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COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

ANNOUNCEMENT OF AUDITED RESULTS FOR THE YEAR ENDED 30 JUNE 2012

The Board of Directors (the “Directors”) of COL Capital Limited (the “Company”) announces that the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 30 June 2012 together with comparative figures for the preceding eighteen months ended 30 June 2011 are as follows:–

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2012

		1.7.2011	1.1.2010
		to	to
		30.6.2012	30.6.2011
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue (excluding securities trading)	2	46,700	214,010
Gross proceeds from sale of investments held for trading		<u>491,734</u>	<u>2,020,920</u>
Total		<u><u>538,434</u></u>	<u><u>2,234,930</u></u>
Revenue (excluding securities trading)	2	46,700	214,010
Other gains and losses	4	(215,061)	206,983
Other income	5	21,697	30,401
Administrative expenses		(47,225)	(40,853)
Finance costs		(67,227)	(122,977)
Impairment loss recognised on interests in associates		(276,113)	–
Share of (losses) profits of associates		<u>(127,247)</u>	<u>228,215</u>
(Loss) profit before taxation		(664,476)	515,779
Taxation	6	<u>(383)</u>	<u>(483)</u>
(Loss) profit for the year/period	7	<u><u>(664,859)</u></u>	<u><u>515,296</u></u>

	1.7.2011	1.1.2010
	to	to
	30.6.2012	30.6.2011
<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>

(Loss) profit for the year/period attributable to:

Owners of the Company

(645,078) 513,134

Non-controlling interests

(19,781) 2,162

(664,859) **515,296**

(Loss) earnings per share

9

– Basic

HK\$(1.18) **HK\$0.92**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*FOR THE YEAR ENDED 30 JUNE 2012*

	1.7.2011	1.1.2010
	to	to
	30.6.2012	30.6.2011
	HK\$'000	HK\$'000
(Loss) profit for the year/period	<u>(664,859)</u>	<u>515,296</u>
Net (loss) gain on available-for-sale investments:		
(Loss) gain on fair value changes	(230,059)	84,474
Reclassification adjustments for the cumulative (gain) loss included in profit or loss upon disposal of available-for-sale investments	(5,978)	4,018
Reclassification adjustment upon impairment of available-for-sale investments	25,784	7,173
Share of changes in other comprehensive income (expense) of associates	<u>3,061</u>	<u>(16,132)</u>
	<u>(207,192)</u>	<u>79,533</u>
Exchange difference arising on translation:		
Exchange gain arising from translation of foreign operation	2,700	6,064
Share of changes in other comprehensive (expense) income of associates	<u>(33,239)</u>	<u>161,903</u>
	<u>(30,539)</u>	<u>167,967</u>
Surplus on revaluation of leasehold land and buildings	<u>1,750</u>	<u>1,900</u>
Other comprehensive (expense) income for the year/period	<u>(235,981)</u>	<u>249,400</u>
Total comprehensive (expense) income for the year/period	<u>(900,840)</u>	<u>764,696</u>
Total comprehensive (expense) income attributable to:		
Owners of the Company	(881,059)	762,534
Non-controlling interests	<u>(19,781)</u>	<u>2,162</u>
	<u>(900,840)</u>	<u>764,696</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2012

	NOTES	2012 HK\$'000	2011 HK\$'000
Non-current assets			
Investment properties		159,227	142,266
Property, plant and equipment		6,751	4,994
Interests in associates		1,159,238	1,559,656
Available-for-sale investments		<u>200,954</u>	<u>668,264</u>
		<u>1,526,170</u>	<u>2,375,180</u>
Current assets			
Loan notes		–	56,692
Available-for-sale investments		39,085	3,247
Investments held for trading		1,123,202	1,295,369
Debtors, deposits and prepayments	10	131,926	229,263
Loans receivable		558,841	369,843
Taxation recoverable		4,997	4,157
Pledged bank deposits		7,801	12,959
Bank balances and cash		<u>74,007</u>	<u>94,895</u>
		<u>1,939,859</u>	<u>2,066,425</u>
Current liabilities			
Creditors and accrued charges	11	19,108	21,899
Customers' deposits and receipts in advance		2,132	68,052
Amount due to an associate		–	2,891
Other borrowings		1,505,104	1,470,792
Derivative financial instruments		13,093	20,191
Taxation payable		<u>79,646</u>	<u>80,049</u>
		<u>1,619,083</u>	<u>1,663,874</u>
Net current assets		<u>320,776</u>	<u>402,551</u>
Total assets less current liabilities		<u><u>1,846,946</u></u>	<u><u>2,777,731</u></u>

	2012	2011
	<i>HK\$'000</i>	<i>HK\$'000</i>
Capital and reserves		
Share capital	5,445	5,563
Reserves	<u>1,799,050</u>	<u>2,716,835</u>
Equity attributable to owners of the Company	1,804,495	2,722,398
Non-controlling interests	<u>42,451</u>	<u>55,333</u>
Total equity	<u><u>1,846,946</u></u>	<u><u>2,777,731</u></u>

1. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

HKAS 24 (as revised in 2009)	Related party disclosures
HKAS 32 (Amendments)	Classification of rights issues
HKFRSs (Amendments)	Improvements to HKFRSs 2010
HKFRS 7 (Amendments)	Disclosures – Transfer of financial assets
HK(IFRIC) – INT 14 (Amendments)	Prepayments of a minimum funding requirement
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments

The adoption of the new and revised HKFRSs has had no material impact on the Group’s financial performance and positions for the current and prior accounting periods and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective.

HKFRSs (Amendments)	Annual improvement to HKFRSs 2009 – 2011 cycle ¹
HKFRS 7 (Amendments)	Disclosures – Offsetting financial assets and financial liabilities ¹
HKFRS 9	Financial instruments ²
HKFRS 9 and HKFRS 7 (Amendments)	Mandatory effective date of HKFRS 9 and transition disclosures ²
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: transition guidance ¹
HKFRS 10	Consolidated financial statements ¹
HKFRS 11	Joint arrangements ¹
HKFRS 12	Disclosure of interests in other entities ¹
HKFRS 13	Fair value measurement ¹
HKAS 1 (Amendments)	Presentation of items of other comprehensive income ⁴
HKAS 12 (Amendments)	Deferred tax: Recovery of underlying assets ³
HKAS 19 (as revised in 2011)	Employee benefits ¹
HKAS 27 (as revised in 2011)	Separate financial statements ¹
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures ¹
HKAS 32 (Amendments)	Offsetting financial assets and financial liabilities ⁵
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine ¹

¹ *Effective for annual periods beginning on or after 1 January 2013.*

² *Effective for annual periods beginning on or after 1 January 2015.*

³ *Effective for annual periods beginning on or after 1 January 2012.*

⁴ *Effective for annual periods beginning on or after 1 July 2012.*

⁵ *Effective for annual periods beginning on or after 1 January 2014.*

2. REVENUE

	1.7.2011 to 30.6.2012	1.1.2010 to 30.6.2011
	<i>HK\$'000</i>	<i>HK\$'000</i>
Dividend income from listed investments	18,802	105,889
Interest income from loans receivable	24,569	103,983
Rental income	3,329	4,138
	<u>46,700</u>	<u>214,010</u>

3. SEGMENT INFORMATION

Segment information is presented based on the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, represented by the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance.

The Group is organised into three operating and reportable segments as follows:

Securities trading and investments – trading of securities in Hong Kong and overseas markets.

Financial services – provision of financial services.

Property investment – leasing of residential and office properties.

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

For the year ended 30 June 2012

	Securities trading and investments <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Gross proceeds from sale of investments held for trading	<u>491,734</u>	<u>–</u>	<u>–</u>	<u>491,734</u>
Revenue	<u>18,802</u>	<u>24,569</u>	<u>3,329</u>	<u>46,700</u>
Segment (loss) profit	<u>(293,461)</u>	<u>14,369</u>	<u>9,787</u>	(269,305)
Share of losses of associates				(127,247)
Other income				1,572
Net foreign exchange loss				(221)
Central corporate expenses				(6,758)
Gain on partial disposal of associates				13,596
Impairment loss recognised on interests in associates				<u>(276,113)</u>
Loss before taxation				<u>(664,476)</u>

For the period from 1 January 2010 to 30 June 2011

	Securities trading and investments <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Gross proceeds from sale of investments held for trading	<u>2,020,920</u>	<u>–</u>	<u>–</u>	<u>2,020,920</u>
Revenue	<u>105,889</u>	<u>103,983</u>	<u>4,138</u>	<u>214,010</u>
Segment profit	<u>113,634</u>	<u>97,945</u>	<u>44,522</u>	256,101
Share of profits of associates				228,215
Other income				5,113
Net foreign exchange gain				438
Central corporate expenses				(3,033)
Effective interest expense on convertible bonds				(46,882)
Discount on acquisition of an associate				<u>75,827</u>
Profit before taxation				<u>515,779</u>

All of the segment revenue reported above is from external customers.

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment (loss) profit represents the losses incurred/profit earned by each segment without allocation of share of (loss) profits of associates, certain other income, certain net foreign exchange (loss) gain, central corporate expenses, effective interest expense on convertible bonds, discount on acquisition of an associate, gain on partial disposal of associates and impairment loss recognised on interests in associates. This is the measure reported to the executive directors of the Company for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

At 30 June 2012

	Securities trading and investments <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment assets	1,504,856	564,429	159,556	2,228,841
Interests in associates				1,159,238
Corporate assets				<u>77,950</u>
Consolidated assets				<u><u>3,466,029</u></u>
Segment liabilities	1,457,324	151,260	931	1,609,515
Corporate liabilities				<u>9,568</u>
Consolidated liabilities				<u><u>1,619,083</u></u>

At 30 June 2011

	Securities trading and investments <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment assets	2,241,512	392,262	146,942	2,780,716
Interests in associates				1,559,656
Corporate assets				<u>101,233</u>
Consolidated assets				<u><u>4,441,605</u></u>
Segment liabilities	1,499,812	150,601	2,055	1,652,468
Amount due to an associate				2,891
Corporate liabilities				<u>8,515</u>
Consolidated liabilities				<u><u>1,663,874</u></u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than certain property, plant and equipment, interests in associates, deposits and prepayments, taxation recoverable and certain bank balances and cash.
- all liabilities are allocated to operating and reportable segments other than certain creditors and accrued charges, certain customers' deposits and receipts in advance, certain taxation payable and amount due to an associate.

Other segment information

For the year ended 30 June 2012

	Securities trading and investments HK\$'000	Financial services HK\$'000	Property investment HK\$'000	Unallocated HK\$'000	Total HK\$'000
Amounts charged (credited) included in the measure of segment results or segment assets					
Interest income	(20,308)	–	–	–	(20,308)
Finance costs	58,202	9,025	–	–	67,227
Depreciation of property, plant and equipment	–	–	27	347	374
Additions to property, plant and equipment	–	–	–	392	392
Fair value changes on investment properties	–	–	(16,961)	–	(16,961)
Impairment loss recognised on available-for-sale investments	25,784	–	–	–	25,784
Impairment loss recognised on other receivables	–	–	–	5,566	5,566
Net foreign exchange (gain) loss	(5,960)	(13)	81	221	(5,671)
Change in fair value of derivative financial investments	<u>(15,888)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(15,888)</u>

For the period from 1 January 2010 to 30 June 2011

	Securities trading and investments <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amounts charged (credited) included in the measure of segment results or segment assets					
Interest income	(12,144)	–	–	–	(12,144)
Finance costs	62,430	13,652	13	46,882	122,977
Depreciation of property, plant and equipment	–	–	84	353	437
Additions to property, plant and equipment	–	–	–	49	49
Fair value changes on investment properties	–	–	(41,891)	–	(41,891)
Impairment loss recognised on available-for-sale investments	7,173	–	–	–	7,173
Net foreign exchange gain	(14,397)	(505)	(1)	(438)	(15,341)
Change in fair value of derivative financial investments	<u>11,415</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>11,415</u>

Geographical information

The Group's securities trading and investments and financial services are mainly carried out in Hong Kong. Rental income from property investment is derived from Hong Kong and the People's Republic of China (the "PRC").

The Group's revenue from external customers and information about non-current assets by geographical location of the customers and assets respectively are detailed below:

	Revenue from external customers		Non-current assets	
	1.7.2011 to 30.6.2012 HK\$'000	1.1.2010 to 30.6.2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Hong Kong	44,179	210,295	1,040,202	1,437,711
The PRC	2,521	3,715	255,442	232,008
The Philippines	—	—	29,572	37,197
	<u>46,700</u>	<u>214,010</u>	<u>1,325,216</u>	<u>1,706,916</u>

Note: Non-current assets excluded financial instruments.

4. OTHER GAINS AND LOSSES

	1.7.2011 to 30.6.2012 HK\$'000	1.1.2010 to 30.6.2011 HK\$'000
Change in fair value of investments held for trading	(252,205)	96,485
Change in fair value of derivative financial instruments	15,888	(11,415)
Net gain (loss) on disposal of available-for-sale investments	5,978	(4,018)
Gain on partial disposal of associates	13,596	—
Impairment loss recognised on available-for-sale investments	(25,784)	(7,173)
Impairment loss recognised on other receivables	(5,566)	—
Fair value changes on investment properties	16,961	41,891
Net foreign exchange gain	5,671	15,341
Discount on acquisition of an associate	—	75,827
Gain on deemed disposal of a subsidiary	10,346	—
Others	54	45
	<u>(215,061)</u>	<u>206,983</u>

5. OTHER INCOME

	1.7.2011	1.1.2010
	to	to
	30.6.2012	30.6.2011
	HK\$'000	HK\$'000
Interest income from:		
– Loan notes	6,145	2,937
– Available-for-sale debt instruments	12,605	8,107
– Bank deposits	1,018	564
– Others	540	536
	20,308	12,144
Front end fee for loans receivable	–	13,144
Others	1,389	5,113
	21,697	30,401

6. TAXATION

	1.7.2011	1.1.2010
	to	to
	30.6.2012	30.6.2011
	HK\$'000	HK\$'000
Current tax expense:		
Enterprise Income Tax (“EIT”) in the PRC	(383)	(483)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year and prior period. No tax is payable arising in Hong Kong for the year ended 30 June 2012 since there is no assessable profit for the year. No tax is payable on the profit for period from 1 January 2010 to 30 June 2011 arising in Hong Kong since the assessable profit is wholly absorbed by tax losses brought forward.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

7. (LOSS) PROFIT FOR THE YEAR/PERIOD

	1.7.2011	1.1.2010
	to	to
	30.6.2012	30.6.2011
	HK\$'000	HK\$'000
(Loss) profit for the year/period has been arrived at after charging (crediting):		
Auditor's remuneration	2,061	1,778
Depreciation of property, plant and equipment	374	437
Staff cost, inclusive of directors' emoluments	15,905	13,671
Gross rental income from properties	(3,329)	(4,138)
Less: Direct operating expenses that generated rental income	713	1,216
Direct operating expenses that did not generate rental income	453	637
Net rental income	<u>(2,163)</u>	<u>(2,285)</u>

8. DIVIDENDS

	1.7.2011	1.1.2010
	to	to
	30.6.2012	30.6.2011
	HK\$'000	HK\$'000
Dividends recognised as distribution during the year/period:		
Final dividend for eighteen months ended 30 June 2011 of HK\$0.04 (2011: final dividend for year ended 31 December 2009 of HK\$0.04) per share	<u>21,922</u>	<u>22,268</u>

No dividend was proposed during the year ended 30 June 2012, nor has any dividend been purposed since the end of the reporting period.

The final dividend of HK\$0.04 per share for the period from 1 January 2010 to 30 June 2011 was approved by the shareholders in the 2011 annual general meeting held on 30 November 2011.

9. (LOSS) EARNINGS PER SHARE

The calculation of basic (loss) earnings per share attributable to the owners of the Company is based on the following data:

(Loss) Earnings

	1.7.2011 to 30.6.2012 HK\$'000	1.1.2010 to 30.6.2011 HK\$'000
(Loss) earnings for the purpose of basic (loss) earnings per share (loss) profit for the year/period attributable to owners of the Company	<u>(645,078)</u>	<u>513,134</u>
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purposes of basic (loss) earnings per share	<u>548,245,442</u>	<u>556,695,202</u>

No diluted (loss) earnings per share has been presented as there was no potential ordinary share outstanding for the year/period.

10. DEBTORS, DEPOSITS AND PREPAYMENTS

	2012 HK\$'000	2011 HK\$'000
Debtors from securities trading, financial services and property investment	5,727	30,276
Deposits received for disposal of APAC Resources Limited	–	66,533
Deposits and receivables from the financial institutions	97,754	67,605
Other debtors, deposits and prepayments	<u>28,445</u>	<u>64,849</u>
	<u>131,926</u>	<u>229,263</u>

The settlement terms of debtors from securities trading are 2-3 days after trade date.

As at 30 June 2012, other debtors, deposits and prepayments are netted off by an impairment of HK\$5,566,000. There was no impairment in prior period.

11. CREDITORS AND ACCRUED CHARGES

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Creditors from securities trading	9,737	14,251
Other creditors and accrued charges	<u>9,371</u>	<u>7,648</u>
	<u>19,108</u>	<u>21,899</u>

The settlement terms of creditors from securities trading are 2-3 days after trade date.

FINANCIAL RESULTS

For the year ended 30 June 2012, the Group recorded a substantial decrease in total revenue of HK\$538,434,000 (2011: HK\$2,234,930,000) and a loss attributable to shareholders of HK\$645,078,000 (2011: profit of HK\$513,134,000) mainly due to the realized and mark-to-market unrealized losses from its trading portfolio, the share of losses (net of profits) of its associates and the impairment loss recognized on interests in associates. Loss per share for the year ended 30 June 2012 was HK\$1.18 compared to earnings per share of HK\$0.92 for the 18-months period for the financial year 2011.

The Group's net asset value per share as at 30 June 2012 was HK\$3.31 (2011: HK\$4.89).

DIVIDENDS

The Directors do not recommend the payment of a dividend for the year ended 30 June 2012 (2011: HK\$0.04 per share)

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "Annual General Meeting") is scheduled to be held on Thursday, 29 November 2012. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 27 November 2012 to Thursday, 29 November 2012, both dates inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 26 November 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

Since the global financial crisis in 2008, investors all around the world continue to face huge swings in market sentiment with the volatility in the financial markets seemingly entrenched in a predictable pattern. Firstly, the gloomy global economic outlook and the deteriorating fiscal position and banking sector of some advanced economies sends the market into a downward spiral. Then, politicians meet up, governments and central banks launch stimulus or rescue plans thereby flooding the markets with liquidity. As the market rally peters out, investors soon realize that there is no real change in the underlying problems. Another selloff occurs and the pattern repeats itself.

With mounting concerns on the European sovereign debt crisis, some major western economies slipping into recession and some emerging markets slowing down or even heading towards a hard-landing, the financial markets remained very volatile during the year under review. Against this backdrop, the Group exercised extreme caution in its operation and reduced its business activities in trading and investment in financial securities. Consequently, the Group recorded a lower turnover of HK\$510,536,000 (2011: HK\$2,126,809,000) and a loss of HK\$293,461,000 (2011: profit of HK\$113,634,000), mainly due to the realized loss of HK\$63,689,000 (2011: gain of HK\$198,049,000) and mark-to-market unrealized loss of HK\$188,516,000 (2011: HK\$101,564,000) from its trading portfolio, and impairment loss recognized on available-for-sale investments of HK\$25,784,000 (2011: HK\$7,173,000). As at 30 June 2012, the Group maintained a portfolio of available-for-sale investments of HK\$240,039,000 (2011: HK\$671,511,000), loan notes of nil (2011: HK\$56,692,000) and a trading portfolio of HK\$1,123,202,000 (2011: HK\$1,295,369,000).

During the year ended 30 June 2012, the Group's money lending business recorded a reduced turnover of mainly interest income of HK\$24,569,000 (2011: HK\$103,983,000) and a profit of HK\$14,369,000 (2011: HK\$97,945,000) under a generally tight credit environment. As at 30 June 2012, the Group's loan portfolio increased to HK\$558,841,000 from HK\$369,843,000 in financial year 2011.

The Group's investment properties located in Hong Kong and the PRC recorded a rental income of HK\$3,329,000 (2011: HK\$4,138,000) and a profit of HK\$9,787,000 (2011: HK\$44,522,000) mainly attributed to the gain from fair value changes on investment properties of HK\$16,961,000 (2011: HK\$41,891,000). As at 30 June 2012, the Group's investment properties portfolio amounted to HK\$159,227,000 (2011: HK\$142,266,000).

PRINCIPAL ASSOCIATED COMPANIES

The share of losses (net of profits) of associates of the Group, discount on acquisition of an associate and gain on partial disposal of associates for the year ended 30 June 2012 were HK\$127,247,000 (2011: profit of HK\$228,215,000), nil (2011: HK\$75,827,000) and HK\$13,596,000 (2011: nil) respectively. Against the difficult economic and commodity market condition, a prudent impairment loss on the Group's interest in associates of HK\$276,113,000 (2011: nil) was recognised. As at 30 June 2012, the Group's investment in associates was HK\$1,159,238,000 (2011: HK\$1,559,656,000).

Mabuhay Holdings Corporation (“MHC”) – approximately 30.42% owned by the Group

During year ended 30 June 2012, the Group recorded a gain on partial disposal of its interest in MHC of HK\$2,980,000 (2011: nil) decreasing its shareholding in MHC to approximately 30.42% from 34%. MHC is a company incorporated in the Philippines with its common shares listed on the Philippine Stock Exchange and is engaged in investment in securities, properties, and other investments in the Philippines. MHC's major asset is its approximately 40% interest in IRC Properties, Inc (formerly known as Interport Resources Corporation)(“IRC”), whose common shares are also listed on the Philippine Stock Exchange. IRC is principally engaged in real estate development with three real estate projects, inclusive of two socialize housing projects (in joint venture with one in development phase and another in design phase) and a condominium project (in design phase), in the Binangonan area of Rizal Province close to Metro-Manila in the Philippines.

Extra Earn Holdings Limited (“Extra Earn”) – 38.67% owned by the Group

For the financial year 2012, following the issue of new shares by Extra Earn, the Group's shareholding in Extra Earn decreased to approximately 38.67% from 40% and recorded a gain on partial disposal of HK\$10,616,000 (2011: nil). Extra Earn is an investment holding company and, through Lianyungang Jiatai City Development Co., Ltd (“Jiatai City”) and Jiatai City's PRC subsidiaries, engages in urban infrastructure development, property development, hospital ownership and operations, medical equipment and supplies trading, and other investments in the PRC. Extra Earn'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 September 2012, the Group acquired a 19.34% interest of the entire issued share capital of Extra Earn for a consideration of HK\$89,860,000. Following the completion of the acquisition and the asset reorganization of Extra Earn which consisted of the transfer of an aggregate of approximately 41.99% of the registered capital of Jiatai City to and the repurchase and cancellation of Extra Earn's approximately 41.99% issued shares from the other shareholders of Extra Earn, Extra Earn will become a subsidiary of the Company with its sole investment being the holding of an approximately 58.01% of the registered capital of Jiatai City and its result and assets and liabilities will be consolidated into that of the Company. The Group considers that the acquisition is a valuable opportunity to further participate in the urban infrastructure development, property development, hospital ownership and operations, medical equipment and supplies trading and other investments in the PRC and secure its footing in such industries in the PRC, which is also in conformity with the Group's strategy to seek and identify grossly undervalued investment and business opportunities in the PRC.

Think Future Investments Limited (“Think Future”) – 33.33% owned by the Group

Think Future is an investment holding company and through its subsidiaries (collectively the “Think Future Group”), engages in property development and project management businesses in the PRC. It has successfully bid for a piece of land of 161 Mu in Zhu Jia Jiao County, Shanghai, PRC at an acquisition price of RMB258 million and plans to develop this into a showcase project comprising health industry headquarters and base, offering health and care services packages to the elderly. In late June 2012, as part of the ordinary and usual course of business activities in money lending, the Group granted a short term loan of HK\$400 million for 1 month with interest rate of 12% per annum to the Think Future Group for its short term general working capital purpose. The loan has been fully repaid in mid July 2012.

APAC Resources Limited (“APAC”) – approximately 27.9% owned by the Group

During the fiscal year under review, following the share repurchase by APAC, the Group's shareholding in APAC increased to approximately 27.9% from 27.7%. APAC is an established natural resources investment and commodities business company listed on The Stock Exchange of Hong Kong Limited. Focused on natural resources, its business lines comprise primary strategic investment, resource investment and commodity business. APAC's primary strategic investments include its approximately 26.6% shareholding in Mount Gibson Iron Limited (“MGX”), the fifth largest iron ore producer in Australia and approximately 30% shareholding in Metals X Limited (“MLX”), Australia's largest tin producer and holds a pipeline of assets from exploration to development. MGX is an Australian listed iron ore mining company. Production capacity is now 10 million tonnes per year, up from 7 million tonnes per year in year 2011, with sales from the Extension Hill mine starting in the December 2011 quarter. MGX has three projects in total (Koolan Island, Tallering Peak and Extension Hill) located in Western Australia and all three are Direct Ship Operations, which have a large cost advantage over mines that need to concentrate ore prior to selling. MLX is an Australian-based emerging diversified resource group with a primary focus on tin via its 50% interest in the producing Renison mine in Tasmania and nickel via its world scale Wingellina nickel development. MLX also has indirect exposure to copper, gold, nickel, zinc and bauxite through its portfolio of strategic investments, namely Independence Group NL, Westgold Resources Limited, Mongolian Resource Corporation, and Aziana Limited. APAC's commodity business is based in Shanghai, currently trading iron ore and coal.

During the year ended 30 June 2012, APAC recorded a revenue of HK\$1,050,205,000 (2011: HK\$1,147,494,000) and loss to shareholders of HK\$527,519,000 (2011: profit HK\$1,462,069,000) driven by a very challenging operating environment as the global macro environment has weakened further since APAC's interim report, and volatility has increased. Against the difficult economic and commodity market condition, a prudent impairment loss on the Group's interest in APAC of HK\$276,113,000 (2011: nil) was recognised.

In May 2011, the Group entered into a conditional sale and purchase agreement to dispose of the Group's entire interest in the shares of APAC for a total consideration of HK\$1,330,657,693. This disposal was duly approved by the shareholders of the Company at the special general meeting held on 9 August 2011. However, since the purchaser was unable to obtain approvals from the Australian authorities for the transaction, a notice of termination was served by the purchaser on the Group and the disposal was subsequently cancelled.

In July 2012, the Group acquired an additional 130,000,000 shares of APAC for a total consideration of approximately HK\$39.1 million (i.e. HK\$0.3 per share) representing approximately 1.91% of the entire issued share capital of APAC. Following completion of the acquisition, the Company becomes beneficially interested in an aggregate of 2,030,939,562 shares of APAC, representing approximately 29.81% of the entire issued share capital of APAC. As at 31 August 2012, the unaudited net asset value of APAC per share based upon the market value of its listed investments, including its investments in listed associates, is approximately HK\$0.50.

FINANCIAL RESOURCES, BORROWINGS, CAPITAL STRUCTURE, EXPOSURES TO FLUCTUATIONS IN EXCHANGE RATES AND OTHER

As at 30 June 2012, the Group's non-current assets of HK\$1,526,170,000 (2011: HK\$2,375,180,000) consisted of investment properties of HK\$159,227,000 (2011: HK\$142,266,000); property, plant and equipment of HK\$6,751,000 (2011: HK\$4,994,000); interests in associates of HK\$1,159,238,000 (2011: HK\$1,559,656,000) and available-for-sale investments of HK\$200,954,000 (2011: HK\$668,264,000). These non-current assets are principally financed by shareholders' fund. As at 30 June 2012, the Group had net current assets of HK\$320,776,000 (2011: HK\$402,551,000) and current ratio of 1.20 times (2011: 1.24 times), calculated on the basis of the Group's current assets over current liabilities.

As at 30 June 2012, the total borrowings of the Group amounted to HK\$1,505,104,000 (2011: HK\$1,470,792,000) consisting of current liabilities of securities margin loans of HK\$1,340,196,000 (2011: HK\$1,320,792,000), unsecured term loan of HK\$150,000,000 (2011: HK\$150,000,000) and secured term loan of HK\$14,908,000 (2011: nil). As at 30 June 2012, the Group's gearing ratio, calculated on the basis of the Group's net borrowings (after pledged bank deposits, and bank balances and cash) over total equity, was 77.1% (2011: 49.1%). Following the repayment of the short term loan by Think Future Group in mid July, the gearing ratio has been reduced to 55.4%.

During the year under review, the Group's assets, liabilities and transactions were mainly denominated in Hong Kong Dollar, Australian Dollar, Taiwan Dollar, Renminbi and Malaysian Ringgit. Because of the short term nature, the Group did not actively hedge risks arising from its Australian Dollar, Renminbi and Malaysian Ringgit denominated assets and transactions. The exchange rate of the Taiwan Dollar was relatively stable during the year. The Group was not materially affected by its exposure to these currencies.

As at 30 June 2012, the Group had no material capital commitments contracted but not provided for.

As at 30 June 2012, the Groups had no material contingent liabilities.

CHARGE ON GROUP ASSETS

As at 30 June 2012, the Group's investments held for trading of HK\$1,074,602,000 (2011: HK\$1,198,601,000), available-for-sale investments of HK\$140,062,000 (2011: HK\$528,120,000), interests in associates of HK\$901,066,000 (2011: nil) and bank deposits of HK\$7,801,000 (2011: HK\$12,959,000) were pledged to banks and securities brokers house to secure credit facilities granted to the Group.

EMPLOYEES

The Group had 16 employees as at 30 June 2012 (2011: 16). The Group ensures that its employees are remunerated in line with market conditions and individual performance and the remuneration policies are reviewed on a regular basis.

PROSPECTS

Nearly all current events such as the ongoing drama of the European sovereign debt crisis, feeble US recovery, geopolitical tension and friction, political transition in major economies and Europe's recession spilling over into emerging markets point to a dim global economic outlook and the Group anticipates that the investment environment will continue to be difficult.

However, the Group believes that there will always be attractive investment opportunities available as companies and businesses become grossly undervalued. The Group will continue to seek and identify such opportunities in China, Hong Kong and the Asia Pacific region cautiously to improve its financial performance and enhance value for shareholders.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the year, the Company repurchased a total of 11,828,000 ordinary shares in the capital of the Company on The Stock Exchange of Hong Kong Limited in the range from HK\$0.90 to HK\$1.51 for a total consideration of HK\$14,922,200. The said shares were subsequently cancelled.

Out of 11,828,000 repurchased ordinary shares, 10,848,000 repurchased ordinary shares were cancelled during the year, and the remaining 980,000 repurchased ordinary shares were cancelled subsequent to the year end date. The issued share capital of the Company was accordingly reduced by the par value of the repurchased ordinary shares so cancelled. The above repurchases were effected by the Directors pursuant to the mandate from shareholders, with a view to benefit Shareholders as a whole in enhancing the net assets value and/or earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

CORPORATE GOVERNANCE

On 1 April 2012, the Code on Corporate Governance Practice as listed out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") (the "Former CG Code") was amended and renamed as Corporate Governance Code and Corporate Governance Report (the "New CG Code"). Throughout the year ended 30 June 2012, the Company has applied the principles and complied with the code provisions set out in both of the Former CG Code and the New CG Code.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct regarding Director's securities transactions. Having made specific enquiry with all Directors, they have confirmed their compliance with the required standard as set out in the Model Code throughout the year ended 30 June 2012.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and the financial statements for the year ended 30 June 2012.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated income statements, consolidated statement of comprehensive income and the related notes thereto for the year ended 30 June 2012 as set out in this announcement have been agreed by the Group's auditor, Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Deloitte Touche Tohmatsu on this announcement.

By Order of the Board
COL Capital Limited
Chong Sok Un
Chairman

Hong Kong, 20 September 2012

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.