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FOUNDATION GROUP LIMITED

基業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

RESULTS OF THE SPECIAL GENERAL MEETING HELD ON 29 JANUARY 2007

The Board is pleased to announce that all the resolutions were duly passed at the SGM held on 29 January 2007 by show of hands.

Reference is made to the joint announcement dated 22 December 2006 (“**Announcement**”) made by the Share and Warrant Subscriber and the Company, the circular of the Company dated 12 January 2007 (the “**Circular**”) in relation to, among other things, the proposed issue of the Subscription Shares, the Warrant and the Note. Unless otherwise defined, terms used herein shall have the same meaning as those defined in the Circular.

The Board is pleased to announce that all the resolutions were duly passed by the Shareholders at the SGM held on 29 January 2007 by show of hands. Accordingly, the Share and Warrant Subscription Agreement and the transactions contemplated thereunder have been approved by the Shareholders. As at the date of this announcement, the conditions to which the Share and Warrant Subscription Agreement are subject have not been completely fulfilled. Further announcement will be made upon completion of the Share and Warrant Subscription Agreement.

As at the date of this announcement, the executive directors of the Company are Mr. Wong Ching Ping, Alex and Mr. Lim Direk and the Independent non-executive directors of the Company are Mr. Chu Kar Wing, Dr. Chow King Wai and Mr. Tang Yiu Wing. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that in relation to the Share and Warrant Subscriber and Mr. Poh Po Lian) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their 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 of their statements in this announcement misleading.

As at the date of this announcement, the sole director of the Share and Warrant Subscriber is Mr. Poh Po Lian. Mr. Poh Po Lian accepts full responsibility for the accuracy of the information contained in this announcement (other than that in relation to the Company) and confirm, having made all reasonable enquiries, that to the best of his knowledge, his 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 of his statements in this announcement misleading.

By order of the board of
Foundation Group Limited
Wong Ching Ping, Alex
Chairman

Hong Kong, 29 January 2007

** for identification purpose only*

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