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祥泰行集團有限公司*

CHEUNG TAI HONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

**DELAY IN DESPATCH OF CIRCULAR
RELATING TO A VERY SUBSTANTIAL ACQUISITION**

The Company has made an application to the Stock Exchange for an extension of time for despatch of the Circular to the Shareholders to on or before 22nd March, 2006.

Reference is made to the announcement made by the Company dated 7th February, 2006 in relation to the acquisition of the entire issued share capital of Everight and 55.57% of the Vendor's Loan by the Group (the "Announcement"). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context herein requires otherwise.

The Acquisition, when aggregated with the Shareholder's Loan(s), constitutes a very substantial acquisition of the Company under the Listing Rules. Pursuant to Rule 14.38 of the Listing Rules, the Company is required to despatch a circular in relation to the Acquisition (the "Circular") to the Shareholders within 21 days after publication of the Announcement, which is on or before 1st March, 2006. Due to the intervening public holidays for the Chinese New Year which followed shortly after the financial year-end date of Everight Group (i.e. 31st December, 2005), the Company requires additional time to prepare the accountants' report of Everight Group and certain financial information relating to the Group and Everight Group including indebtedness and pro forma financial information as required to be included in the Circular. In the circumstances, the Company has applied to the Stock Exchange under Rule 14.38 of the Listing Rules for an extension of time for despatch of the Circular to on or before 22nd March, 2006.

By order of the Board
Cheung Tai Hong Holdings Limited
Yan Ha Hung, Loucia
Company Secretary

Hong Kong, 28th February, 2006

As at the date of this announcement, the Board comprises Mr. Cheung Hon Kit (Chairman), Mr. Chan Fut Yan (Managing Director) and Mr. Tse Cho Tseung as executive Directors, Mr. Ho Hau Chong, Norman (Deputy Chairman) and Mr. Lo Lin Shing, Simon as non-executive Directors, and Mr. Wong Chi Keung, Alvin, Mr. Kwok Ka Lap, Alva and Mr. Chui Sai Cheong as independent non-executive Directors.

* For identification purpose only

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