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COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

MAJOR TRANSACTION RELATING TO DISPOSAL OF SALE SHARES

A letter from the Board is set out on pages 4 to 9 of this circular.

29 December 2009

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DEFINITIONS

In this circular, the following expressions have the meanings respectively set opposite them unless the context otherwise requires:

“Announcement”	the announcement of the Company dated 8 December 2009 in relation to the Disposal
“Board”	the board of Directors
“associate”	has the meaning ascribed thereto in the Listing Rules
“Business Day”	a day (other than a Saturday or days on which a typhoon signal 8 or above or black rainstorm signal remains hoisted in Hong Kong at 10:00 a.m.) on which banks in Hong Kong are generally open for business
“Company”	COL Capital Limited (Stock Code: 383), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company
“Disposal”	disposal of the Sale Shares by the Vendor pursuant to the Sale and Purchase Agreement
“General Offer”	the general offer made by a subsidiary of the Company for all the shares of Greenfield as announced by the Company on 11 September 2009
“Greenfield”	Greenfield Chemical Holdings Limited (Stock Code: 582), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange

DEFINITIONS

“Greenfield Group”	Greenfield and its subsidiaries
“Greenfield Shares”	ordinary shares of HK\$0.10 each in the share capital of Greenfield
“Group”	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 Party(ies)”	party(ies) who, together with his/her ultimate beneficial owner(s), is/are persons independent of the Company and its connected persons
“Latest Practicable Date”	23 December 2009, being the latest practicable date prior to the printing of this circular for inclusion of certain information in this circular
“Last Trading Day”	4 December, 2009, being the last trading day immediately prior to the date of the Sale and Purchase Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Hong Han Limited, an Independent Third Party and a company incorporated in the British Virgin Islands with limited liability and is 50% owned by each of Mr. Wan Zhongbo and Ms. Liu Jia
“Purchaser’s Guarantors”	Mr. Wan Zhongbo and Ms. Liu Jia
“Remaining Group”	the Group immediately after the Disposal
“Sale Shares”	140,000,000 shares in Greenfield
“Sale and Purchase Agreement”	the agreement dated 4 December, 2009 entered into among the Vendor, the Company, the Purchaser and the Purchaser’s Guarantors for the sale and purchase of the Sale Shares

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Shares”	ordinary shares of HK\$0.01 each in the registered capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Pacific Orchid Investments Limited, a company incorporated in the British Virgin Islands with limited liability and indirectly wholly owned by the Company
“Vigor Online”	Vigor Online Offshore Limited, a company incorporated in the British Virgin Islands and a controlling shareholder of the Company
“%”	per cent.

LETTER FROM THE BOARD



COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

Executive Directors:

Ms. Chong Sok Un (*Chairman*)

Dato' Wong Peng Chong

Mr. Kong Muk Yin

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Independent Non-executive Directors:

Mr. Lo Wai On

Mr. Lau Siu Ki

Mr. Zhang Jian

Principal place of business

in Hong Kong:

47th Floor

China Online Centre

333 Lockhart Road

Wan Chai

Hong Kong

29 December 2009

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION RELATING TO DISPOSAL OF SALE SHARES

INTRODUCTION

On 8 December 2009, the Company announced that on 4 December 2009 (after trading hours), the Vendor entered into the Sale and Purchase Agreement with the Vendor's Guarantor, the Purchaser and the Purchaser's Guarantors pursuant to which the Vendor agreed to dispose of and the Purchaser agreed to acquire the Sale Shares for a consideration of HK\$294 million. The Sale Shares represent approximately 51.31% of the entire issued share capital of Greenfield as at the date of the Announcement. Completion took place on 9 December 2009.

Under the Listing Rules, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the approval of Shareholders in general meeting.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Disposal and accordingly no Shareholder is required to abstain from voting at a general meeting of the Company.

As at the date of the Sale and Purchase Agreement, the Company has received a written approval of the Disposal from Vigor Online, a controlling shareholder of the Company holding approximately 64.33% in nominal value of the total issued shares of the Company giving the right to attend and vote at the general meeting of the Company. Vigor Online has given irrevocable and unconditional approval of the Disposal and the transactions contemplated as envisaged by Rule 14.44 of the Listing Rules. Accordingly, the Company announces that the Disposal has been duly approved and passed by Shareholders and a general meeting of the Company to approve the Disposal is no longer required under the Listing Rules.

The purpose of this circular is to provide you with details on, among other things, (i) further details of the Disposal and (ii) the financial information of the Group in accordance with the Listing Rules.

SALE AND PURCHASE AGREEMENT

Date:	4 December 2009 (after trading hours)
Purchaser:	Hong Han Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and is 50% owned by each of Mr. Wan Zhongbo and Ms. Liu Jia , each an Independent Third Party. The Purchaser and its beneficial owners did not hold any shares in Greenfield prior to the Sale and Purchase Agreement.
Vendor:	Pacific Orchid Investments Limited, a company incorporated in the British Virgin Islands with limited liability and indirectly wholly owned by the Company.
Vendor's Guarantor:	The Company, acting as a guarantor of the Vendor pursuant to the Sale and Purchase Agreement.
Purchaser's Guarantors:	Mr. Wan Zhongbo and Ms. Liu Jia. The Purchaser's Guarantors are acting as the Purchaser's guarantors under the Sale and Purchase Agreement.

LETTER FROM THE BOARD

Sale Shares: 140,000,000 shares in Greenfield beneficially owned by the Vendor, representing approximately 51.31% of the entire issued share capital of Greenfield. The Sale Shares are sold free from all liens, claims, equities, charges, encumbrances or third party rights of whatsoever nature on Completion. There are no restrictions imposed on the subsequent sale of the Sale Shares.

Consideration: HK\$294 million which has been paid in cash on Completion. This represents a Greenfield Share price of HK\$2.1 each. The consideration was arrived at on an arms length commercial basis by reference to the value in which the Company acquired the Greenfield Shares, the net asset value of Greenfield and the current market price of Greenfield Shares.

The Greenfield Share price of HK\$2.1 each represents:–

- (a) a discount of approximately 25.00% to the closing price of HK\$2.80 per Greenfield Share as at the Last Trading Day;
- (b) a discount of approximately 26.16% to the average closing price of HK\$2.844 per Greenfield Share for the last five consecutive trading days up to and including the Last Trading Day;
- (c) a premium of approximately 47.89% to the unaudited net asset value per Greenfield Share of approximately HK\$1.42 as at 30 June 2009 calculated based on the unaudited net asset value of Greenfield of approximately HK\$387,808,000 as at 30 June 2009 and 272,860,000 Greenfield Shares in issue as at the date of the Announcement; and
- (d) a discount of approximately 13.22% to the closing price of HK\$2.42 per Greenfield Share as at the Latest Practicable Date.

LETTER FROM THE BOARD

Taking into account the discount to the current market price of Greenfield, the premium to the unaudited net asset value per Greenfield Share and the Group's original acquisition cost of the Sale Share (i.e. HK\$1.5 per Greenfield Share), the Directors consider that the Consideration is fair and reasonable and is in the interest of the Company and the Shareholders as a whole.

Completion: Completion took place on 9 December 2009.

Immediately after Completion, the Company continues to hold 18,010,000 Greenfield Shares, representing approximately 6.60% of the entire issued share capital of Greenfield. The Company has no plan or intention in respect of the dealing with such remaining Greenfield Shares as at the Latest Practicable Date including whether the Company will accept the mandatory general cash offer to be made by the Purchaser to the shareholders of Greenfield.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Purchaser and the Purchaser's Guarantors are Independent Third Parties.

REASONS FOR ENTERING INTO THE SALE AND PURCHASE AGREEMENT

Following the completion of the General Offer, the Company conducted a placing on 9 November 2009 of 3,000,000 Greenfield Shares at HK\$1.50 each for restoration of the minimum public float of Greenfield Shares and a placing on 26 November 2009 of 40,000,000 Greenfield Shares at HK\$2.10 per share. On 30 November, 2009 the Company was approached by the Purchaser for acquiring the Sale Shares at a price with significant premium as compared to the price in which the Company had acquired Greenfield Shares i.e. HK\$1.50 per share. The Disposal is expected to record a gain of HK\$84 million (subject to audit) for the Company representing the difference between the proceeds from the Disposal of HK\$294 million and the original acquisition cost of HK\$210 million (i.e. HK\$1.5 per Greenfield Share). Given the Group is still in the process of reviewing the business activities and assets of the Greenfield Group and the Disposal represents an exit to the Group's investment in Greenfield with substantial gain within a short time span and under the prevailing uncertain economic environment, the Board believes that it is in the best interest of the Company and its Shareholders that the Disposal be entered into. The Board will continue to seek investment opportunities for the Company in order to diversify its revenue base although none has yet been identified. Part of the proceeds of the Disposal has been used for reduction of borrowings and lowering of the gearing of the Group.

LETTER FROM THE BOARD

In view of the above, the Directors are of the view that the terms of the Sale and Purchase Agreement are on normal commercial terms, which are fair and reasonable and the entering into of the Sale and Purchase Agreement is in the interests of the Company and its Shareholders as a whole.

Following the Disposal, Greenfield ceased to be a subsidiary of the Company. After the Disposal, securities investment of the Group reduced, bank balances and cash of the Group increased while short-term borrowings of the Group reduced as part of the proceeds of the Disposal has been used for reduction of borrowings and lowering of the gearing of the Group.

INFORMATION ON GREENFIELD

Greenfield is an exempted company incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange. The principal activity of Greenfield is investment holding and through its subsidiaries and associates engaged in manufacture of paints and trading in petrochemical and related products.

Below are the audited financial information of Greenfield Group for the two years ended 31 December 2007 and 31 December 2008 extracted from the audited consolidated financial statements of Greenfield Group and the unaudited financial information of Greenfield Group for the six months ended 30 June 2009 extracted from the interim report of Greenfield Group:

	For the six months ended 30 June 2009 (unaudited) (HK\$'000)	For the year ended 31 December 2008 (audited) (HK\$'000)	For the year ended 31 December 2007 (audited) (HK\$'000)
Turnover	129,830	335,697	317,066
Profit before taxation	39,282	18,230	26,573
Profit after taxation	33,564	14,904	23,226
Net assets	387,808	391,168	400,227
Total assets	<u>587,806</u>	<u>565,734</u>	<u>590,179</u>

INFORMATION ON THE COMPANY

The Company is a company incorporated in Bermuda and the Shares are listed on the Main Board of the Stock Exchange. The principal business activity 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.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

Under the Listing Rules, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the approval of Shareholders in general meeting.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Disposal and accordingly no Shareholder is required to abstain from voting at a general meeting of the Company.

As at the date of the Sale and Purchase Agreement, the Company has received a written approval of the Disposal from Vigor Online, a controlling shareholder of Company holding 358,148,374 Shares, representing approximately 64.33% in nominal value of the total issued shares of the Company giving the right to attend and vote at the general meeting of the Company. Vigor Online has given irrevocable and unconditional approval of the Disposal and the transactions contemplated as envisaged by Rule 14.44 of the Listing Rules. Accordingly, the Company announces that the Disposal has been duly approved and passed by Shareholders and a general meeting of the Company to approve the Disposal is no longer required under the Listing Rules.

If a general meeting were held to approve the Disposal, the Board would recommend the Shareholders to vote in favour of the Disposal as the Disposal is in the best interest of the Company and the Shareholders as a whole.

FINANCIAL AND TRADING PROSPECT OF THE GROUP

Although the signs of recovery were seen globally in the second half of 2009, there is still uncertainty as whether such recovery is sustainable. Hence the Group will remain cautiously optimistic in its investment approach and strategy.

With its improved financial strength, the Group is well-positioned to continue to seek and identify grossly undervalued investment and business opportunities in China, Hong Kong and the Asia Pacific region to further enhance value for Shareholders.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

By Order of the Board
COL CAPITAL LIMITED
Chong Sok Un
Chairman

1. STATEMENT OF INDEBTEDNESS

At the close of business on 30 November 2009, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had outstanding securities margin loans of approximately HK\$362,983,000, term loan of HK\$150,000,000 and convertible bonds liabilities with principal value of HK\$236,000,000. As at 30 November 2009, the Group's investments held for trading, available-for-sale investments and securities brokers house deposits with respective carrying values of approximately HK\$934,063,000, HK\$178,956,000 and HK\$6,770,000 were pledged to securities brokers houses to secure short term credit facilities granted to the Group. The securities margin loans were secured by the Group's pledged marketable securities and securities broker house deposits.

Save as aforesaid, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 30 November 2009 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchase commitments charges, guarantees or other material contingent liabilities.

2. CONTINGENT LIABILITIES

- (a) In respect of the disposal of a subsidiary in prior years, the Group has given an indemnity to the purchaser against all liabilities, losses, costs and expenses suffered and/or incurred by the purchaser in relation to or arising out of the assignment of certain of the subsidiary's business contracts.
- (b) In 1997, the Group had given a counter-indemnity to a former substantial shareholder and the ex-chairman of PCCW Limited (formerly known as Tricom Holdings Limited ("Tricom")), and Chambord Investment Inc. in respect of certain indemnities given to Tricom at the time of and to facilitate the listing of Tricom's shares on the Stock Exchange. These indemnities related to the use of the Tricom trade name, the infringement of the permitted use of properties, the guarantees granted to Tricom to secure banking facilities and tax liabilities.

The Directors consider it is not possible to estimate the financial effect of the indemnities and warranty given.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the Remaining Group's existing cash and bank balances, the present available credit facilities and margin loan facilities, proceeds from the Disposal and the expected internally generated funds, the Remaining Group has sufficient working capital for its present requirement for the next twelve months from the date of this circular.

4. LITIGATION

As at 31 December 2008, the material litigations/claims of the Group are disclosed in the paragraph headed "Litigation" in Appendix II. Save as aforesaid, the Group had no other material litigation as at 31 December 2008.

5. MATERIAL CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material change in the financial or trading position of the Group since 31 December 2008, being the date to which the latest published audited accounts of the Group were made up.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement in this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO); (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to in such provisions of the SFO; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules to be notified to the Company and the Stock Exchange:

Long Position in the shares of the Company

Name of Director	Capacity	Number of Shares held	Approximate % of interest held over all issued Shares
Ms. Chong Sok Un	Interest held by controlled corporation	358,296,374 (<i>Note</i>)	64.36%

Note. Vigor Online Offshore Limited (“Vigor Online”), a wholly-owned subsidiary of China Spirit Limited (“China Spirit”), owns 358,296,374 Shares. Ms. Chong maintains 100% beneficial interests in China Spirit. Accordingly, Ms. Chong is deemed to have corporate interest in these 358,296,374 Shares.

(b) Substantial Shareholders' interests

Save as disclosed below, the Directors and the chief executive of the Company were not aware that there was any person who, as at the Latest Practicable Date, had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed under provisions of Division 2 and 3 of Part XV of the SFO, or who, as at the Latest Practicable Date, was directly and indirectly interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Group.

Name	Capacity	Number of Shares or underlying shares held	Approximate % of interest held over issued Shares
Ms. Chong Sok Un (Ms. Chong)	Held by controlled corporation (<i>Note 1</i>)	358,296,374	64.36%
China Spirit Limited ("China Spirit")	Held by controlled corporation (<i>Note 1</i>)	358,296,374	64.36%
Vigor Online Offshore Limited ("Vigor Online")	Beneficial owner (<i>Note 1</i>)	358,296,374	64.36%
Ma Hongyi ("Mr. Ma")	Beneficial owner (<i>Note 2</i>)	240,000,000	43.53%
Lee and Lee Trust	Held by controlled corporation (<i>Note 3</i>)	266,666,666	48.36%
Allied Group Limited ("Allied Group")	Held by controlled corporation (<i>Note 4</i>)	266,666,666	48.36%
Allied Properties (H.K.) Limited ("Allied Properties")	Held by controlled corporation (<i>Note 5</i>)	266,666,666	48.36%
AP Jade Limited ("AP Jade")	Held by controlled corporation (<i>Note 5</i>)	266,666,666	48.36%

Name	Capacity	Number of Shares or underlying shares held	Approximate % of interest held over issued Shares
AP Emerald Limited ("AP Emerald")	Held by controlled corporation (<i>Note 5</i>)	266,666,666	48.36%
Sun Hung Kai & Co. Limited ("SHK & Co.")	Held by controlled corporation (<i>Note 6</i>)	266,666,666	48.36%
Sun Hung Kai Securities Limited ("SHK Securities")	Held by controlled corporation (<i>Note 7</i>)	266,666,666	48.36%
Sun Hung Kai Structured Finance Limited ("SHK Structured Finance")	Held as security interest and beneficial owner (<i>Note 8</i>)	266,666,666	48.36%

Notes:

1. Vigor Online, a wholly-owned subsidiary of China Spirit, owns 358,296,374 Shares. Ms. Chong maintains 100% beneficial interests in China Spirit. Accordingly, Ms. Chong is deemed to have corporate interest in 358,296,374 ordinary shares of the Company.
2. Mr. Ma has beneficial interest in HK\$180,000,000 convertible bonds of the Company convertible into 240,000,000 Shares.
3. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. They together own approximately 44.54% interest in the issued share capital of Allied Group and are therefore deemed to have the same interest held by Allied Group.
4. Allied Group owns approximately 74.36% interest in the issued share capital of Allied Properties and is therefore deemed to have the same interest held by Allied Properties.
5. Through AP Jade and AP Emerald, direct and indirect wholly-owned subsidiaries of Allied Properties respectively, Allied Properties owns approximately 61.93% interest in the issued share capital of SHK & Co. and is therefore deemed to have the same interest held by SHK & Co.
6. SHK & Co. is deemed to have interest in HK\$200,000,000 convertible bonds of the Company convertible into 266,666,666 Shares through its 100% interest in SHK Securities.

7. SHK Securities is deemed to have interest in HK\$200,000,000 convertible bonds of the Company convertible into 266,666,666 Shares through its 100% interest in SHK Structured Finance.
8. SHK Structured Finance owns HK\$200,000,000 convertible bonds of the Company convertible into an aggregate of 266,666,666 Shares in which (i) HK\$180,000,000 convertible bonds convertible into 240,000,000 Shares are held as security interest; and (ii) HK\$20,000,000 convertible bonds convertible to 26,666,666 Shares are held as beneficial interest.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, none of the Directors and their respective associates were considered to have interests in businesses apart from the Group's businesses which compete, or are likely to compete, either directly or indirectly, with the businesses of the Group pursuant to Rule 8.10 of the Listing Rules.

4. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2008 (being the date to which the latest published audited accounts of the Group were made up), (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

5. DIRECTORS' SERVICE CONTRACTS

- (a) As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).
- (b) There are no service contracts in force between any Director and the Company or any of its subsidiaries or associated companies which are continuous contracts with a notice period of 12 months or more.
- (c) There are no service contracts in force between any Director and the Company or any of its subsidiaries or associated companies which are fixed term contracts with more than 12 months to run irrespective of the notice period.

6. LITIGATION

- (a) In November 1998, a writ was issued against the Company's subsidiaries, Hongkong Digital Television Limited ("Digital TV", formerly Star Interactive Television Limited) and Star Telecom Services Limited ("STSL", formerly Hong Kong Star Internet Limited) by nCube Corporation ("nCube"), claiming the sum of approximately US\$1,980,000 (equivalent to approximately HK\$15,305,000) plus interest in relation to the alleged purchase of two MediaCube 3000 systems by Digital TV from nCube. The claim of nCube against STSL was on the basis of a chop of STSL on the contract between Digital TV and nCube. STSL had taken legal advice and had been advised that it was very unlikely that STSL would be held liable to the claim of nCube. Digital TV was also opposing the claim of nCube and had taken legal advice.

As advised by its lawyers, Digital TV had reasonable grounds in defending the claim and, accordingly, had not made any provision in the consolidated financial statements in connection with the claim. Digital TV filed a defence in this section on 14 December 1998 and nCube had failed to take further action since that date. There was no progress since then in respect of the litigation.

- (b) Stellar One Corporation ("Stellar One") served a statutory demand under Section 178 of the Companies Ordinance for the sum of approximately US\$1,152,000 (equivalent to approximately HK\$8,983,000) upon Digital TV in November 1998. Stellar One filed a winding up petition against Digital TV in December 1998 which was vigorously opposed by Digital TV. Digital TV applied for an order for security for the costs against Stellar One. On 4 May 1999, the Court ordered Stellar One to pay HK\$200,000 to the court as security for the costs of Digital TV on or before 7 May 1999. Stellar One failed to pay that amount to the court. The petition was dismissed in November 1999 and Stellar One was to pay Digital TV its cost of the petition, which amounted to HK\$254,000. Stellar One had indicated that it would proceed to arbitration in Honolulu to recover the alleged amount. Digital TV took legal advice and was advised that the arbitration proceedings had not commenced as of the date of this circular. As advised by its lawyers, Digital TV had reasonable grounds in defending the claims and, accordingly, had not made any provision in the consolidated financial statements in connection with the claims.

Save and except for the matters specified above, neither the Company nor any of its subsidiaries is engaged in any litigation or claims of material importance and, so far as the Directors are aware, no litigation or claims of material importance are pending or threatened by or against any companies of the Group.

7. MATERIAL CONTRACTS

The following contract (not being a contract entered into in the ordinary course of business) has been entered into by members of the Group within the two years immediately preceding the date of this circular and ending on the Latest Practicable Date and is or may be material:

- (a) an underwriting agreement dated 23 November 2008 entered into between the Company and Vigor in relation to the proposed rights issue; and
- (b) a placing agreement dated 23 November 2008 entered into between the Company and Sun Hung Kai International Limited in relation to the placing of the convertible bonds;
- (c) the loan agreement dated 6 July 2009 entered into between Join Capital Limited (“Join Capital”), an indirect wholly-owned subsidiary of the Company, as lender and Mulpha Strategic Limited (“Mulpha Strategic”) as borrower in relation to the revolving secured term loan in the amount of HK\$250 million granted by Join Capital to Mulpha Strategic;
- (d) the sale and purchase agreement dated 4 September 2009 entered into among True Focus Limited, Jumbo Hill Group Limited, Mulpha Strategic, Mulpha International Bhd. and the Company in relation to the sale and purchase of the 10,000 shares in the Vendor for an aggregation consideration of HK\$281.25 million;
- (e) a Loan agreement dated 11 October 2009 entered into between Join Capital Limited and Sunnysino (B.V.I) Limited, in relation to the granting of the secured term loan.
- (f) the placing agreement dated 26 November 2009 and entered into between the Vendor and Sun Hung Kai Investment Services Limited in relation to the placing of 40,000,000 Greenfield Shares beneficially owned by the Vendor; and
- (g) the Sale and Purchase Agreement.

Save as disclosed above, there are no other contracts (not being contracts in the ordinary course of business) being entered into by the members of the Group within the two years immediately preceding the Latest Practicable Date, which are or may be material.

8. GENERAL

- (a) The registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.
- (b) The head office and principal place of business in Hong Kong of the Company is 47th Floor, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong.
- (c) The principal share registrar and transfer office of the Company is Butterfield Fulcrum Group (Bermuda) Limited, Rosebank Centre, 11 Bermudiana Road, Pembroke HM 08, Bermuda.
- (d) The secretary of the Company is Ms. Fung Ching Man, Ada, an associate member of the Institute of Chartered Secretaries and Administrators.
- (e) This circular is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m. (except Saturdays and public holidays) at the principal office of the Company at 47/F., China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong, and will also be available on the websites of the Company at <http://www.irasia.com/listco/hk/colcapital/> during normal business hours on any business day from the date of this circular up to and including 12 January 2010:–

- (a) the Memorandum of Association and Bye-laws of the Company;
- (b) the material contracts referred to under the paragraph headed "Material Contracts" in this Appendix;
- (c) the annual reports of the Company for the two financial years ended 31 December 2007 and 31 December 2008 and the interim report of the Company for the six months' period ended 30 June 2009;
- (d) the circulars of the Company dated 27 February 2009, 30 March 2009, 28 July 2009, 16 October 2009 and 23 October 2009; and
- (e) this circular.