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## **C Y FOUNDATION GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1182)**

### **EXPIRY OF MEMORANDUM OF UNDERSTANDING AND ENTERING INTO A LETTER OF INTENT IN RELATION TO THE PROPOSED ACQUISITION**

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 1 April 2014 and 30 May 2014 respectively (the “**Announcements**”) in relation to, among other things, the MOU in respect of the Proposed Acquisition. Capitalized terms used herein shall have the same meanings as those defined in the Announcements unless the context otherwise requires.

The Board announces that up to the expiry of the MOU on 30 September 2014, the Company and the Seller were unable to agree or execute the Formal Agreement for Sale and Purchase in respect of the Proposed Acquisition and accordingly the MOU had expired and thereby the Parties have no obligation to proceed with the Proposed Acquisition and each Party owes no duty or obligation to the other save for the confidentiality obligations and related provisions set out in the MOU which shall continue to have force and effect for a period of 2 years after the expiry of the MOU.

Instead, the Parties have entered into a non-binding letter of intent (the “**LOI**”) dated 30 September 2014 to the effect that the Parties shall reconsider and negotiate further the Proposed Acquisition with reference to the MOU when there is certainty on the date that the Decree comes into force.

The Directors consider that the expiry of the MOU and/or entering into the LOI in relation to the Proposed Acquisition has no material adverse impact on the business operation and financial position of the Company.

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

Hong Kong, 30 September 2014

*As at the date of this announcement, the executive Directors are Mr. SNEAH Kar Loon, Mr. LAI Hock Meng and Mr. LIN Zheyang; the independent non-executive Directors are Mr. YONG Peng Tak, Mr. IO Rudy Cheok Kei, Mr. GOH Hoon Leum and Mr. ER Kwong Wah.*