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C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

ANNOUNCEMENT

JUDGMENT IN RESPECT OF THE PETITION PURSUANT TO SECTION 168A OF THE COMPANIES ORDINANCE

The Judgment for the Petition hearing was issued on 25 April 2012, granting an order that the bye-laws of the Company be amended so as to enable a director to be removed by an ordinary resolution.

The Board welcomes the Judgment and will take all necessary steps, including but not limited to seeking legal opinion as to whether any shareholders' approval for the Bye-law Amendment is required, and filing and/or registration for the Bye-law Amendment, to comply with the Judgment and all applicable laws and regulations in Bermuda in order to meet the requirement under paragraph 4(3) of Appendix 3 of the Listing Rules.

Reference is made to the announcements of C Y Foundation Group Limited ("Company") dated 21 April 2010, 24 January 2011 and 27 January 2011 in respect of, among other matters, the petition (the "Petition") issued by Luck Continent Limited ("Luck Continent"), in which the Company is one of the respondents, pursuant to section 168A of the Companies Ordinance, Cap. 32 of the Laws of Hong Kong seeking a number of relieves including an order that the bye-laws of the Company be amended so as to enable a director to be removed by an ordinary resolution (the "Bye-law Amendment"). As mentioned in the interim report of the Company for the six months ended 30 September 2011, the Petition was last heard on 18 April 2011, by which time Luck Continent has rescinded all relieves to be sought under the Petition save and except only for the Bye-law Amendment.

The board (the "Board") of directors of the Company wishes to announce that the judgment (the "Judgment") for the Petition hearing was issued on 25 April 2012. It was mentioned in the Judgment that: (i) the consequence of the various respondents (other than the Company) voting against the resolution for the Bye-law Amendment at the general meetings held by the Company in the past was that the Company thereby failed to amend its bye-laws so as to bring them into line with the requirements of paragraph 4(3) of Appendix 3 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and (ii) the failure of the Company to amend its bye-laws to allow for removal of director by ordinary resolution was a matter which was unfair and prejudicial in the sense required by section 168A of the Companies Ordinance. Accordingly, an order was made for the Bye-law Amendment.

The Board welcomes the Judgment. As the Judgment has been effective, the Board will take all necessary steps, including but not limited to seeking legal opinion as to whether any shareholders' approval for the Bye-law Amendment is required, and filing and/or registration for the Bye-law Amendment, to comply with the Judgment and all applicable laws and regulations in Bermuda in

order to meet the requirement under paragraph 4(3) of Appendix 3 of the Listing Rules. Further announcement is to be made upon the Bye-law Amendment becomes effective.

By order of the Board
SNEAH Kar Loon
Chairman

Hong Kong, 27 April 2012

As at the date of this announcement, the executive Directors of the Company are Mr. SNEAH Kar Loon and Mr. SIK Siu Kwan, the non-executive Director is Mr. NG Kwok Lun, the independent non-executive Directors are Mr. LAI Hock Meng, Mr. BALAKRISHNAN Narayanan, Mr. YONG Peng Tak and Mr. IO Rudy Cheok Kei.