

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

C Y FOUNDATION GROUP LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 1182)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

The Board is pleased to inform the shareholders of the Company and potential investors that, based on a preliminary review of the Group's unaudited consolidated interim financial information, the Group is expected to return to profitability for the six months ended 30 September 2013 as compared to the loss for the same period in 2012.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by C Y Foundation Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to inform the shareholders of the Company and potential investors that, based on a preliminary review of the Group's consolidated interim financial information, the Group is expected to return to profitability for the six months ended 30 September 2013 as compared to the loss for the same period in 2012.

The turnaround to profitability of the Group's results was mainly attributable to:

- i. The gain realised from the disposal of the entire equity interest in Expert Global Investments Limited, please refer to the announcements of the Company dated 18 June 2013, 2 September 2013 and 30 September 2013 as well as the circular of the Company dated 18 July 2013 for details; and

- ii. The collection of the settlement sum in relation to the entering into the deed of settlement between Lucky Zone Holdings Limited, a subsidiary of the Company, and Mr. Leung Ching Yuen Ronald, please refer to the announcement of the Company dated 22 July 2013 for details.

The Group is still in the process of finalizing its consolidated interim results for the six months ended 30 September 2013. As such, this announcement is made solely on the basis of assessment by the Board with reference to the unaudited consolidated interim financial information of the Group available for the time being, which are still subject to possible adjustments arising from further internal review by the Board and review by the external auditors of the Company.

Details of the Group's performance will be contained in the interim results of the Group for the six months ended 30 September 2013, which is expected to be announced and published by the end of November 2013.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 28 October 2013

As at the date of this announcement, the executive directors of the Company are Mr. SNEAH Kar Loon, Mr. BALAKRISHNAN Narayanan and Mr. LIN Zheyang, the independent non-executive directors are Mr. LAI Hock Meng, Mr. YONG Peng Tak, Mr. IO Rudy Cheok Kei and Mr. GOH Hoon Leum.