



**C Y FOUNDATION GROUP LIMITED**  
*(incorporated in Bermuda with limited liability)*  
(Stock code #1182)

**Proposed Appointment of Auditors**

The board of directors (“Board”) of C Y Foundation Group Limited (“Company”) proposed to appoint SHINEWING (HK) CPA Limited (“SHINEWING”) as the auditors of the Company.

SHINEWING is the auditors of various China operating subsidiaries of the Company for the current financial year. As the current main operation of the Company and its subsidiaries (“Group”) is in China, the Board sees it more time effective and cost effective to maintain one audit firm as the auditors of the Group.

The incumbent auditors of the Company, CCIF CPA Limited, have tendered its resignation as the auditors of the Company with effect from 22 February 2008 and have confirmed that they are not aware of any circumstances that needs to be brought to the attention of the shareholders of the Company.

The appointment of SHINEWING as the auditors will be subject to the shareholders’ approval in special general meeting. Upon the approval, SHINEWING will be the auditors of the Company for the financial year ending 31 March 2008.

A notice of the special general meeting of the Company to approve the appointment of SHINEWING as the auditors will be distributed to shareholders of the Company as soon as practicable.

On behalf of the Board  
**Cheng Chee Tock Theodore**  
*Chairman*

Hong Kong, 22 February 2008

As at the date hereof, the executive directors of the Company are Mr CHENG Chee Tock Theodore (Chairman), Dato POH Po Lian, and Mr WOELM Sam; non-executive directors are Mr WU Chuang John and Mr CAO Dongxin; and the independent non-executive directors are Mr SZE Tsai Ping Michael, Dr CHOW Steven, and Mr WANG Shan Chuan.