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FREEMAN CORPORATION LIMITED

民豐控股有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 279)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF SHAREHOLDING IN AND SHAREHOLDER'S LOAN
DUE BY EQUITY SPIN INVESTMENTS LIMITED**

The Board is pleased to announce that on 29 June 2007, the Company as a vendor and the Purchaser entered into the Disposal Agreement, pursuant to which the Company agreed to sell and the Purchaser agreed to purchase the Sale Share and the Sale Loan for an aggregate consideration of HK\$50 million.

The entering into of the Disposal Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing further details of the Disposal will be despatched to the Shareholders as soon as practicable.

THE DISPOSAL AGREEMENT

Date : 29 June 2007

Parties : (a) the Company (as vendor)
(b) the Purchaser (as purchaser)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser, a director of HCGL, is an Independent Third Party and do not have any shareholding interest in the Company as at the date of this announcement.

Assets to be disposed of and Consideration

Pursuant to the terms and conditions of the Disposal Agreement, the Company agreed to (i) dispose the Sale Share to the Purchaser; and (ii) assign all of its interest in the Sale Loan for an aggregate cash consideration of HK\$50 million of which the consideration for the Sale Share shall be HK\$7.8 and consideration for the Sale Loan shall be HK\$49,999,992.2. The total consideration will be payable in the following manner:

- (i) a refundable deposit of HK\$10 million has been paid by the Purchaser upon signing of the Disposal Agreement; and
- (ii) a remaining sum of HK\$40 million shall be payable by the Purchaser on Completion.

The total consideration is arrived at after arm's length negotiations between the parties to the Disposal Agreement with reference to the financial position of Equity Spin and the face value of the Sale Loan as at the date of the Disposal Agreement and the Board considers the consideration to be fair and reasonable. As at 31 March 2007, the amount due from Equity Spin to the Company was approximately HK\$161.3 million.

Condition precedent

Completion is conditional on the approval of the Disposal Agreement and the transactions contemplated hereunder by the Shareholders at a general meeting of the Shareholders, if necessary.

If the above condition precedent has not been fulfilled on or before 28 September 2007 (or such later date as the parties may agree), the Disposal Agreement shall lapse and be terminated and the Company will refund the Deposit without interest to the Purchaser.

Completion

Completion is expected to take place on the next Business Day (or such later date as the parties thereto may agree in writing) after the above condition is satisfied or waived by the Purchaser.

Upon Completion, Equity Spin will cease to be a subsidiary of the Company and the Company will cease to have any interest in the HCGL Group.

INFORMATION ON EQUITY SPIN AND HCGL GROUP

Equity Spin is a company incorporated in the BVI with limited liabilities and an indirect wholly-owned subsidiary of the Company. Its principal asset is its holding of 48.96% shareholding interest in HCGL.

HCGL is a company incorporated in the BVI with limited liabilities and an associate of the Company. Its principal activity is investment holding. HCGL Group is engaged in provision of financial services including brokerage, commodity trading, money lending, margin financing and corporate finance advisory as well as proprietary trading and direct investment.

The unaudited consolidated net loss before and after taxation of Equity Spin for each of the two years ended 31 March 2007 and 2006 was approximately HK\$63 million and HK\$5,000 respectively and the audited consolidated net loss before and after taxation of HCGL Group for the year ended 31 December 2006 was approximately HK\$99 million and HK\$100 million respectively and the audited consolidated net loss before and after taxation of HCGL Group for the year ended 31 December 2005 were approximately HK\$223 million. As at 31 March 2007, the Equity Spin and HCGL Group recorded an unaudited consolidated net liabilities value of approximately HK\$111 million and unaudited consolidated net assets of approximately HK\$165 million respectively.

REASONS FOR THE DISPOSAL

The Group is principally engaged in the trading of securities, provision of finance, property holding, insurance business and investment holding.

Subject to the confirmation of the Company's auditors, the Company estimates that based on the unaudited consolidated net liabilities value of Equity Spin of approximately HK\$111 million as at 31 March 2007, face value of the Sale Loan as at the date of the Disposal Agreement of approximately HK\$161.3 million and the aggregate cash consideration of HK\$50 million, a loss on disposal of approximately HK\$200,000 may be recorded by the Company for the year ending 31 March 2008 as a result of the disposal of the Sale Share and the Sale Loan .

The Board considers the disposal of non-performing investment arm will enable the Company not only to strengthen the financial base but also to focus on the insurance and financial services business. The Board is of the view that by entering into of the Disposal Agreement, the Company is able to realize its investment and focus its resources in developing its insurance and its financial services business. The net proceeds of approximately HK\$49.8 million which will be received by the Group from the Disposal will be used for developing the insurance and financial services business of the Group.

In view of the above, the Directors consider that the terms of the Disposal Agreement are entered into upon normal commercial terms and that the terms of the Disposal Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

GENERAL

The Disposal Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing further details of the Disposal will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

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

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day except Saturdays and Sundays on which banks in Hong Kong are open for business
“BVI”	British Virgin Islands
“Company”	Freeman Corporation Limited (民豐控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal pursuant to the terms and condition of Disposal Agreement
“Directors”	the directors of the Company
“Disposal”	the disposal of the Sale Share and Sale Loan
“Disposal Agreement”	the disposal agreement dated 29 June 2007 and entered into between the Company and the Purchaser, pursuant to which the Company agreed to sell and the Purchaser agreed to purchase the Sale Share and the Sale Loan for an aggregate consideration of HK\$50 million
“Equity Spin”	Equity Spin Investments Limited, a company incorporated in the BVI and a directly wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HCGL”	Hennabun Capital Group Limited (formerly named as Hennabun Management International Limited before 25 May 2007), a company incorporated in the BVI and an associate of the Company
“HCGL Group”	HCGL and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons (as defined under the Listing Rules) of the Company and are not connected persons (as defined under the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Mr. Chuang Yue Chien, Eugene
“Sale Loan”	a shareholder’s loan in the amount of HK\$161,279,408.20 at the date of the Disposal Agreement owed by Equity Spin to the Company
“Sale Share”	one ordinary share of US\$1 each, representing the 100% of issued share capital of Equity Spin
“Share(s)”	fully paid ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States

Unless otherwise specified in this announcement, translation of US\$ into HK\$ is made in this announcement, for illustration purpose only, at the rate of US\$1 to HK\$7.8. No representation is made that any amount in US\$ could have been or could be converted at such rate or any other rates.

For and on behalf of the Board
Freeman Corporation Limited
Kwong Wai Tim, William
Managing Director

Hong Kong, 29 June 2007

As at the date of announcement, the Board comprises the following Directors:

Executive Directors:

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

Independent non-executive Directors:

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