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(Stock Code: 00418)

PROFIT WARNING REDUCTION IN LOSS

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

The board of directors of the Company (the “**Board**”) hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on its preliminary assessment of the Group’s unaudited consolidated management accounts for the six months ended 30 June 2024 and information currently available to the Board, the Group is expected to record a loss attributable to owners of the Company of not more than approximately HK\$6 million for the six months ended 30 June 2024, as compared with the loss attributable to owner of the Company of approximately HK\$26.9 million for the six months ended 30 June 2023. To the best knowledge of the Board, the Board believes such decrease in loss was mainly attributable to (i) the one-off gain on reversal of the provision for impairment of the entrusted loan to Peking University Founder Group Company Limited, reference is made to the announcement of the Company dated 19 July 2024; (ii) the decrease in staff costs as a result of decrease in the number of staff; and (iii) the decline in foreign exchange loss due to less significant fluctuation of exchange rate of Renminbi against Hong Kong dollars during the six months ended 30 June 2024 as compared to the same period last year.

As at the date of this announcement, the Company is still in the process of finalising the financial statements of the Group for the six months ended 30 June 2024. The information contained in this announcement is only based on the preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group, but not based on any financial data or information that has been audited, reviewed or confirmed by the Company's auditor. Details of the Group's financial performance will be disclosed in the interim results announcement of the Company for the six months ended 30 June 2024, which is expected to be published by the end of August 2024. Shareholders and potential investors are advised to read carefully such results announcement.

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

By Order of the Board
Founder Holdings Limited
Qi Zi Xin
Chairman

Hong Kong, 6 August 2024

As at the date of this announcement, the Board comprises executive directors of Mr. Qi Zi Xin (Chairman), Mr. Shao Xing (President), Mr. Wang Jin Chao, Mr. Zhang Jian Guo, Ms. Wu Jing and Mr. Li Shuo Feng, and the independent non-executive directors of Mr. Chan Chung Kik, Lewis, Mr. Lai Nga Ming, Edmund and Mr. Chak Chi Shing.

** For identification purpose only*