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COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

**DISCLOSEABLE TRANSACTION
PROPOSED FORMATION OF JOINT VENTURE
AND
GRANT OF CALL OPTION**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong).

The Board is pleased to announce that on 25 March 2013 (after trading hours), a direct non wholly-owned subsidiary of the Company, Jiatai Tongren, and Mr. Yu entered into a Cooperative Agreement, whereby, among other, Mr. Yu and Jiatai Tongren have agreed to set up the Joint Venture.

In addition, Jiatai Tongren has granted a Call Option to Mr. Yu in the event that the performance target in Nanjing Tongren Hospital is met.

As the relevant Percentage Ratios for the proposed formation of Joint Venture under Rule 14.07 are more than 5% but less than 25%, the proposed formation of Joint Venture constitutes a discloseable transaction for the Company under the Listing Rules. Accordingly, the Company is subject to the announcement requirement under the Listing Rules.

PROPOSED FORMATION OF JOINT VENTURE

On 25 March 2013 (after trading hours), Jiatai Tongren and Mr. Yu have entered into a Cooperative Agreement, whereby, subject to the submission of a proposal by Mr. Yu, and the approval of the board of directors and shareholders of Jiatai Tongren, Jiatai Tongren and Mr. Yu have agreed to set up a joint venture hospital specializing in eye, ear, nose and throat with a tentative registered capital amount of RMB80,000,000. Jiatai Tongren will contribute RMB60,000,000 to the registered capital for a 60% interest, and Mr. Yu and his professional team will contribute RMB20,000,000 to the registered capital for a 40% interest in the Joint Venture.

Grant of Call Option

Pursuant to the Cooperation Agreement, Jiatai Tongren has granted a Call Option to Mr. Yu, to be exercised upon the completion of 5 years employment between Mr. Yu and Jiatai Tongren, the continuation of such employment after 5 years and the satisfaction of the performance target of Nanjing Tongren Hospital as set out below.

- (i) Exercise Price: RMB1 per Option Capital.
- (ii) Performance Target: the revenue and profit of Nanjing Tongren Hospital (excluding finance costs) reaches RMB600,000,000 and RMB90,000,000 respectively in the fifth year commencing on the date of the Cooperative Agreement.
- (iii) Call Option Adjustment:
 - (a) If the Performance Target reaches 90%, 100% of the Call Option can be exercised.
 - (b) If the Performance Target reaches 80%, 90% of the Call Option can be exercised.
 - (c) If the Performance Target reaches 70%, 80% of the Call Option can be exercised.
 - (d) If the Performance Target falls below 70%, no Call Option can be exercised.

Based on the current registered paid up capital of Jiatai Tongren in the sum of RMB811,675,711.95, and assuming no increase in the registered paid up capital of Jiatai Tongren until the exercise of the Call Option, Mr. Yu will be interested in approximately 3.7% of the registered capital of Jiatai Tongren upon full exercise of the Call Option.

- (iv) Exercise Period: 6 months from the satisfaction of all of the relevant conditions.
- (v) Pre-emptive: Upon exercise of the Call Option by Mr. Yu, Jiatai Tongren has the pre-emptive right to acquire the Option Capital(s) from Mr. Yu at the prevailing market price.
- (vi) Anti-dilution: Jiatai Tongren undertakes to compensate Mr. Yu in the event that Jiatai Tongren conducts any capital increase activities, the result of which would amount to an issue at discount to RMB1 per unit of capital in Jiatai Tongren.

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, property development, investment in and operation of healthcare institutions, medical equipment and supplies trading, and strategic investment.

Information on Jiatai Tongren

Jiatai Tongren engages in the investment in and operation of healthcare institutions, medical equipment and supplies trading, property development and other investments in the PRC. Jiatai Tongren's hospital ownership and operation consists of the Nanjing Tongren Hospital (南京同仁醫院) opened in 2007 with a capacity of 1,200 beds, and 898 medical staff and employees; the Kunming Tongren Hospital (昆明同仁醫院) opened in 2010 with a capacity of 500 beds, and 617 medical staff and employees; and Yunnan Xinxinhua Hospital (雲南新新華醫院) opened in 2004 with a capacity of 240 beds, and 384 medical staff and employees, all of which are integrated hospitals offering a wide range of comprehensive clinical and healthcare services in the PRC.

Information of Mr. Yu

Mr. Yu is a well-known medical specialist in the PRC, specializing in ear, nose, throat, head and neck. Mr. Yu is currently the director of surgery at the ear, nose, throat, head and neck surgery department of a renowned hospital in Beijing.

REASONS FOR AND BENEFITS OF THE PROPOSED FORMATION OF JOINT VENTURE

Subsequent to the acquisition and subscription of equity interest of Jiatai Tongren completed in the fourth quarter of 2012, the Group has diversified its business into the healthcare industry in the PRC. The proposed formation of Joint Venture provides an invaluable opportunity to leverage on the medical expertise of Mr. Yu.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, Mr. Yu is an independent third party not connected with the Company, its subsidiaries and connected person (as defined in the Listing Rules).

The Board considers that the terms and conditions of the proposed formation of Joint Venture are fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant Percentage Ratios for the proposed formation of Joint Venture under Rule 14.07 are more than 5% but less than 25%, the proposed formation of Joint Venture constitutes a discloseable transaction for the Company under the Listing Rules. Accordingly, the Company is subject to the announcement requirement under 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
“Call Option”	the call option granted by Jiatai Tongren to Mr. Yu to acquire up to 30,000,000 Option Capital from the existing shareholders of Jiatai Tongren on a pro rata basis at an exercise price of RMB1 per Option Capital
“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
“Cooperative Agreement”	the agreement entered into between Jiatai Tongren and Mr. Yu dated 25 March 2013 in relation to inter alia, the Joint Venture
“Directors”	the directors of the Company
“Jiatai Tongren”	嘉泰同仁（連雲港）醫療產業投資有限公司, a company established in the PRC with limited liability and a direct non wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Joint Venture”	a joint venture hospital specializing in eye, ear, nose and throat with a tentative registered capital amount of RMB80,000,000. Jiatai Tongren will contribute RMB60,000,000 for a 60% interest, and Mr. Yu and his professional team will contribute RMB20,000,000 for a 40% interest in the registered capital of the Joint Venture
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Yu”	Yu Zhen Kun
“Option Capital(s)”	the unit capital in the registered capital of Jiatai Tongren

“PRC”	The People’s Republic of China
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary shares in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 25 March 2013

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