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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 ENTERING INTO THE JOINT VENTURE AGREEMENT AND RESUMPTION OF TRADING

The Company is pleased to announce that on 3 September 2007, its wholly owned subsidiary, FCAML, entered into the JV Agreement with the JV Partner for the setting up of the JV Co, a sino-foreign equity joint venture company in PRC, to establish and operate the network of Freeman Stations (民豐博愛小站) to be allocated in various local communities in PRC. FCAML and the JV Partner shall hold 70% and 30% of the share capital of the JV Co respectively.

The JV Partner is the only approved organization of the Red Cross Society of China Commercial Industry Branch 「中國商業系統紅十字會」 to implement and carry out the Freeman Caring Businesses in the entire China under “The Entering into Communities by the Red Cross Programme” 「紅十字萬站進社區活動」 promoted by the National Office of the Red Cross Society of China 「中國紅十字會總會」 by setting up the Freeman Stations.

The Freeman Stations will provide the Freeman Caring Businesses to the local communities in the PRC including but not limited to first aid and health services, sale of health and hygienic products, provision of health management card programme, financial services, insurance services, advertising and media services, and other relevant activities, etc.

The entering into the JV Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing further particulars of the transaction will be dispatched to the Shareholders as soon as possible in accordance with the requirements of the Listing Rules.

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 4 September 2007 pending the release of this announcement. The Company has applied to the Stock Exchange for a resumption of trading in Shares with effect from 9:30 a.m. on 5 September 2007.

THE JOINT VENTURE AGREEMENT

Date:

3 September 2007

Parties:

1. 北京王鼎市場營銷諮詢有限公司 (the “JV Partner”), a company incorporated in the PRC. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the JV Partner, and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules); and

2. Freeman Caring Assets Management Limited 「民豐博愛資產管理有限公司」 (“FCAML”), a company incorporated in the British Virgin Islands, which being a wholly-owned subsidiary of Freeman.

Details of the Joint Venture Agreement:

The JV Partner and FCAML agreed to set up a sino-foreign equity joint venture company in PRC tentatively named as 民豐博愛小站資產管理有限公司 (Freeman Caring Company Limited) (the “JV Co”) with registered share capital of RMB50,000,000. FCAML will contribute RMB35,000,000 and the JV Partner will contribute RMB15,000,000 which represent 70% and 30% of the share capital of the JV Co respectively. The JV Partner will procure the registration of the JV Co and obtain all the relevant approvals, licenses and assistances for operating the Freeman Caring Businesses (as defined below) in the Freeman Stations. The RMB15,000,000 capital contribution by the JV Partner to the JV Co may include any injection in kinds such as patents on the layout and design of the Freeman Stations (as defined below), internet website domain names and rights which are relevant to the business of the JV Co, if appropriate. Those assets that may be so injected into the JV Co do not have any current income stream. The exact details of any such assets to be injected and their corresponding amounts have not been determined at the date hereof. The assets to be injected by the JV Partner into the JV Co will be mutually agreed between the JV Partner and FCAML. Should there be any future injection of assets other than cash by the JV Partner which have implications under the Listing Rules, the Company will comply with such requirements of the Listing Rules in due course, if necessary.

The total amount of the investment in the JV Co amounts to RMB100,000,000. According to the JV Agreement, FCAML shall procure the remaining balance of the total investment amount besides the registered share capital (i.e. RMB50,000,000) be made available to the JV Co. Hence, the total amount of the capital commitment to the JV Co by FCAML is RMB85,000,000. The funds of the investment in the JV Co by FCAML are intended to come from the working capital of the Company.

As a mean of security for FCAML’s commitment to the agreement, FCAML has to pay Hong Kong Dollars equivalence of RMB5,000,000 (the “Deposit”) to the JV Partner or its nominee within three days on signing of the JV Agreement for initial capital injection of the JV Co which is due to be established. The JV Partner or its nominee will ensure the Deposit be applied towards FCAML’s contribution to the share capital of the JV Co.

Conditions Precedent

The JV Agreement is conditional upon:

- (i) the approval of the JV Agreement and the transactions contemplated thereunder by the Shareholders at a general meeting of the Shareholders, if necessary; and
- (ii) satisfactory result of due diligence to be conducted on the feasibility of the business as well as the legal and regulatory frameworks applicable to the establishment and operations of the JV Co.

If the above conditions precedent has not been fulfilled on or before 30 September 2007 or such later date as the parties may agree, the JV Agreement shall lapse and be terminated and the JV Partner shall return the Deposit to FCAML. Regarding condition precedent numbered (i) above, the Company is currently of the knowledge that the JV Agreement does not require the Shareholders’ approval at a general meeting pursuant to the Listing Rules. The condition precedent numbered (ii) above has not been fulfilled at the date of this announcement.

Upon the fulfillment of the above-mentioned conditions precedent, FCAML shall inject the remaining RMB30,000,000 into the share capital of the JV Co within 10 working days after the receipt of formal notice of request for capital injection from the JV Partner. Should FCAML fail to inject the remaining RMB30,000,000, the JV Partner has the right to forfeit the Deposit.

The JV Partner shall ensure the incorporation and registration of the establishment of the JV Co with the right to operate the Freeman Caring Businesses (as defined below) be completed within 30 working days after the complete injection of the RMB35,000,000 into the capital of the JV Co by FCAML or no later than 30 November 2007, otherwise the JV Partner shall procure the JV Co to refund the whole sum of RMB35,000,000 to FCAML.

THE BUSINESS OF THE JV CO

The major business of the JV Co will be the implementation of “The Entering into Communities by the Red Cross Programme” 「紅十字萬站進社區活動」 which covers the entire China. The programme is implemented by the Red Cross Society of China Commercial Industry Branch 「中國商業系統紅十字會」 and promoted by the National Office of the Red Cross Society of China 「中國紅十字會總會」. The programme targets to set up

initially 20,000 various stations in the entire China tentatively named as 「民豐博愛小站」 (“Freeman Station(s)”) to provide various health, insurance and financial related services to the local communities, including:–

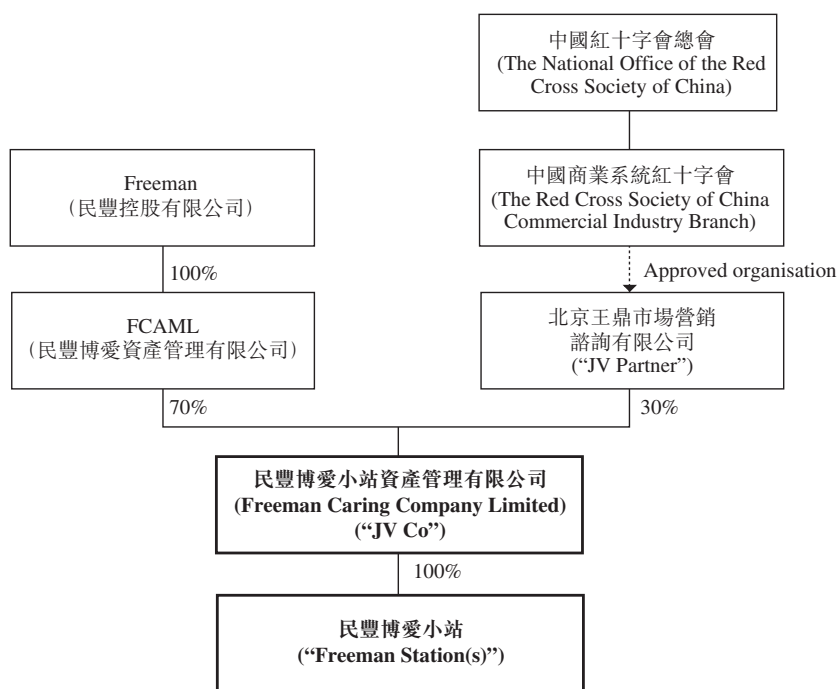
- (1) First Aid and Health Services;
- (2) Sale of Health and Hygienic Products;
- (3) Provision of Health Management Card Programme
- (4) Financial Services;
- (5) Insurance Services;
- (6) Advertising and Media Services; and
- (7) Such other relevant services.

(together, the “Freeman Caring Businesses”)

The JV Co, with the assistance, support and resources allocated from the Red Cross Society, will operate and manage the Freeman Stations to promote and carry out the activities recommended by the Red Cross Society of China 「中國紅十字會」. Each Freeman Station will be wholly owned by the JV Co which will be solely responsible for the operation and administration of the network of the Freeman Stations. According to its proposed corporate constitutional documents, the JV Co itself is profit-making in nature.

THE JV STRUCTURE

The structure of the JV Co is as follows:–



THE JV PARTNER

The JV Partner is the only approved organization of the Red Cross Society of China Commercial Industry Branch to implement, organize and carry out the Freeman Caring Businesses under the network of the Freeman Stations in various local communities. Currently, the Red Cross Society of China has over 50 local and trade branches with its headquarter stationed in Beijing, China. The JV Partner, with the assistance of the Red Cross Society of China, targets to establish 5,000, 6,000, 9,000 Freeman Stations in first, second and third year of operations respectively.

THE PRINCIPAL ACTIVITIES OF THE COMPANY

Freeman is an investment holding company and its subsidiaries are principally engaged in provision of finance, securities trading, insurance business, property holding and investment holding. Since the acquisition of Cinergy Holdings Limited in November 2006, the Group has commenced its insurance brokerage business in Hong Kong and currently has over 100 insurance agents in business. In July 2007, the Group submitted its initial application for license to conduct long term life insurance business in Hong Kong. The Group will further expand its insurance and financial services business by emerging into the PRC market through the establishment of the various Freeman Stations in PRC.

REASONS FOR AND BENEFITS OF ENTERING INTO THE JOINT VENTURE AGREEMENT

The Board has been actively considering and exploring new business opportunities so as to strengthen the Group's business and revenue base. The Directors believe that entering into the JV Agreement will provide valuable business opportunities to further expand the Group's existing insurance brokerage and financial services business. Having the Freeman Stations to be allocated in the prime locations of various local communities of over 30 provinces and municipalities in PRC will substantially increase the Group's points of sales for our future insurance and financial services business in China and strengthen our customer base. The investment in the JV Co will also bring synergy to existing insurance and financial related businesses which are based in Hong Kong currently. In addition, the diversified Freeman Caring Businesses will also bring potentials to the Group to develop any new business and further enhance our revenue base. Taking into account the above-mentioned factors, the Board is of the view that entering into the JV Agreement is in the interest and benefit of Freeman and its shareholders as a whole.

GENERAL

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DEFINITIONS:

“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”, “Freeman”	Freeman Corporation Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Joint Venture Agreement”, “JV Agreement”	an agreement dated 3 September 2007 entered into between FCAML and the JV Partner in relation to the establishment of a sino-foreign equity joint venture company in the PRC tentatively named as 民豐博愛小站資產管理有限公司 (Freeman Caring Company Limited)
“Group”	the Company and its subsidiaries.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People's Republic of China
“RMB”	renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company

“Shares” ordinary shares of HK\$0.10 each in the share capital of the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By order of the Board
Kwok Wai Ming
Executive Director

Hong Kong, 4 September 2007

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

Executive Directors:

Dr. 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

Please also refer to the published version of this announcement in South China Morning Post.