



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)

**MONTHLY ANNOUNCEMENT
IN RESPECT OF CONVERTIBLE NOTES**

The Company made this announcement pursuant to the requirements of the Listing Approval.

During the month of May 2008, no conversion of the Convertible Notes was made by the Noteholders and there was no other issuance of new Shares by the Company pursuant to other transactions.

Reference is made to the circular of Artel Solutions Group Holdings Limited (the "Company") dated 25 January 2008 (the "Circular"). Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as those defined in the Circular.

The Company made this announcement pursuant to the requirements of the listing approval (the "Listing Approval") granted by the Listing Committee of the Stock Exchange approving the listing and permission to deal in, among others, the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attached to the Convertible Notes.

The Company would like to report that during the month of May 2008, no conversion of the Convertible Notes was made by the Noteholders. As at the date of this announcement, the aggregate outstanding principal amount of the Convertible Notes is HK\$328,000,000. There was no other issuance of new Shares by the Company pursuant to other transactions during the month of May 2008.

The total issued share capital of the Company as at the commencement and the last day of May 2008 was 2,379,532,072 Shares in the amount of HK\$23,795,320.72. During the month of May 2008, the Company maintained the 25% minimum public float required under Rule 8.08 of the Listing Rules.

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

Hong Kong, 2 June 2008

As at the date of this announcement, the executive Directors are 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 the independent non-executive Directors are Mr. Li Siu Yui, Mr. Ip Woon Lai and Mr. Lee Kong Leong.

* For identification purposes only