



Artfield Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1229)

ANNOUNCEMENT ON UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS AND RESUMPTION OF TRADING

The Board has noted the decrease in the price and the increase in the trading volume of the shares of the Company on 19 October 2005.

The Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended from 9:30 a.m. on 20 October 2005 pending the release of this announcement. Application made by the Company to the Stock Exchange for the resumption of the trading in the shares of the Company on the Stock Exchange with effect from 9:30 a.m. on 21 October 2005.

This announcement made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board (the “Board”) of directors of Artfield Group Limited (the “Company”) has noted the decrease in the price and the increase in the trading volume of the shares of the Company on 19 October 2005 and wishes to announce that it is not aware of any reasons for such movements save as disclosed below.

The Company was informed on 19 October 2005 that Mr. LIN Dong Hong (“Mr. Lin”), executive director of the Company, acquired 872,000 shares of the Company on 19 October 2005. The details of the shares of the Company held by Mr. Lin since 10 May 2004 are set out as follows:–

<u>Date</u>	<u>Capacity</u>	<u>Number of ordinary shares acquired</u>	<u>Number of issued ordinary shares held</u>	<u>Percentage of the issued share capital of the Company</u>
10 May 2004	Held by controlled corporation (<i>note 1</i>)	–	11,193,410	4.26%
15 March 2005	Held by controlled corporation (<i>note 2</i>)	200,000	11,393,410	4.34%
19 October 2005	Beneficial owner	872,000	12,265,410 (<i>note 2</i>)	4.67%

Note 1: 11,193,410 shares are owned by Grand Castle Holdings Limited (“Grand Castle”), 100% beneficially owned by Mr. Lin.

Note 2: 11,393,410 shares are owned by Grand Castle.

After the acquisition on 19 October 2005, Mr. Lin holds 12,265,410 shares of the Company in total, which represents 4.67% of the issued share capital of the Company.

The acquisition as at 15 March 2005 was not brought to the attention to the Company due to the inadvertent oversight by Mr. Lin.

The Board will remind each director to strictly follow the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange in the dealing of Company’s shares in the future.

The Board wishes to clarify the number of issued ordinary shares held by Mr. LIN Dong Hong be revised as “11,393,410” instead of “11,193,140” and the corresponding percentage of the issued share capital of the Company be revised as “4.34%” instead of “4.26%”, which stated on page 27 of the annual report for the year ended 31 March 2005 of the Company.

Shareholders and investors should be cautious when dealing in the shares of the Company.

Save as disclosed above, the Board also confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

The directors of the Company individually and jointly accept responsibility for the accuracy of this announcement.

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended from 9:30 a.m. on 20 October 2005 pending the release of this announcement. Application made by the Company to the Stock Exchange for the resumption of the trading in the shares of the Company on the Stock Exchange with effect from 9:30 a.m. on 21 October 2005.

By Order of the Board
Artfield Group Limited
LAU King Pong
Company Secretary

Hong Kong, 20 October 2005

As at the date of this announcement, the executive directors of the Company are Mr. LIANG Jin You, Ms. LI Kwo Yuk, Mr. LEUNG Kin Yau, Mr. OU Jian Sheng, Mr. DENG Ju Neng and Mr. LIN Dong Hong. The independent non-executive directors are Mr. LO Ming Chi, Charles, Mr. LO Wah Wai and Mr. ORR, Joseph Wai Shing.

Please also refer to the published version of this announcement in China Daily.