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## **C Y FOUNDATION GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1182)**

### **GRANT OF SHARE OPTIONS**

This announcement is made pursuant to Rule 13.09(2)(a) and Rule 17.06A of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the inside information provisions set out in Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board of Directors (the “Board”) of C Y Foundation Group Limited (the “Company” together with its subsidiaries, collectively the “Group”) hereby announces that on 10 January 2014 (the “Date of Grant”), the Company has granted 21,600,000 share options (the “Options”) to certain eligible participants of the Group (the “Grantees”) to subscribe for an aggregate of 21,600,000 ordinary shares of HK\$0.01 each in the capital of the Company (the “Shares”) under the share option scheme adopted by the Company on 28 September 2012, subject to acceptance of the Grantees. Details of the Options granted are set out below:

Date of grant	:	10 January 2014
Exercise price of the Options granted	:	HK\$0.47 per Share
Closing price of the Shares on the Date of Grant	:	HK\$0.47 per Share
Total number of the Options granted	:	21,600,000

- Validity periods of the Options granted :
- (1) 5,600,000 of the Options granted to directors, chief executive and full-time employees of the Company shall be exercisable for a period of 5 years, from 10 January 2014 to 9 January 2019 (both dates inclusive);
  - (2) 10,000,000 of the Options (i.e. 2,000,000 each in 5 tranches) granted to Mr. Sneah Kar Loon, Chairman and executive director of the Company shall be exercisable for a period of 5 years, from the respective vesting dates, being 1 December 2014, 1 December 2015, 1 December 2016, 1 December 2017 and 1 December 2018; and
  - (3) 6,000,000 of the Options granted to employees of a subsidiary of the Company shall be exercisable for a period of 5 years, from the respective vesting dates, being 1 December 2014, 1 December 2015, 1 December 2016, 1 December 2017 and 1 December 2018.

Among the aggregate of 21,600,000 Options granted, Options to subscribe for an aggregate of 14,300,000 Shares were granted to directors and chief executive of the Company (as defined in the Listing Rules) as set out below:

<b>Name</b>	<b>Relationship with the Company</b>	<b>Number of Options granted</b>
Mr. Sneah Kar Loon	Chairman and executive director of the Company	An aggregate of 11,500,000 comprising of:  1,500,000 to be vested upon grant; and  10,000,000 to be vested in 5 tranches as mentioned above.

<b>Name</b>	<b>Relationship with the Company</b>	<b>Number of Options granted</b>
Mr. Balakrishnan Narayanan	Executive director and chief executive officer of the Company	1,000,000
Mr. Lin Zheyang	Executive director of the Company	1,000,000
Mr. Lai Hock Meng	Independent non-executive director of the Company	200,000
Mr. Io Rudy Cheok Kei	Independent non-executive director of the Company	200,000
Mr. Yong Peng Tak	Independent non-executive director of the Company	200,000
Mr. Goh Hoon Leum	Independent non-executive director of the Company	200,000

Certain Options were granted to Mr. Poh Yuan Rui who was aged over 18 and a full-time employee of the Group, on the Date of Grant; and is a son of Dato Poh Po Lian, being a substantial shareholder of the Company through his interest in a controlled corporation. The remaining Grantees were full-time employees of the Group on the Date of Grant. Save as disclosed above, none of the Grantees is a director, chief executive or a substantial shareholder of the Company, or any of their respective associates.

The grant of the Options has been reviewed and recommended by the Remuneration Committee of the Company with reference to the Board's corporate goals and objectives and has been approved by the Board. In accordance with Rule 17.04(1) of the Listing Rules, the grant of the Options to each of the above directors and chief executive had been approved by the independent non-executive directors of the Company. No director was involved in deciding his own remuneration.

Each Option shall entitle the holder of the Options to subscribe for one Share upon exercise of the Options at an exercise price of HK\$0.47 per Share, which represents the highest of (i) the closing price of HK\$0.47 per Share as stated in the daily quotations sheet issued by the Stock Exchange on 10 January 2014 (a business day), being the Date of Grant; (ii) the average closing price of HK\$0.457 per Share as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Share on the Date of Grant.

By offering the Options to the Grantees, the Company intended to reward directors and chief executive of the Company and employees of the Group for their contribution to the businesses of the Group and/or to encourage them to remain in the service and/or employment of the Group and devote their best efforts to the Group and thereby would enhance the performance of the Group.

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

Hong Kong, 10 January 2014

*As at the date of this announcement, the executive directors of the Company are Mr. SNEAH Kar Loon, Mr. BALAKRISHNAN Narayanan and Mr. LIN Zheyang, the independent non-executive directors are Mr. LAI Hock Meng, Mr. YONG Peng Tak, Mr. IO Rudy Cheok Kei and Mr. GOH Hoon Leum.*