

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

**ANNOUNCEMENT PURSUANT TO RULE 3.7
OF THE TAKEOVERS CODE
AND
CLOSE OF THE OFFER PERIOD**

Reference is made to the announcement of C Y Foundation Group Limited (the “**Company**”) dated 16 September 2010, 19 October 2010, 18 November 2010, 17 December 2010, 14 January 2011, 11 February 2011, 10 March 2011, 8 April 2011, 6 May 2011 and 2 June 2011, in relation to, among other things, the Possible Acquisition and the announcement dated 12 August 2010 relating to unusual price movement in the shares of the Company (the “**Shares**”) respectively (collectively, the “**Announcements**”). Reference is also made to the announcement of the Company dated 24 June 2011 relating to the Put-up or Shut-up Ruling (the “**Ruling Announcement**”) issued by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission (the “**SFC**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements and the Ruling Announcement.

Pursuant to the Put-up or Shut-up Ruling, Ms. Yung must by 5:00 p.m. on Monday, 4 July 2011 (the “**Deadline**”) either:

- (i) announce a firm intention to make an offer for the Company under Rule 3.5 of the Takeovers Code, or
- (ii) announce her decision that she does not intend to make an offer for the Company;
or
- (iii) inform the Company of her decision that she does not intend to make an offer for the Company.

By 5:00 p.m. on Monday, 4 July 2011, the Company has not received any notification from Ms. Yung about its firm intention to make any offer for the Company. However, at 5:38 p.m. on Monday, 4 July 2011, the Company’s legal advisers received a fax from Ms. Yung’s legal advisers, stating that Ms. Yung does not intend to make an offer for the Company (the “**Notification**”).

Pursuant to the Put-up or Shut-up Ruling,

if Ms. Yung:

- (a) makes an announcement under (ii) above; or
- (b) informs the Company of her decision that she does not intend to make an offer for the Company under (iii) above,

on or before the Deadline, Ms. Yung and any person(s) acting in concert with her will, except with the consent of the Executive of the SFC, be bound by the restrictions contained in Rule 31.1(c) of the Takeovers Code for six months from the date of such announcement or notification (“**Scenario A**”).

if Ms. Yung:

does not make an announcement under (i) or (ii) above; or

does not inform the Company of her decision under (iii) above,

Ms. Yung and any person(s) acting in concert with her will, except with the consent of the Executive, be bound by the restrictions contained in Rule 31.1(b) of the Takeovers Code for six months from the Deadline (“**Scenario B**”).

The Notification was received by the Company’s legal advisers shortly after the Deadline. Strictly speaking, the Company considers that it fell into the case of Scenario B.

Accordingly, pursuant to Rule 31.1(b) of the Takeovers Code, neither Ms. Yung or any person who acted in concert with her or subsequently acting in concert with any of them may, except with the consent of the Executive of the SFC, within six months from 4 July 2011 announce an offer or possible offer for the Company or acquire any voting rights of the Company if Ms. Yung or persons acting in concert with her would thereby become obliged under Rule 26 of the Takeovers Code to make an offer.

The offer period, which commenced from 12 August 2010, is closed on 4 July 2011.

Trading in the Shares on the Stock Exchange has been suspended from 9:30 am on 31 August 2010 and will remain suspended until further notice.

This announcement is issued pursuant to Rule 3.7 of the Takeovers Code.

On behalf of the Board
C Y Foundation Group Limited
Sneah Kar Loon
Chairman

Hong Kong, 4 July 2011

As at the date of this announcement, the executive Directors are Mr. SNEAH Kar Loon, Dato LIM Kim Wah (also known as “Dato LIM Sze Guan”), Mr. CHENG Chee Tock Theodore (duty suspended) and Mr. WOELM Samuel, the non-executive Directors are Mr. IO Rudy Cheok Kei and Mr. NG Kwok Lun, the independent non-executive Directors are Mr. LAI Hock Meng, Mr. LAW Chiu William, Dato MYHRE Carl Gunnar, Mr. BALAKRISHNAN Narayanan and Mr. YONG Peng Tak.

The Directors jointly and severally accept full responsibility for 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 statement in this announcement misleading.