
IMPORTANT

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Cosway Corporation Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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COSWAY CORPORATION LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

**PROPOSALS FOR
GENERAL MANDATE TO ISSUE SHARES AND TO REPURCHASE SHARES,
AND
DIRECTORS TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of directors of the Company is set out on page 1 to 6 of this circular (the “**Circular**”). A notice convening the annual general meeting (the “**2011 Annual General Meeting**”) of the Company to be held at Tang Room I, 3/F Sheraton Hong Kong Hotel and Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 12 September 2011 at 10:00 a.m. is set out on page 10 to 13 of this Circular.

A form of proxy for the 2011 Annual General Meeting is also enclosed with this Circular. Whether or not you desire to attend the 2011 Annual General Meeting, you are requested to complete the form of proxy and return the same to the Company’s Hong Kong share registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the 2011 Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the 2011 Annual General Meeting or any adjournment thereof if you so wish.

12 August 2011

LETTER FROM THE BOARD OF DIRECTORS



COSWAY CORPORATION LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

Executive Directors:

Mr. Chuah Choong Heong
(Chairman and chief executive officer)
Mr. Tan Yeong Sheik, Rayvin

Non-Executive Directors:

Mr. Chan Kien Sing
Mr. Tan Thiam Chai
Ms. Tan Ee Ling

Independent Non-Executive Directors:

Mr. Leou Thiam Lai
Ms. Deng Xiao Lan, Rose
Mr. Massimo Guglielmucci

Registered office:
Unit 1701,
17/F, Austin Plaza,
83 Austin Road,
Jordan, Kowloon,
Hong Kong

12 August 2011

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
GENERAL MANDATE TO ISSUE SHARES AND TO REPURCHASE SHARES,
AND
DIRECTORS TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

In order to ensure flexibility when it is desirable to allot additional shares or repurchase shares, the Directors of the Company (the “**Directors**”) will seek the approval of Shareholders to grant new general mandates to issue shares and repurchase shares at the 2011 Annual General Meeting.

The purpose of this Circular is to provide you with information on resolutions to be proposed at the 2011 Annual General Meeting and to give you notice of the 2011 Annual General Meeting at which the resolutions will be proposed to consider, and, if thought fit, approve such matters.

LETTER FROM THE BOARD OF DIRECTORS

2. GENERAL MANDATE TO ISSUE SHARES (THE “ISSUE MANDATE”)

Two ordinary resolutions, as set out in the notice of the 2011 Annual General Meeting, will be proposed for the following purposes:

Ordinary resolution no. 4 – to grant to the Directors a general mandate to issue new Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution; and

Ordinary resolution no. 6 – to increase the aggregate nominal amount of share capital of the Company which the Directors may issue under the general mandate if given in the ordinary resolution no. 4 by the aggregate nominal amount of share capital of the Company repurchased under the general mandate if given in the ordinary resolution no. 5.

The Company had in issue an aggregate of 4,714,810,471 shares (the “Share(s)”) of HK\$0.20 each as at 4 August 2011, (the “**Latest Practicable Date**”) being the latest practicable date before the printing of this circular for ascertaining certain information to be included herein. Subject to the passing of the aforesaid ordinary resolution no. 4 and in accordance with the terms therein, the Company would be allowed to issue additional Shares up to the aggregate nominal amount of a maximum of 942,962,094 Shares on the basis that no further Shares will be issued or repurchased prior to the 2011 Annual General Meeting.

3. GENERAL MANDATE TO REPURCHASE SHARES (THE “REPURCHASE MANDATE”)

The ordinary resolution no. 5 as set out in the notice of the 2011 Annual General Meeting will be proposed to grant to the Directors a general mandate to exercise the powers of the Company to repurchase the Company’s fully paid up Shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution.

The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) contain provisions to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange.

In accordance with the Listing Rules, the appendix to this circular serves as the explanatory statement, to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution for granting of the Repurchase Mandate.

4. RE-ELECTION OF RETIRING DIRECTORS

At the 2011 Annual General Meeting, in accordance with Articles 110 and 111, Mr. Tan Yeong Sheik, Rayvin, Mr. Chan Kien Sing and Mr. Tan Thiam Chai will retire by rotation, all of them, being eligible, will offer themselves for re-election.

LETTER FROM THE BOARD OF DIRECTORS

Pursuant to Article 115, Mr. Massimo Guglielmucci who was appointed by the Directors during the financial year shall retire but be eligible to stand for re-election at the 2011 Annual General Meeting.

Information on such retiring Directors as required to be disclosed under the Listing Rules is set out below:

Mr. Tan Yeong Sheik, Rayvin (“Mr. Rayvin Tan”), aged 32, an executive director of the Company, joined the Group in 2009. He graduated with a Bachelor of Science (First Class Hons) degree in Accounting and Finance from the London School of Economics, United Kingdom, in 2000. During his vocational training as a research intern with Jardine Fleming and Merrill Lynch & Co./Smith Zain Securities, he gained extensive experience in the field of research covering the various sectors of property, commodities, telecommunications and transport. He joined Berjaya Group Berhad (“**BGB**”), a substantial shareholder of the Company and its subsidiaries in May 2001 and was subsequently appointed to the position of executive director of BGB in May 2002.

Mr. Rayvin Tan is an executive director of Berjaya Corporation Berhad (“**BCorp**”), the ultimate holding company of BGB with its shares listed on Bursa Malaysia Securities Berhad as well as in Berjaya Sports Toto Berhad (listed on Bursa Malaysia Securities Berhad). He also holds directorships in Singer (Malaysia) Sdn Bhd, Sports Toto Malaysia Sdn Bhd, International Lottery & Totalizator Systems, Inc, United States of America and several other private limited companies.

Save as disclosed above, Mr. Rayvin Tan did not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Rayvin Tan is also the director of certain subsidiaries of the Group (the “**Group**” refers to the Company and its subsidiaries). He is the son of Tan Sri Dato’ Seri Vincent Tan Chee Yioun who is a controlling shareholder of the Company. Save as disclosed above, he does not have other relationships with any directors, senior management or other substantial or controlling shareholder of the Company for the purpose of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

As at the Latest Practicable Date, he is interested in 449,456,972 shares (including 227,250,000 underlying shares which could be issued by conversion of his ICULS* and 500,000 underlying shares which will be issued upon exercise of his share options) of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“**SFO**”).

Mr. Rayvin Tan’s remuneration for the year ended 30 April 2011 was HK\$1,770,000 and the director’s fee payable to him for the year ending 30 April 2012 shall be recommended by the remuneration committee with approval by the Board and shall be subject to shareholders’ approval in annual general meeting.

Mr. Chan Kien Sing (“Mr. Chan”), aged 55, a non-executive director of the Company, joined the Group in 1993. He is a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants.

LETTER FROM THE BOARD OF DIRECTORS

Mr. Chan joined BGB in 1989 as General Manager, Investment. In 2005, he was appointed as group executive director to the Board of BCorp. He is an executive director of BCorp, Berjaya Sports Toto Berhad and Berjaya Media Berhad (companies listed on Bursa Malaysia Securities Berhad) and is a Director of Berjaya Assets Berhad (company listed on Bursa Malaysia Securities Berhad). He is also a director of various subsidiaries under the BCorp group of companies in Malaysia and in several foreign based companies in Hong Kong, United States of America, Cayman Islands, Singapore and the Republic of Seychelles.

Save as disclosed above, Mr. Chan did not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Chan is also the director of certain subsidiaries of the Group. Save as disclosed above, Mr. Chan does not have other relationships with any directors, senior management or other substantial or controlling shareholder of the Company for the Listing Rules. As at the Latest Practicable Date, Mr. Chan does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. No emolument or bonus will be paid or payable to Mr. Chan.

Mr. Tan Thiam Chai (“Mr. Tan”), aged 52, a non-executive director of the Company, joined the Group in 2009. He graduated with a Diploma in Commerce (Financial Accounting) from Kolej Tuanku Abdul Rahman and also completed The Association of Chartered Certified Accountants (UK) professional course in 1981. He is a Fellow member of the Association of Chartered Certified Accountants (UK) since 1990 and also a member of the Malaysian Institute of Accountants. He started work with an accounting firm in Kuala Lumpur for about 2 years and thereafter served in various Finance and Accounting positions with the Hong Leong Group of Companies in Malaysia as well as in Hong Kong for about 8 years. He joined BCorp and its subsidiaries in early 1991 as a Finance Manager of an operating subsidiary and was promoted to Operation Manager later that year. In 1992, he was transferred to the Corporate Head Office of BGB to head the Group Internal Audit function and subsequently in 1993, he was promoted to oversee the Group Accounting function of BGB.

Mr. Tan is the Chief Financial Officer of BCorp. He is also an executive director of Berjaya Land Berhad and Berjaya Assets Berhad and a director of Magni-Tech Industries Berhad and Berjaya Food Berhad (listed on Bursa Malaysia Securities Berhad) as well as Taiga Building Products Ltd (listed on Toronto Stock Exchange, Canada). He is also a Director of Cosway Corporation Berhad and holds directorships in several other private limited companies.

Save as disclosed above, Mr. Tan did not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas nor does he have other relationships with any directors, senior management or other substantial or controlling shareholder of the Company for the purpose of the Listing Rules. Mr. Tan is not a director of any of the subsidiaries of the Group. As at the Latest Practicable Date, Mr. Tan does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. No emolument or bonus will be paid or payable to Mr. Tan.

LETTER FROM THE BOARD OF DIRECTORS

Mr. Massimo Guglielmucci (“Mr. Guglielmucci”), aged 44, is an independent non-executive director of the Company, member of audit committee and the chairman of the remuneration committee. He is a Senior Analyst with Old Peak Limited. Mr. Guglielmucci has been involved in the securities industry for over 20 years. Prior to joining Old Peak Limited in April 2007, Mr. Guglielmucci held various senior management and institutional sales positions for various securities firms including DBS Vickers Securities (Singapore) Limited, a leading securities and derivative brokerage firm in Singapore.

Mr. Guglielmucci holds a Bachelor’s degree in economics from Flinders University, South Australia, a post-graduate degree in applied finance and investments from the Securities Institute of Australia, and is currently a Fellow member of the Financial Services Institute of Australia.

There is no service contract entered into between the Company and Mr. Guglielmucci. Pursuant to Mr. Guglielmucci’s letter of appointment, he is entitled to receive a director’s fee of HK\$240,000 per annum and his appointment shall be for a period of three years from 4 March 2011 to 3 March 2014. Mr. Guglielmucci has not held any position in the Group or any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas nor does he have any relationships with any directors, senior management or other substantial or controlling shareholder of the Company for the purposes of the Listing Rules. He does not hold any other position with the Group. As at the Latest Practicable Date, Mr. Guglielmucci is interested in 7,731,599 shares of the Company, representing approximately 0.16% of the issued share capital of the Company within the meaning of Part XV of the SFO.

- * ICULS refers to a 10-year one to three and a half per cent. (1-3.5%) irredeemable convertible unsecured loan securities issued by the Company and listed by way of selectively marketed securities (Stock Code: 4314) on the Stock Exchange with conversion rights to convert them into shares and the conversion price is HK\$0.20 per share.

Save as disclosed above, none of the above retiring Directors have entered into any service agreements nor appointment letters with the Company except Mr. Guglielmucci. They were not appointed for a specific term except Mr. Guglielmucci but all are subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the articles of association of the Company. Furthermore, their remunerations are commensurate with their duties and responsibilities held and determined with reference to the prevailing market situation for similar appointment.

Save as disclosed above, the Board is not aware of any other matters or information that need to be brought to the attention of the shareholders of the Company or to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules in relation to the proposed re-election of the aforesaid retiring Directors.

LETTER FROM THE BOARD OF DIRECTORS

5. ACTION TO BE TAKEN

The notice convening the 2011 Annual General Meeting to be held at Tang Room I, 3/F Sheraton Hong Kong Hotel and Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 12 September 2011, at 10:00 a.m. is set out on page 10 to 13 of this Circular.

Pursuant to Rules 13.39(4) of the Listing Rules, the vote of shareholders at the 2011 Annual General Meeting will be taken by poll. An announcement on the poll vote results will be made by the Company after the 2011 Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the 2011 Annual General Meeting is also enclosed with the 2011 Annual Report. Whether or not you desire to attend the 2011 Annual General Meeting, you are requested to complete the form of proxy and return the same to the Company's Hong Kong share registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the 2011 Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the 2011 Annual General Meeting or any adjournment thereof if you so wish.

6. RECOMMENDATION

The Directors believe that (i) the granting of the general mandates to issue shares and repurchase shares; and (ii) re-election of the Directors are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the related ordinary resolutions to be proposed at the 2011 Annual General Meeting.

Yours faithfully,
On behalf of the Board
Cosway Corporation Limited
Chuah Choong Heong
Chairman

This Appendix serves as an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules and also as a memorandum of the terms of a proposed repurchase of shares required by section 49BA(3)(b) of the Companies Ordinance, to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,714,810,471 Shares. Subject to the passing of the relevant resolution, the Company will be allowed to repurchase a maximum of 471,481,047 Shares (which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the Latest Practicable Date) on the assumption that there will be no change in the issued share capital prior to the 2011 Annual General Meeting.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interest of the Company and its shareholders to have general authority from shareholders to enable the Directors to exercise the Company's powers to repurchase Shares of the Company on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

FUNDING OF REPURCHASES AND POSSIBLE MATERIAL ADVERSE IMPACT

In repurchasing Shares, the Company may only apply funds entirely from the Company's available cashflow or working capital facilities and will be made out of funds legally available for such purpose (such as distributable profits of the Company or the proceeds of a fresh issue of Shares) in accordance with its memorandum and articles of association and the laws of Hong Kong.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the Annual Report for the year ended 30 April 2011) in the event that the proposed repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS' DEALING AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge of the Directors, having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company or any of its subsidiaries in the event that the Repurchase Mandate is approved by the shareholders.

No connected person of the Company has notified the Company that he/she has a present intention to sell any Shares to the Company or he/she has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Company is authorised to exercise the Repurchase Mandate.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and the applicable laws of Hong Kong.

EFFECT OF THE TAKEOVERS CODE

If as a result of share repurchase by the Company, a substantial shareholder's proportionate interest in voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). Accordingly, a shareholder, or group of shareholders acting in concert, could, depending on the level of increase in the interest of shareholdings, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date and to the best of knowledge and belief of the Company, the following persons were directly or indirectly interested in 10% or more of the nominal value of the issued ordinary shares that carry a right to vote in all circumstances at general meetings of the Company:

	Name	Number of Issued Share held/interested	Approximate Percentage of Shareholding
(1)	Tan Sri Dato' Seri Vincent Tan Chee Yioun (" TSVT ") (<i>Note 1</i>)	3,059,406,901	64.89%
(2)	Berjaya Corporation Berhad (<i>Note 1</i>)	2,613,654,620	55.43%
(3)	Cosway Corporation Berhad (" CCB ") (<i>Note 1</i>)	2,143,305,115	45.46%

In the event that the Directors exercised in full the power to repurchase Shares of the Company in accordance with the terms of the ordinary resolution no. 5 to be proposed at the 2011 Annual General Meeting, the aforesaid interests of (1) TSVT; (2) BCorp; and (3) CCB in the issued share capital of the Company as at the Latest Practicable Date would be proportionally increased to approximately (1) 72.10%; (2) 61.59%; and (3) 50.51% respectively.

On the basis of the aforesaid increase of shareholding held by the substantial shareholders set out above, the Directors are not aware of any consequences of such repurchases of Shares that would result in TSVT or any Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 and 32 of the Takeovers Code if the Repurchase Mandate were exercised in full.

Moreover, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

Note 1: TSVT directly and indirectly controls approximately 41.79% of the total issued share capital of BCorp at the Latest Practicable Date. Therefore, TSVT is deemed to be interested in the shares held by BCorp and CCB. As CCB is a controlled corporation of BCorp, BCorp is deemed to be interested in the shares held by CCB. In a word, TSVT's interests include BCorp's interests and BCorp's interests include CCB's interests.

SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares of the Company were traded on the Stock Exchange during each of the previous 12 months and the period from 1 August 2011 up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
August 2010	1.06	0.93
September 2010	1.01	0.95
October 2010	0.99	0.92
November 2010	0.96	0.91
December 2010	1.03	0.91
January 2011	1.03	0.90
February 2011	0.98	0.90
March 2011	0.92	0.80
April 2011	0.95	0.83
May 2011	0.87	0.76
June 2011	0.80	0.71
July 2011	1.10	0.75
August 2011 (upto the Latest Practicable Date)	0.95	0.90

NOTICE OF ANNUAL GENERAL MEETING



COSWAY CORPORATION LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

NOTICE IS HEREBY GIVEN that an annual general meeting of the shareholders of Cosway Corporation Limited (the “**Company**”) will be held at Tang Room I, 3/F Sheraton Hong Kong Hotel and Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 12 September 2011 at 10:00 a.m. for the following purposes:

1. To receive and adopt the audited Financial Statements and the reports of the directors and of the auditors for the year ended 30 April 2011 which were set out in the Annual Report 2011 of the Company;
2. To re-elect directors and to authorize the board of directors to fix directors’ remuneration;
3. To re-appoint Messrs Ernst & Young as the Auditors and to authorize the board of directors to fix their remuneration;

As special businesses, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

4. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to Section 57B of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval given in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors of the Company pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to
 - (i) a Rights Issue (as defined below), or
 - (ii) the exercise of rights of subscription or conversion under the terms of any securities or bonds which are convertible into shares of the Company; or
 - (iii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of shares or rights to acquire shares of the Company; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company from time to time,

shall not exceed the aggregate of:

- (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution; and
- (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution),

and the said approval given under this Resolution in paragraph (a) above shall be limited accordingly; and

- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company and/or the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the revocation or variation of the approval given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

5. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase shares in the capital of the Company be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which may be purchased by the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (a) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution (on the basis that no Shares are issued or repurchased by the Company before and up to the date of passing this resolution, the Company will be allowed to repurchase fully paid Shares up to a maximum of 471,481,047 Shares), and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company and/or the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) to be held; and
- (iii) the revocation or variation of the approval given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the passing of the Resolution nos. 4 and 5 set out in the notice convening the meeting of which these resolutions form part, the general mandate granted to the Directors of the Company pursuant to the Resolution no. 4 as set out in the notice convening the meeting of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the Resolution no. 5 as set out in the notice convening the meeting of which this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

On Behalf of the Board
Cosway Corporation Limited
Chuah Choong Heong
Chairman

Hong Kong, 12 August 2011

Notes:

- (1) A member of the Company entitled to attend and vote at the aforesaid meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company. The form of proxy together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company’s Hong Kong share registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong at least 48 hours before the time fixed for holding the meeting or any adjournment thereof.
- (2) A member who is a corporation may by resolution of its directors or other governing body authorize any of its officials or any other persons to act as the representative in the meeting and exercise the same powers on its behalf as if he had been an individual member of the Company and such corporation shall be deemed to be present in person at any such meeting if a person so authorized is present thereof.
- (3) Information regarding the proposed resolutions no. 2 and no. 4 to no. 6 are contained in the circular accompany the 2011 annual report for sending to the shareholders.
- (4) Pursuant to the Listing Rules, all votes of members at general meetings must be taken by poll.

As at the date of this notice, 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.