

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.



COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00383)

(Warrant Code: 00192)

MAJOR TRANSACTION AND RESUMPTION OF TRADING

The Company announces that on 6th March, 2009, it had disposed to Basic Charm by crossing on market, its long term investment, of 197,858,680 shares in Shanghai Allied at a price of HK\$0.70 per share.

At the request of the Company, trading in shares and the warrants of the Company on the Stock Exchange has been suspended from 9:30 a.m. on 9th March, 2009 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares and the warrants of the Company on the Stock Exchange with effect from 9:30 a.m. on 10th March, 2009.

On 6th March, 2009, COL Capital Limited (the “Company”) disposed to Basic Charm Investment Limited (“Basic Charm”), an investment holding company wholly-owned by Mr. Zhao Chao, by crossing on market for cash, its long term investment, of 197,858,680 shares in Shanghai Allied Cement Limited (“Shanghai Allied”) (a company whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited with stock code 1060) at a price of HK\$0.70 per share (the “Disposal”). There are no restrictions attached to the sale and purchase of such shares. This price was determined by reference to the possibility of immediately acquiring a substantial shareholding interest in a listed company, the prevailing market price of those shares of Shanghai Allied and the net assets value of Shanghai Allied which as at 30th June, 2008 was HK\$0.39 per share. The sale price per share of Shanghai Allied represents an approximate 161% and 164% premium to the average closing price

of shares of Shanghai Allied of HK\$0.268 and HK\$0.265 for the 5 trading days ended 5th March, 2009 and on 6th March, 2009 respectively. These shares represent approximately 22.63% of the issued share capital of Shanghai Allied. Basic Charm and its ultimate beneficial owner are parties independent of the Company and are not connected persons (as that term is defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company. The total consideration from the Disposal was approximately HK\$138.5 million and the Directors believe it is in the interest of the Company to enter into the Disposal with the proceeds therefrom to reduce borrowings thereby further reducing the debt exposure of the Group and as such is in the interest of the Company and shareholders of the Company as a whole. The debt exposure of the Group as at 31st December, 2008 was approximately HK\$854.7 million comprising securities margin loans, unsecured and secured term loans. The acquisition cost of these shares of Shanghai Allied was approximately HK\$184.7 million and the book carrying value of these shares of Shanghai Allied was approximately HK\$178.9 million as at 30th June 2008. Assuming the Disposal had been completed on 30th June 2008, the estimated loss from the Disposal is approximately HK\$31.0 million (subject to audit) ie. HK\$138.5 million less HK\$178.9 million (book carrying value) add HK\$9.4 million (translation reserve realized). The loss shared by the Company in Shanghai Allied for the year ended 31st December, 2007 is approximately HK\$6.9 million and for the six months ended 30th June, 2008 is approximately HK\$8.2 million. According to the Company's accounting policies, Shanghai Allied is treated as an associated company of the Company in its consolidated financial statements. The results and assets and liabilities of Shanghai Allied is incorporated in the Company's consolidated financial statements using equity method of accounting. Subsequent to the Disposal, Shanghai Allied will cease to be an associated company of the Company and the Company will have no interest in Shanghai Allied. The Directors are of the view that the terms of the Disposal are fair and reasonable and the Disposal is in the interest of shareholders of the Company as a whole as the consideration for the Disposal is at a 164% premium to then current market price per share (6th March 2009: HK\$0.265) of Shanghai Allied and the fact that the Company can reduce debt exposure in light of the current economic climate.

Shanghai Allied is an investment holding company and its principal business activities is manufacture and distribution of cement, clinker and slag powder.

The Disposal constitutes a major transaction of the Company pursuant to Rule 14.06(3) of the Listing Rules. Pursuant to Rule 14.44 of the Listing Rules, a written shareholders' approval has been obtained from Vigor Online Offshore Limited, a shareholder who as at the date of this announcement holds 314,258,374 shares in the Company or approximately 57.0% in nominal value of shares in the Company giving the right to attend and vote at a general meeting of the Company to approve the Disposal, and such written shareholders' approval has been accepted by the Company in lieu of holding a general meeting. As no shareholder of the Company has a material interest in the Disposal which is different from other shareholders of the Company, no shareholder of the Company is required to abstain from voting in respect of the Disposal.

A circular containing, among other things, details of the Disposal will be despatched to shareholders of the Company for information only as soon as practicable in accordance with the Listing Rules.

The principal business of the Company is investment holding and through its subsidiaries engages in securities trading and investments, provision of financial services, property investment and strategic investment.

At the request of the Company, trading in shares and the warrants of the Company on the Stock Exchange has been suspended from 9:30 a.m. on 9th March, 2009 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares and the warrants of the Company on the Stock Exchange with effect from 9:30 a.m. on 10th March, 2009.

By Order of the Board
COL Capital Limited
Chong Sok Un
Chairman

Hong Kong, 9th March, 2009

As at the date of this announcement, Ms. Chong Sok Un is the Chairman, Dato' Wong Peng Chong and Mr. Kong Muk Yin are the Executive Directors, Mr. Lo Wai On, Mr. Lau Siu Ki and Mr. Zhang Jian are the Independent Non-Executive Directors.