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ARTFIELD GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1229)

PLACING OF EXISTING SHARES BY THE CONTROLLING SHAREHOLDER OF THE COMPANY

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board announces that it has been informed by the Controlling Shareholder that it has entered into a Placing Agreement on 12 June 2008 with the Placing Agent for the Placing, on a best-effort basis, of up to 120,000,000 Placing Shares held by the Controlling Shareholder at a placing price of HK\$1.30 per Placing Share.

The Placing Shares represents approximately 15.68% of the existing issued share capital of the Company. Upon completion of the Placing of 120,000,000 Placing Shares, the number of Shares held by the Controlling Shareholder will decrease from 666,624,589 Shares to 546,624,589 Shares, representing a decrease from 87.10% to 71.42% of the existing issued share capital of the Company. Completion is expected to take place on 3 July 2008 and a further announcement will be issued by the Company upon Completion.

Following completion of the Placing of 120,000,000 Placing Shares, 218,748,995 Shares will be held in the hands of the public, representing approximately 28.58% of the existing issued share capital of the Company. Accordingly, the Company shall restore the 25% minimum public float requirement under Rule 8.08 of the Listing Rules.

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.

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the composite offer document dated 20 March 2008 (the “**Composite Offer Document**”) and to the announcement dated 10 April 2008 jointly issued by the Company and Ascent Goal Investments Limited (the “**Controlling Shareholder**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings ascribed thereto in the Composite Offer Document.

PLACING OF EXISTING SHARES

The Company has been informed by the Controlling Shareholder that it has entered into a placing agreement (the “**Placing Agreement**”) with China Everbright Securities (HK) Limited (the “**Placing Agent**”) on 12 June 2008 for the placing (the “**Placing**”), on a best-effort basis, of up to 120,000,000 Shares (the “**Placing Shares**”) held by the Controlling Shareholder at a placing price of HK\$1.30 per Placing Share.

The Placing Shares represent approximately 15.68% of the existing issued share capital of the Company. As at the date of this announcement, the Controlling Shareholder holds 666,624,589 Shares, representing 87.10% of the existing issued share capital of the Company. Upon completion of the Placing of 120,000,000 Placing Shares, the number of Shares held by the Controlling Shareholder will decrease from 666,624,589 Shares to 546,624,589 Shares, representing a decrease from 87.10% to 71.42% of the existing issued share capital of the Company. Completion of the Placing is expected to take place on 3 July 2008 and a further announcement will be made upon completion of the Placing.

The following is a summary of the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Placing of 120,000,000 Placing Shares.

Shareholders	Shareholding as at the date of this announcement		Shareholding upon completion of the Placing of 120,000,000 Placing Shares	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
	The Controlling Shareholder	666,624,589	87.10	546,624,589
Public	98,748,995	12.90	218,748,995	28.58
Total	<u>765,373,584</u>	<u>100</u>	<u>765,373,584</u>	<u>100</u>

PLACEES

The placees and their respective ultimate beneficial owners shall be third parties independent of the directors, chief executive and substantial shareholders of the Company and any of its subsidiaries and any of their respective associates.

PLACING PRICE

The placing price is HK\$1.30 per Placing Share, representing a premium of approximately 2.36% to the closing price of HK\$1.27 per Share as quoted on the Stock Exchange on 10 April 2008.

MINIMUM PUBLIC FLOAT AND SUSPENSION OF TRADING

Following completion of the Placing of 120,000,000 Placing Shares, 218,748,995 Shares will be held in the hands of the public, representing approximately 28.58% of the existing issued share capital of the Company. Accordingly, the Company shall restore the 25% minimum public float requirement under Rule 8.08 of the Listing Rules.

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, 12 June 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.