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ARTFIELD GROUP LIMITED

(Incorporated in Bermuda with limited liability)

EXPIRY OF SUBSCRIPTION PERIOD OF WARRANTS

The subscription rights attaching to the existing warrants of the Company to subscribe for shares of HK\$0.10 each in the Company will be exercisable on or after Friday, 20 February 2004 and expire immediately after 4:00 p.m. on Monday, 1 March 2004. The relevant dates are as follows:

- Subscription rights attaching to the warrants will be exercisable on or after Friday, 20 February 2004 and expire immediately after 4:00 p.m. on Monday, 1 March 2004.
- Trading in the warrants will cease immediately after 4:00 p.m. on Wednesday, 25 February 2004.
- The latest time for lodging the relevant documents with Tengis Limited, the Company's Share Registrar in Hong Kong, to exercise the subscription rights attaching to the warrants will be 4:00 p.m. on Monday, 1 March 2004.
- Application has been made for the withdrawal of the listing of the warrants on The Stock Exchange of Hong Kong Limited with effect immediately after 4:00 p.m. on Monday, 1 March 2004.
- The Company will send a circular containing details of the expiry of the warrants to its holders of the warrants and, for information only, to its shareholders as soon as practicable.

Holders of the warrants, who are in any doubt as to any aspect of this announcement or as to the action to be taken, should consult their stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

The board of directors of Artfield Group Limited (the "Company") wishes to remind holders of the existing warrants of the Company (Stock Code: 845) (the "Warrants") carrying rights to subscribe in cash for new shares of HK\$0.10 each in the capital of the Company (the "Shares") at a subscription price of HK\$1.23 per Share (subject to adjustment) during the subscription period from Friday, 20 February 2004 to Monday, 1 March 2004 (the "Subscription Rights") that the Subscription Rights will expire immediately after 4:00 p.m. on Monday, 1 March 2004 in accordance with the terms and conditions of the Warrants. After such time, any Subscription Rights which have not been exercised will lapse and the Warrants will cease to be valid for any purpose.

In respect of the expiry of the Subscription Rights, the Company has made the following arrangements regarding dealings, transfers and exercise of the Warrants:

1. TRADING AND LISTING OF THE WARRANTS

Trading in the Warrants on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) will cease immediately after 4:00 p.m. on Wednesday, 25 February 2004 and the listing of the Warrants will be withdrawn from the Stock Exchange immediately after 4:00 p.m. on Monday, 1 March 2004.

Application has been made for the withdrawal of the Warrants from listing on the Stock Exchange with effect immediately after 4:00 p.m. on Monday, 1 March 2004.

2. EXERCISE OF THE SUBSCRIPTION RIGHTS BY REGISTERED HOLDERS OF THE WARRANTS

Registered holders of Warrants who wish to exercise, in whole or in part, the Subscription Rights must lodge with Tengis Limited, the Company’s Share Registrar in Hong Kong (the “Registrar”), at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, the following items not later than 4:00 p.m. on Monday, 1 March 2004:–

- (a) the relevant certificates of the Warrants;**
- (b) the duly completed and signed subscription forms; and**
- (c) the relevant subscription monies.**

3. EXERCISE OF THE SUBSCRIPTION RIGHTS BY NON-REGISTERED HOLDERS OF THE WARRANTS

Persons who purchased the Warrants but have not yet registered as holders of the Warrants and wish to exercise, in whole or in part, the Subscription Rights must lodge with the Registrar at the above address, the following items not later than 4:00 p.m. on Monday, 1 March 2004:–

- (a) the duly executed forms of transfer and/or other documents of title (duly stamped where appropriate);**
- (b) the relevant certificates of the Warrants;**
- (c) the duly completed and signed subscription forms; and**
- (d) the relevant subscription monies.**

Subscription forms and other relevant documents received at the office of the Registrar after 4:00 p.m. on Monday, 1 March 2004 will not be regarded as valid and will therefore not be accepted. The new Shares to be issued upon the exercise of the Subscription Rights will be allotted and the relevant Share certificates will be issued not later than 10 business days after the relevant subscription date and will rank pari passu in all respects with the then existing issued Shares of the Company.

The closing prices of the Shares and the Warrants as quoted on the Stock Exchange on Friday, 30 January 2004, being the latest practicable date prior to the issue of this announcement, were HK\$0.55 per Share and HK\$0.01 per Warrant respectively.

A circular containing details of the expiry of the Subscription Rights will be despatched to the holders of the Warrants and, for information only, to the shareholders of the Company as soon as practicable.

Holders of the Warrants are recommended to consult their professional advisers in case of any doubt on the above arrangements.

By order of the Board
LIANG Jin You
Chairman & Managing Director

Hong Kong, 30 January 2004

“Please also refer to the published version of this announcement in The Standard”.