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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
SUBSCRIPTION OF CONVERTIBLE BOND

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The Board announces that on 24th September, 2008, HFL, a subsidiary of the Company entered into the Settlement Deed with the WHL, pursuant to which HFL agreed to accept the issue of the Convertible Bond issued by RCIL in full and final settlement of the Loan.

The subscription of Convertible Bond by HFL constitutes a discloseable transaction for the Company.

A circular containing, among other things, further particulars of the Settlement Deed and the Convertible Bond will be depatched to the Shareholders as soon as possible in accordance with the requirement of the Listing Rules.

INTRODUCTION

The Board announces that on 24 September 2008, HFL, a wholly-owned subsidiary of the Company, HFL, entered into the Settlement Deed with the WHL, pursuant to which WHL agreed to procure that RCIL issues the Convertible Bond to HFL in full and final settlement of the Loan.

The Loan was made by HFL to WHL in the ordinary course of business of HFL. Under the loan agreement in respect of the Loan, the due date of the Loan was 10 October 2008. As at the date hereof the principal amount of Loan outstanding is HK\$25 million with interest accrued at HK\$273,287. It is intended that the accrued interest will be paid by WHL to HFL in cash on completion of the Settlement Deed.

THE SETTLEMENT DEED

Date : 24 September 2008 (as amended by a supplemental deed dated 26 September, 2008)

Parties :

1. HFL
2. WHL

WHL is a wholly owned subsidiary of RCIL, the shares of which listed on the main board of the Stock Exchange (Stock Code: 901) and is primarily engaged in the business of investing in both listed and unlisted companies. As at the date of this announcement, the Company holds 24,481,716 Shares in RCIL representing in approximately 4.74% of the issued share capital of the RCIL and RCIL holds 244,000,000 Shares in the Company representing approximately 4.99% of the existing issued share capital of the Company. To the best of knowledge, information and belief of the Directors, having made all reasonable enquiry, WHL and its ultimate shareholder RCIL are independent third parties not connected with the Company or Connected Persons of the Company.

Pursuant to the Settlement Deed, WHL agreed to procure that RCIL issues the Convertible Bond to HFL in full and final settlement of the Loan.

The supplemental deed to the Settlement Deed includes, inter alia, a long stop date for

satisfaction of the conditions.

Assuming that HFL exercises conversion rights under the Convertible Bond in full at the initial Conversion Price of HK\$0.15 per share of RCIL, a total of 166,666,667 Conversion Shares will be issued. The Conversion Shares represent (i) approximately 32.27% of the existing issued share capital of RCIL, (ii) approximately 24.40% of the issued share capital of RCIL as enlarged only by the issue of the Conversion Shares to the Company. Together with the existing 24,481,716 Shares in RCIL held by the Company, on the basis of 166,666,667 Conversion Shares to be issued, the Company will hold an aggregate of 191,148,383 Shares in RCIL, representing approximately 27.98% of the issued share capital of RCIL as enlarged by the issue of the Conversion Shares to the Company.

The Conversion Price of HK\$0.15 per Conversion Share was arrived at after arm's length negotiation between the Company and RCIL having taken into the current market price and the announced monthly net asset value of the shares in RCIL. The Conversion Price represents a discount of approximately 9.09% of the closing price of HK\$0.165 per share in RCIL as quoted on the Stock Exchange on the Last Trading Day, a discount of approximately 4.46% on the closing price of HK\$0.157 per share in RCIL on 24th September, 2008, the date of the Settlement Deed; and a discount of approximately 12.6% to the average closing price of HK\$0.1716 per share in RCIL as quoted on the Stock Exchange for the last 5 trading days up to and including the Last Trading Date.

CONDITIONS

Completion of the Settlement Deed is conditional upon:

- (i) the Listing Committee granting the listing of and permission to deal in the Conversion Shares; and
- (ii) shareholders of RCIL approving the issue of the Convertible Bond and the Conversion Shares to be issued upon exercise of the conversion rights thereunder.

If any of the conditions above have not been fulfilled by 30 November 2008 (or such other date as the parties may agree), the Settlement Deed will lapse and become null and void and WHL will remain liable for the repayment of the Loan. The Loan will then become due for repayment forthwith, unless otherwise agreed.

COMPLETION

Completion of the Settlement Deed will take place on the third Business Day after the fulfillment of the conditions set out above (or such other date as the parties may agree).

TERMS OF THE CONVERTIBLE BOND

The principal terms of the Convertible Bond are arrived after arm's length negotiation between the Company and RCIL and are summarised as follows:

Principal Terms:

Aggregate Principal amount	:	HK\$25,000,000
Conversion Price	:	HK\$0.15 per Conversion Share, subject to adjustments in certain events including, among other things, share consolidation, share subdivision, capitalization issue, capital distribution and rights issue.
Interest rate:	:	zero coupon
Maturity Date	:	the third anniversary of the date of issue
Amount payable on Maturity	:	100% of the principal amount outstanding
Transferability	:	the Convertible Bonds are not transferable without the prior written consent of RCIL, except by a

transfer to subsidiaries or the holding company of the holder of the Convertible Bonds. The Convertible Bonds may not be transferred by the holder of the Convertible Bonds, without the prior written consent of RCIL, to any connected person (as defined under the Listing Rules) of RCIL.

Authorised denomination : HK\$1,000,000

Conversion period : The holders of the Convertible Bonds shall have the right to convert the outstanding principal amount of the Convertible Bonds into Conversion Shares at any time from the date of issue of the Convertible Bonds until the date 7 days before (and excluding) the maturity date (as described above) at the Conversion Price.

The bondholders shall be deemed to have delivered a conversion notice and exercised in full their conversion rights for the outstanding principal amount of the Convertible Bonds, unless previously converted into shares in RCIL, at the Conversion Price, subject to adjustments if the closing price of the shares in RCIL as published on the Stock Exchange daily quoted sheets for each dealing day during a consecutive 30 dealing days period is equal to or in excess of 150% of the initial Conversion Price of HK\$0.15, subject to adjustments.

Notwithstanding the conversion rights attaching to the Convertible Bonds, a holder of the Convertible Bonds shall not exercise the conversion rights and RCIL shall not issue any shares if, upon such issue, (i) the holder of the Convertible Bonds and the parties acting in concert with it, will be interested in 30% (or such amount as may from time to time be

specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the then enlarged issued share capital of RCIL on the relevant conversion date, or (ii) the shareholding in RCIL held by the public will be less than 25% or the minimum prescribed percentage as set out in the Listing Rules from time to time.

There are no provisions for early redemption of the Convertible Bonds.

Voting : The holders of the Convertible Bonds will not be entitled to receive notice of, attend or vote at any meeting of RCIL by reason only of it being the holders of the Convertible Bonds.

Listing : No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other securities exchange. An application will be made by RCIL for the listing of, and permission to deal in, the Conversion Shares to be issued as a result of the exercise of the conversion rights attached to the Convertible Bonds.

Ranking : The Conversion Shares to be issued as a result of the exercise of the conversion rights attached to the Convertible Bonds will rank *pari passu* in all respects with all other existing Shares outstanding at the date of conversion of the Convertible Bonds.

The Company will comply with the Listing Rules, to the extent applicable, on exercise of conversion rights under the Convertible Bonds.

“Business Day(s)”	any day (other than a Saturday and Sunday) on which licensed banks are open for business in Hong Kong
“Company”	Freeman Corporation Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange
"Connected Persons"	has the meaning ascribed thereto in the Listing Rules
“Conversion Shares”	new shares in RCIL which would fall to be issued by the RCIL upon the exercise of the conversion rights under the Convertible Bond
“Conversion Price”	the initial conversion price of HK\$0.15 per Conversion Share (subject to adjustment)
“Convertible Bond”	zero coupon convertible bond due 2011 in the principal amount of HK\$25,000,000 proposed to be issued by RCIL to HFL pursuant to the Settlement Deed
“Director(s)”	director(s) of the Company
“Group”	the Company, its subsidiaries and its associated companies
“HFL”	Hansom Finance Limited, a company incorporated in Hong Kong, a wholly-owned subsidiary of the Company, which is licensed to carry on business as a money lender under the Money Lenders Ordinance
“HK\$”	Hong Kong dollar, the lawful currency of Hong

Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
"Last Trading Date"	23rd September, 2008, the last trading date prior to the date of the Settlement Deed
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the revolving loan facility in the principal amount of HK\$25 million advanced by HFL to WHL pursuant to the loan agreement between HFL and WHL dated 11 July 2008
“RCIL”	Radford Capital Investment Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“Settlement Deed”	the conditional settlement deed dated 24 September 2008 (as amended by a supplemental deed dated 26 September, 2008) entered into between HFL and WHL in relation to the settlement of the Loan by the issue of Convertible Bond, subject to the terms and conditions contained therein
“Shareholder(s)”	holder(s) of the Shares
"Shares"	shares of a par value of HK\$0.10 each in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

