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

ANNOUNCEMENT

Reference is made to the announcements of C Y Foundation Group Limited (“Company”) dated 13 September 2010 and 7 October 2010 in relation to the investigation conducted by the Independent Commission Against Corruption (“ICAC”).

The Company wishes to announce that in the morning of 4 March 2011, Mr Cheng Chee Tock Theodore (“Mr Cheng”), the Chairman and executive director of the Company, was charged by the ICAC with one count of fraud under section 16A of the Theft Ordinance, Cap.210. It was alleged that Mr Cheng, one Chong Ching-lai and one Yu Philip had, between 2 April 2007 to 17 December 2007, defraud the Company in relation to the acquisition by the Company of a property at 17th Floor, 200 Gloucester Road, Wan Chai. Mr Cheng appeared for mention in the Eastern Magistracy in the afternoon of 4 March 2011. No plea was taken and Mr Cheng was released on bail for HK\$200,000. The case was adjourned to 6 May 2011, pending further investigation and legal advice.

The Company also refers to certain press articles published recently in relation to the above matter. The Company clarifies that the ICAC has only laid one charge of fraud against Mr Cheng on 4 March 2011 and that the aforesaid Chong Ching-lai and Yu Philip had never officially joined the Company as employees.

This announcement is made for the purpose of compliance with Rule 13.51B(2) and Rule 13.09 of the Listing Rules.

The trading of the shares of the Company on the Stock Exchange was suspended since 31 August 2010 and will remain suspended until further notice. The Company will keep the Shareholders and potential investors informed of any further material development in connection with the above matter by way of further announcement(s) as and when appropriate.

On behalf of the Board
Woelm Samuel
Executive Director

Hong Kong, 7 March 2011

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.