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

PRICE SENSITIVE INFORMATION

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The board of directors of C Y Foundation Group Limited (“Company”) announces that the Company received a letter from Asian Capital (Corporate Finance) Limited on 12 July 2010 (“Letter”) that its client, China Trends Holdings Limited (“China Trends”, a company listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”)), was contemplating making a securities exchange offer for the shares and share options of the Company involving issue of new shares of China Trends (“Contemplation”). According to the Letter, the terms of the possible securities exchange offer have not been determined, and the securities exchange offer may constitute a very substantial acquisition of China Trends, and will be subject to, inter alia, the approval of shareholders of China Trends in accordance with the requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange. The Company will make further announcement according to the development of the Contemplation.

Since announcement for the close of the offer period on 7 July 2010, the Company has negotiated equity fund raising exercise to finance expansion of business of the Company, which may or may not materialize (“Fund Raising”).

The Contemplation and the Fund Raising may or may not materialize. Therefore, shareholders and potential investors of the Company are urged to exercise extreme caution when dealing in the securities of the Company.

By Order of the Board
Cheung Chin Wa Angus
Company Secretary

Hong Kong, 13 July 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.