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ARTFIELD GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1229)

DELAY IN COMPLETION OF THE PLACING

AND

EXTENSION OF WAIVER FOR RESTORATION OF PUBLIC FLOAT

Reference is made to the Company's announcement dated 10 April 2008 relating to, among other things, the waiver of restoration of public float and to the Company's announcement dated 12 June 2008 in respect of the Placing Agreement entered into between the Controlling Shareholder and the Placing Agent for the Placing of the Placing Shares held by the Controlling Shareholder.

The Company is prepared to announce its annual results by the end of July 2008. As mentioned in the 12 June Announcement, the completion of the Placing was expected to take place on 3 July 2008. The Company has been informed by the Controlling Shareholder that since a Director of the Company is deemed to be interested in the Placing Shares, the completion of the Placing shall be postponed to 12 August 2008 (i.e. after the announcement of the Company's annual results by the end of July 2008) in order to avoid breaches of Rule 3.17 of the Listing Rules and Rule A.3 of Appendix 10 "Model Code for Securities Transactions by Directors of Listed Issuers" of the Listing Rules.

Accordingly, the Company shall restore the 25% minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules following the completion of the Placing. An extension of the Waiver from 11 July 2008 to 15 August 2008 has been applied to the Stock Exchange.

The trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 11 April 2008. The Company will make an application to the Stock Exchange to resume trading in the Shares on the Stock Exchange once completion of the Placing has taken place and the 25% minimum public float in the Shares has been restored.

Reference is made to the Company's announcement dated 10 April 2008 relating to, among other things, the waiver of restoration of public float and to the Company's announcement dated 12 June 2008 (the "**12 June Announcement**") in respect of the Placing Agreement entered into between the Controlling Shareholder and the Placing Agent for the Placing of the Placing Shares held by the Controlling Shareholder. Unless otherwise defined, capitalised terms herein shall have the same meanings as those stated in the above two announcements.

The Company is prepared to announce its annual results by the end of July 2008. As mentioned in the 12 June Announcement, the Placing Agent has agreed to procure placees, if any, to purchase for up to 120,000,000 Placing Shares at the placing price of HK\$1.30 per Placing Share on a best effort basis and the completion of the Placing was expected to take place on 3 July 2008. The Company has been informed by the Controlling Shareholder that since a Director of the Company is deemed to be interested in the Placing Shares, the completion of the Placing shall be postponed to 12 August 2008 (i.e. after the announcement of the Company's annual results by the end of July 2008) in order to avoid breaches of Rule 3.17 of the Listing Rules and Rule A.3 of Appendix 10 "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") of the Listing Rules. Pursuant to Rule 3.17 of the Listing Rules, a director must comply with the Model Code and any breach of the Model Code will be regarded as a breach of the Listing Rules. Rule A.3 of the Model Code provides that a director must not deal in any securities of the listed issuer during the period commencing one month immediately preceding the date of board meeting approving the annual results, and ending on the date of the results announcement. Since the signing of the Placing Agreement on 12 June 2008, the Placing Agent has preliminarily negotiated with several potential placees, but detailed terms on the Placing have not yet been confirmed. In view of the current market conditions, the terms of the placing agreements to be entered into with the potential placees may not be made in accordance with the terms of the Placing Agreement, in which case the Company will disclose the same in accordance with the Listing Rules. As agreed by the parties to the Placing Agreement, no changes to the terms of the Placing Agreement shall be effective unless made in writing and signed by each of the parties thereto.

Accordingly, the Company shall restore the 25% minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules following the completion of the Placing. The Stock Exchange had granted the Company a waiver (the “**Waiver**”) from strict compliance with Rule 8.08(1)(a) of the Listing Rules from 11 April 2008 to 10 July 2008. In view of the announcement of its annual results and postponement of completion of the Placing, the Company has applied to the Stock Exchange for an extension of the Waiver from 11 July 2008 to 15 August 2008.

The trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 11 April 2008. The Company will make an application to the Stock Exchange to resume trading in the Shares on the Stock Exchange once completion of the Placing has taken place and the 25% minimum public float in the Shares has been restored.

By order of the Board
ARTFIELD GROUP LIMITED
Kwan Man Fai
Executive Director

Hong Kong, 10 July 2008

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Lo Fong Hung, Mr. Wang Xiangfei and Mr. Kwan Man Fai, and three independent non-executive Directors, namely Mr. Wong Man Hin, Raymond, Mr. Lam Ka Wai, Graham and Mr. Chan Yiu Fai, Youdey.