

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

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

The Board announces that Mr Zhang Zhao Dong, Mr Chen Geng, Mr Xie Ke Hai and Professor Wei Xin resigned as executive directors of the Company with effect from 30 December 2011. Mr Zhang Zhao Dong, Mr Chen Geng and Mr Xie Ke Hai resigned as executive directors of the Company to devote more time for their role as executive directors in EC-Founder (Holdings) Company Limited and Professor Wei Xin resigned as executive director of the Company to devote more time for his role as chairman of Peking University Founder Group Company Limited. Mr Fang Zhong Hua, Ms Yi Mei, Mr Yang Bin and Mr Wo Fei Yu were appointed as executive directors of the Company with effect from 30 December 2011. Due to the resignation of Mr Zhang Zhao Dong as the executive director of the Company on 30 December 2011, Mr Zhang Zhao Dong also resigned as the Chairman of the Board and the member and Chairman of the remuneration committee of the Company with effect from 30 December 2011. Mr Zhang Zhao Dong and Professor Wei Xin also ceased to be the authorised representatives of the Company under Rule 3.05 of the Listing Rules with effect from 30 December 2011. Mr Fang Zhong Hua was appointed as the Chairman of the Board and the member and Chairman of the remuneration committee of the Company with effect from 30 December 2011. Mr Fang Zhong Hua and Ms Yi Mei were appointed as the authorised representatives of the Company under Rule 3.05 of the Listing Rules with effect from 30 December 2011.

The board of directors (the “Board”) of Founder Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) announces that Mr Zhang Zhao Dong, Mr Chen Geng, Mr Xie Ke Hai and Professor Wei Xin resigned as executive directors of the Company with effect from 30 December 2011. Mr Zhang Zhao Dong, Mr Chen Geng and Mr Xie Ke Hai resigned as executive directors of the Company to devote more time for their role as executive directors in EC-Founder (Holdings) Company Limited and Professor Wei Xin resigned as Executive Director of the Company to devote more time for his role as chairman of Peking University Founder Group Company Limited (“Peking Founder”). Mr Fang Zhong Hua (“Mr Fang”), Ms Yi Mei (“Ms Yi”), Mr Yang Bin (“Mr Yang”) and Mr Wo Fei Yu (“Mr Wo”) were appointed as executive directors of the Company with effect from 30 December 2011. Due to the resignation of Mr Zhang Zhao Dong as the executive director of the Company on 30 December 2011, Mr Zhang Zhao Dong also resigned as the Chairman of the Board and the member

and Chairman of the remuneration committee of the Company with effect from 30 December 2011. Mr Zhang Zhao Dong and Professor Wei Xin 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 30 December 2011. Mr Fang Zhong Hua was appointed as the Chairman of the Board and the member and Chairman of the remuneration committee of the Company with effect from 30 December 2011. Mr Fang Zhong Hua and Ms Yi Mei were appointed as the authorised representatives of the Company under Rule 3.05 of Listing Rules with effect from 30 December 2011.

Mr Zhang, Mr Chen, Mr Xie and Professor Wei 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 retirement 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 Zhang, Mr Chen, Mr Xie and Professor Wei for their invaluable contribution to the Group during their tenure of services.

Mr Fang

Mr Fang Zhong Hua, aged 48, is the senior vice president of Peking Founder and chief executive officer of Founder Information Industry Group* (方正信息產業集團) (“Founder Information”), a subsidiary of Peking Founder. Peking Founder is the controlling shareholder of the Company. He has been the chairman of Founder Technology Group Corporation (“Founder Technology”) (方正科技集團股份有限公司) (stock code: 600601), a company listed in the Shanghai Stock Exchange, since 2004. He is also a director of a number of associated companies of Peking Founder. He is also a director of Founder Century (Hong Kong) Limited and Beijing Founder Century Information System Co., Ltd. Mr Fang graduated from Zhengzhou Institute of Aeronautical Industry Management College (鄭州航空工業管理學院) and obtained a master’s degree in Business Administration at the Peking University. He is also an economist in the People’s Republic of China (the “PRC”). He is the overall team leader of National Digital Publishing Systems Engineering Project (國家數字複合出版系統工程), the major digital publishing project included in National “Eleventh Five-Year” during the Cultural Development Plan (國家“十一五”時期文化發展規劃綱要) and News publishing industry “Eleventh Five-Year Plan” (新聞出版業“十一五”發展規劃). He is the vice president of China Computer Industry Association (中國計算機行業協會).

Save as disclosed above, Mr Fang 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.

Save as disclosed above, Mr Fang 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 Fang has personal interests of share options to subscribe for 7,388,000 shares of the Company granted under the Company’s share option scheme. Save as disclosed above, he 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) (the “SFO”).

Mr Fang 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 Fang in accordance with the service agreement. Mr Fang is not entitled to any director's fee or salary payable by the Company at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Mr Fang 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 number of bonus payable to all executive directors of the Company shall not exceed 15 per cent of the audited consolidated net profit of the Group (after payment of all bonuses) after taxation and minority interests but before extraordinary items 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, Mr Fang confirmed that there are no other matters relating to his appointment 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 Listing Rules.

Ms Yi

Ms Yi Mei, aged 46, is the director of Beijing Founder Electronics Co., Ltd. ("Founder Electronics"), a subsidiary of the Company. She is a certified public accountant in the PRC. Ms Yi is also the assistant president of Peking Founder, the vice president and chief financial officer of Founder Information. She is a director of a number of associated companies of Peking Founder. She has been a director of Founder Technology (stock code: 600601), a company listed in the Shanghai Stock Exchange, since 5 November 2010. She is also a director of Founder Century (Hong Kong) Limited and Beijing Founder Century Information System Co., Ltd. Ms Yi has extensive experience in finance and management and worked in various government departments and large enterprises in the PRC.

Save as disclosed above, Ms Yi 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.

Save as disclosed above, Ms Yi 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 Yi has personal interests of share options to subscribe for 7,388,000 shares of the Company granted under the Company's share option scheme. Save as disclosed above, she does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Ms Yi 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 Yi in accordance with the service agreement. Ms Yi is not entitled to any director's fee or salary payable by the Company at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Ms Yi 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 number of bonus payable to all executive directors of the Company shall not exceed 15 per cent of the audited consolidated net profit of the Group (after payment of all bonuses) after taxation and minority interests but before extraordinary items 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, Ms Yi confirmed that there are no other matters relating to her appointment 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 Listing Rules.

Mr Yang

Mr Yang Bin, aged 42, is the president of Founder Electronics. He obtained a master's degree of Computer Science at the Peking University in 1994. Mr Yang has extensive experience in the research and development in the information technology industry. He was awarded the "Major Technological Inventions of Information Industry Award" (信息產業重大技術發明獎) by Ministry of Information Industry in the PRC (國家信息產業部), "China's Top Ten Scientific and Technological Progress in Higher Education Award" (中國高等學校十大科技進展獎) by Ministry of Education in the PRC (國家教育部), and First prize of Electronic Information Science and Technology Award (電子信息科學技術獎一等獎) by Chinese Institute of Electronics (中國電子學會).

Save as disclosed above, Mr Yang 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.

Save as disclosed above, Mr Yang 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 Yang has personal interests of share options to subscribe for 7,388,000 shares of the Company granted under the Company's share option scheme. Save as disclosed above, he does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr Yang 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 Yang in accordance with the service agreement. Mr Yang is not entitled to any director's fee or salary payable by the Company at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Mr Yang 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 number of bonus payable to all executive directors of the Company shall not exceed 15 per cent of the audited consolidated net profit of the Group (after payment of all bonuses) after taxation and minority interests but before extraordinary items 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, Mr Yang confirmed that there are no other matters relating to his appointment 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 Listing Rules.

Mr Wo

Mr Wo Fei Yu, aged 42, is the general manager of strategy and investment department of Peking Founder. He received his master's degree in Business Administration at Shanghai Maritime University (上海海事大學). Mr Wo has extensive experience in the strategic investment.

Save as disclosed above, Mr Wo 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.

Save as disclosed above, Mr Wo 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 Wo does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr Wo 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 Wo in accordance with the service agreement. Mr Wo is not entitled to any director's fee or salary payable by the Company at the time entering into the service agreement, however, which may be reviewed from time to time at the discretion of the Board. Mr Wo 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 number of bonus payable to all executive directors of the Company shall not exceed 15 per cent of the audited consolidated net profit of the Group (after payment of all bonuses) after taxation and minority interests but before extraordinary items 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, Mr Wo confirmed that there are no other matters relating to his appointment 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 Listing Rules.

The Board would like to take this opportunity to extend its warmest welcome to Mr Fang, Ms Yi, Mr Yang and Mr Wo on their appointment as the executive directors of the Company.

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

Hong Kong, 30 December 2011

As at the date of this announcement, the board of directors of the Company comprises executive directors of Mr Fang Zhong Hua (Chairman), Professor Xiao Jian Guo (Deputy Chairman), Mr Liu Xiao Kun (President), Ms Yi Mei, Mr Yang Bin and Mr Wo Fei Yu, and the independent non-executive directors of Mr Li Fat Chung, Ms Wong Lam Kit Yee and Fung Man Yin Sammy.

* For identification purpose only