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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 22 June 2011, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to grant to the Borrower a loan facility in the limit up to Hong Kong dollar equivalent of US\$3,200,265.11 (approximately HK\$24.96 million) for a term of up to 25 May 2012. The Loan is secured by the Pledge Agreement.

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

### **THE LOAN AGREEMENT**

**Date:** 22 June 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 owner are Independent Third Parties not connected with the Company and

connected persons of the Company. Save as disclosed herein and as announced by the Company on 25 May 2010 and 4 January 2011, there is no prior relationship or business transaction between the Borrower and the Company

**Principal Amount:** up to Hong Kong dollar equivalent of US\$3,200,265.11 (approximately HK\$24.96 million)

**Term:** up to 25 May 2012

**Purpose:** The Loan shall be applied and used by the Borrower for repayment of the outstanding sum of the Second Loan

**Interest:** 13.2% per annum

**Others:** 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**

The Loan is secured by the Pledge Agreement dated 22 June 2011 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 second legal charge over a total of 351,942,343 common shares and 95,875,246 warrants of IRC (being 7,499,446 Class A shares and 30,661,197 Class B shares directly owned by the Borrower, 264,682,500 Class A shares and 47,689,200 Class B shares directly owned by T & M Holdings, 1,410,000 Class A shares beneficially owned by the Borrower, 2,922,723 Class A warrants and 14,859,598 Class B warrants beneficially owned by the Borrower, and 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 Pledge Agreement) (the “Pledged Securities”) and shall include any 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 Securities.

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 Securities. 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 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 Group, T & M Holdings and IRC.

Under the Pledge Agreement, the Lender shall have the rights, among other things, to dispose of and/or transfer to itself the Pledged Securities in favour of it under the Pledge Agreement 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 Agreement. 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 Agreement or the Pledge Agreement 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, 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 material respect.

The terms of the Loan Agreement and the Pledge Agreement 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 the provision of financial services. The provision of the Loans is a transaction carried out as part of the ordinary and usual course of business activities of the Lender.

The terms of the Loan 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 Loan was funded by internal resources and borrowing of the Group.

The Directors consider that the transaction contemplated by the Loan Agreement is on normal commercial terms and the terms of the Loan Agreement and the Pledge Agreement 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 Loan to the Borrower.

If upon the exercise of the Lender's rights under the Pledge Agreement 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 Loan**

The Lender is a licensed money lender and its principal activity is provision of financial services. The provision of the 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 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 Loan when aggregated with the Third Loan is more than 5% but below 25%, the entering into of the 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
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third 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 whose common shares are listed in 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”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan”	a loan facility of up to US\$3,200,265.11 (approximately HK\$24.96 million) granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 22 June 2011 entered into between the Lender and the Borrower relating to the granting of the Loan
“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 pledged agreement dated 22 June 2011 executed by the Borrower, T & M Holdings as pledgors in favour of the Lender by way of a second legal charge of all its rights, title and interest in and to the Pledged Securities

“Second Loan”	the loan granted by the Lender to the Borrower on 25 May 2010 in the amount of US\$4.5 million (approximately HK\$35.1 million) and or announced on 25 May 2010
“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
“T & M Holdings”	T & M Holdings, Inc., a company incorporated in the Philippines and a wholly-owned subsidiary of the Borrower
“Third Loan”	a loan facility of up to HK\$20 million granted by the Lender to the Borrower pursuant to 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
“%”	per cent

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

Hong Kong, 22 June 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; Mr. Lau Siu Ki, Mr. Ma Wah Yan and Mr. Zhang Jian as Independent Non-Executive Directors.*