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(Incorporated in Bermuda with limited liability)
(Stock Code: 00618)

**REVISED ANNUAL CAPS FOR EXISTING
CONTINUING CONNECTED TRANSACTIONS AND
THE SUPPLEMENTAL AGREEMENT**

Reference is made to the announcement dated 13 November 2008 and the circular of the Company dated 28 November 2008 in relation to the Master Sales Agreement pursuant to which the Company agreed to supply certain information products to Peking Founder on normal commercial terms in the ordinary and usual course of business.

Reference is also made to the recent announcement dated 24 June 2010 and the circular of Founder dated 14 July 2010 in relation to the proposed disposal of the entire equity interest in Founder Order (an indirect wholly-owned subsidiary of Founder) by the Founder Group to the Peking Founder Group, the Directors anticipate that Peking Founder Group will have increasing demands for information products upon completion of the disposal. As the Directors consider that the annual caps under the Master Sales Agreement will be insufficient for the anticipated growth in business volume, the Company and Peking Founder have as of the date of this announcement entered into the Supplemental Agreement in order to continue the transactions for the supply of information products to the Peking Founder Group and to revise the annual caps for the two years ending 31 December 2011. The terms of the Supplemental Agreement will become effective from the date of execution upon obtaining approval of the Independent Shareholders at the SGM until 31 December 2011.

As one or more of the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of the revised annual caps exceed 5%, the transactions contemplated under the the Supplemental Agreement constitute non-exempt continuing connected transactions for the Company and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LISTING RULES REQUIREMENTS

The Company is owned as to approximately 32.84% by Founder which in turn is owned as to approximately 32.49% by Peking Founder. As such Founder is a connected person of the Company for the purposes of the Listing Rules, and Peking Founder is an associate of a connected person of the Company for the purposes of Chapter 14A of the Listing Rules.

SGM

The SGM will be convened at which resolution will be proposed to seek the Independent Shareholders' approval by way of poll in relation to the Supplemental Agreement and its annual caps. Founder, being the controlling shareholder of the Company, together with its associates, and all parties involved or interested in the Supplemental Agreement are required to abstain from voting with respect to the resolution for approving the Supplemental Agreement and its annual caps.

GENERAL

The Independent Board Committee (comprising all of the three independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the Supplemental Agreement and its annual caps.

An independent financial adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Supplemental Agreement and its annual caps.

A circular containing, among other things, (i) details of the Supplemental Agreement and its annual caps; (ii) a letter of recommendations from the Independent Board Committee to the Independent Shareholders in respect of the Supplemental Agreement and its annual caps; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Supplemental Agreement and its annual caps; and (iv) a notice convening the SGM will be dispatched to the shareholders of the Company on or before 10 August 2010, being less than 15 Business Days from the day of this announcement, in accordance with the Listing Rules.

A. INTRODUCTION

On 15 December 2008, the Company and Peking Founder entered into the Master Sales Agreement pursuant to which the Company agreed to supply certain information products (including but not limited to desktop computers, laptop computers, servers and internet products) to Peking Founder on normal commercial terms.

According to the recent announcement dated 24 June 2010 and the circular of Founder dated 14 July 2010 in relation to the proposed disposal of the entire equity interest in Founder Order (an indirect wholly-owned subsidiary of Founder) by the Founder Group to the Peking Founder Group, the Directors anticipate Peking Founder Group to have increasing demands for information products upon completion of the disposal. As the Directors consider that the annual caps under the Master Sales Agreement will be insufficient for the anticipated growth in business volume, the Company and Peking Founder have as of the date of this announcement entered into the Supplemental Agreement in order to continue the transactions for the supply of information products to the Peking Founder Group and to revise the annual caps for the two years ending 31 December 2011. The terms of the Supplemental Agreement will become effective from the date of execution upon obtaining approval of the Independent Shareholders at the SGM until 31 December 2011.

The Company is currently owned as to approximately 32.84% by Founder which in turn is owned as to approximately 32.49% by Peking Founder. As such, Founder is a connected person of the Company for the purposes of the Listing Rules, and Peking Founder is an associate of a connected person of the Company for the purposes of Chapter 14A of the Listing Rules.

B. THE SUPPLEMENTAL AGREEMENT

Date: 27 July 2010

Supplier: The Company

Purchaser: Peking Founder

The Group has been supplying information products to the Peking Founder Group on normal commercial terms in the ordinary and usual course of business pursuant to the Master Sales Agreement which will expire on 31 December 2011. In view of the anticipated growth in business volume between the Group and the Peking Founder Group, the Directors consider that the existing caps as set out in the Master Sales Agreement will become insufficient for the two years ending 31 December 2011. Hence, the Supplemental Agreement has as of the date of this announcement been entered into between the Company and Peking Founder in order to continue the transactions for the supply of information products to the Peking Founder Group and to revise the annual caps for the two years ending 31 December 2011.

Pursuant to the Supplemental Agreement, the Group shall provide information products at market prices determined at the relevant time (i) with reference to the prices and credit terms at which such products are supplied, on normal commercial terms in its ordinary and usual course of business, to independent third party customers in the local market and/or adjacent regions; or (ii) where no comparables as stated in (i) are available, with reference to the prices and credit terms at which such products are supplied, on normal commercial terms in its ordinary and usual course of business, to independent third party customers in the PRC; or (iii) where none of the above comparables is available, with reference to the prices and credit terms agreed between the parties on arm's length basis.

The terms of the Supplemental Agreement shall become effective from the date of execution upon obtaining approval of the Independent Shareholders in the SGM until 31 December 2011.

Original and revised annual caps

The following table sets out the original and revised annual caps for the two years ending 31 December 2011:

| | Year ending 31 December 2010 <i>RMB'000</i> | Year ending 31 December 2011 <i>RMB'000</i> |
|-----------------------------|--|--|
| Original annual caps | 73,640 | 103,096 |
| Revised annual caps | 509,073 | 712,702 |

The revised annual caps is determined based on the Company's estimation of the sales for two years ending 31 December 2011 with reference to the historical sales pattern of the Group to the Founder Group for the three years ended 31 December 2009, the sales of information products to Founder Order for the three years ended 31 December 2009 of approximately RMB38 million, RMB136 million and RMB206 million respectively, and the annual caps of the sales of information products to the Founder Group and the Peking Founder Group for the two years ending 31 December 2011.

C. REASONS FOR AND BENEFIT OF THE SUPPLEMENTAL AGREEMENT

The Group is principally engaged in the distribution of information products in the PRC.

The Peking Founder Group is principally engaged in software development and system integration relating to the media industry and non-media industries relating to financial institutions, commercial enterprises and government departments in the PRC. The Peking Founder Group has been purchasing information products from the Group for its customers under the Master Sales Agreement. According to the recent announcement dated 24 June 2010 and the circular of Founder dated 14 July 2010 in relation to the proposed disposal of the entire equity interest in Founder Order (an indirect wholly-owned subsidiary of Founder) by the Founder Group to the Peking Founder Group, the Directors anticipate Peking Founder Group to have increasing demands for information products upon completion of the disposal.

In the light of the above, the Board considers it is beneficial to the Group to continue supplying information products to the Peking Founder Group on normal commercial terms.

As the Directors consider that the annual caps under the Master Sales Agreement will be insufficient for the anticipated growth in business volume, the Supplemental Agreement has been entered into between the Company and Peking Founder in order to continue the transactions for the supply of information products to the Peking Founder Group and to revise the annual caps for the two years ending 31 December 2011.

The Directors (excluding the independent non-executive Directors whose views will be based on the opinion of an independent financial adviser) consider that the terms of the Supplemental Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole and that the revised annual caps as contemplated therein for the two years ending 31 December 2011 are fair and reasonable.

D. LISTING RULES REQUIREMENTS FOR THE SUPPLEMENTAL AGREEMENT

The Company is owned as to approximately 32.84% by Founder which in turn is owned as to approximately 32.49% by Peking Founder. Founder is a connected person of the Company for the purposes of the Listing Rules. Peking Founder is an associate of a connected person of the Company for the purposes of Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of the revised annual caps exceed 5%, the transactions contemplated under the Supplemental Agreement constitute non-exempt continuing connected transactions for the Company and are be subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

SGM

The SGM will be convened at which resolution will be proposed to seek the Independent Shareholders' approval by way of poll in relation to the Supplemental Agreement and its annual caps. Founder, being the controlling shareholder of the Company, together with its associates, and all parties involved in or interested in the Supplemental Agreement are required to abstain from voting with respect to the resolution for approving the Supplemental Agreement and its annual caps.

GENERAL

The Independent Board Committee comprising all of the three independent non-executive Directors, namely, Mr Li Fat Chung, Ms Wong Lam Kit Yee and Ms Cao Qian, has been established to consider the terms of the Supplemental Agreement, and to advise the Independent Shareholders as to whether the terms of the Supplemental Agreement are on normal commercial terms, and are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and its shareholders as a whole. No member of the Independent Board Committee has any material interest in the Supplemental Agreement and its annual caps.

An independent financial adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Supplemental Agreement and its annual caps.

A circular containing, among other things, (i) details of the Supplemental Agreement and its annual caps; (ii) a letter of recommendations from the Independent Board Committee to the Independent Shareholders in respect of the Supplemental Agreement and its annual caps; (iii) a letter of advice from the independent financial adviser of the Company to the Independent Board Committee and the Independent Shareholders in respect of the Supplemental Agreement and its annual caps; and (iv) a notice convening the SGM will be dispatched to the shareholders of the Company on or before 10 August 2010, being less than 15 Business Days from the day of this announcement, in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the meanings set out below:

“associates” has the meaning ascribed to it under the Listing Rules;

“Board” the board of Directors;

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| “Business Day(s)” | means day(s) when banks are open for business in Hong Kong which includes Saturdays; |
| “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, and as to approximately 32.84% owned by Founder; |
| “connected person” | has the meaning ascribed to it under the Listing Rules; |
| “controlling shareholder” | has the meaning ascribed to it under the Listing Rules; |
| “Director(s)” | the director(s) of the Company; |
| “Founder” | Founder Holdings Limited (方正控股有限公司*), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange; |
| “Founder Group” | Founder and its subsidiaries; |
| “Founder Order” | 北京方正奧德計算機系統有限公司 (Beijing Founder Order Computer Systems Co. Ltd.*), a wholly foreign-owned enterprise established in the PRC and an indirect-wholly owned subsidiary of Founder; |
| “Group” | the Company and its subsidiaries; |
| “Hong Kong” | means the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Independent Board Committee” | an independent board committee of the Company comprising all of the three independent non-executive Directors, namely, Mr Li Fat Chung, Ms Wong Lam Kit Yee and Ms Cao Qian, formed for the purpose of considering the terms of the Supplemental Agreement and its annual caps and advising and making recommendations to the Independent Shareholders as to how to vote at the SGM; |
| “Independent Shareholders” | all shareholders of the Company other than Founder and its associates; |

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|---------------------------------|---|
| “Listing Rules” | means the Rules Governing the Listing of Securities on the Stock Exchange; |
| “Master Sales Agreement” | the agreement dated 15 December 2008 between the Company and Peking Founder pursuant to which the Company agreed to supply certain information products to Peking Founder for a three years term until 31 December 2011; |
| “Peking Founder” | 北大方正集團有限公司 (Peking University Founder Group Company Limited*), a company established in the PRC with limited liabilities, the controlling shareholder of Founder holding approximately 32.49% of the issued share capital of the Founder; |
| “Peking Founder Group” | Peking Founder and its subsidiaries; |
| “Peking Founder Sales” | the transactions contemplated under the Master Sales Agreement and the Supplemental Agreement in relation to the sales of information products to the Peking Founder Group by the Group; |
| “PRC” | the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this announcement; |
| “RMB” | Renminbi, the lawful currency of the PRC; |
| “SGM” | the special general meeting of the Company to be convened and held for the Independent Shareholders to consider and approve, if thought fit, the Supplemental Agreement and its annual caps; |
| “Stock Exchange” | means The Stock Exchange of Hong Kong Limited; |
| “subsidiary” | has the meaning ascribed to it under the Listing Rules; and |

“Supplemental Agreement” the supplemental agreement to the Master Sales Agreement entered into between the Company and Peking Founder and dated 27 July 2010 to revise the annual caps for the two years ending 31 December 2011.

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

Hong Kong, 27 July 2010

As at the date of this announcement, the Board 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 identification purposes only*