

C Y FOUNDATION GROUP LIMITED
(incorporated in Bermuda with limited liability)
(Stock code #1182)

Clarification

The Directors clarify the references of rules in the two announcements of the Company dated 14 and 15 August 2007.
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The directors (“Directors”) of C Y Foundation Group Limited (“Company”) refer to the announcements of the Company dated 14 and 15 August 2007 (“Announcements”) in relation to the Company’s clarification to recent unusual price and trading volume movements of the Company’s shares in accordance with rule 13.10. The Directors would like to ratify the references of the rules made in the Announcements which arose from clerical errors, and to clarify that the third paragraph of each of the Announcements should read as follows:

“We also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the board of Directors aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.”

On behalf of the board
Cheng Chee Tock Theodore
Chairman

Hong Kong, 16 August 2007

As at the date hereof, the executive directors of the Company are Mr Cheng Chee Tock Theodore (Chairman), Dato Poh Po Lian, and Mr Sam Woelm (chief executive officer); non-executive directors are Mr Wu Chuang John and Mr Cao Dongxin; and the independent non-executive directors are Mr Sze Tsai Ping Michael, Dr Chow Steven, and Mr Wang Shan Chuan.