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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)

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

The Company has made an application to the Stock Exchange for a further extension of time for despatch of the Circular to the Shareholders to on or before 30th May, 2006.

Reference is made to the announcement made by the Company dated 3rd April, 2006 in relation to, among others, the acquisition of 40% of the issued share capital of Orient Town by the Group (the “**Announcement**”) and the announcement of the Company dated 25th April, 2006 (the “**Second Announcement**”) in relation to the delay in despatch of circular to the Shareholders (the “**Circular**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context herein requires otherwise.

As disclosed in the Second Announcement, despatch of the Circular was postponed from 25th April, 2006 to on or before 16th May, 2006 as the Company required additional time to prepare the accountants’ reports of Orient Town Group and Concordia, and the pro forma financial information as required to be included in the Circular (the “**Financial Information**”). Since the release of the Second Announcement, the Company and the reporting accountants have kept on carrying out the necessary work to complete the preparation for the Financial Information which has been substantially completed as at the date of this announcement. However, the Company and the reporting accountants require additional time to finalise the Financial Information. The Company has therefore applied to the Stock Exchange under Rule 14.38 of the Listing Rules for a further extension of time for despatch of the Circular to on or before 30th May, 2006.

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

Hong Kong, 16th May, 2006

As at the date of this announcement, the Board comprises Mr. Cheung Hon Kit (Chairman) and Mr. Chan Fut Yan (Managing Director) 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.”