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**COL Capital Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 383)**

- (1) PROPOSED OPEN OFFER TO QUALIFYING SHAREHOLDERS  
ON THE BASIS OF ONE OFFER SHARE FOR  
EVERY ONE SHARE HELD AS AT THE RECORD DATE**
- (2) PROPOSED ISSUE OF TWO WARRANTS FOR  
EVERY FIVE OFFER SHARES**
- (3) APPLICATION FOR GRANTING OF WHITEWASH WAIVER**
- (4) PROPOSED GRANT OF SPECIFIC MANDATE TO ISSUE THE  
SHARES AND THE WARRANTS**
- AND**
- (5) RESUMPTION OF TRADING IN SHARES**
- UNDERWRITER TO THE OPEN OFFER  
VIGOR ONLINE OFFSHORE LIMITED**

**PROPOSED OPEN OFFER**

The Company proposes to raise not less than approximately HK\$1,104.7 million, before expenses, by issuing 276,183,547 Offer Shares by way of the Open Offer to the Qualifying Shareholders, at the Subscription Price of HK\$4.00 per Offer Share, on the basis of one Offer Share for every one Share held as at the Record Date. As at the date of this announcement, the issued share capital of the Company is 276,183,547 Shares.

## **PROPOSED WARRANT ISSUE**

The Company also proposes to issue two Warrants for every five Offer Shares successfully subscribed by the Qualifying Shareholders. The Warrants will entitle their holders to subscribe for new Shares at an initial subscription price of HK\$8.00 per Share (subject to adjustment) upon exercise of one Warrant.

**The Open Offer is conditional and is fully underwritten. The Warrant Issue is conditional upon completion of the Open Offer.**

## **USE OF PROCEEDS FROM THE OPEN OFFER**

The estimated proceeds from the Open Offer will be approximately HK\$1,104.7 million (before expenses).

The estimated net proceeds from the Open Offer of approximately HK\$1,101.7 million are intended to be applied by the Company 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.

## **IRREVOCABLE UNDERTAKINGS**

As at the date of this announcement, Vigor is directly or indirectly interested in 106,484,400 Shares, representing approximately 38.56 per cent. of the issued share capital of the Company. Pursuant to the Irrevocable Undertakings, Vigor has irrevocably undertaken to take up all its entitlements under the Open Offer, being 106,484,400 Offer Shares.

## **UNDERWRITING AGREEMENT**

Pursuant to the Underwriting Agreement, Vigor has conditionally agreed to underwrite the Offer Shares not subscribed by the Shareholders on a fully underwritten basis.

## **CONDITIONS OF THE OPEN OFFER**

The Open Offer is conditional upon, amongst other things, the obligations of Vigor under the Underwriting Agreement becoming unconditional and the Underwriting Agreement not being terminated by either Vigor or the Company. **If the Underwriting Agreement does not become unconditional or is terminated, the Open Offer and the Warrant Issue will not proceed. Shareholders and prospective investors of the Company are reminded to exercise extreme caution when dealing in the Shares.**

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 14th January, 2008 to 21st January, 2008, both days inclusive, to determine the eligibility for the Open Offer. No transfer of the Shares will be registered during this period.

## **RECORD DATE**

To qualify for the Open Offer, all the transfer forms together with the relevant share certificates must be lodged for registration with the Company's registrar, Tricor Tengis Limited by no later than 4:30 p.m. (Hong Kong time) on 11th January, 2008 pursuant to the expected timetable of the Open Offer.

The Company will send the Prospectus Documents to the Qualifying Shareholders, and, the Prospectus, for information only, to the Excluded Shareholders on or before 22nd January, 2008. The Open Offer will only be made to the Qualifying Shareholders and will not extend to the Excluded Shareholders.

## **APPLICATION FOR GRANTING OF WHITEWASH WAIVER**

Assuming Vigor has taken up its maximum underwriting commitment of 169,699,147 Offer Shares pursuant to the Underwriting Agreement, Vigor and its concert parties will increase their aggregate shareholding from approximately 38.56 per cent. of the existing issued share capital of the Company to 69.28 per cent. of the issued share capital of the Company as enlarged by the issue of Offer Shares.

Under Rule 26 of the Takeovers Code, Vigor and the parties acting in concert with it will be required to make a mandatory general offer for all the issued Shares not already owned or agreed to be acquired by Vigor or the parties acting in concert with it. An application will be made by the Underwriter and the parties acting in concert with it to the Executive for the Whitewash Waiver, which, if granted, would be subject to the approval of the Independent Shareholders on a vote taken by way of a poll. If the Whitewash Waiver is granted and approved by the Independent Shareholders by way of poll, the obligation of the Underwriter and the parties acting in concert with it to make a mandatory general offer under Rule 26 of the Takeovers Code will be waived. Completion of the Open Offer is conditional upon, amongst other things, the granting of the Whitewash Waiver by the Executive and such condition cannot be waived. Accordingly, if the Whitewash Waiver is not obtained, the Open Offer will lapse and will not proceed.

The Shareholders and potential investors of the Company should note that completion of the Underwriting Agreement is conditional and may or may not proceed. The Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

## **PROPOSED GRANT OF SPECIFIC MANDATE TO ISSUE THE SHARES AND THE WARRANTS**

The Company will issue the Offer Shares under the Open Offer and will issue the Warrants under the Warrant Issue. The Offer Shares and the Shares which fall to be issued upon exercise of the Warrants will rank pari passu with all the then existing issued Shares.

The Company will seek the grant of a specific mandate from the Independent Shareholders to allot and issue the Offer Shares and the Warrants and the Shares which fall to be issued upon exercise of the Warrants.

## **LISTING RULES IMPLICATIONS**

The proposed Open Offer will increase the issued share capital of the Company by more than 50 per cent., and therefore the Open Offer and the Warrant Issue are subject to the approval of the Independent Shareholders at the SGM pursuant to Rule 7.24(5) of the Listing Rules.

The Open Offer is subject to the granting of the Whitewash Waiver by the Executive and the Whitewash Waiver is subject to the approval of the Independent Shareholders on a vote taken by way of poll at the SGM.

Vigor and the parties acting in concert with it and its associates and those who were interested in or involved in the Underwriting Agreement will abstain from voting on the resolutions at the SGM for approving the Open Offer, the Warrant Issue and the Whitewash Waiver.

The proposal for grant of specific mandate to issue the Offer Shares and the Warrants and the Shares which fall to be issued upon exercise of the Warrants, are also subject to approval by the Independent Shareholders at the SGM.

An independent board committee of the Company, comprising of Mr. Lo Wai On, Mr. Lau Siu Ki and Mr. Zhang Jian, has been constituted to consider the terms of the Open Offer, the Warrant Issue and the Whitewash Waiver and to make a recommendation to its shareholders. Independent financial adviser will be appointed to advise the independent board committee of the Company on the fairness and reasonableness of the transactions contemplated in the Open Offer, the Warrant Issue and the Whitewash Waiver. Further announcement will be made following the appointment of the independent financial adviser.

Subject to the approval of the Open Offer, the Warrant Issue and the Whitewash Waiver by the Independent Shareholders at the SGM, application will be made to the Stock Exchange for the listing of, and permission to deal in, the Offer Shares, the Warrants and the Shares which may fall to be issued upon the exercise of the Warrants.

A circular containing details of, among other things, (i) the Open Offer, (ii) the Warrant Issue, (iii) the Whitewash Waiver (iv) the proposal for the grant of specific mandate to issue the Offer Shares and the Warrants and the Shares which fall to be issued upon exercise of the Warrants, (v) a letter from the independent board committee, (vi) a letter from the independent financial adviser and (vii) a notice to convene the SGM will be despatched to the Shareholders as soon as practicable.

The Prospectus Documents, containing, among other things, information on the Open Offer, will be despatched to the Qualifying Shareholders as soon as practicable, and, in accordance with the requirements of the Listing Rules, is expected to be despatched on or before 22nd January, 2008. The Company will also send the Prospectus, for information only, to the Excluded Shareholders on or before 22nd January, 2008.

## **RESUMPTION OF TRADING IN THE SHARES**

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 22nd November, 2007 pending the release of this announcement. The Company has applied for a resumption of trading in the Shares with effect from 9:30 a.m. on 3rd December, 2007.

## **THE OPEN OFFER**

The Company proposes to raise not less than approximately HK\$1,104.7 million, before expenses, by issuing 276,183,547 Offer Shares by way of the Open Offer to the Qualifying Shareholders, at the Subscription Price of HK\$4.00 per Offer Share, on the basis of one Offer Share for every one Share held as at the Record Date.

### **Issue statistics**

Basis of the Open Offer:	one Offer Share for every one Share held by the Qualifying Shareholders as at the Record Date
Subscription Price:	HK\$4.00 per Offer Share
Number of Shares in issue as at the date of this announcement:	276,183,547 Shares
Number of Offer Shares to be issued:	276,183,547 Offer Shares

The Company has no outstanding derivatives, options and conversion rights or other similar rights which are convertible or exchangeable into Shares as at the date of this announcement.

## TERMS OF THE OPEN OFFER

### Subscription Price for the Offer Shares

The Subscription Price of HK\$4.00 per Offer Share is payable in full upon application is made for the Offer Shares.

The Subscription Price represents:–

- (i) a discount of approximately 38.93 per cent. to the closing price of HK\$6.55 per Share as quoted on the Stock Exchange on the last trading day, i.e. 21st November, 2007 of the Shares immediately before the date of this announcement;
- (ii) a discount of approximately 40.83 per cent. to the average closing price of HK\$6.76 per Share as quoted on the Stock Exchange for the last five trading days of the Shares immediately before the date of this announcement;
- (iii) a discount of approximately 40.61 per cent. to the average closing price of HK\$6.735 per Share as quoted on the Stock Exchange for the last ten trading days of the Shares immediately before the date of this announcement;
- (iv) a discount of approximately 52.83 per cent. to the net asset value of HK\$8.48 per Share as stated in the audited consolidated accounts of the Company for the year ended 31st December, 2006; and
- (v) a discount of approximately 24.17 per cent. to the theoretical ex-entitlement price of approximately HK\$5.275 per Share based on the closing price per Share as quoted on the Stock Exchange on the last trading day i.e. 21st November, 2007 of the Shares immediately before the date of this announcement.

*Note:* The theoretical ex-entitlement price is calculated based on the following formula:

$$\frac{(1 \times \text{closing price on 21st November, 2007}) + (1 \times \text{the Subscription Price})}{1 + 1}$$

The Subscription Price was determined with reference to the prevailing market prices of the Shares. The Directors (except the independent non-executive directors who will seek the advice from the independent financial advisor before forming their own views) consider the Subscription Price and the terms of the Open Offer to be fair and reasonable and in the interests of the Shareholders taken as a whole.

## **Qualifying Shareholders**

To qualify for the Open Offer, a Shareholder must be registered as a member of the Company as at the Record Date.

In order to be registered as a Shareholder as at the Record Date, all the transfer forms together with the relevant share certificates, must be lodged for registration with the Company's registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong by no later than 4:30 p.m. (Hong Kong time) on 11th January, 2008 pursuant to the expected timetable of the Open Offer.

Since the Prospectus Documents will only be registered in Hong Kong and filed with the Registrar of Companies in Bermuda, the Company will send the Prospectus Documents to the Qualifying Shareholders provided that this will not violate any of the relevant local laws, regulations and other requirements. The Directors will make enquiries of its lawyers as to whether the issue of the Offer Shares to the Shareholders whose addresses are not in Hong Kong on the Record Date may contravene the applicable securities legislation of the relevant overseas jurisdictions or the requirements of the relevant regulatory body or stock exchange pursuant to Rule 13.36(2) of the Listing Rules. If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient, either because of the legal restrictions under the laws of the relevant place or of any requirements of the relevant regulatory body or stock exchange in that jurisdiction, not to offer the Offer Shares to such Shareholders whose addresses are not in Hong Kong on the Record Date, no offer of the Offer Shares will be made to such Shareholders. Accordingly, in that event the Open Offer will not be extended to such Shareholders. It is the present intention of the Directors to make the Open Offer to all Shareholders (including overseas Shareholders) registered as at the Record Date unless the aforementioned contraventions apply. Further details in relation to the Excluded Shareholders will be included in the circular containing, amongst other things, details of the Open Offer to be despatched by to the Company to the Shareholders.

It is expected that the Company will send the Prospectus Documents to the Qualifying Shareholders, and, the Prospectus, for information only, to the Excluded Shareholders on or before 22nd January, 2008. The Open Offer will only be made to the Qualifying Shareholders and will not extend to the Excluded Shareholders.

Any such Excluded Shareholders will be entitled to vote at the SGM, to consider and, if thought fit, pass the resolutions approving, amongst other things, the Open Offer.



**Closure of register of members**

The register of members of the Company will be closed from 14th January, 2008 to 21st January, 2008, both days inclusive, to determine the eligibility for the Open Offer. No transfer of the Shares will be registered during this period.

**No Application for excess Offer Shares**

No Qualifying Shareholders will be entitled to apply for any of the Offer Shares which are in excess of their entitlements.

**Certificates for Offer Shares**

Subject to the fulfilment (or waiver) of the conditions of the Open Offer set out in the section headed "Conditions of the Open Offer" below, certificates for all Offer Shares are expected to be posted on or before 18th February, 2008 to those who have applied and paid for the Offer Shares, at their own risk.

**Fractions of Offer Shares**

The Company will not issue fractions of Offer Shares. All fractions of Offer Shares will be aggregated and sold for the benefit of the Company.

## **UNDERWRITING ARRANGEMENTS**

### **Underwriting Agreement**

Date: 21st November, 2007

Underwriter: Vigor

Number of Offer Shares underwritten: 169,699,147 Offer Shares out of a total of 276,183,547 Offer Shares, being Offer Shares other than the 106,484,400 Offer Shares to be subscribed by Vigor pursuant to the Irrevocable Undertakings

Commission: no underwriting commission will be received by Vigor

### **Irrevocable Undertakings**

As at the date of this announcement, Vigor is directly or indirectly interested in 106,484,400 Shares, representing approximately 38.56 per cent. of the issued share capital of the Company. Pursuant to the Irrevocable Undertakings, Vigor has irrevocably undertaken to take up all its entitlements under the Open Offer, being 106,484,400 Offer Shares.

### **Underwriting Agreement**

Pursuant to the Underwriting Agreement, Vigor has conditionally agreed to underwrite the balance of the Offer Shares not subscribed by the Shareholders on a fully underwritten basis, upon the terms and subject to the conditions of the Underwriting Agreement.

## **Termination of the Underwriting Agreement**

Vigor shall have the absolute right, after reasonable consultation with the Company as the underwriter of the Open Offer in its sole and absolute discretion sees fit, by giving notice to the Company, if there develops, occurs or comes into force at any time at or before the Latest Time for Termination:–

- (i) any breach, considered by Vigor in its absolute discretion to be material in the overall context of the Open Offer, of any of the warranties or any of other provisions of the Underwriting Agreement; or
- (ii) any matter which, had it arisen immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted an omission considered by Vigor in its absolute discretion to be material in the overall context of the Open Offer; or
- (iii) any statement contained in the Prospectus, considered by Vigor in its absolute discretion to be material, is discovered to be or becomes untrue, incorrect or misleading in any respect; or
- (iv) any event, act or omission which gives or is likely to give rise to any material liability of the Company pursuant to the Underwriting Agreement; or
- (v) any adverse change in the business or the financial or trading position of any member of the Group considered by Vigor in its absolute discretion to be material; or
- (vi) any event or series of events, matter or circumstance concerning, relating to or resulting in:–
  - (a) any change in local, national, international, financial, political, economic, military, industrial, fiscal, regulatory or stock market conditions or sentiments in Hong Kong or any other relevant jurisdiction; or
  - (b) the introduction of any new law or any material change in existing laws, rules or regulations, or any material change in the interpretation or application of such laws, rules or regulations by any court or other competent authority in Hong Kong or any other relevant jurisdiction; or

- (c) any event of force majeure affecting Hong Kong or any other relevant jurisdiction (including, without limitation, any act of God, fire, flood, explosion, war, strike, lock-out, civil commotion, interruption, riot, public disorder, act of government, economic sanction, epidemic, terrorism or escalation of hostilities involving Hong Kong or any other relevant jurisdiction); or
- (d) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (e) any prospective change in taxation or exchange control (or the implementation of any exchange control) in Hong Kong or any other relevant jurisdiction or affecting an investment in the Shares or the transfer or dividend payment in respect of the Shares; or
- (f) the imposition of any economic sanction, in whatever form, directly or indirectly, by or for the United States of America or by the European Union (or any of its members) on the People's Republic of China; or
- (g) any change in the system under which the value of Hong Kong dollars is pegged to that of the currency of the United States of America, considered by Vigor in its absolute discretion to be material; or
- (h) any change in the exchange rate between the United States dollars and Renminbi (the lawful currency of the People's Republic of China), or between Hong Kong dollars and Renminbi, considered by Vigor in its absolute discretion to be material; or
- (i) any litigation or claim of material importance being threatened or instigated against any member of the Group; or
- (j) any change in market conditions in Hong Kong (including without limitation suspension or material restriction or trading in securities);

which, in the sole and absolute opinion of Vigor:–

- (1) is or will be, or is likely to be, materially adverse to the business, financial or other condition or prospects of the Group taken as a whole; or
- (2) has, or will have, or could be expected to have, a material adverse effect on the success of the Open Offer; or
- (3) makes it inadvisable, inexpedient or impractical to proceed with the Open Offer.

then and in any such case, Vigor in its reasonable discretion may (but will not be bound to), upon giving notice to the Company, terminate the Underwriting Agreement with immediate effect.

Except for all reasonable costs, fees, charges and expenses which may be incurred in connection with the Open Offer, upon the giving of notice of termination, all obligations of Vigor under the Underwriting Agreement will cease and no party will have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement. If Vigor exercises such right, the Open Offer will not proceed.

### **Conditions of the Underwriting Agreement**

The Underwriting Agreement is subject to a number of conditions being fulfilled, including:–

- (i) the Independent Shareholders passing resolutions at the SGM to approve the Open Offer, the Warrants Issue and the Whitewash Waiver by way of poll on or before the Posting Date;
- (ii) the Executive granting the Whitewash Waiver;
- (iii) one copy of each of the Prospectus Documents and other documents relating to the Open Offer being delivered to the Stock Exchange on or prior to the Posting Date;
- (iv) four printed copies of each of the Prospectus Documents being delivered to Vigor on or before the Posting Date, each duly certified by two Directors (or by their attorneys duly authorised in writing) as having been approved by resolution of the Board;

- (v) permission of the Bermuda Monetary Authority for the issue of the Offer Shares, if necessary, being obtained on or before the Posting Date;
- (vi) the Registrar of Companies in Hong Kong registering the Prospectus Documents, together with all other consents and documents required to be endorsed on or attached to the Prospectus Documents, on or before the Posting Date;
- (vii) the Prospectus Documents being filed with the Registrar of Companies in Bermuda on or about the Posting Date;
- (viii) printed copies of each of the Prospectus Documents being posted to Qualifying Shareholders and printed copies of the Prospectus stamped “For information only” being posted to Excluded Shareholders, in each case, on the Posting Date;
- (ix) the Listing Committee of the Stock Exchange granting (subject to allotment and other usual conditions) the listing of, and permission to deal in, the Offer Shares, the Warrants and the Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants on or before the Posting Date and not having withdrawn or revoked such listing and permission as at the Latest Acceptance Time;
- (x) all necessary approvals and consents, if any, of all relevant governmental 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 Underwriting Agreement having been given or obtained; and
- (xi) compliance by the Company with its obligations at or before the Latest Acceptance Time.

**In the event that any of the conditions (i) to (xi) (inclusive) has not been fulfilled (or waived by Vigor) on the respective dates mentioned in the Underwriting Agreement (or such other date as Vigor may agree with the Company), the Open Offer will lapse and will not proceed. In addition, conditions (i) and (ii) are not waivable.**

## **CONDITIONS OF THE OPEN OFFER**

The Open Offer is conditional upon, amongst other things, the obligations of Vigor under the Underwriting Agreement becoming unconditional and the Underwriting Agreement not being terminated by either Vigor or the Company in accordance with the terms and conditions as referred to under the sub-section headed “Termination of the Underwriting Agreement” of the section headed “Underwriting Arrangements” above.

**If the Underwriting Agreement does not become unconditional or is terminated, the Open Offer will not proceed. Shareholders and prospective investors of the Company are reminded to exercise extreme caution when dealing in the Shares.**

## **THE WARRANT ISSUE**

The Company also proposes to issue two Warrants for every five Offer Shares successfully subscribed by the Qualifying Shareholders. The Warrants will entitle their holders to subscribe for the new Shares at an initial subscription price of HK\$8.00 per Share (subject to adjustment) upon exercise of one Warrant. The issue of Warrants and the Shares falling to be issued upon the exercise of the Warrants is subject to the Independent Shareholders’ approval.

### **Terms of the Warrants**

Term:	three years from the date of issue
Denomination:	in the denomination of HK\$8.00 each
Conversion right:	right for holders of the Warrants to convert all or any of their Warrants at any time during the conversion period into Shares (all fractions of Warrants will not be issued but will be aggregated and sold for the benefit of the Company)
Conversion period:	commencing on 20th February, 2008 and ending on 19th February, 2011
Initial conversion price:	HK\$8.00 per Share

Transferability: freely transferable

Trading board lot size: 4,000

Expected date of commence dealing: 20th February 2008

The Company has no other warrants in issue as at the date of this announcement. Application for listing of, and permission to deal in, the Warrants and the Shares which fall to be issued upon exercise of the Warrants will be made to the Stock Exchange.

Based on 276,183,547 Offer Shares to be issued pursuant to the Open Offer, the total number of Warrants to be issued will be 110,473,419 warrants, entitling the holders to subscribe for the same number of the Shares, representing approximately 20 per cent. of the issued share capital of the Company at the time when the Warrants are issued and upon completion of the Open Offer.

The Directors confirm that the Company will ensure that there will be a minimum of 300 holders of the Warrants at the time the dealings of the Warrants commence on the Stock Exchange (i.e. 20th February, 2008) in accordance with the Listing Rules.

### **Subscription Price of Warrants**

The Warrants will entitle their holders to subscribe for the new Shares at an initial subscription price of HK\$8.00 per Share (subject to adjustment) upon exercise of one Warrant.

The subscription price of HK\$8.00 represents:–

- (i) a premium of approximately 22.14 per cent. over the closing price of HK\$6.55 per Share as quoted on the Stock Exchange on the last trading day, i.e. 21st November, 2007, of the Shares immediately before the date of this announcement;
- (ii) a premium of approximately 18.34 per cent. over the average closing price of HK\$6.76 per Share as quoted on the Stock Exchange for the last five trading days of the Shares immediately before the date of this announcement;



- (iii) a premium of approximately 18.78 per cent. over the average closing price of HK\$6.735 per Share as quoted on the Stock Exchange for the last ten trading days of the Shares immediately before the date of this announcement; and
- (iv) a discount of approximately 5.66 per cent. to the net asset value of HK\$8.48 per Share as stated in the audited consolidated accounts of the Company for the year ended 31st December 2006.

The subscription price was determined with reference to the prevailing market prices of the Shares. The Directors (except the independent non-executive directors who will seek the advice from the independent financial advisor before forming their own views) consider the subscription price and the terms of the Warrants to be fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

### **Certificates for Warrants**

Subject to the fulfilment (or waiver) of the conditions of the Open Offer set out in the section headed “Conditions of the Open Offer” above, certificates for the Warrants are expected to be posted on or before 18th February, 2008 to those who have applied and paid for the Offer Shares, at their own risk.

**The Warrant Issue is conditional upon completion of the Open Offer.**

## **INFORMATION ABOUT VIGOR AND THE COMPANY**

### **Vigor**

Vigor is a company incorporated in the British Virgin Islands with limited liability and its principal business is investment holding

### **The Company**

The Company is a company incorporated in Bermuda with limited liability. Its shares are listed on the Main Board of the Stock Exchange.

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.

## **REASONS OF THE OPEN OFFER AND THE USE OF PROCEEDS**

The Directors consider that the Open Offer provides a good opportunity for the Group to raise funds to strengthen its capital base and improve its financial position.

Upon the completion of the Open Offer, the estimated proceeds from the Open Offer will be approximately HK\$1,104.7 million (before expenses). The estimated net proceeds from the Open Offer of approximately HK\$1,101.7 million are intended to be applied by the Company 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.

The estimated expenses of the Open Offer of about HK\$3 million will be borne by the Company.

## **WARNING OF THE RISKS OF DEALINGS IN THE SHARES**

**Pursuant to the expected timetable, the Shares will be dealt with on an ex-entitlement basis from 10th January, 2008. If Vigor terminates the Underwriting Agreement, or any of the conditions of the Underwriting Agreement is not fulfilled (or waived by Vigor), the Open Offer will not proceed. Any person dealing in the Shares on an ex-entitlement basis will accordingly bear the risk that the Underwriting Agreement may not become unconditional and the Open Offer may not proceed.**

**Any Shareholder or other person contemplating selling or purchasing the Shares from now up to the day on which the Underwriting Agreement becomes unconditional, who is in any doubt about his/her position, is recommended to consult his/her own professional advisers.**

**Shareholders and prospective investors are reminded to exercise extreme caution when dealing in the Shares.**

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the changes in the shareholding structure of the Company arising from the Open Offer and the Warrant Issue:

	As at the date of this announcement		Immediately following completion of the Open Offer assuming all the Shareholders take up all their entitlements		Immediately following completion of the Open Offer assuming all the Shareholders take up all their entitlements and the Warrants exercised in full		Immediately following completion of the Open Offer assuming none of the Qualifying Shareholders take up their entitlements		Immediately following completion of the Open Offer assuming none of the Qualifying Shareholders take up their entitlements and the Warrants exercised in full	
	<i>Number of the Shares</i>	<i>Share-holding (%)</i>	<i>Number of the Shares</i>	<i>Share-holding (%)</i>	<i>Number of the Shares</i>	<i>Share-holding (%)</i>	<i>Number of the Shares</i>	<i>Share-holding (%)</i>	<i>Number of the Shares</i>	<i>Share-holding (%)</i>
Vigor and its concert parties	106,484,400	38.56	212,968,800	38.56	255,562,560	38.56	382,667,947	69.28	493,141,366	74.40
Public Shareholders	169,699,147	61.44	339,398,294	61.44	407,277,953	61.44	169,699,147	30.72	169,699,147	25.60
Total	<u>276,183,547</u>	<u>100.00</u>	<u>552,367,094</u>	<u>100.00</u>	<u>662,840,513</u>	<u>100.00</u>	<u>552,367,094</u>	<u>100.00</u>	<u>662,840,513</u>	<u>100.00</u>

Following the completion of the Open Offer and assuming the Warrant Issue are exercised in full, Vigor will continue to be the controlling shareholder of the Company if none of the Qualifying Shareholders is willing to take up his or her or its entitlements of such number of Offer Shares. As such, Vigor will own approximately as to 69.28 per cent. of the issued share capital of the Company as enlarged by the completion of the Open Offer and 74.40 per cent. of the issued share capital of the Company as enlarged by the completion of the Open Offer Issue and full exercise of the Warrants.

It is the intention of the Company to maintain the listing of the Shares on the Stock Exchange after the completion of the Open Offer and the Warrant Issue. Accordingly, the Company undertakes that it will take such appropriate steps as may be necessary or required to maintain or restore the minimum public float for the Shares at all times upon completion of the Open Offer and the Warrant Issue.

## **EXPECTED TIMETABLE**

The expected timetable for the Open Offer is set out below:–

Last day of dealings in the Shares on a cum-entitlement basis . . . . .	9th January, 2008
First day of dealings in the Shares on an ex-entitlement basis . . . . .	10th January, 2008
Latest time for lodging transfers of the Shares to qualify for the Open Offer. . . . .	4:30 p.m. on 11th January, 2008
Register of members closes . . . . .	14th January, 2008
Record Date . . . . .	21st January, 2008
Date of the SGM . . . . .	21st January, 2008
Announcement of results of SGM. . . . .	22nd January, 2008
Despatch of the Prospectus Documents . . . . .	22nd January, 2008
Register of members re-opens . . . . .	22nd January, 2008
Latest time for acceptance of, and payment for, the Offer Shares . . . . .	4:00 p.m. on 5th February, 2008
Open Offer expected to become unconditional on or before . . . . .	4:00 p.m. on 11th February, 2008
Announcement of results of the Open Offer to be posted on the website of the Stock Exchange on or before . . . . .	14th February, 2008
Certificates for fully-paid Offer Shares and Warrants expected to be despatched on or before . . . . .	18th February, 2008
Dealings in fully-paid Offer Shares and the Warrants commence on or before . . . . .	20th February, 2008

The above timetable is indicative only and may be executed or varied as may be agreed by the Company and Vigor pursuant to the Underwriting Agreement. Any changes to the expected timetable will be published in further announcements or notified to the Shareholders.

## **APPLICATION FOR GRANTING OF WHITEWASH WAIVER**

Assuming Vigor has taken up its maximum underwriting commitment of 169,699,147 Offer Shares pursuant to the Underwriting Agreement, Vigor and the parties acting in concert with it will increase their aggregate shareholding from approximately 38.56 per cent. of the existing issued share capital of the Company to 69.28 per cent. of the issued share capital of the Company as enlarged by the issue of Offer Shares.

Under Rule 26 of the Takeovers Code, Vigor and the parties acting in concert with it will be required to make a mandatory general offer for all the issued Shares not already owned or agreed to be acquired by Vigor or the parties acting in concert with it. An application will be made by the Underwriter and the parties acting in concert with it to the Executive for the Whitewash Waiver, which, if granted, would be subject to the approval of the Independent Shareholders on a vote taken by way of a poll. If the Whitewash Waiver is granted and approved by the Independent Shareholders by way of poll, the obligation of the Underwriter and the parties acting in concert with it to make a mandatory general offer under Rule 26 of the Takeovers Code will be waived. Completion of the Open Offer is conditional upon, amongst other things, the granting of the Whitewash Waiver by the Executive and such condition cannot be waived. Accordingly, if the Whitewash Waiver is not obtained, the Open Offer will lapse and will not proceed.

The Shareholders and potential investors of the Company should note that completion of the Underwriting Agreement is conditional and may or may not proceed. The Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

## **PROPOSED GRANT OF SPECIFIC MANDATE TO ISSUE THE SHARES AND WARRANTS**

The Company will issue the Offer Shares under the Open Offer and will issue the Warrants under the Warrant Issue. The Offer Shares and the Shares which fall to be issued upon exercise of the Warrants will rank *pari passu* with all the then existing issued the Shares.

The Company will seek the grant of a specific mandate from the Independent Shareholders to allot and issue the Offer Shares and to issue the Warrants and the Shares which fall to be issued upon exercise of the Warrants.

## **LISTING RULES IMPLICATIONS**

The proposed Open Offer will increase the issued share capital of the Company by more than 50 per cent., and therefore the Open Offer and the Warrant Issue are subject to the approval of the Independent Shareholders at the SGM pursuant to Rule 7.24(5) of the Listing Rules.

The Open Offer is subject to the granting of the Whitewash Waiver by the Executive and the Whitewash Waiver is subject to the approval of the Independent Shareholders on a vote taken by way of poll at the SGM.

Vigor and the parties acting in concert with it and its associates and those who were interested in or involved in the Underwriting Agreement will abstain from voting on the resolutions at the SGM for approving the Open Offer, the Warrant Issue and the Whitewash Waiver.

The proposal for grant of specific mandate to issue the Offer Shares and the Warrants and the Shares which fall to be issued upon exercise of the Warrants are subject to approval by the Independent Shareholders at the SGM.

An independent board committee of the Company, comprising of Mr. Lo Wai On, Mr. Lau Siu Ki and Mr. Zhang Jian, has been constituted to consider the terms of the Open Offer, the Warrant Issue and the Whitewash Waiver and to make a recommendation to its shareholders. Independent financial adviser will be appointed to advise the independent board committee of the Company on the fairness and reasonableness of the transactions contemplated in the Open Offer, the Warrant Issue and the Whitewash Waiver. Further announcement will be made following the appointment of the independent financial adviser.

Subject to the approval of the Open Offer, the Warrant Issue and the Whitewash Waiver by the Independent Shareholders at the SGM, application will be made to the Stock Exchange for the listing of, and permission to deal in, the Offer Shares, the Warrants and the Shares which may fall to be issued upon the exercise of the Warrants.

A circular containing details of, among other things, (i) the Open Offer, (ii) the Warrant Issue, (iii) the Whitewash Waiver (iv) the proposal for the grant of specific mandate to issue the Offer Shares and the Warrants and the Shares which fall to be issued upon exercise of the Warrants, (v) a letter from the independent board committee, (vi) a letter from the independent financial adviser and (vii) a notice to convene the SGM will be despatched to the Shareholders as soon as practicable.

The Prospectus Documents, containing, among other things, information on the Open Offer, will be despatched to the Qualifying Shareholders as soon as practicable, and, in accordance with the requirements of the Listing Rules, is expected to be despatched on or before 22nd January, 2008. The Company will also send the Prospectus, for information only, to the Excluded Shareholders on or before 22nd January, 2008.

## **RESUMPTION OF TRADING IN THE SHARES**

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 22nd November, 2007 pending the release of this announcement. The Company has applied for a resumption of trading in the Shares with effect from 9:30 a.m. on 3rd December, 2007.

## **DIRECTORS**

As at the date of this announcement, the Directors are:–

### *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

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:–

“associate”	having the meaning ascribed to it under the Listing Rules
“Board”	Board of Directors
“Business Day”	a day (other than a Saturday and Sunday and days on which a tropical cyclone warning signal no.8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours

“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
“Directors”	directors of the Company
“Excluded Shareholders”	the Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date and whose addresses as shown on such register are outside Hong Kong, where the Directors, after making enquiries, consider it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Shareholders
“Executive”	the executive director of the Corporate Finance Division of the Securities and Futures Commission or any of his delegates
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders other than Vigor and the parties acting in concert with it, and its associates and those persons who were interested in or involved in the Underwriting Agreement
“Irrevocable Undertakings”	the irrevocable undertakings dated 21st November 2007 given by the Underwriter to take up 106,484,400 Offer Shares, its entitlement, representing approximately 38.56 per cent of the issued share capital of the Company



“Latest Acceptance Time”	4:00 p.m. on 5th February, 2008 (or such other date as may be agreed by the Company and the Underwriter in writing and specified in the Prospectus Documents as the last day for acceptance of the Offer Shares)
“Latest Time for Termination”	4:00 p.m. on the second business day immediately following the Latest Acceptance Time
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offer Shares”	276,183,547 Shares of the Company to be allotted and issued at the Subscription Price under the Open Offer
“Open Offer”	the proposed offer of the Offer Shares, by way of an open offer, on the basis of one Offer Share for every existing Share held by the Qualifying Shareholders as at the Record Date
“Posting Date”	22nd January, 2008 (or such other date as may be agreed by the Company and the Underwriter in writing), being the day on which the Prospectus Documents are posted to the Qualifying Shareholders and, for information only, the Excluded Shareholders
“Prospectus”	a prospectus to be issued by the Company to the Qualifying Shareholders, containing details of, amongst other things, the Open Offer
“Prospectus Documents”	the Prospectus and the application form in relation to the Open Offer
“Qualifying Shareholders”	the Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date, other than the Excluded Shareholders

“Record Date”	21st January, 2008, being the date for the determination of entitlements of the Shareholders under the Open Offer
“SFC”	Securities and Futures Commission of Hong Kong
“SGM”	the special general meeting of the Shareholders of the Company to be convened on or about 21st January 2008 for the purposes of considering and, if thought fit, approving, amongst other things, the Open Offer, the Warrant Issue, the Whitewash Waiver and the grant of the specific mandate
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	subscription price for the Offer Shares, being HK\$4.00 per Offer Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriter”	Vigor
“Underwriting Agreement”	the underwriting agreement dated 21st November, 2007 entered into between the Company and the Underwriter in relation to the Open Offer
“Vigor”	Vigor Online Offshore Limited, a company incorporated in the British Virgin Islands with limited liability, and the controlling shareholder of the Company. Its ultimate beneficial owner being Ms. Chong Sok Un.
“Warrants”	110,473,419 warrants to be issued by the Company in respect of the Offer Shares under the Warrant Issue

“Warrant Issue” the issue of two Warrants for every five Offer Shares successfully subscribed by the Qualifying Shareholders which will entitle the Warrant holder to subscribe for new Shares at an initial subscription price of HK\$8.00 per Warrant

“Whitewash Waiver” the waiver from the obligation of the Underwriter and parties acting in concert with it to make a mandatory general offer for all the issued Shares not already owned or agreed to be acquired by the Underwriter or parties acting in concert with it under Rule 26 of the Takeovers Code, as a result of the transactions contemplated in the Underwriting Agreement and the Irrevocable Undertakings, pursuant to Note 1 on dispensations from Rule 26 of the Takeover Code

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

Hong Kong, 30 November, 2007

*“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)”*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to Vigor and the parties acting in concert with it, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those relating to Vigor and the parties acting in concert with it, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

*The directors of Vigor jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to the Group, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those relating to the Group, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*