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

ANNOUNCEMENT IN RESPECT OF AN INTERIM INJUNCTION ORDER

Reference is made to the announcement of C Y Foundation Group Limited (“Company”) dated 21 April 2010 in respect of, inter alia, the petition issued by Luck Continent Limited (“Luck Continent”) against the Company pursuant to section 168A of the Companies Ordinance and the announcement dated 24 January 2011 in relation to a summons (“Summons”) issued by Luck Continent against the Company.

The Board wishes to announce that on 26 January 2011 (the returnable date of the Summons), the High Court of Hong Kong granted an interim injunction order (“Interim Injunction Order”) against the Company in respect of the Summons. The Interim Injunction Order provides, among other things, that:-

1. until further Order, each of the 1st Respondent, Mr CHENG Chee Tock Theodore (Chairman and Executive Director) and the 9th Respondent, the Company, whether by himself or itself (as the case may be), its agents, servants or otherwise howsoever, be restrained from procuring or taking any steps to procure Beijing T-Matrix Culture Company Limited (“T-Matrix”) to:-
 - (1) dispose, assign, charge or otherwise deal with the property situate at 16th Floor, Bright China Chang An Property, No 7 Jian Guo Men Nei Da Jie, Beijing, PRC;
 - (2) act pursuant to, or otherwise carry out the matters contained in, the shareholder’s resolutions of T-Matrix purportedly dated 15 December 2010, which is in relation to setting up of a Beijing branch company for T-Matrix; and
 - (3) take any further steps or enter into or perfect (including affixing a statutory chop on) the agreements or draft agreements in relation to T-Matrix for, inter alia, outsourcing the business of T-Matrix and use of property; and
2. until further Order, the Company, whether by itself, its agents, servant or otherwise howsoever, be restrained from acting pursuant to, or otherwise carrying out the matters contained in, the directors’ resolution of the Company dated 8 July 2010 in respect of what was referred to as “Project T-Matrix”.

The Interim Injunction Order was granted an undertaking as to damages by Luck Continent. Counsel for Luck Continent represented to the High Court of Hong Kong that:

- (i) Luck Continent's shareholding in the Company is currently unencumbered.
- (ii) Luck Continent shall give reasonable notice to the Company of its intention, if any, to encumber its shareholding in the Company in future.

According to the latest disclosure of interest filed under Part XV of the Securities and Futures Ordinance, Luck Continent is the beneficial owner of 46.61% of the shares in the issued share capital of the Company as at the date of this announcement.

The Company will keep the Shareholders and potential investors informed of any further material development in connection with the Interim Injunction Order by way of further announcement(s) as and when appropriate.

On behalf of the Board
Woelm Samuel
Executive Director

Hong Kong, 27 January 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.