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C Y FOUNDATION GROUP LIMITED
(Incorporated in Bermuda with limited liability)
(Stock code: 1182)

ANNOUNCEMENT

Reference is made to an announcement of C Y Foundation Group Limited (“Company”) dated 13 September 2010 in relation to, inter alia, the involvement of two members of senior management of the Company in an investigation conducted by Independent Commission Against Corruption (“Announcement”). Unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Announcement.

The Company was notified by Mr Cheng Chee Tock Theodore (“Mr Cheng”), the Chairman and executive director of the Company, that Mr Cheng and Ms Leonora Yung, the spouse of Mr Cheng, a substantial shareholder of the Company and the Vice President of Human Resources & Administration Department of the Company, are currently under the Investigation initiated against them in their own personal capacity by ICAC for an alleged corruption and use of false documents to deceive the board of directors and shareholders of the Company in relation to certain property transactions, but no charges have been laid against Mr Cheng and Ms Leonora Yung by any regulatory or governmental authority. This announcement is made for the purpose of compliance with Rule 13.51B(2) and Rule 13.09 of the Listing Rules.

Based on information available to the Board as at the date of this announcement, the Board believes that the above matter will not have a material impact on the operations of the Group as a whole.

The Company will keep the Shareholders and potential investors informed of any material development in connection with the Investigation by way of further announcement(s) as and when appropriate.

Trading in the shares of the Company on the Stock Exchange has been suspended from 9:30 am on 31 August 2010 and will continue to be suspended until further notice.

On behalf of the Board
Woelm Samuel
Executive Director

Hong Kong, 7 October 2010

As at the date hereof, the executive directors of the Company are Mr CHENG Chee Tock Theodore (Chairman), Mr WOELM Samuel, Mr WU Chuang John, Mr CAO Dongxin, Mr HO Chi Chung Joseph, Mr YU Ping, Mr ZHANG Yiwei, Mr TANG Ming and Mr HU Xichang; and the independent non-executive directors are Mr WANG Shanchuan, Mr NG Pui Lung and Mr FUNG Pui Cheung Eugene.