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C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

FORMATION OF NOMINATION COMMITTEE

The board (the “**Board**”) of directors (the “**Directors**”) of C Y Foundation Group Limited (the “**Company**”) hereby announces that a nomination committee (the “**Nomination Committee**”) comprising Mr. IO Rudy Cheok Kei (“**Mr. Io**”) as chairman, Mr. YONG Peng Tak (“**Mr. Yong**”) and Mr. NG Kwok Lun (“**Mr. Ng**”) as members has been established by the Board with written terms of reference with effect from 12 March 2012. Mr. Io and Mr. Yong are independent non-executive Directors (the “**INEDs**”) and Mr. Ng is a non-executive Director.

The primary duties of the Nomination Committee include but not limited to the following:

- (1) review the structure, size and composition (including the skills, knowledge and experience) of the Board annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
- (2) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (3) assess the independence of INEDs; and
- (4) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive.

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

Hong Kong, 13 March 2012

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. BALAKRISHNAN Narayanan, Mr. YONG Peng Tak and Mr. IO Rudy Cheok Kei.