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## **COSWAY CORPORATION LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 288)**

### **ANNOUNCEMENT PURSUANT TO RULE 13.18 OF THE LISTING RULES**

This announcement is made in compliance with Rule 13.18 of the Listing Rules with respect to the Facility Agreement entered into by the Borrower with the Lender on 15 July 2011. The Facility Agreement, which relates to a term loan facility of up to RM100,000,000, imposes an obligation on the Borrower, among other things, to procure Berjaya Corporation Berhad to remain as the ultimate holding company of the Borrower throughout the tenure of the Facility.

This announcement is made in compliance with Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 15 July 2011, Cosway (M) Sdn Bhd (the “**Borrower**”), a wholly-owned subsidiary of the Company, entered into a facility agreement (the “**Facility Agreement**”) relating to a term loan facility of up to RM100,000,000 (the “**Facility**”) with AmBank (M) Berhad (the “**Lender**”). The Facility will be used for operation of the subsidiaries of the Borrower in Japan, United States and United Kingdom to meet the capital expenditure requirement and other related expenses as approved by the Lender. The Facility shall be available for a period of up to five years commencing from the date of first drawdown of the Facility.

Pursuant to the Facility Agreement, the Borrower undertakes to procure that Berjaya Corporation Berhad to remain as the ultimate holding company of the Borrower throughout the tenure of the Facility. As at the date of this announcement, Berjaya Corporation Berhad is the controlling shareholder of the Borrower and the Company.

Failure to comply with the aforesaid undertaking will constitute an event of default under the Facility Agreement. Upon the occurrence of an event of default under the Facility Agreement, the Lender may declare that (i) the Facility shall become due and payable together with the accrued interest thereon and any other sum then payable under the Facility Agreement; (ii) the Lender shall be entitled to recover the aggregate of all moneys from time to time outstanding or payable by the Borrower under the Facility Agreement with interest at the rate of interest set out in the Facility Agreement; (iii) no further utilization of the Facility shall be allowed and the Facility shall be cancelled; and (iv) the Lender shall be entitled but not obligated to enforce the security created under the security documents as set out in the Facility Agreement.

By order of the Board  
**Cosway Corporation Limited**  
**Tan Yeong Sheik, Rayvin**  
*Executive Director*

Hong Kong, 21 July 2011

*As at the date of this announcement, the Board of the Company comprises two Executive Directors, namely Mr. Chuah Choong Heong and Mr. Tan Yeong Sheik, Rayvin; three Non-executive Directors, namely Mr. Chan Kien Sing, Mr. Tan Thiam Chai and Ms. Tan Ee Ling and three Independent Non-executive Directors, namely Mr. Leou Thiam Lai, Ms. Deng Xiao Lan, Rose and Mr. Massimo Guglielmucci.*