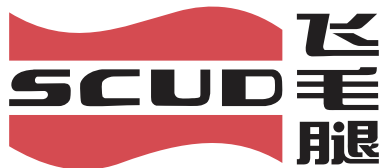


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**SCUD GROUP LIMITED**  
**飛毛腿集團有限公司\***

*(incorporated in Cayman Islands with limited liability)*  
**(Stock Code: 01399)**

**RESIGNATION AND APPOINTMENT OF EXECUTIVE DIRECTOR**

The Board hereby announces that Mr. Li Hui Qiu resigned as an executive director of the Company with effect from 31 December 2010. The Board further announces that with effect from the same date, Mr. Zhang Li has been appointed as an executive director of the Company.

**RESIGNATION**

The board of directors (the “**Board**”) of SCUD Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) hereby announces that Mr. Li Hui Qiu (“**Mr. Li**”) resigned as an executive director of the Company with effect from 31 December 2010 due to Mr. Li’s other business commitments. Mr. Li has confirmed that there is no disagreement with the Board and that there is no matter regarding his resignation that needs to be brought to the attention of the shareholders of the Company.

The Board would like to extend its gratitude to Mr. Li for his valuable contributions to the Company in the past years.

**APPOINTMENT**

The Board is pleased to further announce that with effect from 31 December 2010, Mr. Zhang Li (“**Mr. Zhang**”) has been appointed as an executive director of the Company.

Zhang Li (張黎), aged 40, is the general manager of 飛毛腿 (福建) 電子有限公司 (Scud (Fujian) Electronics Co., Ltd.\*) (“**Scud Electronics**”), a wholly-owned subsidiary of the Company, and is responsible for the management of the overall operations of Scud Electronics. Scud Electronics is principally engaged in the production of OEM products, including mobile phone batteries, chargers, notebook computer batteries and motive batteries. Mr. Zhang joined the Group in October 2003 and had been the deputy general manager of Scud Electronics. Prior to joining the Group, Mr. Zhang had served as various positions including being a manager in the industrial design department of Fujian Start Network, and as manager of the research and development department of the accessories department and of the sales department of Fujian Communications and Broadcasting Industrial Company. He has nearly 30 years of experience in the telecommunication industry.

Mr. Zhang graduated from the Mechanical Engineering Faculty of Jiangxi University in 1978. He was granted the qualification of practising as an engineer by Intermediate Level Adjudication Committee of Fujian Province's Electronics Industry Bureau in Engineering Technology Profession in 1992 and was granted the qualification of practising as a senior engineer by Fujian Province's Adjudication Board of Technicians in Senior Engineering Profession in 1999.

Other than the relationship arising from his directorship with the Company and save as disclosed herein, Mr. Zhang has not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and he does not have any relationship with any other Directors, senior management, substantial shareholders, controlling shareholders (which have the meanings ascribed to them respectively under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) of the Company. Furthermore, Mr. Zhang does not have any equity interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong. The Company has entered into a service contract with Mr. Zhang on 31 December 2010 for a term expiring on the date of the annual general meeting to be held by the Company in 2012 under which Mr. Zhang will not be entitled to any director's fee for his services to be provided to the Company but the Board may consider discretionary bonus payments based on performance. In relation to the appointment of Mr. Zhang, save as disclosed above, there is no information to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor are there other matters that need to be brought to the attention of the shareholders of the Company in connection with Mr. Zhang's appointment as an executive director of the Company.

By Order of the Board  
**SCUD GROUP LIMITED**  
**Fang Jin**  
*Chairman*

Hong Kong, 31 December 2010

*As at the date of this announcement, the Board comprises Mr. Fang Jin, Mr. Guo Quan Zeng, Ms. Huang Yan and Mr. Zhang Li being the executive Directors, and Dr. Loke Yu, Mr. Wang Jing Zhong and Mr. Wang Jian Zhang being the independent non-executive Directors.*

\* *For identification purpose only*