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(Incorporated in Bermuda with limited liability)
(Stock Code: 00418)

ANNOUNCEMENT

CHANGE OF EXECUTIVE DIRECTORS, CHANGE OF CHAIRMAN OF THE BOARD OF DIRECTORS, CHANGE OF MEMBER AND CHAIRMAN OF THE NOMINATION COMMITTEE, CHANGE OF MEMBER OF REMUNERATION COMMITTEE AND CHANGE OF AUTHORISED REPRESENTATIVES OF THE COMPANY

The Board announces that Professor Xiao Jian Guo, Mr. Liu Jian, Professor Yang Bin and Ms. Sun Min resigned as executive Directors with effect from 12 December 2016. The reason for resignation of Professor Xiao Jian Guo and Ms. Sun Min is to devote more time for their commitments at Peking Founder, a substantial shareholder of the Company. The reason for resignation of Mr. Liu Jian and Professor Yang Bin is to devote more time for their commitments at Founder Information, a substantial shareholder of the Company. Mr. Cheung Shuen Lung, Mr. Hu Bin, Mr. Cui Yun Tao and Ms. Liao Hang were appointed as executive Directors with effect from 12 December 2016. Due to the resignation of Professor Xiao Jian Guo as the executive Director on 12 December 2016, Professor Xiao Jian Guo also ceased to be the chairman of the Board, the member and chairman of the nomination committee of the Company and the member of the remuneration committee of the Company with effect from 12 December 2016. Mr. Cheung Shuen Lung was appointed to replace Professor Xiao Jian Guo as the chairman of the Board, the member and chairman of the nomination committee of the Company and the member of the remuneration committee of the Company with effect from 12 December 2016. Professor Xiao Jian Guo and Mr. Liu Jian also ceased to be the authorised representatives of the Company under Rule 3.05 of the Listing Rules with effect from 12 December 2016. Mr. Cheung Shuen Lung and Mr. Shao Xing were appointed to replace Professor Xiao Jian Guo and Mr. Liu Jian as the authorised representatives of the Company with effect from 12 December 2016.

Resignation of Directors

The Board of directors of Founder Holdings Limited (the “Company”) (the “Board”) announces that Professor Xiao Jian Guo, Mr. Liu Jian, Professor Yang Bin and Ms. Sun Min resigned as executive directors of the Company (“Directors”) with effect from 12 December 2016. The reason for resignation of Professor Xiao Jian Guo and Ms. Sun Min is to devote more time for their commitments at Peking University Founder Group Company Limited (“Peking Founder”), the substantial shareholder of the Company. The reason for resignation of Mr. Liu Jian and Professor Yang Bin is to devote more time

for their commitments at Peking University Founder Information Industry Group Co., Ltd. (“Founder Information”), the substantial shareholder of the Company. Mr. Cheung Shuen Lung, Mr. Hu Bin, Mr. Cui Yun Tao and Ms. Liao Hang were appointed as executive Directors with effect from 12 December 2016. Due to the resignation of Professor Xiao Jian Guo as the executive Director on 12 December 2016, Professor Xiao Jian Guo also ceased to be the chairman of the Board, the member and chairman of the nomination committee of the Company and the member of the remuneration committee of the Company with effect from 12 December 2016. Mr. Cheung Shuen Lung was appointed to replace Professor Xiao Jian Guo as the chairman of the Board, the member and chairman of the nomination committee of the Company and the member of the remuneration committee of the Company with effect from 12 December 2016. Professor Xiao Jian Guo and Mr. Liu Jian also ceased to be the authorised representatives of the Company under Rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) with effect from 12 December 2016. Mr. Cheung Shuen Lung and Mr. Shao Xing were appointed to replace Professor Xiao Jian Guo and Mr. Liu Jian as the authorised representatives of the Company with effect from 12 December 2016.

Professor Xiao Jian Guo, Mr. Liu Jian, Professor Yang Bin and Ms. Sun Min have confirmed to the Company that they have no disagreement with the Board and that they are not aware of any matter relating to their resignation that need to be brought to the attention of the shareholders of the Company.

The Board would like to express its sincere gratitude to Professor Xiao Jian Guo, Mr. Liu Jian, Professor Yang Bin and Ms. Sun Min for their invaluable contribution to the Company and its subsidiaries (the “Group”) during their tenure of services.

Appointments of Directors

Mr. Cheung Shuen Lung

Mr. Cheung Shuen Lung (“Mr. Cheung”), aged 60, is the director of Peking Founder and is one of the founders of Peking Founder. He is the chairman and executive director of Peking University Resources (Holdings) Company Limited (“PKU Resources”), a company listed on the main board of the Stock Exchange of Hong Kong Limited (stock code: 00618). Peking Founder is a substantial shareholder of PKU Resources. He was a executive chairman of PUC Founder (MSC) Berhad, a company listed on the ACE Market of Bursa Malaysia (stock code: 0007), before 1 January 2014, and was a non-independent non-executive director of this company from 1 January 2014 to 25 November 2016. He is also a director of a number of associated companies of Peking Founder and subsidiaries of the Company. He is a research fellow of the Enterprise Research Institute at Peking University and is an MBA alumni trainer of Peking University Guanghua School of Management. Mr. Cheung is famed for his prestige and has extensive experience in the information technology industry in the People’s Republic of China (the “PRC”).

Save as disclosed above, Mr. Cheung does not hold any position with the Company or any members of the Group and does not have any directorship in other listed public companies in the last three years. Save as disclosed above, Mr. Cheung does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the date of this announcement, Mr. Cheung does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

Mr. Cheung has entered into a service agreement as an executive Director with the Company for a term of two years from the date of appointment and should continue thereafter unless and until terminated by either the Company or Mr. Cheung in accordance with the service agreement. Mr. Cheung is not entitled to any director's fee payable or salary payable at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Mr. Cheung will also be entitled to discretionary bonus to be determined at the end of each financial year. Mr. Cheung is entitled to participate in any profit-related bonus scheme as may be established by the Company and his entitlement thereunder shall be determined at the absolute discretion of the Board and the total amount of bonus payable to all executive Directors shall not exceed 15 per cent. of the audited consolidated net profit (after payment of all bonuses) after taxation and non-controlling interests of the Group for that financial year. He will hold office until the next general meeting of the Company and will retire at that general meeting but will be eligible for re-election pursuant to the by-laws of the Company.

Save as disclosed above, there are no other matters relating to the appointment of Mr. Cheung that need to be brought to the attention of the shareholders of the Company nor any information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Hu Bin

Mr. Hu Bin ("Mr. Hu"), aged 37, is the general manager of assets management department of Peking Founder. He is a director of China Hi-Tech Group Co., Ltd. ("China Hi-Tech") (stock code: 600730), a company in which 20.01% of equity interest was held by Peking Founder, since 23 May 2016, and director of Founder Technology Group Corporation ("Founder Technology") (stock code: 600601), a company in which 11.65% of equity interest was held by a subsidiary of Peking Founder, since 15 November 2016. China Hi-Tech and Founder Technology are companies listed in the Shanghai Stock Exchange. He is also a director of associated companies of Peking Founder. Mr. Hu received his bachelor's degree in accounting at Beijing University of Technology in the PRC. He is a Certified Public Accountant in the PRC, member of the Association of Chartered Certified Accountants in the United Kingdom and CFA charterholder. Prior to joining Peking Founder in 2016, he was a senior manager of an international firm of Certified Public Accountants. Mr. Hu has extensive knowledge and experience in financial management.

Save as disclosed above, Mr. Hu does not hold any position with the Company or any members of the Group and does not have any directorship in other listed public companies in the last three years. Save as disclosed above, Mr. Hu does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the date of this announcement, Mr. Hu does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

Mr. Hu has entered into a service agreement as an executive Director with the Company for a term of two years from the date of appointment and should continue thereafter unless and until terminated by either the Company or Mr. Hu in accordance with the service agreement. Mr. Hu is not entitled to any director's fee payable or salary payable at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Mr. Hu will also

be entitled to discretionary bonus to be determined at the end of each financial year. Mr. Hu is entitled to participate in any profit-related bonus scheme as may be established by the Company and his entitlement thereunder shall be determined at the absolute discretion of the Board and the total amount of bonus payable to all executive Directors shall not exceed 15 per cent. of the audited consolidated net profit (after payment of all bonuses) after taxation and non-controlling interests of the Group for that financial year. He will hold office until the next general meeting of the Company and will retire at that general meeting but will be eligible for re-election pursuant to the bye-laws of the Company.

Save as disclosed above, there are no other matters relating to the appointment of Mr. Hu that need to be brought to the attention of the shareholders of the Company nor any information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Cui Yun Tao

Mr. Cui Yun Tao (“Mr. Cui”), aged 38, is the general manager of financial management department of Peking Founder. He is also a director of associated companies of Peking Founder. Mr. Cui received his bachelor’s degree in accounting at Wuhan University of Technology in the PRC. He obtained a post-graduate diploma of capital and financial management in Central University of Finance and Economics and senior accountant qualification certificate in the PRC. Mr. Cui has extensive experience in corporate finance, economics and management.

Save as disclosed above, Mr. Cui does not hold any position with the Company or any members of the Group and does not have any directorship in other listed public companies in the last three years. Save as disclosed above, Mr. Cui does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the date of this announcement, Mr. Cui does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

Mr. Cui has entered into a service agreement as an executive Director with the Company for a term of two years from the date of appointment and should continue thereafter unless and until terminated by either the Company or Mr. Cui in accordance with the service agreement. Mr. Cui is not entitled to any director’s fee payable or salary payable at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Mr. Cui will also be entitled to discretionary bonus to be determined at the end of each financial year. Mr. Cui is entitled to participate in any profit-related bonus scheme as may be established by the Company and his entitlement thereunder shall be determined at the absolute discretion of the Board and the total amount of bonus payable to all executive Directors shall not exceed 15 per cent. of the audited consolidated net profit (after payment of all bonuses) after taxation and non-controlling interests of the Group for that financial year. He will hold office until the next general meeting of the Company and will retire at that general meeting but will be eligible for re-election pursuant to the bye-laws of the Company.

Save as disclosed above, there are no other matters relating to the appointment of Mr. Cui that need to be brought to the attention of the shareholders of the Company nor any information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

Ms. Liao Hang

Ms. Liao Hang (“Ms. Liao”), aged 37, is the general manager of legal department of Peking Founder. She is also a director of Founder Securities Co., Ltd. (stock code: 601901), a company in which 27.75% of equity interest was held by Peking Founder and listed on the Shanghai Stock Exchange, since 24 November 2016. Ms. Liao received her bachelor’s degree in trading economy and economic law and master degree in economic law at Minzu University of China in the PRC. She obtained legal professional qualification certificate in the PRC and has extensive experience in legal professional experience.

Save as disclosed above, Ms. Liao does not hold any position with the Company or any members of the Group and does not have any directorship in other listed public companies in the last three years. Save as disclosed above, Ms. Liao does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the date of this announcement, Ms. Liao does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

Ms. Liao has entered into a service agreement as an executive Director with the Company for a term of two years from the date of appointment and should continue thereafter unless and until terminated by either the Company or Ms. Liao in accordance with the service agreement. Ms. Liao is not entitled to any director’s fee payable or salary payable at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Ms. Liao will also be entitled to discretionary bonus to be determined at the end of each financial year. Ms. Liao is entitled to participate in any profit-related bonus scheme as may be established by the Company and her entitlement thereunder shall be determined at the absolute discretion of the Board and the total amount of bonus payable to all executive Directors shall not exceed 15 per cent. of the audited consolidated net profit (after payment of all bonuses) after taxation and non-controlling interests of the Group for that financial year. She will hold office until the next general meeting of the Company and will retire at that general meeting but will be eligible for re-election pursuant to the bye-laws of the Company.

Save as disclosed above, there are no other matters relating to the appointment of Ms. Liao that need to be brought to the attention of the shareholders of the Company nor any information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to welcome Mr. Cheung, Mr. Hu, Mr. Cui and Ms. Liao on their appointment as the executive Directors of the Company.

By order of the Board
Founder Holdings Limited
Cheung Shuen Lung
Chairman

Hong Kong, 12 December 2016

As at the date of this announcement, the board of directors of the Company comprises executive directors of Mr. Cheung Shuen Lung (Chairman), Mr. Shao Xing (President), Ms. Zuo Jin, Mr. Hu Bin, Mr. Cui Yun Tao and Ms. Liao Hang, and the independent non-executive directors of Mr. Li Fat Chung, Ms. Wong Lam Kit Yee and Mr. Fung Man Yin, Sammy.

* For identification purpose only