Wise and Cheer Wise will cease to be a subsidiary of the Company.

REASON FOR THE DISPOSAL

In view of the appreciation of value of the Property against its historical cost of HK\$114,824,960; the recent pessimistic economic outlook and the expectation for further downturn in the domestic property market and the expected proceeds from the Disposal, the Board considers that it is in the interests of the Company and the Shareholders as a whole to dispose the Sale Share to realise the value of property investment and enhance the financial position and working capital.

The Board considers that the Disposal, the terms of which have been determined on an arm's length basis, are fair and reasonable and in the best interest of the Company and the Shareholders as a whole.

EFFECTS OF THE DISPOSAL ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

Earnings

Upon the Completion, the Disposal is expected to result in an unaudited loss (before taxation) of approximately HK\$10.3 million as calculated based on the Consideration of HK\$140.5 million less other related legal costs, commission and expenses of approximately HK\$1.1 million less the carrying value attributable to the Sale Share which amounted to approximately HK\$25.5 million as at 31 December 2015 and the Sale Loans which amounted to approximately HK\$124.2 million as at 31 December 2015 in the

LETTER FROM THE BOARD

accounts of the Group. The calculation as disclosed above is only based on the financial figures as shown in the audited accounts of Cheer Wise as at 31 December 2015 and the final figures are to be determined with reference to the fair value attributable to the Sale Share and the Sale Loans as at the Completion and are subject to review and audit by auditors.

Assets and liabilities

The financial effects to the Group upon completion of Disposal is expected to be (i) a decrease of non-current assets of approximately HK\$155,000,000; (ii) an increase of current assets of approximately HK\$86,000,000; and (iii) a decrease of non-current liabilities and current liabilities of approximately HK\$58,700,000.

INFORMATION OF THE GROUP

The principal activities of the Group consist of (a) the financial services business carried out via CFSG (stock code: 510) that includes online and traditional brokerage of securities, futures and options contracts as well as funds and insurance-linked investment products, margin financing, money lending and corporate finance services; (b) 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; (c) mobile internet services business including 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 (d) investment holding. For additional information, please visit www.cash.com.hk.

FINANCIAL AND TRADING PROSPECT OF THE GROUP

Financial services business

Broking

As the financial market remains challenging, CFSG will continue to lead the technology-based innovations to bring new products and services to institutional, corporate and individual clients via our direct market access (DMA) and mobile trading platforms. We will continue to provide full-fledged financial products and services to cater for the investment and wealth management needs of our clients.

Investment Banking

Our Investment Banking Group offers premier corporate finance and capital markets services, and is dedicated to providing innovative and customised financial solutions to our clients. Leveraging on our fund raising capability as well as financial advisory expertise, we will continue to provide full-fledged investment banking services to assist our clients to capture different capital markets and corporate finance opportunities.

LETTER FROM THE BOARD

Wealth Management and Asset Management

CFSG will further enhance our wealth management and asset management business by developing a technology-based financial services platform to develop fund products that address the mounting wealth management needs for genuine products offering stable risk-adjusted returns, and achieving investors' goal of preserving capital with growth.

Direct Market Access (DMA)

Leveraging on the Group's unmatched information and communications technology (ICT) capabilities and backed by a team of world-class professionals, CFSG brings extra values to professional traders, proprietary firms and hedge funds with customised DMA services and tailored solutions. To date, CFSG is the first and only Hong Kong FinTech house that offers direct connectivity to CME, Börse Frankfurt, SGX and HKEX. We aim to aggressively capture the business opportunities in this aspect. The opening of the new branch office in Seoul in the first quarter of 2016 with an experienced DMA team will further strengthen our development of DMA services.

Mobile Trading

In 2015, we continued to enhance our mobile trading platform with more innovative features catering for the technology-focused needs of our clients. In addition to Hong Kong securities and futures trading, we are also adding Shanghai A-share trading and bond quotes in our mobile portfolio. On the other hand, we are expanding our mobile infrastructure to include wealth management products, offering our clients the ease in buying and selling fund products on mobile devices. We expect to launch this new feature in the second half of 2016.

Trading Prospects

CFSG, as a financial technology (FinTech) pioneer in Hong Kong, is building on the strong foundations in our trading platforms and capabilities to reap the opportunities ahead. CFSG will take a cautious yet proactive approach in developing our technology-driven financial services business. CFSG as a pioneer in financial technology (FinTech) has been among the first in Asia to develop the FinTech investment platform. Taking advantage of the global boom in FinTech, we offer our clients direct market access (DMA) in world major exchanges with speedy execution, big data analysis, and real time and rigorous risk management tools. Our aim is to provide our clients with a suite of FinTech investment and wealth management solutions amidst the ever-changing global economy.

Taking the first mover advantage and building on our heritage to develop a multi-product and multi-channel trading platform, we aim to expand our business model across equities, commodities, and wealth management products – becoming a truly multi-asset and multi-channel platform that connects Mainland China and the world major markets via Hong Kong as a hub.

LETTER FROM THE BOARD

Retail management business

The sales registration in the private residential property market saw a decline in the second half of 2015, which composed of a significant decline in second hand property registration compared to a modest decline for first hand registration. The decline was brought by property cooling policies, the uncertain economy and adjustment of the US interest rate. However, the demand for mid to small and more affordable flats remains strong and the government is still catching up to enhance supply of land. Pricerite has a strategic focus on offering smart home solutions, especially to optimise living space. Pricerite uniquely addresses the compressed living space and space management challenges encountered by most families in Hong Kong. We have added smart and multifunctional design features to help customers optimise living space.

To tackle the challenges, we will continue to intensify our cost rationalisation measures and to improve our operational efficiency. In the meantime, we have reformulated our sales mix strategy in response to the fast growing demand for small and medium sized apartments by the young home-seekers. Our furniture design team has been developing a series of new space-saving solutions and products that are more easily fitted into the small sizes of these starter homes. At the same time, we have introduced more high quality and trendy Japanese and Korean household products which further reinforce our space-saving philosophy. To gain greater market recognition, we have been implementing comprehensive marketing plans to strengthen our branding to reflect our leading position in the market and our commitment to providing smart and lively home solutions tailored for young families living in small and medium sized apartments.

Pricerite's mission and philosophy resemble our successful "Small Space: Big Universe" branding campaign. In 2016, Pricerite is dedicated to making Micro-living enjoyable and to facilitate Hong Kong people to build their universe in small living spaces. With increasing residential property supply in coming year yet uncertainties in global economy, we will closely monitor the market and be agile in our strategies for a sustainable development.

Mobile internet business

We have formed strategic partnerships and built a mobile game portfolio with over 40 development teams to secure global game licensing rights, whereas we have solicited overseas distribution partners to launch selected game titles in respective regions. We have provided full-fledged services to facilitate game distributions in iOS AppStore, Google Play and other third-party distribution platforms outside of Mainland China. We have successfully formed licensing agreements and launched commercial operations of "EDEN Online" with two leading mobile gaming operators in Southeast Asia and North America respectively. The game has topped the list of most popular role playing games in iOS AppStore and Google Play charts. We have also reached a licensing agreement with another leading mobile gaming operator in Southeast Asia to publish a casual game, "Candy Craze".

We will continue to explore collaboration and investment opportunities with game development teams and distribution partners, to enhance our product offerings and distribution capabilities, with an aim to raise our market share in overseas licensing business.

LETTER FROM THE BOARD

GENERAL

As one or more of the relevant Percentage Ratios of the Disposal for the Company under the Listing Rules is more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under the Listing Rules and is subject to, among other things, the Shareholders' approval at the SGM accordingly.

THE SGM

Set out on pages 29 to 30 of this circular is a notice convening the SGM to be held at 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong at 9:30 am on 6 July 2016 (Wednesday).

At the SGM, an ordinary resolution for approving the Disposal will be proposed for the Shareholders' approval.

The resolution will be voted by way of poll at the SGM. As no Shareholder has material interest in the Disposal, no Shareholder will be required to abstain from voting on the resolution to approve the Disposal.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, please complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event by not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM should you so wish and in such event, the proxy shall be deemed to be revoked.

RECOMMENDATION

The Directors are of the view that the Disposal are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution as set out in the notice of the SGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the information set out in the appendices to this circular.

Yours faithfully,
On behalf of the Board
Bankee P. Kwan, JP
Chairman & CEO

1. FINANCIAL SUMMARY OF THE GROUP

The published audited consolidated financial statements of the Group for the years ended 31 December 2013, 2014 and 2015 are disclosed in the Company's 2013 annual report (from pages 50 to 146), 2014 annual report (from pages 50 to 141) and 2015 annual report (from pages 68 to 162) respectively. The annual reports can be accessed on the website of the Company (www.cash.com.hk) and the website of the Stock Exchange (www.hkexnews.hk).

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 April 2016, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had the following indebtedness:

Bank Borrowings

The Group had total outstanding bank borrowings of approximately HK\$377.4 million, comprising of (i) secured and guaranteed borrowings of approximately HK\$242.5 million, comprising secured and guaranteed bank borrowings of approximately HK\$124.1 million, secured and guaranteed trust receipt loans of approximately HK\$58.9 million, secured and guaranteed mortgage loan of approximately HK\$52.2 million, secured and unguaranteed mortgage loan of approximately HK\$6.4 million, secured and unguaranteed finance lease obligations of approximately HK\$0.9 million; and (ii) unsecured and guaranteed bank borrowings of approximately HK\$134.9 million, comprising unsecured and guaranteed bank borrowings of approximately HK\$42.7 million and unsecured and guaranteed trust receipt loans of approximately HK\$92.2 million. The aforesaid guarantees were granted by the Group.

Pledge of assets

Bank borrowings in aggregate of approximately HK\$70.0 million were collateralised by its margin clients' securities pledged to the Group. Trust receipts loans in aggregate of approximately HK\$58.9 million and bank borrowings of approximately HK\$38.1 million were secured by pledged deposits of approximately HK\$39.0 million. Mortgage loans in aggregate of approximately HK\$58.6 million and bank borrowings of approximately HK\$16.0 million were secured by the Group's properties.

The Group also had outstanding obligations under finance leases of approximately HK\$0.9 million as at 30 April 2016, which were secured by motor vehicles of the Group and unguaranteed.

As at 30 April 2016, margin deposit of HK\$3.5 million was pledged to a bank for facilities of HK\$15 million.

Contingent liabilities

As at 30 April 2016, the Group had no litigations/claims as stated in the paragraph “Litigation of the Group” in Appendix III to this circular. Accordingly, the Group had no contingent liabilities as at 30 April 2016.

Disclaimers

Save as aforesaid, and apart from intra-group liabilities, the Group did not have any outstanding debt securities issued and outstanding, and authorised or otherwise created but unissued, term loans, bank overdrafts and loans, other loans or other similar indebtedness, liabilities under acceptance or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantee or other material contingent liabilities, at the close of business on 30 April 2016.

The Board has confirmed that, save as disclosed above, there has not been any material change in the indebtedness or contingent liabilities of the Group since 30 April 2016.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the financial resources and banking facilities available to the Group, its internally generated funds and the net proceed from the Disposal, in absence of unforeseen circumstances, the Group has sufficient working capital for its present requirement for at least the next twelve months from the date of publication of this circular.

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from Peak Vision Appraisals Limited, an independent property valuer, in connection with its opinion of market value of the Property as at 30 April 2016.



12/F, Effectual Building
14-16 Hennessy Road
Wanchai, Hong Kong
www.peakval.com

Tel (852) 2187 2238
Fax (852) 2187 2239

17 June 2016

The Board of Directors
Celestial Asia Securities Holdings Limited
28th Floor, Manhattan Place
23 Wang Tai Road
Kowloon Bay
Hong Kong

Dear Sirs,

Re: Valuation of the whole of 21st Floor and car parking spaces Nos. P15 to P18 on 1st Floor, Rykadan Capital Tower, No. 135 Hoi Bun Road, Kwun Tong, Kowloon

In accordance with the instructions from Celestial Asia Securities Holdings Limited (hereinafter referred to as the “Company”, together with its subsidiaries, the “Group”) for us to value the captioned property interest in the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for providing you with our opinion of value of the property interest as at 30 April 2016 (hereinafter referred to as the “Valuation Date”) for public documentation purpose.

This letter, forming part of our valuation report, identifies the property interest being valued, explains the basis and methodology of our valuation and lists out the assumptions and title investigation, which we have made in the course of our valuation, as well as the limiting conditions.

Our valuation represents our opinion of market value which we would define to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

In valuing the property interest, which was held for sale by the Group, we have adopted the Direct Comparison Method assuming sale of the property interest in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant market.

Our valuation has been made on the assumption that the owner sells the property on the open market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which could serve to affect the value of the property. No forced sale situation in any manner is assumed in our valuation.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interest or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interest is free from encumbrances, restrictions and outgoing of an onerous nature which could affect its value.

We have caused title searches to be made at the Land Registry in respect of the property interest. However, we have not searched the original documents to verify the ownership or to ascertain the existence of any amendments.

In valuing the property interest located in Hong Kong, of which the Government Lease has expired before 30 June 1997, we have taken into account the provisions contained in the Basic Law of the Hong Kong Special Administrative Region and the New Territories (Extension) Ordinance 1988 that such lease has been extended without any additional payment of premium until 30 June 2047 and that an annual rent equivalent to three per cent of the rateable value of the property will be charged from the date of extension.

The property was inspected by Tony M. W. Cheng, a manager of our firm with 10 years of experience in the inspection of properties in Hong Kong and the PRC, during May 2016. We have inspected the exterior of the property. In the course of our inspections, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the properties are free from rot, infestation or any other defects. No tests were carried out on any of the services.

We have not carried out on-site measurements to verify the correctness of the floor area of the property but have assumed that the floor area shown on the documents and floor plans available to us are correct. Dimensions, measurements and areas included in the attached valuation certificate are based on information contained in the documents provided to us and are, therefore, only approximations.

We have relied to a considerable extent on the information provided by the Group and have accepted advice on such matters as planning approvals, statutory notices, easements, tenures, floor area and all other relevant materials regarding the property.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We were also advised by the Group that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

In valuing the property interest, we have complied with all the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards 2012 Edition published by the Hong Kong Institute of Surveyors.

Unless otherwise stated, all monetary amounts stated in this report are in Hong Kong Dollars (HK\$).

We hereby confirm that we have neither present nor prospective interests in the Company, the Group, the property interest or the value reported herein.

Our Valuation Certificate is enclosed herewith.

Yours faithfully,
For and on behalf of
Peak Vision Appraisals Limited
Nick C. L. Kung
MRICS, MHKIS, RPS (G.P.), RICS Registered Valuer
Director

Note: Mr. Nick C. L. Kung is a RICS Registered Valuer and a Registered Professional Surveyor who has over 20 years of experience in the valuation of properties in Hong Kong and the PRC.

Valuation Certificate

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2016
The whole of 21 st Floor and car parking spaces Nos. P15 to P18 on 1 st Floor, Rykadan Capital Tower, No. 135 Hoi Bun Road, Kwun Tong, Kowloon	Rykadan Capital Tower is a 21-storey office building (4 th , 13 th , 14 th , and 24 th Floors omitted) erected over a 4-storey car parking podium with loading and unloading facilities available on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon completed in 2013.	As at the Valuation Date, the property was vacant.	HK\$140,400,000
928/20,000 th equal and undivided shares of and in The Remaining Portion of Kwun Tong Inland Lot No. 526 (the "Lot")	<p>The property comprises the whole of the 21st Floor and 4 car parking spaces on the 1st Floor of Rykadan Capital Tower with a gross floor area of approximately 12,007 sq.ft. (1,115.48 sq.m) and saleable area of approximately 9,005 sq.ft. (836.58 sq.m.), exclusive of car parking spaces.</p> <p>The Lot is held under a Government Lease for a term of 99 years commencing from 1 July 1898 which has been statutorily extended to 30 June 2047.</p> <p>The government rent payable for the Lot is an amount equal to 3% of the rateable value from time to time of the Lot.</p>		

Notes:

- i) According to our title search conducted on 13 May 2016:
 - a. The registered owner of the property is Cheer Wise Investments Limited vide Memorial No. 14020700850010 dated 20 January 2014 at a consideration of HK\$114,824,960.
 - b. The property is subject to a Mortgage in favour of Nanyang Commercial Bank, Limited for all moneys vide Memorial No. 14020700850021 dated 20 January 2014.
 - c. The property is subject to an Assignment of Rentals in favour of Nanyang Commercial Bank, Limited vide Memorial No. 14020700850039 dated 20 January 2014.
 - d. The property is subject to a Second Legal Charge in favour of Nanyang Commercial Bank, Limited for all moneys vide Memorial No. 14020700850048 dated 20 January 2014.
- ii) The property is zoned as "Other Specified Uses (Business)" under Approved Kwun Tong (South) Outline Zoning Plan No. S/K14S/20 dated August 2015.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' INTERESTS IN SECURITIES

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (b) were recorded in the register required to be kept under section 352 of the SFO, or (c) were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(A) The Company

(a) Long positions in the Shares

Name	Capacity	Number of Shares		Shareholding (%)
		Personal	Corporate interest	
Kwan Pak Hoo Bankee	Beneficial owner and interest in a controlled corporation	4,260,000	281,767,807*	34.41
Law Ping Wah Bernard	Beneficial owner	27,345,312	–	3.29
		<u>31,605,312</u>	<u>281,767,807</u>	<u>37.70</u>

* The shares were held by Cash Guardian Limited. Mr Kwan Pak Hoo Bankee was deemed to be interested in all these Shares as a result of his interests in Cash Guardian Limited as disclosed in the "Substantial Shareholders" below.

(b) Long positions in the underlying shares – options under share option schemes

Name	Date of grant	Option period	Exercise price per Share (HK\$)	Number of options outstanding	Percentage to issued Shares (%)
Kwan Pak Hoo Bankee	2/9/2014	2/9/2014 – 31/8/2018	0.478	6,480,000	0.77
	18/12/2015	18/12/2015 – 31/12/2019	0.460	8,000,000	0.96
Law Ping Wah Bernard	2/9/2014	2/9/2014 – 31/8/2018	0.478	6,480,000	0.77
	18/12/2015	18/12/2015 – 31/12/2019	0.460	4,800,000	0.57
Law Ka Kin Eugene	18/12/2015	18/12/2015 – 31/12/2019	0.460	4,800,000	0.57
Ng Hin Sing Derek	2/9/2014	2/9/2014 – 31/8/2018	0.478	5,184,000	0.62
	18/12/2015	18/12/2015 – 31/12/2019	0.460	4,800,000	0.57
				40,544,000	4.83

Notes:

- (1) Mr Kwan Pak Hoo Bankee is also the substantial Shareholder.
- (2) The options are held by the Directors in the capacity of beneficial owners.

(B) Associated corporation (within the meaning of SFO)

CFSG

(a) Long positions in the ordinary shares of HK\$0.02 each

Name	Capacity	Number of shares	
		Corporate interest	Shareholding (%)
Kwan Pak Hoo Bankee	Interest in a controlled corporation	1,667,821,069*	40.34

* The shares were held by CIGL, a wholly-owned subsidiary of Praise Joy Limited (which was 100% beneficially owned by the Company). The Company was beneficially owned as to approximately 34.41% by Mr Kwan Pak Hoo Bankee, details of which were disclosed in the “Substantial Shareholders” below. Pursuant to the SFO, Mr Kwan Pak Hoo Bankee was deemed to be interested in all the shares held by CIGL in CFSG.

(b) Long positions in the underlying shares – options under share option schemes

Name	Date of grant	Option period	Exercise price per share (HK\$)	Number of options outstanding	Percentage to issued shares (%)
Kwan Pak Hoo Bankee	3/12/2015	3/12/2015 – 31/12/2019	0.315	40,000,000	0.96
Law Ping Wah Bernard	3/12/2015	3/12/2015 – 31/12/2019	0.315	40,000,000	0.96
Law Ka Kin Eugene	3/12/2015	3/12/2015 – 31/12/2019	0.315	20,000,000	0.48
Ng Hin Sing Derek	3/12/2015	3/12/2015 – 31/12/2019	0.315	16,000,000	0.38
				116,000,000	2.78
				116,000,000	2.78

Notes:

- (1) Mr Kwan Pak Hoo Bankee is also the substantial shareholder.
- (2) The options are held by the Directors in the capacity of beneficial owners.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executive or their associates had any interests and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (b) were recorded in the register required to be kept under section 352 of the SFO, or (c) were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors and chief executive of the Company, the persons/companies, other than a Director or chief executive of the Company, who had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital:

Name	Capacity	Number of Shares	Shareholding (%)
Hobart Assets Limited (<i>Notes (1) & (2)</i>)	Interest in a controlled corporation	281,767,807	33.89
Cash Guardian Limited (<i>Notes (1) & (2)</i>)	Interest in a controlled corporation	281,767,807	33.89
Mr Wang Shui Ming (<i>Note (3)</i>)	Beneficial owner, interest in a controlled corporation and other interest	77,404,926	9.31

Notes:

- (1) This refers to the same number of Shares held by Cash Guardian Limited, a wholly-owned subsidiary of Hobart Assets Limited, which in turn was 100% beneficially owned by Mr Kwan Pak Hoo Bankee. Pursuant to the SFO, Mr Kwan Pak Hoo Bankee and Hobart Assets Limited were deemed to be interested in the Shares held by Cash Guardian Limited.
- (2) Mr Kwan Pak Hoo Bankee (the Director whose interests are not shown in the above table) was interested and/or deemed be interested in a total of 286,027,807 Shares (34.41%), which were held as to 281,767,807 Shares by Cash Guardian Limited and as to 4,260,000 Shares in his personal name. Detail of his interest is set out in the section "Directors' interests in securities" above.
- (3) The Shares were held as to 19,631,226 in his personal name, as to 42,114,150 held by Mingtak Holdings Limited (a 100%-owned controlled corporation of Mr Wang), and 15,659,550 held by him as nominee under a power of attorney. Pursuant to the SFO, Mr Wang was deemed to be interested in all these shares.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors and chief executive of the Company, no other parties (other than a Director or chief executive of the Company) who had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital.

4. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest in a business which competes or may compete with the business of the Group.

5. SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contracts with any member of the Group (excluding contracts expiring or terminable by the employer within one year without payment of compensation (other than statutory compensation)).

6. INTEREST OF DIRECTORS IN THE GROUP'S ASSETS

Since 31 December 2015 (the date to which the latest published audited accounts of the Group have been made up), each of the Directors did not have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to the Group or are proposed to be acquired or disposed of by or leased to the Group and no Director was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

7. INTEREST OF DIRECTORS IN CONTRACTS

Save for the interests of Mr Kwan Pak Hoo Bankee, Mr Law Ping Wah Bernard, Mr Law Ka Kin Eugene and Mr Ng Hin Sing Derek in the margin financing agreements dated 24 November 2015 (item (j)) as disclosed under the paragraph headed of "Material Contracts" in this appendix, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

8. LITIGATION OF THE GROUP

As at the Latest Practicable Date, neither the Company nor any other company in the Group is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against either the Company or any other company in the Group.

9. EXPERT, QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given opinion or advice which is contained in this circular:

Name	Qualification
Peak Vision Appraisals Limited	An independent professional property valuer

As at the Latest Practicable Date, Peak Vision Appraisals Limited was not interested beneficially in the shares in any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group.

As at the Latest Practicable Date, Peak Vision Appraisals Limited did not have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to the Group or are proposed to be acquired or disposed of by or leased to the Group since 31 December 2015, being the date up to which the latest published audited consolidated accounts of the Company were made up.

As at the Latest Practicable Date, Peak Vision Appraisals Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of and reference to its name and statements in the form and context in which it appears.

10. MATERIAL CONTRACTS

The following contracts are contracts that are or may be material, not being contracts entered into during the ordinary course of business, and has been entered into by the Group within two years preceding the Latest Practicable Date:

- (a) the memorandum of understanding dated 18 September 2014 entered into among CIGL, Cash Guardian Limited and Mr Kwan Pak Hoo Bankee as sellers and 天津濱海新區建投股權投資基金管理有限公司 (independent third party) as buyer in relation to the possible sale and purchase of the shares of CFSG held by the sellers. The memorandum of understanding expired following the expiry of the long stop date, being 31 December 2014;
- (b) the framework agreement entered into among CIGL, Cash Guardian Limited, Mr Kwan Pak Hoo Bankee and Oceanwide Holdings (Hong Kong) Co., Limited (“Oceanwide HK”) on 8 January 2015 relating to the possible sale and purchase of an aggregate of 1,792,272,589 shares of CFSG (representing approximately 44.01% interest in CFSG as at the date of the framework Agreement) (as amended and supplemented by the supplemental agreement dated 18 February 2015 and the second supplemental agreement dated 6 March 2015 entered into between CIGL and Oceanwide HK);
- (c) the escrow agreement dated 8 January 2015 entered into by and among, CIGL, Cash Guardian Limited, Mr Kwan Pak Hoo Bankee, Oceanwide HK and the escrow agent in respect of the appointment of the escrow agent, the safekeeping of the deposit of HK\$20,000,000 under the framework agreement dated 9 January 2015 and timely release of the deposit pursuant to the escrow agreement;
- (d) the sale and purchase agreement dated 9 March 2015 entered into among CIGL, Oceanwide Holdings International Finance Ltd (“Oceanwide”) and the Company for the sale and purchase of 1,657,801,069 shares of CFSG. The sale and purchase agreement was terminated on 15 May 2015;

- (e) the new escrow agreement dated 9 March 2015 entered into by and among CIGL, Oceanwide and the escrow agent in respect of the appointment of the escrow agent, the safekeeping of the prepayment and the retention money and timely release of the prepayment and the retention money balance pursuant to the new escrow agreement;
- (f) the notice from Oceanwide dated 15 May 2015 to the Company and CIGL (and agreed and confirmed by the Company and CIGL on the same day) pursuant to the sale and purchase agreement dated 9 March 2015 requesting for the return of the prepayment to Oceanwide;
- (g) the underwriting agreement dated 31 July 2015 entered into between the Company and Celestial Capital Limited (as underwriter and a wholly-owned subsidiary of CFSG) in relation to the underwriting for a two-for-one rights issue of the Company at the subscription price of HK\$0.40 per share;
- (h) the brokerage services agreement dated 23 October 2015 entered into between Celestial Securities Limited and Celestial Commodities Limited (wholly-owned subsidiaries of CFSG) as service providers and Confident Profits Limited (a subsidiary of the Company) as client in relation to provision of the brokerage services for three financial years ending 31 December 2018;
- (i) the margin financing agreement dated 23 October 2015 entered into between Celestial Securities Limited (a wholly-owned subsidiary of CFSG) and Confident Profits Limited (a subsidiary of the Company) in relation to provision of margin financing facility to Confident Profits Group for a sum of up to HK\$30 million for each of the three financial years ending 31 December 2018;
- (j) the margin financing agreements all dated 24 November 2015 entered into between Celestial Securities Limited (a wholly-owned subsidiary of CFSG) with each of the connected clients, namely Mr Kwan Pak Hoo Bankee, Mr Law Ping Wah Bernard (executive Directors of the Company and CFSG), Ms Cheng Pui Lai Majone, Mr Ng Kung Chit Raymond, Mr Lam Man Michael (executive directors of CFSG), Mr Law Ka Kin Eugene, Mr Ng Hin Sing Derek (executive Directors of the Company), Mr Kwan Pak Leung Horace, Ms Chan Siu Fei Susanna, Cash Guardian Limited (a controlled corporation and/or associates of Mr Kwan Pak Hoo Bankee), Libra Capital Management (HK) Limited and Cashflow Credit Limited (wholly-owned subsidiaries of the Company, being the substantial shareholders of CFSG) in relation to the granting of margin financing facility to each of the aforesaid connected clients for a sum of up to HK\$30 million for each of the three financial years ending 31 December 2018; and
- (k) the MOU and the S&P Agreement.

11. MISCELLANEOUS

- (a) The secretary of the Company is Ms Luke Wing Sheung Suzanne, *a fellow member of The Institute of Chartered Secretaries and Administrators.*
- (b) The head office and the principal place of business of the Company in Hong Kong are at 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong. The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The principal share registrars and transfer office of the Company in Bermuda are Codan Services Limited at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The branch share registrars and transfer office of the Company in Hong Kong is Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong during normal business hours on any day up to the holding of the SGM:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the material contracts referred to in paragraph 10 above;
- (c) the audited consolidated financial statements of the Group for the two financial years ended 31 December 2015;
- (d) the valuations report of Peak Vision Appraisals Limited, the text of which is set out in appendix II to this circular; and
- (e) the letter of consent from Peak Vision Appraisals Limited as referred to in paragraph headed "Expert, qualification and consent" in this appendix.

NOTICE OF THE SGM



CELESTIAL ASIA SECURITIES HOLDINGS LIMITED

時富投資集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1049)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“SGM”) of Celestial Asia Securities Holdings Limited (“Company”) will be held at 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong on 6 July 2016, Wednesday, at 9:30 am for the purpose of considering and, if thought fit, passing the following resolution of the Company:

ORDINARY RESOLUTION

“**THAT**, the memorandum of understanding dated 4 May 2016 and/or the formal sale and purchase agreement dated 10 June 2016 (“Agreements”, copies of which have been produced to the Meeting and marked “A” and “B” respectively and signed by the chairman of the Meeting for the purpose of identification) entered into between Max Luck Associates Limited (an indirect non-wholly-owned subsidiary of the Company) as seller (“Seller”) and Ultimate Luck Global Limited as purchaser (“Purchaser”), whereby the Seller has agreed to sell and the Purchaser has agreed to purchase the entire one fully paid issued share of Cheer Wise Investments Limited (“Sale Share”) and the entire amount of loans or moneys due or payable by Cheer Wise Investments Limited to the Seller or any other person(s) or corporation(s) (“Sale Loans”) at an aggregate consideration of HK\$140,500,000 in cash, subject to the terms and conditions as set out in the Agreements and described in the circular of the Company dated the same date of this notice, and the transaction contemplated thereunder, be and are hereby approved and any one director of the Company, or any two directors of the Company if the affixation of the common seal of the Company is necessary, be and is/are hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her/them to be incidental to, ancillary to or in connection with the matters contemplated in and for completion of the transactions contemplated under the Agreements.”

By order of the Board

Suzanne W S Luke

Company Secretary

Hong Kong, 17 June 2016

* For identification purpose only

NOTICE OF THE SGM

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*

28/F Manhattan Place
23 Wang Tai Road
Kowloon Bay
Hong Kong

Notes:

1. A member entitled to attend and vote at the SGM is entitled to appoint one or more proxies to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company. A form of proxy is also enclosed for the SGM.
2. In order to be valid, the form of proxy must be deposited at the principal place of business of the Company at 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of that power of attorney or other authority, not less than 48 hours before the time for holding the SGM or any adjournment thereof.