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FREEMAN FINANCIAL CORPORATION LIMITED

民豐企業控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 279)

CLARIFICATION ANNOUNCEMENT

Reference is made to the Company's announcement (the "Announcement") dated 17 May 2011 in respect of the disposal of beneficial interests in Liu's Holdings Limited. The Company has noted the many media reports on the Disposal in the last few days, and would like to provide some additional clarity. Terms defined in the Announcement shall have the same meanings when used in this clarification announcement.

Reference is made to paragraph (a) under the section headed "Beneficial interests in Sale Shares to be disposed" in the Announcement. The "real buyer" for the 150,540 Sale Shares are actually one or more of the Remaining Shareholders of Liu's Holdings, and Mr. L M Liu and Mrs. Liu are simply acting as "pass-through". Those one or more Remaining Shareholders (through Liu's Holdings) made the Liu's Holdings' Offer. However, as the Company only owns the beneficial interests in those 150,540 Sale Shares, such beneficial interests need to first be sold to Mr. L M Liu and Mrs. Liu (who still hold the legal interests), before the "complete" shareholding can be sold to those one or more Remaining Shareholders. The Company understands that Mr. L M Liu and Mrs. Liu, once they acquire the beneficial interests in those Sale Shares from the Company, will sell the complete legal and beneficial interests in those Sale Shares to those one or more Remaining Shareholders. As explained in the Announcement, the consideration of HK\$364,736,549.20 for those 150,540 Sale Shares was the exact consideration offered by those one or more Remaining Shareholders in the Liu's Holdings' Offer less 0.1% stamp duty.

Reference is made to paragraph (b) under the section headed “Beneficial interests in Sale Shares to be disposed” in the Announcement. Mr. L M Liu and Mrs. Liu are the “real buyer” of the 25,174 Sale Shares – this is in order to help the Company “cash-out” completely. Without this limb of the transaction, the Company will have to continue to hold on to the beneficial interests in these 25,174 Sale Shares (as they are not included in Liu’s Holdings’ Offer), which will be of an even lesser strategic value to the Company. As explained in the Announcement, consideration for these Sale Shares of HK\$60,992,944.72 is calculated using the same price per share in Liu’s Holdings’ Offer less 0.1% stamp duty.

By order of the Board of
FREEMAN FINANCIAL CORPORATION LIMITED
Hui Quincy Kwong Hei
Managing Director

Hong Kong, 19 May 2011

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

Executive Directors:

Dr. Yang Fan Shing, Andrew (*Chairman*)
Mr. Lo Kan Sun (*Managing Director*)
Mr. Hui Quincy Kwong Hei (*Managing Director*)
Ms. Au Shuk Yee, Sue
Mr. Scott Allen Phillips
Ms. Chow Mun Yee

Non-executive Directors:

Mr. Andrew Liu
Mr. Cheng Chi Ming, Brian
Mr. Liu Kam Fai, Winston

Independent non-executive Directors:

Mr. Gary Drew Douglas
Mr. Peter Temple Whitelam
Dr. Agustin V. Que
Mr. Yau Chung Hong