

This announcement is for information purposes only and does not constitute an invitation to acquire, purchase or subscribe for securities.

The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Unless otherwise defined in this announcement, terms defined in the prospectus of SCUD Group Limited (the “Company”) dated 11 December 2006 (the “Prospectus”) have the same meanings when used in this announcement.



SCUD GROUP LIMITED

飛毛腿集團有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1399)

STABILIZING ACTION AND END OF STABILIZATION PERIOD

Global Co-ordinator, Sole Bookrunner, Sponsor and Lead Manager

CAZENOVE

Cazenove Asia Limited

The Company announces that the stabilization period in connection with the International Offering ended on 13 January 2007.

During the stabilization period, the stabilizing actions undertaken were:

- (1) the over-allocations of 39,000,000 Shares in the International Placing, satisfied by Shares borrowed from Swift Joy and Right Grand pursuant to the Stock Borrowing Agreement; and
- (2) the exercise of the Over-allotment Option in full by Cazenove in respect of 39,000,000 additional Shares, solely to cover over-allocations of 39,000,000 Shares in the International Placing.

The Company announces that the stabilization period in connection with the International Offering ended on 13 January 2007. During the stabilization period, the stabilizing actions undertaken were:

- (i) the over-allocations of 39,000,000 Shares in the International Placing, satisfied by Shares borrowed from Swift Joy and Right Grand pursuant to the stock borrowing agreement entered into between Swift Joy, Right Grand and Cazenove as described in the section “Structure of the International Offering” in the Prospectus (the “**Stock Borrowing Agreement**”); and

- (ii) the exercise of the Over-allotment Option in full by Cazenove in respect of 39,000,000 additional Shares, solely to cover over-allocations of 39,000,000 Shares in the International Placing.

Pursuant to the exercise of the Over-allotment Option, the Company allotted and issued 39,000,000 additional Shares, representing 15% of the Shares initially offered under the International Offering, at the Offer Price of HK\$2.02 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the International Offering. The details of the exercise of the Over-allotment Option are more particularly described in the Company's announcement of 8 January 2007.

This announcement is made pursuant to Section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong).

As at the date of this announcement, the directors of the Company are Mr. Fang Jin, Mr. Lin Chao, Mr. Guo Quan Zeng, Mr. Li Hui Qiu, Mr. Ho Man**, Mr. Heng Kwo Seng***, Mr. Wang Jing Zhong*** and Mr. Wang Jian Zhang***.

By Order of the Board
SCUD GROUP LIMITED
Fang Jin
Chairman

** *Non-executive Director*

*** *Independent non-executive Directors*

Hong Kong, 13 January 2007

* *For identification purpose only*

Please also refer to the published version of this announcement in South China Morning Post.