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Artel Group

宏 通 集 團

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)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Directors intend to put forward to the Shareholders a proposal to amend the Articles of Association in order to ensure compliance with the several amended provisions of the Listing Rules that came into effect on 1 January 2005 and 1 March 2006 respectively.

The proposed amendments to the Articles of Association are subject to approval of the Shareholders by way of passing a special resolution to be proposed at the EGM.

A circular in relation to, among other things, the proposed amendments to the Articles of Association and a notice of the EGM, both of which set out in full text of the proposed amendments, will be published on 22 May 2006.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) has announced the amendments to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange by replacing the Code of Best Practices in Appendix 14 with a new Code on Corporate Governance Practices (the “**CG Code**”) as Appendix 14 and adding a new Appendix 23 on the requirements for a Corporate Governance Report to be included in annual reports of listed issuers. Such amendments took effect on 1 January 2005. Further amendments have been made to the Listing Rules with effect from 1 March 2006 requiring that, among other things, the articles of association (the “**Articles of Association**”) of the Company shall provide that directors (the “**Directors**”) of the Company may be removed at any time by ordinary resolution of the shareholders (the “**Shareholders**”) of the Company.

Accordingly, the Directors propose to seek the approval of the Shareholders by way of passing a special resolution to be proposed at the extraordinary general meeting (the “**EGM**”) of the Company to be held immediately after the conclusion of the annual general meeting which is scheduled to be held at Room 5, 7/F., HITEC, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong at 11:00 a.m. on Friday, 16 June 2006 for the amendments to the Articles of Association to ensure compliance with the amendments made to the Listing Rules.

A circular in relation to, among other things, the proposed amendments to the Articles of Association and a notice of the EGM, both of which set out in full text of the proposed amendments, will be published on 22 May 2006.

By order of the board of Directors
Artel Solutions Group Holdings Limited
Yu Pen Hung
Chairman

Hong Kong, 20 May 2006

As at the date of this announcement, Mr. Yu Pen Hung and Ms. Elizabeth Lee are the executive Directors and Dr. Liu James Juh, Ms. Hu Gin Ing and Mr. Yim Hing Wah are the independent non-executive Directors.

* for identification purposes only