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If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Freeman Corporation Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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FREEMAN CORPORATION LIMITED

民豐控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 279)

DISCLOSEABLE TRANSACTION **– ACQUISITION OF PROPERTY INTEREST**

A letter from the board of directors of Freeman Corporation Limited is set out on pages 3 to 5 of this circular.

20 December 2006

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DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser pursuant to the S&P Agreement
“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	Freeman Corporation Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	completion of the S&P Agreement
“Director(s)”	the director(s) of the Company
“Enlarged Group”	the Group as enlarged by the inclusion of the HMIL and its subsidiaries on completion of the conversion of the convertible note issued by HMIL acquired by the Company as referred to in the Company’s circular dated 24 May 2006
“Group”	the Company and its subsidiaries
“HMIL”	Hennabun Management International Limited, a company incorporated in the British Virgin Islands
“Latest Practicable Date”	15 December 2006, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the entire 8th Floor of China United Centre, No. 28 Marble Road, North Point, Hong Kong
“Purchaser”	Good Develop Limited, being a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

DEFINITIONS

“S&P Agreement”	a provisional agreement for sale and purchase dated 27 November 2006 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the Property, which is legally binding between the parties
“Shareholders”	the shareholders of the Company
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“sq. ft.”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Kingsluck Limited, a company incorporated in Hong Kong with limited liability

LETTER FROM THE BOARD



FREEMAN CORPORATION LIMITED

民豐控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 279)

Executive Directors:

Mr. Yang Fan Shing, Andrew (*Chairman*)
Mr. Kwong Wai Tim, William (*Managing Director*)
Ms. Kwok Wai Ming
Ms. Au Shuk Yee, Sue

Registered office:

P.O. Box 309, George Town
Grand Cayman, Cayman Islands
British West Indies

Independent non-executive Directors:

Mr. Chiu Siu Po
Ms. Hui Wai Man, Shirley
Mr. Gary Drew Douglas
Mr. Peter Temple Whitelam

Principal place of business

in Hong Kong:
31st Floor, China United Centre
28 Marble Road
North Point, Hong Kong

20 December 2006

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION – ACQUISITION OF PROPERTY INTEREST

INTRODUCTION

The Board announced on 29 November 2006 that the Purchaser entered into the S&P Agreement with the Vendor on 27 November 2006, pursuant to which the Purchaser has agreed to purchase, and the Vendor has agreed to sell, the Property for a cash consideration of HK\$33,766,040.

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules. The main purpose of this circular is to provide you with further particulars of the Acquisition.

LETTER FROM THE BOARD

THE ACQUISITION

Date of the S&P Agreement:

27 November 2006

Parties to the S&P Agreement:

1. Kingsluck Limited, being the Vendor. The Vendor is a property holding company incorporated in Hong Kong with limited liability. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are not connected with any of the directors, chief executive or substantial shareholder(s) of the Company or its subsidiaries or their respective associate(s); and
2. Good Develop Limited, a wholly-owned subsidiary of the Company, being the Purchaser.

Property to be acquired:

The entire 8th Floor of China United Centre, No. 28 Marble Road, North Point, Hong Kong, occupying a total gross floor area of approximately 10,963 sq. ft.

Consideration:

The aggregate consideration payable by the Purchaser to the Vendor for the acquisition of the Property is HK\$33,766,040 in cash. A deposit of HK\$1,000,000 has been paid by the Purchaser to the Vendor upon signing of the S&P Agreement. Up to the Latest Practicable Date, a further deposit of HK\$2,376,604 has also been paid by the Purchaser to the Vendor. The remaining balance of HK\$30,389,436 will be paid by the Purchaser to the Vendor on Completion.

The consideration has been arrived at after arm's length negotiations between the Purchaser and the Vendor with reference to the prevailing market prices. The Directors consider the terms of the Acquisition to be fair and reasonable.

Completion:

Subject to the Vendor having proved good title to the Property, Completion will take place on or before 30 April 2007.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in the trading of securities, provision of finance, property holding and investment holding.

As announced by the Company on 20 October 2006, the Company has acquired, pursuant to an agreement dated 18 October 2006, the entire issued share capital of Cinergy Holdings Limited which, acting through its wholly-owned subsidiaries, is carrying on general and life insurance business. It was further stated in the announcement that subject to the regulatory requirements and approvals, the Company will use its best endeavour to set up a life insurance company authorised to conduct long term business in Hong Kong. The Company intends to use the Property as the office premises for the operations of insurance businesses of Cinergy Holdings Limited and the new life insurance company to be set up to conduct long term business. At present, Cinergy Holdings Limited is occupying its office premise located in Wan Chai, Hong Kong as tenant.

After Completion the Property will be included in the Group's consolidated balance sheet and classified under property, plant and equipment. The Directors do not expect any significant financial impact on the Group due to the Acquisition. The Directors believe that the Acquisition can also enhance the property portfolio of the Group and is in the interests of the Company and its Shareholders as a whole. The Directors consider the terms of the Acquisition to be fair and reasonable.

ADDITIONAL INFORMATION

Your attention is drawn to the general information set out in the Appendix to this circular.

Yours faithfully,
For and on behalf of the Board
Kwok Wai Ming
Executive Director

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained herein the omission of which would make any statement contained in this circular misleading.

DISCLOSURE OF INTERESTS**(a) Interests of Directors**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules and which were required to be entered into the register required to be kept under section 352 of the SFO were as follows:

(i) Long positions in Shares

Name of director	Capacity	Number of Shares	Approximate % of shareholding
Au Shuk Yee, Sue	Beneficial owner	41,028,000	2.37%
Kwok Wai Ming	Beneficial owner	15,000,000	0.87%
Yang Fan Shing, Andrew	Interest of controlled corporation	200,000,000	11.55%
Yang Fan Shing, Andrew	Beneficial owner	20,000,000	1.16%
Yang Fan Shing, Andrew	Interest of spouse	2,000,000	0.11%

(ii) Short positions in Shares

Name of director	Capacity	Number of Shares	Approximate % of shareholding
Yang Fan Shing, Andrew	Interest of Controlled Corporation	200,000,000	11.55%

(iii) Interests in equity derivatives of the Company

Name of director	Date of grant	Exercisable period	Subscription price per share HK\$	Number of share options and underlying shares	Percentage of the Company's issued share capital at Latest Practicable Date
Kwong Wai Tim, William	16.1.2004	16.1.2004 to 15.1.2009	1.2	1,500,000	0.09%

Note: These share options were held by the relevant director as beneficial owner.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interests and short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO).

(b) Interests of Shareholders

As at the Latest Practicable Date, so far as is known to the Directors and the chief executives of the Company, Shareholders (other than a Director or chief executive of the Company) who had an interest or short position in the Shares and underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the

SFO, or who are, directly or indirectly interested in 5 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any member of the Enlarged Group were as follows:

(I) *the Group*

(i) Long positions in Shares

Name of Shareholder	Capacity	Number of Shares	Approximate % of shareholding
Radford Capital Investment Limited	Beneficial owner	131,972,000	7.62%
Heritage International Holdings Limited	Interest of controlled corporation	130,524,000	7.54%
Taifook Securities Group Limited	Interest of controlled corporation	400,000,000	23.10%
Liu Lai Shim, Regina <i>(Note)</i>	Beneficial owner	2,000,000	0.11%
Liu Lai Shim, Regina <i>(Note)</i>	Interest of spouse	220,000,000	12.71%

Note: Ms. Liu Lai Shim, Regina is the spouse of Mr. Yang Fan Shing, Andrew, a Director and Chairman of the Company.

(ii) Short positions in Shares

Name of Shareholder	Capacity	Number of Shares	Approximate % of shareholding
Liu Lai Shim, Regina	Interest of spouse	200,000,000	11.55%

(iii) Interests in equity derivatives of the Company

Name of Shareholder	Number of Shares	Category of derivative
Taifook Securities Group Limited	400,000,000 (long position)	physically settled (Off exchange)

(II) *HMIL and its subsidiaries*

(a) Name of Shareholder	Number of Shares	Approximate % of shareholding
Grand Wishes Limited	309,633,334	35.55%
Bloom Glory Limited	150,000,000	17.22%
Chow Kam Wah	100,000,000	11.48%

(b) Chung Nam Nominees Limited, an indirect wholly-owned subsidiary of HMIL, holds 40% of Chung Nam Commodities Limited (an indirect 60% held subsidiary of HMIL).

Save as disclosed above, the Directors and the chief executives of the Company are not aware that there is any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had any interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly interested in 5 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any member of the Enlarged Group.

DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contracts with any member of the Group which does not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, none of the Directors nor their respective associates was considered to have an interest in business which competes or is likely to compete, either directly or indirectly, with the business of the Group other than those business to which the Directors and their respective associates were appointed to represent the interests of the Company and/or the Group.

LITIGATION

As at the Latest Practicable Date, no member of the Enlarged Group was engaged in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Enlarged Group.

CORPORATE INFORMATION

- (i) The secretary of the Company is Mr Ngai Wai Kin, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (ii) The qualified accountant of the Company is Mr Ngai Wai Kin, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (iii) The share registrar and transfer office of the Company in Hong Kong is Secretaries Limited, of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (iv) The English version of this circular shall prevail over the Chinese text.