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C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

CHANGE IN COMPANY SECRETARY AND AUTHORISED REPRESENTATIVE AND PROFIT WARNING

With effect from 14 April 2014, (i) Ms. Cheung Pui Ki, Gloria has resigned as the Company Secretary and continues to be chief financial officer of the Company; (ii) Ms. Cheung has been appointed as alternative Authorised Representative to Mr. Sneah Kar Loon; (iii) Mr. Balakrishnan Narayanan has resigned and ceased to be the Authorised Representative of the Company as required by the Listing Rules (as defined below) and continues to be Executive Director and Chief Executive Officer; and (iv) Mr. Tam Chong Cheong, Aaron has been appointed as the Company Secretary and the Authorised Representative of the Company.

The Board also wishes to inform the Company's shareholders and potential investors that after a preliminary review of the Group's unaudited consolidated financial information currently available, the Group is expected to record a consolidated loss for the financial year ended 31 March 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by C Y Foundation Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

CHANGE IN COMPANY SECRETARY AND AUTHORISED REPRESENTATIVE

The board of directors (the “**Board**”) of the Company announces that with effect from 14 April 2014: (i) Ms. Cheung Pui Ki, Gloria (“**Ms. Cheung**”) has resigned as the company secretary of the Company (“**Company Secretary**”) due to her other commitments in financial affairs of the Company and continues to be the chief financial officer of the Company; (ii) Ms. Cheung has been appointed as alternative Authorised Representative to Mr. Sneah Kar Loon; (iii) Mr. Balakrishnan Narayanan has resigned and ceased to be the authorised representative (“**Authorised Representative**”) of the Company as required by the Listing Rules and continues to be Executive Director and Chief Executive Officer; and (iv) Mr. Tam Chong Cheong, Aaron (“**Mr. Tam**”) has been appointed as the Company Secretary and the Authorised Representative of the Company ((i), (ii) and (iii) collectively, “**the Changes**”).

The Board confirms that Ms. Cheung has no disagreement with the Board. There are no other matters in relation to Ms. Cheung’s resignation as Company Secretary that need to be brought to the attention of The Stock Exchange of Hong Kong Limited and/or the shareholders of the Company.

Mr. Tam holds a Bachelor of Science degree from the University of Hong Kong, a Postgraduate Certificate in Laws from the University of Hong Kong and a Bachelor of Law degree from Peking University of China. He was admitted as solicitor of High Court in 1997, is a member of the Law Society of Hong Kong and holds a current practising certificate. Mr. Tam has over 15 years of experience as in-house legal counsel of issuers listed on exchanges of Hong Kong and/or the United States, in which more than 2 years also as company secretary of listed issuers in Hong Kong. Mr. Tam satisfies the relevant requirements set out in Rule 3.28 of the Listing Rules. Mr. Tam joined the Company as Head of Legal & Compliance on 2 January 2014.

The Board wishes to take this opportunity to express gratitude to Ms. Cheung for her contributions to the Company during the term of her services as Company Secretary and also extends a warm welcome to Mr. Tam on his new appointment. The Board considers that the Changes can enhance the Company's Corporate Governance. The Changes allow Ms. Cheung to devote her full time and attention to the Company's financial affairs whilst Mr. Tam can oversee the Company's legal, compliance and company secretarial matters.

PROFIT WARNING

The Board also wishes to inform shareholders of the Company ("**Shareholders**") and potential investors that, after a preliminary review of the Group's unaudited consolidated financial information currently available, the Group is expected to record a consolidated loss for the financial year ended 31 March 2014.

The Board considers that the deterioration in the performance of the Group is mainly attributable to the net loss from the management of electronic gaming equipment in Macau ("**Gaming Business**"). The Gaming Business was acquired in September 2013 and is undertaking certain business plans and has thereby incurred significant costs in advertisement and promotion, technical team development and capital expenditure. As a result, the estimated consolidated loss for the year ended 31 March 2014 was mainly attributable to the significant startup operating costs, amortisation and depreciation charges for the Gaming Business and such costs and charges outweigh the profit during the period, in particular, the gain realised from the disposal of the entire equity interest in Expert Global Investments Limited and the collection of the settlement sum in relation to the entering into the deed of settlement between Lucky Zone Holdings Limited, a subsidiary of the Company, and Mr. Leung Ching Yuen Ronald as mentioned in the announcement of the Company dated 28 October 2013 and the announcement dated 29 November 2013 of the interim results of the Company for the six months ended 30 September 2013.

As the Group is still in the process of finalising its unaudited consolidated results for the financial year ended 31 March 2014, the information contained in this announcement is only based on a preliminary assessment of the information currently available to the management. Finalised results of the Group for the financial year ended 31 March 2014 will be disclosed in the annual results for the financial year ended 31 March 2014 to be published by the Company, which is expected to be released by the end of June 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 14 April 2014

As at the date of this announcement, the executive Directors 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.