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(Stock Code: 00418)

**CHANGE OF INDEPENDENT NON-EXECUTIVE DIRECTOR
AND
MEMBER OF THE AUDIT COMMITTEE**

The Board announces that Dr Hu Hung Lick, Henry, aged 91, will vacate from his office as an independent non-executive director of the Company and a member of the Audit Committee due to his age and retirement, which is to take effect upon the expiry of his service agreement with the Company on 30 June 2011. Mr Fung Man Yin Sammy has been appointed as an independent non-executive director of the Company and a member of the Audit Committee to fill the vacancy caused by the retirement of Dr Hu Hung Lick, Henry with effect from 30 June 2011.

The board of directors (the “Board”) of Founder Holdings Limited (the “Company”) announces that Dr Hu Hung Lick, Henry (“Dr Hu”), aged 91, will vacate from his office as an independent non-executive director of the Company and a member of the Audit Committee due to his age and retirement, which is to take effect upon the expiry of his service agreement with the Company on 30 June 2011. Mr Fung Man Yin Sammy (“Mr Fung”) has been appointed as an independent non-executive director of the Company and a member of the Audit Committee to fill the vacancy caused by the retirement of Dr Hu with effect from 30 June 2011.

Dr Hu 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 retirement that needs to be brought to the attention of the shareholders of the Company.

The Board would like to express its sincere gratitude to Dr Hu for his invaluable contribution to the Company and its subsidiaries (the “Group”) during his tenure of services and wish him all the best following his retirement.

Mr Fung, aged 51, is the Group Financial Controller of DVN (Holdings) Limited, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Mr Fung was the Group Financial Controller of Management Investment & Technology (Holdings) Limited (now known as EC-Founder (Holdings) Company Limited and is an associated company of the Company) from 1992 to 2000, and the Group Financial Controller of the Company from 2000 to 2006. He has nearly 20 years of experience in financial management of listed companies.

Mr Fung holds a first class honours degree in Economics and Accounting from the University of Newcastle Upon Tyne, England. Mr Fung is a fellow member of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants. He worked with several international accounting firms in UK and Hong Kong for 10 years, and he had been a practicing certified public accountant in Hong Kong for 17 years.

Save as disclosed above, Mr Fung does not hold any position with the Company and other members of the Group, nor has any directorship in other listed public companies in the last three years.

Mr Fung does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the day of this announcement, Mr Fung is beneficially interested in 450,000 shares of EC-Founder (Holdings) Company Limited, out of which 350,000 shares are directly beneficially owned and 100,000 shares are held through spouse. Save as disclosed above, Mr Fung does not have any interest in the shares of the Company within the meaning of Part XV of The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr Fung has entered into a service agreement as an independent non-executive director with the Company for a term of one year from the date of appointment. Mr Fung is entitled to a director’s fee of HK\$132,000 per annum, which is determined by

the Board by reference to his duties and responsibilities. He will retire at the next general meeting of the Company 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 Fung that need to be brought to the attention of the shareholders of the Company nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange.

The Board would like to take this opportunity to extend its warmest welcome to Mr Fung on his appointment as independent non-executive director of the Company.

By Order of the Board
Tang Yuk Bo, Yvonne
Company Secretary

Hong Kong, 29 June 2011

As at the date of this announcement, the board of directors of the Company comprises executive directors of Mr Zhang Zhao Dong (Chairman), Professor Xiao Jian Guo (Deputy Chairman), Mr Liu Xiao Kun (President), Professor Wei Xin, Mr Chen Geng and Mr Xie Ke Hai, and the independent non-executive directors of Mr Li Fat Chung, Dr Hu Hung Lick, Henry and Ms Wong Lam Kit Yee.

**For identification purpose only*