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COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

MAJOR TRANSACTION RELATING TO THE DISPOSAL OF SENIOR, UNSECURED CONVERTIBLE NOTES DUE 2016

Disposal of Convertible Notes I

On 16 March 2012 (after trading hours), the Vendor and Purchaser I entered into a sale and purchase agreement for the sale and purchase of the Convertible Notes I.

Disposal of Convertible Notes II

On 16 March 2012 (after trading hours), the Vendor and Purchaser II entered into a sale and purchase agreement for the sale and purchase of the Convertible Notes II.

As the relevant Percentage Ratios for the amount of Convertible Notes I agreed to be disposed of by the Vendor when aggregated with the Convertible Notes II agreed to be disposed of by the Vendor exceeds 25% but is below 100% under Rule 14.07 of the Listing Rules, the proposed disposals of the Convertible Notes I and II would constitute a major transaction for the Company and is subject to approval by Shareholders in general meeting. The Company has obtained a written shareholder's approval for the proposed disposals of the Convertible Notes I and II from Vigor Online which holds approximately 71.31% of the total issued share capital of the Company as at the date hereof. Accordingly, no general meeting for the Shareholders' approval of the proposed disposals of the Convertible Notes I and II will be held. A circular containing details of the proposed disposals of the Convertible Notes I and II will be despatched to the Shareholders on or before 11 April 2012.

S&P AGREEMENT I – Disposal of Convertible Notes I

Date: 16 March 2012 (after trading hours)

Vendor: Action Best Limited, an indirect wholly-owned subsidiary of the Company

Purchaser I: Yu Ming Investment Management Limited

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser I and its ultimate beneficial owners are Independent Third Parties.

Consideration I: The Consideration I for the sale of the Convertible Notes I is A\$3,600,000 (approximately HK\$29,404,000) (being 90% of the Issue Price of the Convertible Notes I) plus all interest accrued thereon up to the date of Completion and will be settled in cash on Completion. The Consideration I was arrived at after arm's length negotiation and by reference to the recent indicative bid prices of the Convertible Notes.

The consideration per Convertible Note I represents:-

- (a) a discount of approximately 1.94% to the indicative bid price of 91.783% of the Issue Price of the Convertible Notes as at 15 March 2012, the last transaction date of the Convertible Notes before the date of S&P Agreement I;
- (b) a discount of approximately 2.0% to the average indicative bid price of 91.877% of the Issue Price of the Convertible Notes for the last 5 transaction days up to and including 15 March 2012; and
- (c) a discount of approximately 2.0% to the average indicative bid price of 91.877% of the Issue Price of the Convertible Notes for the last 10 transaction days up to and including 15 March 2012.

Taking into account of the discount to the recent indicative bid prices of the Convertible Notes, the coupon interest received and coupon interest accrued thereon from the last interest payment date to the date of Completion, the Directors consider the Consideration I is fair and reasonable and that the proposed disposal is in the best interests of the Company and the Shareholders as a whole.

Conditions:

Completion of the disposal of the Convertible Notes I is conditional upon the fulfilment/satisfaction of the following on or before 16 April 2012:

- (a) the Purchaser I having obtained FIRB approval (if applicable) in connection with the acquisition of the Convertible Notes I;
- (b) approval by a simple majority of shareholders of the Company voting at a general meeting convened to approve the S&P Agreement I and the sale of the Convertible Notes I or written approval by a shareholder or a closely allied group of shareholders of the Company together hold more than 50% in the issued share capital of the Company having been obtained;
- (c) AGL, the holding company of the Purchaser I, having complied with all necessary requirements for the transaction contemplated hereunder pursuant to the Listing Rules;
- (d) each of the Vendor's warranties in the S&P Agreement I remaining true and complete in all material respects up to Completion;
- (e) each of the Purchaser I's warranties in the S&P Agreement I remaining true and complete in all material respects up to Completion, and
- (f) all consents of the shareholders of the Company, the Stock Exchange and the Securities and Futures Commission and all filings with any relevant government or regulatory authorities and other relevant third parties in Hong Kong, Bermuda or elsewhere which are required or appropriate for the entering into and the implementation of the S&P Agreement I having been given or made; all waiting periods required under the laws of Hong Kong, Bermuda or any other relevant jurisdictions having expired or terminated; and all applicable statutory or other obligations having been complied with.

Purchaser I may in its sole and absolute discretion waive the Conditions (either in whole or in part where applicable) but except Conditions (a), (b), (c), (e) and (f) above at any time by notice in writing to the Vendor but without prejudice to any other rights or remedies which the Purchaser I may have under the S&P Agreement I.

The Vendor may in its sole and absolute discretion waive the Conditions (either in whole or in part where applicable) but except Conditions (a), (b), (c), (d) and (f) above at any time by notice in writing to the Purchaser I but without prejudice to any other rights or remedies which the Vendor may have under the S&P Agreement I.

Completion:

Completion shall take place on the fifth business day after the date on which the last of the Conditions is fulfilled or waived or such other date as the parties shall mutually agree.

S&P AGREEMENT II – Disposal of Convertible Notes II

Date: 16 March 2012 (after trading hours)

Vendor: Action Best Limited, an indirect wholly-owned subsidiary of the Company

Purchaser II: Attractive Gain Limited

Save for the Group's holdings of approximately 4.72% of the issued share capital and 0.82% of the issued warrants of AOL, the holding company of the Purchaser II and to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser II and its ultimate beneficial owners are Independent Third Parties.

Consideration II: The Consideration II for the sale of the Convertible Notes II is A\$18,900,000 (approximately HK\$154,370,000) (being 90% of the Issue Price of the Convertible Notes II) plus all interest accrued thereon up to the date of Completion and will be settled in cash on Completion. The Consideration II was arrived at after arm's length negotiation and by reference to the recent indicative bid prices of the Convertible Notes.

The consideration per Convertible Note II represents:-

- (a) a discount of approximately 1.94% to the indicative bid price of 91.783% of the Issue Price of the Convertible Notes as at 15 March 2012, the last transaction date of the Convertible Notes before the date of S&P Agreement II;
- (b) a discount of approximately 2.0% to the average indicative bid price of 91.877% of the Issue Price of the Convertible Notes for the last 5 transaction days up to and including 15 March 2012; and
- (c) a discount of approximately 2.0% to the average indicative bid price of 91.877% of the Issue Price of the Convertible Notes for the last 10 transaction days up to and including 15 March 2012.

Taking into account of the discount to the recent indicative bid prices of the Convertible Notes, the coupon interest received and coupon interest accrued thereon from the last interest payment date to the date of Completion, the Directors consider the Consideration II is fair and reasonable and that the proposed disposal is in the best interests of the Company and the Shareholders as a whole.

Conditions:

Completion of the disposal of the Convertible Notes II is conditional upon the fulfilment/satisfaction of the following on or before 16 April 2012:

- (a) the Purchaser II having obtained FIRB approval (if applicable) in connection with the acquisition of the Convertible Notes II;
- (b) approval by a simple majority of shareholders of the Company voting at a general meeting convened to approve the S&P Agreement II and the sale of the Convertible Notes II or written approval by a shareholder or a closely allied group of shareholders of the Company together hold more than 50% in the issued share capital of the Company having been obtained;
- (c) AOL, the holding company of the Purchaser II, having complied with all necessary requirements for the transaction contemplated hereunder pursuant to the Listing Rules;
- (d) each of the Vendor's warranties in the S&P Agreement II remaining true and complete in all material respects up to Completion;
- (e) each of the Purchaser II's warranties in the S&P Agreement II remaining true and complete in all material respects up to Completion, and
- (f) all consents of the shareholders of the Company, the Stock Exchange and the Securities and Futures Commission and all filings with any relevant government or regulatory authorities and other relevant third parties in Hong Kong, Bermuda or elsewhere which are required or appropriate for the entering into and the implementation of the S&P Agreement II having been given or made; all waiting periods required under the laws of Hong Kong, Bermuda or any other relevant jurisdictions having expired or terminated; and all applicable statutory or other obligations having been complied with.

Purchaser II may in its sole and absolute discretion waive the Conditions (either in whole or in part where applicable) but except Conditions (a), (b), (c), (e) and (f) above at any time by notice in writing to the Vendor but without prejudice to any other rights or remedies which the Purchaser II may have under the S&P Agreement II.

The Vendor may in its sole and absolute discretion waive the Conditions (either in whole or in part where applicable) but except Conditions (a), (b), (c), (d) and (f) above at any time by notice in writing to Purchaser II but without prejudice to any other rights or remedies which the Vendor may have under the S&P Agreement II.

Completion:

Completion shall take place on the fifth business day after the date on which the last of the Conditions is fulfilled or waived or such other date as the parties shall mutually agree.

Completion of the sale and purchase of Convertible Notes I and II are not interconditional.

INFORMATION ON THE CONVERTIBLE NOTES I AND II

The principal terms of the Convertible Notes I and II are summarized as follows:

Issuer:	FKP Limited
Principal amount of the Convertible Notes I:	A\$4 million
Principal amount of the Convertible Notes II:	A\$21 million
Issue Date:	5 January 2011
Maturity Date:	5 January 2016 (5 years from the issue date)
Issue Price:	100% of the principal amount of the Convertible Notes
Coupon Rate:	8.0% per annum, payable semi-annually
Conversion Period:	The conversion right attaching to the Convertible Notes may be exercised, at the option of each Noteholder, at any time from 41 days after the Issue Date until 10 days prior to the Maturity Date

Conversion Price:	The initial Conversion Price is A\$1.014 per Stapled Security, adjusted for certain events as set out below
Conversion Securities:	Noteholders have the right to convert their Convertible Notes into Stapled Securities (credited as fully paid). However, at any time during the Conversion Period FKP may elect to pay the Cash Settlement Amount in lieu of such Stapled Securities
Cash Settlement Amount:	The product of (a) the number of Stapled Securities deliverable upon exercise of the conversion right at the discretion of FKP and (b) the volume weighted average price of the Stapled Securities for each day during the 30 consecutive stock exchange business days immediately after the cash settlement notice date
Guarantors:	The RE and such other members of the FKP Property Group required in order to ensure that the total tangible assets of FKP and the Guarantors shall at all times comprise a minimum of 80% of the total tangible assets of the FKP Group
Redemption at the Option of FKP:	<p><i>Issuer Call</i> – callable after 5 January 2014 in whole but not in part at the Put Price if the volume weighted average price of the Stapled Securities for any 20 consecutive trading day period is at least 130% of the Conversion Price</p> <p><i>Clean Up Call</i> – callable anytime in whole but not in part at the Put Price if the aggregate principal amount of the Convertible Notes outstanding is less than 10% of the aggregate principal amount originally issued</p> <p><i>Tax Call</i> – FKP may redeem in whole but not in part the Convertible Notes at the Put Price, if following a change in Australian tax laws or regulations, FKP or any Guarantor is required to pay additional amounts in respect of any withholding or other taxes imposed in respect of payments to be made by FKP or, as the case may be, Guarantor in respect of the Convertible Notes</p>
Redemption at the Option of Noteholders:	<i>Change of Control Put</i> – following the occurrence of a change of control event, each Noteholder will have the option to require FKP to redeem in whole or in part such Noteholder's Notes at the Put Price

Redemption following delisting of the Stapled Securities – following the Stapled Securities ceasing to be listed or admitted to trading on any agreed stock exchange or the suspension of the Stapled Securities for a period or more than 20 consecutive trading days, each Noteholder will have the option to require FKP to redeem in whole or in part such Noteholder’s Convertible Notes at the Put Price

Retirement Assets Sale Put – following the occurrence of a retirement assets sale event, each Noteholder will have the option to require FKP to redeem in whole or in part such Noteholder’s Convertible Notes at the Retirement Asset Sale Put Price.

Investor Put – on the investor put date (5 January 2014)

Conversion upon Change of Control:

Within 14 days of becoming aware of a change of control event, a change of control notice must be given to Noteholders. Following the giving of a change of control notice, upon any exercise of conversion rights such that the relevant conversion date falls within 30 days following a change of control or if later 30 days following the date on which a change of control notice is given, the conversion price shall be adjusted in accordance with the following formula:

$$\text{COCCP} = \text{OCP} / (1 + (\text{CP} \times c/t))$$

where:

- COCCP = the Conversion Price after such adjustment
- OCP = the Conversion Price in effect on the day before the change of control occurs
- CP = the conversion premium of 20% expressed as a fraction
- c = the number of days from and including the day the change of control occurs to but excluding the Maturity Date
- t = the number of days from and including the issue date to but excluding the Maturity Date

Adjustments to Conversion Price:	<p>Adjustment of the Conversion Price in certain circumstances, including but not limited to:</p> <ul style="list-style-type: none"> (i) Consolidation, subdivision or reclassification of the Stapled Securities (ii) Capitalisation of profits or reserves (iii) Capital distributions and extraordinary distributions subject to dividend protection (iv) Issues under the distribution reinvestment plan and rights issues of Stapled Securities or options over Stapled Securities to the holders of Stapled Securities at less than 95% of current market price per Stapled Security (v) Rights issues of other securities to holders of Stapled Securities (vi) Issues of Stapled Securities or equity related securities at less than 95% of the current market price (vii) Modifications of rights of conversion of equity related securities issued so that the consideration per Stapled Securities is less than 95% of its current market price after such modification
Listing:	<p>The Convertible Notes has been listed on the Singapore Exchange Securities Trading Limited</p> <p>The Stapled Securities to be issued on conversion of the Convertible Notes will be issued in uncertificated form through the Clearing House Electronic Sub-register System operated by ASX Settlement and Transfer Corporation Pty Ltd and shall be listed on the Australian Securities Exchange</p>
Lock Up:	<p>Each of FKP and the RE will not issue any Stapled Securities or certain related securities for a period starting from the date of the relevant subscription agreement and ending on the date falling 90 days after the issue date (without the prior written consent of the relevant sole bookrunner and sole lead manager)</p>

INFORMATION ON THE GROUP

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

INFORMATION ON FKP

FKP is an Australian property and investment group. It is involved in property development, construction, land subdivision, retirement village ownership and management, property investment and asset management. Its portfolio includes mixed-use, land, retail, residential, retirement, industrial and commercial assets.

REASONS FOR DISPOSAL OF THE CONVERTIBLE NOTES I AND II

Given that the Convertible Notes I and II have been trading at a discount to its issue price since the end of May 2011 erasing the unrealized gain achieved upon its listing in early 2011, the Group considers the proposed disposals as an exit opportunity to realise cash flow under the prevailing economic climate and uncertain economic outlook. Accordingly, the Board believes that it is in the best interest of the Company and its Shareholders that the proposed disposals be entered into. The Directors consider that the terms of the S&P Agreements I and II are on normal commercial terms, which are fair and reasonable and the enterings into of the S&P Agreements I and II are in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL OF THE CONVERTIBLE NOTES I AND II

Based on the unaudited consolidated financial statement of the Group as at 31 December 2011, the aggregated carrying values of the Convertible Notes I and II is HK\$172,652,000 and the proposed disposals are expected to record an estimated realized loss of approximately HK\$10,064,000 (subject to audit)(i.e. being the difference between the Consideration I and II of HK\$183,774,000, the carrying value of HK\$172,652,000 and the unrealized loss on fair value change of HK\$21,186,000 previously recognised in the investment revaluation reserve) for the Group.

USE OF PROCEEDS

Proceeds of the proposed disposals of Convertible Notes I and II are intended to be applied for investment as opportunities arise, and/or for reduction of borrowings and/or for general working capital of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant Percentage Ratios for the disposal of Convertible Notes I when aggregated with the disposal of Convertible Notes II exceeds 25% but is below 100% under Rule 14.07 of the Listing Rules, the proposed disposals of the Convertible Notes I and II, would constitute a major transaction for the Company and is subject to approval by Shareholders in general meeting. The Company has obtained a written shareholder's approval for the proposed disposals of the Convertible Notes I and II from Vigor Online which holds approximately 71.31% of the total issued share capital of the Company as at the date hereof. Accordingly, no general meeting for the Shareholders' approval of the proposed disposals of the Convertible Notes I and II will be held. A circular containing details of the proposed disposals of the Convertible Notes I and II will be despatched to the Shareholders on or before 11 April 2012.

DEFINITIONS

“A\$”	Australian dollars, the lawful currency of Australia
“Board”	the board of Directors
“Company”	COL Capital Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 383)
“Completion”	the completion of the sale and purchase of the Convertible Notes I and Convertible Notes II under the S&P Agreement I and S&P Agreement II respectively
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration I”	the consideration payable by the Purchaser I for the sale and purchase of the Convertible Notes I
“Consideration II”	the consideration payable by the Purchaser II for the sale and purchase of the Convertible Notes II
“Convertible Notes”	the 8% senior, unsecured convertible notes issued by FKP Limited due 2016
“Convertible Notes I”	Convertible Notes in a principal amount of A\$4 million owned by the Vendor
“Convertible Notes II”	Convertible Notes in a principal amount of A\$21 million owned by the Vendor

“Directors”	the directors of the Company
“FIRB”	the Foreign Investment Review Board of Australia
“FKP”	FKP Limited (ABN 28 010 729 950), a company incorporated in the commonwealth of Australia, whose shares are listed on the ASX Limited
“FKP Group”	FKP Limited, each of its subsidiaries, FKP Funds Management Limited (ABN 17 089 800 082) as responsible entity of the Trust (the “RE”). The Trust and its controlled entities (including any joint venture vehicles and minority interests that are included in the financial reports of FKP and the RE)
“FKP Property Group”	FKP Group excluding any joint venture vehicles and minority interests that are included in the financial reports of FKP and the RE
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	parties who, together with his/her ultimate beneficial owner(s) is/ are persons independent of the Company and its connected persons
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Noteholders”	holders of the Convertible Notes
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“Put Price”	100% of the principal amount of the Convertible Notes plus accrued but unpaid interest

“Purchaser I”	Yu Ming Investment Management Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Allied Group Limited (“AGL”) whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 373)
“Purchaser II”	Attractive Gain Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Allied Overseas Limited (“AOL”) whose securities are listed on the Main Board of the Stock Exchange (Stock Code: 593)
“Retirement Assets Sale Put Price”	110% of the principal amount of the Convertible Notes plus accrued but unpaid interest
“S&P Agreement I”	the sale and purchase agreement dated 16 March 2012 and entered into between the Purchaser I and the Vendor in relation to the disposal of the Convertible Notes I
“S&P Agreement II”	the sale and purchase agreement dated 16 March 2012 and entered into between the Purchaser II and the Vendor in relation to the disposal of the Convertible Notes II
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stapled Securities”	a stapled security, traded as one single listed security on the ASX Limited, constituted by an ordinary share in FKP and a unit in the Trust stapled together so that they cannot be traded separately with ticker number FKP AU
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust”	FKP Property Trust (ARSN: 099 648 754)
“Vendor”	Action Best Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company

“Vigor Online”

Vigor Online Offshore Limited, a company incorporated in the British Virgin Islands and a controlling Shareholder holding 390,325,707 Shares representing approximately 71.31% of the entire issued share capital of the Company as at the date of this announcement

“%”

per cent

For illustration purposes, amount in A\$ in this announcement have been translated into HK\$ at A\$1 = HK\$8.16775.

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

Hong Kong, 16 March 2012

As at the date of this announcement, the Board comprises Ms. Chong Sok Un (Chairman), Dato' Wong Peng Chong and Mr. Kong Muk Yin as Executive Directors; and Mr. Lau Siu Ki, Mr. Ma Wah Yan and Mr. Zhang Jian as Independent Non-Executive Directors.