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CHINA CHENGTONG DEVELOPMENT GROUP LIMITED
中國誠通發展集團有限公司

(incorporated in Hong Kong with limited liability)

(Stock code: 217)

FURTHER DELAY IN DESPATCH OF CIRCULAR

Reference is made to the Major Transaction Announcement and the Delay Announcements. As more time is required for the preparation of the Circular, including the inclusion of the audited financial statements of the Group for the year ended 31 December 2005, the despatch of the Circular will be further postponed. It is currently expected that the Circular will be despatched to the Company's shareholders no later than 9 May 2006.

Reference is made to the announcement ("**Major Transaction Announcement**") of China Chengtong Development Group Limited ("**Company**") dated 7 February 2006 in relation to the Disposal, which constituted a major transaction for the Company under the Listing Rules and the two announcements ("**Delay Announcements**") of the Company dated 27 February 2006 and 31 March 2006 respectively both in relation to the delay in despatch of the Circular (as defined below). Unless otherwise stated, terms used in this announcement shall have the same meanings as defined in the Major Transaction Announcement and the Delay Announcements.

Pursuant to Rule 14.38 of the Listing Rules, the Company must send a circular ("**Circular**") containing further details of the Disposal and the financial information of the Group and arrange for its publication with 21 days after the publication of the Major Transaction Announcement, being no later than 28 February 2006.

As disclosed in the Delay Announcements, the Company had applied to the Stock Exchange for waivers from strict compliance with Rule 14.38 of the Listing Rules for an extension of time to despatch the Circular to 21 March 2006 and a further extension to 25 April 2006.

As more time is required for the finalisation of the financial information of the Group, including the inclusion of the audited financial statements of the Group for the year ended 31 December 2005, for inclusion in the Circular, the despatch of the Circular will be further postponed.

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules by extending the despatch date of the Circular to no later than 9 May 2006.

As at the date of this announcement, the executive Directors are Mr. Zhang Guotong and Mr. Wang Hongxin; the non-executive Directors are Mr. Ma Zhengwu, Mr. Hong Shuikun, Mr. Gu Laiyun and Ms. Xu Zhen; the independent non-executive Directors are Mr. Kwong Che Keung, Gordon, Mr. Tsui Yiu Wa, Alec and Mr. Lao Youan.

By order of the board of directors of
China Chengtong Development Group Limited
Zhang Guotong
Managing Director

Hong Kong, 25 April 2006