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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in C Y Foundation Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

**(1) VERY SUBSTANTIAL DISPOSAL
AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the special general meeting (“SGM”) of the Company to be held at 6/F. – Tin Hau Function Room, L’hotel Causeway Bay Harbour View Hong Kong, 18 King’s Road, Causeway Bay, Hong Kong on 9 August 2013, Friday, at 11:30 a.m. is set out on pages 61 and 62 of this circular.

Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy for use at the SGM in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and, in any event, not later than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting thereof should you so wish.

18 July 2013

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP	16
APPENDIX II – UNAUDITED FINANCIAL INFORMATION OF THE DISPOSED GROUP	23
APPENDIX III – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP	33
APPENDIX IV – VALUATION REPORT ON THE PROPERTIES	45
APPENDIX V – GENERAL INFORMATION	51
NOTICE OF SGM	61

DEFINITIONS

In this circular, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Announcement”	the announcement dated 18 June 2013 made by the Company in relation to the Disposal
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or a Sunday) on which licensed banks in Hong Kong are generally open for business in Hong Kong throughout their normal business hours
“Company”	C Y Foundation Group Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Share in accordance with the terms and conditions of the Disposal Agreement
“Completion Date”	the date falling the next Business Day after all conditions precedent to the Disposal Agreement have been fulfilled
“connected person(s)”	has the same meaning ascribed thereto in the Listing Rules
“Consideration”	the consideration for the Disposal in the sum of RMB110 million (equivalent to approximately HK\$137.5 million)
“Director(s)”	director(s) of the Company
“Disposal”	the proposed disposal of the entire issued share capital of the Disposed Company pursuant to the terms of the Disposal Agreement
“Disposal Agreement”	the conditional sale and purchase agreement dated 18 June 2013 entered into between the Company as vendor and the Purchaser as purchaser in relation to the Disposal

DEFINITIONS

“Disposed Company”	Expert Global Investments Limited (寶瀛國際投資有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company prior to Completion
“Disposed Group”	the Disposed Company and the PRC Subsidiaries
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Idea Sino Convertible Notes”	the convertible notes issued by the Company to Idea Sino Limited in the principal amount of HK\$20,000,000
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons
“Latest Practicable Date”	15 July 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LOI”	the letter of intent entered into between the Purchaser and the Company dated 6 May 2013 in relation to the Disposal, as disclosed in the announcement of the Company dated 6 May 2013
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“PRC Subsidiaries”	Hainan Treasure Way Enterprises Limited (海南寶瀛實業有限公司), Shanghai Jifeng Investment Management Co., Limited (上海基豐投資管理有限公司), Beijing Horizon Investment Management Co., Limited (北京豪升融通投資管理有限公司) and T-Matrix Culture Co., Limited (零度聚陣文化有限公司), all being wholly-owned subsidiaries of the Disposed Company

DEFINITIONS

“Prepayment”	the part of the Consideration paid by the Purchaser to the Company in accordance with the terms of the Disposal Agreement prior to Completion in the aggregate amount of RMB55 million (equivalent to approximately HK\$68.8 million)
“Properties”	22 office units, including Units 1601-1603, 1605-1612, 1615-1623 and 1625-1626, on Level 16 of a 21-storey office building situated at No. 7 Jiaguo Mennei Dajie, Dongcheng District, Beijing, the PRC
“Purchaser”	Sansheng (China) Limited, a company incorporated in Hong Kong with limited liability
“Remaining Group”	the Group after Completion (i.e. excluding the Disposed Group)
“Sale Share”	one share of HK\$1 in the issued share capital of the Disposed Company, representing the entire issued share capital of the Disposed Company
“SFO”	Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong
“SGM”	the special general meeting of the Company to be convened and held to approve, among other matters, the Disposal Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq.m.”	square metre(s)
“%”	per cent.

* *The English transliteration of the Chinese name(s) in this circular, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

LETTER FROM THE BOARD

C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

Executive Directors:

Mr. SNEAH Kar Loon
Mr. BALAKRISHNAN Narayanan
Mr. NG Kwok Lun
Mr. LIN Zheyang

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-executive Directors:

Mr. LAI Hock Meng
Mr. YONG Peng Tak
Mr. IO Rudy Cheok Kei
Mr. GOH Hoon Leum

*Head office and principal place of
business in Hong Kong:*

Unit 3503B-5, 35th Floor
148 Electric Road
North Point
Hong Kong

18 July 2013

To the Shareholders

Dear Sir/Madam,

**(1) VERY SUBSTANTIAL DISPOSAL
AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement. On 18 June 2013, the Company and the Purchaser entered into the Disposal Agreement pursuant to which the Purchaser has conditionally agreed to acquire and the Company has conditionally agreed to sell the Sale Share at a cash consideration of RMB110 million (equivalent to approximately HK\$137.5 million).

The purpose of this circular is to provide you with, among other things, (i) further details of the Disposal Agreement; (ii) the financial information of the Group and the Disposed Group; (iii) the unaudited pro forma financial information of the Remaining Group; (iv) a valuation report on the Properties; and (v) a notice convening the SGM.

LETTER FROM THE BOARD

THE DISPOSAL AGREEMENT

The principal terms of the Disposal Agreement are as follows:

Date

18 June 2013

Parties

Vendor: The Company

Purchaser: Sansheng (China) Limited

The Purchaser is a company incorporated in Hong Kong with limited liability. Mr. Lin Zheyang, the executive Director, introduced the Purchaser and its ultimate beneficial owner to the Company. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) the Purchaser and its ultimate beneficial owner are Independent Third Parties and (ii) the Company and the Directors have no current or prior relationship and business arrangement with the Purchaser and its ultimate beneficial owner save for the entering into the LOI and the Disposal Agreement.

Assets to be disposed

The Sale Share, representing the entire issued share capital of the Disposed Company. The major assets of the Disposed Group are the Properties.

Upon Completion, the Disposed Group will cease to be the subsidiaries of the Company and its financial results will no longer be consolidated in the Group's financial statements.

The Consideration

The Consideration of RMB110 million (equivalent to approximately HK\$137.5 million) shall be satisfied in cash by the Purchaser to the Company in the following manner:

- (a) as to RMB24 million (equivalent to approximately HK\$30 million) having been paid by the Purchaser as Prepayment pursuant to the terms of the LOI;
- (b) as to RMB31 million (equivalent to approximately HK\$38.8 million) having been paid by the Purchaser within three days after the date of the Disposal Agreement as further Prepayment;

LETTER FROM THE BOARD

- (c) as to RMB50 million (equivalent to approximately HK\$62.5 million) upon Completion; and
- (d) as to the remaining RMB5 million (equivalent to approximately HK\$6.2 million) within six months after the Completion Date or upon the changes of all legal representatives of the PRC Subsidiaries becoming effective, whichever is earlier.

Interest shall be charged on any delay in payment of the Consideration at the rate of 10% per annum and on a 365 days per year basis.

The Consideration was determined after arm's length negotiations between the Company and the Purchaser. In arriving at the Consideration, the Directors have taken into consideration of various factors including: (i) the adjusted net assets value of the Disposed Group of approximately HK\$153.2 million as at 31 March 2013, (ii) the potential saving on expense (including any PRC land appreciation tax) of approximately HK\$43.9 million that may be borne by the Purchaser in relation to the Disposal, (iii) the preliminary valuation of the Properties of approximately RMB154 million (equivalent to approximately HK\$192.5 million) as at 31 May 2013 (the "**Preliminary Valuation**") conducted by Ascent Partners Valuation Service Limited, an independent firm of professional valuer not connected with the Group (the "**Valuer**"), by direct comparison method and (iv) the commercial reasons set out in the paragraph headed "Reasons for and benefits of the Disposal" below. The Valuer issued the final valuation report in relation to the valuation of Properties of approximately RMB154 million (equivalent to approximately HK\$192.5 million) as at 31 May 2013 by direct comparison method (the "**Valuation**"), which is equal to the Preliminary Valuation. The finalized valuation report, including details of the assumptions, basis and methodology of the Valuation, is set out in Appendix IV to this circular.

Despite the Consideration is slightly lower than the adjusted net assets value of the Disposed Group as at 31 March 2013, the Directors (including the independent non-executive Directors) consider that the Consideration is fair and reasonable and is in the interests of the Company and the Shareholders as a whole given that (i) there is potential saving on the expense in relation to the Disposal and (ii) the Group will receive immediate cash inflow upon Completion to finance its business development and funding requirement.

Conditions Precedent

Completion is conditional upon:

1. the Shareholders passing at the SGM to be convened an ordinary resolution approving the Disposal Agreement and the transactions contemplated thereunder;
2. all necessary approvals, consents, authorisations and licenses in relation to the sale and purchase of the Sale Share having been obtained and remaining valid; and
3. the Company not being considered by the Stock Exchange as a cash company as a result of the transactions contemplated under the Disposal Agreement.

LETTER FROM THE BOARD

If any of the above conditions precedent have not been fulfilled at or before 5:00 p.m. on 31 August 2013 or such later date as the parties thereto may agree in writing, the Prepayment shall be refunded to the Purchaser, together with an interest calculated at 10% per annum on the principal amount of the Prepayment commencing from the respective payment dates of the Prepayment, by the Company as soon as possible within three Business Days and the Disposal Agreement shall cease and determine in which event no party shall have any obligations and liabilities thereunder (save for the confidentiality provision) save for any antecedent breaches of the terms thereof.

Completion

Completion shall take place on the Completion Date.

Outstanding litigation, liabilities and receivables of the Disposed Group

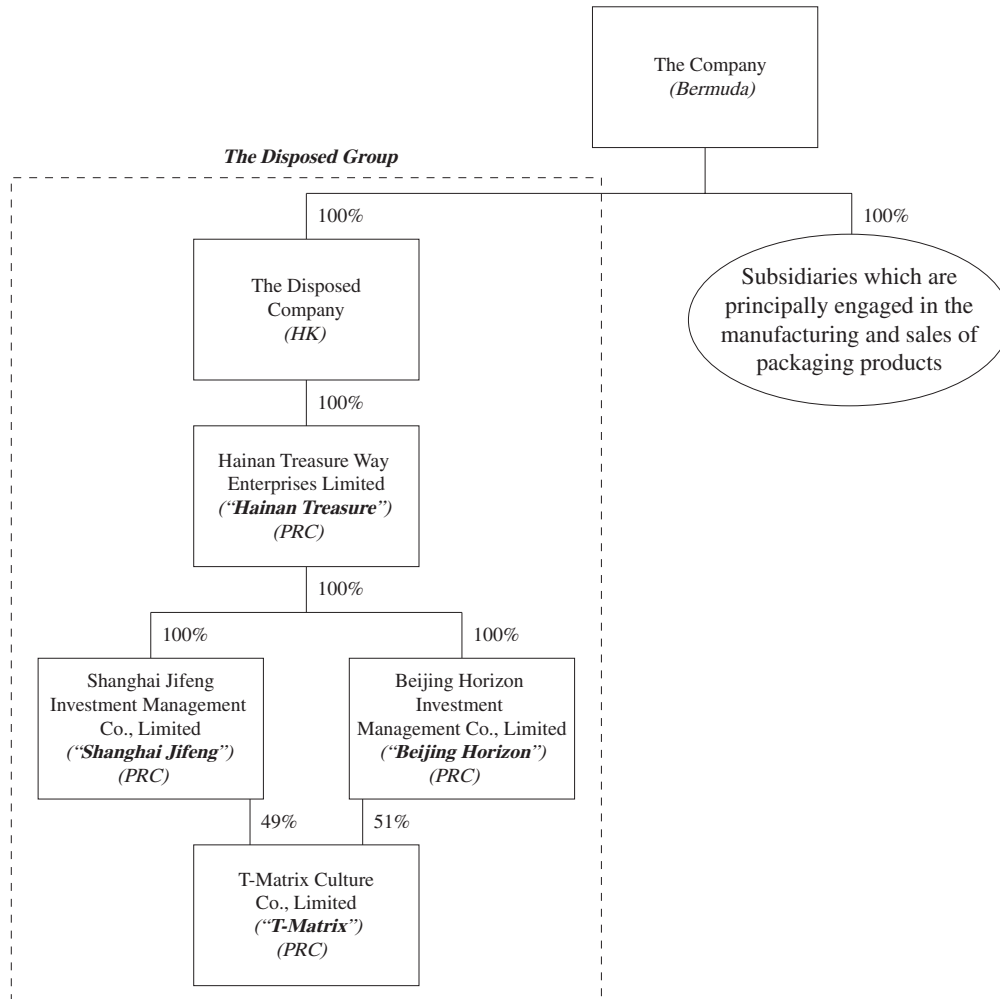
The Disposal Agreement provides that the Company shall be entitled to handle all outstanding litigation involving the Disposed Group prior to Completion and that the Purchaser shall procure the Disposed Group to render all necessary assistance to the Company. As at the Latest Practicable Date, the Disposed Group has two outstanding litigations in which the Disposed Group is the plaintiff of both cases. The first case is an action by the Disposed Group against Mr. Cheng Chee Tock Theodore (the former Director) for the return and delivery of the documents and chops belonging to the Disposed Group and all the legal fee and costs incurred. This case is scheduled to be re-trialed in October 2013. The second case is an action by the Disposed Group against Jiang Su Dong Hai Hua Yu Enterprises Company Ltd. (江蘇東海華宇實業有限公司) and Mr. Xie You Xin (謝佑新) as the guarantor, for outstanding receivables in the sum of approximately RMB30 million. This case has been mediated and the defendant was ordered to repay approximately RMB24 million to the Disposed Group (the “**Order**”). Up to the Latest Practicable Date, only approximately RMB5 million has been recovered and approximately RMB18.8 million is still outstanding. The Disposed Group is enforcing the Order.

It is agreed among the parties to the Disposal Agreement that the Purchaser shall pay (or shall procure the Disposed Group to pay) to the Company all receivables (including any judgment debts) of the Disposed Group as at the Completion Date collected after Completion, and that the Company shall pay and honour all liabilities and obligations of the Disposed Group incurred before the Completion Date. In this regard, the Purchaser undertakes that it shall use its best endeavours after Completion to render all necessary assistance to the Company, at the expense of the Company, to recover and deal with the receivables (including any receivables which have been written off as bad and doubtful debts) of the Disposed Group as at the Completion Date, and to cooperate and consult with the Company to deal and settle with all outstanding liabilities of the Disposed Group incurred prior to the Completion.

LETTER FROM THE BOARD

INFORMATION OF THE DISPOSED GROUP

The corporate structure of the Disposed Group as at the Latest Practicable Date is as follows:



The Disposed Company

The Disposed Company is a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability. It is an investment holding company.

LETTER FROM THE BOARD

Hainan Treasure Way Enterprises Limited (海南寶瀛實業有限公司)

Hainan Treasure is a wholly foreign owned enterprise established in the PRC and is wholly-owned by the Disposed Company. It is principally engaged in holding its investment in Shanghai Jifeng and Beijing Horizon.

Shanghai Jifeng Investment Management Co., Limited (上海基豐投資管理有限公司)

Shanghai Jifeng is a company incorporated in the PRC and is wholly-owned by Hainan Treasure. It is principally engaged in holding its investment in 49% registered capital in T-Matrix.

Beijing Horizon Investment Management Co., Limited (北京豪升融通投資管理有限公司)

Beijing Horizon is a company incorporated in the PRC and is wholly-owned by the Disposed Company. It is principally engaged in holding its investment in 51% registered capital in T-Matrix.

T-Matrix Culture Co., Limited (零度聚陣文化有限公司)

T-Matrix is a company incorporated in the PRC and is owned as to 49% and 51% by Shanghai Jifeng and Beijing Horizon respectively. It is principally engaged in property investment and operating digital entertainment business. The major assets of T-Matrix are the Properties. It also owns an Internet Cafe Chain License (全國網吧連鎖企業認定證書) in the PRC to operate the digital entertainment business.

Financial information of the Disposed Group

Set out below is a summary of the consolidated financial information of the Disposed Group prepared in accordance with Hong Kong Financial Reporting Standards as extracted from the audited results of the Group for the each of the two years ended 31 March 2012 and 2013:

	For the year ended 31 March 2012 HK\$'000	For the year ended 31 March 2013 HK\$'000
Turnover	11,895	12,892
Other income	130	19
Profit before tax	3,480	8,131
(Loss)/Profit after tax	(2,433)	3,965

LETTER FROM THE BOARD

As at 31 March 2013, the consolidated net assets of the Disposed Group as extracted from the audited consolidated balance sheet of the Group were approximately HK\$143.4 million.

The adjusted net assets value of the Disposed Group of approximately HK\$153.2 million as at 31 March 2013 as mentioned in the above section headed “The Consideration” is arrived at as follows:

	As at 31 March 2013 <i>HK\$'million</i>
Consolidated net assets of the Disposed Group as extracted from the audited consolidated balance sheet of the Group	143.4
<i>Add:</i> Waiver of inter-company balances due to the Remaining Group	13.2
<i>Less:</i> Assets to be retained by the Remaining Group	<u>(3.4)</u>
Adjusted net assets value of the Disposed Group	<u><u>153.2</u></u>

INFORMATION ABOUT THE PROPERTIES

In 2007, the Group acquired the Properties for investment purpose and its office use in Beijing and afterwards, the Group leased out the Properties and the Properties have become the investment properties of the Group. They are situated at Units 1601-1603, 1605-1612, 1615-1623 and 1625-1626, on Level 16, No. 7 Jiaguo Mennei Dajie, Dongcheng District, Beijing, the PRC. Currently, the building that the Properties situated at is known as Bright China Chang An Building (光華長安大廈), which is a 21-storey office building including 4 basement levels and was completed in about 1996. The total gross floor area of the Properties is approximately 3,764.1 sq.m.. As 31 March 2013, the audited carrying value of the Properties was approximately HK\$190.3 million and based on the Valuation, the valuation of the Properties was approximately RMB154 million (equivalent to approximately HK\$192.5 million) as at 31 May 2013.

The Properties are currently leased to 10 tenants, which include banking, airline services, engineering and logistic companies for rental income, and has an occupancy rate of approximately 100% as at the Latest Practicable Date. The term of tenancies of the Properties is ranging from 5 months to 3 years.

LETTER FROM THE BOARD

Rental income, gain on changes in fair value and net profit or loss attributable to the Properties before and after taxation, which are calculated net of the government rates, management fee and all other outgoings, utility charges and improvements, as extracted from the audited results of the Group for each of the two years ended 31 March 2012 and 2013 were as follows:

	For the year ended 31 March 2012 HK\$'000	For the year ended 31 March 2013 HK\$'000
Rental income less outgoings	7,530	9,782
Gain on changes in fair value	14,375	13,842
Net profit/(loss) (excluding gain on changes in fair value)		
– before taxation	(493)	3,403
– after taxation	(493)	3,403

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in the manufacturing and sales of packaging products, operating digital entertainment business and property investment.

Over the past few years, the Group recorded unsatisfactory financial performance with loss making results, the management of the Group has been continuing to review the existing businesses and financial position of the Group from time to time and strives to improve the business operation and financial position of the Group.

On 24 May 2013, the Company announced that it has entered into a conditional sale and purchase agreement with Dato Poh Po Lian, the controlling shareholder of the Company, and Weike (G) Management Pte Ltd., a company wholly-owned by Dato Poh Po Lian, to acquire the entire equity interest in Weike (G) Management Macau Limited (“**Weike Macau**”) at a consideration of HK\$69 million (the “**Acquisition**”) to diversity into the business of management of the electronic gaming equipment. Subject to the completion of the Acquisition, the Group is prepared to devote sufficient resources to develop the new business with potential so as to generate new source of income.

LETTER FROM THE BOARD

Hence, the Directors consider that the Disposal presents a good opportunity for the Group to realise its investment in the Disposed Group and to provide considerable cash resources to the Group to increase its working capital and/or funding for developing the new business and financing the future funding needs of the Group.

Based on the above, the Directors (including the independent non-executive Directors) consider that the entering into and the terms of the Disposal Agreement and transactions contemplated thereunder are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

Immediately after Completion, the Remaining Group will still be principally engaged in the manufacturing and sales of packaging products. As at the Latest Practicable Date, save for the Acquisition, the Board has no present intention, negotiation or arrangement or undertaking to dispose of or cease or curtail the Group's packaging products business or to acquire new business. Nevertheless, the Board will continue to explore any investment opportunities in order to expand and/or diversify the Group's business for the benefit of the Shareholders.

USE OF PROCEEDS FROM THE DISPOSAL

The net proceeds from the Disposal to be received by the Group is approximately HK\$136.8 million, which is arrived at after deducting the estimated professional fees and other relevant expenses of approximately HK\$0.7 million relating to the Disposal. The Group intends to apply (i) approximately HK\$50 million for expansion of the business of Weike Macau upon completion of the Acquisition (the "**Fund**"), (ii) approximately HK\$20.6 million for repayment of the Idea Sino Convertible Notes and the accrued interest which is due on 6 August 2013; and (iii) the remaining proceeds for the general working capital of the Group. If the Acquisition is not materialised, the Group intends to apply the Fund for general working capital of the Group and/or for other investment(s) as the Board considers appropriate.

As at 31 March 2013, the Group recorded audited total assets of approximately HK\$240.9 million, including bank and cash balances of approximately HK\$28.8 million. It is estimated that the Remaining Group would have total assets amounting to approximately HK\$165.2 million immediately upon Completion and repayment of the Idea Sino Convertible Notes of HK\$20.6 million, among which the cash retained by the Remaining Group immediately upon Completion is estimated to be approximately HK\$145 million. The percentage of cash to total assets would then be approximately 87.8% immediately upon Completion.

LETTER FROM THE BOARD

As (i) the Company's assets will not consist wholly or substantially of cash immediately upon Completion, which includes assets retained under the packaging products business segment; (ii) the cash will be applied for expansion of the business of Weike Macau; (iii) fixed assets of the Group are expected to increase upon completion of the Acquisition; and (iv) the Company will repay the Idea Sino Convertible Notes on or before 6 August 2013, the Directors are of the view that, immediately after the Disposal, the Company will not be a "cash company" as described under Rule 14.82 of the Listing Rules.

FINANCIAL EFFECTS OF THE DISPOSAL

Following Completion, members of the Disposal Group will cease to be the wholly-owned subsidiaries of the Company. As a result, the financials of the Disposal Group will be excluded from the consolidated financial statements of the Group subsequent to Completion.

For illustration purpose, an expected gain of approximately HK\$12.5 million (being the amount by which the Consideration adds the reclassification of exchange reserve of approximately HK\$27.9 million (the "**Reclassification**") and non-controlling interests of HK\$1 million and deducts (i) the estimated transaction costs of approximately HK\$0.7 million; and (ii) the adjusted net assets value of the Disposed Group of approximately HK\$153.2 million as at 31 March 2013) is expected to arise from the Disposal. The Reclassification represents the reclassification of the cumulative amount of the exchange differences relating to the Disposed Group from equity to profit or loss when the expected gain on the disposal is recognised, which is adopted in accordance with paragraph 48 of the Hong Kong Accounting Standard 21.

Shareholders should note that the actual gain from the Disposal will be calculated on the basis of the relevant figures as at the date of Completion and subject to audit and therefore would be different from the aforementioned amount.

Based on the unaudited pro forma financial information of the Remaining Group as set out in Appendix III to this circular, the financial effects of the Disposal on the Group are as follows:

- (1) the Group's total assets would have decreased by approximately HK\$55.1 million from approximately HK\$240.9 million to approximately HK\$185.8 million as if the Disposal had been completed on 31 March 2013;

LETTER FROM THE BOARD

- (2) the Group's total liabilities would have decreased by approximately HK\$38.7 million from approximately HK\$70.3 million to approximately HK\$31.6 million as if the Disposal had been completed on 31 March 2013; and
- (3) the Group's consolidated loss for the year ended 31 March 2013 would have decreased by approximately HK\$24.6 million from approximately HK\$65.2 million to approximately HK\$40.6 million as if the Disposal had been completed on 1 April 2012.

The unaudited pro forma financial information of the Remaining Group is for illustrative purpose only, based on the judgments and assumptions of the Directors, and because of its hypothetical nature, does not purport to represent the true picture of the financial position of the Group as at 31 March 2013 or at any future date had the Disposal been completed on 31 March 2013 or the financial results and cash flows of the Group for the year ended 31 March 2013 or for any future period had the Disposal been completed on 1 April 2012.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Disposal are 75% or more, the Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, publication and shareholders' approval requirements under Chapter 14 of the Listing Rules. The Board is satisfied that taking into account of the net proceeds from the Disposal, the Remaining Group will not become a cash company within the meaning of the Listing Rules upon Completion.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Shareholder has a material interest in the Disposal. Accordingly, no Shareholder is required to abstain from voting in respect of the resolution to approve the Disposal, the Disposal Agreement and the transactions contemplated thereunder at the SGM.

LETTER FROM THE BOARD

SGM

The SGM will be held for the purpose of considering and, if thought fit, approving the Disposal Agreement and the transactions contemplated thereunder. A notice convening the SGM to be held at 6/F. – Tin Hau Function Room, L'hotel Causeway Bay Harbour View Hong Kong, 18 King's Road, Causeway Bay, Hong Kong on 9 August 2013, Friday, at 11:30 a.m. is set out on pages 61 and 62 of this circular. A form of proxy is also enclosed herewith. Whether or not you are able to attend the SGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM, or any adjournment thereof, should you so wish.

RECOMMENDATION

The Directors consider that the Disposal Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM.

GENERAL

Your attention is also drawn to the information set out in the appendices to this circular.

Yours faithfully,
C Y Foundation Group Limited
Sneah Kar Loon
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group (i) for the year ended 31 March 2013 has been disclosed on pages 29 to 106 of the annual report of the Company for the year ended 31 March 2013; (ii) for the year ended 31 March 2012 has been disclosed on pages 24 to 110 of the annual report of the Company for the year ended 31 March 2012; and (iii) for the year ended 31 March 2011 has been disclosed on pages 33 to 138 of the annual report of the Company for the year ended 31 March 2011. All the above reports of the Company have been published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.cyfoundation.com>).

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 May 2013, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had total unsecured outstanding borrowings in respect of the unsecured Idea Sino Convertible Notes of approximately HK\$20,174,000.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of the business, as at the close of business on 31 May 2013, the Group did not have other outstanding mortgages, charges, debentures or other loan capital, bank overdrafts or loans, other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or other material contingent liabilities.

3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2013, the date on which the latest published audited consolidated financial statements of the Company were made up.

4. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that taking into account of the financial resources available to the Group including the Group's internally generated funds, the currently available facilities, the estimated net proceeds generated from the Disposal and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its present requirements, that is for at least the next twelve months from the date of this circular.

5. MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS AND OPERATIONS OF THE REMAINING GROUP

The Remaining Group made is principally engaged in the manufacturing and sale of packaging products.

Set out below is the management discussion and analysis on the Remaining Group.

(i) For the financial year ended 31 March 2013

Financial Results

For the financial year ended 31 March 2013, the Remaining Group's revenue, which was mainly generated by Kingbox (Asia) Limited, a wholly-owned subsidiary of the Company ("Kingbox") principally engaged in the manufacture and sales of packaging products, has significantly decreased by 62.7% from HK\$144.9 million to HK\$54 million. The Remaining Group recorded a loss of HK\$69.2 million for the year ended 31 March 2013, representing a slight decrease in net loss of approximately 4.4% from that of the previous year. The substantial decrease in revenue for the Remaining Group were mainly affected by the factors of (i) the economic downturn in Europe, and (ii) the appreciation of the RMB and the increase in labour cost which put a squeeze on the operating margin of the Remaining Business. The slight decrease in net loss for the Remaining Group during the period was mainly due to decrease in the impairment provision on the goodwill arising from acquisition of the Kingbox in 2008 compared to that had been made in the previous period. In addition, the Group has launched a series of cost control measures to reduce expenses incurred by the Remaining Group.

Liquidity, financial resources and foreign currency exposure

At 31 March 2013, the Remaining Group had a liability component of the unsecured convertible notes of approximately HK\$19.7 million. The convertible notes will be matured in August 2013.

The gearing ratio of loans against the total equity as at 31 March 2013 was 64.6%. As the majority of bank deposits and cash on hand were denominated in Hong Kong dollars, Renminbi, and US dollars, the Remaining Group's exchange risk exposure depended on the movement of the exchange rate of the aforesaid currencies.

Material acquisitions, disposal and significant investment

The Remaining Group did not have any material acquisition, disposal and significant investment in subsidiaries and affiliated companies during the year ended 31 March 2013.

Employees and remuneration policy

The Remaining Group employed 495 permanent employees as at 31 March 2013, including 29 employees in Hong Kong and 466 in the PRC. The Remaining Group continued to review the remuneration packages of employees with reference to the level and composition of pay, general market condition and individual performance. Staff benefits include contribution to Mandatory Provident Fund Scheme and discretionary bonus, share option scheme, medical allowance and hospitalization scheme and housing allowance.

Pledge of assets

As at 31 March 2013, no asset was pledged to secure borrowings of the Remaining Group.

Capital and other commitments

As at 31 March 2013, there was a lease commitment of HK\$2.3 million which was payable within five years.

Business review and outlook

Over the past few years, the Remaining Group recorded unsatisfactory financial performance with loss making results. The Company resumed trading in its Shares on the Stock Exchange on 17 July 2012. The management of the Group has been reviewing the existing businesses of the Remaining Group from time to time and strives to improve the business operation and financial position of the Remaining Group. It has been the business strategy of the Remaining Group to proactively seek potential investment opportunities in order to enhance the return to the Shareholders.

In this connection, the Remaining Group has signed a sale and purchase agreement and conditionally agreed to acquire the entire equity interest of Weike Macau, which is principally engaged in the management of electronic gaming equipment in Macau. The management expects that Weike Macau would bring a positive cash inflow and profit to the Remaining Group.

(ii) For the financial year ended 31 March 2012

Financial results

For the financial year ended 31 March 2012, the revenue of the Remaining Group was slightly increased by 1.1% from HK\$143.3 million for the previous period to HK\$144.9 million, while it recorded a loss of HK\$72.4 million for the corresponding period. During the period, the Remaining Business has been negatively affected by the economic downturn in Europe and the weakening of the Euro given substantial amount of the revenue of the Remaining Group were generated from Europe and denominated in Euro. In addition, a number of key staff left the Group during the period, which also affected the operation of the Remaining Group. Furthermore, the appreciation of RMB increased the operating costs of the Remaining Group. Despite the Remaining Group being adversely affected by the aforesaid negative factors, under the relentless effort of the new management, the revenue of the Remaining Group remained at similar level.

However, the management expected that the economic downturn in Europe would bring a persistent negative effect to the Remaining Group. An impairment of the goodwill of HK\$40.8 million was recognized for the year. As a result, the Remaining Group recorded a loss of HK\$72.4 million for the year ended 31 March 2012.

Liquidity, financial resources and foreign currency exposure

As at 31 March 2012, the Remaining Group's bank and other borrowings were HK\$15.3 million, all are payable within one year or contain a repayment on demand clause. The Remaining Group's bank borrowings are mainly denominated in Hong Kong dollars and granted with interest bearing at a floating rate basis. The other borrowing is interest bearing at a rate of 5% per annum.

The gearing ratio of loans against the total equity as at 31 March 2012 was 26.3%. As the majority of bank deposits and cash on hand were denominated in Hong Kong dollars, Renminbi, US dollars and Euros, the Group's exchange risk exposure depended on the movement of the exchange rate of the aforesaid currencies.

Material acquisitions, disposal and significant investment

The Remaining Group did not have any material acquisition, disposal and significant investment in subsidiaries and affiliated companies during the year ended 31 March 2012.

Employees and remuneration policy

The Remaining Group employed 1,026 permanent employees as at 31 March 2012, including 39 employees in Hong Kong and 987 in the PRC. The Remaining Group continued to review the remuneration packages of employees with reference to the level and composition of pay, general market condition and individual performance. Staff benefits include contribution to Mandatory Provident Fund Scheme and discretionary bonus, share option scheme, medical allowance and hospitalization scheme and housing allowance.

Pledge of assets

As at 31 March 2012, the Remaining Group's borrowings are secured by a share charge over the entire issued share capital of a wholly-owned subsidiary of the Company and the leasehold properties.

Capital and other commitments

As at 31 March 2012, there was a lease commitment of HK\$20.3 million of which, HK\$0.6 million was payable over five years and all remaining balance were repayable in five years.

Business review and outlook

During the year, the management continued to work proactively on the resumption of trading of the Company's shares on the Stock Exchange. When the resumption was approved by the Stock Exchange, the management would consider acquiring additional capital to strengthen its financial base.

Facing with the challenging business and market environment, the management would continue to adopt stringent cost control measures and to manage the Company's financial position in a prudent manner. The management would also put its best effort to explore ways to expand and/or turnaround the Remaining Group's existing businesses so as to enhance the value of the Remaining Group.

(iii) For the financial year ended 31 March 2011***Financial results***

For the financial year ended 31 March 2011, the Remaining Group's revenue was increased by approximately 37.9% from approximately HK\$103.9 million for the previous period to approximately HK\$143.3 million. The Remaining Group recorded at a loss of approximately HK\$285.8 million for the year ended 31 March 2011. The increase in revenue was mainly due to the growth in business volume of the packaging product business. However, the huge loss recorded by the Remaining Group for the year ended 31 March 2011 was mainly attributable to change in fair value of convertible note receivables and impairment on various assets and investments.

Liquidity, financial resources and foreign currency exposure

As at 31 March 2011, The Remaining Group's bank loans were approximately HK\$6.2 million, all are payable within one year or contain a repayment on demand clause. The Remaining Group's bank loans are mainly denominated in Hong Kong dollars and granted on a floating rate basis.

The gearing ratio of interest bearing loans against the total equity as at 31 March 2011 was 4.3%. As the majority of bank deposits and cash on hand were denominated in Australian dollars, Renminbi, Euros and Hong Kong dollars, the Remaining Group's exchange risk exposure depended on the movement of the exchange rate of the aforesaid currencies.

Material acquisitions, disposal and significant investment

The Remaining Group did not have any material acquisition, disposal and significant investment in subsidiaries and affiliated companies during the year ended 31 March 2011.

Employees and remuneration policy

The Remaining Group employed 1,814 permanent employees as at 31 March 2011, including 59 employees in Hong Kong and 1,755 in the PRC. The Remaining Group continued to review the remuneration packages of employees with reference to the level and composition of pay, general market condition and individual performance. Staff benefits include contribution to Mandatory Provident Fund Scheme and discretionary bonus, share option scheme, medical allowance and hospitalization scheme and housing allowance.

Pledge of assets

As at 31 March 2011, the Remaining Group's banking facilities were secured by pledged bank deposits and held-to-maturity investment of approximately HK\$2.4 million and HK\$2 million respectively.

Capital and other commitments

As at 31 March 2011, there was a lease commitment of HK\$28.4 million of which, HK\$1.1 million was payable over five years and all remaining balance was repayable in five years.

Business review and outlook

During the year, the management was working aggressively on the resumption of trading of the Company's shares on the Stock Exchange. If the resumption was successful, the management would consider acquiring additional capital to strengthen its financial base.

Other than its existing core business, the management would continue to put its best effort to explore new businesses to enhance the value of the Group; to keep operating expenses at the minimum level and to maintain resources for future developments.

Set out below are the unaudited consolidated statements of financial position of Expert Global Investments Limited (“**Expert Global**”) and its subsidiaries (the “**Disposal Group**”) as at 31 March 2011, 2012 and 2013, and the unaudited consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Disposal Group for each of the three years ended 31 March 2013 (the “**Relevant Periods**”) and explanatory notes, which have been reviewed by the Company’s auditor, ANDA CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” and with reference to Practice Note 750 “Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal” issued by the Hong Kong Institute of Certified Public Accountants.

FINANCIAL INFORMATION

A. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the year ended 31 March		
	2011	2012	2013
	HK\$'000	HK\$'000	HK\$'000
Turnover	7,037	11,895	12,892
Cost of sales	<u>(1,434)</u>	<u>(1,367)</u>	<u>(1,446)</u>
Gross profit	5,603	10,528	11,446
Other income	758	130	19
Administrative expenses	<u>(31,609)</u>	<u>(18,639)</u>	<u>(14,525)</u>
Loss from operations	(25,248)	(7,981)	(3,060)
Change in fair value of investment properties	36,080	14,375	13,842
Impairment of various assets	(15,382)	–	(2,651)
Property, plant and equipment written off	<u>(3,933)</u>	<u>(2,914)</u>	<u>–</u>
(Loss)/profit before tax	(8,483)	3,480	8,131
Income tax	<u>(10,081)</u>	<u>(5,913)</u>	<u>(4,166)</u>
(Loss)/profit for the year	(18,564)	(2,433)	3,965

APPENDIX II

**UNAUDITED FINANCIAL INFORMATION
OF THE DISPOSED GROUP**

	For the year ended 31 March		
	2011	2012	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Other comprehensive income:			
Change in fair value of owner-occupied properties when transferred to investment properties	3,363	25,956	–
Exchange differences on translating foreign operations	2,113	9,642	260
Income tax relating to components of other comprehensive income	(841)	(6,489)	–
	<u>4,635</u>	<u>29,109</u>	<u>260</u>
Total other comprehensive income for the year, net of tax			
	<u>4,635</u>	<u>29,109</u>	<u>260</u>
Total comprehensive (loss)/income for the year	<u>(13,929)</u>	<u>26,676</u>	<u>4,225</u>
(Loss)/profit for the year attributable to:			
Owners of Expert Global	(17,176)	(1,168)	3,968
Non-controlling interests	(1,388)	(1,265)	(3)
	<u>(18,564)</u>	<u>(2,433)</u>	<u>3,965</u>
Total comprehensive (loss)/income for the year attributable to:			
Owners of Expert Global	(12,608)	27,869	4,223
Non-controlling interests	(1,321)	(1,193)	2
	<u>(13,929)</u>	<u>26,676</u>	<u>4,225</u>

APPENDIX II**UNAUDITED FINANCIAL INFORMATION
OF THE DISPOSED GROUP****B. CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	As at 31 March		
	2011	2012	2013
	HK\$'000	HK\$'000	HK\$'000
Non-current assets			
Investment properties	110,937	175,752	190,329
Property, plant and equipment	24,008	1,486	801
Intangible assets	333	338	–
	<u>135,278</u>	<u>177,576</u>	<u>191,130</u>
Current assets			
Trade and other receivables	1,790	2,411	1,746
Due from fellow subsidiaries	–	726	–
Bank and cash balances	3,004	4,342	2,404
	<u>4,794</u>	<u>7,479</u>	<u>4,150</u>
Current liabilities			
Trade and other payables	4,177	14,150	6,455
Due to the ultimate holding company	–	3,756	12,156
Due to fellow subsidiaries	8,432	–	1,020
Current tax liabilities	2	–	–
	<u>12,611</u>	<u>17,906</u>	<u>19,631</u>
Net current liabilities	<u>(7,817)</u>	<u>(10,427)</u>	<u>(15,481)</u>
Total assets less current liabilities	<u>127,461</u>	<u>167,149</u>	<u>175,649</u>
Non-current liabilities			
Deferred tax liabilities	14,929	27,941	32,216
NET ASSETS	<u>112,532</u>	<u>139,208</u>	<u>143,433</u>
Capital and reserves			
Share capital	1	1	1
Reserves	110,232	138,101	142,324
Equity attributable to owners of Expert Global	110,233	138,102	142,325
Non-controlling interests	2,299	1,106	1,108
TOTAL EQUITY	<u>112,532</u>	<u>139,208</u>	<u>143,433</u>

APPENDIX II

**UNAUDITED FINANCIAL INFORMATION
OF THE DISPOSED GROUP**

C. CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to the owners of Expert Global								
	Share capital	Statutory surplus reserve	Capital reserve	Assets revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 April 2010	1	(555)	195,000	684	15,974	(88,263)	122,841	1,264	124,105
Total comprehensive income/(loss) for the year	-	-	-	2,522	2,046	(17,176)	(12,608)	(1,321)	(13,929)
Capital contribution by non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	2,356	2,356
At 31 March 2011 and 1 April 2011	1	(555)	195,000	3,206	18,020	(105,439)	110,233	2,299	112,532
Total comprehensive income/(loss) for the year	-	-	-	19,467	9,570	(1,168)	27,869	(1,193)	26,676
At 31 March 2012 and 1 April 2012	1	(555)	195,000	22,673	27,590	(106,607)	138,102	1,106	139,208
Total comprehensive income for the year	-	-	-	-	255	3,968	4,223	2	4,225
At 31 March 2013	1	(555)	195,000	22,673	27,845	(102,639)	142,325	1,108	143,433

D. CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended 31 March		
	2011	2012	2013
	HK\$'000	HK\$'000	HK\$'000
Cash flows from operating activities			
(Loss)/profit before tax	(8,483)	3,480	8,131
Adjustments for:			
Interest income	(164)	(11)	(13)
Amortisation of intangible assets	621	7	7
Depreciation of property, plant and equipment	4,317	874	769
Change in fair value of investment properties	(36,080)	(14,375)	(13,842)
Impairment of intangible assets	14,159	–	331
Impairment of other receivables, deposits and prepayments	1,223	–	1,861
Impairment of property, plant and equipment	–	–	459
Property, plant and equipment written off	3,933	2,914	–
Operating cash flows before working capital changes	(20,474)	(7,111)	(2,297)
Change in trade and other receivables	4,530	(556)	(1,185)
Change in trade and other payables	(338)	9,819	(7,754)
Change in due from fellow subsidiaries	–	(726)	726
Change in due to the ultimate holding company	–	3,756	8,384
Change in due to fellow subsidiaries	(13,636)	(8,743)	1,020
Cash used in operations	(29,918)	(3,561)	(1,106)
PRC enterprise income tax paid	(8)	(8)	(8)
Net cash used in operating activities	(29,926)	(3,569)	(1,114)

APPENDIX II**UNAUDITED FINANCIAL INFORMATION
OF THE DISPOSED GROUP**

	For the year ended 31 March		
	2011	2012	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Cash flows from investing activities			
Purchase of property, plant and equipment	(1,202)	(663)	(383)
Interest received	<u>164</u>	<u>11</u>	<u>13</u>
Net cash used in investing activities	(1,038)	(652)	(370)
Cash flows from financing activities			
Capital contribution from non-controlling shareholders of a subsidiary	<u>2,356</u>	<u>–</u>	<u>–</u>
Net cash generated from financing activities	<u>2,356</u>	<u>–</u>	<u>–</u>
Net decrease in cash and cash equivalents	(28,608)	(4,221)	(1,484)
Cash and cash equivalents at beginning of year	33,466	3,004	4,342
Effect of changes in foreign exchange rate	<u>(1,854)</u>	<u>5,559</u>	<u>(454)</u>
Cash and cash equivalents at end of year, represented by			
Bank and cash balances	<u><u>3,004</u></u>	<u><u>4,342</u></u>	<u><u>2,404</u></u>

NOTES TO THE FINANCIAL INFORMATION**1. General**

On 18 June 2013, C Y Foundation Group Limited (the “**Company**”) entered into the conditional sale and purchase agreement for the disposal of the entire equity interest in Expert Global to Sansheng (China) Limited, an independent third party, at a consideration of RMB110 million (equivalent to approximately HK\$137.5 million) (the “**Disposal**”). Upon completion of the Disposal, members of the Disposal Group will cease to be subsidiaries of the Company.

2. Basis of preparation of the unaudited financial information

The unaudited financial information of the Disposal Group has been prepared in accordance with Rule 14.68(2)(a)(i)(A) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and is solely for the purpose of inclusion in the circular issued by the Company in connection with the Disposal.

The amounts included in the unaudited financial information for each of the three years ended 31 March 2013 have been recognised and measured in accordance with the relevant accounting policies of the Company and its subsidiaries adopted in the preparation of the Company’s annual consolidated financial statements, which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

The unaudited financial information does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard 1 “Presentation of Financial Statements” or an interim financial report as defined in Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and should be read in conjunction with the Company’s annual consolidated financial statements.

Prior to the incorporation of Expert Global on 5 May 2011 and up to 12 March 2012, CYC Investments Limited (“CYC”), a former wholly-owned subsidiary of the Company, was the immediate holding company of the Hainan Treasure Way Enterprises Limited (“**Hainan Treasure**”) and its subsidiaries, which are subsidiaries of the Disposal Group. On 13 March 2012, the board of directors of CYC resolved to transfer its entire equity interest in Hainan Treasure to Expert Global at a consideration of US\$25,000,000 (equivalent to approximately HK\$195,000,000), representing the entire paid-in capital of Hainan Treasure (the “**Transfer**”). On 31 March 2012, pursuant to a loan forfeiture agreement entered into between Expert Global and CYC, the said consideration of HK\$195,000,000 payable to CYC by Expert Global was fully released and completely waived (the “**Waiver**”). Following the completion of the Transfer and the Waiver, in substance, the Company transferred its entire indirect interests in Hainan Treasure within group entities under the common control of the Company. As a consequence, Expert Global has replaced CYC as the immediate holding company of Hainan Treasure (the “**Disposal Group Reorganisation**”) since 13 March 2012.

The Company owns and controls the companies now comprising the Disposal Group before and after the Disposal Group Reorganisation. Accordingly, the Disposal Group Reorganisation has been accounted for as a reorganisation of entities under common control transaction in a manner similar to a uniting of interests. The unaudited financial information of the Disposal Group includes the combined financial position, results and cash flows of the companies now comprising the Disposal Group as if the existing group structure had been in existence throughout the Relevant Periods, or since the date when the combining entities first came under the common control, or since the respective dates of incorporation/establishment, whichever is the shorter period.

The relevant assets and liabilities of the companies comprising the Disposal Group have been recognised at the carrying amounts as previously reported in the consolidated financial statements of the Company. Upon transfer of interest in an entity to another entity that are under the common control of the Company that controls the Disposal Group, any difference between the Company’s interest in the carrying amounts of the assets and liabilities and the cost of transfer of interest in Expert Global was treated as the equity transaction and directly recognised in the consolidated statements of changes in equity of the Disposal Group.



**INDEPENDENT REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
C Y FOUNDATION GROUP LIMITED**
(Incorporated in Bermuda with limited liability)

Introduction

We have reviewed the financial information of Expert Global Investments Limited and its subsidiaries (the “**Disposal Group**”) set out on pages 23 to 30 which comprises the consolidated statements of financial position as at 31 March 2011, 2012 and 2013 and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years ended 31 March 2013 (the “**Relevant Periods**”) and explanatory notes. The financial information has been prepared solely for the purpose of inclusion in the circular issued by C Y Foundation Group Limited (the “**Company**”) dated 18 July 2013 in connection with the disposal of the Disposal Group in accordance with the Rule 14.68(2)(a)(i)(A) of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The directors of the Company are responsible for the preparation and presentation of the financial information of the Disposal Group in accordance with the basis of preparation set out in note 2 to the financial information and Rule 14.68(2)(a)(i)(A) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The directors are also responsible for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error. The financial information does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard 1 “Presentation of Financial Statements” or an interim financial report as defined in Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on this financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” and with reference to Practice Note 750 “Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal” issued by the Hong Kong Institute of Certified Public Accountants. A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial information of the Disposal Group for the Relevant Periods is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2 to the financial information.

ANDA CPA Limited

Certified Public Accountants

Sze Lin Tang

Practising Certificate Number P03614

Hong Kong, 18 July 2013

**A. INTRODUCTION TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

The accompanying unaudited pro forma financial information of the Remaining Group has been prepared to illustrate the effect of the proposed disposal of the 100% equity interest in Expert Global Investments Limited (the “**Disposal**”) might have affected the financial information of the Group.

The unaudited pro forma consolidated statement of comprehensive income and consolidated statement of cash flows of the Remaining Group for the year ended 31 March 2013 are prepared based on the audited consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year ended 31 March 2013 as extracted from the annual report of the Company for the year ended 31 March 2013 as if the Disposal had been completed on 1 April 2012.

The unaudited pro forma consolidated statement of financial position of the Remaining Group as at 31 March 2013 is prepared based on the audited consolidated statement of financial position of the Group as at 31 March 2013 as extracted from the annual report of the Company for the year ended 31 March 2013 as if the Disposal had been completed on 31 March 2013.

The unaudited pro forma financial information of the Remaining Group is prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the unaudited pro forma financial information of the Remaining Group, it may not give a true picture of the actual financial position, results of operation or cash flows of the Remaining Group that would have been attained had the Disposal actually occurred on the dates indicated herein. Furthermore, the unaudited pro forma financial information of the Remaining Group does not purport to predict the Remaining Group’s future financial position, results of operation or cash flows.

The unaudited pro forma financial information of the Remaining Group should be read in conjunction with the financial information of the Group as set out in Appendix II and other financial information included elsewhere in this circular.

**B. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME OF THE REMAINING GROUP**

	The Group For the year ended 31 March 2013 <i>HK\$'000</i> <i>Note 1</i>	Pro forma adjustments <i>HK\$'000</i> <i>Note 2</i> <i>HK\$'000</i> <i>Note 3</i>		The Remaining Group For the year ended 31 March 2013 <i>HK\$'000</i>
Turnover	66,894	(12,892)	–	54,002
Cost of sales	(55,347)	1,446	–	(53,901)
Gross profit	11,547	(11,446)	–	101
Other income	12,174	(19)	–	12,155
Selling and distribution costs	(1,484)	–	–	(1,484)
Administrative expenses	(61,863)	14,525	–	(47,338)
Loss from operations	(39,626)	3,060	–	(36,566)
Change in fair value of investment properties	13,842	(13,842)	–	–
Gain on disposal of Disposal Group	–	–	28,572	28,572
Impairment of goodwill	(15,138)	–	–	(15,138)
Impairment of various assets	(16,558)	2,651	–	(13,907)
Property, plant and equipment written off	(1,500)	–	–	(1,500)
Finance costs	(2,090)	–	–	(2,090)
Loss before tax	(61,070)	(8,131)	28,572	(40,629)
Income tax	(4,136)	4,166	–	30
Loss for the year	(65,206)	(3,965)	28,572	(40,599)
Other comprehensive income:				
Exchange differences on translating foreign operations	260	(260)	–	–
Foreign currency translation reserve reclassified to profit or loss upon disposal of Disposal Group	–	–	(27,590)	(27,590)
Total other comprehensive income/(loss) for the year, net of tax	260	(260)	(27,590)	(27,590)
Total comprehensive loss for the year	(64,946)	(4,225)	982	(68,189)

C. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION OF THE REMAINING GROUP

	The Group				The Remaining
	At 31				Group
	March 2013				At 31
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	March 2013
Note 1	Note 4	Note 5	Note 6	HK\$'000	
Non-current assets					
Investment properties	190,329	(190,329)	–	–	–
Property, plant and equipment	3,250	(801)	383	–	2,832
	<u>193,579</u>	<u>(191,130)</u>	<u>383</u>	<u>–</u>	<u>2,832</u>
Current assets					
Inventories	4,813	–	–	–	4,813
Trade and other receivables	13,732	(1,746)	589	–	12,575
Due from Disposal Group	–	13,176	–	(13,176)	–
Bank and cash balances	28,754	(2,404)	2,404	136,800	165,554
	<u>47,299</u>	<u>9,026</u>	<u>2,993</u>	<u>123,624</u>	<u>182,942</u>
Current liabilities					
Trade and other payables	18,292	(6,455)	–	–	11,837
Convertible notes	19,718	–	–	–	19,718
Current tax liabilities	94	–	–	–	94
	<u>38,104</u>	<u>(6,455)</u>	<u>–</u>	<u>–</u>	<u>31,649</u>
Net current assets	<u>9,195</u>	<u>15,481</u>	<u>2,993</u>	<u>123,624</u>	<u>151,293</u>
Total assets less current liabilities	<u>202,774</u>	<u>(175,649)</u>	<u>3,376</u>	<u>123,624</u>	<u>154,125</u>
Non-current liabilities					
Deferred tax liabilities	32,216	(32,216)	–	–	–
NET ASSETS	<u>170,558</u>	<u>(143,433)</u>	<u>3,376</u>	<u>123,624</u>	<u>154,125</u>
Capital and reserves					
Share capital	10,453	–	–	–	10,453
Reserves	158,997	–	–	(15,325)	143,672
Equity attributable to owners of the Company	169,450	–	–	(15,325)	154,125
Non-controlling interests	1,108	–	–	(1,108)	–
TOTAL EQUITY	<u>170,558</u>	<u>–</u>	<u>–</u>	<u>(16,433)</u>	<u>154,125</u>

D. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF CASH FLOWS OF
THE REMAINING GROUP

	The Group For the year ended 31 March 2013 <i>HK\$'000</i> <i>Note 1</i>	Pro forma adjustments <i>HK\$'000</i> <i>Note 7</i> <i>HK\$'000</i> <i>Note 3</i>		The Remaining Group For the year ended 31 March 2013 <i>HK\$'000</i>
Cash flows from operating activities				
Loss before tax	(61,070)	(8,131)	28,572	(40,629)
Adjustments for:				
Gain on disposal of Disposal Group	–	–	(28,572)	(28,572)
Finance costs	2,090	–	–	2,090
Equity-settled share-based payment	1,183	–	–	1,183
Interest income	(225)	13	–	(212)
Amortisation of intangible assets	7	(7)	–	–
Depreciation of property, plant and equipment	2,924	(769)	–	2,155
Changes in fair value of investment properties	(13,842)	13,842	–	–
Impairment of various assets	16,558	(2,651)	–	13,907
Impairment of goodwill	15,138	–	–	15,138
Gain on disposal of property, plant and equipment	(11,118)	–	–	(11,118)
Property, plant and equipment written off	1,500	–	–	1,500
Operating cash flows before working capital changes	(46,855)	2,297	–	(44,558)
Change in inventories	2,828	–	–	2,828
Change in trade and other receivables	4,730	1,185	–	5,915
Change in trade and other payables	(12,113)	7,754	–	(4,359)
Cash used in operations	(51,410)	11,236	–	(40,174)
PRC enterprise income tax paid	(279)	8	–	(271)
Net cash used in operating activities	(51,689)	11,244	–	(40,445)

APPENDIX III
**UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

	The Group For the year ended 31 March 2013 <i>HK\$'000</i> <i>Note 1</i>	Pro forma adjustments <i>HK\$'000</i> <i>Note 7</i> <i>HK\$'000</i> <i>Note 3</i>		The Remaining Group For the year ended 31 March 2013 <i>HK\$'000</i>
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,788)	383	–	(2,405)
Interest received	225	(13)	–	212
Proceeds from disposal of property, plant and equipment	24,412	–	–	24,412
Net cash inflow from disposal of Disposal Group	–	–	136,800	136,800
Net cash generated from investing activities	<u>21,849</u>	<u>370</u>	<u>136,800</u>	<u>159,019</u>
Cash flows from financing activities				
Repayment of bank and other borrowings	(15,305)	–	–	(15,305)
Interest paid	(245)	–	–	(245)
Issue of shares	34,843	–	–	34,843
Issue of convertible notes	20,000	–	–	20,000
Net cash generated from financing activities	<u>39,293</u>	<u>–</u>	<u>–</u>	<u>39,293</u>
Net increase in cash and cash equivalents	9,453	11,614	136,800	157,867
Cash and cash equivalents at beginning of year	19,725	–	–	19,725
Effect of changes in foreign exchange rate	(424)	454	–	30
Cash and cash equivalents at end of year, represented by				
Bank and cash balances	<u>28,754</u>	<u>12,068</u>	<u>136,800</u>	<u>177,622</u>

E. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

1. Figures are extracted from the audited consolidated financial statements of the Company as set out in the annual report of the Company for the year ended 31 March 2013.
2. These adjustments represent the exclusion of the operating results of the Disposal Group for the year ended 31 March 2013 as if the Disposal had been completed on 1 April 2012. Figures are extracted from financial information of this circular in Appendix II.
3. These adjustments reflect the proforma gain and net cash inflows arising on the disposal of the Disposal Group, assuming the Disposal had been taken place on 1 April 2012:

	At 1 April 2012 <i>HK\$'000</i>
Net assets of the Disposal Group	139,208
<i>Less:</i> Assets of the Disposal Group to be retained by the Remaining Group (<i>i</i>)	(5,314)
<i>Add:</i> Waiver of net amounts due from the Disposal Group	3,030
Adjusted net assets of the Disposal Group	136,924
Release of foreign currency translation reserve attributable to the Disposal Group	(27,590)
Release of non-controlling interests of the Disposal Group	(1,106)
Direct costs relating to the Disposal	700
Gain on disposal of Disposal Group	28,572
Total cash consideration of RMB110 million (equivalent to approximately HK\$137.5 million)	137,500

HK\$'000

Net cash inflow arising on the Disposal:	
Cash consideration of RMB110 million received	137,500
Cash paid for direct costs	<u>(700)</u>
	<u>136,800</u>

(i) Assets of Disposal Group to be retained by the Remaining Group

HK\$'000

Property, plant and equipment	383
Trade and other receivables	589
Bank and cash balances	<u>4,342</u>
	<u>5,314</u>

4. These adjustments represent disposal of net assets of the Disposal Group as at 31 March 2013 as if the Disposal had been completed on 31 March 2013. Figures are extracted from financial information of this circular in Appendix II.
5. These adjustments represent the assets of the Disposal Group as at 31 March 2013 to be retained by the Remaining Group as if the Disposal had been completed on 31 March 2013.

Assets of Disposal Group to be retained by the Remaining Group is as follow:

HK\$'000

Property, plant and equipment	383
Trade and other receivables	589
Bank and cash balances	<u>2,404</u>
	<u>3,376</u>

6. The adjustment represents the proforma gain and new cash inflow arising on the disposal of the Disposal Group, assuming the Disposal had been taken place on 31 March 2013.

	At 31 March 2013 HK\$'000
Net assets of the Disposal Group	143,433
<i>Less:</i> Assets of the Disposal Group to be retained by the Remaining Group (<i>note 5</i>)	(3,376)
<i>Add:</i> Waiver of net amounts due from the Disposal Group	<u>13,176</u>
Adjusted net assets of the Disposal Group	153,233
Release of foreign currency translation reserve attributable to the Disposal Group	(27,845)
Release of non-controlling interests of the Disposal Group	(1,108)
Direct costs relating to the Disposal	700
Gain on disposal of the Disposal Group	<u>12,520</u>
Total cash consideration of RMB110 million (equivalent to approximately HK\$137.5 million)	<u><u>137,500</u></u>
Net cash inflow arising on the Disposal:	
Cash consideration received	137,500
Cash paid for direct costs	<u>(700)</u>
	<u><u>136,800</u></u>

7. These adjustments represent the exclusion of the cash flows of the Disposal Group for the year ended 31 March 2013 as if the Disposal had been completed on 1 April 2012.

All the above pro forma adjustments are not expected to have a continuing effect on the Remaining Group.

**F. ACCOUNTANT’S REPORT ON UNAUDITED PRO FORMA FINANCIAL
INFORMATION**

The following is the text of a report, prepared for the sole purpose of inclusion in this circular, from the independent reporting accountant, ANDA CPA Limited, Certified Public Accountants, Hong Kong.



The Board of Directors
C Y Foundation Group Limited
3503B-5, 35/F,
148 Electric Road,
North Point, Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of the pro forma financial information of C Y Foundation Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Director**”) for illustrative purposes only. The pro forma financial information consists of the pro forma consolidated statement of financial position as at 31 March 2013, the pro forma consolidated statement of comprehensive income for the year ended 31 March 2013, the pro forma consolidated statement of cash flows for the year ended 31 March 2013 and related notes as set out on pages 34 to 40 of the circular issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information is set out in Appendix III to the circular on page 33.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed disposal of the 100% equity interest in Expert Global Investments Limited on the Group's financial position as at 31 March 2013 as if the transaction had been taken place at 31 March 2013, and on the Group's financial performance and cash flows for the year ended 31 March 2013 as if the transaction had been taken place at 1 April 2012. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the Directors from the Group's consolidated financial statements as included in the annual report for the year ended 31 March 2013, on which an audit report has been published.

Directors' Responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline ("**AG**") 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction on 1 April 2012 and 31 March 2013 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

ANDA CPA Limited

Certified Public Accountants

Sze Lin Tang

Practising Certificate Number P03614

Hong Kong, 18 July 2013

The following is the text of a letter and valuation certificates, prepared for the purpose of incorporation in this circular received from Ascent Partners Valuation Service Limited, an independent valuer, in connection with its valuation as at 31 May 2013 of the property interests of the Disposed Group.



Suite 2102, Hong Kong Trade Centre
161-167 Des Voeux Road Central
Hong Kong
Tel: 3679-3890
Fax: 3579-0884

Date: 18 July 2013

The Board of Directors
C Y Foundation Group Limited
3503B-3505, 148 Electric Road
North Point
Hong Kong

Dear Sirs,

INSTRUCTIONS

In accordance with instructions of C Y Foundation Group Limited (the “**Company**”) for us to value properties in which Expert Global Investments Limited (the “**Disposed Company**”) and its subsidiaries (hereinafter together referred to as the “**Disposed Group**”) have interests in the People’s Republic of China (the “**PRC**”), we confirm that we have carried out property inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interests as at 31 May 2013 (referred to as the “**Valuation Date**”).

This letter which forms part of our valuation report explains the basis and methodologies of valuation, clarifying assumptions, valuation considerations, title investigation and limiting conditions of this valuation.

BASIS OF VALUATION

Our valuation of the property interests represents the market value which we would define as intended to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s – length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

VALUATION METHODOLOGY

We have valued the property interests on market basis and the direct comparison method is adopted where comparison based on comparable sales evidence is made. Comparable properties of similar size, character and location are analysed and carefully weighted against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of values.

VALUATION CONSIDERATIONS

In valuing the property interests, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards 2012 Edition published by The Hong Kong Institute of Surveyors.

VALUATION ASSUMPTIONS

Our valuations have been made on the assumption that the seller sells the property interests on the open market in their existing states without the benefit of a deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements, which could serve to affect the values of the property interests.

In undertaking our valuation, we have assumed that, unless otherwise stated, transferable land use rights in respect of the property interests for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have also assumed that the owner of the properties has enforceable titles to the properties and have free and uninterrupted rights to use, occupy or assign the properties for the whole of the respective unexpired terms as granted.

No allowance has been made in our report for any outstanding or additional land premium, charges, mortgages or amounts owing on the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

Other special assumptions of the property interests, if any, have been stated out in the footnotes of the valuation certificates attached herewith.

TITLE INVESTIGATION

We have been, in some instances, shown copies of various title documents and other documents relating to the property interests and have made relevant enquiries. We have not examined the original documents to verify the existing title to the property interests and any material encumbrances that might be attached to the property interests or any lease amendments. However, we have relied considerably on the information given by the Company's PRC legal adviser, Global Law Office (環球律師事務所), concerning the validity of the Disposed Group's title to the property interests located in the PRC.

All legal documents provided by the Group have been used for reference only. No responsibility regarding legal title to the property interests is assumed in this valuation report.

LIMITING CONDITIONS

We have inspected the exterior, and wherever possible, the interior of the properties but no structural survey had been made. In the course of our inspection, we did not note any serious defects. We are not, however, able to report that the properties are free from rot, infestation or any other structural defects. Further, no test has been carried out on any of the building services. All dimensions, measurements and areas are only approximates. We have not been able to carry out detailed on-site measurements to verify the site and floor areas of the properties and we have assumed that the areas shown on the copies of documents handed to us are correct.

The property was recently inspected by Mr Charles Choi, ASc (Estate Surveying) on 20 June 2013.

We have relied to a considerable extent on information provided by the Company and have accepted advice given to us on such matters, in particular, but not limited to, the sales records, tenure, planning approvals, statutory notices, easements, particulars of occupancy, site and floor areas and all other relevant matters in the identification of the property interests.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also been advised by the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

Liability in connection with this valuation report is limited to the client to whom this report is addressed and for the purpose for which it is carried out only. We will accept no liability to any other parties or any other purposes.

This report is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. No reference to our name or our report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.

EXCHANGE RATE

Unless otherwise stated, all monetary amounts stated in this report are in Renminbi (RMB).

Our valuation certificate is herewith attached.

Yours faithfully,

For and on behalf of

Ascent Partners Valuation Service Limited

Ian K. F. Ng

MBA BSc(EstMan) BSc MHKIS MRICS RPS(GP)

Principal

Mr. Ian K. F. Ng is a Registered Professional Surveyor with over 9 years' experience in valuation of properties in HK SAR, Macau SAR and mainland China. Mr. Ng is a Professional Member of The Hong Kong Institute of Surveyors as well as a chartered surveyor of The Royal Institution of Chartered Surveyors.

VALUATION CERTIFICATE

Property interests held by the Disposed Group for investment in the PRC

Property	Description and Tenure	Particular of Occupancy	Market Value in Existing State as at 31 May 2013
Units 1601-1603, 1605-1612, 1615-1623 and 1625-1626, No.7 Jiaguo Mennei Dajie, Dongcheng District, Beijing, the PRC	The property comprises 22 office units on Level 16 of a 21-storey office building including 4 basement levels completed in about 1996. The total gross floor area of the property is approximately 3,764.1 sq.m. with the breakdowns as follows:	The property, as at the Valuation Date, was subject to various tenancies with the expiry dates between 31 August 2013 and 15 July 2014 at a total monthly rental of RMB806,932.85 exclusive of management fee.	RMB154,000,000 (Renminbi One Hundred Fifty Four Million)
	Unit	Gross Floor Area <i>Approx (sq.m.)</i>	
	1601	365.8	
	1602	111.6	
	1603	111.6	
	1605	111.6	
	1606	111.6	
	1607	188.1	
	1608	156.1	
	1609	137.4	
	1610	115.7	
	1611	111.6	
	1612	100.2	
	1615	97.1	
	1616	341.0	
	1617	254.9	
	1618	285.6	
	1619	132.1	
	1620	132.1	
	1621	132.1	
	1622	132.1	
	1623	226.3	
	1625	229.3	
	1626	180.2	
		<u>3,764.1</u>	

The land use rights of the property were granted for a term expiring on 1 December 2043 for office use.

Notes:

- (1) Pursuant to 22 State-owned Land Use Rights Certificates – Jing Dong Cheng Guo Yong (2012 Chu) Di Nos. 00347–68 (京東成國用(2012出)第00347-68號) issued by Beijing Municipal Land Resources Bureau (北京市國土資源局) all dated 26 December 2012, the land use rights of 22 units were granted to T-Matrix Culture Co., Limited (零度聚陣文化有限公司), a wholly-owned subsidiary of the Disposed Company, for a term expiring on 1 December 2043 for office use.
- (2) Pursuant to 22 Building Ownership Certificates – X Jing Fang Quan Zheng Dong Zi Di Nos. 071849 – 50, 071854 – 9, 071861 – 3, 071868, 071872, 071876, 071880, 071882, 071885, 071896, 071901, 071903, 071904 and 071906 (X京房權證東字第071849 – 50, 071854 – 9, 071861 – 3, 071868, 071872, 071876, 071880, 071882, 071885, 071896, 071901, 071903, 071904 and 071906號) issued by Beijing Municipal Dongcheng District Housing Administration Bureau (北京市東城區房屋管理局) all registered on 16 October 2012, the building ownership rights of 22 office units with a total gross floor area of approximately 3,764.1 sq.m. are owned by T-Matrix Culture Co., Limited.
- (3) Pursuant to ten tenancy agreements entered into between T-Matrix Culture Co., Limited and various tenants (the “Lessees”), third parties of the Group, the property was leased to the Lessees for various terms with the expiry dates between 31 August 2013 and 15 July 2014 at a total monthly rental of RMB806,932.85 exclusive of management fee for office purpose.
- (4) The major certificates and permits of the property are summarized as follows:
 - (i) State-owned Land Use Rights Certificates Yes
 - (ii) Building Ownership Certificates Yes
- (5) We have been provided with a legal opinion regarding the property interests by the Company’s PRC legal adviser, which contains, inter alia, the following:
 - (i) T-Matrix Culture Co., Limited were granted State-owned Land Use Rights Certificates and Building Ownership Certificates of the property;
 - (ii) T-Matrix Culture Co., Limited is entitled to lease, use, transfer, mortgage and dispose of the property;
 - (iii) The property is not subject to mortgage and other encumbrances; and
 - (iv) The tenancy agreements as mentioned in Note 3 above are legal, valid and enforceable on the contractual parties.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Director's and chief executive's interests in the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company and their associates in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Name	Nature of interest	Number of Shares held	Approximately percentage of the Company's issued share capital
Mr. Sneah Kar Loon	Beneficial owner (Long position)	3,300,000	0.31
Mr. Io Rudy Cheok Kei	Beneficial owner (Long position)	2,000,000	0.19

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO and so far as is known to the Directors or chief executive of the Company, the following persons (other than the Directors and the chief executive of the Company) had or were deemed or taken to have interests or short positions in the Shares or underlying shares (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Long Positions in Shares

Name	Capacity	Number of Shares or underlying shares	Shareholding (%)
Dato POH Po Lian	Interest of controlled corporation	324,626,412	31.06
Luck Continent Limited	Beneficial owner	324,626,412	31.06
Steady Enterprises Limited	Interest of controlled corporation	174,217,758	16.67
Mr. Phua Wei Seng	Interest of controlled corporation	174,217,758	16.67

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. DIRECTORS' INTEREST IN ASSETS AND/OR ARRANGEMENT

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to the business of the Group. As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 March 2013 (being the date to which the latest published audited financial statements of the Group were made up), (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

As at the Latest Practicable Date, none of the Directors or proposed Directors, directly or indirectly, had any interest in any assets which had since 31 March 2013 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

6. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the date of this circular and are or may be material:

- (a) the loan agreement dated 25 August 2011 entered into between the Company as the borrower and Idea Sino Limited as the lender for the facilities up to HK\$20,000,000;
- (b) the loan agreement dated 16 February 2012 entered into between CYC Investments Limited, a then wholly-owned subsidiary of the Company as the borrower and Dato Poh Po Lian, the controlling shareholder of the Company, as the lender for the facilities up to the principal sum of HK\$7,800,000;

- (c) the provisional sale and purchase agreement dated 6 April 2012 and the formal sale and purchase agreement dated 23 April 2012 entered into between Kingbox as the vendor and Lai Chi Keung and Wong Mei Hung as the purchaser in relation to the disposal of the property at Flat H, 32/F of Tower 5 of Manhattan Hill, No. 1 Po Lun Street, Kowloon, Hong Kong at a consideration of HK\$6,980,000;
- (d) the subscription agreement dated 27 July 2012 entered into between the Company and Idea Sino Limited for the issue of the Idea Sino Convertible Notes;
- (e) the underwriting agreement dated 15 August 2012 entered into between the Company and Kingston Securities Limited in relation to a proposed open offer (which was subsequently terminated pursuant to a termination agreement dated 20 September 2012);
- (f) the provisional sale and purchase agreement dated 9 September 2012 and the formal sale and purchase agreement dated 24 September 2012 entered into between Kingbox as the vendor and Chiang Kin Hing or his nominee(s) as the purchaser in relation to the disposal of the property at Unit D, 5/F, Dragon Industrial Building, Cheung Sha Wan, Kowloon, Hong Kong at a consideration of HK\$17,500,000;
- (g) the underwriting agreement dated 19 October 2012 entered into between the Company and Kingston Securities Limited in relation to the proposed issue of the offer shares by way of open offer;
- (h) the sale and purchase agreement dated 24 May 2013 entered into among the Company, Perfect Ace Global Limited and Ace Advantage Developments Limited as purchasers and Weike (G) Management Pte Ltd. and Dato Poh Po Lian as vendors in relation to the Acquisition; and
- (i) the Disposal Agreement.

7. LITIGATION

As at the Latest Practicable Date, the Group was involved in a number of litigations, details of which are set out below:

(a) The Company against Mr. Cheng Chee Tock Theodore (“Mr. Cheng”), Ms. Leonora Yung (“Ms. Yung”) and others

In connection with the payment in the sum of HK\$9,306,500 made to Ms. Yung, the spouse of Mr. Cheng and a former employee of the Company (the “**Payment**”), purportedly for legal fees and expenses incurred by Mr. Cheng and Ms. Yung in relation to (i) the ICAC Investigation, details of which were disclosed in the announcements of the Company dated 13 September 2010, 7 October 2010, 7 March 2011 and 6 October 2011; and (ii) petition under section 168A of the Hong Kong Companies Ordinance details of which were disclosed in the announcements of the Company dated 21 April 2010, 24 January 2011, 27 January 2011, 27 April 2012 and 11 May 2012. In relation to the Payment, on 14 April 2011, the Company, as plaintiff, has issued an originating summons in the Court of First Instance at the High Court of Hong Kong (the “**High Court**”) against Mr. Cheng, Ms. Yung, Mr. Ng Pui Lung (being a former Director), Mr. Wang Shanchuan (being a former Director) and Mr. Ho Chi Chung (“**Mr. Joseph Ho**”, being a former Director and the former acting chief executive officer of the Group).

Pursuant to the court order dated 18 March 2013, the proceedings are stayed until the determination of Mr. Cheng’s appeal against his conviction in District Court No. 476 of 2011 to the Court of Appeal.

(b) The Company and Highsharp Investments Limited (“Highsharp”), as plaintiffs

On 5 May 2011, the Company and Highsharp, a former wholly-owned subsidiary of the Company, as plaintiffs, issued a writ of summons in the High Court against, among others, Mr. Cheng, Ms. Yung, the personal representatives of Mr. Kok Teng Nam (deceased), Mr. Philip Yu and Augustus Investments Limited.

Pursuant to the court order dated 18 March 2013, the proceedings are stayed until the determination of Mr. Cheng’s appeal against his conviction in District Court No. 476 of 2011 to the Court of Appeal.

(c) The Company and Ace Precise International Limited (“Ace Precise”), as plaintiffs

On 6 May 2011, the Company and Ace Precise, a wholly-owned subsidiary of the Company, as plaintiffs, issued a writ of summons in the High Court against Best Max Holdings Limited (“**Best Max**”), Mr. Lo Chun Cheong (being the sole director and registered shareholder of Best Max) (“**Mr. Lo**”), Mr. Cheng, Mr. Joseph Ho and Mr. Yeung Tak Hung Arthur (“**Mr. Arthur Yeung**”, being the former chief operating officer of the Group).

The hearing of Mr. Lo’s striking out summons was heard on 7 February 2012. The judgment in respect of Mr. Lo’s application to strike out his statement of claim was handed down on 3 June 2013.

According to the said judgment, it is ordered that the claim against Mr. Lo for restitution of the HK\$12 million convertible bond be struck out, the Company has to file and serve an amended statement of claim based on the judgment as soon as practicable. The Company will continue processing the claims against other defendants.

(d) Subsidiaries of the Company against Mr. Cheng

On 11 June 2011, the Company, together with certain of its former or existing wholly-owned subsidiaries, namely CYC Investments Limited, Sincere Land Holdings Limited, Hainan Treasure Way Enterprises Limited, Hainan Jiaying Internet Technology Company Limited, Suzhou C Y Foundation Entertainment and Investment Management Limited, CYC Investment Consultancy (Wuxi) Limited and Longpin Investment Consultancy (Shanghai) Company Limited, as plaintiffs, issued an originating summons in the High Court to claim against Mr. Cheng.

The first joint mediation session was held on 24 May 2013 and was concluded after both the plaintiffs and Mr. Cheng failed to reach any settlement.

(e) The Company against former management and employees

On 3 June 2011, the Company, as plaintiff, issued a writ of summons in the High Court against, among others, Mr. Cheng, Ms. Yung, Mr. Joseph Ho, Mr. Arthur Yeung, Ms. Kwok Pui Hung (being a former director of human resources of the Group), Mr. Tsang Heung Yip (being a former financial controller of the Group) and other six former employees.

After the mediation session held on 19 July 2012, both the Company and the defendants are not able to reach an agreement to settle the dispute, the mediation was therefore concluded on the same day.

The date of pre-trial review is fixed to be held on 4 March 2014; and the trial is scheduled to be held from 27 May 2014 to 11 June 2014.

(f) A subsidiary of the Company against Ms. Yung

Ms. Yung and Kingbox purportedly entered into supplemental agreement dated 4 January 2010 (the “**Supplemental Agreement**”) which provides that Kingbox would pay to Ms. Yung upon her termination of employment a remunerative payment which equaled her annual salary income multiplied by two years (the total amount should not exceed 28 months’ salary). Ms. Yung had made a claim against Kingbox for arrears of wages and the remunerative payment under the Supplemental Agreement after her resignation. On 17 August 2011, Kingbox, as plaintiff, commenced a legal proceeding in the High Court against Ms. Yung, as defendant, in respect of the Supplemental Agreement.

Both Kingbox and Ms. Yung agreed for mediation. The first joint mediation session was held on 30 April 2012 but ended on 7 May 2012, as Kingbox and Ms. Yung were not able to reach an agreement to settle the dispute.

The date of pre-trial review is fixed to be held on 16 April 2014 and the trial is scheduled to be held from 23 July 2014 to 30 July 2014.

(g) A subsidiary of the Company against Lucky Belt Holdings Limited (“Lucky Belt”), Mr. Shek Hiu Hung (Mr. Shek), BG Global Gaming Limited (“BG Global”), Winning Beauty Investments Limited (“Winning Beauty”) and Mr. Leung Chung Yuen Ronald (“Mr. Leung”)

On 11 May 2012, Lucky Zone Holdings Limited (“**Lucky Zone**”), a subsidiary of the Company issued three writs of summons in the High Court, respectively against Lucky Belt, Mr. Shek, BG Global, Winning Beauty and Mr. Leung in respect of the convertible notes and deposit paid for software development and license agreement (Bingo) relating to sums of USD3.0 million and USD2.5 million for the convertible notes (the “**CB Case**”); and HK\$15 million for the deposit (the “**Deposit Case**”) respectively, together with the related interests, costs and further and/or other relief.

A decision was handed down at the decision hearing held on 29 May 2013. It was mentioned in the judgment that the defendants of the CB Case have to pay Lucky Zone all the sums of convertible notes plus interest up to 11 May 2012. As at the Latest Practicable Date, the Company is negotiating the settlement arrangement with the defendants.

For the Deposit Case, the Company is discussing with its legal adviser for taking further actions.

(h) Others

The Group also has two outstanding litigations in the PRC. The first case is an action by Hainan Treasure against Mr. Cheng for the return and delivery of the documents and chops belonging to Hainan Treasure and all the legal fee and costs incurred. This case is scheduled to be re-trialed in October 2013. The second case is an action by Beijing Horizon against Jiang Su Dong Hai Hua Yu Enterprises Company Ltd. (江蘇東海華宇實業有限公司) and Mr. Xie You Xin (謝佑新) for outstanding receivables in the sum of approximately RMB30 million. This case has been mediated and the defendant was ordered to repay RMB24 million to Beijing Horizon. Up to the Latest Practicable Date, only RMB5 million has been recovered and approximately RMB18.8 million is still outstanding. The Group is enforcing the aforesaid order.

More details of the above litigations were disclosed in the 2010/11, 2011/12 and 2012/13 Annual Reports as well as 2011/12 and 2012/13 Interim Reports of the Company respectively. The Company will issue further announcements to update the status of the above outstanding litigations as and when appropriate.

8. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors, proposed directors or any of their respective associates had any interest in business which competes with or may compete with the business of the Group or had any other conflict of interests which any person has or may have with the Group.

9. EXPERTS AND CONSENT

The following are the names and qualifications of the experts who have given their opinions and advice which are included in this circular:

Name	Qualification
ANDA CPA Limited	Certified Public Accountants
Ascent Partners Valuation Service Limited	Independent property valuer

As at the Latest Practicable Date, none of the above experts had any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the above experts had any interest, direct or indirect, in the promotion of, or in any assets which since 31 March 2013, the date to which the latest published audited financial statements of the Group were made up, have been acquired or disposed of by or leased to, any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular, with the inclusion of the references to its name and/or its opinion or report in the form and context in which they are included.

10. MISCELLANEOUS

- (a) The company secretary of the Company is Ms. Cheung Pui Ki Gloria who is a member of The Hong Kong Institute of Certified Public Accountants, and a fellow member of the Association of Chartered Certified Accountants.
- (b) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (c) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (d) The English text of this circular shall prevail over the Chinese text.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal place of business of the Company in Hong Kong at Unit 3503B-5, 35th Floor, 148 Electric Road, North Point, Hong Kong during normal business hours (i.e. from 9:30 a.m. to 12:30 p.m. and from 2:00 p.m. to 5:30 p.m.) from the date of this circular up to and including the date of the SGM.

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Group for the two years ended 31 March 2012 and 2013;
- (c) the material contracts referred to under the section headed “Material Contracts” in this appendix;
- (d) the report from ANDA CPA Limited on the unaudited financial information of the Disposed Group dated 18 July 2013, the text of which is set out in Appendix II to this circular;
- (e) the report from ANDA CPA Limited on the unaudited pro forma financial information of the Remaining Group dated 18 July 2013, the text of which is set out in Appendix III to this circular;
- (f) the Valuation Report of the Properties, the text of which is set out in Appendix IV to this circular;
- (g) the written consents referred to the paragraph headed “Experts and Consent” in this appendix;
- (h) the circular issued by the Company dated 18 July 2013 in relation to the Acquisition; and
- (i) this circular.

12. CURRENCY

Translation of RMB into Hong Kong dollars in this circular is based on the exchange rate of RMB1.00 = HK\$1.25. Such exchange rate is for illustrative purposes only and does not constitute a representation that any amount in RMB has been, could have been or may be converted at such or any other rate at all.

NOTICE OF SGM

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 (“SGM”) of C Y Foundation Group Limited (the “Company”) will be held at 6/F. – Tin Hau Function Room, L'hotel Causeway Bay Harbour View Hong Kong, 18 King's Road, Causeway Bay, Hong Kong on 9 August 2013, Friday, at 11:30 a.m. for the purposes of considering and, if thought fit, passing the following resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the sale and purchase agreement (the “**Disposal Agreement**”) entered into between the Company as vendor and Sansheng (China) Limited as purchaser dated 18 June 2013 in relation to the proposed disposal by the Company of the entire issued share capital of Expert Global Investments Limited at a cash consideration of RMB110,000,000 (a copy of the Disposal Agreement having been produced to the SGM and marked “A” and initialed by the chairman of the SGM for the purpose of identification) and the transactions contemplated thereby be and are hereby approved, confirmed and ratified; and
- (b) any one or more directors of the Company be and is/are hereby authorised to implement and take all steps and do all acts and things and execute all such agreements (including under seal, where appropriate) which he/they consider(s) necessary, desirable or expedient for the purpose of giving effect to the Disposal Agreement and completing the transactions contemplated thereby.”

By order of the Board
C Y Foundation Group Limited
Sneah Kar Loon
Chairman

Hong Kong, 18 July 2013

NOTICE OF SGM

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*

Unit 3503B-5, 35th Floor
148 Electric Road
North Point
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and to vote on his behalf. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead.
2. Where there are joint registered holders of any share, any one of such persons may vote at the SGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon must be deposited with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing the proxy shall be deemed to be revoked.
5. Save for any resolution(s) approving the procedural and administrative matters, any voting of the SGM should be taken by poll.