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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult an exchange participant or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in C Y Foundation Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

**RE-ELECTION OF DIRECTORS,
PROPOSALS FOR GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the annual general meeting of C Y Foundation Group Limited to be held at Horizon Room, 7/F, Metropark Hotel Causeway Bay Hong Kong, 148 Tung Lo Wan Road, Causeway Bay, Hong Kong on 8 August 2014, Friday, at 3:00 p.m. or at any adjournment thereof is set out in this circular. Whether or not you intend to attend the meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event no less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

10 July 2014

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at Horizon Room, 7/F, Metropark Hotel Causeway Bay Hong Kong, 148 Tung Lo Wan Road, Causeway Bay, Hong Kong on 8 August 2014, Friday, at 3:00 p.m.
“Associates”	the same definition as described under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon
“Bye-law(s)”	the bye-law(s) of the Company
“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Company”	C Y Foundation Group Limited, a company incorporated in Bermuda with limited liability and whose securities are listed on the main board of the Stock Exchange
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“INED”	Independent non-executive director
“Invested Entity”	any entity in which the Group holds an equity interest

DEFINITIONS

“Latest Practicable Date”	8 July 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Act) as modified from time to time) of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollar(s)
“%”	per cent.

LETTER FROM THE BOARD

C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

Executive Directors

SNEAH Kar Loon *(Chairman)*

BALAKRISHNAN Narayanan *(Chief Executive Officer)*

LIN Zheyang

LAI Hock Meng

Registered Office

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors

YONG Peng Tak

IO Rudy Cheok Kei

GOH Hoon Leum

ER Kwong Wah

Principal Place of Business

Unit 3503B-5, 35/F

148 Electric Road

North Point

Hong Kong

10 July 2014

To Shareholders

Dear Sir/Madam,

**RE-ELECTION OF DIRECTORS,
PROPOSALS FOR GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the AGM for the approval of, inter alia:–

- (1) the re-election of the Directors; and
- (2) the granting of general mandates to issue and repurchase shares.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 87, at each annual general meeting, one-third of the relevant number of the Directors (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless otherwise agree between themselves) be determined by lot.

It was agreed that Messrs Lin Zheyang, LAI Hock Meng, GOH Hoon Leum and ER Kwong Wah would retire by rotation at the AGM and being eligible, will offer themselves for re-election. The biographical details of the Directors proposed to be re-elected are set out in Appendix I to this circular.

PROPOSALS FOR GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The following ordinary resolutions will be proposed at the AGM in order to grant to the Directors the new general and unconditional mandates to exercise the powers of the Company to issue and repurchase Shares:

- (i) An ordinary resolution (resolution No. 5) to grant to the Directors a general and unconditional mandate to authorize them to allot, issue and deal with the additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “**Issue Mandate**”). The Issue Mandate will end on (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law to be held; or (iii) the revocation or variation by ordinary resolution of Shareholders in a general meeting, whichever is the earliest;
- (ii) An ordinary resolution (resolution No. 6) to grant to the Directors a general and unconditional mandate to authorize them to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “**Repurchase Mandate**”). The Repurchase Mandate will end on (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law to be held; or (iii) the revocation or variation by ordinary resolution of Shareholders in a general meeting; whichever is the earliest; and

LETTER FROM THE BOARD

- (iii) Conditional upon the passing of resolutions No. 5 and No. 6 as stated above, an ordinary resolution (resolution No. 7) to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company under the Repurchase Mandate provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as the date of the AGM.

On the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the AGM, the Company would be allowed to issue a maximum of 220,084,642 Shares under the Issue Mandate and to repurchase a maximum of 110,042,321 Shares under the Repurchase Mandate.

Shareholders are invited to refer to the Notice of AGM for details of the abovementioned ordinary resolutions. An explanatory statement, as required by the Listing Rules containing information in connection with the Repurchase Mandate, is also set out in Appendix II to this circular.

AGM

The notice convening the AGM is set out in Appendix III to this circular. A form of proxy for the AGM is enclosed with this circular. If you do not intend to be present at the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event no less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

Pursuant to rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll. Chairman of the meeting will therefore demand a poll for every resolution put to the vote of the AGM and the Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors believe that the re-election of the retiring Directors, the grant of the general mandates to issue, allot and repurchase shares and the extension of the Issue Mandate are in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors of the Company collectively and individually accept responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By order of the Board
Sneah Kar Loon
Chairman

Set out below are details of the Directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM:

LIN Zheyang (“**Mr. Lin**”), aged 49, joined the Group in February 2013. Mr. Lin obtained a bachelor’s degree in Economics from Shanxi Finance and Economics University in 1987, an Executive Master of Business Administration degree from Guanghua School of Management, Peking University in 2003, and a doctorate degree in business administration from France Rennes School of Business in 2008. Mr. Lin has been an executive director of the Hankore Environment Tech Group Limited, a company listed on the Singapore Exchange Securities Trading Limited since May 2011. He is currently the Chairman of Jade Capital Management Limited. Previously, Mr. Lin worked for Chinese Ministry of Commerce, and he was a member of the Small and Medium Size Enterprises Training Committee of the Shenzhen Stock Exchange. He was a specialist member of the specialist committee of the China Development Bank. He is also a member of the Advisory Committee of the China – Italy Mandarin Fund.

As at the Latest Practicable Date, Mr. Lin was interested in share option with the right to subscribe for 1,800,000 Shares within the meaning of Part XV of the SFO. The director’s remuneration of Mr. Lin for the year ended 31 March 2014 was approximately HK\$1,370,000.

LAI Hock Meng (“**Mr. Lai**”), aged 58, joined the Group in April 2011. Mr. Lai has a Bachelor of Arts degree and a Master of Arts degree from the University of Cambridge in England, majoring in economics. He is also a chartered financial analyst with the CFA Institute in the United States of America and a fellow of the Chartered Institute of Marketing in the United Kingdom. Mr. Lai is currently the Chairman of Singapore-based corporate advisory firm HML Consulting Group. Mr. Lai is the independent director of various companies listed on the Singapore Exchange Securities Trading Limited (“**SGX**”), including China Energy Limited, China Essence Group Ltd., China Oilfield Technology Services Group Limited, Delong Holdings Limited, CFM Holdings Limited and ASTI Holdings Limited,. He is also the non-executive director of PureCircle Limited, a company listed on the London Stock Exchange.

Mr. Lai was the managing director of Morgan Grenfell & Partners Securities Pte. Ltd. (“**MGAPS**”) from 1993 to 1996. In January 1994, MGAPS was found to have breached the regulations of the then SGX pertaining to net adjusted capital of MGAPS. The breach was due to the trading volumes of the business of MGAPS in excess of a certain multiple of its capital after adjusting for, among other items, the doubtful debts, book losses on customers’ outstanding position and shares awaiting for collection. MGAPS was fined for a sum of SGD75,000 by the then SGX for the breach. Mr. Lai was not personally involved in matters leading to such breach.

As at the Latest Practicable Date, Mr. Lai was interested or deemed to be interested in the 1,000,000 Shares within the meaning of Part XV of the SFO and was interested in share option with the right to subscribe for 10,800,000 Shares within the meaning of Part XV of the SFO. The director's remuneration of Mr. Lai for the year ended 31 March 2014 was approximately HK\$170,000.

GOH Hoon Leum (“**Mr. Goh**”), aged 64, joined the Group in March 2013. Mr. Goh has a bachelor's degree in Land Economics from University of Technology, Sydney and a master's degree in Property from University of Newcastle, Australia. He is the Fellow member of Singapore Institute of Surveyors and Valuers and a member of Australia Property Institute. Presently Mr. Goh is the Project Director of Real Estate Investment of Uncharted Group Limited. He is an INED of Wellcall Holdings Berhad, a company listed on the Bursa Malaysia, the Malaysian Stock Exchange. He has more than 30 years of experience in construction and property development industries. He spent first 5 years of his employment in construction industry before starting his 13 years career with Hong Leong Group, an established property development company. He owned a property consultancy and investment business before joining public listed companies as their Project Director. Mr. Goh specialized in property development management advisory and has been serving clients in Singapore and Asia region. He has been involved in optimizing the use of land use from several delicate development projects. Mr. Goh is a licensed Appraiser in Lands & Buildings and an accredited Resident Technical Officer (Building and Civil Engineering Works) of Singapore. He was conferred a Public Service Medal (PBM) in 1996 by the President of The Republic of Singapore.

As at the Latest Practicable Date, Mr. Goh was interested or deemed to be interested in the 1,800,000 Shares within the meaning of Part XV of the SFO and was interested in share option with the right to subscribe for 1,000,000 Shares within the meaning of Part XV of the SFO. The director's remuneration of Mr. Goh for the year ended 31 March 2014 was approximately HK\$170,000.

ER Kwong Wah (“**Mr. Er**”), aged 68, joined the Group in July 2014. Mr. Er obtained a first class honors degree in electrical engineering at the University of Toronto, Canada, in 1970 and a master degree in business administration from the Manchester Business School, University of Manchester in 1978. Mr. Er was a civil servant of the Republic of Singapore Government for 27 years and he had served in various ministries such as the Ministry of Defense, the Public Service Commission, Ministry of Finance, Ministry of Education and the Ministry of Community Development. He held Permanent Secretary of the Ministry of Education from 1987 to 1994 and of the Ministry of Community Development until his retirement in 1998. As Permanent Secretary of Education, he was involved in the planning and development of three universities, four polytechnics, the Institute of Technical Education, numerous schools in Singapore and the Singapore International School in Hong Kong. Even after his retirement from the Singapore civil service, he was actively involved in the education sector as a governor of United World College of South East Asia, and a trustee of SIM University. Currently he is an International Adviser to Bhutan for the development of an education city, as well as a governor of Raffles Institution in Singapore and adviser of NPS International School, Singapore. At present, he holds the position of executive director, East Asia Institute of Management, and chairs its examination board.

During his term in the Singapore Government Service, he held numerous additional appointments. These include Council Member of the National University of Singapore; Board Member of Singapore Polytechnic; Board Member of Ngee Ann Polytechnic; Council Member of National Institute of Education; Member, Board of Trustee, Institute of South East Asian Studies; Deputy Chairman of Singapore Sports Council; Board Director of Government linked companies, such as Sembcorp Marine Ltd, Singapore Power Pte Ltd, and Temasek Management Services Pte Ltd.

He was conferred the Public Administration Medal (Gold) by the Singapore Government and the Commandeur dans l’Ordre des Palmes Academiques by the Government of France in 1990 and 1991 respectively. He was also conferred the Public Service Medal (2004) and the Public Service Star (2009) by the Government of Singapore for his contributions in serving the community. In 2013, he was a recipient of the Service to Education Award from the Ministry of Education in Singapore.

Mr. Er was a director of various companies listed on the Singapore Exchange Securities Trading Limited (“**SGX**”) during the past 3 years: he was an independent director (“**ID**”) of Firstlink Investments Corporation Ltd (which was delisted on 25 November 2011), a lead ID of Hartawan Holdings Ltd, an INED of Thai Prime Fund Ltd. and a non-executive independent chairman of the board of Unidux Electronics Ltd. As at today Mr. Er is an ID of various companies listed on the SGX including COSCO Corporation (S) Ltd, CFM Holdings Ltd, China Essence Group Ltd, Eucon Holding Ltd, GKE Corporation Ltd, China Oilfield Technology Services Group Ltd and China Sky Chemical Fiber Co., Ltd. He is currently a District Councilor in Central Singapore Community Development Council.

Mr. Er was an ID of China Sky from 2 August 2005 to 5 January 2012. On 16 November 2011, SGX issued a directive (“**Directive**”) to China Sky to appoint a special auditor to investigate certain affairs of China Sky relating to (i) erroneous disclosure in its announcement relating to the acquisition of land in Fujian; (ii) non-disclosure of an interested party transaction involving a former director of China Sky; and (iii) the absence of board approval for certain repairs and maintenance contracts (together the “**Subject Transactions**”). Notwithstanding the view of Mr. Er in complying with the Directive, China Sky objected and did not comply with the Directive and missed the deadline set by the regulatory body. On 16 December 2011, the board of directors of China Sky was publicly reprimanded by SGX for non-compliance with the Directive. As such, Mr. Er resigned from the board of China Sky on 5 January 2012 when he did not receive the full support of the board of China Sky to comply with the Directive. Mr. Er was reappointed on 13 September 2012 as an ID and Audit Committee Chairman of China Sky. On 25 October 2012 China Sky did comply with the Directive by appointing a special auditor to perform a special audit on the Subject Transactions. The findings by the special auditor were released on 19 June 2013 with recommendations, among other matters, to issue a clarification announcement and strengthen internal control. There is no allegation of any fraud or loss to China Sky and Mr. Er was not involved in the Subject Transactions nor was he mentioned to be responsible for the Subject Transactions whatsoever. Mr. Er has been instrumental in getting China Sky to comply with the listing rules and in the process of getting China Sky resumed for listing on SGX.

As at the Latest Practicable Date, Mr. Er was not interested or deemed to be interested in the any Shares within the meaning of Part XV of the SFO. The director’s remuneration of Mr. Er is HK\$200,000 per annum.

Save as disclosed above, each of the Directors proposed to be re-elected was not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance as at the date hereof.

Save as disclosed above, in the three years immediately preceding the date hereof, each of the Directors proposed to be re-elected had not held any directorship in listed public companies or other major appointments and qualifications. Each of the Directors proposed to be re-elected does not have any relationships with any other directors, substantial shareholders, controlling shareholders or senior management of the Company.

Each of Mr. Lin, Mr. Lai, Mr. Goh and Mr. Er has entered into service contracts with the Company. Mr. Lai's contract is for a term of not more than 3 years while there is no specific length of directorship in both Mr. Lin, Mr. Goh and Mr. Er's contract. All of them are subject to retirement by rotation and re-election at a general meeting in accordance with the Bye-laws of the Company and the Corporate Governance Code set out in Appendix 14 to the Listing Rules.

Save as mentioned above, each of the Directors proposed to be re-elected confirmed that there are no other matters that need to be brought to the attention of the shareholders of the Company in connection with his re-election and save as disclosed above, there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

This Appendix serves as an explanatory statement to provide requisite information in relation to the Repurchase Mandate required pursuant to the Listing Rules:

SHARE CAPITAL

As at the Latest Practicable Date, the Company has 1,100,423,214 Shares in issue and issued share capital of HK\$11,004,232.14. On that basis and assuming no further Shares will be issued prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to 110,042,321 Shares representing share capital of HK\$1,100,423.21 being repurchased by the Company.

REASON FOR THE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws and the applicable laws of Bermuda. The Directors propose that the repurchase of Shares under the Repurchase Mandate will be financed from the Company's internal resources.

There might be a material adverse impact on the working capital or gearing position of the Company, in the event that the proposed Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months were as follows:

	Shares	
	Highest	Lowest
	<i>(HK\$)</i>	<i>(HK\$)</i>
2013		
July	0.244	0.182
August	0.228	0.200
September	0.320	0.200
October	0.330	0.255
November	0.510	0.295
December	0.530	0.400
2014		
January	0.760	0.425
February	0.750	0.600
March	0.670	0.530
April	0.660	0.560
May	0.590	0.520
June	0.530	0.370
July until the Latest Practicable Date	0.455	0.405

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their Associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell Shares to the Company or its subsidiaries.

No connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Bye-laws of the Company, and the applicable laws of Bermuda.

EFFECT OF THE TAKEOVERS CODE

If as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code.

As at the Latest Practicable Date, pursuant to the latest disclosure of interests forms filed by the substantial Shareholders, the substantial Shareholders and the Directors together with their Associates collectively were interested in or deemed to be interested in 939,187,503 Shares (413,333,333 are derivative shares) within the meaning of Part XV of the SFO representing approximately 85% of the issued share capital of the Company. In the event that the Directors exercised the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the interest of the substantial Shareholders, together with their Associates, in the Company would be increased to approximately 94.83% of the issued share capital. However, the Directors have no intention to exercise the Repurchase Mandate to such extent that less than 25% of the issued share capital of the Company would be in public hands. As at the Latest Practicable Date, pursuant to the latest disclosure of interests forms dated 17 April 2014 filed by Dato Poh Po Lian and Mr. Phua Wei Seng respectively, Dato Poh Po Lian held 734,959,745 Shares (413,333,333 are derivative shares), whereas Mr. Phua Wei Seng held 174,217,758 Shares, each of them holding an aggregate interest of 66.79% and 15.83% in the total issued share capital of the Company. In the event that the Directors exercise in full the Repurchase Mandate, the shareholding of the Company held by Dato Poh Po Lian and Mr. Phua Wei Seng will increase to approximately 74.21% and 17.59% of the issued share capital of the Company respectively. Upon full exercise of the Repurchase Mandate, the shareholding of Dato Poh Po Lian may give rise to an obligation to make a mandatory general offer under the Takeovers Code. However the Directors have no intention to exercise the Repurchase Mandate to the extent that it will trigger a mandatory general offer under the Takeovers Code. Save as disclosed above, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of repurchase made pursuant to the Repurchase Mandate should the Repurchase Mandate be exercised in full.

SHARE REPURCHASE MADE BY THE COMPANY

During the previous 6 months prior to the Latest Practicable Date, the Company had not repurchased, sold or redeemed any of the listed securities of the Company.

C Y FOUNDATION GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of C Y Foundation Group Limited (“**Company**”) will be held at Horizon Room, 7/F, Metropark Hotel Causeway Bay Hong Kong, 148 Tung Lo Wan Road, Causeway Bay, Hong Kong on 8 August 2014, Friday, at 3:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements, the directors’ reports and the auditor’s reports of the Company for the year ended 31 March 2014.
2. To re-elect the retiring directors of the Company (“**Directors**”) for the ensuing year.
3. To authorise the board of directors (“**Board**”) of the Company to fix the Directors’ remuneration.
4. To re-appoint ZHONGHUI ANDA CPA Limited (formally known as ANDA CPA Limited) as auditors of the Company for the ensuing year and to authorize the Board to fix their remuneration.

To consider and, if thought fit, to pass, with or without amendments, the resolutions Nos. 5 to 7 as ordinary resolutions:

5. **THAT**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and/or grant offers, agreements and/or options, including bonds, warrants, debentures, notes and other securities convertible into shares of the Company, which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined hereinafter) to make and/or grant offers, agreements and options, including bonds, warrants, debentures, notes and other securities convertible into shares of the Company, which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or any option scheme or similar arrangement for the time being adopted for the grant or issue to participants of the Company, its subsidiaries, and its ultimate holding company (if any) which is also listed on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) and its subsidiaries, of shares or right to acquire shares in the Company shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in a general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).

6. THAT

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on the Stock Exchange or on any other stock exchange on which the shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of The Rules Governing the Listing of Securities on the Stock Exchange or on any other stock exchange as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares in the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in a general meeting.

7. **THAT** conditional upon resolutions No. 5 and 6 above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution number No. 6 be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution No. 5 above.

By order of the Board
Sneah Kar Loon
Chairman

Hong Kong, 10 July 2014

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint proxy(ies) to attend and vote instead of him/her. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her/its attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney authorized to sign the same.
3. The instrument appointing a proxy and a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such proxy, power or authority, must be delivered to the office of Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
4. Delivery of an instrument appointing a proxy, power or authority shall not preclude a member of the Company from attending and voting in person at the meeting and in such event, the instrument appointing a proxy, power or authority shall be deemed to be revoked.
5. In the case of joint holders of any share, any one of such joint holders may vote at the annual general meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.