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C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

RE-DESIGNATION OF DIRECTOR AND CHANGE OF COMPOSITION OF REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

The board of directors (the “**Board**”) of C Y Foundation Group Limited (the “**Company**”) is pleased to announce that Mr. Ng Kwok Lun (“**Mr. Ng**”) has been re-designated from non-executive Director to Executive Director and appointed as the Group Chief Operating Officer with effect from 1st August 2012. The biographical details of Mr. Ng are as follows:

Mr. Ng, aged 53, joined the Group as a non-executive Director of the Company in April 2011. Mr. Ng was the Chief Financial Officer of the Company from July 2008 to December 2008. Mr. Ng obtained a bachelor’s degree in accountancy from the City University of Hong Kong in 1991, and obtained a master’s degree in business from Graduate School of Business, Strathclyde University in 2006. He is also an associate of the Hong Kong Institute of Certified Public Accountants, The Institute of Chartered Secretary and Administrators and the Hong Kong Institute of Company Secretaries. He is also a fellow of The Chartered Association of Certified Accountants.

As at the date of this announcement, Mr. Ng 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). Save as disclosed and to the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Ng has not held any directorship in other public listed company in the past three years, and he does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Ng is entitled to receive a salary of HK\$100,000 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**”).

Save as disclosed above, there is no other information relating to the re-designation of Mr. Ng as an 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.

Following the re-designation of Mr. Ng, Mr. Ng ceases to be a member of the Remuneration Committee and Nomination Committee. Accordingly, Mr. BALAKRISHNAN Narayanan (“**Mr. Balakrishnan**”) has been appointed as a member of the Remuneration Committee and Nomination Committee in replacement thereof.

With effect from 1st August 2012, the members of the Remuneration Committee and Nomination Committee are IO Rudy Cheok Kei (Chairman), Mr. YONG Peng Tak and Mr. Balakrishnan.

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

Hong Kong, 2 August 2012

As at the date of this announcement, the executive Directors of the Company are Mr. SNEAH Kar Loon, Mr. SIK Siu Kwan and 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.