



ARTFIELD GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1229)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Artfield Group Limited (the “Company”) will be held at Flats G & H, 12th Floor, Universal Industrial Centre, 19-21 Shan Mei Street, Fo Tan, Shatin, New Territories, Hong Kong on Tuesday, 29 August 2006 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 March 2006.
2. To re-elect the retiring directors and to authorise the board of directors to fix the directors’ remuneration.
3. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“THAT

- (A) subject to paragraph (B) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Future Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) or any other stock exchange as amended from time to time, be and is hereby, generally and unconditionally approved;
- (B) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly; and

(C) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the Companies Act 1981 of Bermuda or any other applicable law to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

5. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“THAT

- (A) subject to paragraph (C) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements, options which might require the exercise of such powers be and is hereby, generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options which might require the exercise of such power after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and to be issued by the directors of the Company pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to (i) a Right Issue (as hereafter defined), or (ii) an issue of shares under any option scheme or similar arrangement for the time being adopted by the Company and/or its subsidiaries for the grant or issue of shares or rights to acquire shares in the capital of the Company, or (iii) any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the Companies Act 1981 of Bermuda or any other applicable law to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Right Issue” means an offer of shares or issue of options to subscribe for shares open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the law of, or the requirements of any recognised regulatory body or any stock exchange, in any territory applicable to the Company).”

6. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT** the general mandate granted to the directors of the Company pursuant to resolution numbered 5 above and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company pursuant to the exercise by the directors of the Company of the powers of the Company to purchase such shares since the granting of such general mandate referred to in the above resolution numbered 5, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution.”

7. As special business, to consider and, if thought fit, pass the following resolution as a special resolution of the Company:

“**THAT** the Bye-laws of the Company be amended in the following manner:

1. Bye-law 86(4)

86(4) by deleting the existing Bye-law 86(4) the words “Subject to any provision to the contrary in these Bye-laws” and replacing the word “the” in the 1st line by the word “The” and deleting in the 3rd line of the words “by special resolution” and substituting therefore the words “by ordinary resolution” immediately after the words “these Bye-laws”.”

By Order of the Board
LAU King Pong
Company Secretary

Hong Kong, 31 July 2006

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. CHEN Vee Yong, Frederick and Mr. LEE Sang Yoon. The independent non-executive directors are Mr. LO Ming Chi, Charles, Mr. LO Wah Wai and Mr. ORR, Joseph Wai Shing.

Notes:

1. The register of members of the Company will be closed from Tuesday, 22 August 2006 to Tuesday, 29 August 2006 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending the annual general meeting, all transfers of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's share registrar in Hong Kong, Union Registrars Limited, at 311-312 Two Exchange Square, Central, Hong Kong for registration not later than 4:00 p.m. on Monday, 21 August 2006.
2. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy or proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the principal place of business of the Company at 13th Floor, Universal Industrial Centre, 19-21 Shan Mei Street, Fo Tan, Shatin, New Territories, Hong Kong together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding of the meeting or adjourned meeting.

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