



祥泰行集團有限公司*

CHEUNG TAI HONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

**COMPLETION OF SUBSCRIPTION AND PLACING
AND
RE-DESIGNATION OF DIRECTOR**

The Board is pleased to announce that the completion of the Subscription and the Placing took place on 11 August 2005.

With effect from 11 August 2005, Mr. Ho, previously an independent non-executive Director, has been re-designated as a non-executive Director.

Reference is made to the circular (the "Circular") of the Company dated 23 May 2005 and announcements of the Company dated 7 June 2005, 26 July 2005 and 1 August 2005 in relation to, among other things, the proposed Subscription and the Placing. Unless otherwise specified, terms used herein shall have the same meanings as defined in the Circular.

The Board is pleased to announce that the completion of the Subscription and the Placing took place on 11 August 2005. As stated in the Circular, following the completion of the subscription by Kopola, with effect from 11 August 2005, Mr. Ho Hau Chong, Norman ("Mr. Ho"), previously an independent non-executive Director, has been re-designated as a non-executive Director.

Mr. Ho, aged 50, joined the Company in December 2004 and is now the Deputy Chairman of the Company. Mr. Ho holds a Bachelor of Arts degree from the University of Exeter, and is a member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Hong Kong Institute of Certified Public Accountants. He has over 22 years of experience in finance, management and property development. He does not hold other positions with other members of the Group. Mr. Ho is a director of Miramar Hotel and Investment Company, Limited (Stock Code: 71) and a non-executive director of New World Mobile Holdings Limited (Stock Code: 862) and Tai Fook Securities Group Limited (Stock Code: 665). Mr. Ho is also an independent non-executive director of CITIC Pacific Limited (Stock Code: 267), Hong Kong Ferry (Holdings) Company Limited (Stock Code: 50), Lee Hing Development Limited (Stock Code: 68), Shun Tak Holdings Limited (Stock Code: 242) and Starlight International Holdings Limited (Stock Code: 485), all of which are companies whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. Ho did not hold any directorship in other publicly listed companies in the last three years preceding the date of this announcement.

Mr. Ho has not entered into any service contract with the Company and is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. The remuneration to be received by Mr. Ho, which will be determined with reference to his relevant duties and responsibilities within the Company, has not yet been determined by the Board as at the date of this announcement. The Company will make an announcement once the remuneration is determined.

Mr. Ho is not connected with any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, he was interested in 340,909,090 underlying Shares (representing approximately 83.4% of the existing issued share capital of the Company and approximately 12.8% of the enlarged issued share capital of the Company upon full conversion of the Subscription Convertible Notes and Placing Convertible Notes at the Initial Conversion Price) within the meaning of Part XV of the SFO by virtue of his interests in a controlled corporation.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to the re-designation of Mr. Ho as a non-executive Director.

For and on behalf of
Cheung Tai Hong Holdings Limited
Cheung Hon Kit
Chairman

Hong Kong, 11 August 2005

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

* For identification purpose only

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