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ARTEL SOLUTIONS GROUP HOLDINGS LIMITED

宏通集團控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 931)

ANNOUNCEMENT

DISCLOSURE PURSUANT TO RULE 13.09 (1) OF THE LISTING RULES

AND

RESUMPTION OF TRADING

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

THE FRAMEWORK AGREEMENT

On 16 November 2009, the Company entered into the Framework Agreement with Shanxilanhua in respect of the proposed formation of the JV with an initial registered capital of RMB10 million, which will be increased according to the needs of the development of the JV. The JV will be principally engaged in the investment in coal development projects.

Pursuant to the Framework Agreement, the Company and Shanxilanhua will form the JV with the Investor, of which the Company, Shanxilanhua and the Investor will hold 47%, 48% and 5% equity interests in the JV respectively. Shanxilanhua will be responsible for identifying, developing and managing any new coal related investment projects, whereas the Company will be responsible for arranging the investment fund of the JV, being the financial resources in addition to the registered capital of the JV. It is targeted that the investment of the JV shall be in the range of US\$100 million to US\$500 million. The Company, Shanxilanhua and the Investor will enter into the JV Agreement which will set out the definitive terms of the JV to be negotiated among the parties.

* For identification purpose only

The formation of the JV is subject to the entering into of the JV Agreement and obtaining of the approvals from the relevant regulatory bodies in the PRC. Should the JV Agreement be entered into by the Company, the transaction contemplated under the JV Agreement may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules and further announcement will be made by the Company as and when appropriate in accordance with the Listing Rules.

It should be noted that the terms of the JV Agreement have yet to be negotiated among the relevant parties. Accordingly, the proposed formation of the JV may or may not proceed. Shareholders of the Company and other investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 17 November 2009 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 23 November 2009.

This announcement is made by Artel Solutions Group Holdings Limited (the “Company”) pursuant to Rule 13.09(1) of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

THE FRAMEWORK AGREEMENT

On 16 November 2009, the Company entered into a framework agreement (the “Framework Agreement”) with 山西蘭花煤炭實業集團有限公司 (Shanxilanhua Coal Industrial Group Co. Ltd*) (“Shanxilanhua”), a company established in the People’s Republic of China (the “PRC”) in 1997, in respect of the proposed formation of a joint venture (the “JV”) with an initial registered capital of RMB10 million, which will be increased according to the needs of the development of the JV. The JV will be principally engaged in the investment in coal development projects. To the best of the knowledge, information and belief having made all reasonable enquiries by the directors of the Company (the “Directors”), Shanxilanhua and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

Pursuant to the Framework Agreement, the Company and Shanxilanhua will form the JV with another strategic investor (the “Investor”) to be introduced by the Company and Shanxilanhua. The Company, Shanxilanhua and the Investor will hold 47%, 48% and 5% equity interests in the JV respectively. Shanxilanhua will be responsible for identifying, developing and managing any new coal related investment projects, whereas the Company will be responsible for arranging the investment fund of the JV, being the financial resources in addition to the registered capital of the JV. It is targeted that the investment of the JV shall be in the range of US\$100 million to US\$500 million. The Company, Shanxilanhua and the Investor will enter into a definitive joint venture agreement (the “JV Agreement”) which will set out the definitive terms of the JV to be negotiated among the parties. The Framework Agreement is effective for six months from the date of the Framework Agreement.

* For identification purpose only

The formation of the JV is subject to the entering into of the JV Agreement and obtaining of the approvals from the relevant regulatory bodies in the PRC. Should the JV Agreement be entered into by the Company, the transaction contemplated under the JV Agreement may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules and further announcement will be made by the Company as and when appropriate in accordance with the Listing Rules.

It should be noted that the terms of the JV Agreement have yet to be negotiated among the relevant parties. Accordingly, the proposed formation of the JV may or may not proceed. Shareholders of the Company and other investors are advised to exercise caution when dealing in the shares (the “Shares”) of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 17 November 2009 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 23 November 2009.

By Order of the Board
Artel Solutions Group Holdings Limited
Kan Che Kin, Billy Albert
Chairman

Hong Kong, 20 November 2009

As at the date of this announcement, the board of the Directors comprises four executive Directors, namely Mr. Kan Che Kin, Billy Albert, Mrs. Kan Kung Chuen Lai, Ms. Li Shu Han, Eleanor Stella and Mr. Li Kai Yien, Arthur Albert; and three independent non-executive Directors, namely Mr. Li Siu Yui, Mr. Ip Woon Lai and Mr. Lee Kong Leong.