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**COL Capital Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 383)**

## **DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN**

The Board announces that on 4 January 2011, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Third Loan Agreement with the Borrower, pursuant to which the Lender has agreed to extend to the Borrower a loan facility in the limit up to HK\$20 million. The Third Loan is secured by the Pledge Agreement as varied by the Deed of Variation.

As the relevant Percentage Ratio in respect of the making of the Third Loan when aggregated with the First Loan and the Second Loan is more than 5% but below 25%, the entering into of the Loan Agreements constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

### **THE THIRD LOAN AGREEMENT**

- Date:** 4 January 2011
- Lender:** Join Capital Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
- Borrower:** Mabuhay Holdings Corporation, a company incorporated in the Philippines whose common shares are listed in the Philippine Stock Exchange (stock code: MHC)

To the best knowledge, information and belief of the Directors having made all reasonable enquiry and as confirmed by the Borrower, save for the Company's holding of approximately 34.08% of the issued share capital of the Borrower and two of the Directors are also directors of the Borrower and IRC and hold nominal qualifying shares therein, the Borrower and its ultimate beneficial owners are Independent Third Parties not connected with the Company and connected persons of the Company. Save for the

entering into of the First Loan Agreement and the Second Loan Agreement, there is no prior relationship or business transaction among the Borrower, the Lender and the Company.

<b>Principal Amount:</b>	up to HK\$20 million
<b>Term:</b>	12 months
<b>Purpose:</b>	The Third Loan shall be applied and used by the Borrower for its general working capital
<b>Interest:</b>	15% per annum
<b>Others:</b>	The Borrower has undertaken with the Lender that it shall enter into and shall procure the entering into of such further other mortgage, charge, pledge, corporate or personal guarantee or any other securities as a continuing security as required or demanded by the Lender in its absolute and sole discretion from time to time.

## **PLEDGE AGREEMENT AND DEED OF VARIATION**

The Third Loan was secured by the Pledge Agreement dated 25 May 2010 as varied by the Deed of Variation executed by the Borrower and T & M Holdings, a wholly-owned subsidiary of the Borrower, as pledgors in favour of the Lender by way of a first legal charge over a total of 351,942,343 common shares and 95,875,246 warrants of IRC (being (i) 7,499,446 Class A shares and 30,661,197 Class B shares directly owned by the Borrower, (ii) 1,410,000 Class A shares, 2,922,723 Class A warrants and 14,859,598 Class B warrants beneficially owned by the Borrower, (iii) 264,682,500 Class A shares and 47,689,200 Class B shares directly owned by T & M Holdings, and (iv) 66,170,625 Class A warrants and 11,922,300 Class B warrants beneficially owned by T & M Holdings), representing in aggregate approximately 43.99% of the entire issued share capital of 799,999,972 shares of IRC and approximately 48.84 % of the entire issued warrants of 196,310,492 warrants of IRC as at the date of the Deed of Variation (the “**Pledged Shares**”) and shall include shares and warrants of IRC that may be issued to the Borrower and T&M Holdings as a result of any rights or other issues of IRC and the dividends and those further securities, shares, rights, monies and other property accruing or offered at any time and in any manner in respect of any of the Pledged Shares.

Pursuant to the Deed of Variation, the Borrower, T & M Holdings and the Lender have agreed to amend certain terms and conditions in the Pledge Agreement to the effect that the secured indebtedness under the Pledge Agreement shall include all loans, interest accrued thereon, fees and all other amounts from time to time payable by the Borrower pursuant to, under or in connection with the Loan Agreements.

T & M Holdings is a company incorporated in the Philippines and a wholly-owned subsidiary of the Borrower. T & M Holdings is the registered and beneficial owners of certain Pledged Shares. T & M Holdings is a holding company engaged in investments in real properties, marketable securities and stocks of other companies, domestic or foreign, in the Philippines.

IRC is a company incorporated in the Philippines, an approximately 43.99% associated company of the Borrower and the common shares of which are listed on the Philippine Stock Exchange (stock code: IRC). IRC is principally engaged in real estate development and is now concentrating its efforts and resources to developing these two substantial real estate assets in the Philippines.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries and as confirmed by the Borrower, save as disclosed herein, each of T & M Holdings and IRC together with its ultimate beneficial owners are Independent Third Parties not connected with the Company and connected persons of the Company. Save as disclosed herein, there is no prior relationship or business transaction among the Lender, the Company, T & M Holdings and IRC.

Under the Pledge Agreement as varied by the Deed of Variation, the Lender shall have the rights, among other things, to dispose of and/or transfer to itself the Pledged Shares in favour of it under the Pledge Agreement as varied by the Deed of Variation upon the occurrence of an event of default or upon the occurrence of any event which may lead to a default by the Borrower under the Loan Agreements. Such defaulting events include, but not limited to, the events under which (a) the Borrower fails to pay any principal, interest, or any other sum payable under the Loan Agreements or the Pledge Agreement as varied by the Deed of Variation on the date on which the sum is due and payable; (b) either the Borrower or T & M Holdings fails to perform any of its obligations, undertakings and agreements under the Pledge Agreement as varied by the Deed of Variation, or (c) any representation, warranty or undertaking made by the Borrower and T & M Holdings is or proves to have been untrue or inaccurate in any respect.

The terms of the Third Loan Agreement and the Pledge Agreement as varied by the Deed of Variation were arrived at after arm's length negotiations between the Lender and the Borrower. The Lender is a licensed money lender and its principal activity is provision of financial services. The provision of the Third Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender.

The terms of the Third Loan Agreement including the interest rate were determined with reference to the commercial practice and the terms of doing business of those companies engaging in money lending business in Hong Kong. The Third Loan was funded by internal resources and/or borrowing of the Group.

The Directors consider that the transactions contemplated by the Third Loan Agreement are on normal commercial terms and the terms of the Third Loan Agreement and the Pledge Agreement as varied by the Deed of Variation are fair and reasonable and are in the interests of the Company and its shareholders as a whole having considered the current market norm in relation to similar transactions and having taken into account the costs of borrowing in providing the Third Loan to the Borrower.

If upon the exercise of the Lender's rights under the Pledge Agreement as varied by the Deed of Variation constitutes a notifiable transaction for the Company, the Company will comply with such disclosure requirements as required by Chapter 14 of the Listing Rules.

### **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 the Borrower**

The Borrower is a company incorporated in the Philippines and the common shares of which are listed in the Philippine Stock Exchange (stock code: MHC). The principal business of the Borrower is investment holding and through its subsidiaries engaged in acquisition and disposition of investments in securities, stocks, real and personal properties, and of any kind of properties and of investments in other entities in the Philippines.

### **Reasons for provision of the Third Loan**

The Lender is a licensed money lender and its principal activity is provision of financial services. The provision of the Third Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender and will provide interest income to the Lender

The Third Loan will be recorded as loan receivable under current asset of the Group.

### **IMPLICATIONS UNDER THE LISTING RULES**

As the relevant Percentage Ratio in respect of the making of the Third Loan when aggregated with the First Loan and the Second Loan is more than 5% but below 25%, the entering into of the Third Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Board”	the board of Directors
“Borrower”	Mabuhay Holdings Corporation, a company incorporated in the Philippines whose common shares are listed in the Philippine Stock Exchange (stock code: MHC)
“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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Deed of Variation”	the deed of variation dated 4 January 2011 executed by the Borrower, T & M Holdings, and the Lender pursuant to which the parties have agreed to amend certain terms and conditions in the Pledge Agreement
“Directors”	the directors of the Company
“First Loan”	a loan facility of up to Hong Kong dollar equivalent of US\$1 million (approximately HK\$7.8 million) granted by the Lender to the Borrower pursuant to the terms of the First Loan Agreement
“First Loan Agreement”	the loan agreement dated 22 March 2010 entered into between the Lender and the Borrower relating to the granting of the First Loan
“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 PRC
“Independent Third Party(ies)”	party(ies) who, together with his/her ultimate beneficial owner(s) is/are persons independent of the Company and its connected persons

“IRC”	Interport Resources Corporation, a company incorporated in the Philippines and the common shares of which are listed on the Philippine Stock Exchange (Stock Code : IRC)
“Lender”	Join Capital Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loans”	collectively the First Loan, the Second Loan and the Third Loan
“Loan Agreements”	collectively the First Loan Agreement, the Second Loan Agreement and the Third Loan Agreement
“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
“Pledge Agreement”	the pledge agreement dated 25 May 2010 executed by the Borrower, T & M Holdings as pledgors in favour of the Lender by way of a first legal charge of all its rights, title and interest in and to the Pledged Shares
“Second Loan”	a loan facility of up to Hong Kong dollar equivalent of US\$4.5 million (approximately HK\$35.1 million) granted by the Lender to the Borrower pursuant to the terms of the Second Loan Agreement
“Second Loan Agreement”	the loan agreement dated 25 May 2010 entered into between the Lender and the Borrower relating to the granting of the Second Loan
“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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Loan”	a loan facility of up to HK\$20 million granted by the Lender to the Borrower pursuant to the terms of the Third Loan Agreement

“Third Loan Agreement”	the loan agreement dated 4 January 2011 entered into between the Lender and the Borrower relating to the granting of the Third Loan
“T & M Holdings”	T & M Holdings, Inc., a company incorporated in the Philippines and a wholly-owned subsidiary of the Borrower
“%”	per cent

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

Hong Kong, 4 January 2011

*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. Lo Wai On, Mr. Lau Siu Ki and Mr. Zhang Jian as Independent Non-Executive Directors.*