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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)

(1) THIRD SUPPLEMENTAL PLACING AGREEMENT TO PLACING OF UNLISTED FIRST WARRANTS UNDER FIRST SPECIFIC MANDATE;

AND

(2) SECOND SUPPLEMENTAL AGREEMENT TO PLACING OF UNLISTED SECOND WARRANTS UNDER SECOND SPECIFIC MANDATE

THIRD SUPPLEMENTAL PLACING AGREEMENT TO PLACING OF UNLISTED FIRST WARRANTS UNDER FIRST SPECIFIC MANDATE

On 8 June 2015 (after trading hours), the Company and the Placing Agent entered into the Third Supplemental Placing Agreement, pursuant to which the Company and the Placing Agent agreed to vary certain terms and conditions of the First Warrants with First Mandatory Exercise Rights by, inter alia, (i) revising the adjustment events of the First Subscription Price so that adjustment will include customary anti-dilutive adjustments in certain events; and (ii) incorporate a new terms to the First Warrants with First Mandatory Exercise Rights that any transfer of the such warrants will be subject to prior approval of the Company and any transferee shall be a “professional investor” as defined under the SFO.

SECOND SUPPLEMENTAL AGREEMENT TO PLACING OF UNLISTED SECOND WARRANTS UNDER SECOND SPECIFIC MANDATE

On 8 June 2015 (after trading hours), the Company and the Placing Agent entered into the Second Supplemental Agreement, pursuant to which the Company and the Placing Agent agreed to vary certain terms and conditions of the Second Warrants with Second Mandatory Exercise Rights by, inter alia, incorporate a new terms to the Second Warrants with Second Mandatory Exercise Rights that any transfer of the such warrants will be subject to prior approval of the Company and any transferee shall be a “professional investor” as defined under the SFO.

Save for the above variations, (i) there is no other material changes to the terms and conditions of the First Warrants with First Mandatory Exercise Rights and Second Warrants with Second Mandatory Exercise Rights; and (ii) all other terms and conditions of the First Placing Agreement and Second Placing Agreement shall remain unchanged and continue in full force and effect.

As the completion of the First Placing is conditional upon satisfaction of the conditions precedent as set out under the First Placing Agreement, the issue of First Warrants with First Mandatory Exercise Rights may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

As the completion of the Second Placing is conditional upon satisfaction of the conditions precedent as set out under the Second Placing Agreement, the issue of Second Warrants with Second Mandatory Exercise Rights may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

(1) FIRST PLACING OF UNLISTED FIRST WARRANTS WITH FIRST MANDATORY EXERCISE RIGHTS UNDER FIRST SPECIFIC MANDATE

On 8 June 2015 (after trading hours), the Company and the Placing Agent entered into the Third Supplemental Placing Agreement, pursuant to which the Company and the Placing Agent agreed to vary certain terms and conditions of the First Warrants with First Mandatory Exercise Rights by, inter alia, (i) revising the adjustment events of the First Subscription Price so that adjustment will include customary anti-dilutive adjustments in certain events; and (ii) incorporate a new terms to the First Warrants with First Mandatory Exercise Rights that any transfer of the such warrants will be subject to prior approval of the Company and any transferee shall be a “professional investor” as defined under the SFO.

The summary of the principal variations to the terms of the First Warrants with First Mandatory Exercise Rights under the Third Supplemental Placing Agreement (the “**First Amendments**”) is set out below:–

	Existing terms	Amended terms
Adjustments to the First Subscription Price	The initial First Subscription Price of the First Warrants with First Mandatory Exercise Rights are subject to adjustments in share consolidation and share subdivision only.	The initial First Subscription Price of the First Warrants with First Mandatory Exercise Rights are subject to customary anti-dilutive adjustments in certain events, including, among other things, share consolidation, share subdivision, capitalisation issue, capital distribution, rights issue and further issue of shares or convertible securities with conversion price less than the then market price provided that the First Subscription Price shall not at any time fall below the par value of the Shares.
Transferability	The First Warrants with First Mandatory Exercise Rights are transferable in whole or in part but at integral multiples of 1,000,000 First Warrants with First Mandatory Exercise Rights.	Any transfer of the First Warrants with First Mandatory Exercise Rights will be subject to prior approval of the Company and any transferee shall be a “professional investor” as defined under the SFO.

The First Warrants with First Mandatory Exercise Rights are transferable in whole or in part but at integral multiples of 1,000,000 First Warrants with First Mandatory Exercise Rights.

Before giving any approval for transfer of the First Warrants, the Company will verify whether the potential transferee(s) shall be a “professional investor” in order to ensure it/he/she would have sufficient funds to subscribe for the First Warrant Shares. The verification process includes but not limited to obtaining confirmation from the potential transferee(s) on whether it/he/she is a “professional investor”. The Company is entitled to refuse any transfer request if it is not satisfied with the verification results.

Save for the above variations, (i) there is no other material changes to the terms and conditions of the First Warrants with First Mandatory Exercise Rights; and (ii) all other terms and conditions of the First Placing Agreement shall remain unchanged and continue in full force and effect.

As stated in the announcement of the Company dated 13 May 2015, the Board proposes to seek Shareholders to approve the First Placing, issue of the First Warrants with First Mandatory Exercise Rights and allotment and issue of the First Warrants Shares at the SGM. The Board will also seek the grant of the First Specific Mandate for the allotment and issue of the First Warrant Shares from the Shareholders at the SGM.

The Company considers that the First Amendments as stated above could ensure (i) full set of customary adjustments could be available for the First Warrants with First Mandatory Exercise Rights given that the First Specific Mandate is to be sought at the SGM; and (ii) financial ability of any transferee(s) of the First Warrants with First Mandatory Exercise Rights to be verified prior to any transfer.

(2) SECOND PLACING OF UNLISTED SECOND WARRANTS WITH SECOND MANDATORY EXERCISE RIGHTS UNDER SECOND SPECIFIC MANDATE

On 8 June 2015 (after trading hours), the Company and the Placing Agent entered into the Second Supplemental Agreement, pursuant to which the Company and the Placing Agent agreed to vary certain terms and conditions of the Second Warrants with Second Mandatory Exercise Rights by, inter alia, incorporate a new terms to the Second Warrants with Mandatory Exercise Rights that any transfer of the such warrants will be subject to prior approval of the Company and any transferee shall be a “professional investor” as defined under the SFO.

The summary of the principal variations to the terms of the Second Warrants with Second Mandatory Exercise Rights under the Second Supplemental Agreement (the “**Second Amendment**”) is set out below:–

	Existing terms	Amended terms
Transferability	The Second Warrants with Second Mandatory Exercise Rights are transferable in whole or in part but at integral multiples of 1,000,000 Second Warrants with Second Mandatory Exercise Rights.	<p>Any transfer of the Second Warrants with Second Mandatory Exercise Rights will be subject to prior approval of the Company and any transferee shall be a “professional investor” as defined under the SFO.</p> <p>The Second Warrants with Second Mandatory Exercise Rights are transferable in whole or in part but at integral multiples of 1,000,000 Second Warrants with Second Mandatory Exercise Rights.</p> <p>Before giving any approval for transfer of the Second Warrants, the Company will verify whether the potential transferee(s) shall be a “professional investor” in order to ensure it/he/she would have sufficient funds to subscribe for the Second Warrant Shares. The verification process includes but not limited to obtaining confirmation from the potential transferee(s) on whether it/he/she is a “professional investor”. The Company is entitled to refuse any transfer request if it is not satisfied with the verification results.</p>

Save for the above variations, (i) there is no other material changes to the terms and conditions of the Second Warrants with Second Mandatory Exercise Rights; and (ii) all other terms and conditions of the Second Placing Agreement shall remain unchanged and continue in full force and effect.

The Company considers that the Second Amendment as stated above could ensure financial ability of any transferee(s) of the Second Warrants with Second Mandatory Exercise Rights to be verified prior to any transfer.

The Directors are of the view that the First Amendments and Second Amendment, together with other amendments under the Third Supplemental Placing Agreement and Second Supplemental Agreement, which were determined after arm's length negotiations between the Company and the Placing Agent, are fair and reasonable and the entering into of the Third Supplemental Placing Agreement and Second Supplemental Agreement are in the interests of the Company and the Shareholders as a whole.

As the completion of the First Placing is conditional upon satisfaction of the conditions precedent as set out under the First Placing Agreement, the issue of First Warrants with First Mandatory Exercise Rights may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

As the completion of the Second Placing is conditional upon satisfaction of the conditions precedent as set out under the Second Placing Agreement, the issue of Second Warrants with Second Mandatory Exercise Rights may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions shall have the following meaning unless the context requires otherwise:

“Company”	Freeman Financial Corporation Limited (Stock Code: 279), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“First Instrument”	the instrument constituting the First Warrants with First Mandatory Exercise Rights to be executed by the Company substantially in the form as set out in the First Placing Agreement

“First Mandatory Exercise Rights”	the mandatory exercise rights exercisable by the Company to request all First Warrant Holders who hold any unexercised First Warrants with First Mandatory Exercise Rights upon the expiry of the subscription period (2 years commencing from the date of issue of the First Warrants with First Mandatory Exercise Rights) to exercise the First Subscription Rights of the whole of the First Warrants with First Mandatory Exercise Rights held by such First Warrant Holders to subscribe for the First Warrant Shares at the First Subscription Price
“First Placing”	the offer by way of a private placement of the First Warrants with First Mandatory Exercise Rights procured by the Placing Agent to selected professional investors on the terms and conditions set out in the First Placing Agreement
“First Placing Agreement”	a placing agreement dated 22 April 2015 entered into between the Company and the Placing Agent pursuant to which the Placing Agent agrees to procure the First Subscribers to subscribe for, and the Company agrees to issue, the First Warrants with First Mandatory Exercise Rights (as supplemented by the first supplemental agreement dated 29 April 2015, the second supplemental agreement dated 15 May 2015 and the Third Supplemental Placing Agreement entered into between the Company and the Placing Agent
“First Specific Mandate”	a specific mandate to be sought from the Shareholders at the SGM for the allotment and issue of the First Warrant Shares upon the exercise of the First Subscription Rights
“First Subscription Price”	HK\$0.43 per First Warrant Share (as revised pursuant to the first supplemental agreement dated 29 April 2015 entered into between the Company and the Placing Agent), being the exercise price per First Warrant Share at which each First Warrant Holder may subscribe for the First Warrant Shares (subject to adjustment)
“First Subscription Rights”	the rights of the First Warrant Holder(s) represented by the First Warrants with First Mandatory Exercise Rights to subscribe for the First Warrant Shares upon and subject to the conditions of the First Warrants with First Mandatory Exercise Rights
“First Warrant Holder(s)”	the holder(s) of the First Warrants with First Mandatory Exercise Rights

“First Warrant Share(s)”	the Shares falling to be issued by the Company under the First Warrants with First Mandatory Exercise Rights upon (i) exercise by a First Warrant Holder of the First Subscription Rights; or (ii) exercise by the Company of the First Mandatory Exercise Rights, pursuant to the First Specific Mandate and on the terms and conditions under the First Instrument
“First Warrant(s) with First Mandatory Exercise Rights”	a total of 1,376,551,640 unlisted transferable warrants to be issued by the Company at the issue price of HK\$0.01 in registered form, each conferring rights entitling the First Warrant Holder to subscribe in cash for one First Warrant Share at the First Subscription Price at any time during the period of two years commencing from the date of issue of the First Warrants with First Mandatory Exercise Rights and subject to the First Mandatory Exercise Rights
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placing Agent”	Enerchine Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activities for the purpose of the SFO (Chapter 571 of the Laws of Hong Kong)
“Second Instrument”	the instrument constituting the Second Warrants with Second Mandatory Exercise Rights to be executed by the Company substantially in the form as set out in the Second Placing Agreement
“Second Mandatory Exercise Rights”	the mandatory exercise rights exercisable by the Company to request all Second Warrant Holders who hold any unexercised Second Warrants with Second Mandatory Exercise Rights upon the expiry of the subscription period (2 years commencing from the date of issue of the Second Warrants with Second Mandatory Exercise Rights) to exercise the Second Subscription Rights of the whole of the Second Warrants with Second Mandatory Exercise Rights held by such Second Warrant Holders to subscribe for the Second Warrant Shares at the Second Subscription Price
“Second Placing”	the offer by way of a private placement of the Second Warrants with Second Mandatory Exercise Rights procured by the Placing Agent to selected professional investors on the terms and conditions set out in the Second Placing Agreement

“Second Placing Agreement”	a placing agreement dated 13 May 2015 entered into between the Company and the Placing Agent pursuant to which the Placing Agent agrees to procure the Second Subscribers to subscribe for, and the Company agrees to issue, the Second Warrants with Second Mandatory Exercise Rights (as supplemented by the Second Supplemental Agreement)
“Second Specific Mandate”	a specific mandate to be sought from the Shareholders at the SGM for the allotment and issue of the Second Warrant Shares upon the exercise of the Second Subscription Rights
“Second Subscription Price”	HK\$0.55 per Second Warrant Share, being the exercise price per Second Warrant Share at which each Second Warrant Holder may subscribe for the Second Warrant Shares (subject to adjustment)
“Second Subscription Rights”	the rights of Second Warrant Holder(s) represented by the Second Warrants with Second Mandatory Exercise Rights to subscribe for the Second Warrant Shares upon and subject to the conditions of the Second Warrants with Second Mandatory Exercise Rights
“Second Supplemental Agreement”	the supplemental agreement to the Second Placing Agreement entered into between the Company and the Placing Agent on 8 June 2015
“Second Warrant Holder(s)”	the holder(s) of the Second Warrants with Second Mandatory Exercise Rights
“Second Warrant Share(s)”	the Shares falling to be issued by the Company under the Second Warrants with Second Mandatory Exercise Rights upon (i) exercise by a Second Warrant Holder of the Second Subscription Rights; or (ii) exercise by the Company of the Second Mandatory Exercise Rights, pursuant to the Second Specific Mandate and on the terms and conditions under the Second Instrument
“Second Warrant(s) with Second Mandatory Exercise Rights”	a total of 688,275,820 unlisted transferable warrants to be issued by the Company at the issue price of HK\$0.01 in registered form, each conferring rights entitling the Second Warrant Holder to subscribe in cash for one Second Warrant Share at the Second Subscription Price at any time during the period of two years commencing from the date of issue of the Second Warrants with Second Mandatory Exercise Rights and subject to the Second Mandatory Exercise Rights

“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held for the propose of considering, and if thought fit, approving the First Placing, the Second Placing, the grants of the First Specific Mandate and Second Specific Mandate and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.001 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
“Third Supplemental Placing Agreement”	the third supplemental agreement to the First Placing Agreement entered into between the Company and the Placing Agent on 8 June 2015
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
Freeman Financial Corporation Limited
Lo Kan Sun
Chairman

Hong Kong, 8 June 2015

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

Executive Directors:

Mr. Lo Kan Sun (*Chairman*)
Mr. Hui Quincy Kwong Hei (*Managing Director*)
Ms. Au Shuk Yee, Sue
Ms. Chow Mun Yee

Independent Non-executive Directors:

Mr. Cheung Wing Ping
Mr. Chung Yuk Lun
Mr. Hung Cho Sing
Dr. Agustin V. Que