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FOUNDER HOLDINGS LIMITED
方正控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00418)

CHANGE OF EXECUTIVE DIRECTOR

The Board announces that Mr Cui Yun Tao resigned as an executive Director with effect from 4 April 2019 due to the intention of devoting more time for his commitments at Peking Founder, a substantial shareholder of the Company. At the same time, Professor Xiao was appointed as an executive Director with effect from 4 April 2019.

The board of directors (the “**Board**”) of Founder Holdings Limited (the “**Company**”) announces that Mr Cui Yun Tao resigned as an executive director of the Company (the “**Director**”) with effect from 4 April 2019. The reason for resignation of Mr Cui Yun Tao is to devote more time for his commitment at Peking University Founder Group Company Limited (“**Peking Founder**”), the substantial shareholder of the Company. At the same time, Professor Xiao Jian Guo (“**Professor Xiao**”) was appointed as an executive Director with effect from 4 April 2019.

RESIGNATION OF MR CUI YUN TAO AS AN EXECUTIVE DIRECTOR

Mr Cui Yun Tao has confirmed to the Company that he has no disagreement with the Board and that he is not aware of any matter relating to his 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 Mr Cui Yun Tao for his invaluable contribution to the Company and its subsidiaries (the “**Group**”) during his tenure of services.

APPOINTMENT OF PROFESSOR XIAO AS AN EXECUTIVE DIRECTOR

Professor Xiao, aged 62, was an executive director of the Company from May 2001 to December 2016 and was re-designated from Deputy Chairman of the Company to the Chairman of the Company on 1 March 2016. He is also the director of Peking Founder and Peking University Founder Information Industry Group Co. Ltd., the substantial shareholders of the Company. He is a director of associated companies of Peking Founder. He is a professor and a supervisor of PhD students of the Peking University. He graduated from the Department of Computer Science at the College of Dalian Ocean Communication with a bachelor’s degree in 1982 and obtained a master’s degree in Computer Science at Peking University.

Save as disclosed above, Professor Xiao does not hold any position with the Company or any members of the Group. Professor Xiao does not have any directorship in other listed public companies in the last three years.

Save as disclosed above, Professor Xiao 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, Professor Xiao 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).

Professor Xiao 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 Professor Xiao in accordance with the service agreement. Professor Xiao 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. Professor Xiao will also be entitled to discretionary bonus to be determined at the end of each financial year. Professor Xiao 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 Professor Xiao 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to welcome Professor Xiao on his appointment as an executive Director.

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

Hong Kong, 4 April 2019

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), Professor Xiao Jian Guo, Ms Zuo Jin, Mr Hu Bin and Ms Liao Hang, and the independent non-executive directors of Mr Li Fat Chung, Ms Wong Lam Kit Yee and Mr Chan Chung Kik, Lewis.

* For identification purpose only