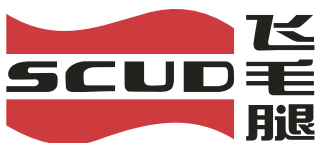


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in SCUD Group Limited, you should at once hand this circular and the accompanying form of election to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



SCUD GROUP LIMITED

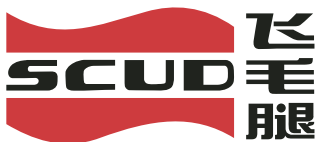
飛毛腿集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1399)

Notices convening an extraordinary general meeting of SCUD Group Limited (the "Company") to be held at 10:00 a.m. on Wednesday, 10 October 2007 at Suite 5505, 55/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong are set out in this circular. Whether or not you are able to attend the above meetings, please complete and return the enclosed proxy form in accordance with the instructions printed thereon as soon as practicable and in any event by not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude you from attending and voting in person at the meeting or at any adjourned meeting (as the case may be) should you so wish.

LETTER FROM THE BOARD



SCUD GROUP LIMITED

飛毛腿集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1399)

Executive Directors:

Mr. Fang Jin (*Chairman*)

Mr. Lin Chao

Mr. Guo Quan Zeng

Mr. Li Hui Qiu

Registered office:

Cricket Square, Hutchins Drive

P.O. Box 2681 GT

Grand Cayman

KYI-1111

Cayman Islands

Non-executive Director:

Mr. Ho Man

Place of business in Hong Kong:

Suite 5505, 55/F Central Plaza

18 Harbour Road

Wanchai

Hong Kong

Independent Non-executive Directors:

Mr. Heng Kwo Seng

Mr. Wang Jing Zhong

Mr. Wang Jian Zhang

14 September 2007

To the Shareholders and, for information only,

Dear Sir or Madam,

**INTERIM DIVIDEND
FOR THE SIX MONTHS ENDED 30 JUNE 2007**

It is proposed that an extraordinary meeting of the Company be held at 10:00 a.m. on Wednesday, 10 October 2007 at Suite 5505, 55/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, pass the resolution to approve the declaration and payment of interim dividend out of the Company's share premium account, details of which are set out as follows.

PARTICULARS OF THE INTERIM DIVIDEND

On Thursday, 30 August 2007, the Company announced that the board of directors (the "Board") of the Company recommended to declare, subject to shareholders' approval, the payment of an interim dividend of HK\$2.0 cents per ordinary share in the capital of the Company ("Share") for the six months ended 30 June 2007 (the "2007 Interim Dividend") to the shareholders whose names appear on the register of members of the Company on

* For identification purpose only

LETTER FROM THE BOARD

Wednesday, 10 October 2007 (the “Record Date”). The 2007 Interim Dividend will be paid out from the Company’s share premium account. As at 30 June 2007 (being the date of the latest published accounts), the share premium account of the Company stands at approximately RMB558,407,000 (approximately HK\$557,520,000). After the payment of the 2007 Interim Dividend, assuming there are no other changes to the share premium account, the Company’s share premium account is expected to be reduced to approximately RMB539,075,000 (approximately HK\$537,680,000).

The notice of the shareholders’ meeting to consider and pass, if thought fit, the proposed 2007 Interim Dividend is set out at the back of this circular.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 3 October 2007 to Wednesday, 10 October 2007, both days inclusive, during which period no transfer of shares can be registered. In order to qualify for the attendance at the EGM and for the 2007 Interim Dividend, all transfers accomplished by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, located at 26/F Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on Tuesday, 2 October 2007.

By Order of the Board
SCUD GROUP LIMITED
Fang Jin
Chairman

Unless otherwise specified, conversion of RMB into HK\$ in this circular is based on the exchange rate of RMB1 = HK\$0.998 for the purpose of illustration only. No representation is made and there is no assurance that RMB or HK\$ can be purchased or sold at such rate.

NOTICE OF EXTRAORDINARY GENERAL MEETING



SCUD GROUP LIMITED

飛毛腿集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1399)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary meeting of SCUD Group Limited (the “Company”) will be held at 10:00 a.m. on Wednesday, 10 October 2007 at Suite 5505, 55/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the purpose of approving and, if thought fit, pass the following ordinary resolution:

“**THAT** the Company be and is hereby authorised to declare and pay, out of the Company’s share premium account, to the shareholders of the Company an interim dividend of HK\$2.0 cents per ordinary share of the Company.”

By Order of the Board
SCUD GROUP LIMITED
Fang Jin
Chairman

Hong Kong, 14 September 2007

Executive Directors

Mr. Fang Jin

Mr. Lin Chao

Mr. Guo Quan Zeng

Mr. Li Hui Qiu

Non-executive Director

Mr. Ho Man

Independent Non-executive Directors

Mr. Heng Kwoo Seng

Mr. Wang Jing Zhong

Mr. Wang Jian Zhang

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A form of proxy for the meeting is enclosed.
2. Any member of the Company entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company. A proxy need not be a member. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
4. The instrument appointing a proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any), under which it is signed or a certified copy of such power or authority shall be delivered to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, located at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
5. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened.
6. Where there are joint holders of any Share, any one of such joint holder may vote either in person or by proxy in respect of such Share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.