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COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

**MAJOR TRANSACTION
IN RELATION TO
THE ENTERING OF SUBSTITUTION AGREEMENT**

On 2 October 2013 (after trading hours), the Incoming Participant entered into the Substitution Agreement with the Outgoing Participant, the Borrower and others pursuant to which the Outgoing Participant has agreed to novate to the Incoming Participant its participation in the Loan.

As the relevant percentage ratios for the acquisition of the participation in the Loan pursuant to the Substitution Agreement under Rule 14.07 of the Listing Rules exceeds 25% but is below 75%, the Novation constitutes a major transaction for the Company and is subject to the approval of Shareholders in general meeting.

The Company has received a written approval of the Novation under the Substitution Agreement from Vigor Online, which holds approximately 72.13% of the issued Shares giving the right to attend and vote at general meetings of the Company. Accordingly, no general meeting for the Shareholders' approval of the Novation will be held pursuant to Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41 of the Listing Rules, the Company is required to despatch to the Shareholders a circular in relation to the Substitution Agreement within 15 business days (as defined under the Listing Rules) after the publication of this announcement, that is, on or before 24 October 2013. The Company may not be able to despatch the circular within such period due to the time required to prepare the relevant financial and other information to be included in the circular under the Listing Rules, in which case the Company shall make a further announcement of any expected delay in despatch of the circular in due course.

AGREEMENT

Date

2 October 2013 (after trading hours)

Incoming Participant

Treasure Wagon Limited, an indirect wholly-owned subsidiary of the Company

Outgoing Participant

BOS International (Australia) Limited. BOS International (Australia) Limited is part of Lloyds International, the Australian arm of Lloyds Banking Group.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Outgoing Participant is an Independent Third Party.

The Transaction

On 2 October 2013 (after trading hours), the Incoming Participant entered into the Substitution Agreement with the Outgoing Participant, the Borrower and others pursuant to which the Outgoing Participant has agreed to novate to the Incoming Participant its participation in the Loan.

Consideration

An amount of A\$75,807,461.40 payable in full on Completion.

The Consideration was arrived at on an arm's length commercial basis with reference to the face value of the Loan and an approximate 15% discount on its face value. The Directors consider that the Consideration is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Completion

Completion shall take place on the date five business days after the execution of the Substitution Agreement or such other date (if any) agreed in writing between the Incoming Participant and Outgoing Participant.

OTHER

In relation to the financial guarantee sub facility as mentioned under section “Loan” below, the Incoming Participant shall pay an amount of A\$692,290.65 to the Outgoing Participant as cash collateral for outstanding financial guarantees issued by the Outgoing Participant. Relevant portion of this cash collateral will be refunded to the Incoming Participant upon the receipt of written notification from a beneficiary that the sum payable under the financial guarantee is no longer required or the return of the financial guarantee to the Outgoing Participant or on the expiry time as described in the relevant financial guarantee.

The Incoming Participant has agreed to indemnify the Outgoing Participant for any taxation arising on the Outgoing Participant as a result of the Outgoing Participant executing the Substitution Agreement and the Outgoing Participant receiving the Consideration offshore, up to a maximum amount of A\$3,000,000 for a period of 2 years after the date of the Substitution Agreement.

THE LOAN

Based on the information provided by the Outgoing Participant, the relevant principal terms of the Loan are summarized as follows:

Borrower:	FKP Communities Pty Ltd
Financier:	BOS International (Australia) Limited (before Novation)
Facility Limit:	A\$90,000,000 comprising the following sub facilities: (a) cash advance sub facility; and (b) financial guarantee sub facility.
Cash Advance Sub Facility Limit:	A\$90,000,000
Financial Guarantee Sub Facility Limit:	A\$2,000,000
Maturity Date:	31 July 2014
Interest Rate:	Bank Bill Rate plus margin of 1.25% per annum
Issuance Fee (Financial Guarantee Sub Facility only):	1.25% per annum

Line Fee:	1.75% per annum on each Facility Limit
Guarantors:	Each person listed as a guarantor in the Loan Agreement (inclusive of the Borrower and FKP Limited while others are wholly-owned subsidiaries of FKP Limited)
Collaterals:	Fixed and floating charge and general security agreement over all assets, rights and undertaking of each of the Borrower and Guarantors other than certain excluded assets; first ranking real property mortgage in respect of certain properties; first ranking registered mortgage over shares of the Borrower and certain mortgagors; third ranking registered share mortgage over FKP Group's shareholding in a non wholly-owned subsidiary and any other agreement or document of the Borrower and the Financier agree to be a security for the purpose of the Loan Agreement
	The various properties that are subjected to the real property mortgages are respectively located in Rochedale, Queensland, Philip Island, Victoria and Point Cook, Victoria, Australia
Others:	Cash Advance Sub Facility Limit will reduce on 31 December 2013 to the amount equal to the greater of (i) the total outstanding principal amount of the Cash Advance Sub Facility Limit as at 31 December 2013; and (ii) A\$65,000,000

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 development, investment in and management and operation of healthcare and hospital businesses, trading of medical equipment and related supplies and strategic investment.

INFORMATION ON THE BORROWER

The Borrower is a limited company incorporated in Australia and is involved in the business of Australian residential property development. The Borrower is a wholly-owned subsidiary of FKP Limited which is a public company incorporated in Australia with limited liability. FKP Limited is part of the stapled entity, FKP Property Group, which is listed on the Australian Stock Exchange. The principal business of FKP Limited and its subsidiaries ("FKP Group") are investment in, and management of, retail, commercial and industrial property and retirement villages; development of land and properties (residential, retail, commercial, industrial and retirement villages); and funds and asset management.

REASONS FOR ENTERING INTO THE SUBSTITUTION AGREEMENT

The Group's principal activities consist of, among others, the provision of financial services and the Novation is a transaction carried out as part of the ordinary and usual course of business activities of the Group. The Novation will provide interest income to the Group and capital gain from the realization of the discount on the face value of the Loan upon its repayment. The Loan will be recorded as loan receivable under current assets of the Group. The Consideration will be funded by borrowings of the Group. The Directors consider that the transactions contemplated by the Substitution Agreement is on normal commercial terms and the terms of the Substitution Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant percentage ratios for the acquisition of the participation in the Loan pursuant to the Substitution Agreement under Rule 14.07 of the Listing Rules exceeds 25% but is below 75%, the Novation constitutes a major transaction for the Company and is subject to the approval of Shareholders in general meeting.

The Company has received a written approval of the Novation under the Substitution Agreement from Vigor Online, which holds approximately 72.13% of the issued Shares giving the right to attend and vote at general meetings of the Company. Accordingly, no general meeting for the Shareholders' approval of the Novation will be held pursuant to Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41 of the Listing Rules, the Company is required to despatch to the Shareholders a circular in relation to the Substitution Agreement within 15 business days (as defined under the Listing Rules) after the publication of this announcement, that is, on or before 24 October 2013. The Company may not be able to despatch the circular within such period due to the time required to prepare the relevant financial and other information to be included in the circular under the Listing Rules, in which case the Company shall make a further announcement of any expected delay in despatch of the circular in due course.

DEFINITIONS

- “A\$” Australian dollars, the lawful currency of Australia
- “Bank Bill Rate” in relation to an interest period means:
- (a) Screen Rate; or
 - (b) if:
 - (i) no Screen Rate is available for a term approximately equivalent to that period; or

- (ii) the basis on which the agreed Screen Rate page is calculated or displayed is changed the Outgoing Participant instructs that in its opinion it ceases to reflect the Outgoing Participant's cost of funding to the same extent as at the date of the Loan Agreement, and no new relevant page is specified under the definition of Screen Rate,

then Bank Bill Rate will be the rate determined by the Outgoing Participant to be the arithmetic mean of the buying rates quoted to the Outgoing Participant by 3 reference banks at or about 10:30 a.m. Sydney time on the first day of that period. The buying rates must be for bills of exchange accepted by leading Australian banks and which have a term equivalent to the period.

Rates will be expressed as a yield percent per annum to maturity, and if necessary will be rounded up to the nearest fourth decimal place.

“Board”	the board of Directors
“Borrower”	FKP Communities Pty Ltd, a company incorporated in Australia and is involved in the business of Australian property and investment.
“Business Day”	a day (other than a Saturday, Sunday and public holidays) on which banks are generally open for business in Hong Kong, Singapore and Sydney
“Company”	COL Capital Limited (Stock Code: 383), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Substitution Agreement
“Consideration”	A\$75,807,461.40
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong and Special Administrative Region of the PRC

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Incoming Participant”	Treasure Wagon Limited, an indirect wholly-owned subsidiary of the Company
“Independent Third Party(ies)”	party(ies) who, together with their ultimate beneficial owner(s), is/are persons independent of the Company and its connected persons
“Loan”	the loan facility of limit of A\$90,000,000 comprising the cash advance sub facility of limit of A\$90,000,000 and the financial guarantee sub facility of limit of A\$2,000,000 granted by the Outgoing Participant to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	the syndicated facility agreement dated 31 July 2009 and made between, inter alia, the Borrower and the Outgoing Participant as amended and restated from time to time
“Listing Rules”	the Rules Governing the Listing of Stock Exchange
“Novation”	the novation of the Loan by the Outgoing Participant to the Incoming Participant pursuant to the Substitution Agreement
“Outgoing Participant”	BOS International (Australia) Limited
“PRC”	the People’s Republic of China and for the purpose of this announcement excluding Taiwan, Hong Kong and Macau Special Administrative Region
“Screen Rate”	the average bid rate displayed at or about 10:30 a.m. Sydney time on the first day of the relevant period on the Reuters screen BBSY page for a term equivalent to the relevant period
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substitution Agreement”	the agreement dated 2 October 2013 entered into between the Incoming Participant, the Outgoing Participant, the Borrower and others in relation to the Novation

“Vigor Online”

Vigor Online Offshore Limited, a company incorporated in the British Virgin Islands with limited liability and a controlling Shareholder holding 391,125,707 Shares representing 72.13% of the entire issued share capital of the Company as at the date of this announcement

“%”

Percentage

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

Hong Kong, 2 October 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.