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FOUNDER HOLDINGS LIMITED
方正控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00418)

**CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO THE DEPOSIT SERVICE FRAMEWORK
AGREEMENT**

**Independent Financial Adviser to
the Independent Board Committee and Independent Shareholders**

VINCO 榮高

Vinco Financial Limited

The Board announces that on 20 February 2025, the Company and Ping An Bank entered into the Deposit Service Framework Agreement commencing from the Effective Date to 31 December 2027. Accordingly, Ping An Bank agreed to provide Deposit Service to the Group subject to the terms and conditions stipulated therein.

LISTING RULES IMPLICATIONS

Ping An Bank is a subsidiary of Ping An Group, which is the holding company of Ping An Life. Ping An Life indirectly holds 367,179,610 Shares, representing about 30.60% of the issued Shares of the Company. Ping An Bank is therefore a connected person of the Company as defined under Chapter 14A of the Listing Rules and the transactions contemplated under the Deposit Service Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (other than profits ratio) as defined in Rule 14.07 of the Listing Rules in respect of the Annual Caps for the Deposit Service under the Deposit Service Framework Agreement exceeds 5%, the provision of Deposit Service shall be subject to the reporting, announcement, circular (including the independent financial advice), annual review and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

A circular containing, among other matters, (i) further information on the Deposit Service Framework Agreement and the transactions contemplated thereunder; (ii) a letter from the Independent Board Committee; (iii) a letter from the Independent Financial Adviser; and (iv) the notice convening the SGM and a form of proxy will be despatched to the shareholders of the Company after the publication of this announcement on or before 12 March 2025, so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

The Board announces that on 20 February 2025 (after trading hours of the Stock Exchange), the Company and Ping An Bank entered into the Deposit Service Framework Agreement, pursuant to which Ping An Bank agreed to provide Deposit Service to the Group commencing from the Effective Date to 31 December 2027 for a term not exceeding three years.

DEPOSIT SERVICE FRAMEWORK AGREEMENT

Principal terms of the Deposit Service Framework Agreement are as follows:

Date	:	20 February 2025
Parties	:	(i) the Company; and (ii) Beijing Branch of Ping An Bank.
Nature of services	:	Ping An Bank will provide RMB deposit service to the Group. Based on the understanding of the market situation and in consideration of other factors, the Group can make its own decision as to the utilization of the Deposit Service and the deposit services to be provided by other financial institutions so as to maximize the interests of the shareholders of the Company.
Term	:	From the Effective Date (i.e. the date of fulfillment of all the conditions precedent of the Deposit Service Framework Agreement) to 31 December 2027.
Conditions precedent	:	(i) the approvals of the Deposit Service Framework Agreement and the related deposit service by the Directors in the Board meeting and by the shareholders of the Company in the SGM as required by the Bye-laws and the Listing Rules; and

- (ii) the Deposit Service Framework Agreement has been signed by the Company and Beijing Branch of Ping An Bank.

Pricing policy	:	The interest rates in respect of the deposits placed by the Group with Ping An Bank will be determined with reference to the benchmark interest rates promulgated by the PBOC and will not be lower than the rates offered by financial institutions in the PRC for same types and tenures of deposits.
Further agreements	:	The members of the Group will enter into further agreements with Ping An Bank to effect Deposit Service, and the provisions of such further agreements will comply with the principles and terms of the Deposit Service Framework Agreement and the applicable legal requirements.

INFORMATION OF THE PARTIES

The Group is principally engaged in software development and provision of systems integration services relating to the media and non-media industries including financial institutions, enterprises and government departments. The Group purchases information hardware products for its customers in order to establish computer systems. It also provides software and hardware solutions to its customers as well as for use in its software development business.

Ping An Bank is a national joint-stock commercial bank regulated by the PBOC and the NFRA, and is held as to about 8.38% and 49.56% of its equity interest, respectively by Ping An Life and its holding company Ping An Group. Ping An Life indirectly holds 367,179,610 Shares, representing about 30.60% of the issued Shares of the Company, and is therefore a connected person of the Company. Ping An Bank mainly provides a wide range of financial services to its clients, including corporations, the retail sector and government departments, and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000001). Ping An Group, together with its subsidiaries, is an insurance and financial service group in the PRC, and is capable of providing a wide range of insurance and financial services and products to corporate and retail customers. A shares (stock code: 601318) and H shares (stock code: 2318) of Ping An Group are listed on the Shanghai Stock Exchange and the Stock Exchange, respectively.

PROPOSED ANNUAL CAPS

In accordance with the Deposit Service Framework Agreement, the proposed Annual Caps for the Deposit Service during the validity term of the Deposit Service Framework Agreement are set out in the following table:

Year ending	Maximum Daily Deposit Balance <i>(RMB million)</i>
31 December 2025	460
31 December 2026	460
31 December 2027	480

The Annual Caps for the Deposit Service are determined with reference to a number of factors including (i) the historical RMB deposit amounts of the subsidiaries of the Group in the PRC; (ii) the expected continual growth in the Group's operational scale and anticipated amounts of the Group available for deposit in the three years ending 31 December 2027; and (iii) the potential demand for the Group's financial service in the next few years.

REASONS FOR AND BENEFITS OF ENTERING INTO THE DEPOSIT SERVICE FRAMEWORK AGREEMENT

The Board is of the view that entering into the Deposit Service Framework Agreement is in the interest of the Group as it provides the Group with more options in respect of its funding management and the Group shall at its sole discretion select the most suitable service provider. In addition, in view of the close relationship between the Group and Ping An Group, it is expected that the application procedures for Deposit Service of Ping An Bank will be more efficient, convenient and flexible as compared to those of independent commercial banks, and the terms offered by Ping An Bank under the Deposit Service Framework Agreement will be no less favorable than those offered by independent commercial banks to the Group. Taking into account the above, the Directors (excluding the independent non-executive Directors, whose view will be provided after taking into account the advice of the Independent Financial Adviser) are of the view that the Deposit Service Framework Agreement is entered into on normal commercial terms in the ordinary and usual course of business of the Group, and that the terms of the Deposit Service Framework Agreement (and the relevant Annual Caps) are fair and reasonable, and in the interests of the Company and its shareholders as a whole.

INTERNAL CONTROLS

The Group will adopt the following internal control measures in connection with the Deposit Service Framework Agreement:

- (a) Before placing any deposit with Ping An Bank, the financial department of the subsidiaries of the Company in the PRC will obtain and compare against at least two comparable interest rates of deposits of the same type and duration from independent commercial banks to ensure that the interest rate offered by Ping An Bank is not inferior to the terms offered by Independent Third Parties;
- (b) Specifically designated personnel from the financial department of the subsidiaries of the Company in the PRC will monitor the status of the deposits through the internet banking services provided by Ping An Bank and be responsible for regular monitoring of the transactions contemplated under the Deposit Service Framework Agreement to ensure effective control of the Annual Caps such that they shall not be exceeded;
- (c) The independent non-executive Directors will review the transactions contemplated under the Deposit Service Framework Agreement every year; and
- (d) The external auditors of the Company will conduct annual review of the transactions contemplated under the Deposit Service Framework Agreement.

LISTING RULES IMPLICATIONS

Ping An Bank is a subsidiary of Ping An Group, which is the holding company of Ping An Life. Ping An Life indirectly holds 367,179,610 Shares, representing about 30.6% of the issued Shares of the Company. Ping An Bank is therefore a connected person of the Company as defined in the Listing Rules, and the transactions contemplated under the Deposit Service Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (other than profits ratio) as defined in Rule 14.07 of the Listing Rules in respect of the Annual Caps for the Deposit Service under the Deposit Service Framework Agreement exceeds 5%, the provision of Deposit Service shall be subject to the reporting, announcement, circular (including the independent financial advice), annual review and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors has a material interest in the Deposit Service Framework Agreement and the transactions contemplated thereunder, and had voted at the Board meeting in respect of the relevant resolution for approving the Deposit Service Framework Agreement (including its Annual Caps).

GENERAL

The SGM will be held for the Independent Shareholders to consider and approve the Deposit Service Framework Agreement.

An Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Deposit Service Framework Agreement and the related proposed Annual Caps. Vinco Financial Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders of the same.

A circular containing, among other matters, (i) further information on the Deposit Service Framework Agreement and the transactions contemplated thereunder; (ii) a letter from the Independent Board Committee; (iii) a letter from the Independent Financial Adviser; and (iv) the notice convening the SGM and a form of proxy will be despatched to the shareholders of the Company after the publication of this announcement on or before 12 March 2025, so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

DEFINITIONS

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

“Annual Caps”	the maximum amounts of daily outstanding deposits balance placed by the Group with Ping An Bank (including the corresponding interest accrued thereon) on any given day in the annual periods during the term of the Deposit Service Framework Agreement as contemplated thereunder
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company and “Bye-law” shall be construed accordingly
“Company”	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 under the stock code 00418
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Deposit Service”	the deposit service to be provided by Ping An Bank to the Group pursuant to the Deposit Service Framework Agreement

“Deposit Service Framework Agreement”	the deposit service framework agreement dated 20 February 2025 entered into between the Company and Ping An Bank in respect of the provision of Deposit Service by Ping An Bank to the Group during the period from the Effective Date to 31 December 2027
“Director(s)”	director(s) of the Company
“Effective Date”	the date of fulfillment of all the conditions precedent of the Deposit Service Framework Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Chan Chung Kik, Lewis, Mr. Lai Nga Ming, Edmund and Mr. Chak Chi Shing, established to advise the Independent Shareholders in respect of the terms of the Deposit Service Framework Agreement and the related proposed Annual Caps and the transactions contemplated thereunder
“Independent Financial Adviser”	Vinco Financial Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in connection with the Deposit Service Framework Agreement and the related proposed Annual Caps
“Independent Shareholders”	the shareholders of the Company who are not required to abstain from voting at the SGM for the relevant resolution with respect to the Deposit Service Framework Agreement and the transactions contemplated thereunder in accordance with the Listing Rules
“Independent Third Party(ies)”	person(s) or company(ies) who by themselves and together with their ultimate beneficial owner(s) (as the case may be) which is/are independent of and not connected with any of the Directors, chief executives, substantial shareholders of the Company or any of its subsidiaries or any of their respective associates

“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“NFRA”	National Financial Regulatory Administration
“PBOC”	The People’s Bank of China (中國人民銀行)
“Ping An Bank”	Ping An Bank Co., Ltd. (平安銀行股份有限公司)
“Ping An Group”	Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司)
“Ping An Life”	Ping An Life Insurance Company of China, Ltd. (中國平安人壽保險股份有限公司)
“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
“SGM”	the special general meeting of the Company to be convened to consider, if thought fit, approve the Deposit Service Framework Agreement and the transactions contemplated thereunder and the proposed Annual Caps, including any adjournment thereof
“Share(s)”	the ordinary shares of HK\$0.1 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Founder Holdings Limited
Zhang Jian Guo
Chairman

Hong Kong, 20 February 2025

As at the date of this announcement, the Board comprises executive directors of Mr. Zhang Jian Guo (Chairman and President), Mr. Wang Jin Chao, Mr. Guo Song, Mr. Xu Chengjie, Mr. Li Shuo Feng and Ms. Wu Jing, and the independent non-executive directors of Mr. Chan Chung Kik, Lewis, Mr. Lai Nga Ming, Edmund and Mr. Chak Chi Shing.

* For identification purpose only