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**COL Capital Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 383)**

## **PROPOSED BONUS ISSUE OF WARRANTS**

The Board proposed a bonus issue of Warrants to the Shareholders whose names appear on the register of members of the Company on the Record Date on the basis of one (1) Warrant for every five (5) Shares held. Each Warrant will entitle the holder thereof to, during the Subscription Period of one year, subscribe for one new Share at the initial Subscription Price of HK\$3.50, subject to adjustment(s) in accordance with the terms of the Warrants.

The Company will dispatch a circular to the Shareholders containing further details of the Bonus Issue of Warrants as soon as practicable after the publication of this announcement.

## **PROPOSED BONUS ISSUE OF WARRANTS**

On 8th April 2008, COL Capital Limited (the “Company”) announced the results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2007 and on the same day, the board of directors (“Board”) of the Company proposed, subject to the satisfaction of the condition below, a bonus issue of warrants (the “Bonus Issue of Warrants”) to the shareholders of the Company (the “Shareholders”) whose names appear on the register of members of the Company on 26th June 2008 (the “Record Date”) on the basis of one (1) warrant (the “Warrant”) for every five (5) shares of HK\$0.01 each (the “Shares”) in the share capital of the Company held on the Record Date. This announcement sets out further details in respect of the Bonus Issue of Warrants.

## **THE SUBSCRIPTION PRICE**

The Warrants will entitle the holders thereof to subscribe for new Shares at an initial subscription price of HK\$3.50 per Share in cash (the “Subscription Price”), subject to adjustment(s), at any time between the date when dealings in the Warrants on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) commence (which is expected to be on or about 28th July 2008) (the “Commencement Date”) and a date falling one year from the Commencement Date (which is expected to be on or about 27th July 2009), both days inclusive (the “Subscription Period”). Fractional entitlements to the Warrants will not be granted to the Shareholders but will be aggregated and sold for the benefit of the Company. The Subscription Price is subject to adjustment(s) upon occurrence of adjustment events arising as a result of changes in the share capital of the Company such as consolidation or sub-division of Shares, capitalisation of profits or reserves, capital distributions in cash or specie or subsequent issue of securities in the Company.

The Subscription Price of HK\$3.50 represents (i) a discount of approximately 12.5% over the closing price of HK\$4.00 per Share as quoted on the Stock Exchange on 8th April 2008 (being the date on which the Company announced the results of the Group for the year ended 31 December 2007), (ii) a discount of approximately 18.4% over the closing price of HK\$4.29 per Share as quoted on the Stock Exchange on 10th April 2008 (being the date of this announcement), (iii) a discount of approximately 13.6% over the average closing price of HK\$4.052 per Share of the Company on the Stock Exchange for the last five trading days ended 10th April 2008 and (iv) a discount of approximately 10.3% over the average closing price of HK\$3.903 per Share of the Company on the Stock Exchange for the last ten trading days ended 10th April 2008. On the basis of 276,183,547 Shares in issue on 10th April 2008, and assuming no further Shares will be issued or repurchased by the Company on or before the Record Date, 55,236,709 Warrants are proposed to be issued pursuant to the Bonus Issue of Warrants.

## **USE OF PROCEEDS**

Full exercise of the 55,236,709 Warrants would result in the receipt by the Company of approximately HK\$193,328,000, before expenses and, assuming that the Subscription Price is not adjusted, an issue of 55,236,709 new Shares, representing approximately 20.0% of the existing issued share capital of the Company and approximately 16.7% of the issued share capital of the Company as enlarged by the issue of such Shares. The Company intends to use the net proceeds for repayment of borrowings and for investment or to be entirely used for investment when opportunity arises. Currently, the Company has no investment project in contemplation and has not yet decided on the appropriation of the net proceeds.

## **SHAREHOLDERS APPROVAL**

The Bonus Issue of Warrants will be subject to the approval by the Shareholders at the annual general meeting of the Company held on 26th June 2008 to issue the Warrants under the Bonus Issue of Warrants and the Shares which may fall to be issued upon the exercise of the Warrants.

## **RANKING OF THE SHARES TO BE ISSUED UPON EXERCISE OF THE WARRANTS**

Shares which may fall to be issued upon exercise of the Warrants will rank for any dividends and other distributions and/or offers of further securities made by the Company, the record date for which is on or after the relevant subscription date and subject thereto, *pari passu* in all respects with the then existing issued Shares on the relevant subscription date.

The Warrants will be listed on the Stock Exchange. Application will be made to the Stock Exchange for listing of, and permission to deal in, the Warrants and any Shares which may fall to be issued upon the exercise of the Warrants. No part of the equity or debt securities of the Company is listed on or dealt in on any other stock exchange and no such listing of or permission to deal in is being or is proposed to be sought.

## **OVERSEAS SHAREHOLDERS**

The Company is in the course of making enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange for excluding the Shareholders whose registered addresses are in any place other than Hong Kong (the "Overseas Shareholders") from the entitlements to the Warrants, where appropriate. Further details of the rights of the Overseas Shareholders will be set out in the circular relating to the Bonus Issue of Warrants to be dispatched to the Shareholders.

## **CONDITIONS TO THE BONUS ISSUE OF WARRANTS**

### **The Bonus Issue of Warrants is conditional upon**

- (a) the passing by the Shareholders at the annual general meeting of an ordinary resolution approving the Bonus Issue of Warrants; and
- (b) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Warrants and any Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants.

Save for the Bonus Issue of Warrants, the Company has no other outstanding equity securities which remain to be issued on exercise of any other subscription rights subject to Chapter 15 of the Listing Rules.

## **CERTIFICATES FOR THE WARRANTS AND BOARD LOT**

All necessary arrangements will be made by the Company to enable the Warrants to be admitted into the Central Clearing and Settlement System (“CCASS”). Subject to the satisfaction of the conditions mentioned above and the compliance with the stock admission requirements of Hong Kong Securities Clearing Company Limited (“Hong Kong Clearing”), the Warrants and the new Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants will be accepted as eligible securities by Hong Kong Clearing for deposit, clearance and settlement in CCASS with effect from the commencement date of dealing in the Warrants (which is expected to be on or about 28th July 2008) or such other date(s) as determined by Hong Kong Clearing. It is expected that warrant certificates issued pursuant to the Bonus Issue of Warrants will be posted at the risks of the Shareholders entitled thereto around 23rd July 2008. The Warrants will be traded in board lots of 4,000 units entitling holders thereof to subscribe an amount of HK\$14,000 initially for Shares, on the basis of the Subscription Price.

A circular containing further details of the Bonus Issue of Warrants will be dispatched to the Shareholders as soon as practicable after the publication of this announcement.

## **REASON FOR THE BONUS ISSUE OF WARRANTS**

The Board believes that the Bonus Issue of Warrants will provide the Shareholders with the opportunity to participate further in the future growth of the Group and to strengthen the Group's working capital position and enhance its capital base.

## **CLOSURE OF REGISTER**

The register of members of the Company will be closed from Monday, 23rd June 2008 to Thursday, 26th June 2008 (both days inclusive) in order to establish entitlements of Shareholders to the Bonus Issue of Warrants, during which period no transfer of Shares will be registered. In order to qualify for the Warrants under the Bonus Issue of Warrants, Shareholders are reminded to ensure that all Share transfers, accompanied by the relevant certificates, must be lodged with the Company's share registrar, Tricor Tengis Limited, situate at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 20th June 2008.

## **GENERAL**

The Company confirms compliance with the relevant requirements under the Rules Governing the Listing of Securities on the Stock Exchange.

As at the date of this announcement, the Board comprises:

### ***Executive Directors:***

Ms. Chong Sok Un (*Chairman*), Dato' Wong Peng Chong and Mr. Kong Muk Yin

### ***Independent Non-Executive Directors:***

Mr. Lo Wai On, Mr. Lau Siu Ki, Kevin and Mr. Zhang Jian

On behalf of the Board  
**COL Capital Limited**  
**Chong Sok Un**  
*Chairman*

Hong Kong, 10th April 2008

*"Please also refer to an electronic version of this announcement on the Company's website [www.irasia.com/listco/hk/colcapital/index.htm](http://www.irasia.com/listco/hk/colcapital/index.htm)"*