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C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1182)

RESULTS OF THE OPEN OFFER OF 348,435,516 OFFER SHARES AT HK\$0.10 PER OFFER SHARE ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO SHARES HELD ON THE RECORD DATE

The Board is pleased to announce that all of the conditions set out in the Underwriting Agreement have been fulfilled. Accordingly, the Open Offer became unconditional at 4:00 p.m. on Tuesday, 27 November 2012.

At 4:00 p.m. on Friday, 23 November 2012, being the latest time for acceptance of, and payment for the Offer Shares, a total of 17 valid acceptances in respect of 73,013,017 Offer Shares provisionally allotted under the Open Offer were received, representing approximately 21% of the total number of the Offer Shares available for subscription under the Open Offer.

It is expected that the share certificates for the Offer Shares in respect of the valid acceptances of the Offer Shares under the Application Forms will be despatched to those relevant Shareholders' addresses (as shown on the register of members of the Company) by ordinary post on or before Thursday, 29 November 2012 at their own risks.

Dealings in the Offer Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Friday, 30 November 2012.

RESULTS OF THE OPEN OFFER

Reference is made to the prospectus of CY Foundation Group Limited (the “**Company**”) dated 9 November 2012 (the “**Prospectus**”) in relation to the Open Offer. Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the Prospectus.

The Board is pleased to announce that all the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement has not been terminated under its terms by the Underwriter.

At 4:00 p.m. on Friday, 23 November 2012, being the latest time for acceptance of, and payment for the Offer Shares, a total of 17 valid acceptances in respect of 73,013,017 Offer Shares provisionally allotted under the Open Offer were received, representing approximately 21% of the total number of the Offer Shares available for subscription under the Open Offer. The Open Offer became unconditional at 4:00 p.m. on Tuesday, 27 November 2012.

Underwriting arrangements

Based on the above results, the Open Offer was under-subscribed by 275,422,499 Offer Shares (the “**Untaken Shares**”). The Underwriter has procured subscription of: (i) 174,217,758 Untaken Shares by Steady Enterprises Limited, which and whose ultimate beneficial owner were Independent Third Parties immediately before subscribing such Untaken Shares and which will become a substantial Shareholder as a result of the subscription of such Untaken Shares, and (ii) the remaining 101,204,741 Untaken Shares by other subscribers who were Independent Third Parties. Further details are set out in the paragraph headed “Shareholding Structure of the Company” in this announcement.

Despatch of share certificates and commencements of dealings in the Offer Shares

It is expected that the share certificates for the Offer Shares in respect of the valid acceptances of the Offer Shares under the Application Forms will be despatched to those relevant Shareholders’ addresses (as shown on the register of members of the Company) by ordinary post on or before Thursday, 29 November 2012 at their own risks.

Dealings in the Offer Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Friday, 30 November 2012.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Director's knowledge and information, the shareholding structure of the Company immediately before and after completion of the Open Offer is as follows:

	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Substantial Shareholders/				
Directors				
Luck Continent Limited	324,626,412	46.58	324,626,412	31.06
Steady Enterprises Limited ⁽¹⁾	–	–	174,217,758	16.67
Mr. Sneah Kar Loon ⁽²⁾	2,200,000	0.32	2,200,000	0.21
Mr. Io Rudy Cheok Kei ⁽³⁾	1,200,000	0.17	1,200,000	0.11
Public:				
Underwriter	6	0.00	6	0.00
Other subscribers procured by the Underwriter	–	–	101,204,741	9.68
Others	368,844,614	52.93	441,857,631	42.27
Total	696,871,032	100	1,045,306,548	100

Notes:

- To the best knowledge, information and belief of the Directors, immediately before completion of the Open Offer, Steady Enterprises Limited and its ultimate beneficial owner, Phua Wei Seng, were Independent Third Parties and not interested in any Share. Immediately after completion of the Open Offer and as a result of taking up 174,217,758 Untaken Shares, Steady Enterprises Limited will be interested in 174,217,758 Shares, representing approximately 16.67% of the issued share capital of the Company as enlarged by the Open Offer, and will become a substantial Shareholder.
- Mr. Sneah Kar Loon is an executive Director.
- Mr. Io Rudy Cheok Kei is an independent non-executive Director.
- Save for the Convertible Notes, the Company does not have any other outstanding options, warrants or securities in issue which are convertible or exchangeable into the Shares. As stated in the Prospectus, the conversion price of the Convertible Notes would be adjusted from HK\$0.573 per Share to HK\$0.5073 per Share effective from 8 November 2012, being the date next following the Record Date. The number of Shares falling to be issued upon conversion

of the Convertible Notes in full has been adjusted from 34,904,013 Shares to 39,424,403 Shares. Save for the aforesaid adjustments, all other terms and conditions of the Convertible Notes remain unchanged. The aforesaid adjustments have been reviewed and confirmed in writing by the auditors appointed by the Company pursuant to the terms and conditions of the Convertible Notes.

By Order of the Board
C Y Foundation Group Limited
SNEAH Kar Loon
Chairman

Hong Kong, 28 November 2012

As at the date of this announcement, the executive Directors of the Company are Mr. SNEAH Kar Loon and 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.