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*(Incorporated in Bermuda with limited liability)*

**(Stock code: 00618)**

**(1) MAJOR TRANSACTION**  
**ACQUISITION OF LAND USE RIGHTS IN CHANGSHA, THE PRC; AND**  
**(2) RESUMPTION OF TRADING**

**ACQUISITION OF LAND USE RIGHTS**

The Board is pleased to announce that Ezhou Jinfeng, an indirect non-wholly-owned subsidiary of the Company and the JV Partner together succeeded in the bid of the land use rights of the Land offered for sale by Changsha Land Bureau (長沙市國土資源局) at the Auction for RMB453,230,000 (equivalent to approximately HK\$571,069,800). The Auction Confirmation is expected to be issued by Changsha Land Bureau to Ezhou Jinfeng and the JV Partner on or before 30 June 2013. The Land Use Rights Grant Contract in relation to the Acquisition is expected to be entered into on or before 30 August 2013.

Ezhou Jinfeng has entered into an agreement with the JV Partner on 18 May 2013, pursuant to which a joint venture will be formed to jointly develop the Land. Ezhou Jinfeng and the JV Partner shall contribute capital in the sum of RMB7,000,000 (equivalent to approximately HK\$8,820,000) and RMB3,000,000 (equivalent to approximately HK\$3,780,000), respectively, to the joint venture. The said joint venture will be owned as to 70% and 30% by Ezhou Jinfeng and the JV Partner respectively.

**LISTING RULES IMPLICATIONS**

On the basis that the applicable percentage ratios in respect of the Acquisition are greater than 25% while all such ratios are less than 100% for the purposes of Rule 14.07 of the Listing Rules, the Acquisition constitutes a major transaction for the Company under the Listing Rules and is subject to the requirements of announcement, reporting and approval of the Shareholders. Under Rule 14.44 of the Listing Rules, Founder Information, holding 891,171,976 Shares representing approximately 54.54% shareholding interest in the Company, has given its consent to entering into the Acquisition. As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approval of the Acquisition, under Rule 14.44 of the Listing Rules, the written approval from Founder Information in lieu of holding a physical Shareholders' meeting is acceptable for approval of the Acquisition.

The Acquisition is regarded as a Qualified Property Acquisition under Rule 14.04 (10C) of the Listing Rules as it involves an acquisition of governmental land in the PRC from a PRC Governmental Body (as defined under Rule 19A.04 of the Listing Rules) through a tender, auction or listing-for-sale governed by PRC Law (as defined under Rule 19A.04 of the Listing Rules).

The circular containing the information required under the Listing Rules in relation to the Acquisition will be despatched to the Shareholders for information purpose as soon as possible, which is expected to be on or before 17 June 2013.

#### **UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENT**

The Board has noted the increase in price and trading volume of the Shares on 23 May 2013. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Directors have confirmed that, save as disclosed in this announcement, they are not aware of any other reasons for the movement in price of the shares and trading volume of the Company or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

#### **RESUMPTION OF TRADING**

Trading in Shares on the Stock Exchange was halted from 9:00 a.m. on 24 May 2013 at the request of the Company pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in Shares with effect from 9:00 a.m. on 27 May 2013.

#### **ACQUISITION OF LAND USE RIGHTS**

The Board is pleased to announce that Ezhou Jinfeng, an indirect non-wholly-owned subsidiary of the Company and the JV Partner together succeeded in the bid of the land use rights of the Land offered for sale by Changsha Land Bureau (長沙市國土資源局) at the Auction for RMB453,230,000 (equivalent to approximately HK\$571,069,800). The Auction Confirmation is expected to be issued by Changsha Land Bureau to Ezhou Jinfeng and the JV Partner on or before 30 June 2013. The Land Use Rights Grant Contract in relation to the Acquisition is expected to be entered into on or before 30 August 2013. To their best knowledge and belief, the Directors confirm that Changsha Land Bureau is an Independent Third Party.

## **PRINCIPAL TERMS OF THE AUCTION CONFIRMATION**

Expected date of the Auction Confirmation	:	On or before 30 June 2013
Parties of the Auction Confirmation	:	Changsha Land Bureau, Ezhou Jinfeng and the JV Partner
Code of the Land	:	No. W-014 2013
Location of the Land	:	Southeast Corner, the crossing of Pingtang Road and Yuetang Road, Yanghu, Yuelu District, Changsha* (岳麓區洋湖垸片區坪塘大道與岳塘路相交東南角(G-65))
Total site area	:	39,630.8 sq.m.
Nature of the land use rights	:	Residential and commercial use
Planned gross floor area	:	99,077 sq.m., comprising intended residential use of approximately 69,353.9 sq.m. and office/commercial of approximately 29,723.1 sq.m. excluding car parking spaces
Consideration	:	RMB453,230,000 (equivalent to approximately HK\$571,069,800), representing an average land cost of RMB4,575 (equivalent to approximately HK\$5,764.50) per sq.m. based on the planned gross floor area
Expected payment term	:	50% of the consideration is payable within 1 month from the date of the Auction Confirmation. The remaining 50% of the consideration is payable within 3 months from the date of the Auction Confirmation

## **CONSIDERATION**

The consideration of RMB453,230,000 (equivalent to approximately HK\$571,069,800) was arrived at after bidding at the Auction held by Changsha Land Bureau. Ezhou Jinfeng and the JV Partner shall contribute such consideration as to 70% and 30% respectively (i.e. Ezhou Jinfeng shall contribute part of the consideration in the sum of RMB317,261,000 (equivalent to approximately HK\$399,748,860)).

Ezhou Jinfeng has entered into an agreement with the JV Partner on 18 May 2013, pursuant to which a joint venture will be formed to jointly develop the Land. Ezhou Jinfeng and the JV Partner shall contribute capital in the sum of RMB7,000,000 (equivalent to approximately HK\$8,820,000) and RMB3,000,000 (equivalent to approximately HK\$3,780,000), respectively, to the joint venture. The said joint venture will be owned as to 70% and 30% by Ezhou Jinfeng and the JV Partner respectively.

## **REASONS FOR THE ACQUISITION**

The Group is principally engaged in property development and property investment in the PRC, and distribution of information products in Hong Kong and the PRC.

As disclosed in the Company's circular dated 16 November 2012, in view of the intense competition in the industry of information products distribution, the Group intends to diversify its business into the property development and property investment in the PRC. The Board believes that the Acquisition provides an excellent investment opportunity for the Group to establish its position in the property market in Changsha, the PRC. The Directors consider that the Acquisition is in the interests of the Company and the Shareholders as a whole and the terms thereof are on normal commercial terms, which are fair and reasonable.

## **LISTING RULES IMPLICATIONS**

On the basis that the applicable percentage ratios in respect of the Acquisition are greater than 25% while all such ratios are less than 100% for the purposes of Rule 14.07 of the Listing Rules, the Acquisition constitutes a major transaction for the Company under the Listing Rules and is subject to the requirements of announcement, reporting and approval of the Shareholders. Under Rule 14.44 of the Listing Rules, Founder Information, holding 891,171,976 Shares representing approximately 54.54% shareholding interest in the Company, has given its consent to entering into the Acquisition. As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approval of the Acquisition, under Rule 14.44 of the Listing Rules, the written approval from Founder Information in lieu of holding a physical Shareholders' meeting is acceptable for approval of the Acquisition.

The Acquisition is regarded as a Qualified Property Acquisition under Rule 14.04 (10C) of the Listing Rules as it involves an acquisition of governmental land in the PRC from a PRC Governmental Body (as defined under Rule 19A.04 of the Listing Rules) through a tender, auction or listing-for-sale governed by PRC Law (as defined under Rule 19A.04 of the Listing Rules).

The circular containing the information required under the Listing Rules in relation to the Acquisition will be despatched to the Shareholders for information purpose as soon as possible, which is expected to be on or before 17 June 2013.

## **UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENT**

The Board has noted the increase in price and trading volume of the Shares on 23 May 2013. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Directors have confirmed that, save as disclosed in this announcement, they are not aware of any other reasons for the movement in price of the shares and trading volume of the Company or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

This announcement is made by the order of the Company. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

## **RESUMPTION OF TRADING**

Trading in Shares on the Stock Exchange was halted from 9:00 a.m. on 24 May 2013 at the request of the Company pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in Shares with effect from 9:00 a.m. on 27 May 2013.

## DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context requires otherwise:

“Acquisition”	the acquisition of land use rights of the Land through public bidding process at the Auction
“associates”	has the meaning ascribed to it under the Listing Rules
“Auction”	the public auction held by Changsha Land Bureau at which the Land was offered for sale
“Auction Confirmation”	the auction confirmation notice (國有建設用地使用權掛牌競買成交通知書) to be entered into between Changsha Land Bureau, Ezhou Jinfeng and the JV Partner confirming the successful bidding at the Auction
“Board”	the board of Directors
“Changsha Land Bureau”	長沙市國土資源局 (Changsha Municipal Bureau of Land Resources*)
“Company”	EC-Founder (Holdings) Company Limited (方正數碼(控股)有限公司*), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Ezhou Jinfeng”	鄂州金豐房地產開發有限公司(Ezhou Jinfeng Property Development Co., Limited*), a company established in the PRC and an indirect non wholly-owned subsidiary of the Company
“Founder Information”	Founder Information (Hong Kong) Limited, a company incorporated in Hong Kong which owns approximately 54.54% of the issued share capital of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is(are) independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders, of the Company, its subsidiaries or any of their respective associate(s)
“JV Partner”	Chengdu Henglongxin Real Estate Co., Ltd* (成都恒隆鑫置业有限公司), an Independent Third Party
“Land”	a piece of land located at Southeast Corner, the crossing of Pingtang Road and Yuetang Road, Yanghu, Yuelu District, Changsha* (岳麓區洋湖垸片區坪塘大道與岳塘路相交東南角(G-65)) with a total site area of 39,630.8 sq.m.
“Land Use Rights Grant Contract”	Land Use Rights Grant Contract (國有建設用地使用權出讓合同) to be entered into between Changsha Land Bureau, Ezhou Jinfeng and the JV Partner pursuant to the Auction Confirmation
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of the Shares
“Share(s)”	the ordinary share(s) of HK\$0.1 each of the Company
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board of  
**EC-Founder (Holdings) Company Limited**  
**Zhang Zhao Dong**  
*Chairman*

Hong Kong, 27 May 2013

*As at the date of this announcement, the board of directors of the Company comprises executive directors of Mr Zhang Zhao Dong (Chairman), Mr Chen Geng (President), Mr Xia Yang Jun, Mr Xie Ke Hai and Mr Zheng Fu Shuang, and the independent non-executive directors of Mr Li Fat Chung, Ms Wong Lam Kit Yee and Ms Cao Qian.*

*For illustrative purpose only, RMB is converted into HK\$ at an exchange rate of RMB1=HK\$1.26 in this announcement*

\* For identification purpose only