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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 the 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 the transferee.

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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

20 July 2007

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 29 June 2007 regarding the Disposal
“associate(s)”	the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday(s) or Sunday(s)) on which banks in Hong Kong generally 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 the 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

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“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
“Latest Practicable Date”	16 July 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“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, representing the 100% of issued share capital of Equity Spin
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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 of America

Unless otherwise specified in this circular, translation of US\$ into HK\$ is made in this circular, 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.

LETTER FROM THE BOARD



FREEMAN CORPORATION LIMITED 民豐控股有限公司

(incorporated in the 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:
8th Floor, China United Centre
28 Marble Road
North Point
Hong Kong

20 July 2007

To the Shareholders

Dear Sirs,

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

INTRODUCTION

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

The Disposal was completed on 9 July 2007.

The purpose of this circular is to provide you with detail information regarding the Disposal.

LETTER FROM THE BOARD

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 Latest Practicable Date.

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 has been paid in the following manner:

- (i) a refundable deposit of HK\$10 million was paid by the Purchaser upon signing of the Disposal Agreement; and
- (ii) a remaining sum of HK\$40 million was paid by the Purchaser on Completion on 9 July 2007.

The total consideration was 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 was 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.

LETTER FROM THE BOARD

Completion

The above condition has been fulfilled and the Disposal was completed on 9 July 2007. Upon Completion, Equity Spin ceased to be a subsidiary of the Company and the Company ceased 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 liability 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 liability and an associate of the Company. Its principal activity is investment holding. HCGL Group is engaged in the 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 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 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 and there will be no material effect on the net asset value of the Group as a result of the disposal of the Sale Share and the Sale Loan.

LETTER FROM THE BOARD

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 Company will use the net proceeds of approximately HK\$49.8 million from the Disposal 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.

FURTHER INFORMATION

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Your attention is drawn to the additional information set out in the appendix to this circular.

For and on behalf of the
FREEMAN CORPORATION LIMITED
Kwong Wai Tim, William
Managing Director

1. RESPONSIBILITY STATEMENT

The 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 the circular and confirm, having made all reasonable enquires, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS BY DIRECTORS

As at the Latest Practicable Date, the interests and short positions of the directors, the chief executive of the Company or any of their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be notified to the Company and Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(i) Long positions in the Shares

Name of Director	Beneficial owner	Interest of controlled corporation	Interest of spouse	Total	Approximate percentage of shareholding
Yang Fan Shing, Andrew	30,000,000	396,000,000 <i>Note 1</i>	2,000,000	428,000,000	6.57%
Kwok Wai Ming	22,500,000	–	–	22,500,000	0.35%

(ii) Short positions in the Shares

Name of Director	Capacity	Number of Shares	Approximate percentage of shareholding
Mr. Yang Fan Shing, Andrew	Interest of controlled corporation	200,000,000	3.07%

Notes:

- These Shares represent Shares held by Parkson Group Limited in which Mr. Yang Fan Shing, Andrew, beneficially owns the entire issued share capital.
- For the purpose of this section, the shareholding percentage in the Company is calculated on the basis of 6,519,312,473 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

(i) Long positions in the Shares

Name of Shareholders	Capacity	Number of Shares	Approximate percentage of shareholding
Willie International Holdings Limited (Note 1)	Beneficial owner	484,618,000	7.43%
Parkson Group Limited (Note 2)	Beneficial owner	396,000,000	6.07%
Unity Investments Holdings Limited (Note 3)	Beneficial owner	386,532,000	5.93%
LBCCA Holdings I LLC. (Note 4)	Interest of controlled corporation	300,000,000	4.60%
LBCCA Holdings II LLC. (Note 4)	Interest of controlled corporation	300,000,000	4.60%
Lehman Brothers Commercial Corporation Asia Limited (Note 4)	Beneficial owner	300,000,000	4.60%
Lehman Brothers Holdings Inc. (Note 4)	Interest of controlled corporation	326,828,000	5.01%
Liu Lai Shim, Regina	Beneficial owner and/or interest of spouse and/or interest of controlled corporation	428,000,000 (Note 5)	6.57%

Notes:

1. The shares of Willie International Holdings Limited (stock code: 273) are listed on the main board of the Stock Exchange.
2. Parkson Group Limited, the entire issued share capital of which is beneficially owned by Mr. Yang Fan Shing, Andrew, is interested in 396,000,000 Shares. Mr. Yang Fan Shing, Andrew is one of the directors of Parkson Group Limited.
3. The shares of Unity Investments Holdings Limited (stock code: 913) are listed on the main board of the Stock Exchange.
4. Lehman Brothers Commercial Corporation Asia Limited, LBCCA Holdings I LLC., LBCCA Holdings II LLC. are controlled by Lehman Brothers Holdings Limited.
5. These Shares represent 2,000,000 Shares currently held by Ms. Liu Lai Shim, Regina, the wife of Mr. Yang Fan Shing, Andrew, an executive Director and chairman of the Company, 30,000,000 Shares currently held by Mr. Yang Fan Shing, Andrew and 396,000,000 Shares currently held by Parkson Group Limited which entire issued share capital is held by Mr. Yang Fan Shing and therefore Ms Liu Lai Shim, Regina is deemed to have such interest in the Shares.
6. For the purpose of this section, the shareholding percentage in the Company is calculated on the basis of 6,519,312,473 Shares in issue as at the Latest Practicable Date.

(ii) Short positions in the Shares

Name of Shareholder	Capacity	Number of Shares	Approximate percentage of shareholding
Parkson Group Limited	Beneficial owner	200,000,000	3.07%
Liu Lai Shim, Regina	Interest of Spouse	200,000,000	3.07%

Note: For the purpose of this section, the shareholding percentage in the Company is calculated on the basis of 6,519,312,473 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, no person (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares 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 was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or any options in respect of such capital.

4. COMPETING INTERESTS

There is no contract or arrangement entered into by any member of the Group, subsisting as at the date hereof in which any of the Directors is materially interested and which is significant in relation to the business of the Group as a whole.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contracts with the Company or any other member of the Group (excluding contracts expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation)).

6. LITIGATION

- (i) On 22 November 2004, Cinergy Holdings Limited (“CHL”) and Cinergy Financial Services Limited (“CFSL”), both of which were subsequently acquired by the Group in November 2006 and now being indirectly owned subsidiaries of the Company, entered into a co-operation agreement (“Co-operation Agreement”) with an authorized life insurer and investment adviser (the “Insurer”). CHL agreed to, inter alia, provide agency services to the Insurer and to distribute and sell life and investment linked financial products of the Insurer. On 7 January 2005, CFSL entered into a general agency agreement with the Insurer as a general agent of the Insurer.

Under the terms and conditions of the Co-operation Agreement, the Insurer has provided certain special and general loans to CHL which amounted to approximately HK\$9.48 million and HK\$10.20 million respectively as at 28 February 2007.

A dispute over the Co-operation Agreement between CHL and CFSL with the Insurer has arisen whereby CHL and CFSL claimed, inter alia, the Insurer for the material breach of the terms of the said agreements and the Insurer counterclaimed CHL and CFSL, inter alia, for repayment of the loans mentioned above. On 30 May 2006, the parties therein agreed to take the matter to the Hong Kong International Arbitration Centre for final adjudication and arbitration. At the Latest Practicable Date, the arbitration is still in progress and the Directors are of the opinion that the arbitration shall have no material adverse effect to the business and operation of the Group.

- (ii) On 20 December 2006, Hansom Finance Limited, a wholly owned subsidiary of the Company and a money lender issued writs against two borrowers for default on repayment of loans in the principal amount of HK\$100 million and HK\$105 million respectively. One of such borrowers has repaid an amount of HK\$50 million as at the Latest Practicable Date. The Directors are still considering appropriate action to be taken on these two cases as at the Latest Practicable Date.

Save as disclosed above, as at Latest Practicable Date, neither the Company nor other members of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. MISCELLANEOUS

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