



SCUD GROUP LIMITED

飛毛腿集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1399)

ISSUE OF SHARES UNDER GENERAL MANDATE

30 million Consideration Shares issued on 7 September 2008 in connection with the Acquisition.

Reference is made to the announcement dated 20 December 2007 (“Announcement”) in relation to the Acquisition (as defined in the Announcement).

As disclosed in the Announcement, the consideration for the Acquisition would be satisfied in part by the issue by the Company of at least 30 million and no more than 60 million Consideration Shares at HK\$2.05 per Share. On 9 June 2008, the Company also announced the completion of the Acquisition. The Company has applied for and obtained approval from the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

The allotment and issue of the 30 million Consideration Shares to the Vendor took place on 7 September 2008. The closing price of the Shares on the last trading day proceeding the allotment and issue of the Consideration Shares was HK\$1.18 per Share. Such Consideration Shares were issued pursuant to the general mandate granted to the directors of the Company at its annual general meeting held on 10 May 2007.

As at the date of this announcement, the Board comprises Messrs. Fang Jin, Lin Chao, Guo Quan Zeng and Li Hui Qiu being the executive Directors, Mr. Ho Man being the non-executive Director, and Messrs. Heng Kwo Seng, Wang Jing Zhong and Wang Jian Zhang being the independent non-executive Directors.

By Order of the Board
SCUD GROUP LIMITED

Fang Jin
Chairman

Hong Kong, 7 September 2008

* *for identification purpose only*