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

DELAY IN DESPATCH OF CIRCULAR

**MAJOR TRANSACTION
IN RELATION TO
SUBSCRIPTION OF NEW CONVERTIBLE NOTES AND OPTION TO
SUBSCRIBE FOR ADDITIONAL NOTES**

As additional time is required for the compilation of financial information to be contained in the Circular including the indebtedness statement of the C Y Foundation Group, the review on the sufficiency of its working capital and its pro forma financial information after the Subscription, the Company has applied to the Stock Exchange for an extension of time for despatch of the Circular to on or before 7 October 2009.

Reference is made to the announcement jointly issued by C Y Foundation Group Limited (“Company”) and Paradise Entertainment Limited (“Paradise Entertainment”) on 26 August 2009 (“Announcement”) relating to, inter alia, the subscription by the Company of new convertible notes and option to subscribe for additional notes to be issued by Paradise Entertainment (“Subscription”). Terms used herein shall have the same meanings as ascribed thereto in the Announcement unless the context otherwise requires.

Pursuant to Rule 14.38A of the Listing Rules, a circular (“Circular”) containing inter alia, further particulars of the Subscription shall be despatched to the shareholders of the Company within 21 days after publication of the Announcement, which is on or before 16 September 2009.

As additional time is required for the compilation of financial information to be contained in the Circular including the indebtedness statement of the C Y Foundation Group, the review on the sufficiency of its working capital and the pro forma financial

information of C Y Foundation Group after the Subscription, the Company has applied to the Stock Exchange for an extension of time for despatch of the Circular to on or before 7 October 2009.

By order of the Board
Cheng Chee Tock Theodore
Chairman

Hong Kong, 15 September 2009

As at the date hereof, the Board comprises Mr. CHENG Chee Tock Theodore (Chairman), Mr. WOELM Samuel, Mr. WU Chuang John and Mr. CAO Dongxin as executive directors; Mr. Sik Siu Kwan as non-executive director; Mr. SZE Tsai Ping Michael, Dr CHOW Steven and Mr. WANG Shan Chuan as independent non-executive directors.