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C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1182)

NOTICE OF FURTHER ADJOURNED SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Further Adjourned Special General Meeting (“Further Adjourned SGM”) of C Y Foundation Group Limited (the “Company”) will be held at 22/F, 200 Gloucester Road, Wanchai, Hong Kong on 31 December 2009, Thursday at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** the entering into of the Subscription Agreement dated 21 August 2009 between Paradise Entertainment Limited as the issuer and the Company as the subscriber (“Subscription Agreement”) (a copy of which is produced to this meeting and marked “A” and signed by the chairman of this meeting for identification purpose) in relation to the subscription by the Company of the 6% convertible notes in the aggregate principal amount of HK\$20,000,000 due 24 months (“New Convertible Notes”) and the option to subscribe for the additional convertible notes in the aggregate principal amount of HK\$20,000,000 having the same terms and conditions of the New Convertible Notes in all material respects (“Additional Notes”), and all the other transactions contemplated under or incidental to the Subscription Agreement including the conversion of the New Convertible Notes and the Additional Notes (assuming the option to subscribe for the Additional Notes is exercised) be and are hereby approved, confirmed and ratified and that the directors of the Company be and are hereby authorized to do such acts and execute such other documents as they may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the Subscription Agreement and all transactions contemplated thereunder, including the conversion of the New Convertible Notes and the Additional Notes (assuming the option to subscribe for the Additional Notes is exercised).”

By Order of the Board

Lau Ying Kit

Company Secretary

Hong Kong, 15 December 2009

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint one or more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, the proxy form must be deposited at the principal place of business of the Company in Hong Kong at 17/F, 200 Gloucester Road, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting. Completion and return of the proxy form will not preclude a member from attending and voting at the meeting if he so wishes.
3. The Company has issued new proxy forms for the purpose of the Further Adjourned SGM. The new proxy forms should be lodged not less than 48 hours before the holding of the Further Adjourned SGM. The proxy forms which have already been submitted in respect of the SGM held on 13 November 2009 and the Adjourned SGM held on 4 December 2009 shall continue to be valid and in full force for the purpose of the Further Adjourned SGM. Shareholders who have deposited the proxy forms for the SGM held on 13 November 2009 and/or the Adjourned SGM held on 4 December 2009 are not required to deposit a fresh set of proxy forms for the Further Adjourned SGM unless they wish to alter their instruction(s) given previously. Where a Shareholder has deposited a proxy form for the SGM and/or the Adjourned SGM and deposits a fresh set of the proxy form for the Further Adjourned SGM, the proxy form for the SGM and/or the Adjourned SGM shall be deemed to be revoked.

As at the date hereof, the Board comprises 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 as executive directors; Dr. CHOW Steven, Mr. WANG Shan Chuan and Mr. NG Pui Lung as independent non-executive directors.

All directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, 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.