



祥泰行集團有限公司*

CHEUNG TAI HONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board of Directors (the “Board”) of Cheung Tai Hong Holdings Limited (the “Company”) is pleased to announce the appointments of Mr. Zhang Shichen (“Mr. Zhang”) as the independent non-executive director and a member of audit committee of the Company with effect from 15th October, 2004.

Mr. Zhang Shichen, aged 64, graduated from the Beijing University of Traditional Chinese Medicine. He has 40 years experience in the teaching and research studies of Chinese medicine and has held management roles in governmental regulatory authorities of China. Before his retirement in 2000, he was a director in the State Drug Administration Department of Drug Registration. Mr. Zhang is at present a part-time professor in a number of universities in China.

There is no service contract signed between Mr. Zhang and the Company. Mr. Zhang will receive director’s fee of HK\$60,000 per annum. The emolument is determined with reference to the director’s experience and duties carried in the Company. The director’s fee will be subject to review and approval from time to time by shareholders at annual general meetings of the Company. The appointed director will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company’s Bye-laws.

Except that Mr. Zhang has been an executive director of Dao Fang Gas Holdings Limited (now known as Pacific Century Premium Developments Limited), a publicly listed company in Hong Kong, during the period from October 2003 to May 2004, he does not hold other directorships in listed companies in the last three years. He is not connected with any directors, senior management or substantial or controlling shareholders of the Company, and, as at the date hereof, he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Company would like to express its warm welcome to Mr. Zhang for joining the Board.

By Order of the Board
Tse Cho Tseung
Chairman

Hong Kong, 15th October, 2004

As at the date hereof, the Board comprises of Mr. Tse Cho Tseung (Chairman) and Ms. Cheung Sze Man as executive directors, and Mr. Wong Chi Keung, Alvin and Mr. Kwok Ka Lap, Alva (Deputy Chairman) as independent non-executive directors.

* For identification purposes only

“Please also refer to the published version of this announcement in The Standard.”