



EC-FOUNDER (HOLDINGS) COMPANY LIMITED

方正數碼(控股)有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 0618)

## POSSIBLE TRANSFER OF SHARES BY A SUBSTANTIAL SHAREHOLDER

On 26 May 2006, the Company was informed by Founder, the controlling shareholder of the Company, that on the same date, it entered into the Agreement with the Purchaser, an independent third party of the Company. Pursuant to the Agreement, Founder has agreed to sell and the Purchaser has agreed to acquire 240,425,000 shares in the Company for a cash consideration of approximately HK\$68.5 million (equivalent to HK\$0.285 per share). The Sale Shares represent approximately 21.85% of the existing issued share capital of the Company. Completion of the Agreement is subject to approval by the shareholders of Founder. Shareholders of the Company may refer to the Founder Announcement for details of the Agreement.

The Board was informed by the board of directors of Founder that the Agreement was entered into between Founder, the controlling shareholder of the Company, and the Purchaser, an independent third party of the Company, on 26 May 2006.

Pursuant to the Agreement, Founder has agreed to sell and the Purchaser has agreed to acquire 240,425,000 shares in the Company for a cash consideration of approximately HK\$68.5 million (equivalent to HK\$0.285 per share). The Sale Shares represent approximately 21.85% of the existing issued share capital of the Company. Completion of the Agreement is subject to approval by the shareholders of Founder. Following completion of the Share Transfer, Founder will continue to be the controlling shareholder of the Company and the Purchaser will become a new substantial shareholder of the Company holding approximately 21.85% of the issued share capital of the Company. Shareholders of the Company may refer to the Founder Announcement for details of the Agreement.

The shareholding structure of the Company as at the date of this announcement and that immediately after completion of the Share Transfer are as follows:

| Name                        | Number of shares held as at the date of this announcement | Approximate percentage of total issued shares of the Company | Number of shares held immediately after completion of the Share Transfer | Approximate percentage of total issued shares of the Company |
|-----------------------------|---|--|--|--|
| Founder                     | 603,609,000   | 54.85%   | 363,184,000  | 33.00%   |
| Ricwinco Investment Limited | 87,680,000  | 7.97%  | 87,680,000   | 7.97%  |
| The Purchaser               | —   | —  | 240,425,000  | 21.85%   |
| Public shareholders         | 409,273,040   | 37.18%   | 409,273,040  | 37.18%   |
| Total                       | <u>1,100,562,040</u>                                      | <u>100.00%</u>   | <u>1,100,562,040</u>   | <u>100.00%</u>   |

The Board understands from Founder that the Purchaser is beneficially wholly-owned by Mr Zheng Fu Shuang (鄭福雙), a businessman in China and is the Chairman of 新奧特硅谷視頻技術有限責任公司 (Newauto Silicon Valley Video Technology Co., Ltd.\*) and 浙江新奧特數字技術股份有限公司 (Zhejiang Newauto Digital Video Co., Ltd.\*). The Board also understands from Founder that it has agreed to procure Mr Zheng be nominated and appointed as an executive director of the Company upon completion of the Agreement.

Up to the date of this announcement, the Board has not yet received any nomination from Founder in respect of the appointment of Mr Zheng as an executive director of the Company. If Mr Zheng is appointed as an executive director of the Company, the Company will make a further announcement as required under the Listing Rules.

The Board comprises Mr Zhang Zhao Dong (Chairman), Mr Xia Yang Jun, Mr Xie Ke Hai and Mr Chen Geng (each of whom an executive director), Mr Yung Chih Shin, Richard (a non-executive director), Mr Li Fat Chung, Ms Wong Lam Kit Yee and Ms Cao Qian (each of whom an independent non-executive director).

## DEFINITIONS

|                        |   |
|------------------------|---|
| “Agreement”            | the agreement dated 26 May 2006 entered into between Founder and the Purchaser in relation to the Share Transfer  |
| “Board”                | the board of Directors  |
| “Company”              | EC-Founder (Holdings) Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited, and an approximately 54.85% owned subsidiary of Founder |
| “Directors”            | the directors of the Company  |
| “Founder”              | Founder Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited   |
| “Founder Announcement” | the announcement of Founder dated 26 May 2006 in relation to the Agreement  |
| “HK\$”                 | Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China   |
| “Listing Rules”        | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited  |
| “Purchaser”            | Shining Wisdom Group Limited, a company incorporated in the British Virgin Islands  |

“Sale Shares” 240,425,000 shares of the Company of HK\$0.10 each held by Founder  
“Share Transfer” the transfer of the Sale Shares to the Purchaser

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

Hong Kong, 26 May 2006

*\* for identification purpose only*

Please also refer to the published version of this announcement in The Standard.