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**FOUNDER HOLDINGS LIMITED**  
**方正控股有限公司**\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00418)**

**INSIDE INFORMATION**

**ANNOUNCEMENT ON NOTIFICATION LETTER ON APPROVAL OF  
SIGNIFICANT EQUITY INVESTMENT IN NEW FOUNDER GROUP  
OTHER UPDATES ON THE PROPOSAL  
AND  
RESUMPTION OF TRADING**

This announcement is made pursuant to Rule 3.7 of The Code on Takeovers and Mergers (the “**Takeovers Code**”), Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

References are made to the announcements of Founder Holdings Limited (the “**Company**”) dated 18 February 2020, 19 February 2020, 17 July 2020, 31 July 2020, 25 January 2021, 29 January 2021, 30 April 2021, 5 May 2021, 28 May 2021, 28 June 2021, 8 July 2021, 28 July 2021, 27 August 2021, 27 September 2021, 21 October 2021, 23 November 2021, 23 December 2021 and 21 January 2022 (the “**Announcements**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

**NOTIFICATION LETTER ON APPROVAL OF SIGNIFICANT EQUITY  
INVESTMENT IN NEW FOUNDER GROUP**

The Company wishes to update its shareholders and potential investors that, on 30 January 2022, the Company received a notification letter from Peking Founder, stating that the China Banking and Insurance Regulatory Commission approved the application of Ping An Life Insurance Company of China, Ltd. (中國平安人壽保險股份有限公司) (“**Ping An Life Insurance**”) (a non-wholly-owned subsidiary of Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司) for its significant equity investment in New Founder Group. As at the date of this announcement, all approvals required from regulatory authorities at this stage in relation to Ping An Life Insurance’s investment in New Founder Group have been obtained.

## **OTHER UPDATES ON THE PROPOSAL**

The Company wishes to further update its shareholders and potential investors that, as at the date of this announcement, the incorporation of the subordinate business platform companies of New Founder Group has been completed. All six of the subordinate business platform companies of New Founder Group have been set up.

Pursuant to the Proposal, the applicable equity assets, debt assets and other assets of the Five Companies including Peking Founder will be transferred to the New Founder Group and the subordinate business platform companies, and the equity interest of New Founder Group will then be transferred to the Restructuring Investors. The equity interest of the Company indirectly held by Peking Founder will be held indirectly by the Restructuring Investors. According to the provisions of the Enterprise Bankruptcy Law of the People's Republic of China, the Five Companies including Peking Founder as the debtors are responsible for implementing the Proposal. Pursuant to the Proposal, the Five Companies including Peking Founder will complete the follow up work of the Proposal within 12 months from the date of approval of the Proposal by the Court, being 28 June 2021. The transfer of the equity interest of the Company to the subordinate business platform companies of New Founder Group remains subject to the satisfaction of certain condition precedent and the follow up work of the Proposal depending on how and when the steps will be implemented and the Company does not know the exact timing as to when such transfer will take place.

The Company will continue to closely monitor subsequent developments in relation to the Proposal. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules, the SFO and/or the Takeovers Code (as the case may be).

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on 31 January 2022 pending the publication of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 9 February 2022.

**WARNING: Shareholders and potential investors should be aware that the Proposal may or may not continue to proceed. There is no assurance that any transaction mentioned in this announcement will materialise or eventually be consummated and the discussions may or may not result in the change of controlling shareholders of the Company. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisors.**

By Order of the Board  
**Founder Holdings Limited**  
**Cheung Shuen Lung**  
*Chairman*

Hong Kong, 8 February 2022

*As at the date of this announcement, the Board comprises executive directors of Mr Cheung Shuen Lung (Chairman), Mr Shao Xing (President), Professor Xiao Jian Guo, Mr Hu Bin and Ms Liao Hang, and the independent non-executive directors of Mr Chan Chung Kik, Lewis, Mr Lau Ka Wing and Mr Lai Nga Ming, Edmund.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.*

\* *For identification purpose only*