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EC-FOUNDER (HOLDINGS) COMPANY LIMITED

方正數碼(控股)有限公司*

(Incorporated in Bermuda with limited liability)

CONNECTED TRANSACTION: ONLINE ADVERTISEMENT IN YAHOO!'S PORTAL

SUMMARY

Founder Data Corporation International Limited, a subsidiary of the Company has placed an order with Yahoo! Holdings (Hong Kong) Limited on 18 January 2002, whereby Founder Data Corporation International Limited committed to place an online advertising of an amount of US\$200,000 (equivalent to approximately HK\$1,560,000) with Yahoo!'s portals for the first quarter of 2002 (the "Transaction"). The Transaction has been made on normal commercial terms and the consideration was agreed between the parties after arm's length negotiations.

Yahoo! Holdings (Hong Kong) Limited, being a subsidiary of Yahoo! Inc., a substantial shareholder of the Company, is a connected person within the meaning of the Listing Rules in relation to the Company. Accordingly, the Transaction constitutes a connected transaction for the Company and requires disclosure by way of a press announcement.

The Directors of the Company (including the independent non-executive directors) consider that the terms of the Transaction are fair and reasonable and the Company will include details of the Transaction in the Company's annual reports and accounts for the year of 2002.

PARTIES

Vendor: Yahoo! Holdings (Hong Kong) Limited (the "Vendor")

Purchaser: Founder Data Corporation International Limited (the "Purchaser")

ONLINE ADVERTISING COMMITMENT

The Purchaser agreed to place online advertising of an amount of US\$200,000 (equivalent to approximately HK\$1,560,000) for the first quarter of 2002 with Yahoo! portals, including without limitation, Yahoo! Hong Kong and Yahoo! China.

CONSIDERATION

The consideration payable by the Company pursuant to the Transaction amounts to US\$200,000 (equivalent to approximately HK\$1,560,000) which was determined after arm's length negotiation between the parties with reference to the charge rate generally offered by the Vendor to any other third party. The consideration for the Transaction will be funded by internal sources of the Company.

INFORMATION ON THE VENDOR

The Vendor is a subsidiary of Yahoo! Inc., a substantial shareholder (as defined under the Listing Rules) of the Company holding 93,240,000 shares in the Company (approximately 11.36% of the issued share capital of the Company).

CONNECTED TRANSACTION

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REASONS FOR THE TRANSACTION

The Directors consider that, web-based advertising, especially in popular websites with high traffic networks, is a more effective and efficient means of advertising than traditional media advertising. The Directors consider that the users of Yahoo! Inc. are the Company's targeted customers and online advertisement with Yahoo! portals will enhance the publicity of the Company and its business thereby allowing the Company to further business opportunities.

The terms of the Transaction were reached based on normal commercial terms in line with the market practice of the online advertising industry. The Directors (including the independent non-executive directors) consider that the Transaction is fair and reasonable and in the best interest of the Company and the shareholders of the Company. As the aggregate consideration for the Transaction is less than HK\$10 million, the Transaction shall require a disclosure by way of a press announcement. Details of the Transaction will be disclosed in the annual report of the Company for the year of 2002.

At the rate of US\$1.00 to HK\$7.80

By Order of the Board
Cheung Shuen Lung
Chairman

Hong Kong, 21 January 2002

* For identification purposes only

Please also refer to the published version of this announcement in Hong Kong iMail and Hong Kong Economic Times.