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**C Y FOUNDATION GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1182)**

**POLL RESULTS OF ANNUAL GENERAL MEETING HELD ON 6 OCTOBER 2011, RETIREMENT AND APPOINTMENT OF DIRECTORS, RE-DESIGNATION OF DIRECTOR, CHANGE OF COMPOSITION OF THE REMUNERATION COMMITTEE AND INDEPENDENT BOARD COMMITTEE AND CHANGE OF COMPANY SECRETARY**

The Board of the Company is pleased to announce : (1) the poll results of the AGM; (2) the retirement of Dato Lim, Dato Myhre, Mr. Woelm and Mr. Cheng as Directors and the appointment of Mr. Sik as executive Director of the Company; (3) the re-designation of Mr. Io from non-executive Director to independent non-executive Director of the Company; (4) change of composition of the Remuneration Committee and Independent Board Committee; and (5) change of company secretary.

**POLL RESULTS OF AGM**

As at the date of annual general meeting held on 6 October 2011 (the “AGM”), the total number of shares (the “Shares”) of C Y Foundation Group Limited (the “Company”) in issue was 6,968,710,326. There were no other restrictions on any shareholders to cast votes on any of the proposed resolutions at the AGM.

As such, the total number of Shares entitling the holders thereof to attend and vote for or against the resolutions in the AGM was 6,968,710,326 Shares.

The board of directors (the “Board”) of the Company announces the poll results for the AGM as follows:-

Resolutions	Number of Shares Voted and Counted (% of votes cast and counted)		Total Number of Shares Voted and Counted
	For	Against	
<b>SPECIAL RESOLUTION</b>			
1. To approve the amendment of Bye-laws of the Company.	3,228,469,127 (64.63%)	1,766,662,856 (35.37%)	4,995,131,983
<b>ORDINARY RESOLUTIONS</b>			
2. To receive and consider the Financial Statement and the Reports of the Directors and the Auditor for the year ended :			
(a) 31 March 2010; and	3,223,124,127 (64.53%)	1,772,007,856 (35.47%)	4,995,131,983

Resolutions	Number of Shares Voted and Counted (% of votes cast and counted)		Total Number of Shares Voted and Counted
	For	Against	
(b) 31 March 2011.	3,223,124,127 (64.53%)	1,772,007,856 (35.47%)	4,995,131,983
3. To re-elect the retiring Director, Mr. CHENG Chee Tock Theodore (“ <b>Mr. Cheng</b> ”), for the ensuing year.	1,757,917,856 (35.19%)	3,237,214,127 (64.81%)	4,995,131,983
4. To elect Mr. SIK Siu Kwan (“ <b>Mr. Sik</b> ”) as executive Director in place of a retiring Director for the ensuing year.	3,228,469,127 (64.63%)	1,766,662,856 (35.37%)	4,995,131,983
5. To re-appoint ANDA CPA Limited as auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration.	3,228,469,127 (64.63%)	1,766,662,856 (35.37%)	4,995,131,983
6. To grant a general mandate to the Directors of the Company to allot and issue Shares of the Company.	3,223,104,127 (64.52%)	1,772,027,856 (35.48%)	4,995,131,983
7. To grant a general mandate to the Directors of the Company to repurchase Shares of the Company.	3,228,469,127 (64.63%)	1,766,662,856 (35.37%)	4,995,131,983
8. To extend the power granted to the Directors of the Company under resolution 6 to allot and issue repurchased Shares of the Company.	3,223,104,127 (64.52%)	1,772,027,856 (35.48%)	4,995,131,983

As not more than 75% of the votes were cast in favour of Resolution No. 1, this resolution was not passed as special resolution. As more than 50% of the votes were cast in favour of Resolution Nos. 2, 4 to 8, all these resolutions were passed as ordinary resolutions. As not more than 50% of the votes were cast in favour of Resolution No. 3, this resolution was not passed as ordinary resolution.

Tricor Secretaries Limited acted as scrutineer for the vote-taking at the AGM.

## RETIREMENT OF DIRECTORS

The Board also announces that Dato LIM Kim Wah (“**Dato Lim**”) (an executive Director), Dato MYHRE Carl Gunnar (“**Dato Myhre**”) (an independent non-executive Director) and Mr. WOELM Samuel (“**Mr. Woelm**”) (a non-executive Director) did not offer themselves for re-election and retired at the AGM. In addition, the re-election of Mr. Cheng as Director of the Company was voted down at the AGM as per Resolution No. 3 above.

Dato Lim, Dato Myhre and Mr. Woelm confirmed that they have no disagreements with the Board and there is no other matter relating to their retirement that needs to be

brought to the attention of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or the shareholders of the Company.

## **APPOINTMENT OF DIRECTOR**

Since the aforesaid Resolution No. 4 was duly passed at the AGM, the Board is pleased to announce that Mr. Sik would be appointed as an executive Director of the Company with effect from 6 October 2011.

Mr. Sik, aged 43, has more than 20 years of experience in investment banking and finance. He has held senior positions with a number of major international investment banks. He received his Bachelor of Arts degree in engineering science and Master of Arts degree from University of Oxford. He is also an associate member of The Institute of Chartered Accountants in England and Wales; and a fellow member of the Hong Kong Institute of Certified Public Accountant.

Mr. Sik is an independent non-executive director of China Glass Holdings Limited, a company listed on the main board of the Stock Exchange. He is also an independent director of Simcere Pharmaceutical Group and China Nepstar Chain Drugstore Ltd., both are listed on New York Stock Exchange. Mr. Sik was formerly an independent non-executive director of Dawnrays Pharmaceutical (Holdings) Ltd, which is listed on the main board of the Stock Exchange until his resignation with effect from 9 July 2010. Mr. Sik was a non-executive director of the Company since 1 September 2009 until his resignation on 16 November 2009. Mr. Sik was also an independent non-executive director of Duoyuan Printing Inc., a company listed on New York Stock Exchange, since 27 September 2010 until his resignation on 13 June 2011. Save as disclosed, Mr. Sik does not hold any directorship in other listed public companies in the last three years preceding the date of this announcement.

As at the date of this announcement, Mr. Sik does not have, and is not deemed to have, any interests and short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance).

Mr. Sik serves as the company secretary of the Company since 8 April 2011 until his resignation as of today. Save as disclosed and to the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Sik does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Sik is entitled to receive a salary of HK\$166,667 per month and any other benefits as determined by the remuneration committee of the Company. He has not entered into any service contract with the Company or any of its subsidiaries and there is no proposed length of his directorship, but he is subject to retirement by rotation and re-election at the annual general meeting in accordance with the bye-laws of the Company and the Code on Corporate Governance Practices set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

Mr. Sik was formerly a responsible officer of ICEA Capital Limited (“**ICEAC**”). The Securities and Futures Commission (the “**SFC**”) found that ICEAC was involved in price stabilization action in April 2004 that was not authorized under the Securities and Futures (Price Stabilizing) Rules. The SFC prohibited Mr. Sik from re-entering the industry for four months from 29 June 2010 to 28 October 2010. Save as disclosed, Mr. Sik has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr.

Sik's appointment that need to be brought to the attention of the shareholders of the Company.

## **RE-DESIGNATION OF DIRECTOR**

The Board also announces that Mr. IO Rudy Cheok Kei (“**Mr. Io**”) has been re-designated from non-executive Director to independent non-executive Director with effect from 6 October 2011.

Mr. Io, aged 50, joined the Group in April 2011. Mr. Io was the chief financial officer of the Company from July 2007 to March 2008. He is currently a corporate consultant in corporate strategy, restructuring, mergers and acquisitions and direct investment in China. Mr. Io is a member of the Canadian Institute of Chartered Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. He holds a bachelor's degree in administrative studies from York University, Toronto, Canada and a master's degree in business (information technology) from Curtin University of Technology, Australia.

Mr. Io has not entered into any service contract with the Company. There is no specific term or proposed length of service for Mr. Io's appointment but he is subject to retirement by rotation and eligible for re-election at annual general meeting of the Company in accordance with the bye-laws of the Company. Mr. Io is entitled to receive a director's fee of HK\$170,000 per annum which is determined by the Board with reference to his duties and responsibilities in the Company.

Mr. Io does not have any interest in the Shares and underlying Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance and does not have any relationship with any other Directors, senior management, substantial or controlling shareholders of the Company. Save as disclosed above, Mr. Io has not held any directorship in other public listed company in the past three years.

Save as disclosed above, there is no other information relating to the re-designation of Mr. Io as an independent non-executive Director of the Company that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor any matters that need to be brought to the attention of the shareholders of the Company.

## **CHANGE OF COMPOSITION OF REMUNERATION COMMITTEE AND INDEPENDENT BOARD COMMITTEE**

Reference is made to the announcement of the Company dated 8 April 2011 in relation to, inter alia, the composition of the Remuneration Committee and the setting up of the Independent Board Committee of the Company.

Following the retirement of Dato Myhre, Dato Myhre ceases to be a member of both the Remuneration Committee and Independent Board Committee with effect from 6 October 2011. Accordingly, Mr. NG Kwok Lun and Mr. YONG Peng Tak have been appointed to be the members of the Remuneration Committee and the Independent Board Committee respectively in replacement thereof.

With effect from 6 October 2011, the composition of the Remuneration Committee and the Independent Board Committee would be changed as follows :

(a) Remuneration Committee

The members are Mr. IO Cheok Kei Rudy (Chairman), Mr. YONG Peng Tak and Mr. NG Kwok Lun.

(b) Independent Board Committee

The members are Mr. BALAKRISHNAN Narayanan (Chairman), Mr. LAI Hock Meng and Mr. YONG Peng Tak.

**CHANGE OF COMPANY SECRETARY**

The Board announces that Mr. Sik has resigned as the company secretary of the Company with effect from 6 October 2011 due to his other commitment.

The Board confirms that Mr. Sik has no disagreement with the Board. There are no other matters in relation to Mr. Sik's resignation as company secretary that need to be brought to the attention of the Stock Exchange or the shareholders of the Company.

The Board is pleased to announce that Ms. TAM Lai Kwan Terry ("**Ms. Tam**") would be appointed as the company secretary of the Company with effect from 6 October 2011. Ms. Tam is an associate member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Company Secretaries and holds a bachelor degree in arts. Prior to joining the Company, she has worked for a number of listed companies in Hong Kong and has more than 10 years of working experience in company secretarial area.

On behalf of the Board  
**C Y Foundation Group Limited**  
**Sneah Kar Loon**  
*Chairman*

Hong Kong, 6 October 2011

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