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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

On 26 June 2006, Hansom Finance Limited, a wholly-owned subsidiary of the Company, holds a money lenders licence and is engaged in the money lending business, entered into an Agreement of Standby Credit Facility in the amount of HK\$50,000,000 (the “Facility”) with Hennabun Management International Limited, a company incorporated in the British Virgin Islands with limited liabilities (“HMIL”)(the “Loan Agreement”).

Terms of the Loan Agreement

Date: 26 June 2006

Parties: (i) Lender: Hansom Finance Limited

(ii) Borrower: Hennabun Management International Limited. To the best of the directors’ knowledge, information and belief having made all reasonable enquiries, HMIL and the ultimate beneficial owners of HMIL are third parties independent of the Company and its connected persons (as defined in the Listing Rules) as of the date hereof. The Company now holds approximately 7.33% of the existing issued share capital of HMIL.

The Facility: a Standby Credit Facility of \$50,000,000

Interest Rate: the applicable interest rate per annum equal to the Prime Rate plus 1% as quoted by the Hong Kong and Shanghai Banking Corporation Limited from time to time from the date of the Loan Agreement.

Period: twelve months from the date of the Loan Agreement repayable on demand.

Repayment: the loan and other monies outstanding in connection with the Facility are repayable on demand.

Arrangement fee: HK\$180,000 payable upon the signing of the Loan Agreement.

Collateral: Nil.

Purposes: the provision of general working capital for HMIL.

Reasons for granting the Facility: the provision of Facility represents a financial support to HMIL which will become a non wholly-owned subsidiary of the Company upon the exercise by the way of conversion right under the Convertible Note issued by HMIL and due on 20 September 2015.

Pursuant to the Company's announcement dated 2 May 2006 and its circular dated 24 May 2006, the Company has completed the acquisition of the Convertible Note (but has not converted yet as at the date of this announcement) which gives the Company upon exercise of conversion rights thereunder an interest in approximately 50.07% of the issued share capital of HMIL (assuming no further shares are issued by HMIL from the date of this announcement till the date of Conversion). Pursuant to the Company's announcement dated 9 June 2006, the Company has completed the acquisition of a total of 53,800,000 shares of HMIL. The Company now holds approximately 7.33% of the existing issued share capital of HMIL. Upon the completion of the acquisition and assuming full conversion of the Convertible Note, the Company will hold approximately 53.73% of the enlarged issued share capital of HMIL.

The source of funding by the Company for the provision of the Facility will be from internal resources of the Company.

The Directors consider that the terms of the Loan Agreement are fair and reasonable and believe that the entering into the Loan Agreement is in the best interests of the Company and the shareholders as a whole.

The transaction contemplated under the Loan Agreement constitutes a discloseable transaction of the Company under the Listing Rules. A circular providing details of the Facility will be dispatched to the shareholders of the Company as soon as practicable.

General

The Company is engaged in the business of trading of goods, provision of finance, trading of securities, property holding and investment and investment activities.

HMIL through its subsidiaries is engaged in investment holding, provision of financial services including brokerage, commodity trading, money lending, margin financing and corporate finance advisory as well as proprietary trading and direct investment.

By order of the Board
Kwok Wai Ming
Executive Director

Hong Kong, 27 June 2006

As at the date of this announcement, the directors of the Company are:

Executive Directors

Ms Yau Shum Tek, Cindy (*Chairman*)
Mr Kwong Wai Tim, William (*Managing Director*)
Mr Lai Ming Wai
Ms Kwok Wai Ming
Ms Au Shuk Yee, Sue

Independent Non-executive Directors

Mr Lo Ming Chi, Charles
Mr Chiu Siu Po
Ms Hui Wai Man, Shirley
Mr Gary Drew Douglas

"Please also refer to the published version of this announcement in The Standard"