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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)

DISCLOSEABLE TRANSACTION
IN RELATION TO
RENEWAL OF LEASE AGREEMENT

LEASE AGREEMENT

On 28 December 2023, the Board announces that the Lessee and the Lessor entered into the Lease Agreement in relation to the renewal of the tenancy of the Premises.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to HKFRS 16 “Leases”, the Company recognises the value of the right-of-use assets on its consolidated financial statements of financial position in connection with the lease of the Premises under the Lease Agreement. Accordingly, the lease transaction contemplated under the Lease Agreement is regarded as an acquisition of asset by the Lessee under Rule 14.04(1)(a) of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) calculated based on the unaudited value of the right-of-use of the Premises under the Lease Agreement exceeds 5% but is less than 25%, the entering into of the Lease Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 28 December 2023 (after trading hours), the Board announces that, the Lessee, a subsidiary of the Company, and the Lessor (being an Independent Third Party), entered into the Lease Agreement in respect of the lease of the Premises for operation of store of retail management business of the Group.

LEASE AGREEMENT

Date:	28 December 2023
The Parties:	(i) Tang Mo Pun Tong acting by its registered managers Tang Ying Yip and Tang Ying Hei, as the Lessor. (ii) Pricerite Home Limited (a subsidiary of the Company), with principal activity of retailing of furniture and household goods, as the Lessee.
The Premises:	(1) G/F and Cockloft of 130 & 132 and First Floor of 128, 130, 132, 134, 136 & 138; (2) 2/F of 128, 130 & 132; (3) 3/F of 128, 130, 132 & 134; and (4) 2/F of 134 Castle Peak Road (Yuen Long Section) (also known as Main Road), Yuen Long, New Territories, Hong Kong.
Lease term:	Five (5) years commencing on 1 January 2024 and expiring on 31 December 2028 (both days inclusive).
The aggregate value of consideration payable:	Approximately HK\$22.5 million in aggregate for the term of five years, including rent, stamp duty and estimated reinstatement cost by the Lessee, pursuant to the terms and conditions of the Lease Agreement, which will be satisfied by internal resources of the Group. The rent under the Lease Agreement is determined after arm's length negotiations between the Parties, after taking into consideration the prevailing market rental for similar comparable premises in the nearby areas.
Deposit	HK\$1,035,000.00.

The unaudited value of the right-of-use asset to be recognised by the Group under the Lease Agreement amounted is approximately HK\$19.2 million, which represents the present value of aggregated lease payments for the term of five years and the deposit, plus initial direct costs and estimated reinstatement cost and discounted using the incremental borrowing rate in accordance with HKFRS 16. Incremental borrowing rate of the lease liability is determined with reference to the prevailing interest rate of the Group's external borrowings.

INFORMATION OF THE GROUP

The principal activity of the Company is investment holding. The principal activities of the Group are (a) the retail management business including sales of furniture and household items, electrical appliances, food and pets accessories through the chain stores under multi-brand names including "Pricerite Home", "TMF", "SECO", "Pricerite Food" and "Pricerite Pet" in Hong Kong; (b) the provision of asset management services to fund investors (the "Asset Management Business"); (c) the other financial services businesses (other than the Asset Management Business) provided through CASH Financial Services Group Limited (a 64.47%-owned listed subsidiary of the Company); and (d) general investment holding. For additional information, please visit www.cash.com.hk.

INFORMATION OF THE COUNTERPARTIES

The principal or ancillary activities carried on by the Lessor include property investment. Based on the information provided by the Lessor and to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the ultimate beneficial owners of the Lessor have seven members, namely Tang Ying Yip, Tang Ying Hei, Tang Ying Lam, Tang Ying Loi, Tang Kwok Sun, Tang Kwok Kin and Tang Kwok Chuen.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Lessor, its registered managers and its respective ultimate beneficial owner are Independent Third Parties.

REASONS FOR AND BENEFITS FOR THE LEASE AGREEMENT

The Group is currently leasing the Premises for its retail business. The existing lease of the Premises will expire on 31 December 2023. By entering into the Lease Agreement, the Group will be able to continue its retail business at the Premises which in turn contributes to the Group's revenue and maintains the Group's scale of operation.

The terms of the Lease Agreement were reached on arm's length basis with reference to the prevailing market rental of similar comparable premises in the nearby areas. Having considered the foregoing, the Board considers that the entering into of the Lease Agreement is in the ordinary course of business of the Group and on normal commercial terms which are fair and reasonable, and that the Lease Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to HKFRS 16 "Leases", the Company recognises the value of the right-of-use assets on its consolidated financial statements of financial position in connection with the lease of the Premises under the Lease Agreement. Accordingly, the lease transaction contemplated under the Lease Agreement is regarded as an acquisition of asset by the Lessee under Rule 14.04(1)(a) of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) calculated based on the unaudited value of the right-of-use of the Premises under the Lease Agreement exceeds 5% or but is less than 25%, the entering into of the Lease Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITION

"Board"	board of Directors
"Company"	Celestial Asia Securities Holdings Limited (stock code: 1049), a company incorporated in Bermuda with limited liability and the shares are listed on the main board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"HKFRS"	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	to the best of the directors' knowledge, information and belief having made all reasonable enquiry, the Lessor, its registered managers and its respective ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined under the Listing Rules)
"Lease Agreement"	the Lease Agreement entered into between the Parties on 28 December 2023 in relation to the renewal of the lease of the Premises

“Lessee”	Pricerite Home Limited, a company incorporated in Hong Kong with limited liability, is an 99.01%-owned subsidiary of the Company, as the tenant
“Lessor”	Tang Mo Pun Tong acting by its registered managers Tang Ying Yip and Tang Ying Hei, as the landlord
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	the Lessee and the Lessor
“PRC”	the People’s Republic of China
“Premises”	the premises as more particular set out under the sub-heading “The Premises” in the section headed “Lease Agreement” in this announcement
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
Morton Cheung
*Executive Director and
Chief Financial Officer*

Hong Kong, 28 December 2023

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

Executive directors:

Dr Kwan Pak Hoo Bankee, *BBS, JP*
Mr Leung Siu Pong James
Mr Kwan Teng Hin Jeffrey
Mr Cheung Tsz Yui Morton

Independent non-executive directors:

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

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

** For identification purposes only*