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

ANNOUNCEMENT

CHANGE OF EXECUTIVE DIRECTORS AND CHANGE OF PRESIDENT

The Board of the Company announces that Ms Luo Yan resigned as an executive Director and Professor Yang Bin resigned as president of the Company with effect from 6 June 2016. Professor Yang Bin remains as an executive Director of the Company. Ms Luo Yan resigned as executive Director of the Company to devote more time for her role as financial controller of Founder Electronics. Professor Yang Bin resigned as president of the Company to devote more time and effort for overseeing the daily operation of Founder Electronics. At the same time, Mr Shao Xing was appointed as the executive Director and president of the Company with effect from 6 June 2016.

The Board of Directors (the “Board”) of Founder Holdings Limited (the “Company”) announces that Ms Luo Yan resigned as an executive Director and Professor Yang Bin resigned as president of the Company with effect from 6 June 2016. Professor Yang Bin remains as an executive Director of the Company. Ms Luo Yan resigned as executive director of the Company to devote more time for her role as financial controller of Beijing Founder Electronics Co., Ltd. (“Founder Electronics”), a wholly-owned subsidiary of the Company. Professor Yang Bin resigned as president of the Company to devote more time and effort for overseeing the daily operation of Founder Electronics. At the same time, Mr Shao Xing was appointed as the executive Director and president of the Company with effect from 6 June 2016.

Ms Luo Yan and Professor Yang Bin 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 resignation that need to be brought to the attention of the shareholders of the Company.

The Board would like to express its sincere gratitude to Ms Luo Yan and Professor Yang Bin Xiao for their invaluable contribution to the Company and its subsidiaries (the “Group”) during their tenure of services.

Mr Shao Xing, aged 51, joined the Group in April 2016 and has extensive experience in the operation of software development and systems integration business. He received his bachelor’s degree in electrical engineering industrial automation and master degree in biomedical engineering and instrument at Zhejiang University in the People’s Republic of China (the “PRC”). He is also a senior engineer in the PRC. He is responsible for long-term strategic development of the Group.

Save as disclosed above, Mr Shao does not hold any position with the Company or any members of the Group. Mr Shao does not have any directorship in other listed public companies in the last three years. Mr Shao 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 Shao 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).

Mr Shao 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 Shao in accordance with the service agreement. Mr Shao is not entitled to any director's fee payable but will receive an annual salary of RMB750,000 (equivalent to HK\$894,000) and he will also be entitled to discretionary bonus to be determined at the end of each financial year. Mr Shao 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 shall not exceed 15 per cent. of the audited consolidated net profit (after payment of all bonuses) after taxation and non-controlling interests 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, there are no other matters relating to the appointment of Mr Shao that need to be brought to the attention of the shareholders of the Company nor any information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to welcome Mr Shao Xing on his appointment as the executive Director and president of the Company.

By order of the Board
Founder Holdings Limited
Xiao Jian Guo
Chairman

Hong Kong, 6 June 2016

As at the date of this announcement, the board of directors of the Company comprises executive directors of Professor Xiao Jian Guo (Chairman), Mr Shao Xing (President), Mr Liu Jian, Professor Yang Bin, Ms Zuo Jin and Ms Sun Min, and the independent non-executive directors of Mr Li Fat Chung, Ms Wong Lam Kit Yee and Mr Fung Man Yin, Sammy.

* For identification purpose only