



STONE GROUP HOLDINGS LIMITED
四通控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 409)

**RETIREMENT OF DIRECTORS
AND
ELECTION OF DIRECTOR**

Further to the AGM held on 21 August 2008, the Board announces that Ms. LIU Wei, the executive Director and member of remuneration committee of the Company and Mr. LIU Ji, an independent non-executive Director, member of the audit committee and a member of the remuneration committee of the Company, have retired by rotation at the conclusion of the AGM held on 21 August 2008 in accordance with the Articles of Association. Ms. LIU Wei has not offered herself for re-election, as she needs more time to pursue her other business interest. Mr. LIU Ji has not offered himself for re-election, as he needs more time to be spent on his academic work.

Ms. LIU Wei has ceased to be a member of the remuneration committee of the Company following her retirement and Mr. LIU Ji has also ceased to be a member of the audit committee and a member of remuneration committee of the Company following his retirement.

The Board further announces that Mr. LIU Zuowei has been elected as an executive Director at the AGM held on 21 August 2008 with effect from 21 August 2008.

Reference is made to the circular (the “**Circular**”) of Stone Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 28 July 2008. Unless the context requires otherwise, definitions used in the Circular shall have the same meanings when used in this announcement.

Further to the annual general meeting of the Company (the “AGM”) held on 21 August 2008, the board of directors of the Company (the “Board”) announces that Ms. LIU Wei, the executive Director and member of remuneration committee of the Company and Mr. LIU Ji, an independent non-executive Director, member of the audit committee and a member of the remuneration committee of the Company, have retired by rotation at the conclusion of the AGM held on 21 August 2008 in accordance with the Articles of Association. Ms. LIU Wei has not offered herself for re-election, as she needs more time to pursue her other business interest. Mr. LIU Ji has not offered himself for re-election, as he needs more time to be spent on his academic work.

Ms. LIU Wei has ceased to be a member of the remuneration committee of the Company following her retirement and Mr. LIU Ji has also ceased to be a member of the audit committee and a member of remuneration committee of the Company following his retirement.

Both Ms. LIU Wei and Mr. LIU Ji have confirmed that they have no disagreement with the Board and there is no matter in respect of their retirement that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to thank Ms. LIU Wei and Mr. LIU Ji for their invaluable contributions to the Company throughout the terms of their service.

The Board further announces that Mr. LIU Zuowei has been elected as an executive Director at the AGM held on 21 August 2008 with effect from 21 August 2008.

Mr. LIU Zuowei, aged 40, is the General Manager of Shanghai GoldPartner Biotech Co. Ltd., a subsidiary of the Group. Mr. LIU graduated from Shandong University of Science and Technology, majoring in English. Prior to joining the Group, he held senior position in Giant Group.

He is responsible for the business of healthcare products of the Group. Mr. LIU has not held any directorship in other listed public companies during the past three years.

Save as disclosed herein, Mr. LIU does not have any relationship with any Director, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. LIU does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Pursuant to a service agreement entered into between Mr. LIU as an executive Director and the Company, the initial term of his appointment is for three years from 21 August 2008 to 20 August 2011 unless terminated by either party thereto by giving not less than three months' notice to other party thereto. Mr. LIU is subject to retirement and re-election in accordance with the Articles of Association and Mr. LIU will be entitled to an annual remuneration of HK\$480,000 in consideration of his performance of duties with reference to the prevailing market condition.

Save as disclosed herein, there are no other matters in relation to Mr. LIU which need to be brought to the shareholders and there is no information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor the Board is aware of any other matters that it considers necessary to be brought to attention of the shareholders of the Company.

The Board would like to take opportunity to express its warmest welcome to Mr. LIU Zuowei for joining the Board.

By Order of the Board
Stone Group Holdings Limited
Hung Ka Wai
Company Secretary

Hong Kong, 21 August 2008

As at the date of this announcement, the board of directors of the Company comprises ten directors of whom Messrs. DUAN Yongji, SHI Yuzhu, SHEN Guojun, ZHANG Disheng, CHEN Xiaotao and LIU Zuowei are executive directors; Mr. CHENG Fumin is non-executive director; and Messrs. NG Ming Wah, Charles, Andrew Y. YAN and LIU Jipeng are independent non-executive directors.