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APPOINTMENT OF EXECUTIVE DIRECTOR

The board (“**Board**”) of directors (“**Directors**”) of China Vanguard Group Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) is pleased to announce that Mr. Wang Yong Chun (“**Mr. Wang**”) has been appointed as an Executive Director of the Company with effect from 6 March 2012.

Mr. Wang, aged 60, has over 20 years working experience in China’s oil and gas industry. He has extensive experience, including but not limited to, oil and gas exploration and development, oil and gas pipeline transportation and city level gas distribution. Previously, he had been the party secretary of PetroChina Kunlun Gas Limited and the deputy general manager of PetroChina Huayou Group, and he was appointed other important positions in other state-owned oil and gas exploration companies.

Pursuant to the announcement dated 23 February 2012 issued by the Company, Mr. Wang entered into the shareholders’ agreement with the Group on 23 February 2012 for the formation of Joint Venture Company (“**JVC**”) for new energy exploitation and development, production and advanced processing. Mr. Wang owns 20% of the JVC, while the wholly-owned subsidiary of the Company owns 55% of the JVC. As a result, Mr. Wang is a connected person of the Company.

Save as disclosed above, Mr. Wang (i) is not related to any other directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company; (ii) as of the date of this announcement, does not have, and was not deemed to have, any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) does not hold other positions with the Company and other members of the Group; and (iv) has not held any directorship in the last three years prior to his appointment in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Wang has not entered into any service contract for his directorship with the Company. The emoluments to Mr. Wang in his capacity as Executive Director of the Company have not been fixed but will be determined and subject to review by the Board and/or the remuneration committee of the Company from time to time by reference to his duties and responsibilities. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to the appointment of Mr. Wang and there is no other information which is discloseable pursuant to any of the requirements set out in Rules 17.50(2)(h) to (v) of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to welcome Mr. Wang to the Company.

By Order of the Board
China Vanguard Group Limited
眾彩科技股份有限公司*
CHAN Siu Sarah
Director

Hong Kong, 6 March 2012

As at the date of this announcement, the board of directors of the Company comprises six executive directors, being Madam Cheung Kwai Lan, Mr. Chan Tung Mei, Mr. Wang Yong Chun, Mr. Chan Ting, Ms. Chan Siu Sarah and Mr. Lau Hin Kun; and four independent non-executive directors, being Mr. Tian He Nian, Mr. Zhang Xiu Fu, Mr. Yang Qing Cai and Mr. To Yan Ming Edmond.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement 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 in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its posting and on the website of the Company at www.cvg.com.hk.

* *For identification purposes only*