



C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting of C Y Foundation Group Limited (the “Company”) will be held at 22/F Silver Base Centre, 200 Gloucester Road, Wanchai, Hong Kong on 15 October 2008, Wednesday, at 11:00 am for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the sale and purchase agreement dated 11 July 2008 (the “Agreement”) entered into between Ace Luck International Limited (the “Purchaser”, a wholly-owned subsidiary of the Company) as purchaser and Super Crown Venture Inc, Golden View Worldwide Limited, Treasure Bay Assets Limited and Super Mark Profits Corporation as vendors (the “Vendors”) in relation to the sale and purchase of the entire issued share capital of Kingbox (Asia) Limited (“Kingbox”) and all of the outstanding loans (if any) due from Kingbox to the Vendors or their affiliates as at the completion of the Agreement at an initial consideration of HK\$160 million and a deferred additional consideration (if any) of a maximum of HK\$20 million (both of which will be settled as to 60% in cash and 40% by the issue of new shares of HK\$0.001 each (the “Share(s)”) in the Company at the issue price of HK\$0.28 per Share), and the obligation of the Vendors to repay the Purchaser downward adjustment payment(s) (if any and subject to a maximum of HK\$20 million) in cash by making reference to the guaranteed profit and the net profit after tax of Kingbox and its subsidiaries for each of the relevant financial periods as described in the Agreement, and the transaction contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) the allotment and issue of a maximum aggregate of 257,142,856 new Shares to the Vendors credited as fully paid (which shall rank pari passu in all respects with the existing Shares then in issue at the date of allotment of such new consideration Shares) as part of the consideration under and pursuant to the Agreement be and hereby approved, and any one of the directors of the Company be and is hereby authorized to allot and issue such consideration Shares to the Vendors pursuant to the terms of the Agreement;

- (c) any one of the directors of the Company be and is hereby authorized to do all such acts and things and execute all such documents which they consider necessary, desirable or expedient in their absolute discretion to implement and/or give effect to the Agreement and the transaction contemplated.”

By order of the board
Pang Siu Yin
Company Secretary

Hong Kong, 19 September 2008

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint proxy(ies) to attend and vote instead of him. A proxy needs not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited at the principal place of business of the Company in Hong Kong at 17/F Silver Base Centre, 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.

As at the date hereof, the executive directors of the Company are Mr. CHENG Chee Tock Theodore (Chairman), Dato POH Po Lian, Mr. WOELM Sam, Mr. WU Chuang John and Mr. CAO Dongxin; and the independent non-executive directors are Mr. SZE Tsai Ping Michael, Dr. CHOW Steven, and Mr. WANG Shan Chuan.