



FOUNDER HOLDINGS LIMITED 方正控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code : 0418)

CHANGES IN DIRECTORSHIPS

The Board of the Company would like to announce that Mr Liu Xiao Kun has been appointed as executive director and the President of the Company and Mr Xia Yang Jun has resigned as executive director and the President of the Company, both with effect from 25 January 2007.

The board of directors (the "Board") of Founder Holdings Limited (the "Company") is pleased to announce that Mr Liu Xiao Kun ("Mr Liu") has been appointed as executive director and President of the Company with effect from 25 January 2007.

Mr Liu, aged 46, is the Chairman and President of Beijing Founder Electronics Co., Ltd., Beijing Founder Order Computer System Co., Ltd. and Beijing Founder Century Information System Co., Ltd. He also holds directorships in certain subsidiaries and associated companies of the Group and certain associated companies of Peking University Founder Group Company Limited ("Peking Founder"). Peking Founder is the controlling shareholder of the Company. Mr Liu graduated from Sichuan University and holds a master degree in Economics. He joined the Group in 2001 and has extensive experience in the distribution business of information products. Mr Liu is currently responsible for the overall operation of the Group's software development and systems integration business and information products distribution business.

Save as disclosed above, Mr Liu does not hold any position with the Company and other members of the Company immediately before the date of his appointment. Mr Liu did not hold any directorship in other listed companies in the last three years.

Save as disclosed above, Mr Liu 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 Liu does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr Liu has entered into a service agreement with the Company for an initial term of two years commencing on 25 January 2007 and shall continue thereafter unless and until terminated by either the Company or Mr Liu in accordance with the service agreement. Under the terms of the service agreement, Mr Liu is not entitled to any director's fee payable by the Company but is entitled to a salary of approximately RMB500,000 per annum, which was determined by the Board by reference to the prevailing market conditions. The service agreement may be reviewed from time to time at the discretion of the Board. Mr Liu 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 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.

Save as disclosed above, there are no other matters relating to the appointment of Mr Liu 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) of the Rules Governing the Listing of Securities on the Stock Exchange.

The Board would like to take this opportunity to welcome Mr Liu to join the Board of the Company.

The Board also announces that Mr Xia Yang Jun ("Mr Xia") has resigned as executive director and President of the Company with effect from 25 January 2007 due to personal reasons. Mr Xia has confirmed that there is no disagreement with the Board and there is no matter that should be brought to the attention of the shareholders of the Company.

The Board would like to express its gratitude to Mr Xia for his contributions rendered to the Company during his tenure of services.

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

Hong Kong, 25 January 2007

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

* For identification purposes only

*Please also refer to the published version of this announcement in
The Standard and Sing Tao Daily.*