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## **FOUNDATION GROUP LIMITED**

### **基業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1182)

### **APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

#### **APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Board announces that Wallbanck Brothers Securities (Hong Kong) Limited ("Wallbanck Brothers") has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer.

References are made to the announcement (the "Joint Announcement") dated 22 December 2006 jointly issued by Foundation Group Limited (the "Company") and Luck Continent Limited ("Luck Continent") in relation to, among other things, the possible unconditional mandatory cash offer to be made by Mitsubishi UFJ Securities (HK) Capital, Limited on behalf of Luck Continent, to acquire all the issued Shares (other than those Shares already owned or agreed to be acquired by Luck Continent and parties acting in concert with it). Unless otherwise defined, terms used herein shall have the same meaning as those defined in the Joint Announcement.

The Board announces that Wallbanck Brothers has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer. The appointment of Wallbanck Brothers as the independent financial adviser has been approved by the Independent Board Committee.

As at the date of this announcement, the executive Directors of the Company are Mr. Wong Ching Ping, Alex and Mr. Lim Direk and the independent non-executive Directors of the Company are Mr. Chu Kar Wing, Mr. Chow King Wai and Mr. Tang Yiu Wing. 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.

**Shareholders and investors should be aware of and take note that the completion of the Share and Warrant Subscription Agreement and the Note Subscription Agreement are conditional upon satisfaction of certain conditions precedent and may or may not proceed, and that the obligation to make the Offer will only be triggered if completion of the Share Subscription takes place. Shareholders and investors of the Company are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

By order of the Board  
**Wong Ching Ping, Alex**  
*Chairman*

Hong Kong, 9 January 2007

*\* for identification purpose only*

Please also refer to the published version of this announcement in China Daily.