

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong 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.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Stone Group Holdings Limited.



STONE GROUP HOLDINGS LIMITED
四通控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 409)

ANNOUNCEMENT

**PROPOSED PRIVATISATION OF
STONE GROUP HOLDINGS LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 166 OF THE COMPANIES ORDINANCE
AND
WITHDRAWAL OF LISTING**

RESULTS OF THE COURT MEETING AND THE EGM

**RESUMPTION OF TRADING IN SHARES OF
STONE GROUP HOLDINGS LIMITED**

Financial Adviser to Stone Group Holdings Limited



Macquarie Capital (Hong Kong) Limited

**Independent financial adviser to the Independent Board Committee of
Stone Group Holdings Limited**



Anglo Chinese Corporate Finance, Limited

RESULTS OF THE COURT MEETING AND THE EGM

The Scheme and the related matters were approved at the Court Meeting and the EGM, both held on Wednesday, 23 September 2009.

CURRENT STATUS OF THE CONDITIONS

The Scheme remains conditional upon the fulfillment or waiver, as applicable, of Conditions (c), (d), (e) and (f) as set out in the section headed “Conditions of the Proposal” in the explanatory statement contained in the Scheme Document.

Subject to all the Conditions being fulfilled or waived (as applicable), it is expected that the Scheme will become effective on Wednesday, 21 October 2009.

WITHDRAWAL OF THE LISTING OF THE SHARES

Subject to the Scheme becoming effective, the listing of the Shares on the Stock Exchange is expected to be withdrawn after close of business on Wednesday, 21 October 2009. The Company will make an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, subject to the Scheme being duly sanctioned by the High Court and all other Conditions having been fulfilled or waived, as applicable.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 a.m. on Wednesday, 23 September 2009 pending the issue of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on Thursday, 24 September 2009.

Shareholders, holders of other securities and/or potential investors should be aware that the implementation of the Proposal is subject to the conditions of the Proposal being fulfilled or waived, as applicable, and thus may or may not become effective. Shareholders, holders of other securities and potential investors are advised to exercise caution when dealing in the Shares or other securities of the Company.

INTRODUCTION

Reference is made to the scheme document issued by the Company (the “Scheme Document”), the notice of the Court Meeting and the notice of the EGM, all dated 31 August 2009.

Unless the context otherwise requires, terms defined in the Scheme Document shall have the same meanings when used herein. All references in this announcement to times and dates are references to Hong Kong times and dates.

The results of the Court Meeting and the EGM have been certified by Computershare Hong Kong Investor Services Limited, the share registrar of the Company and the scrutineer appointed for the purpose of vote-taking at the Court Meeting and the EGM.

RESULTS OF THE COURT MEETING AND THE EGM

The Court Meeting and the EGM were held on Wednesday, 23 September 2009, at Room 101-103, Hoi Yat Heen, 3rd Floor, Harbour Plaza North Point, 665 King’s Road, North Point, Hong Kong. The Court Meeting was chaired by Mr. Zhang Disheng, an executive Director of the Company, and the EGM was chaired by Mr. Duan Yongji, an executive Director and Chairman of the Company.

Results of the Court Meeting

	Votes cast by the Independent Shareholders either in person or by proxy	Votes cast by the Independent Shareholders either in person or by proxy for the Scheme	Votes cast by the Independent Shareholders either in person or by proxy against the Scheme
Number of Independent Shareholders	88 <i>(Note 1)</i>	72	17
Number of Shares represented	345,685,196	273,856,146 <i>(Note 2)</i>	71,829,050 <i>(Note 3)</i>

Notes:

1. HKSCC Nominees Limited, being the nominee for and on behalf of different ultimate beneficial Independent Shareholders, has voted both for and against the Scheme. Therefore, the aggregate number of Independent Shareholders voting for and against the Scheme (89) is more than the number of Independent Shareholders present and voting either in person or by proxy at the Court Meeting (88).
2. Such number represents approximately 79.22% of the number of Shares held by all the Independent Shareholders present and voting either in person or by proxy at the Court Meeting.
3. Such number represents (i) approximately 20.78% of the number of Shares held by all the Independent Shareholders present and voting either in person or by proxy at the Court Meeting and (ii) approximately 6.23% of the number of Shares held by all the Independent Shareholders (whether or not present and voting at the Court Meeting).

As at the date of the Court Meeting, the total number of Shares in issue was 2,007,149,121, among which there were a total of 1,152,192,732 Shares entitling the holders to attend and vote at the Court Meeting for or against the Scheme.

No party stated any intention in the Scheme Document to vote against the Scheme at the Court Meeting. The 854,956,389 Shares beneficially owned by the Interested Shareholders and persons acting in concert with any of them were not represented or voted at the Court Meeting.

The Scheme was approved (by way of poll) in compliance with Section 166 of the Companies Ordinance and Rule 2.10 of the Takeovers Code by a majority in number of the Independent Shareholders present and voting either in person or by proxy at the Court Meeting representing not less than three-fourths in nominal value of those Shares that were voted either in person or by proxy by the Independent Shareholders at the Court Meeting, and the number of votes cast (by way of poll) against the Scheme of Arrangement at the Court Meeting was not more than 10% of the votes attaching to all the Shares held by the Independent Shareholders. Accordingly, the resolution proposed at the Court Meeting to approve the Scheme was duly passed by the Independent Shareholders.

Results of the EGM

	Votes cast by the Shareholders either in person or by proxy	Votes cast by the Shareholders either in person or by proxy for the special resolution	Votes cast by the Shareholders either in person or by proxy against the special resolution
Number of Shares represented	873,396,890	791,343,840 <i>(Note 1)</i>	82,053,050 <i>(Note 2)</i>

Notes:

1. Such number represents approximately 90.61% of the number of Shares held by all the Shareholders present and voting either in person or by proxy at the EGM.
2. Such number represents approximately 9.39% of the number of Shares held by all the Shareholders present and voting either in person or by proxy at the EGM.

As at the date of the EGM, the total number of Shares in issue was 2,007,149,121, all of which entitled the holders to attend and vote at the EGM for or against the special resolution to give effect to the Scheme, including, among others, the reduction of capital of the Company. There were no Shares which entitled the holders to attend and vote only against the special resolution at the EGM.

No party stated any intention in the Scheme Document to vote against or to abstain from voting on the special resolution at the EGM.

The special resolution to give effect to the Scheme was approved (by way of poll) by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM. Accordingly, the special resolution was duly passed by the Shareholders.

CURRENT STATUS OF THE CONDITIONS

The Scheme remains conditional upon the fulfillment or waiver, as applicable, of Conditions (c), (d), (e) and (f) as set out in the section headed “Conditions of the Proposal” in the explanatory statement contained in the Scheme Document.

Subject to all the Conditions being fulfilled or waived (as applicable), it is expected that the Scheme will become effective on Wednesday, 21 October 2009.

WITHDRAWAL OF THE LISTING OF THE SHARES

Subject to the Scheme becoming effective, the listing of the Shares on the Stock Exchange is expected to be withdrawn after close of business on Wednesday, 21 October 2009. The Company will make an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, subject to the Scheme being duly sanctioned by the High Court and all other Conditions having been fulfilled or waived, as applicable.

EXPECTED TIMETABLE

Under the expected timetable contained in the Scheme Document, the last day for dealings in the Shares on the Stock Exchange is expected to be Tuesday, 6 October 2009. The Record Time for the purpose of determining the entitlements of the Independent Shareholders under the Scheme is expected to be 4:00 p.m. on Tuesday, 20 October 2009. The register of members of the Company is expected to be closed from Tuesday, 13 October 2009 to Tuesday, 20 October 2009 (both dates inclusive). During such period, no transfer of Shares will be effected. In order to qualify for the entitlements under the Scheme, all transfers accompanied by the relevant share certificates (if applicable) must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Monday, 12 October 2009.

In the event that there is any change to the expected timetable, the Company will inform the Shareholders as soon as practicable by way of further announcement(s).

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 a.m. on Wednesday, 23 September 2009 pending the issue of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on Thursday, 24 September 2009.

Shareholders, holders of other securities and/or potential investors should be aware that the implementation of the Proposal is subject to the conditions of the Proposal being fulfilled or waived, as applicable, and thus may or may not become effective. Shareholders, holders of other securities and potential investors are advised to exercise caution when dealing in the Shares or other securities of the Company.

By Order of the Board
Stone Group Holdings Limited
DUAN Yongji
Chairman

Hong Kong, 23 September 2009

As at the date of this announcement, the Board of the Company comprises ten Directors, of which Messrs. DUAN Yongji, SHI Yuzhu, SHEN Guojin, CHEN Xiaotao, ZHANG Disheng 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.