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BERJAYA

COSWAY CORPORATION

BERHAD

(Company No: 194949-H)

*(An indirect wholly-owned subsidiary of
Berjaya Corporation Berhad and
incorporated in Malaysia with limited liability)*



COSWAY CORPORATION LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

**IRREDEEMABLE CONVERTIBLE
UNSECURED LOAN SECURITIES
DUE 2019 CONVERTIBLE INTO
ORDINARY SHARES OF
COSWAY CORPORATION LIMITED
(Stock Code: 4314)**

**JOINT ANNOUNCEMENT
PROPOSED PRIVATISATION
BY WAY OF
POSSIBLE VOLUNTARY UNCONDITIONAL CASH OFFER BY
CCB INTERNATIONAL CAPITAL LIMITED
ON BEHALF OF
COSWAY CORPORATION BERHAD
FOR ALL THE ISSUED SHARES IN THE SHARE CAPITAL OF AND THE
IRREDEEMABLE CONVERTIBLE UNSECURED LOAN SECURITIES
ISSUED BY COSWAY CORPORATION LIMITED (OTHER THAN THOSE
SHARES AND IRREDEEMABLE CONVERTIBLE UNSECURED LOAN
SECURITIES ALREADY HELD BY COSWAY CORPORATION BERHAD AND
CERTAIN NON-ACCEPTING PARTIES ACTING IN CONCERT WITH IT)
AND
FOR THE CANCELLATION OF ALL THE SHARE OPTIONS OF
COSWAY CORPORATION LIMITED**

Financial Adviser to Cosway Corporation Berhad



CCB International Capital Limited

INTRODUCTION

The Offeror and the Company hereby jointly announce that CCBI, on behalf of the Offeror, intends to make possible voluntary unconditional cash offer (i) to acquire all the Shares other than those Shares already held by the Offeror and the Non-Accepting PACs; (ii) to acquire all the ICULS other than those ICULS already held by the Offeror and the Non-Accepting PACs; and (iii) to cancel all the outstanding Share Options.

WARNING: Shareholders, ICULS holders, Optionholders and potential investors of the Company should note that the Offer is subject to the Pre-Conditions described in the paragraph headed "Pre-Conditions to the Offer". The Pre-Conditions may or may not be fulfilled and accordingly the Offer may or may not proceed. Shareholders, ICULS holders, Optionholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, the ICULS and other securities of the Company, and if they are in any doubt about their positions, they should consult their professional advisers.

THE OFFER

Upon (and subject to) fulfillment of the Pre-Conditions, CCBI will, on behalf of the Offeror, make the Offer on the following basis:

The Offer Share(s) under the Share Offer:

For each Share HK\$1.10 in cash

The Offer ICULS(s) under the ICULS Offer:

For each HK\$0.20 principal amount of
ICULS which shall be convertible into one Share HK\$1.10 in cash

The Offer Option(s) under the Option Offer:

For the cancellation of each Share Option with
an exercise price of HK\$1.10 each HK\$0.000005 in cash
(subject to a minimum
payment of HK\$0.10 to each
accepting Optionholder)

OFFER TO BE UNCONDITIONAL

Once the Pre-Conditions are fulfilled, the Offer that will be made will be unconditional as to the level of acceptances or other conditions. As such, the Offeror shall receive any valid acceptances for the Offer Shares, the Offer ICULS and the Offer Options (which acceptances, once received, are not permitted to be withdrawn) under the Offer. The Offeror may also acquire the Offer Shares and the Offer ICULS on the Stock Exchange during the period the Offer is open for acceptances.

IRREVOCABLE UNDERTAKINGS

The Offeror has received the signed undertakings from each of the Non-Accepting PACs that they will not accept the Offer. The Offeror understands that those parties acting in concert with the Offeror (other than the Non-Accepting PACs) have not given an irrevocable commitment in relation to the Offer and accordingly, they may or may not accept the Offer.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Board after having received the Offer must, in the interests of the Shareholders, establish an Independent Board Committee to advise the Independent Shareholders in respect of the Offer and such Independent Board Committee will be required to approve the appointment of an independent financial adviser to advise it and the Independent Shareholders in respect of the Offer. Further announcement will be made upon the appointment of the independent financial adviser as required under the Takeovers Code.

DESPATCH OF COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document should be despatched to the Shareholders, ICULS holders and the Optionholders within 21 days of the date of this announcement. As the making of the Offer is conditional upon fulfillment of the Pre-Conditions, the Composite Document is, subject to the Executive's consent, expected to be despatched to the Shareholders, ICULS holders and Optionholders in accordance with the Takeovers Code within seven (7) days of the fulfillment of the Pre-Conditions. The Company will apply to the Executive for consent pursuant to Note 2 to Rule 8.2 of the Takeovers Code for the despatch of the Composite Document within seven (7) days after the Pre-Conditions are fulfilled (or such later date as the Executive, at the request of the Offeror, may consent).

The Composite Document will contain, amongst other things, details of the Offer, a letter from the Independent Board Committee in relation to the Offer and a letter from an independent financial adviser in respect of the Offer. An expected timetable in relation to the Offer will also be included in the Composite Document.

INTRODUCTION

References are made to the announcement issued by the Company dated 18 July 2011 advising that the Board has been informed by the Offeror, which is the controlling shareholder of the Company, that it was considering a possible privatisation of the Company which may result in the delisting of the Company from the Stock Exchange, the announcements of the Company dated 18 August 2011, 16 September 2011, 18 October 2011 and 18 November 2011 in which the status of the possible privatisation were updated, and the announcement of the Company dated 19 September 2011 advising that the Board has been informed by BCorp (the holding company of the Offeror) that it was considering implementing a rights issue.

The Offeror and the Company hereby jointly announce that CCBI, on behalf of the Offeror, intends to make a possible voluntary unconditional cash offer (i) to acquire all the Shares other than those Shares already held by the Offeror and the Non-Accepting PACs; (ii) to acquire all the ICULS other than those ICULS already held by the Offeror and the Non-Accepting PACs; and (iii) to cancel all the outstanding Share Options.

As at the date of this announcement, the Offeror is interested in 2,182,000,000 Shares, representing approximately 46.28% of the total issued share capital of the Company. The Non-Accepting PACs are interested in 430,349,505 Shares, representing approximately 9.13% of the total issued share capital of the Company as at the date of this announcement and they have each entered into an irrevocable undertaking not to accept or procure not to accept the Offer in respect of those Shares held by them. In aggregate, the Offeror together with the Non-Accepting PACs are interested in 2,612,349,505 Shares, representing approximately 55.41% of the total issued share capital of the Company as at the date of this announcement.

The conversion price for the ICULS is HK\$0.20 of principal amount of the ICULS for each Share to be issued upon conversion (subject to adjustments in accordance with the terms and conditions of the ICULS). As at the date of this announcement, the Offeror is interested in HK\$1,340,912,542 principal amount of the ICULS, representing approximately 84.90% of the principal amount of all the outstanding ICULS, which are convertible into 6,704,562,710 Shares in aggregate upon conversion in full, which in turn represent approximately 53.16% of the enlarged issued share capital of the Company (assuming full conversion of the ICULS and no exercise of the Share Options). The Non-Accepting PACs are interested in HK\$23,939,146 principal amount of the ICULS, representing approximately 1.52% of the principal amount of all the outstanding ICULS as at the date of this announcement, which are convertible into 119,695,730 Shares in aggregate upon conversion in full, and they have each entered into an irrevocable undertaking not to accept or procure not to accept the Offer in respect of those ICULS held by them. In aggregate, the Offeror together with the Non-Accepting PACs are interested in HK\$1,364,851,688 principal amount of the ICULS, representing approximately 86.42% of the principal amount of all the outstanding ICULS as at the date of this announcement, which are convertible into 6,824,258,440 Shares in aggregate upon conversion in full and which in turn represent approximately 54.11% of the enlarged issued share capital of the Company (assuming full conversion of the ICULS and no exercise of the Share Options).

As at the date of this announcement, the Company has outstanding 17,000,000 Share Options entitling the Optionholders to subscribe for up to an aggregate of 17,000,000 Shares at an exercise price of HK\$1.10 per Share. If the Share Options are exercised in full, the Company will have to issue 17,000,000 Shares to the Optionholders, representing approximately 0.36% of the enlarged issued share capital of the Company (assuming that there is no conversion of the ICULS). The Optionholders are entitled to exercise the Share Options in accordance with the terms and conditions in the Share Option Scheme.

The making of the Offer is subject to the fulfillment of the Pre-Conditions. The Pre-Conditions are described under the paragraph headed “Pre-Conditions to the Offer” of this announcement.

THE OFFER

Upon (and subject to) fulfillment of the Pre-Conditions, CCBI will, on behalf of the Offeror, make the Offer on the following basis:

The Offer Share(s) under the Share Offer:

For each Share HK\$1.10 in cash

The Offer ICULS(s) under the ICULS Offer:

For each HK\$0.20 principal amount of ICULS which shall be convertible into one Share HK\$1.10 in cash

The Offer Option(s) under the Option Offer:

For the cancellation of each Share Option with an exercise price of HK\$1.10 each HK\$0.000005 in cash
 (subject to a minimum payment of HK\$0.10 to each accepting Optionholder)

As at the date of this announcement, the Company has a total of 4,714,810,551 Shares in issue and 17,000,000 Share Options outstanding entitling the Optionholders to subscribe for 17,000,000 Shares. In addition, the Company has HK\$1,579,384,218 principal amount of the ICULS outstanding in respect of which a total of 7,896,921,090 underlying new Shares could be issued upon conversion in full. Save as disclosed above, the Company has no other outstanding convertible securities, warrants, options or derivatives which are convertible or exchangeable into Shares as at the date of this announcement.

The Offer Shares to be acquired under the Share Offer shall be fully paid-up and shall be acquired by the Offeror or its nominee(s) free from all liens, mortgages, charges, encumbrances, rights of pre-emption and any other third parties rights of any nature together with all rights, benefits and entitlements attaching thereto as at the date when the Offer is made and open for acceptances or subsequently becoming attaching thereto, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date when the Offer is made and open for acceptances.

The Offer ICULS which are to be acquired under the ICULS Offer shall be acquired by the Offeror or its nominee(s) free from all liens, mortgages, charges, encumbrances, rights of pre-emption and any other third parties rights of any nature together with all rights, benefits and entitlements attaching thereto as at the date when the Offer is made and open for acceptances or subsequently becoming attaching thereto, including the rights to receive all future distributions, interest and payments of principal declared, paid or made in respect of the ICULS on or after the date when the Offer is made and open for acceptances.

The Offer Options which are to be cancelled under the Option Offer shall be cancelled and renounced on the basis that such Offer Options are free from all third party rights, liens, claims, charges, equities and encumbrances and together with all rights attaching thereto on or after the date of this announcement.

It is noted that in accordance with the terms and conditions of the Share Option Scheme, any outstanding Share Options will lapse on the closing date of the Offer, if and when the Offer is made, regardless of whether the Company will remain listed or not after the Offer.

COMPARISON OF VALUE

The Share Offer Consideration of HK\$1.10 for each Offer Share represents:

- (i) a premium of approximately 34.15% over the closing price of HK\$0.8200 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 42.49% over the average closing price of HK\$0.7720 per Share as quoted on the Stock Exchange for the 5 trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 46.86% over the average closing price of HK\$0.7490 per Share as quoted on the Stock Exchange for the 10 trading days immediately prior to and including the Last Trading Day;

- (iv) a premium of approximately 45.06% over the average closing price of HK\$0.7583 per Share as quoted on the Stock Exchange for the 30 trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 386.73% over the audited consolidated net asset value per Share of approximately HK\$0.226 as at 30 April 2011; and
- (vi) a premium of approximately 14.58% over the closing price of HK\$0.96 per Share as at 20 December 2011.

The ICULS were issued by the Company on 8 December 2009. The ICULS are convertible, at the option of the ICULS holders, into Shares at any time until the maturity date on the basis of one Share for every HK\$0.20 principal amount of ICULS held. The ICULS carry interest at a rate of 1% per annum for the first and the second year from the date of issuance and 3.5% per annum subsequently, which is payable half-yearly in arrears on 7 June and 7 December. The ICULS are listed on the Stock Exchange. Since the listing of the ICULS on 10 December 2009 until the date of this announcement (both dates inclusive), there have been no trades of the ICULS on the Stock Exchange and hence, there is no basis of comparison for the ICULS Offer Consideration in connection with the ICULS Offer. However, the ICULS Offer Consideration for every unit of HK\$0.20 principal amount of ICULS, which is convertible into one Share, is the same as the Share Offer Consideration for each Offer Share.

Each Share Option with an exercise price of HK\$1.10 each is the same as the Share Offer Consideration for each Offer Share, and hence the Share Options are only at-the-money if the Optionholders wish to accept the Option Offer in respect of those Shares which they may acquire or obtain by exercising the Share Options held by them. Subject to a minimum payment of HK\$0.10 to each Optionholder, the Option Offer Consideration for the cancellation of the Share Options is intentionally set to be a nominal amount of HK\$0.000005.

HIGHEST AND LOWEST SHARE PRICES

During the six-month period immediately prior to the Last Trading Day, the highest and lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.98 per Share on 7 January 2011, 25 January 2011, 27 January 2011 and 1 February 2011, and HK\$0.71 per Share on 22 June 2011, respectively. From the Last Trading Day to 20 December 2011, the highest and lowest closing price of the Shares as quoted on the Stock Exchange was HK\$1.06 per Share on 25 August 2011, and HK\$0.88 per Share on 4 October 2011, respectively.

TOTAL CONSIDERATION

On the basis that (i) there are a total of 2,102,461,046 Offer Shares as at the date of this announcement and that all holders of such Offer Shares accept the Share Offer at the Share Offer Consideration in respect of their entire holdings of the Offer Shares; (ii) all the 17,000,000 outstanding Offer Options as at the date of this announcement have not been exercised and all holders of such Offer Options accept the Option Offer in respect of their entire holdings of the Offer Options at the Option Offer Consideration; (iii) the outstanding principal amount of the Offer ICULS as at the date of this announcement is HK\$214,532,530 which is convertible into one Share for each HK\$0.20 principal amount of ICULS and none of the Offer ICULS is converted and all holders of such Offer ICULS accept the ICULS Offer in full at the ICULS Offer Consideration, the maximum amount payable by the Offeror under the Offer is approximately HK\$3,492.6 million.

The following table shows the total consideration payable by the Offeror for the Offer Shares, Offer ICULS and Offer Options:–

	Offer Shares	Offer ICULS (HK\$)	Offer Options	Total
Number of Offer Shares/ Offer ICULS/Offer Options	2,102,461,046	214,532,530	17,000,000	–
Offer price	HK\$1.10	HK\$1.10 for each HK\$0.20 principal amount of ICULS	HK\$0.000005 (subject to a minimum payment of HK\$0.10 to each accepting Optionholder)	
Total offer price (HK\$)	<u>2,312,707,150.60</u>	<u>1,179,928,915.00</u>	<u>85.00</u>	<u>3,492,636,150.60</u>

In the event that all Share Options are exercised in full by the Optionholders prior to the closing date of the Offer which results in an additional 17,000,000 Shares being issued and assuming that all the same Optionholders accept the Share Offer in respect of all those resulting Shares, the maximum amount payable by the Offeror under the Offer will be increased to approximately HK\$3,511.3 million and in such case the Company will receive an aggregate subscription price for the exercise of the Share Options in respect of the Offer Options of approximately HK\$18.7 million. However, the Offeror does not expect the Optionholders to exercise the Share Options given that the exercise price for each Share Option is the same as the Share Offer Consideration and there will be no additional monetary benefit to the Optionholders.

SETTLEMENT OF CONSIDERATION

Settlement of consideration in respect of acceptances of the Offer will be posted in the form of a cheque or otherwise in accordance with the Takeovers Code as soon as possible but in any event within ten calendar days of the date on which duly completed and valid acceptances in respect of the Offer are received.

CONFIRMATION OF FINANCIAL RESOURCES

The Offeror will satisfy the cash consideration payable under the Offer from its bank facilities as well as internal resources. CCBI, the financial adviser to BCorp and the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the full acceptance of the Offer. The bank facilities will be secured by, among others, a charge over 1,761,582,175 Shares, HK\$1,340,912,542 principal amount of ICULS and such Offer Shares and Offer ICULS acquired by the Offeror pursuant to the Offer or acquired by the Offeror from the market during the period the Offer is made and open for acceptances.

PRE-CONDITIONS TO THE OFFER

The making of the Offer is conditional upon the following Pre-Conditions having been fulfilled:

- (i) the approval of the shareholders of BCorp at an extraordinary general meeting convened to approve the making of the Offer by the Offeror as well as the implementation of the proposed rights issue referred to in the Company's announcement dated 19 September 2011, at which the interested parties and persons connected to the Offeror shall abstain from voting in respect of their shareholdings in BCorp; and

- (ii) such consent or approval as may be required by the Offeror or its holding companies for the making of the Offer and/or the completion of the Offer from the relevant governmental or regulatory bodies in Malaysia (including without limitation any approval of the Controller of Foreign Exchange of Bank Negara Malaysia) having been obtained (or if applicable, the waiting period for a response from those relevant governmental or regulatory bodies having expired).

The Pre-Conditions are not waivable. The Offeror will be obliged to proceed with the Offer once the Pre-Conditions are fulfilled. The Offer will be made in compliance with the Takeovers Code, which is administered by the Executive. There is no long stop date for the fulfillment of the Pre-Conditions, but the Offeror currently expects that the Pre-Conditions will be fulfilled within six(6)-month period from the date of this announcement.

OFFER TO BE UNCONDITIONAL

Once the Pre-Conditions have been fulfilled, the Offer that is to be made will be unconditional as to the level of acceptances or other conditions. As such, the Offeror shall receive any valid acceptances for the Offer Shares, the Offer ICULS and the Offer Options (which acceptances, once received, are not permitted to be withdrawn) under the Offer. The Offeror may also acquire the Offer Shares and the Offer ICULS on the Stock Exchange during the period the Offer is open for acceptances.

COMPULSORY ACQUISITION RIGHTS AND POSSIBLE WITHDRAWAL FROM LISTING

If the Offeror receives valid acceptances in respect of the Offer Shares and/or acquires Shares from the date of the Composite Document otherwise than through valid acceptances of the Offer, in respect of not less than 90% of the Disinterested Shares within, but not exceeding, the period of 4 months after the posting of the Composite Document, the Offeror intends to privatise the Company by exercising the compulsory acquisition rights to which it may have under the Companies Ordinance and in accordance with Rule 2.11 of the Takeovers Code to acquire those Disinterested Shares not acquired by the Offeror, and following which the listing of the Company on the Stock Exchange shall be withdrawn pursuant to Rule 6.15 of the Listing Rules. The Company will comply with the relevant requirements in the Listing Rules in this regard.

It is the Offeror's intention to delist the Shares from the Stock Exchange. Subject always to compliance by the Offeror with the Takeovers Code, in particular, Rule 2.2 (c) of the Takeovers Code, if the Offeror is not in a position to invoke compulsory acquisition as disclosed above (whether by reason of not receiving acceptances and/or acquiring 90% of the Disinterested Shares or otherwise within 4 months from the despatch of the Composite Document), the Offeror will review and assess the situation then with a view to taking steps to ensure that the minimum public float requirement under the Listing Rules is complied with following the closing of the Offer and maintain the listing status on the Stock Exchange.

Pursuant to the terms and conditions of the Deed Poll, a delisting of the Shares from the Stock Exchange will constitute an event of default and as a result of which any ICULS holder will be entitled to give notice to the Company to immediately convert their ICULS into Shares in accordance with the terms and conditions thereof.

If the Offeror acquires not less than 90% in the principal amount of the ICULS in respect of which the ICULS Offer is made within, but not exceeding, the period of 4 months after the posting of the Composite Document, it is the intention of the Offeror to exercise the rights it may have under the Companies Ordinance to compulsorily acquire those ICULS not acquired by the Offeror pursuant to the ICULS Offer.

If, after the close of the ICULS Offer, there are no outstanding ICULS other than those held by the Offeror and parties acting in concert with it, it is the intention of the Offeror to procure a delisting of the ICULS from the Stock Exchange through unanimous consent of the Offeror and parties acting in concert with it, provided the Shares are also delisted. However should the Shares remain listed, it is the intention of the Offeror that the ICULS remain listed on the Stock Exchange.

Under the Deed Poll, there is no express provision relating to any delisting procedures or requirements. If the Offeror is to formulate an application to the Stock Exchange for the withdrawal of listing of the ICULS, it will procure the Company to seek to obtain the prior approval of the ICULS holders to amend all relevant terms and conditions of the Deed Poll and to approve the delisting. In such circumstances, to the extent that there are still outstanding ICULS other than those held by the Offeror and persons acting in concert with it after the close of the ICULS Offer, the Offeror and persons acting in concert with it will abstain from voting and the Stock Exchange may impose conditions in respect of the delisting as it may consider appropriate. Further announcement will be made regarding details of the procedures of the delisting of the ICULS in such event.

If, at the closing of the Offer, less than 25% of the Shares are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

then the Stock Exchange may exercise its discretion to suspend trading in the Shares until a level of sufficient public float is attained.

As such, it should be noted that, following the completion of the Offer, the number of Shares which remain in public hands may be insufficient to satisfy the minimum requirement under the Listing Rules, and therefore the trading in the Shares may be suspended until the required level of sufficient public float is restored.

SHAREHOLDING STRUCTURE

The table below sets out the shareholding structure of the Company as at the date of this announcement and after completion of the Offer, assuming full acceptances of the Offer:

	As at the date of this announcement				After completion of the Offer			
	Shares	%	ICULS (HK\$)	%	Shares	%	ICULS (HK\$)	%
The Offeror	2,182,000,000	46.28	1,340,912,542	84.90	4,284,461,046	90.87	1,555,445,072	98.48
Non-Accepting PACs	<u>430,349,505</u>	9.13	<u>23,939,146</u>	1.52	<u>430,349,505</u>	9.13	<u>23,939,146</u>	1.52
Total held by the Offeror and Non-Accepting PACs	2,612,349,505	55.41	1,364,851,688	86.42	4,714,810,551	100.00	1,579,384,218	100.00
Other parties acting in concert with the Offeror (other than the Non-Accepting PACs)	<u>753,480,329</u>	15.98	<u>161,040,969</u>	10.20	<u>-</u>	-	<u>-</u>	-
Total held by the Offeror and parties acting in concert with it	3,365,829,834	71.39	1,525,892,657	96.61	4,714,810,551	100.00	1,579,384,218	100.00
Other shareholders/ICULS holders	<u>1,348,980,717</u>	28.61	<u>53,491,561</u>	3.39	<u>-</u>	-	<u>-</u>	-
Total	<u>4,714,810,551</u>	100.00	<u>1,579,384,218</u>	100.00	<u>4,714,810,551</u>	100.00	<u>1,579,384,218</u>	100.00
Offer Shares/Offer ICULS	2,102,461,046	44.59	214,532,530	13.58	-	-	-	-

Note:

As at the date of this announcement, other parties acting in concert with the Offeror (other than the Non-Accepting PACs) are interested in 753,480,329 Shares, representing approximately 15.98% of the total issued share capital of the Company as at the date of this announcement. Those parties acting in concert with the Offeror (other than the Non-Accepting PACs) are interested in HK\$161,040,969 principal amount of the ICULS, representing approximately 10.20% of the principal amount of all the outstanding ICULS as at the date of this announcement, which are convertible into 805,204,845 Shares in aggregate upon conversion in full and which in turn represent approximately 6.38% of the enlarged issued share capital of the Company (assuming full conversion of the ICULS and no exercise of the Share Options). Those parties acting in concert with the Offeror (other than the Non-Accepting PACs) have not given an irrevocable commitment in relation to the Offer and accordingly, they may or may not accept the Offer.

As at the date of this announcement, the Company has outstanding 17,000,000 Share Options entitling the Optionholders to subscribe for up to an aggregate of 17,000,000 Shares at an exercise price of HK\$1.10 per Share. If the Share Options are exercised in full, the Company will have to issue 17,000,000 Shares, representing approximately 0.36% of the enlarged issued share capital of the Company (assuming that there is no conversion of the ICULS). As at the date of this announcement, the executive director of the Company, Mr. Rayvin Tan Yeong Sheik, has been granted 500,000 Share Options; Mr. Chuah Choong Heong, the Chairman of the Company, who is also a director of the Offeror, has been granted 7,500,000 Share Options; and Ms. Tan Ee Ling, a director of the Company, who is also a director of certain members of the BCorp Group, has been granted 125,000 share options. Apart from the 3,365,829,834 Shares, HK\$1,525,892,657 principal amount of the ICULS and the total of 8,125,000 Share Options held by Mr. Rayvin Tan Yeong Sheik, Mr. Chuah Choong Heong and Ms. Tan Ee Ling, the Offeror and the parties acting in concert with the Offeror are not interested in any other securities of the Company.

INFORMATION ON THE OFFEROR

The Offeror was incorporated on 15 March 1990 as a private limited company in Malaysia under the name of Singer Holdings (Malaysia) Sdn Bhd. On 13 June 1990, it was converted to a public limited company under the name of Singer Holding (Malaysia) Berhad. On 25 September 1991, the Offeror changed its name to Berjaya Singer Berhad, and subsequently assumed its present name on 11 September 1998. The Offeror was listed on the Main Board of Bursa Malaysia Securities Berhad in 1990, and was delisted on 4 June 2007. The principal activities of the Offeror are those of investment holding and the provision of management services to its subsidiary companies. The Offeror is an indirect wholly-owned subsidiary of BCorp.

INFORMATION ON THE COMPANY

The Company (formerly known as Berjaya Holdings (HK) Limited) was incorporated in 1971, the Shares of which are listed on the Stock Exchange. The Company is an investment holding company, which is engaged in property investment. The principal activities of its principal subsidiary, Cosway (M) Sdn Bhd, is the direct selling of consumer products including health and nutrition, slimming, personal care, skin care, cosmetics, perfumes, household and car care, food and beverage, water filtration systems, kitchenware, body shaping lingerie, etc. through network marketing and property investment. The Offeror is the controlling shareholder of the Company.

The following information is extracted from audited consolidated income statements of the Company for the two financial years ended 30 April 2010 and 2011:

	For the year ended 30 April	
	2010	2011
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Turnover	2,329,278	3,368,483
Profit before taxation	283,110	352,724
Profit attributable to the Shareholders	211,756	268,669

RATIONALE FOR AND BENEFITS OF THE OFFER

The Offeror considers that the privatisation of the Company will facilitate business integration between the BCorp Group and the Company, which will provide the BCorp Group with greater flexibility to support the future business development of the Company without being subjected to regulatory restrictions and compliance obligations associated with the listing status of the Company on the Stock Exchange. Consequently, listing-related costs and expenses will also be saved when CCL is taken private.

The BCorp Group has high confidence in the growth potential of the consumer retail sector globally and the Company has identified various growth opportunities which may entail continuing financial support requirements from the Shareholders which the BCorp Group can better provide support upon the privatisation of CCL.

Even if the proposed privatisation is not successful due to insufficient level of acceptances, the Offer may result in further increase in the shareholding interest of BCorp Group in the Company.

The Offeror believes that the Offer provides an opportunity for the Shareholders and ICULS holders to realise their Shares or ICULS (both of which have a relatively low degree of market liquidity) in return for cash. In this regard, the Offeror noted that the trading volume of the Shares and ICULS on the Stock Exchange has been generally low. The average daily trading volume of the Shares during the period from 7 July 2010 to the Last Trading Day was less than 900,000 Shares (representing approximately 0.02% of the total number of Shares in issue as at the Last Trading Day). Since the listing of the ICULS on 10 December 2009 until the date of this announcement (inclusive), the ICULS have not been traded on the Stock Exchange.

During the six-month period preceding 7 July 2011, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.98 per Share on 7 January 2011, 25 January 2011, 27 January 2011 and 1 February 2011, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.71 per Share on 22 June 2011. In addition, the historically highest closing price of the Shares as quoted on the Stock Exchange from 7 July 2010 to the Last Trading Day was HK\$1.05 per Share on 19 August 2010. The Offeror believes that the Share Offer Consideration represents a premium to the prices at which the market had valued the Company and has reflected the potential value of the development of the business of the Company in the next few years under its current state and provides an opportunity for the Shareholders, the ICULS holders and the Optionholders to immediately realise their investments. The Offer therefore allows the Shareholders, the ICULS holders and the Optionholders a chance to redeploy capital from accepting the Offer into other investment opportunities that they may consider more attractive in the current market environment.

INTENTION OF THE OFFEROR

It is the intention of the Offeror that the existing business of the CCL Group shall continue unaffected, notwithstanding the Offer. The Offeror does not have any intention to introduce any significant changes to the existing operations (other than to continue with its growth strategies) and management of the CCL Group as of the date of this announcement, nor does it have any intention to make any significant changes to the continued employment of the CCL Group's employees.

IRREVOCABLE UNDERTAKINGS

The Offeror has received the signed undertakings from each of the Non-Accepting PACs that they will not accept the Offer. Other than the foregoing, the Offeror has not received any other undertakings. The Offeror understands that those parties acting in concert with the Offeror (other than the Non-Accepting PACs) have not given an irrevocable commitment in relation to the offer and accordingly, they may or may not accept the Offer.

STAMP DUTY

Seller's ad valorem stamp duty arising in connection with acceptances of the Share Offer and ICULS Offer will be payable by each Shareholder and ICULS holder at the rate of HK\$1 for every HK\$1,000 or part thereof of the market value of the Shares or the consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer and ICULS Offer, whichever is higher. Such applicable seller's ad valorem stamp duty will be deducted from the cash amount due to such Shareholder and ICULS holders under the Share Offer and ICULS Offer respectively. No stamp duty is payable in connection with the cancellation of the Offer Options under the Option Offer.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE AND THE APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Board after having received the Offer must in the interests of the Shareholders, establish an Independent Board Committee to advise the Shareholders in respect of the Offer. Pursuant to Rule 2.8 of the Takeovers Code, members of an independent committee of the Board should comprise all non-executive Directors who have no direct or indirect interest in the Offer for consideration by the independent committee other than, in the case of a director of the offeree company, as a shareholder of the offeree company. As at the date of this announcement, the Board has 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. Given that (a) Mr. Chan Kien Sing is also a common director of BCorp and is interested in the shares of BCorp; (b) Mr. Tan Thiam Chai is also a common director of the Offeror and is interested in the shares of BCorp; and (c) Ms. Tan Ee Ling is a director of certain members of the BCorp Group (which are not members of the CCL Group), the Independent Board Committee to be established will comprise only all three independent non-executive Directors.

The Independent Board Committee will be required to approve the appointment of an independent financial adviser to advise it and the Independent Shareholders in respect of the Offer. Further announcement will be made upon the appointment of the independent financial adviser as required under the Takeovers Code.

OTHER ARRANGEMENTS

As at the date of this announcement, save for described above in the sections headed “Confirmation of Financial Resources” and “Irrevocable Undertakings” above:

- (i) there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Shares or the shares of the Offeror which might be material to the Offer;
- (ii) there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which it may or may not invoke or seek to invoke a Pre-Condition or a condition to the Offer;
- (iii) none of the Offeror nor any parties acting in concert with the Offeror has borrowed or lent any securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company; and
- (iv) apart from the ICULS and Share Options, there are no outstanding derivatives in respect of securities in the Company entered into by the Offeror or any person acting in concert with the Offeror.

CLOSING OF OFFER

Under the Takeovers Code, the first closing date of the Offer will fall on or after the 21st day from the date when the Composite Document is posted.

Further, as the Offeror will state in the Composite Document its intention to avail itself of any powers of compulsory acquisition, the Offer may not remain open for acceptance for more than 4 months from the posting of the Offer Document, unless the Offeror has by that time become entitled to exercise such powers of compulsory acquisition, in which event it must do so without delay.

AVAILABILITY OF THE OFFER

The Offeror intends to make available the Offer to all Shareholders, ICULS holders and Optionholders, including those who are resident outside Hong Kong, to the extent practicable. However, the making of the Offer to persons residing outside of Hong Kong may be affected by the laws of the relevant overseas jurisdictions in which such persons are located. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

DESPATCH OF COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document should be despatched to the Shareholders, ICULS holders and the Optionholders within 21 days of the date of this announcement. As the making of the Offer is conditional upon fulfillment of the Pre-Conditions, the Composite Document is, subject to the Executive's consent, expected to be despatched to the Shareholders, ICULS holders and Optionholders in accordance with the Takeovers Code within seven (7) days of the fulfillment of the Pre-Conditions. The Company will apply to the Executive for consent pursuant to Note 2 to Rule 8.2 of the Takeovers Code for the despatch of the Composite Document within seven (7) days after the Pre-Conditions are fulfilled (or such later date as the Executive, at the request of the Offeror, may consent).

The Composite Document will contain, amongst other things, details of the Offer, a letter from the Independent Board Committee in relation to the Offer and a letter from an independent financial adviser in respect of the Offer. An expected timetable in relation to the Offer will also be included in the Composite Document.

ADVISERS

BCorp and the Offeror have appointed CCBI as the financial adviser to them in respect of the Offer. Maybank Investment Bank Berhad has been appointed by BCorp as the Malaysian principal adviser in relation to the proposed privatisation, and OSK Investment Bank Berhad has been appointed as the independent adviser to advise the non-interested shareholders of BCorp in relation to the proposed privatisation.

WARNING: Shareholders, ICULS holders, Optionholders and potential investors of the Company should note that the Offer is subject to the Pre-Conditions described in the paragraph headed "Pre-Conditions to the Offer". The Pre-Conditions may or may not be fulfilled and accordingly the Offer may or may not proceed. Shareholders, ICULS holders, Optionholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, ICULS and other securities of the Company, and if they are in any doubt about their positions, they should consult their professional advisers.

DEFINITIONS

In this announcement, the following expressions shall have the meaning set out below unless the context requires otherwise:

"acting in concert"	shall have the meaning ascribed to it in the Takeovers Code
"BCorp"	Berjaya Corporation Berhad, a company incorporated in Malaysia with limited liability and the securities of which are listed on the Main Market of Bursa Malaysia Securities Berhad

“BCorp Group”	BCorp and its subsidiaries as at the date of this announcement
“Board”	the board of Directors
“CCBI”	CCB International Capital Limited, a licensed corporation under the SFO permitted to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities for the purposes of the SFO and which is the financial adviser to BCorp and the Offeror in respect of the Offer
“CCL” or “Company”	Cosway Corporation Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the Stock Exchange (stock code: 288)
“CCL Group”	the Company and its subsidiaries as at the date of this announcement
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Composite Document”	the composite offer and response document to be issued by or on behalf of the Offeror and the Company to all Shareholders, ICULS holders and Optionholders in accordance with the Takeovers Code containing, inter alia, details of the Offer, form of acceptance and transfer in respect of the Shares for the Shareholders, the form of acceptance and transfer in respect of the ICULS for the ICULS holders, the form of acceptance and cancellation in respect of the Share Options for the Optionholders, the letter to be issued by CCBI on behalf of the Offeror, the letter of advice from an independent financial adviser to the Independent Board Committee in respect of the Offer and the letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Offer
“Deed Poll”	the deed poll executed by the Company dated 8 December 2009 constituting up to HK\$2,190,000,000 principal amount of ICULS convertible into Shares, and any other document executed in accordance with such deed poll and expressed to be supplemental to such deed poll
“Director(s)”	the director(s) of the Company
“Disinterested Shares”	the Shares other than those owned by the Offeror or parties acting in concert with it
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of such Executive Director
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“ICULS”	such 10-year one to three and a half per cent. (1-3.5%) irredeemable convertible unsecured loan securities with a principal sum of HK\$2,190,000,000 issued by the Company on 8 December 2009 and listed by way of selectively marketed securities (stock code: 4314) on the Stock Exchange with conversion rights to convert them into Shares
“ICULS holder(s)”	holder(s) of ICULS
“ICULS Offer”	the possible voluntary unconditional offer to be made by CCBI on behalf of the Offeror to acquire all the outstanding principal amount of the ICULS not already held by the Offeror or Non-Accepting PACs, including any revision thereof, in accordance with the Takeovers Code, at the ICULS Offer Consideration, on and subject to the terms and conditions herein
“ICULS Offer Consideration”	the cash amount of HK\$1.10 payable by the Offeror for the acquisition of each HK\$0.20 principal amount of ICULS which is the subject of valid acceptances under the ICULS Offer
“Independent Board Committee”	a committee of the Board comprising the three independent non-executive Directors to be established to advise the Independent Shareholders in relation to the Offer
“Independent Shareholders”	Shareholders other than the Offeror and parties acting in concert with it
“Last Trading Day”	6 July 2011, being the last full trading day prior to the commencement of the period of the Offer in accordance with the Takeovers Code
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Accepting PACs”	those Shareholders and ICULS holders who are parties acting in concert with the Offeror, or deemed as such in accordance with the Takeovers Code, and who have informed and confirmed to the Offeror that they will not be accepting the Offer, namely Berjaya Group (Cayman) Limited, Prime Credit Leasing Sdn Bhd, Inter-Pacific Securities Sdn Bhd, and Berjaya Hills Berhad
“Offer”	the Share Offer, the ICULS Offer and the Option Offer
“Offer ICULS(s)”	any and all of the ICULS other than those owned by the Offeror or the Non-Accepting PACs, which are subject to the ICULS Offer
“Offer Option(s)”	any and all of the outstanding Share Options, which remain unexercised as at the date of this announcement and are subject to the Option Offer

“Offer Share(s)”	any and all of the Shares other than those owned by the Offeror or the Non-Accepting PACs, which are subject to the Share Offer
“Offeror”	Cosway Corporation Berhad, a company incorporated in Malaysia with limited liability and an indirect wholly-owned subsidiary of BCorp
“Optionholders”	the holder(s) of the Offer Option(s)
“Option Offer”	the possible voluntary unconditional offer to be made by CCBI on behalf of the Offeror to cancel all the Share Options in accordance with the Takeovers Code, at the Option Offer Consideration, on and subject to the terms and conditions herein
“Option Offer Consideration”	the cash amount of HK\$0.000005 payable by the Offeror for the cancellation of each Share to which the Share Options relate which is the subject of valid acceptances under the Option Offer, subject to a minimum payment of HK\$0.10 to each accepting Optionholder
“Pre-Conditions”	the Pre-Conditions to the making of the Offer as described under the paragraph headed “Pre-Conditions to the Offer” of this announcement
“SFC”	the Securities and Futures Commission of Hong Kong
“Share Offer”	the possible voluntary unconditional offer to be made by CCBI on behalf of the Offeror to acquire all the outstanding Shares not already held by the Offeror or Non-Accepting PACs, including any revision thereof, in accordance with the Takeovers Code, at the Share Offer Consideration, on and subject to the terms and conditions herein
“Share Offer Consideration”	the cash amount of HK\$1.10 payable by the Offeror for the acquisition of each Share which is the subject of valid acceptances under the Share Offer
“Share Option(s)”	option(s) to subscribe for Share(s) granted by the Company to the Optionholder(s) and which remain unexercised at to the date of this announcement under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 23 November 2009
“Shareholder(s)”	registered holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiaries”	has the meaning ascribed to it in the Companies Ordinance
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers as in force from time to time
“trading day”	a day on which trading of the Shares is conducted on the Stock Exchange in accordance with the rules and regulations of the Stock Exchange promulgated from time to time; and “trading days” shall be construed accordingly
“%”	per cent.

By the order of the Board of
Cosway Corporation Berhad
Vivienne Cheng Chi Fan
Director

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

Hong Kong, 20 December 2011

As at the date of this announcement, the board of directors of the Offeror comprises Mr. Chuah Choong Heong, Ms. Vivienne Cheng Chi Fan and Mr. Tan Thiam Chai.

As at the date of this announcement, the board of directors of BCorp comprises Tan Sri Dato’ Seri Vincent Tan Chee Yioun, Dato Robin Tan Yeong Ching, Tan Sri Datuk Abdul Rahim Bin Haji Din, Dato’ Hj Md Yusoff @ Mohd Yusoff Bin Jaafar, Datuk Robert Yong Kuen Loke, Mr. Chan Kien Sing, Mr. Dickson Tan Yong Loong, Mr. Freddie Pang Hock Cheng, Ms Vivienne Cheng Chi Fan, Mr. Rayvin Tan Yeong Sheik, Dato’ Azlan Meah Bin Hj Ahmed Meah, Mohd Zain Bin Ahmad.

The directors of the Offeror and BCorp jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the CCL Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement other than opinions expressed by the CCL Group have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the BCorp Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by BCorp Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements (other than those relating to BCorp Group) in this announcement misleading.

In accordance with Rule 3.8 of the Takeovers Code, the associates of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below and the terms used therein shall have the same meaning as those ascribed to them in the Takeovers Code:

“Responsibilities of Stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any of its delegate (the “Executive”) in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”