



FOUNDATION GROUP LIMITED

基業控股有限公司 *

(incorporated in Bermuda with limited liability)

(Stock Code: 1182)

NOTICE OF THE SGM

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of Foundation Group Limited (the “Company”) will be held at 11 a.m., on 21 May 2007 at 1701, 17/ F., the Sun’s Group Centre, 200 Gloucester Road, Wanchai, Hong Kong, for the purposes of considering and, if thought fit, passing, with or without amendments, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** the Subscription Agreement (as defined and described in the circular of the Company dated 27 April 2007 (“Circular”)), a copy of which is produced to this general meeting (“SGM”) marked “A” and signed by the chairman of this general meeting for the purpose of identification, and the transactions contemplated in or incidental to the Subscription Agreement be and are hereby approved, confirmed and ratified; and the directors and the secretary of the Company or any of them be and are hereby authorised on behalf of the Company:

- (a) to sign, seal, execute, perfect and deliver all such documents and do all such deeds, acts, matters and things as they may in their discretion consider necessary or desirable for the purpose of or in connection with the implementation of the Subscription Agreement and all transactions contemplated thereunder;
- (b) subject to completion of the Subscription Agreement, to issue 600,000,000 new ordinary shares (“Shares”) of the Company with nominal value of HK\$0.001 each (“Subscription Shares”) in accordance with the terms of the Subscription Agreement, such Subscription Shares to be issued credited as fully paid and ranking pari passu in all respects with all Shares then in issue;
- (c) to exercise or enforce all of the rights of the Company under the Subscription Agreement; and
- (d) to complete the Subscription Agreement in accordance with its terms.”

By order of the Board
Foundation Group Limited
Ho Koon Man
Company Secretary

Hong Kong, 27 April 2007

**Registered Office:
Kong:**

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business in Hong

Room 1701, 17th Floor
The Sun's Group Centre
200 Gloucester Road
Wanchai, Hong Kong

Notes:

- (i) A shareholder of the Company (the "Shareholder") entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy in respect of the whole or any part of his holding of shares to attend and vote in his stead. A proxy need not be a Shareholder.
- (ii) In order to be valid, the form of proxy must be deposited with the branch share registrar of the Company in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (iii) Completion and delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the meeting if the Shareholder so desires and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (iv) As at the date of this notice, the executive directors of the Company are Mr. Poh Po Lian and Mr. Cheng Chee Tock, Theodore (the Chairman) and the independent non-executive Directors of the Company are Mr. Chu Kar Wing, Dr. Chow King Wai and Mr. Tang Yiu Wing.

Please also refer to the published version of this announcement in China Daily.