THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisor.

Dealings in the securities of the Company, including the ICULS (as defined herein), will be settled through Central Clearing and Settlement System ("CCASS") operated by Hong Kong Securities Clearing Company Limited ("HKSCC") and you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. **If you have sold or transferred all** your shares in the Company, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities.

Subject to the granting of listing of, and permission to deal in, the ICULS on The Stock Exchange of Hong Kong Limited ("Stock Exchange") as well as compliance with the stock admission requirements of HKSCC, the ICULS will be accepted as eligible securities by HKSCC for deposit, clearance, and settlement in CCASS with effect from the commencement date of dealings in the ICULS or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

This circular is published in connection with the listing of, and permission to deal in, the ICULS on the Stock Exchange and contains particulars given in compliance with the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong and the Rules Governing the Listing of Securities on the Stock Exchange solely for the purpose of giving information with regard to the Company and its subsidiaries.

BERJAYA

BERJAYA HOLDINGS (HK) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

(I) VERY SUBSTANTIAL ACQUISITIONS AND CONNECTED TRANSACTIONS IN RESPECT OF 100% OF THE COSWAY GROUP (COMPRISING 100% EQUITY INTEREST IN COSWAY (M) SDN BHD (INCLUDING 60% EQUITY INTEREST ALREADY HELD BY COSWAY (M) SDN BHD IN ECOSWAY.COM SDN BHD) AND 40% EQUITY INTEREST IN ECOSWAY.COM SDN BHD), INVOLVING ISSUE OF CONSIDERATION SHARES AND ISSUE AND LISTING OF IRREDEEMABLE CONVERTIBLE UNSECURED LOAN SECURITIES; (II) APPLICATION FOR WHITEWASH WAIVER; (III) ISSUE OF SHARES TO CONNECTED PERSON BY CAPITALISATION OF LOAN; (IV) PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL; (V) PROPOSED CHANGE OF COMPANY NAME; (VI) PROPOSED ADOPTION OF SHARE OPTION SCHEME; AND (VII) CONTINUING CONNECTED TRANSACTIONS

Financial adviser to Berjaya Holding (HK) Limited

CIMB

CIMB Securities (HK) Limited

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

SOMERLEY LIMITED

A letter from the Board is set out on pages 19 to 84 of this circular. A letter from the Independent Board Committee containing its advice to the Independent Shareholders is set out on pages 85 to 86 of this circular. A letter from Somerley, the independent financial adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 87 to 135 of this circular. A notice convening an EGM of the Company to be held at Studio 3, 7th Floor, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on 23 November 2009 at 10:00 a.m. is set out on EGM-1 to EGM-8 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible. The form of proxy should be returned to the Company's share registrar, Tricor Secretaries Limited at 26th Floor Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the EGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM (or at any adjourned meeting thereof) should you so wish.

Hong Kong, 30 October 2009

Latest time for return of proxy forms for the EGM	10:00 a.m. on Saturday, 21 November 2009
EGM	10:00 a.m. on Monday, 23 November 2009
Issue date of ICULS expected to be on	8 December 2009
Dealings in Consideration Shares and Capitalisation Shares expected to be on	8 December 2009
Dealings in ICULS expected to be on	10 December 2009

CONTENTS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:

"7-Eleven"	7-Eleven Malaysia Sdn Bhd, a company incorporated in Malaysia with limited liability
"7-Eleven Group"	7-Eleven and its subsidiaries from time to time and a member of the 7-Eleven Group shall be construed accordingly
"7-Eleven Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and 7-Eleven as referred to under the sub-section headed "Non-exempted Master Leasing Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"7-Eleven Master Supply of Goods Agreement"	the master supply of goods agreement dated 13 October 2009 entered into by the Company and 7-Eleven as referred to under the sub-section headed "Non-exempted Master Supply of Goods Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"7-Eleven Premises"	the premises rented by the 7-Eleven Group and sub-let to the Group from time to time
"Acquisitions"	the Cosway M Acquisition and the eCosway Acquisition
"Advertising Services"	the promotion, advertising and publishing services provided by BMedia Group to the Group under the BMedia Advertising Services Agreement
"Aircraft"	the aircraft (including but not limited to helicopter) leased from BLand by the Group under the BLand Aircraft Agreement
"Agreements"	collectively, (i) the SP Agreements and (ii) the Loan Capitalisation Agreement
"Announcements"	the announcements of the Company dated 13 October 2009 in relation to, among other things, the Acquisitions and the CCTs
"Applicable Percentage Ratios"	the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules

"Arena Green Acquisition"	the acquisition by Cosway M of the Arena Green Property pursuant to the terms and conditions of the Arena Green Agreement
"Arena Green Agreement"	the sale & purchase agreement dated 23 July 2009 entered into between Cosway M and BGolf
"Arena Green Property"	the retail unit of 829 sq.ft. purchased by Cosway M from BGolf under the Arena Green Agreement
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"BAssets"	Berjaya Assets Berhad (formerly known as Matrix International Berhad), a company incorporated in Malaysia with limited liability and listed on the main market of Bursa Malaysia Securities Berhad
"BAssets Group"	BAssets and its subsidiaries from time to time and a member of the BAssets Group shall be construed accordingly
"BAssets Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and BAssets as referred to under the sub-section headed "Non-exempted Master Leasing Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BAssets Master Supply of Goods Agreement"	the master supply of goods agreement dated 13 October 2009 entered into by the Company and BAssets as referred to under the sub-section headed "Non-exempted Master Supply of Goods Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BAssets Premises"	the premises owned by the BAssets Group from time to time
"BCayman"	Berjaya Group (Cayman) Limited, a company incorporated in Cayman Islands, a substantial shareholder of the Company and an indirect subsidiary of BCorp

"BCorp"	Berjaya Corporation Berhad, a company incorporated in Malaysia with limited liability and listed on the main market of Bursa Malaysia Securities Berhad, ultimately owned directly and indirectly of 52.80% by TSVT, the controlling shareholder of BCorp
"BCorp Courier Services Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the sub-section headed "Non-exempted Master Supply of Services Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BCorp First Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the section headed "Exempted CCT Agreements" of this circular
"BCorp First Master Supply of Goods Agreement"	the master supply of goods agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the sub-section headed "Non-exempted Master Supply of Goods Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BCorp Group"	BCorp and its subsidiaries (for the purpose of the Non-exempted CCT Agreements and Exempted Master Leasing Agreements, shall exclude the Group, BLand Group, BToto Group and BMedia Group) from time to time and a member of the BCorp Group shall be construed accordingly
"BCorp Insurance Services Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the sub-section headed "Non-exempted Master Supply of Services Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BCorp Mailing Services Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the sub-section headed "Non-exempted Master Supply of Services Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BCorp Premises"	the premises owned by the BCorp Group from time to time

"BCorp Printing Services Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the sub-section headed "Non-exempted Master Supply of Services Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BCorp Second Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the sub-section headed "Non-exempted Master Leasing Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BCorp Second Master Supply of Goods Agreement"	the master supply of goods agreement dated 13 October 2009 entered into by the Company and BCorp as referred to under the sub-section headed "Non-exempted Master Supply of Goods Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BGolf"	Berjaya Golf Resort Berhad, a company incorporated in Malaysia with limited liability, and is a direct wholly owned subsidiary of BLand
"Biofield"	Biofield Sdn Bhd, a company incorporated in Malaysia with limited liability, an indirect subsidiary of Cosway Corp
"BLand"	Berjaya Land Berhad, a company incorporated in Malaysia with limited liability and listed on the main market of Bursa Malaysia Securities Berhad; BLand is an indirect subsidiary of BCorp owned as to approximately 56.711% by BCorp as at the Latest Practicable Date
"BLand Aircraft Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and BLand as referred to under the sub-section headed "Non-exempted Master Supply of Services Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BLand First Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and BLand as referred to under the section headed "Exempted CCT Agreements" of this circular

"BLand Group"	BLand and its subsidiaries (for the purpose of the Exempted Master Leasing Agreements and Non-exempted Master Leasing Agreements, shall exclude BToto Group) from time to time and a member of the BLand Group shall be construed accordingly
"BLand Guard Services Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and BLand as referred to under the sub-section headed "Non-exempted Master Supply of Services Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BLand Master Supply of Goods Agreement"	the master supply of goods agreement dated 13 October 2009 entered into by the Company and BLand as referred to under the sub-section headed "Non-exempted Master Supply of Goods Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BLand Premises"	the premises owned by the BLand Group from time to time
"BLand Second Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and BLand as referred to under the sub-section headed "Non-exempted Master Leasing Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BMedia"	Berjaya Media Berhad, a company incorporated in Malaysia with limited liability and listed on the main market of Bursa Malaysia Securities Berhad
"BMedia Group"	Berjaya Media Berhad and its subsidiaries from time to time and a member of the BMedia Group shall be construed accordingly
"BMedia Advertising Services Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and BMedia as referred to under the sub-section headed "Non-exempted Master Supply of Services Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"BNM"	Bank Negara Malaysia, the central bank of Malaysia
"Board"	the board of Directors

"BToto"	Berjaya Sports Toto Berhad, a company incorporated in Malaysia with limited liability and listed on the main market of Bursa Malaysia Securities Berhad
"BToto Group"	BToto and its subsidiaries from time to time and a member of the BToto Group shall be construed accordingly
"BToto Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and BToto as referred to under the section headed "Exempted CCT Agreements" of this circular
"Bukit Jelutong Land"	the freehold land held under Geran 97607 Lot No. 64408 in the Mukim of Damansara, District of Petaling in the State of Selangor measuring 16,182 square metres (approximately 4 acres) and bearing postal address of Lot 3, Persiaran Gerbang Utama, Bukit Jelutong Industrial Park, 40150 Shah Alam, Selangor
"Capitalisation Issue"	the allotment of the Capitalisation Shares to BCayman pursuant to the Loan Capitalisation Agreement as consideration for full and final settlement of HK$36 million being part of the Indebtedness
"Capitalisation Price"	HK$0.20 per Capitalisation Share
"Capitalisation Share(s)"	180,000,000 Shares to be allotted to BCayman pursuant to the Loan Capitalisation Agreement
"CCASS"	Central Clearing and Settlement System established and operated by HKSCC
"CCTs"	the proposed continuing connected transactions (as defined in the Listing Rules), following completion of the Acquisitions, involving the Enlarged Group (on the one part) and either of BCorp Group, BAssets Group, BLand Group, BToto Group, BMedia Group, UMobile Group, Dijaya Group or 7-Eleven Group
"Chemical Products"	cleaning and chemical products (including motor oil) supplied by the Group to the 7-Eleven Group under the 7-Eleven Master Supply of Goods Agreement

"Cleaning Products"	cleaning chemical products supplied by the Group to the relevant contracting parties under the Non-exempted Master Supply of Goods Agreements
"Company"	Berjaya Holdings (HK) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration Share(s)"	the First Tranche Consideration Shares, the Second Tranche Consideration Shares, the Third Tranche Consideration Shares and/or the eCosway Consideration Shares, as the context may require
"Conversion Share(s)"	the Shares to be issued upon conversion of the ICULS, up to a maximum of 10,950,000,000 Shares
"Cosway Corp"	Cosway Corporation Berhad, a company incorporated in Malaysia with limited liability; Cosway Corp is an indirect subsidiary of BCorp
"Cosway Group"	100% equity interest in Cosway M (including 60% equity interest already held by Cosway M in eCosway) and 40% equity interest in eCosway, together with their respective subsidiaries
"Cosway HK"	Cosway (HK) Limited, a company incorporated in Hong Kong with limited liability and is an indirect subsidiary of BCorp
"Cosway M"	Cosway (M) Sdn Bhd, a company incorporated in Malaysia with limited liability and is an indirect subsidiary of BCorp
"Cosway M Acquisition"	the acquisition by the Company of (i) the First Tranche Sale Shares from Cosway Corp pursuant to the terms and conditions of the First Cosway M Agreement; (ii) the Second Tranche Sale Shares from Biofield pursuant to the terms and conditions of the Second Cosway M Agreement; and (iii) the Third Tranche Sale Shares from Madison pursuant to the terms and conditions of the Third Cosway M Agreement
"Cosway M Agreements"	the First Cosway M Agreement, the Second Cosway M Agreement and the Third Cosway M Agreement

"Cosway M Agreements Completion"	completion of the Cosway M Agreements
"Cosway M Consideration Shares"	the First Tranche Consideration Shares, Second Tranche Consideration Shares and Third Tranche Consideration Shares
"Cosway M Conversion Shares"	the maximum of 9,784,000,000 shares to be issued upon conversion of the ICULS under the Cosway M Agreements
"Cosway Premises"	the premises owned by the Cosway Group from time to time
"Courier Services"	the courier services supplied by BCorp to the Group under the BCorp Courier Services Agreement
"Deed Poll"	the deed poll or instrument constituting the ICULS
"Dijaya"	Dijaya Corporation Berhad, a company incorporated in Malaysia with limited liability and listed on the main market of Bursa Malaysia Securities Berhad
"Dijaya Group"	Dijaya and its subsidiaries from time to time and a member of the Dijaya Group shall be construed accordingly
"Dijaya Master Supply of Goods Agreement"	the master supply of goods agreement dated 13 October 2009 entered into by the Company and Dijaya as referred to under the sub-section headed "Non-exempted Master Supply of Goods Agreements" of the section headed "Non-exempted CCT Agreements" of this circular
"Director(s)"	the director(s) of the Company
"eCosway"	eCosway.com Sdn Bhd, a company incorporated in Malaysia with limited liability, owned as to 60% by Cosway M and 40% by the eCosway Vendors respectively
"eCosway Acquisition"	the acquisition by the Company of the eCosway Sale Shares from the eCosway Vendors pursuant to the terms and conditions of the eCosway Agreement

"eCosway Agreement"	the sale and purchase agreement dated 13 October 2009 entered into between the Company and the eCosway Vendors in connection with the eCosway Acquisition
"eCosway Consideration Share(s)"	the 32,498,592 Shares to be issued by the Company pursuant to the eCosway Agreement
"eCosway Conversion Share(s)"	the maximum of 1,166,000,000 Shares to be issued upon conversion of the ICULS under the eCosway Agreement
"eCosway Sale Share(s)"	2,000,000 shares in eCosway, representing 40% of its equity interest
"eCosway Vendors"	together, Prime Credit Leasing Sdn Bhd, Berjaya Sompo Insurance Berhad, Inter-Pacific Securities Sdn Bhd, Berjaya Hills Berhad, TSVT and Rayvin Tan Yeong Sheik, details of which are disclosed in the section headed "Information on the released parties in the transactions" in this circular
"EGM"	an extraordinary general meeting of the Company to be convened to approve the Agreements, the Non-exempted CCT Agreements, the increase in authorized share capital of the Company, the Whitewash Waiver, the proposed change of Company name and the proposed adoption of the Share Option Scheme
"Eligible Persons"	any senior executives or senior officers, directors (including executive, non-executive and independent non-executive directors) of any member of the Company and shareholders of any member of the Group, who have contributed or will contribute to the growth and development of the Company
"Enlarged Group"	the Group immediately upon the completion of the Acquisitions
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

"Exempted Caps"	for the purpose of Chapter 14A of the Listing Rules, means the proposed annual caps of the Exempted CCTs for each of the three financial years ending 30 April 2012 set out under the section headed "Historical Transaction Amounts and Determination of Proposed Caps"
"Exempted CCTs"	the transactions contemplated under the Exempted CCT Agreements
"Exempted CCT Agreements"	together, (i) the UMobile Master Supply of Services Agreeement and (ii) the Exempted Master Leasing Agreements
"Exempted Master Leasing Agreements"	together, (i) the BCorp First Master Leasing Agreement, (ii) the BLand First Master Leasing Agreement, (iii) the BToto Master Leasing Agreement, and (iv) the UMobile Master Leasing Agreement
"First Cosway M Agreement"	the sale and purchase agreement dated 13 October 2009 entered into between the Company and Cosway Corp in connection with the acquisition of the First Tranche Sale Shares by the Company from Cosway Corp
"First Tranche Consideration Share(s)"	625,417,825 Shares to be issued by the Company pursuant to the First Cosway M Agreement
"First Tranche Sale Share(s)"	130,028,260 shares in Cosway M, representing approximately 83.89% of its equity interest
"FYE"	the financial year ended 30 April
"Garments"	the garments supplied by BCorp Group to the Group under the BCorp Second Master Supply of Goods Agreement
"Golden Works"	Golden Works (M) Sdn Bhd, a company incorporated in Malaysia with limited liability, a wholly-owned subsidiary of Cosway M as at the Latest Practicable Date
"Golden Works Acquisition"	the acquisition by Cosway M of the entire issued shares of Golden Works as detailed in the section headed "Acquisition and disposal by the Cosway Group subsequent to the financial year ended 30 April 2009

"Golden Works Agreements"	the Golden Works First Agreement and the Golden Works Second Agreement
"Golden Works First Agreement"	the sale and purchase agreement dated 1 May 2009 entered into between Cosway M, Yang Kiat Lin, Yang Hung Chun Wah and Ma Yee Chen, all being independent third parties, in connection with the Golden Works Acquisition
"Golden Works Second Agreement"	the sale and purchase agreement dated 8 June 2009 entered into between Cosway M and Wong King Fung, an independent third party, in connection with the Golden Works Acquisition
"Golden Works Shares"	ordinary shares of Golden Works of RM1.00 each
"Goods"	Cleaning Products, Chemical Products, Garments and/or Telecom Equipments (as appropriate)
"Group"	the Company and its subsidiaries
"Guard Services"	the guard services provided by BLand Group to the Group under the BLand Guard Services Agreement
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"ICULS"	the irredeemable convertible unsecured loan securities of an aggregate principal amount of up to HK$2,190 million to be issued by the Company under the Cosway M Agreements and the eCosway Agreement, proposed to be listed by way of selectively marketed securities on the Stock Exchange
"Indebtedness"	the aggregate amount of loan of HK$36.5 million as at the Latest Practicable Date owing or payable by the Company to BCayman (and shall also include (but is not limited to) the interests, fees, costs, charges and expenses whatsoever payable to BCayman) under the Loan Agreement

"Independent Board Committee"	the independent committee of the Board comprising only the independent non-executive Directors, namely, Dato' Lee Ah Hoe, Mr. Tan Tee Yong and Mr. Leou Thiam Lai, which has been established for the purpose of advising the Independent Shareholders on the terms of the Agreements, the Whitewash Waiver and on the terms of the Non-exempted CCT Agreements
"Independent Shareholders"	Shareholders other than (i) BCorp, its associates and parties acting in concert with any of them; (ii) Penta Investment and its associates, and (iii) those who are involved in, or interested in, the Acquisitions, Loan Capitalisation and the Whitewash Waiver
"Insurance Services"	the insurance services provided by BCorp Group to the Group under the BCorp Insurance Services Agreement
"Intercompany Debt"	the outstanding advances from Cosway M and eCosway to Cosway Corp in the aggregate amount of RM44.7 million as at the Latest Practicable Date as disclosed in the section headed "2.1.1 The First Cosway M Agreement"
"Land Disposal Agreement"	the sale & purchase agreement dated 12 May 2009 entered into between Cosway M and Teluk Juara in relation to the disposal of the Bukit Jelutong Land to Teluk Juara
"Last Trading Day"	12 October 2009, being the last trading day immediately prior to the suspension of trading in the Shares pending the release of the Announcements
"Latest Practicable Date"	27 October 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Leasing Agreements"	the leasing agreements entered into by the member of the BCorp Group, 7-Eleven Group, BAssets Group, BLand Group, BToto Group and UMobile Group and a member of the Group prior to the Leasing Effective Date
"Leasing Effective Date"	the date on which the conditions set out in the respective Non-exempted Master Leasing Agreements are satisfied

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan Agreement"	the loan agreement dated 1 May 2001 (as supplemented by a supplemental agreement dated 29 September 2009) entered into between the Company and BCayman, pursuant to which BCayman has agreed that it will endeavour to provide or procure to be provided loans and/or other financial support to the Company with no limit and at the interest rate of Hong Kong Dollar prime lending rate of The Hongkong and Shanghai Banking Corporation Limited plus 3% p.a.
"Loan Capitalisation Agreement"	the conditional agreement dated 13 October 2009 entered into between the Company and BCayman, pursuant to which the parties conditionally agreed that BCayman shall issue 180,000,000 Capitalisation Shares at an issue price of HK$0.20 per Capitalisation Share in satisfaction of HK$36 million being part of the Indebtedness
"Madison"	Madison County LLC, a company incorporated in the state of Delaware in the United States of America with limited liability; Madison is an investment holding company
"Mailing Services"	the mailing services supplied by BCorp Group to the Group under the BCorp Mailing Services Agreement
"MOL.com"	MOL.com Berhad, a company incorporated in Malaysia with limited liability
"Non-exempted Caps"	for the purpose of Chapter 14A of the Listing Rules, means the proposed annual caps of the Non-exempted CCTs for each of the three financial years ending 30 April 2012 set out under the section headed "Historical Transaction Amounts and Determination of Proposed Caps"
"Non-exempted CCTs"	the transactions contemplated under the Non-exempted CCT Agreements

"Non-exempted CCT Agreements"	together, the Non-exempted Master Leasing Agreements, the Non-exempted Master Supply of Goods Agreements and the Non-exempted Master Supply of Services Agreements
"Non-exempted Master Leasing Agreements"	together, (i) the BCorp Second Master Leasing Agreement, (ii) the BLand Second Master Leasing Agreement, (iii) the BAssets Master Leasing Agreement and (iv) the 7-Eleven Master Leasing Agreement
"Non-exempted Master Supply of Goods Agreements"	together, the (i) BCorp First Master Supply of Goods Agreement, (ii) the BLand Master Supply of Goods Agreement, (iii) the BAssets Master Supply of Goods Agreement, (iv) the Dijaya Master Supply of Goods Agreement, (v) the BCorp Second Master Supply of Goods Agreement, (vi) the UMobile Master Supply of Goods Agreement and (vii) the 7-Eleven Master Supply of Goods Agreement
"Non-exempted Master Supply of Services Agreements"	together, the (i) BMedia Advertising Services Agreement, (ii) the BLand Aircraft Agreement, (iii) the BCorp Mailing Services Agreement, (iv) the BCorp Printing Services Agreement, (v) the BCorp Courier Services Agreement, (vi) the BCorp Insurance Services Agreement and (vii) BLand Guard Services Agreement
"NT$"	New Taiwan Dollar, the lawful currency of Taiwan
"Penta Investment"	Penta Investment Advisers Ltd, an asset management firm incorporated in the British Virgin Islands
"PRC"	The People's Republic of China
"Premises"	7-Eleven Premises, BCorp Premises, BLand Premises or BAssets Premises (as appropriate)
"Printing Services"	the printing services supplied by BCorp Group to the Group under the BCorp Printing Services Agreement
"Public Float Requirement"	the requirement under the Listing Rules applicable to the Company that not less than a specified percentage of the Shares which are listed on the Stock Exchange shall be held by the public for the purpose of the Listing Rules

"Purchase Orders"	the purchase orders placed with the Group by the relevant contracting party
"Quotations"	the quotations of the Group accepted by the relevant contracting party
"RM"	Ringgit, the lawful currency of Malaysia
"Second Cosway M Agreement"	the sale and purchase agreement dated 13 October 2009 entered into between the Company and Biofield in connection with the acquisition of the Second Tranche Sale Shares by the Company from Biofield
"Second Tranche Consideration Share(s)"	the 115,752,272 Shares to be issued by the Company pursuant to the Second Cosway M Agreement
"Second Tranche Sale Share(s)"	9,471,740 shares in Cosway M, representing approximately 6.11% of its equity interest
"Services"	services as contemplated under the Non-exempted Master Supply of Services Agreements, including the Advertising Services, the Mailing Services, the Printing Services, the Courier Services, the Insurance Services, the Guard Services and/or the leasing of Aircraft (as appropriate)
"SFC"	The Securities and Futures Commission of Hong Kong
"Share(s)"	ordinary share(s) of HK$0.20 each in the capital of the Company
"Shareholder(s)"	the holder(s) of the Shares
"Share Option Scheme"	the share option scheme for Eligible Persons proposed to be conditionally adopted at the EGM
"Somerley"	Somerley Limited, a licensed corporation to conduct Type 1 (dealings in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) of the regulated activities under the Securities and Futures Ordinance and the independent financial advisers to the Independent Board Committee on the terms of the Agreements, the Non-exempted CCT Agreements and the Whitewash Waiver

"SP Agreements"	the Cosway M Agreements and the eCosway Agreement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supply of Goods Effective Date"	means the date on which the conditions set out in the respective Non-exempted Master Supply of Goods Agreements are satisfied
"Supply of Services Effective Date"	means the date on which the conditions set out in the respective Non-exempted Master Supply of Services Agreements are satisfied
"Taiwan Properties"	the 2 office lots and 4 car parks purchased by Cosway M from Everlight Travel under the Taiwan Properties Agreement
"Taiwan Properties Acquisition"	the acquisition by Cosway M of the Taiwan Properties pursuant to the terms and conditions of the Taiwan Properties Agreement
"Taiwan Properties Agreement"	the sale & purchase agreement dated 29 July 2009 entered into between Cosway M and an independent third party
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Telecom Equipment"	the telecommunication equipments provided by UMobile Group to the Group under the UMobile Master Supply of Goods Agreement
"Telecom Services"	the telecommunication services provided by UMobile Group to the Group under the UMobile Telecom Services Agreement
"Teluk Juara"	Teluk Juara Sdn Bhd, a company incorporated in Malaysia with limited liability, and is a company in which TSVT is a major shareholder as at the Latest Practicable Date
"Third Cosway M Agreement"	the sale and purchase agreement dated 13 October 2009 entered into between the Company and Madison in connection with the acquisition of the Third Tranche Sale Shares by the Company from Madison

"Third Tranche Consideration Shares"	the 117,014,977 Shares to be issued by the Company pursuant to the Third Cosway M Agreement
"Third Tranche Sale Shares"	15,500,000 shares in Cosway M, representing 10% of its equity interest
"TSVT"	Tan Sri Dato' Seri Vincent Tan Chee Yioun, directly and indirectly holds 1,802,550,000 shares of BCorp (representing approximately 52.80% of the total issued share capital of BCorp) as at the Latest Practicable Date and is considered as a connected person of the Company pursuant to the Listing Rules
"UMobile"	UMobile Sdn Bhd, a company incorporated in Malaysia with limited liability
"UMobile Group"	UMobile and its subsidiaries from time to time and a member of the UMobile Group shall be construed accordingly
"UMobile Master Leasing Agreement"	the master leasing agreement dated 13 October 2009 entered into by the Company and UMobile as referred to under the section headed "Exempted CCT Agreements" of this circular
"UMobile Master Supply of Goods Agreement"	the master supply of goods agreement dated 13 October 2009 entered into by the Company and UMobile as referred to under the sub-section headed "Non-exempted Master Supply of Goods Agreement" of the section headed "Non-exempted CCT Agreements" of this circular
"UMobile Telecom Services Agreement"	the master supply of services agreement dated 13 October 2009 entered into by the Company and UMobile as referred to under the section headed "Exempted CCT Agreements" of this circular

"Whitewash Waiver"	the waiver from the Executive pursuant to Note 1 on Dispensations from Rule 26 of the Takeovers Code as a result of (i) the issue of the First Tranche Consideration Shares, Second Tranche Consideration Shares and the Capitalisation Shares; (ii) the issue of Conversion Shares under the ICULS issued under the First Cosway M Agreement and the Second Cosway M Agreement, and/or (iii) the issue of the eCosway Consideration Shares and the eCosway Conversion Shares, as the case may be
"%"	per cent.

Unless otherwise specified in this circular, amounts denominated in RM have been converted, as fixed in the SP Agreements, into HK$ with the exchange rate RM44.8827 to HK$100. Also, in this circular, the exchange rate of NT$1 to HK$0.2423 is used for reference only.

No representation is made that any amount in HK$ could have been or could be converted at the above rate or any other rates or at all.

BERJAYA

BERJAYA HOLDINGS (HK) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

Executive Directors:
Mr. Chan Kien Sing *(Chairman)*
Mr. Chin Chee Seng, Derek
Ms. Tan Ee Ling
Mr. Wong Man Hong
Mr. Tan Yeong Sheik, Rayvin
Ms. Cheng Chi Fan, Vivienne
Mr. Tan Thiam Chai

Independent Non-Executive Directors:
Dato' Lee Ah Hoe
Mr. Tan Tee Yong
Mr. Leou Thiam Lai

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

30 October 2009

To the Shareholders

Dear Sir or Madam,

(I) VERY SUBSTANTIAL ACQUISITIONS AND CONNECTED TRANSACTIONS IN RESPECT OF 100% OF THE COSWAY GROUP (COMPRISING 100% EQUITY INTEREST IN COSWAY (M) SDN BHD (INCLUDING 60% EQUITY INTEREST ALREADY HELD BY COSWAY (M) SDN BHD IN ECOSWAY.COM SDN BHD) AND 40% EQUITY INTEREST IN ECOSWAY.COM SDN BHD), INVOLVING ISSUE OF CONSIDERATION SHARES AND ISSUE AND LISTING OF IRREDEEMABLE CONVERTIBLE UNSECURED LOAN SECURITIES;
(II) APPLICATION FOR WHITEWASH WAIVER;
(III) ISSUE OF SHARES TO CONNECTED PERSON BY CAPITALISATION OF LOAN;
(IV) PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL;
(V) PROPOSED CHANGE OF COMPANY NAME;
(VI) PROPOSED ADOPTION OF SHARE OPTION SCHEME; AND
(VII) CONTINUING CONNECTED TRANSACTIONS

1. INTRODUCTION

Reference is made to the Announcements in respect of the Agreements, the Whitewash Waiver, the proposed increase of the authorized share capital of the Company, the proposed change of Company name, the proposed adoption of the Share Option Scheme and the CCTs. The purpose of this circular is to provide, among other things, (i) further information in respect of the above matters; (ii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders; (iii) a letter from Somerley containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the EGM.

2. THE ACQUISITIONS

On 13 October 2009, the Company entered into the following SP Agreements to acquire 100% of the Cosway Group (comprising 100% equity interest in Cosway M (including 60% equity interest already held by Cosway M in eCosway) and 40% equity interest in eCosway).

The First Cosway M Agreement

Pursuant to the First Cosway M Agreement entered into between the Company and Cosway Corp, the Company has conditionally agreed to acquire and Cosway Corp has conditionally agreed to sell the First Tranche Sale Shares, representing approximately 83.89% of the issued share capital of Cosway M, at a consideration of RM838,892,000 (representing approximately HK$1,869,076,504) to be satisfied, as to (a) RM44.7 million payable in cash after completion (subject to the settlement of Intercompany Debt); (b) issuing 625,417,825 First Tranche Consideration Shares at a price of HK$0.20 per First Tranche Consideration Share; and (c) issuing the ICULS in a principal amount of HK$1,644.4 million.

The Second Cosway M Agreement

Pursuant to the Second Cosway M Agreement entered into between the Company and Biofield, the Company has conditionally agreed to acquire and Biofield has conditionally agreed to sell the Second Tranche Sale Shares, representing approximately 6.11% of the issued share capital of Cosway M, at a consideration of RM61,108,000 (representing approximately HK$136,150,454) to be satisfied by issuing (a) 115,752,272 Second Tranche Consideration Shares at a price of HK$0.20 per Second Tranche Consideration Share; and (b) the ICULS in a principal amount of HK$113.0 million.

The Third Cosway M Agreement

Pursuant to the Third Cosway M Agreement entered into between the Company and Madison, the Company has conditionally agreed to acquire and Madison has conditionally agreed to sell the Third Tranche Sale Shares, representing 10% of the issued share capital of Cosway M, at a consideration of RM100,000,000 (representing approximately HK$222,802,995) to be satisfied by issuing (a) 117,014,977 Third Tranche Consideration Shares at a price of HK$0.20 per Third Tranche Consideration Share; and (b) the ICULS in a principal amount of HK$199.4 million.

It is the intention that the completion of the First Cosway M Agreement, the Second Cosway M Agreement and the Third Cosway M Agreement must take place at the same time and hence the completion of the First Cosway M Agreement, the Second Cosway M Agreement and the Third Cosway M Agreement are conditional upon each other taking place.

The eCosway Agreement

Pursuant to the eCosway Agreement entered into between the Company and the eCosway Vendors, the Company has conditionally agreed to acquire and the eCosway Vendors have conditionally agreed to sell the eCosway Sale Shares, representing 40% of the equity interest in eCosway, at a consideration of RM107,583,706 (representing approximately HK$239,699,718) to be satisfied by issuing (a) 32,498,592 eCosway Consideration Shares at a price of HK$0.20 per eCosway Consideration Share; and (b) the ICULS in a principal amount of HK$233.2 million.

The eCosway Agreement and the Cosway M Agreements are not inter-conditional.

As Cosway M has already owned 60% of the total issued capital in eCosway, by entering into the SP Agreements, the Company will effectively own 100% of the Cosway Group (comprising 100% equity interest in Cosway M (including 60% equity interest already held by Cosway M in eCosway) and 40% equity interest in eCosway).

The issue price for the respective Consideration Shares has been determined by the parties with reference to the par value of the Shares, the historical loss making performance of the Company since FYE 1998 (except FYE 2004, FYE 2005, and FYE 2008 which were profitable due to revaluation surplus on investment properties), the net assets value of the Company and the average closing price of the Share for the last twelve months up to and including the Last Trading Day. The Consideration Shares in aggregate represents approximately 150.70% of the existing issued share capital and approximately 60.11% of the enlarged issued share capital of the Company as enlarged by the issue of the Consideration Shares.

Based on the initial conversion price of HK$0.20 per Conversion Share and assuming full conversion of the ICULS at that Conversion Price, the ICULS will be convertible into an aggregate of 10,950,000,000 Conversion Shares, representing approximately 18.53 times of the issued share capital of the Company as at the Latest Practicable Date and approximately 94.88% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares. The Conversion Shares to be issued and allotted upon conversion of the ICULS will rank pari passu in all respects with the Shares then in issue on the relevant issue date.

The Company has applied to the Stock Exchange for the approval of the listing of and permission to deal in the Consideration Shares and the Conversion Shares to be issued upon conversion of the ICULS. Application has also been made to the Stock Exchange for the listing of, and permission to deal in, the ICULS by way of selectively marketed securities under Chapter 37 of the Listing Rules.

Completion of the SP Agreements is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the SP Agreements may be terminated

under certain circumstances as stipulated in the SP Agreements, such as the non-satisfaction (to the extent not waived) of the conditions precedent by the stipulated long stop date, any breach of the relevant agreement including any breach of warranties, and the insolvency of the purchaser or the seller.

2.1.1 The First Cosway M Agreement

Date:

13 October 2009

Parties:

Cosway Corp, an indirect wholly owned subsidiary of BCorp, as the vendor

The Company, as the purchaser

Assets to be transferred:

130,028,260 shares in Cosway M, representing approximately 83.89% of the issued share capital of Cosway M.

Consideration

The consideration of RM838,892,000 (representing approximately HK$1,869,076,504) will be satisfied, as to:

(a) RM44.7 million, by cash after completion (subject to settlement of the Intercompany Debt);

(b) HK$125,083,565, by the issue of 625,417,825 First Tranche Consideration Shares at a price of HK$0.20 per First Tranche Consideration Share; and

(c) HK$1,644.4 million, by the issue of the ICULS in a principal amount of HK$1,644.4 million.

The consideration was determined after arm's length negotiation between the vendor and the Company taking into consideration, among other things, the historical profitable financial performance and the regional distribution network of the Cosway Group's direct marketing business located in various countries with main operations in Malaysia, Hong Kong and Taiwan. The parties have agreed that the satisfaction of the consideration will be based on an agreed exchange rate of RM44.8827 to HK$100. The Directors (including the independent non-executive Directors, but excluding Tan Yeong Sheik, Rayvin (a eCosway vendor and a director of BCorp), Cheng Chi Fan, Vivienne, Chan Kien Sing (both are directors of BCorp) and Tan Thiam Chai (a director of BLand) who considered themselves to have conflict of interest and therefore abstained from voting) consider that the consideration is fair and reasonable so far as the Company and the Shareholders are concerned.

Conditions Precedent to the First Cosway M Agreement

Completion of the First Cosway M Agreement is conditional upon satisfaction of the following conditions precedent:

(i) the Stock Exchange having granted the approval of the listing of and permission to deal in the Consideration Shares, the ICULS (and the Conversion Shares to be issued on conversion thereunder);

(ii) the Whitewash Waiver being obtained;

(iii) such approval as may be necessary from the Malaysian governmental, public or regulatory authorities including without limitation to BNM or any other relevant authorities whose approval are considered necessary or expedient by the Company in relation to the First Cosway M Agreement, the acquisition under the First Cosway M Agreement and transactions contemplated by them to the extent considered necessary or appropriate by the Company have been obtained and on terms and conditions (if any) acceptable to the Company;

(iv) the approval of the Independent Shareholders in EGM by way of poll for the following transactions in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws:

- the entering into of the First Cosway M Agreement and transactions and matters contemplated thereunder;

- allotment and issue of the Consideration Shares and the ICULS to Cosway Corp under the First Cosway M Agreement and the allotment and issue of new Shares arising from the conversion of the relevant ICULS subject to the Whitewash Waiver; and

- the proposed continuing connected transactions (as defined in the Listing Rules), following completion of the Acquisitions, involving the Enlarged Group (on the one part) and various entities within the Berjaya group of companies (on the other);

(v) the approval of the Shareholders in EGM by way of poll for the increase of the authorised share capital of the Company in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws;

(vi) there not having been at any time hereafter any material adverse change, or any event, development or performance relating to the

Cosway Group which is likely to cause or lead to a material adverse change in the business, prospects, financial position or performance of the Cosway Group; and

(vii) the consent of the relevant bankers of Cosway M to which consent is required for the completion of the First Cosway M Agreement and the acquisition under the Cosway M Agreements and on terms and conditions (if any) acceptable to the Company.

The Company may waive only the conditions in (vi) and (vii). If the above conditions have not been fulfilled or, as the case may be, waived on or before the long stop date of the First Cosway M Agreement (i.e. the last day of the period of six months from the date of the First Cosway M Agreement or such later date as the parties thereto may from time to time agree to), the First Cosway M Agreement may be terminated and whereupon, neither party shall have any claims whatsoever against the other in connection therewith, save and except for any antecedent breach.

Other terms of the First Cosway M Agreement

Historically, Cosway M and eCosway have provided Cosway Corp funds in the form of dividends and advances. As at the date of the First Cosway M Agreement and the Latest Practicable Date, the advances from Cosway M and eCosway to Cosway Corp are in aggregate amounted to RM44.7 million ("Intercompany Debt"). Save for the Intercompany Debt, Cosway M and eCosway will not make further advances to Cosway Corp and its related companies before the completion of the First Cosway M Agreement.

Cosway Corp has undertaken to settle the Intercompany Debt within 180 days from the completion date of the First Cosway M Agreement subject to the terms and conditions set out in the First Cosway M Agreement. The Company shall only release the cash portion of the consideration under the First Cosway M Agreement in an amount equivalent to such part of the Intercompany Debt, without interest, upon such part of the Intercompany Debt having been settled by Cosway Corp.

Completion of the First Cosway M Agreement

Completion of the First Cosway M Agreement shall take place on the last day of the period of three months after the date on which the conditions (i) to (vii) as stated in the section headed "Conditions precedent of the First Cosway M Agreement" above are fulfilled or as the case may be, waived, or such later or earlier date (after all the conditions precedent to the First Cosway M Agreement are satisfied, or as the case may be, waived) as the parties to the First Cosway M Agreement may agree.

Each party is not obliged to buy the First Tranche Sale Share or complete the First Cosway M Agreement unless the sale and purchase of all the entire issued share capital of Cosway M under the Cosway M Agreements is completed at the same time.

Termination

Without prejudice to the Company's rights under the general or common law including (without limitation) the Company's rights of claim for any damages, costs, disbursements, stamp duties, interest and other charges and payments (whether actual contingent or otherwise) payable by the Company under or in connection with the First Cosway M Agreement, the parties to the First Cosway M Agreement may (but shall not be obliged to) at any time by notice to the other party terminate the First Cosway M Agreement if, amongst others, (i) all the conditions precedent (to the extent not waived) are not satisfied by the long stop date of the First Cosway M Agreement; or (ii) the Second Cosway M Agreement or the Third Cosway M Agreement is terminated.

Completion of the First Cosway M Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the First Cosway M Agreement may be terminated under those circumstances as stipulated in the agreement, such as the non-satisfaction (to the extent not waived) of the conditions precedent by the stipulated long stop date, any breach of the agreement including any breach of warranties, and the insolvency of the purchaser or the seller.

As the First Cosway M Agreement may or may not complete, potential investors are advised to exercise caution when dealing in the Shares.

2.1.2 The Second Cosway M Agreement

Date:

13 October 2009

Parties:

Biofield, a wholly owned subsidiary of Cosway Corp, as the vendor

The Company, as the purchaser

Assets to be transferred:

9,471,740 shares in Cosway M, representing approximately 6.11% of the issued share capital of Cosway M.

Consideration

The aggregate consideration of RM61,108,000 (representing approximately HK$136,150,454) will be satisfied on a non-cash basis, as to:

(a) HK$23,150,454 by the issue of 115,752,272 Second Tranche Consideration Shares at a price of HK$0.20 per Second Tranche Consideration Share; and

(b) HK$113.0 million by the issue of the ICULS in a principal amount of HK$113.0 million.

The consideration was determined after arm's length negotiation between the vendor and the Company taking into consideration, among others, the historical profitable financial performance and the regional distribution network of the Cosway Group's direct marketing business located in various countries with main operations in Malaysia, Hong Kong and Taiwan. The parties have agreed that the satisfaction of the consideration will be based on an agreed exchange rate of RM44.8827 to HK$100. The Directors (including the independent non-executive Directors, but excluding Tan Yeong Sheik, Rayvin (a eCosway vendor and a director of BCorp), Cheng Chi Fan, Vivienne, Chan Kien Sing (both are directors of BCorp) and Tan Thiam Chai (a director of BLand) who considered themselves to have conflict of interest and therefore abstained from voting) consider that the consideration is fair and reasonable so far as the Company and the Shareholders are concerned.

Conditions Precedent to the Second Cosway M Agreement

Completion of the Second Cosway M Agreement is conditional upon satisfaction of the following conditions precedent:

(i) the Stock Exchange having granted the approval of the listing of and permission to deal in the Consideration Shares, the ICULS (and the Conversion Shares to be issued on conversion thereunder);

(ii) the Whitewash Waiver being obtained;

(iii) such approval as may be necessary from the Malaysian governmental, public or regulatory authorities including without limitation to BNM or any other relevant authorities whose approval are considered necessary or expedient by the Company in relation to the Second Cosway M Agreement, the acquisition under the Second Cosway M Agreement and transactions contemplated by them to the extent considered necessary or appropriate by the Company have been obtained and on terms and conditions (if any) acceptable to the Company;

(iv) the approval of the Independent Shareholders in EGM by way of poll for the following transactions in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws:

- the entering into of the Second Cosway M Agreement and transactions and matters contemplated thereunder;

- allotment and issue of the Consideration Shares and the ICULS to Biofield under the Second Cosway M Agreement and the allotment and issue of new Shares arising from the conversion of the relevant ICULS subject to the Whitewash Waiver; and

- the proposed continuing connected transactions (as defined in the Listing Rules), following completion of the Acquisitions, involving the Enlarged Group (on the one part) and various entities within the Berjaya group of companies (on the other);

(v) the approval of the Shareholders in EGM by way of poll for the increase of the authorised share capital of the Company in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws;

(vi) there not having been at any time hereafter any material adverse change, or any event, development or performance relating to the Cosway Group which is likely to cause or lead to a material adverse change in the business, prospects, financial position or performance of the Cosway Group; and

(vii) the consent of the relevant bankers of Cosway M to which consent is required in relation to the Second Cosway M Agreement, the acquisition under the Cosway M Agreements and on such terms and conditions as acceptable to the Company.

The Company may waive only the conditions in (vi) and (vii). If the above conditions have not been fulfilled or, as the case may be, waived on or before the long stop date of the Second Cosway M Agreement (i.e. the last day of the period of six months from the date of the Second Cosway M Agreement or such later date as the parties thereto may from time to time agree to), the Second Cosway M Agreement may be terminated and neither party shall have any claims whatsoever against the other in connection therewith, save and except for any antecedent breach.

Completion of the Second Cosway M Agreement

Completion of the Second Cosway M Agreement shall take place on the last day of the period of three months after the date on which the conditions (i) to (vii) as stated in the section headed "Conditions precedent of the Second Cosway M Agreement" above are fulfilled or as the case may be, waived, or such later or earlier date (after all the conditions precedent to the Second Cosway M Agreement are satisfied, or as the case may be, waived) as the parties to the Second Cosway M Agreement may agree.

Each party is not obliged to buy the Second Tranche Sale Share or complete the Second Cosway M Agreement unless the sale and purchase of all the entire issued share capital of Cosway M under the Cosway M Agreements is completed at the same time.

Termination

Without prejudice to the Company's rights under the general or common law including (without limitation) the Company's rights of claim for any damages, costs, disbursements, stamp duties, interest and other charges and payments (whether actual contingent or otherwise) payable by the Company under or in connection with the Second Cosway M Agreement, the parties to the Second Cosway M Agreement may (but shall not be obliged to) at any time by notice to the other party terminate the Second Cosway M Agreement if, amongst others, (i) all the conditions precedent (to the extent not waived) are not satisfied by the long stop date of the Second Cosway M Agreement; or (ii) the First Cosway M Agreement or the Third Cosway M Agreement is terminated.

Completion of the Second Cosway M Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Second Cosway M Agreement may be terminated under those circumstances as stipulated in the agreement, such as the non-satisfaction (to the extent not waived) of the conditions precedent by the stipulated long stop date, any breach of the agreement including any breach of warranties, and the insolvency of the purchaser or the seller.

As the Second Cosway M Agreement may or may not complete, potential investors are advised to exercise caution when dealing in the Shares.

2.1.3 The Third Cosway M Agreement

Date:

13 October 2009

Parties:

Madison, as the vendor

The Company, as the purchaser

Madison is wholly owned by Penta Strategic Partners SPC Ltd, a company incorporated in British Virgins Islands, which is a fund managed by Penta Investment. As confirmed by Madison, as of the Latest Practicable Date, various funds managed by Penta Investment held an aggregate of 27,435,000 Shares. As at the Latest Practicable Date, BCorp has confirmed that it does not have any interest in Madison or any other funds managed by Penta Investment. Other than Penta Investment's interests in the Shares, Madison and the ultimate beneficial owner of the Madison are third parties independent of the Company.

Assets to be transferred:

15,500,000 shares in Cosway M, representing 10% of the issued share capital in Cosway M.

Consideration

The aggregate consideration of RM100,000,000 (representing approximately HK$222,802,995) will be satisfied on a non-cash basis, as to:

(a) HK$23,402,995 by the issue of an aggregate of 117,014,977 Third Tranche Consideration Shares at a price of HK$0.20 per Third Tranche Consideration Share; and

(b) HK$199.4 million by the issue of the ICULS in a principal amount of HK$199.4 million.

The consideration was determined after arm's length negotiation between the vendor and the Company taking into consideration, among other things, the historical profitable financial performance and the regional distribution network of the Cosway Group's direct marketing business located in various countries with main operations in Malaysia, Hong Kong and Taiwan. The parties have agreed that the satisfaction of the consideration will be based on an agreed exchange rate of RM44.8827 to HK$100. The Directors (including the independent non-executive Directors, but excluding Tan Yeong Sheik, Rayvin (a eCosway vendor and a director of BCorp), Cheng Chi Fan, Vivienne, Chan Kien Sing (both are directors of BCorp) and Tan Thiam Chai (a director of BLand) who considered themselves to have conflict of interest and therefore abstained from voting) consider that the consideration is fair and reasonable so far as the Company and the Shareholders are concerned.

Conditions precedent to the Third Cosway M Agreement

Completion of the Third Cosway M Agreement is conditional upon satisfaction of the following conditions precedent:

(i) the Stock Exchange having granted the approval of the listing of and permission to deal in the Consideration Shares, the ICULS (and the Conversion Shares to be issued on conversion thereunder);

(ii) the Whitewash Waiver being obtained;

(iii) such approval as may be necessary from the Malaysian governmental, public or regulatory authorities, or any other relevant authorities whose approval are considered necessary or expedient by the Company in relation to the Third Cosway M Agreement, the acquisition under the Third Cosway M Agreement and transactions contemplated by them to the extent considered necessary or appropriate by the Company have been obtained and on terms and conditions (if any) acceptable to the Company;

(iv) the approval of the Independent Shareholders in EGM by way of poll for the following transactions in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws:

- the entering into of the Third Cosway M Agreement and transactions and matters contemplated thereunder;

- allotment and issue of the Consideration Shares and the ICULS to Madison under the Third Cosway M Agreement and the allotment and issue of new Shares arising from the conversion of the relevant ICULS subject to the Whitewash Waiver; and

- the proposed continuing connected transactions (as defined in the Listing Rules), following completion of the Acquisitions, involving the Enlarged Group (on the one part) and various entities within the Berjaya group of companies (on the other);

(v) the approval of the Shareholders in EGM by way of poll for the increase of the authorised share capital of the Company in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws;

(vi) there not having been at any time hereafter any material adverse change, or any event, development or performance relating to the Cosway Group which is likely to cause or lead to a material adverse change in the business, prospects, financial position or performance of the Cosway Group;

(vii) the consent of the relevant bankers of Cosway M to which consent is required in relation to the Third Cosway M Agreement, the acquisition under the Cosway M Agreements and on such terms and conditions as acceptable to the Company;

(viii) the Company receiving a legal opinion issued by a Delaware law firm as regards certain coporate matters relating to Madison in a form acceptable to the Company; and

(ix) Madison receives a legal opinion issued by a Hong Kong law firm acceptable to Madison as regards certain Hong Kong legal matters in a form acceptable to Madison.

The Company may waive only the conditions set out in (vi), (vii) and (viii). Madison may waive condition (ix). If the above conditions have not been fulfilled or waived on or before the long stop date of the Third Cosway M Agreement (i.e. the last day of the period of six months from the date of the Third Cosway M Agreement or such later date as the parties thereto may from time to time agree to), the Third Cosway M Agreement may be terminated and whereupon, neither party shall have any claims whatsoever against the other in connection therewith, save and except for any antecedent breach.

Completion of the Third Cosway M Agreement

Completion of the Third Cosway M Agreement shall take place on the last day of three months after the date on which the conditions (i) to (ix) as stated in the section headed "Conditions precedent of the Third Cosway M Agreement" above are fulfilled, or as the case may be, waived, or such later or earlier date (after all the conditions precedent to the Third Cosway M Agreement are satisfied, or as the case may be, waived) as the parties to the Third Cosway M Agreement may agree.

Termination

Without prejudice to the Company's rights under the general or common law including (without limitation) the Company's rights of claim for any damages, costs, disbursements, stamp duties, interest and other charges and payments (whether actual contingent or otherwise) payable by the Company under or in connection with the Third Cosway M Agreement, the parties to the Third Cosway M Agreement may (but shall not be obliged to) at any time by notice to the other party terminate the Third Cosway M Agreement if, amongst others, (i) all the conditions precedent (to the extent not waived) are not satisfied by the long stop date for the Third Cosway M Agreement; or (ii) either of the First Cosway M Agreement or the Second Cosway M Agreement is terminated.

Completion of the Third Cosway M Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Third Cosway M Agreement may be terminated under those circumstances as stipulated in the agreement, such as the non-satisfaction (to the extent not waived) of the conditions precedent by the stipulated long stop date, any breach of the agreement including any breach of warranties, and the insolvency of the purchaser or the seller.

As the Third Cosway M Agreement may or may not complete, potential investors are advised to exercise caution when dealing in the Shares.

It is the intention that the completion of the First Cosway M Agreement, the Second Cosway M Agreement and the Third Cosway M Agreement must take place at the same time and hence the completion of the First Cosway M Agreement, the Second Cosway M Agreement and the Third Cosway M Agreement are conditional upon each other. The completion of the Cosway M Agreements are not conditional on the completion of the eCosway Agreement, the Loan Captitalisation Agreement, or the proposed change in the name of the Company.

2.1.4 The eCosway Agreement

Date:

13 October 2009

Parties:

The eCosway Vendors, as the vendors

The Company, as the purchaser

Assets to be transferred:

2,000,000 shares in eCosway, representing 40% of its equity interest

Consideration:

The aggregate consideration of RM107,583,706 (representing approximately HK$239,699,718) will be satisfied on a non-cash basis, as to:

(a) HK$6,499,718.40 by the issue of an aggregate of 32,498,592 eCosway Consideration Shares at a price of HK$0.20 per eCosway Consideration Share; and

(b) HK$233.2 million by the issue of the ICULS in a principal amount of HK$233.2 million.

The consideration was determined after arm's length negotiation between the vendors and the Company taking into consideration, among others, the historical profitable financial performance and the regional distribution network of the Cosway Group's direct marketing business located in various countries with main operations in Malaysia, Hong Kong and Taiwan. The parties have agreed that the satisfaction of the consideration will be based on an agreed exchange rate of RM44.8827 to HK$100. The Directors (including the independent non-executive Directors, but excluding Tan Yeong Sheik, Rayvin (a eCosway vendor and a director of BCorp), Cheng Chi Fan, Vivienne, Chan Kien Sing (both are directors of BCorp) and Tan Thiam Chai (a director of BLand) who considered themselves to have conflict of interest and therefore abstained from voting) consider that the consideration is fair and reasonable so far as the Company and the Shareholders are concerned.

Conditions Precedent to the eCosway Agreement

Completion of the eCosway Agreement is conditional upon satisfaction of the following conditions precedent:

(i) the Stock Exchange having granted the approval of the listing of and permission to deal in the Consideration Shares, the ICULS (and the Conversion Shares) to be issued on conversion thereunder;

(ii) the Whitewash Waiver being obtained;

(iii) such approval as may be necessary from the Malaysian governmental, public or regulatory authorities including without limitation to BNM, or any other relevant authorities whose approval are considered necessary or expedient by the Company in relation to eCosway Agreement and transactions contemplated by it to the extent considered necessary or appropriate by the Company have been obtained and on terms and conditions (if any) acceptable to the Company;

(iv) the approval of the Independent Shareholders in EGM by way of poll for the following transactions in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws:

- the entering into of eCosway Agreement and transactions and matters contemplated by it; and

- allotment and issue of the Consideration Shares and the ICULS to the eCosway Vendors under the eCosway Agreement and the allotment and issue of new Shares arising from the conversion of the relevant ICULS subject to the Whitewash Waiver;

(v) the approval of the Shareholders in EGM by way of poll for the increase of the authorised share capital of the Company in accordance with the requirements of the Memorandum and Articles of Association of the Company, the Listing Rules and all such other applicable laws;

(vi) there not having been at any time hereafter any material adverse change, or any event, development or performance relating to the eCosway which is likely to cause or lead to a material adverse change in the business, prospects, financial position or performance of the eCosway; and

(vii) the consent of the relevant bankers of eCosway to which consent is required in relation to the eCosway Agreement, the acquisition under the eCosway Agreements and on such terms and conditions as acceptable to the Company.

The Company may waive only the conditions in (vi) and (vii). If the above conditions have not been fulfilled or waived on or before the long stop date for the eCosway Agreement (i.e. the last day of the period of six months from the date of the eCosway Agreement or such later date as the parties thereto may from time to time agree to), the eCosway Agreement may be terminated and neither party shall have any claims whatsoever against the other in connection therewith, save and except for any antecedent breach.

Completion of the eCosway Agreement

Completion of the eCosway Agreement shall take place on the last day of the period of three months after the date on which both the conditions (i) to (vii) as stated in the section headed "Conditions precedent of the eCosway Agreement" above are fulfilled, or as the case may be, waived, or such later or earlier date (after all the conditions precedent to the eCosway Agreement are satisfied, or as the case may be, waived) as the parties to the eCosway Agreement may agree.

Termination

Without prejudice to the Company's rights under the general or common law including (without limitation) the Company's rights of claim for any damages, costs, disbursements, stamp duties, interest and other charges and payments (whether actual contingent or otherwise) payable by the Company under or in connection with the eCosway Agreement, the parties may (but shall not be obliged to) at any time by notice to the other party terminate the eCosway Agreement if, amongst all, all the conditions precedent (to the extent not waived) are not satisfied by the long stop date for the eCosway Agreement.

Completion of the eCosway Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the eCosway Agreement may be terminated under those circumstances as stipulated in the agreement, such as the non-satisfaction (to the extent not waived) of the conditions precedent by the stipulated long stop date, any breach of the agreement including any breach of warranties, and the insolvency of the purchaser or the seller.

As the eCosway Agreement may or may not complete, potential investors are advised to exercise caution when dealing in the Shares.

The eCosway Agreement and the Cosway M Agreements are not inter-conditional. The completion of eCosway Agreement is not conditional on the completion of the Cosway M Agreements, the Loan Capitalisation Agreements or the proposed change in the name of the Company.

2.2 THE CONSIDERATION SHARES

The issue price for each of the First Tranche Consideration Shares, the Second Tranche Consideration Shares, the Third Tranche Consideration Shares and the eCosway Consideration Shares is HK$0.20 per Share, which has been determined by the parties with reference to the par value of the Shares, the loss performance of the Company since FYE 1998 (except FYE 2004, FYE 2005, and FYE 2008 which are profitable due to revaluation surplus on investment properties), the net assets value of the Company and the average closing price of the Share for the last twelve months up to and including the Last Trading Day, representing:

- a discount of approximately 75.61% to the closing price of HK$0.820 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- a discount of approximately 72.97% to the closing price of HK$0.740 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a discount of approximately 72.14% to the average closing price of HK$0.718 per Share for the five consecutive trading days up to and including the Last Trading Day;
- a discount of approximately 72.30% to the average closing price of HK$0.722 per Share for the ten consecutive trading days up to and including the Last Trading Day;
- a discount of approximately 48.45% to the average closing price of HK$0.388 per Share for the last six months up to and including the Last Trading Day;
- a discount of approximately 15.25% to the average closing price of HK$0.236 per Share for the last twelve months up to and including the Last Trading Day;
- a premium of approximately 566.67% over the audited consolidated net asset value per Share as at 30 April 2009 of approximately HK$0.03.

The First Tranche Consideration Shares, Second Tranche Consideration Shares, Third Tranche Consideration Shares and eCosway Consideration Shares represent approximately 105.82%, 19.58%, 19.80% and 5.50% of the existing issued share capital respectively, and approximately 42.21%, 7.81%, 7.90% and 2.19% of the enlarged issued share capital of the Company as enlarged by the issue of the Consideration Shares respectively. The Consideration Shares in aggregate represent approximately 150.70% of the existing issued share capital, and approximately 60.11% of the enlarged issued share capital of the Company as enlarged by the issue of the Consideration Shares.

2.3 RANKING OF CONSIDERATION SHARES

The Consideration Shares, when issued and alloted, will rank *pari passu* in all respects with the existing Shares already in issue.

There is no restriction to the subsequent sale or transfer of the Consideration Shares.

2.4 SPECIAL MANDATE

The Consideration Shares shall be issued pursuant to a specific mandate to be granted to the Directors which will be sought from the Independent Shareholders who are permitted to vote in the forthcoming EGM, and such specific mandate shall not affect any general mandate which have been granted to the Directors. The Company will apply to the Stock Exchange for the approval of the listing of and permission to deal in the Consideration Shares.

2.5 THE ICULS

The Company will issue the ICULS an aggregate principal amount of up to HK$2,190 million to (i) Cosway Corp (ii) Biofield, (iii) Madison, and (iv) the eCosway Vendors as part of the consideration for the Acquisitions.

Based on the Conversion Price of HK$0.20 per Conversion Share and assuming full conversion of the ICULS at the Conversion Price, the ICULS will be convertible into up to 10,950,000,000 Conversion Shares, representing approximately 18.53 times of the issued share capital of the Company as at the Latest Practicable Date and approximately 94.88% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares. The Conversion Shares which will be allotted and issued upon conversion of ICULS shall rank pari passu with the Shares then in issue. Application has been made to the Stock Exchange for the listing of, and permission to deal in, the ICULS by way of selectively marketed securities under Chapter 37 of the Listing Rules, and the Conversion Shares to be issued upon conversion of the ICULS.

The issue of the ICULS is conditional upon the completion of the First Cosway M Agreement, the Second Cosway M Agreement, the Third Cosway M Agreement and/or the eCosway Agreement.

2.5.1 Principal Terms of the ICULS

The ICULS will be constituted by a deed poll or an appropriate instrument (the "Deed Poll") and the principal terms of the ICULS are summarized as follows:

Issuer	The Company
Principal Amount	An aggregate principal amount of up to HK$2,190 million
Tenure	10 years from date of issuance
Form and Denomination	In registered form and in denominations of HK$10,000
Coupon Rate	1% per annum payable semi-annually in arrears for the first two years; and 3.5% per annum payable semi-annually in arrears for the remaining eight years
Conversion Period	During the period commencing from the date of first issuance up to the date falling to the expiration of ten years thereafter (the "Conversion Period")
Conversion Rights and Conversion Period	(i) The conversion of the ICULS into Conversion Shares may take place at any time during the Conversion Period of the ICULS

(ii) Notwithstanding anything to the contrary herein, if the issue of Conversion Shares following the exercise by a holder of ICULS of the Conversion Rights relating to any of the Conversion Shares held by such holder of ICULS which would result in the Company not meeting the Public Float Requirement immediately after the conversion, then the number of Conversion Shares to be issued pursuant to such conversion shall be reduced to the maximum number of Conversion Shares issuable by the Company which would not in the reasonable opinion of the Company result in a breach of the Public Float Requirement and the balance of the Conversion Rights attached to the ICULS which the holder sought to convert shall be suspended until such time when the Company is able to issue additional Ordinary Shares in satisfaction of the exercise of the said balance of Conversion Rights and at the same time comply with the Public Float Requirement.

(iii) In the event that paragraph (ii) above shall affect the exercise of the Conversion Right of any holder of ICULS, the Company shall use reasonable endeavours to procure that there will be a sufficient number of Shares in public hands for the purposes of the Listing Rules so that all ICULS suspended from conversion may be converted to the fullest extent as soon as practicable without causing the Company to breach the Public Float Requirement.

Conversion Price

Initial conversion price at HK$0.20 per Share. The conversion price is subject to adjustment events including, among other things, consolidation, subdivision, reclassification of Shares, capitalisation of profits or reserves, capital distribution, issuance of options, rights, warrants, issue of Shares at less than market price and other standard dilutive events.

Redemption/Automatic Conversion	There will not be any redemption of the ICULS. Any ICULS which remains unconverted at the end of the tenure of the ICULS will be automatically converted into Conversion Shares at the Conversion Price.
Ranking of ICULS	The ICULS shall as between the holders thereof rank pari passu in all respects and without discrimination or preference as an unsecured obligation of the Company and shall be subordinated to all other present and future unsecured and unsubordinated obligations of the Company from time to time outstanding.
Ranking of Conversion Shares upon conversion of the ICULS	The Conversion Shares which will be allotted and issued upon conversion of ICULS shall rank pari passu with the Shares then in issue.
Events of Default	(i) If the Company defaults in the performance and observance of any agreement, covenant, undertaking, stipulation, proviso or obligation contained in the Deed Poll or in any other applicable document relating to the issue, offer or invitation in respect of the ICULS and on the Company's part of to be performed and observed and, where such default is capable of remedy, such default continues for a period of thirty (30) days from the date the Company receive a notice in writing requiring the Company to remedy such default;
	(ii) If distress or execution or other process of a court of competent jurisdiction is levied or enforced upon or against the assets or properties of the Company or any of its principal subsidiaries or any part thereof and is not appealed against or contested by the Company or its principal subsidiaries or paid out; stayed, withdrawn, discharged or set aside within thirty (30) days thereof;

(iii) If an encumbrance takes possession or a receiver is appointed over the whole or a substantial part of the assets or undertaking of the Company or its principal subsidiaries or a scheme of arrangement under Section 166 of the Companies Ordinance (Cap. 32, Laws of Hong Kong) has been proposed between the Company and creditors of the Company or any class of them or between the Company and members of the Company or any class of them;

(iv) If the Company or any of its principal subsidiaries stops or threatens to stop payment of the Company's debts or ceases or threatens to cease to carry on its business;

(v) If the Company or any of its principal subsidiaries is unable to pay its debts within the meaning of Section 178 of the Companies Ordinance (Cap. 32, Laws of Hong Kong);

(vi) If an order is made or an effective resolution is passed to wind up the Company or any of its principal subsidiaries except for the purpose of restructuring or amalgamation;

(vii) If the ICULS cease to be listed on Stock Exchange or an alternative stock exchange;

(viii) If any other indebtedness of the Company or any of its principal subsidiaries becomes due and payable prior to its stated maturity or where the security created for any other indebtedness becomes enforceable.

If any of the above events of default shall occur, the holders of the ICULS, may by a special resolution, declare that the principal amount under the ICULS to be immediately due and convertible into Shares.

Liquidation	In the event of the passing of a special resolution for the voluntary winding-up of the Company, the holders of the ICULS shall be entitled within four weeks thereafter by notice in writing to the Company to elect to be treated as if the conversion right applicable to such ICULS has been exercised immediately before the date of the resolution relating to such voluntary winding-up and in that event the holders of the ICULS will be entitled to receive out of the assets of the Company available in the winding up pari passu with the shareholders of the Company and in satisfaction of the amount due in respect of such ICULS a sum equal to the amount to which he would have become entitled by virtue of such conversion. Provided that such election shall not be valid unless the said notice in writing shall have been delivered to the Company as aforesaid. At the expiration of the four-week period referred to above, any remaining conversion right attached to the outstanding ICULS shall lapse.
Security	The ICULS are unsecured
Listing	Listing by way of selectively marketed securities will be sought on the main board of the Stock Exchange.
Governing Law	Hong Kong law

2.5.2 Taxation

Withholding Tax

No withholding tax in Hong Kong is payable on payments of principal and interest in respect of the ICULS unless deductions or withholdings of such taxes, assessments or governmental charges is compelled by law.

No tax is payable in Hong Kong by withholding or otherwise in respect of payments of dividends on the Shares unless deductions or withholdings of such taxes, assessments or governmental charges is compelled by law.

Profits Tax

Hong Kong profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business.

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "Inland Revenue Ordinance") as it is currently applied, Hong Kong profits tax may be charged on revenue profits arising on the sale, disposal or conversion of the ICULS where such sale, disposal or conversion is or forms part of a trade, profession or business carried on in Hong Kong.

Although no tax is imposed in Hong Kong in respect of capital gains, Hong Kong profits tax may be chargeable on trading gains arising on the sale or disposal of the Shares where such transactions are or form part of a trade, profession or business carried on in Hong Kong.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue of the Shares or the ICULS. Hong Kong stamp duty is however payable on any purchase and sale of Shares, and for the transfer of the ICULS for as long as the transfer thereof is required to be registered in Hong Kong. The duty is charged on each of the purchaser and the seller at the ad valorem rate of 0.1 per cent. (rounded up to the nearest dollar) of the consideration for, or (if greater) the value of, the ICULS or the Shares bought and sold. In addition, any instrument of transfer (if required) will be subject to a flat rate of stamp duty of HK$5.

2.5.3 Use of Proceeds of ICULS

The aggregate principal amount from the issue of the ICULS of up to HK$2,190 million will be used to satisfy the consideration for the Cosway M Acquisition and the eCosway Acquisition.

2.5.4 Dealings

Subject to the granting the listing of, and permission to deal in, the ICULS and the Shares to be issued pursuant to the conversion of the ICULS as well as compliance with the stock admission requirements of HKSCC, the ICULS and the Shares which fall to be issued upon conversion of the ICULS will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the ICULS on the Stock Exchange or such other date as shall be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day (the "Settlement Day") after any trading day. In addition to transaction costs, investors in the ICULS should note that the settlement amount in the trading of the ICULS will, in general, need to account for the amount of interest accrued on the ICULS from the last interest payment date applicable to the ICULS up to the Settlement Day. For information on the accrued interest on the ICULS, please see Appendix VI of this circular. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The ICULS and the Shares to be issued pursuant to the conversion of the ICULS will not be listed or dealt in on any other stock exchange and no such listings or permission to deal will be sought.

Shareholders should seek advice from their licensed securities dealer or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

2.6 FUND RAISING IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities in the past twelve months before the Latest Practicable Date.

2.7 FINANCIAL EFFECTS OF THE ACQUISITIONS

Upon Completion, the financial results of the Cosway Group will be consolidated into the financial statements of the Group.

The financial impact of the Acquisitions and the Capitalisation Issue (including its effect on the earnings and assets and liabilities) is illustrated by way of unaudited pro forma financial information of the Group (i) after the Cosway M Acquisition and the Capitalisation Issue, (ii) after the eCosway Acquisition and (iii) after the Acquisitions and the Capitalisation Issue, as included in Appendix IV to this circular.

Based on the audited consolidated financial statements of the Group for the year ended 30 April 2009, the total assets and total liabilities of the Group as at 30 April 2009 were approximately HK$55.9 million and HK$36.8 million respectively. Assuming the Cosway M Acquisition and the Capitalisation Issue were completed by 30 April 2009, the unaudited pro forma total assets and unaudited pro forma total liabilities of the Group after the Cosway M Acquisition and the Capitalisation Issue would amount to approximately HK$1.11 billion and HK$979.2 million respectively, representing an increase of approximately 1,887% in the case of total assets and 2,562% in the case of total liabilities from those set out in the audited consolidated financial statements of the Group for the year ended 30 April 2009. Assuming the eCosway Acquisition was completed by 30 April 2009, the unaudited pro forma total assets and unaudited pro forma total liabilities of the Group after the eCosway Acquisition would amount to approximately HK$296.4 million and HK$99.7 million respectively, representing an increase of approximately 430.6% in the case of total assets and 171.1% in the case of total liabilities from those set out in the audited consolidated financial statements of the Group for the year ended 30 April 2009. Assuming the Acquisitions and the Capitalisation Issue were completed by 30 April 2009, the unaudited pro forma total assets and unaudited pro forma total liabilities of the Enlarged Group would amount to approximately HK$1.32 billion and HK$1.03 billion respectively, representing an increase of approximately 2,257.5% in the case of total assets and 2,703.0% in the case of total liabilities from those set out in the audited consolidated financial statements of the Group for the year ended 30 April 2009.

Based on the audited consolidated financial statements of the Group for the year ended 30 April 2009, the loss attributable to equity holders of the Company amounted to approximately HK$19.4 million. Assuming the Cosway M Acquisition and the Capitalisation Issue were completed by 1 May 2008, the Group after the Cosway M Acquisition and the Capitalisation Issue would have unaudited pro forma profit attributable to equity holders amounting to approximately HK$72.8 million, as compared to the loss attributable to equity holders of the Company of approximately HK$19.4 million as set out in the audited consolidated financial statements of the Group for the year ended 30 April 2009. Assuming the eCosway Acquisition was completed by 1 May 2008, the Group after the eCosway Acquisition would have unaudited pro forma loss attributable to equity holders amounting to approximately HK$18.2 million, representing a decrease of approximately 6.6% from the amount as set out in the audited consolidated financial statements of the Group for the year ended 30 April 2009. Assuming the Acquisitions and the Capitalisation Issue were completed by 1 May 2008, the Enlarged Group would have unaudited pro forma profit attributable to equity holders amounting to approximately HK$84 million, as compared to the loss attributable to equity holders of the Company of approximately HK$19.4 million as set out in the audited consolidated financial statements of the Group for the year ended 30 April 2009.

3. ISSUE OF SHARES TO CONNECTED PERSON BY CAPITALISATION OF LOAN

THE LOAN CAPITALISATION AGREEMENT DATED 13 OCTOBER 2009

Parties: The Company
BCayman, the existing controlling shareholder of the Company

On 13 October 2009, the Company entered into the Loan Capitalisation Agreement with BCayman, pursuant to which the Company and BCayman conditionally agreed that the Company shall allot to BCayman 180,000,000 Capitalisation Shares at an issue price of HK$0.20 per Capitalisation Share and BCayman shall accept such Capitalisation Shares in satisfaction of HK$36 million being part of the Indebtedness. The balance of the Indebtedness (being HK$0.5 million as at the Latest Practicable Date) shall be repaid by the Company to BCayman upon receipt of written demand of repayment.

The issue and allotment of the Capitalisation Shares by the Company to BCayman shall be deemed as full and final settlement of HK$36 million, being part of the Indebtedness.

Relationship of BCayman and the Company

As at the Latest Practicable Date, BCayman owns approximately 42.66% of the issued share capital of the Company. Accordingly, BCayman is a connected person of the Company pursuant to the Listing Rules.

Capitalisation Shares

180,000,000 Capitalisation Shares, representing (i) approximately 30.45% of the Company's existing issued share capital; and (ii) approximately 23.34% of the Company's issued share capital as enlarged by the Capitalisation Issue, will be issued pursuant to the Loan Capitalisation Agreement.

Capitalisation Price

The Capitalisation Price is HK$0.20 per Capitalisation Share and is determined by reference to the par value of the Shares, the loss performance of the Company since FYE 1998 (except FYE 2004, FYE 2005, and FYE 2008 which are profitable due to revaluation surplus on investment properties), the net assets value of the Company and the average closing price of the Share for the last twelve months up to and including the Last Trading Day. The Capitalisation Price of each Capitalisation Share represents:

- a discount of approximately 75.61% to the closing price of HK$0.820 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

- a discount of approximately 72.97% to the closing price of HK$0.740 per Share as quoted on the Stock Exchange on the Last Trading Day;

- a discount of approximately 72.14% to the average closing price of HK$0.718 per Share for the five consecutive trading days up to and including the Last Trading Day;

- a discount of approximately 72.30% to the average closing price of HK$0.722 per Share for the ten consecutive trading days up to and including the Last Trading Day;

- a discount of approximately 48.45% to the average closing price of HK$0.388 per Share for the last six months up to and including the Last Trading Day;

- a discount of approximately 15.25% to the average closing price of HK$0.236 per Share for the last twelve months up to and including the Last Trading Day;

- a premium of approximately 566.67% over the audited consolidated net asset value per Share as at 30 April 2009 of approximately HK$0.03.

Conditions Precedent of the Loan Capitalisation Agreement

Completion of the Loan Capitalisation Agreement is conditional upon satisfaction of the following conditions precedent:

(i) the Stock Exchange having granted the approval of the listing of and permission to deal in the Capitalisation Shares;

(ii) the Whitewash Waiver being obtained;

(iii) such other approval as may be necessary from the governmental, public or regulatory authorities or any other relevant authorities whose approval are considered necessary or expedient by the Company in relation to the Loan Capitalisation Agreement, the Capitalisation Issue and the transactions contemplated by them to the extent considered necessary or appropriate by the Company have been obtained and on terms and conditions (if any) acceptable to the Company;

(iv) the completion of the Cosway M Agreements; and

(v) the approval of the Independent Shareholders in EGM by way of poll in relation to the allotment and issue of the Capitalisation Shares under the Loan Capitalisation Agreement.

If any of the above condition is not fulfilled on or before the last day of the period of six months from the date of the Loan Capitalisation Agreement (or such later date as the parties thereto may from time to time agree to) (the "Loan Capitalisation Long Stop Date"), the Loan Capitalisation Agreement shall be deemed to be terminated and neither party in the Loan Capitalisation Agreement shall have any claim whatsoever against the other in connection therewith, save and except for any antecedent breach.

The completion of the Loan Capitalisation Agreement is not conditional on the completion of the eCosway Agreement, the increase in the authorized share capital of the Company, or the proposed change in the name of the Company.

Completion of the Loan Capitalisation Agreement

Completion of the Loan Capitalisation Agreement shall take place on the last day of the period of three months after the Loan Capitalisation Long Stop Date or such other date as the parties to the Loan Capitalisation Agreement may agree.

Ranking of Capitalisation Shares

The Capitalisation Shares, when issued and allotted, will rank pari passu in all respects among themselves and with the Shares then in issue.

There is no restriction on the subsequent sale and transfer of the Capitalisation Shares.

Specific mandate

The Capitalisation Shares shall be issued pursuant to a specific mandate to be granted to the Directors which will be sought from the Independent Shareholders who are permitted to vote in the forthcoming EGM, and such specific mandate shall not affect any general mandate which have been granted to the Directors. The Company will apply to the Stock Exchange for the approval of the listing of and permission to deal in the Capitalisation Shares.

4. THE CCTs

Upon completion of the Acquisitions, Cosway M and eCosway will become wholly owned subsidiaries of the Company. As BCorp, BLand, BToto, UMobile, BAssets, Dijaya, BMedia and 7-Eleven are connected persons of the Company pursuant to the Listing Rules, the CCTs constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

EXEMPTED CCT AGREEMENTS

As the Applicable Percentage Ratios for the Exempted Caps are more than 2.5% but less than 25% on an annual basis and the annual consideration will be less than HK$10,000,000, the Exempted CCTs constitute continuing connected transactions of the Company that are subject to reporting, announcement but exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The principal terms of the respective Exempted CCT Agreements are set out below:

Title	Agreement date	Contracting parties	Subject of transaction
Exempted Master Supply of Services Agreement			
(a) UMobile Telecom Services Agreement	13 October 2009	– the Company – UMobile	supply of Telecom Services by UMobile Group to the Group
Exempted Master Leasing Agreements			
(a) BCorp First Master Leasing Agreement in relation to rental receivables by the Group	13 October 2009	– the Company – BCorp	leasing of the Cosway Premises by the Group to BCorp Group
(b) BLand First Master Leasing Agreement in relation to rental receivables by the Group	13 October 2009	– the Company – BLand	leasing of the Cosway Premises by the Group to BLand Group

Title	Agreement date	Contracting parties	Subject of transaction
(c) BToto Master Leasing Agreement in relation to rental receivables by the Group	13 October 2009	– the Company – BToto	leasing of the Cosway Premises by the Group to BToto Group
(d) UMobile Master Leasing Agreement in relation to rental receivables by the Group	13 October 2009	– the Company – UMobile	leasing of the Cosway Premises by the Group to UMobile

General principles, pricing and terms for the Exempted CCT Agreements

(i) The transactions shall be based on normal commercial terms agreed after good faith and arms' length negotiations between the relevant parties, by reference to prevailing market prices. The terms to be offered to the connected persons by the Group in relation to the Exempted Master Leasing Agreements should not be more favourable than those offered to independent third parties. The terms to be offered by the connected persons to the Group in relation to the UMobile Telecom Services Agreements should not be less favourable than those offered to independent third parties;

(ii) Each specific supply arrangement of the Telecom Services shall be governed by a separate Purchase Order or Quotation, and UMobile shall supply Telecom Services to the Group in accordance with the requirements set out in the Purchase Orders or the Quotations;

(iii) Each specific leasing arrangement of the Exempted Master Leasing Agreements relating to a particular Cosway Premises shall be governed by a separate lease agreement. Certain members of the Group have entered into certain lease contracts with certain members of the BCorp Group, BLand Group, BToto Group or UMobile Group prior to the date of the each of the respective Exempted Master Leasing Agreements (the "Pre-Existing Lease Contracts for Exempted Master Leasing Agreements"). It is agreed that the Pre-Existing Lease Contracts for Exempted Master Leasing Agreements shall remain in full force and effect notwithstanding the terms of each of the respective Exempted Master Leasing Agreements but shall be reviewed and amended (if necessary) to comply with the terms of each of the respective Exempted Master Leasing Agreements;

(iv) The arrangements are non-exclusive.

Term for the Exempted CCT Agreements

From the respective Effective Date to 30 April 2012.

Conditions precedent for the Exempted CCT Agreements

Completion of the respective Exempted CCT Agreements is conditional upon the completion of the Cosway M Acquisition.

If such conditions are not satisfied by the expiry of nine months from the date of the respective Exempted CCT Agreements, the respective Exempted CCT Agreements shall terminate and neither party in the respective Exempted CCT Agreements shall have any claim or liability hereunder to the other party in the respective Exempted CCT Agreements.

NON-EXEMPTED CCT AGREEMENTS

As the Applicable Percentage Ratios for the Non-exempted Caps are higher than 25% on an annual basis, the Non-exempted CCTs constitute continuing connected transactions of the Company that are subject to reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE NON-EXEMPTED MASTER LEASING AGREEMENTS

The principal terms of the respective Non-exempted Master Leasing Agreements are set out below:

Title	Agreement date	Contracting parties	Subject of transaction
(a) BCorp Second Master Leasing Agreement in relation to rental payables by the Group	13 October 2009	– the Company – BCorp	leasing of the BCorp Premises by the Group from BCorp Group
(b) BLand Second Master Leasing Agreement in relation to rental payables by the Group	13 October 2009	– the Company – BLand	leasing of the BLand Premises by the Group from BLand Group
(c) BAssets Master Leasing Agreement in relation to rental payables by the Group	13 October 2009	– the Company – BAssets	leasing of the BAssets Premises by the Group from BAssets Group
(d) 7-Eleven Master Leasing Agreement in relation to rental payables by the Group	13 October 2009	– the Company – 7-Eleven	leasing of the 7-Eleven Premises by the Group from 7-Eleven Group

General principles, pricing and terms for the Master Leasing Agreements

(i) the leasing arrangements shall be based on normal commercial terms agreed after good faith and arm's length negotiations between the relevant parties, by reference to prevailing market prices. The terms to be offered by the connected persons to the Group should not be less favorable than those offered to the independent third parties;

(ii) each specific leasing arrangement relating to a particular Premises shall be governed by a separate lease agreement. Certain members of the Group have entered into certain lease contracts with certain members of the BCorp Group, BLand Group or BAssets Group prior to the date of the each of the respective Non-exempted Master Leasing Agreements (the "Pre-Existing Lease Contracts for Non-exempted Master Leasing Agreements"). It is agreed that the Pre-Existing Lease Contracts for Non-exempted Master Leasing Agreements shall remain in full force and effect notwithstanding the terms of each of the respective Non-exempted Master Leasing Agreements but shall be reviewed and amended (if necessary) to comply with the terms of each of the respective Non-exempted Master Leasing Agreements;

(iii) the arrangements are non-exclusive.

Term for the Non-exempted Master Leasing Agreements

From the respective Leasing Effective Date to 30 April 2012.

Conditions Precedent for the Non-exempted Master Leasing Agreements

Completion of the respective Non-exempted Master Leasing Agreements is conditional upon:

a. the completion of the Acquisitions;

b. the approval by the Independent Shareholders at the EGM of respective Non-exempted Master Leasing Agreements and the annual caps.

If such conditions are not satisfied by the expiry of nine months from the date of the respective Non-exempted Master Leasing Agreements, the respective Non-exempted Master Leasing Agreements shall terminate and neither party in the respective Non-exempted Master Leasing Agreements shall have any claim or liability hereunder to the other party in the respective Non-exempted Master Leasing Agreements.

THE NON-EXEMPTED MASTER SUPPLY OF GOODS AGREEMENTS

The principal terms of the respective Non-exempted Master Supply of Goods Agreements are set out below:

Title		Agreement Date	Contracting Parties	Subject of Transaction
(a)	BCorp First Master Supply of Goods Agreement	13 October 2009	– the Company – BCorp	supply of Cleaning Products by the Group to BCorp Group
(b)	BCorp Second Master Supply of Goods Agreement	13 October 2009	– the Company – BCorp	supply of Garments by BCorp Group to the Group
(c)	BLand Master Supply of Goods Agreement	13 October 2009	– the Company – BLand	supply of Cleaning Products by the Group to BLand Goup
(d)	BAssets Master Supply of Goods Agreement	13 October 2009	– the Company – BAssets	supply of Cleaning Products by the Group to BAssets Group
(e)	Dijaya Master Supply of Goods Agreement	13 October 2009	– the Company – Dijaya	supply of Cleaning Products by the Group to Dijaya Group
(f)	UMobile Master Supply of Goods Agreement	13 October 2009	– the Company – UMobile	supply of Telecom Equipment by UMobile Group to the Group
(g)	7-Eleven Master Supply of Goods Agreement	13 October 2009	– the Company – 7-Eleven	supply of Chemical Products by the Group to the 7-Eleven Group

General principles, pricing and terms for Non-exempted Master Supply of Goods Agreements

(i) the supply of the Cleaning Products and Chemical Products or procurement of the Garments or Telecom Equipment (as appropriate) shall be based on normal commercial terms agreed after good faith and arm's length negotiations between the relevant parties, by reference to prevailing market prices. The terms to be offered to the connected persons by the Group in relation to the supply of Cleaning Products and Chemical Products by the Group should not be more favorable than those offered to the independent third parties. The terms to be offered by the connected persons to the Group in relation to the supply of Garments or Telecom Equipment to the Group should not be less favorable than those offered to the independent third parties;

(ii) each specific supply arrangement relating to a particular Cleaning Products, Garments, Telecom Equipment or Chemical Products (as appropriate) shall be governed by separate Purchase Order or Quotation; and

(iii) the arrangements are non-exclusive.

Term for the Non-exempted Master Supply of Goods Agreements

From the respective Supply of Goods Effective Date to 30 April 2012.

Conditions Precedent for the Non-exempted Master Supply of Goods Agreements

Completion of the respective Non-exempted Master Supply of Goods Agreements is conditional upon:

a. the completion of the Cosway M Acquisition;

b. the approval by the Independent Shareholders at the EGM of respective Non-exempted Master Supply of Goods Agreements and the annual caps.

If such conditions are not satisfied by the expiry of nine months from the date of the respective Non-exempted Master Supply of Goods Agreements, the respective Non-exempted Master Supply of Goods Agreements shall terminate and neither party in the respective Non-exempted Master Supply of Goods Agreements shall have any claim or liability hereunder to the other party in the respective Non-exempted Master Supply of Goods Agreements.

THE NON-EXEMPTED MASTER SUPPLY OF SERVICES AGREEMENTS

The principal terms of the respective Non-exempted Master Supply of Services Agreements are set out below:

Non-exempted Master Supply of Services Agreements	Agreement Date	Contracting Parties	Subject of Transaction
(a) BMedia Advertising Services Agreement	13 October 2009	– the Company – BMedia	Supply of Advertising Services by BMedia Group to the Group
(b) BLand Aircraft Agreement	13 October 2009	– the Company – BLand	Leasing of aircraft from BLand Group by the Group
(c) BCorp Mailing Services Agreement	13 October 2009	– the Company – BCorp	supply of Mailing Services by BCorp Group to the Group
(d) BCorp Printing Services Agreement	13 October 2009	– the Company – BCorp	supply of Printing Services by BCorp Group to the Group
(e) BCorp Courier Services Agreement	13 October 2009	– the Company – BCorp	supply of Courier Services by BCorp Group to the Group
(f) BCorp Insurance Services Agreement	13 October 2009	– the Company – BCorp	Supply of Insurance Services by BCorp Group to the Group
(g) BLand Guard Services Agreement	13 October 2009	– the Company – BLand	Supply of Guard Services by BLand Group to the Group

General principles, pricing and terms for the Non-exempted Master Supply of Services Agreements

(i) the supply of Services shall be based on normal commercial terms agreed after good faith and arm's length negotiations between the relevant parties, by reference to prevailing market prices. The terms to be offered by the connected persons to the Group should not be less favorable than those offered to independent third parties;

(ii) each specific supply arrangement relating to a particular Services shall be governed by separate Purchase Orders or separate agreements;

(iii) the arrangements are non-exclusive.

Term for the Non-exempted Master Supply of Services Agreements

From the respective Supply of Services Effective Date to 30 April 2012.

Conditions Precedent for the Non-exempted Master Supply of Services Agreements

Completion of the respective Non-exempted Master Supply of Services Agreements is conditional upon:

a. the completion of the Acquisitions;

b. the approval by the Independent Shareholders at the EGM of respective Non-exempted Master Supply of Services Agreements and the annual caps.

If such conditions are not satisfied by the expiry of nine months from the date of the respective Non-exempted Master Supply of Services Agreements, the respective Non-exempted Master Supply of Services Agreements shall terminate and neither party in the respective Non-exempted Master Supply of Services Agreements shall have any claim or liability hereunder to the other party in the respective Non-exempted Master Supply of Services Agreements.

4.1 HISTORICAL TRANSACTION AMOUNTS AND DETERMINATION OF PROPOSED CAPS

The following is a summary of the historical transaction amounts of the relevant CCTs for the three years ended 30 April 2009:

	Historical amounts For the financial year ended		
	30 April 2007	**30 April 2008**	**30 April 2009**
Supply of Telecom Services under:			
(a) UMobile Telecom Services Agreement	–	–	RM43,000 (equivalent to approximately HK$95,805)
Rental Receivables under:			
(a) BCorp First Master Leasing Agreement	RM1,200 (equivalent to approximately HK$2,674)	RM1,200 (equivalent to approximately HK$2,674)	RM1,200 (equivalent to approximately HK$2,674)
(b) BLand First Master Leasing Agreement	RM72,747 (equivalent to approximately HK$162,082)	RM77,000 (equivalent to approximately HK$171,558)	RM88,933 (equivalent to approximately HK$198,145)
(c) BToto Master Leasing Agreement	RM4,000 (equivalent to approximately HK$8,912)	RM4,000 (equivalent to approximately HK$8,912)	RM4,000 (equivalent to approximately HK$8,912)
(d) UMobile Master Leasing Agreement	RM21,600 (equivalent to approximately HK$48,125)	RM21,600 (equivalent to approximately HK$48,125)	RM21,600 (equivalent to approximately HK$48,125)

	Historical amounts For the financial year ended 30 April 2007	30 April 2008	30 April 2009
Rental Payables under:			
(a) BCorp Second Master Leasing Agreement	RM32,000 (equivalent to approximately HK$71,297)	RM53,000 (equivalent to approximately HK$118,086)	RM40,000 (equivalent to approximately HK$89,121)
(b) BLand Second Master Leasing Agreement	–	–	RM146,000 (equivalent to approximately HK$325,292)
(c) BAssets Master Leasing Agreement	RM385,000 (equivalent to approximately HK$857,792)	RM388,000 (equivalent to approximately HK$864,476)	RM364,000 (equivalent to approximately HK$811,003)
(d) 7-Eleven Master Leasing Agreement	RM357,017 (equivalent to approximately HK$795,445)	RM480,000 (equivalent to approximately HK$1,069,454)	RM480,000 (equivalent to approximately HK$1,069,454)
Supply of Goods under:			
(a) BCorp First Master Supply of Goods Agreement	RM126,000 (equivalent to approximately HK$280,732)	RM181,530 (equivalent to approximately HK$404,454)	RM186,352 (equivalent to approximately HK$415,198)
(b) BLand Master Supply of Goods Agreement	RM911,000 (equivalent to approximately HK$2,029,735)	RM787,000 (equivalent to approximately HK$1,753,460)	RM799,000 (equivalent to approximately HK$1,780,196)
(c) BAssets Master Supply of Goods Agreement	RM3,000 (equivalent to approximately HK$6,684)	RM3,000 (equivalent to approximately HK$6,684)	RM6,000 (equivalent to approximately HK$13,368)

		Historical amounts For the financial year ended		
		30 April 2007	30 April 2008	30 April 2009
(d)	Dijaya Master Supply of Goods Agreement	RM10,534 (equivalent to approximately HK$23,470)	RM9,618 (equivalent to approximately HK$21,429)	RM14,877 (equivalent to approximately HK$33,146)
(e)	BCorp Second Master Supply of Goods Agreement	–	–	RM288,000 (equivalent to approximately HK$641,673)
(f)	UMobile Master Supply of Goods Agreement	–	–	RM138,000 (equivalent to approximately HK$307,468)
(g)	7-Eleven Master Supply of Goods Agreement	–	–	RM402,110 (equivalent to approximately HK$895,913)
Supply of Services under:				
(a)	BMedia Advertising Services Agreement	RM3,872 (equivalent to approximately HK$8,627)	RM109,500 (equivalent to approximately HK$243,969)	RM109,500 (equivalent to approximately HK$243,969)
(b)	BLand Aircraft Agreement	RM960,000 (equivalent to approximately HK$2,138,909)	RM1,040,000 (equivalent to approximately HK$2,317,151)	RM484,000 (equivalent to approximately HK$1,078,366)
(c)	BCorp Mailing Services Agreement	RM78,000 (equivalent to approximately HK$173,786)	RM87,000 (equivalent to approximately HK$193,839)	RM77,000 (equivalent to approximately HK$171,558)
(d)	BCorp Printing Services Agreement	RM2,114,000 (equivalent to approximately HK$4,710,055)	RM1,689,000 (equivalent to approximately HK$3,763,143)	RM2,459,000 (equivalent to approximately HK$5,478,726)

	Historical amounts For the financial year ended 30 April 2007	30 April 2008	30 April 2009
(e) BCorp Courier Services Agreement	RM83,000 (equivalent to approximately HK$184,926)	RM187,000 (equivalent to approximately HK$416,642)	RM192,000 (equivalent to approximately HK$427,782)
(f) BCorp Insurance Services Agreement	RM1,036,000 (equivalent to approximately HK$2,308,239)	RM1,398,000 (equivalent to approximately HK$3,114,786)	RM1,077,000 (equivalent to approximately HK$2,399,588)
(g) BLand Guard Services Agreement	–	RM8,200 (equivalent to approximately HK$18,270)	RM158,069 (equivalent to approximately HK$352,182)

The proposed annual caps of the CCTs for each of the three financial years ending 30 April 2010, 2011 and 2012 are set out below:

	Caps For the financial year ended 30 April 2010	30 April 2011	30 April 2012
Exempted CCTs			
– Supply of Telecom Services under:			
(a) UMobile Telecom Services Agreement	RM74,000 (equivalent to approximately HK$164,874)	RM80,000 (equivalent to approximately HK$178,242)	RM88,000 (equivalent to approximately HK$196,067)
– Rental Receivables under:			
(a) BCorp First Master Leasing Agreement	RM2,000 (equivalent to approximately HK$4,456)	RM2,200 (equivalent to approximately HK$4,902)	RM2,500 (equivalent to approximately HK$5,570)

	Caps For the financial year ended 30 April 2010	30 April 2011	30 April 2012
(b) BLand First Master Leasing Agreement	RM100,000 (equivalent to approximately HK$222,803)	RM110,000 (equivalent to approximately HK$245,083)	RM121,000 (equivalent to approximately HK$269,592)
(c) BToto Master Leasing Agreement	RM6,000 (equivalent to approximately HK$13,368)	RM6,600 (equivalent to approximately HK$14,705)	RM7,200 (equivalent to approximately HK$16,042)
(d) UMobile Master Leasing Agreement	RM24,000 (equivalent to approximately HK$53,473)	RM27,000 (equivalent to approximately HK$60,157)	RM29,000 (equivalent to approximately HK$64,613)
Sub-total:	RM132,000 (equivalent to approximately HK$294,100)	RM145,800 (equivalent to approximately HK$324,847)	RM159,700 (equivalent to approximately HK$355,816)
Non-exempted CCTs – Rental Payables under:			
(a) BCorp Second Master Leasing Agreement	RM50,000 (equivalent to approximately HK$111,401)	RM55,000 (equivalent to approximately HK$122,542)	RM60,500 (equivalent to approximately HK$134,796)
(b) BLand Second Master Leasing Agreement	RM140,000 (equivalent to approximately HK$311,924)	RM155,000 (equivalent to approximately HK$345,345)	RM170,000 (equivalent to approximately HK$378,765)
(c) BAssets Master Leasing Agreement	RM400,000 (equivalent to approximately HK$891,212)	RM420,000 (equivalent to approximately HK$935,773)	RM450,000 (equivalent to approximately HK$1,002,613)

	Caps For the financial year ended 30 April 2010	30 April 2011	30 April 2012
(d) 7-Eleven Master Leasing Agreement	RM500,000 (equivalent to approximately HK$1,114,015)	RM520,000 (equivalent to approximately HK$1,158,576)	RM550,000 (equivalent to approximately HK$1,225,416)
Sub-total:	RM1,090,000 (equivalent to approximately HK$2,428,533)	RM1,150,000 (equivalent to approximately HK$2,562,234)	RM1,230,500 (equivalent to approximately HK$2,741,591)
– Supply of Goods under:			
(a) BCorp Second Master Supply of Goods Agreement	RM900,000 (equivalent to approximately HK$2,005,227)	RM1,000,000 (equivalent to approximately HK$2,228,030)	RM1,100,000 (equivalent to approximately HK$2,450,833)
(b) BCorp First Master Supply of Goods Agreement	RM320,000 (equivalent to approximately HK$712,970)	RM330,000 (equivalent to approximately HK$735,250)	RM363,000 (equivalent to approximately HK$808,775)
(c) BLand Master Supply of Goods Agreement	RM1,100,000 (equivalent to approximately HK$2,450,833)	RM1,200,000 (equivalent to approximately HK$2,673,636)	RM1,300,000 (equivalent to approximately HK$2,896,439)
(d) BAssets Master Supply of Goods Agreement	RM16,000 (equivalent to approximately HK$35,648)	RM18,000 (equivalent to approximately HK$40,105)	RM20,000 (equivalent to approximately HK$44,561)
(e) Dijaya Master Supply of Goods Agreement	RM20,000 (equivalent to approximately HK$44,561)	RM25,000 (equivalent to approximately HK$55,701)	RM30,000 (equivalent to approximately HK$66,841)

	Caps For the financial year ended 30 April 2010	30 April 2011	30 April 2012
(f) UMobile Master Supply of Goods Agreement	RM163,000 (equivalent to approximately HK$363,169)	RM165,000 (equivalent to approximately HK$367,625)	RM168,000 (equivalent to approximately HK$374,309)
(g) 7-Eleven Master Supply of Goods Agreement	RM410,000 (equivalent to approximately HK$913,492)	RM450,000 (equivalent to approximately HK$1,002,613)	RM500,000 (equivalent to approximately HK$1,114,015)
– Supply of Services under:			
(a) BMedia Advertising Services Agreement	RM1,230,000 (equivalent to approximately HK$2,740,477)	RM1,300,000 (equivalent to approximately HK$2,896,439)	RM1,400,000 (equivalent to approximately HK$3,119,242)
(b) BLand Aircraft Agreement	RM960,000 (equivalent to approximately HK$2,138,909)	RM1,000,000 (equivalent to approximately HK$2,228,030)	RM1,400,000 (equivalent to approximately HK$3,119,242)
(c) BCorp Mailing Services Agreement	RM200,000 (equivalent to approximately HK$445,606)	RM220,000 (equivalent to approximately HK$490,167)	RM242,000 (equivalent to approximately HK$539,183)
(d) BCorp Printing Services Agreement	RM2,500,000 (equivalent to approximately HK$5,570,075)	RM2,750,000 (equivalent to approximately HK$6,127,082)	RM3,025,000 (equivalent to approximately HK$6,739,791)
(e) BCorp Courier Services Agreement	RM200,000 (equivalent to approximately HK$445,606)	RM220,000 (equivalent to approximately HK$490,167)	RM242,000 (equivalent to approximately HK$539,183)
(f) BCorp Insurance Services Agreement	RM2,500,000 (equivalent to approximately HK$5,570,075)	RM2,750,000 (equivalent to approximately HK$6,127,082)	RM3,025,000 (equivalent to approximately HK$6,739,791)

	Caps For the financial year ended 30 April 2010	30 April 2011	30 April 2012
(g) BLand Guard Services Agreement	RM180,000 (equivalent to approximately HK$401,045)	RM200,000 (equivalent to approximately HK$445,606)	RM220,000 (equivalent to approximately HK$490,167)

In determining the proposed Caps, the Board has considered the historical transaction amount and growth trend of the relevant businesses and in particular the following factors:

In relation to rental receivables and payables

The Directors have taken into account the historical transaction amounts and the recent property rental market to derive the estimated rental rate after considering the growth trend of the relevant recent property rental market.

In relation to supply of Goods

The Directors have taken into account the historical transaction amounts to derive the estimated price and volume after considering the growth trend of the relevant businesses.

In relation to supply of Telecom Services and Services

The Directors have taken into account the historical transaction amounts to derive the estimated price and volume after considering the growth trend of the relevant businesses.

5. PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL

As at the Latest Practicable Date, the authorized share capital of the Company is HK$250,000,000 divided into 1,250,000,000 Share, of which 591,047,975 Shares have been issued. The Company proposes to seek the approval of Shareholders by way of an ordinary resolution at the EGM to increase its authorized share capital from HK$250,000,000 divided into 1,250,000,000 Shares to HK$4,000,000,000 divided into 20,000,000,000 Shares by creating an additional 18,750,000,000 new Shares of HK$0.20 each.

It is the Board's intention to implement the increase of in authorized share capital of the Company only when either the Cosway M Agreements or the eCosway Agreement is completed. Save for the issue of the Consideration Shares, the Conversion Shares and the Capitalisation Shares, the Directors have no intention of issuing any part of the proposed increase in authorized share capital.

6. PROPOSED CHANGE OF COMPANY NAME

The Board proposes that, subject to the completion of the Acquisitions, the Company will change its name from "Berjaya Holdings (HK) Limited" to "Cosway Corporation Limited" and its Chinese name from "成功控股(香港)有限公司" to "科士威集團有限公司" to reflect the completion of the Acquisitions and to enable the investors and Shareholders to have an easy recognition on the Group's future principal business activities.

Conditions

The change of Company name is subject to (a) the approval by the Shareholders by way of a special resolution at the EGM and (b) the issuance of certificate of change of name by the Registrar of Companies in Hong Kong. The relevant filing with the Registrar of Companies in Hong Kong will be made after the passing of special resolution at the EGM.

Effects of change of company name

The change of name will not affect any rights of the Shareholders. All existing share certificates issue bearing the existing name of the Company, will after the change of name becoming effective, continue to be good evidence of title to the Shares and will be valid for trading, settlement and delivery for the same number of shares in the new name of the Company on the Stock Exchange. Accordingly, there will not be any arrangement for free exchange of existing share certificates for new share certificates bearing the new name of the Company. Should any Shareholders desire to exchange their existing certificates for certificates in the new name of the Company, they may do so on payment of a fee of HK$2.50 for each new certificate (or such higher amount as may from time to time be allowed by the Stock Exchange). Once the change of Company name becomes effective, any issue of certificates will be under the new name of the Company.

Further announcement will be made by the Company to inform the Shareholders the effective date of the change of Company name and the change of stock short name in both English and Chinese and the arrangement for the trading and dealings in the shares of the Company (including the date on which the shares of the Company will be traded under the new name on the Stock Exchange).

It is the Board's intention to implement the change of the Company name only when either the Cosway M Agreements or the eCosway Agreement is completed.

7. PROPOSED ADOPTION OF SHARE OPTION SCHEME

The Board proposes to adopt the Share Option Scheme so as to enable to Group to effectively recruit and retain high calibre employees.

The Share Option Scheme is conditional upon (a) the passing of an ordinary resolution at the EGM to approve and adopt the Share Option Scheme and to authorise the Board to grant the options thereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the options under the Share Option Scheme; and (b) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in such number of Shares to be issued by the Company pursuant to the exercise of the options which may be granted under the Share Option Scheme.

As at the Latest Practicable Date, the number of Shares in issue was 591,047,975. On the basis of such figure (assuming no further Shares are issued between the period from the Latest Practicable Date and the date of the adoption of the Share Option Scheme). The number of Shares that may be issued upon exercise of all Options which may be granted under the Share Option Scheme and to be granted any other share option schemes will be 59,104,798 Shares, being 10 per cent of the issued share capital of the Company as at the Latest Practicable Date. The Company may however obtain approval from its shareholders to refresh the said 10 per cent limit in accordance with the Listing Rules, provided that the maximum number of shares to be issued upon exercise of all outstanding Options under the Share Option Scheme and any other share option schemes must not exceed 30 per cent of the issued share capital of the Company from time to time. The terms of the Share Option Scheme will be in compliance with the provisions of Chapter 17 of the Listing Rules. A summary of the terms of the Share Option Scheme is set out in Appendix VIII of this circular.

8. CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the summary of shareholding percentages of the Company, assuming (I) only the Cosway M Acquisition is completed; (II) only the eCosway Acquisition is completed; and (III) both the Cosway M Acquisition and the eCosway Acquisition are completed:

(I) Assuming only the Cosway M Acquisition is completed (with or without the Capitalisation Issue)

Holder of Shares	As at the Latest Practicable Date		Immediately upon the completion of the Cosway M Acquisition but before the Capitalisation Issue and the conversion of the ICULS		Immediately upon the completion of the Capitalisation Issue and the Cosway M Acquisition but before the conversion of the ICULS		Upon the completion of the Capitalisation Issue and the Cosway M Acquisition, assuming the ICULS are fully converted into Conversion Shares	
	Number of Shares	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*
BCayman *(Note a)*	252,149,475	42.66%	252,149,475	17.40%	432,149,475	26.52%	432,149,475	3.79%
Berjaya Leisure (Cayman) Limited *(Note a)*	40,000,000	6.77%	40,000,000	2.76%	40,000,000	2.46%	40,000,000	0.35%
Cosway Corp	–	0.00%	625,417,825	43.16%	625,417,825	38.39%	8,847,417,825	77.52%
Biofield	–	0.00%	115,752,272	7.99%	115,752,272	7.10%	680,752,272	5.96%
The eCosway Vendors	–	0.00%	–	0.00%	–	0.00%	–	0.00%
BCorp and parties acting in concert with it	292,149,475	49.43%	1,033,319,572	71.30%	1,213,319,572	74.47%	10,000,319,572	87.62%
Madison *(Note b)*	–	0.00%	117,014,977	8.07%	117,014,977	7.18%	1,114,014,977	9.76%
Penta Investment *(Note b)*	27,435,000	4.64%	27,435,000	1.89%	27,435,000	1.68%	27,435,000	0.24%
Grandgroup Investments Ltd *(Note c)*	118,180,000	19.99%	118,180,000	8.15%	118,180,000	7.25%	118,180,000	1.04%
Other public shareholders	153,283,500	25.94%	153,283,500	10.58%	153,283,500	9.41%	153,283,500	1.34%
Total	591,047,975	100.00%	1,449,233,049	100.00%	1,629,233,049	100.00%	11,413,233,049	100.00%

(II) Assuming only the eCosway Acquisition is completed

Holder of Shares	As at the Latest Practicable Date		Immediately upon the completion of the eCosway Acquisition but before the conversion of the ICULS		Upon the completion of the eCosway Acquisition, assuming the ICULS are fully converted into Conversion Shares	
	Number of Shares	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*
BCayman *(Note a)*	252,149,475	42.66%	252,149,475	40.44%	252,149,475	14.09%
Berjaya Leisure (Cayman) Limited *(Note a)*	40,000,000	6.77%	40,000,000	6.41%	40,000,000	2.24%
Cosway Corp	–	0.00%	–	0.00%	–	0.00%
Biofield	–	0.00%	–	0.00%	–	0.00%
The eCosway Vendors	–	0.00%	32,498,592	5.21%	1,198,498,592	66.97%
BCorp and parties acting in concert with it	292,149,475	49.43%	324,648,067	52.06%	1,490,648,067	83.30%
Madison *(Note b)*	–	0.00%	–	0.00%	–	0.00%
Penta Investment *(Note b)*	27,435,000	4.64%	27,435,000	4.40%	27,435,000	1.53%
Grandgroup Investments Ltd *(Note c)*	118,180,000	19.99%	118,180,000	18.95%	118,180,000	6.60%
Other public shareholders	153,283,500	25.94%	153,283,500	24.59%	153,283,500	8.57%
Total	591,047,975	100.00%	623,546,567	100.00%	1,789,546,567	100.00%

(III) Assuming the Acquisitions are completed (with or without the Capitalisation Issue)

Holder of Shares	As at the Latest Practicable Date		Immediately upon the completion of the Acquisitions but before the Capitalisation Issue and the conversion of the ICULS		Immediately upon the completion of the Capitalisation Issue and the Acquisitions but before the conversion of the ICULS		Upon the completion of the Capitalisation Issue and the Acquisitions, assuming the ICULS are fully converted into Conversion Shares	
	Number of Shares	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*
BCayman *(Note a)*	252,149,475	42.66%	252,149,475	17.02%	432,149,475	26.01%	432,149,475	3.43%
Berjaya Leisure (Cayman) Limited *(Note a)*	40,000,000	6.77%	40,000,000	2.70%	40,000,000	2.41%	40,000,000	0.32%
Cosway Corp	–	0.00%	625,417,825	42.21%	625,417,825	37.64%	8,847,417,825	70.15%
Biofield	–	0.00%	115,752,272	7.81%	115,752,272	6.97%	680,752,272	5.40%
The eCosway Vendors	–	0.00%	32,498,592	2.19%	32,498,592	1.95%	1,198,498,592	9.50%
BCorp and parties acting in concert with it	292,149,475	49.43%	1,065,818,164	71.93%	1,245,818,164	74.98%	11,198,818,164	88.80%
Madison *(Note b)*	–	0.00%	117,014,977	7.90%	117,014,977	7.04%	1,114,014,977	8.83%
Penta *(Note b)*	27,435,000	4.64%	27,435,000	1.85%	27,435,000	1.65%	27,435,000	0.22%
Grandgroup Investments Ltd *(Note c)*	118,180,000	19.99%	118,180,000	7.98%	118,180,000	7.11%	118,180,000	0.94%
Other public shareholders	153,283,500	25.94%	153,283,500	10.34%	153,283,500	9.22%	153,283,500	1.21%
Total	591,047,975	100.00%	1,481,731,641	100.00%	1,661,731,641	100.00%	12,611,731,641	100.00%

Notes:

(a) BCayman is an indirect wholly-owned subsidiary of BCorp. Berjaya Leisure (Cayman) Limited is an indirect non wholly owned subsidiary of BCorp.

(b) Madison will hold less than 10% equity interest in the Company and is considered "public" immediately upon the completion of the Acquisitions and/or the Capitalisation Issue but before the conversion of the ICULS. Madison is a company incorporated in the state of Delaware in the United States of America with limited liability, and is wholly owned by Penta Strategic Partners SPC Ltd, a company incorporated in British Virgins Islands, which is a fund managed by Penta Investment. As confirmed by Madison on the Latest Practicable Date, various funds managed by Penta Investment held an aggregate of 27,435,000 Shares. BCorp has confirmed that it does not have any interest in Madison or any other funds managed by Penta Investment.

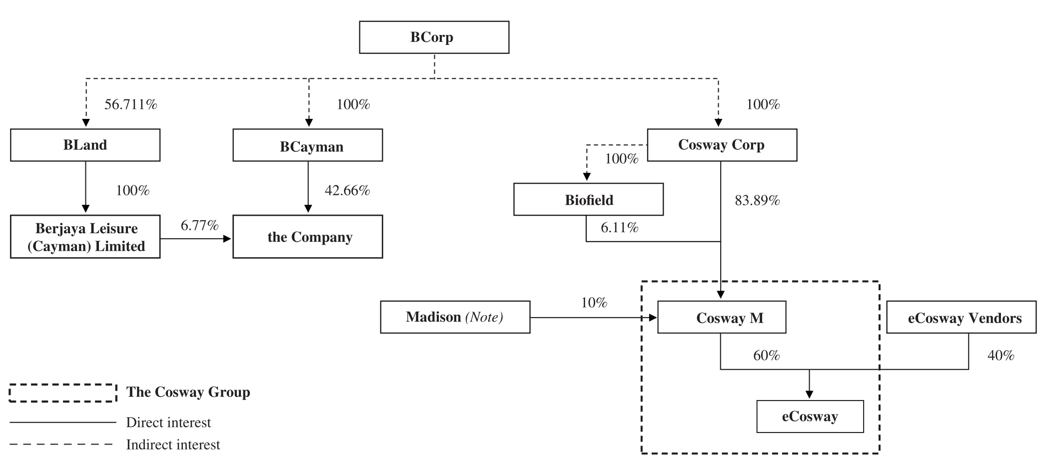
(c) Grandgroup Investments Limited will hold less than 10% equity interest in the Company and is considered "public" immediately upon the completion of the Acquisitions and/or the Capitalisation Issue but before the conversion of the ICULS. Based on information available to the Company, the ultimate beneficial owners of Grandgroup Investments Limited are third parties independent of the Group, BCorp and parties acting in concert with it, save for their indirect shareholding in the Company.

The Company does not have any warrants, options, derivatives, convertible securities or other securities in issue as at the Latest Practicable Date.

9. SHAREHOLDING CHART OF THE COMPANY

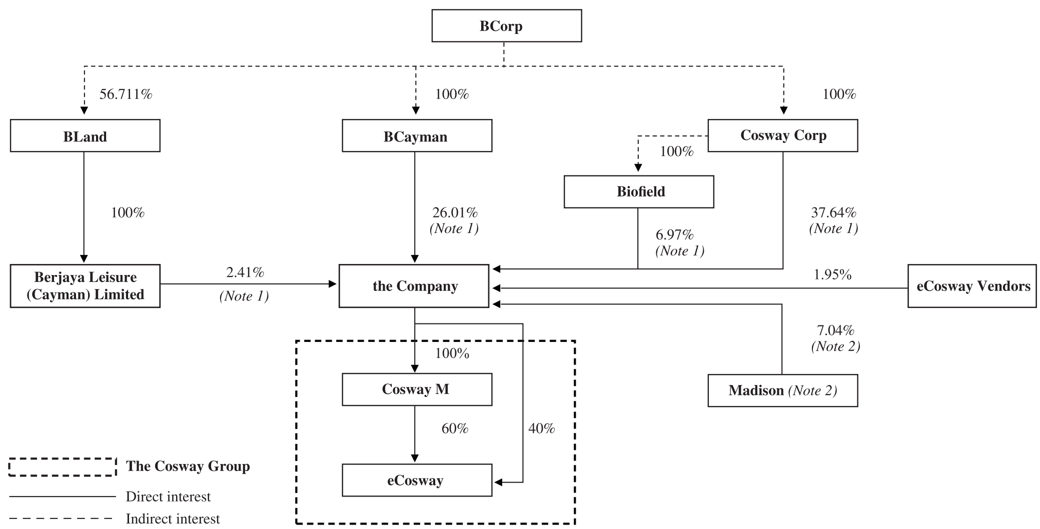
The simplified shareholding structures of the Company and the Cosway Group (i) as at the Latest Practicable Date, (ii) immediately after completion of the Acquisitions and the Capitalisation Issue but before the conversion of the ICULS are set out below:

As at the Latest Practicable Date



Note: Madison is wholly owned by Penta Strategic Partners SPC Ltd, a company incorporated in British Virgins Islands, which is a fund managed by Penta Investment. As confirmed by Madison, Penta Investment held an aggregate of 27,435,000 Shares as at the Latest Practicable Date. Penta Investment and its associates together hold an aggregate of approximately 4.64% of the issued share capital of the Company.

Immediately after completion of the Acquisitions and Capitalisation Issue but before the conversion of the ICULS



Notes:

1. After the completion of the Acquisitions, the Loan Capitalisation and assuming full conversion of the ICULS, the BCorp and parties acting in concert with it will own in aggregate of approximately 88.80% of the then enlarged total issued share capital of the Company (comprising approximately 3.43%, 0.32%, 70.15%, 5.40%, and 9.50% respectively of the then enlarged total issued share capital of the Company owned by BCayman, Berjaya Leisure (Cayman) Limited, Cosway Corp, Biofield, and the eCosway Vendors respectively).

2. Madison is wholly owned by Penta Strategic Partners SPC Ltd, a company incorporated in British Virgins Islands, which is a fund managed by Penta Investment. As confirmed by Madison on the Latest Practicable Date, various funds managed by Penta Investment held an aggregate of 27,435,000 Shares. After the completion of the Acquisitions and Capitalisation Issue but before the conversion of the ICULS, Penta Investment and its associates (including Madison) will together hold an aggregate of approximately 8.69% of the then issued share capital of the Company. After the completion of the Acquisitions, the Loan Capitalisation and assuming full conversion of the ICULS, (i) Madison will hold approximately 8.83% of the then enlarged total issued share capital of the Company, and (ii) Penta Investment and its associates (including Madison) will together hold an aggregate of approximately 9.05% of the then issued share capital of the Company.

Upon completion of the Acquisitions, Cosway M and eCosway will be wholly owned subsidiaries of the Company.

10. INFORMATION ON THE COSWAY GROUP

The Cosway Group is principally engaged in direct sales of consumer products including health and nutrition, slimming products, personal care, skincare, cosmetics, perfumes, household and car care products, food and beverage, water filtration systems, kitchenware, bodyshaping lingerie, etc, through network marketing. The operations of the Cosway Group span across various countries with the main operations in Malaysia, Hong Kong and Taiwan which in aggregate accounted for approximately 96% of the turnover (after inter-company consolidation adjustment) of the Cosway Group for the year ended 30 April 2009.

Direct selling is a process where products are sold through direct interaction with customers. The Cosway Group started with a simple concept of distributing high quality products at very competitive prices through its unique network marketing system and has since been evolved into a business model with its own distribution channel in conducting its direct sales business. The Cosway Group relies on members to sell its products and to recruit more members to build their networks, which would in turn develop and expand the sales and distribution network of the Cosway Group. In return, the Cosway Group pays each member a "bonus" which is a percentage of the sales volume generated by the member and his or her "branch" of network. Unlike other companies engaged in direct selling, the Cosway Group has established an extensive retail network that includes its own shops and shops operated by members, making its products available and within easy reach of customers through its vast and efficient distribution network.

The following table sets forth the segment revenue by country on sales to external customers of the Cosway Group for the relevant periods:

	For the year ended 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Malaysia	314,607	343,647	399,818
Taiwan	81,692	110,488	139,334
Hong Kong	33,785	104,038	203,297
Others	12,882	19,930	31,674
	442,966	578,103	774,123

The Cosway Group's business and marketing strategies are encapsulated in 5 core principles:

- **Product:** The Cosway Group distributes a wide range of exclusive, quality products carefully sourced from established manufacturers all over the world. Its wide range of products are competitively priced, high quality and innovative and includes household and car care products, kitchenware, health and nutrition, personal care, bodyshaping lingerie, food and beverages, and water filtration systems. Keeping abreast of trends and staying ahead of product cycles, Cosway Group continuously introduces new products to attract new and repeat customers.

- **Price:** The Cosway Group's pricing strategy allows its products to be competitive in the mass market. It is able to pass on the pricing benefits to customers and resell them at affordable prices with added value because it orders large volumes of products and enjoys economies of scale.

- **Promotion:** The Cosway Group offers frequent and attractive promotions to help members recruit other members, draw new customers and enhance customer loyalty. Examples include weekly special promotions, monthly new product offers, discount vouchers and a shopper rewards programme.

- **Physical distribution:** The Cosway Group's products are easily accessible both online and offline. The Cosway Group currently has more than 1,500 stores and stockist centres strategically located throughout Malaysia and other major countries in which it operates. Customers also enjoy the convenience of being able to shop online at the eCosway website, and have their orders shipped to most countries.

- **Plan:** There is no "breakaway" in each member's network, meaning that each person introduced by a member becomes a branch of that member's network with no limit on the number of branches or levels in that network. The branches of a member's network are never separated from the original member. Also, unlike other multi-level marketing plans, there are no geographical boundaries that restrict members' recruitment and income growth opportunity.

The Cosway Group's mastery of these 5 principles has drawn hundreds of thousands of people all over the countries in which it operates to join as members. At present, the Cosway Group has a large network of more than 870,000 members, and is able to leverage this extensive network to further grow the demand for its products. Additionally, the Cosway Group currently has over 1,500 stores and stockist centres strategically located throughout Malaysia as well as other countries in which it operates, making its products available and within easy reach of customers through its vast and efficient distribution network.

10.1 INFORMATION ON COSWAY M

Cosway M is one of the pioneers in the direct selling industry in Malaysia. Since its incorporation in 1979, Cosway M has established its track record as one of the key players in the direct selling industry. Cosway M has built alliances with renowned raw material and ingredient suppliers and reputable manufacturers around the world and currently has a range of over 1,400 products, basically under the categories of (i) personal care, (ii) health & nutrition, (iii) skin care, (iv) cosmetics, (v) household, (vi) car care and (vii) food and beverage.

Set out below is certain key financial information prepared under Hong Kong Financial Reporting Standards for each of the three years ended 30 April 2009 extracted from the accountant's report of Cosway M, as set out in Appendix II to this circular.

	For the year ended	
	30 April 2008	**30 April 2009**
	(Audited)	(Audited)
	('000)	*('000)*
Turnover	RM578,103 (equivalent to approximately HK$1,288,031)	RM774,123 (equivalent to approximately HK$1,724,769)
Profit before taxation	RM63,912 (equivalent to approximately HK$142,398)	RM79,810 (equivalent to approximately HK$177,819)
Profit after taxation	RM46,645 (equivalent to approximately HK$103,926)	RM60,730 (equivalent to approximately HK$135,308)
Net asset value	RM173,958 (equivalent to approximately HK$387,583)	RM231,612 (equivalent to approximately HK$516,038)

10.2 INFORMATION ON ECOSWAY

eCosway is a 60% owned subsidiary of Cosway M. It is principally engaged in the same direct selling business as Cosway M and also owns an online shopping portal which deals with a wide range of consumer products.

eCosway Sdn. Bhd. (eCosway) was incorporated in Malaysia under the Companies Act, 1965 on 28 March 2000 under the name of Flora Stream Sdn Bhd. It assumed its present name on 13 May 2000.

eCosway operates an online global shopping mall that was successfully launched in October 2001 and merges the best of e-commerce, franchising and network marketing to form a revolutionary hybrid business model with both online and offline support.

On 23 November 2001, eCosway was awarded the Multimedia Super Corridor Status by the Malaysian government for its contribution to the development and growth of information technology and e-commerce in the region. On 4 October 2002, eCosway was granted the Pioneer Status for 5 years and in view of its excellent performance, the Malaysian government extended its Pioneer Status for an additional 5 years until 3 October 2012.

eCosway is a unique global business model that takes full advantage of the opportunities offered by e-commerce coupled with its strategic alliance with Cosway M that offers physical sales and distributions of its products in countries where Cosway M operates to give its members and shoppers a bigger opportunity and greater convenience, namely in Malaysia, Taiwan, Hong Kong, Singapore, Brunei, Australia, Korea, Thailand and other countries in the future.

eCosway has a total of 90 employees on its payroll and leverages the resources of its parent company for mutual and synergistic benefits.

10.3 RISKS RELATING TO THE COSWAY GROUP AND ITS BUSINESS

The Cosway Group operates in a competitive environment

The industry in which the Cosway Group operates is highly competitive. The Cosway Group competes on, amongst other things, customer service, price, brand appeal and product quality. The Cosway Group faces competition from both foreign and local direct selling companies as well as traditional retailers such as supermarkets and convenience stores offering similar products. These competitors may lower their prices for similar products or take non-price competitive measures such as increased marketing, which may adversely affect the Cosway Group's sales, market share and financial performance. The Cosway Group believes that the products which the Group distributes are competitively price, high quality and convenience to its consumers in view of its stores strategic locations.

The Cosway Group's business may be adversely affected if there is a decrease in consumer spending

The demand for the Cosway Group's products is dependent, in general, on disposable consumer income and consumer confidence, both of which can affect discretionary consumer spending. Changes in the market and economic conditions of Malaysia and the various countries in which the Cosway Group operates may affect disposable consumer income, consumer confidence and hence discretionary consumer spending. Adverse changes in these factors will lead to a decrease in the demand for the Cosway Group's products, and its business and financial condition would be adversely and materially affected.

The Cosway Group may be exposed to product liability actions

The Cosway Group is liable for claims if any injury is caused to customers who use or consume the products it distributes. The Cosway Group's customers may have allergic reactions or other adverse reactions to its cosmetics, personal care and skin care products that are applied externally onto the body, or develop adverse reactions to its food or health & beauty products that are consumed. Any injury resulting from the application or consumption of products distributed by the Cosway Group may subject it to product liability suits or settlements. In the event that the Cosway Group is found liable for injuries or product liability claims, and the claims are not covered or fully covered by the Cosway Group's insurance policies, its business and financial condition would be materially and adversely affected. The Cosway Group has no material product liability claims brought against it to date.

The Cosway Group is subject to changes to governmental regulations in the countries where it operates

The Cosway Group is subject to government rules and regulations, including those relating to the distribution and sale of cosmetics, skin care, health care, health supplements, personal care and food products. Any changes in such government regulations may lead to an increase in the Cosway Group's business costs. If the Cosway Group is unable to pass on the higher costs to its customers, this could have a negative impact on its business. Difficulties or failure in obtaining the required licences and approvals could delay, or result in the Cosway Group's decision not to launch and/or market an existing product.

The Cosway Group operates in various countries

Cosway operates in various countries, primarily in Asia with different legal, regulatory and political systems, which are subject to change. The profitability of each of Cosway's operations and its ability to maintain and repatriate funds from them may be adversely impacted by:

(1) changes in the fiscal or regulatory regimes applying in the relevant jurisdictions;

(2) changes in, or difficulties in complying with the local laws and regulations of different countries, including tax, labour and foreign investment laws;

(3) nullification, modification or renegotiation of, or difficulties or delays in enforcing, contracts with customers which are subject to local law; and

(4) reversal of current political, judicial or administrative policies encouraging foreign investment or foreign trade, or relating to the use of local agents, representatives or partners in the relevant jurisdictions.

Prior to making any investment decision, prospective investors should consider carefully all of the information in this circular, including the risks and uncertainties described above. The business, financial condition or results of operations of the Cosway Group could be materially and adversely affected by any of these risks. Additional considerations and uncertainties not presently known to the Company, or which the Cosway Group currently deems immaterial, may also have an adverse effect on an investment in the securities of the Company and/or the ICULS.

11. INFORMATION ON THE RELATED PARTIES IN THE TRANSACTIONS

BCorp Group are principally engaged in the consumer marketing and direct selling, financial services, vacation timeshare, hotels, resorts and recreation development, property investment and development, gaming and lottery management, food & beverage, investment holding and other businesses. BCorp indirectly owns approximately 49.43% of the issued share capital of the Company as at the Latest Practicable Date. Hence, BCorp is the controlling shareholder of the Company for the purpose of the Takeovers Code, and a connected person of the Company pursuant to the Listing Rules. The Acquisition will not result in a change of control of the Company.

The Cosway Corp and its subsidiaries are principally engaged in consumer marketing and direct selling business. Cosway Corp is a wholly-owned subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

The First Tranche Sale Shares were purchased by Cosway Corp from Al Chuah, the then independent third party and the CEO of Cosway Corp as at the Latest Practicable Date, and other independent third parties over a period from January 1994 to June 1999 for an aggregate purchase price of RM171,054,270.

Biofield is principally engaged in investment holding. Biofield is an indirect subsidiary of BCorp and a connected person of the Company pursuant to the Listing Rules.

The Second Tranche Sale Shares were transferred to Biofield from Cosway M in April 2009 in an internal restructuring of Cosway Corp for an aggregate purchase price of RM61,108,000 (equivalent to approximately HK$136,150,454). The original purchase cost of the Second Tranche Sale Shares by Cosway Corp was RM12,460,226.

Madison is principally engaged in investment holding and is an independent third party to the Group and BCorp and its subsidiaries.

The eCosway Vendors are Prime Credit Leasing Sdn Bhd, Berjaya Sompo Insurance Berhad, Inter-Pacific Securities Sdn Bhd, Berjaya Hills Berhad, TSVT and Rayvin Tan Yeong Sheik.

The eCosway Vendors are shareholders of MOL.com.

An internal restructuring of MOL.com (the "MOL Restructuring") took place on 31 July 2009. Before the MOL Restructuring, MOL.com held 40% of the issued share capital of eCosway. After the MOL Restructuring, the eCosway Vendors hold 40% of the issued share capital of eCosway. Shareholding of the eCosway Vendors on MOL.com and eCosway after the MOL Restructuring are as follows:

	Shareholding in MOL.com	**%**	**Shareholding in eCosway**	**%**
– Prime Credit Leasing Sdn Bhd	16,002,717	7.09	141,617	2.83
– Berjaya Sompo Insurance Berhad	2,511,000	1.11	22,221	0.44
– Inter-Pacific Securities Sdn Bhd	4,800,000	2.13	42,478	0.85
– Berjaya Hills Berhad	18,400,000	8.15	162,832	3.26
– TSVT	183,247,083	81.17	880,852	17.62
– Rayvin Tan Yeong Sheik	1,000	0.00	750,000	15.00
– Others	795,100	0.35	–	–
Total	225,756,900	100.00	2,000,000	40.00

The MOL Restructuring was undertaken to enable MOL.com's shareholders to participate directly in the equity in eCosway. TSVT has renounced part of his entitlement to the eCosway shares to his son, Rayvin Tan Yeong Sheik.

Under MOL Restructuring, the eCosway Sale Shares were transferred from MOL.com to the eCosway Vendors for an aggregate purchase price of RM5,600,000 (equivalent to approximately HK$12,476,968).

Prime Credit Leasing Sdn Bhd is principally engaged in hire purchase, lease and loan financing. Prime Credit Leasing Sdn Bhd is an indirect wholly owned subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

Berjaya Sompo Insurance Berhad is principally engaged in underwriting of general insurance business. Berjaya Sompo Insurance Berhad is an indirect 69% owned subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

Inter-Pacific Securities Sdn Bhd is principally engaged in stock and share broking. Inter-Pacific Securities Sdn Bhd is an indirect 90% subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

Berjaya Hills Berhad is principally engaged in operation of hotel, golf and recreation club, investment in property, property development and provision of maintenance services for apartments and condominiums. Berjaya Hills Berhad is a direct wholly owned subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

As at the Latest Practicable Date, TSVT directly and indirectly holds 1,802,550,000 shares of BCorp (representing approximately 52.80% of the total issued share capital of BCorp), and hence is the controlling shareholder of BCorp for the purpose of the Takeovers Code and a connected person of the Company pursuant to the Listing Rules.

Rayvin Tan Yeong Sheik is an executive director of the Company and BCorp, and is the son of TSVT and hence a connected person of the Company pursuant to the Listing Rules.

BCayman owns approximately 42.66% of the issued share capital of the Company as at the Latest Practicable Date. Hence, BCayman is the controlling shareholder of the Company for the purpose of the Takeovers Code, and a connected person of the Company pursuant to the Listing Rules.

BLand is principally engaged in investment holding and is listed on the main market of Bursa Malaysia Securities Berhad. The BLand Group is engaged in vacation timeshare, hotels, resorts and recreation development, property investment and development, and gaming and lottery management. BLand is an indirect subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

BToto is principally engaged in investment holding and is listed on the main market of Bursa Malaysia Securities Berhad. The BToto Group is engaged in the operations of betting, leasing of on-line lottery equipment, and manufacture and distribution of computerised lottery systems. BToto is an indirect subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

BAssets is principally engaged in investment holding and is listed on the main market of Bursa Malaysia Securities Berhad. The BAssets Group is engaged in property management, investment and development. BAssets is an associate of TSVT and an associated company of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

BMedia is principally engaged in investment holding and is listed on the main market of Bursa Malaysia Securities Berhad. The BMedia Group is engaged in the trading of publication materials, publication, printing and distribution of daily newspaper, promoting and organizing events, seminars, workshops, concerts and others. BMedia is an indirect subsidiary of BCorp and hence a connected person of the Company pursuant to the Listing Rules.

UMobile is principally engaged in the provision of 3G mobile services and is a company in which TSVT, a connected person of the Company pursuant to the Listing Rules, is a major shareholder. Hence, UMobile is a connected person of the Company pursuant to the Listing Rules.

Dijaya is principally engaged in investment holding. The Dijaya Group is engaged in real property and resort development and property investment. Dijaya is a company in which Tan Sri Dato' Danny Tan Chee Sing (a brother of TSVT, a connected person of the Company) is a major shareholder. Hence, Dijaya is a connected person of the Company pursuant to the Listing Rules.

7-Eleven is principally engaged in investment holding and the 7-Eleven Group is principally engaged in operation of convenience stores. 7-Eleven is a company in which TSVT, a connected person of the Company pursuant to the Listing Rules, is a major shareholder. Hence, 7-Eleven is a connected person of the Company pursuant to the Listing Rules.

12. ACQUISITION AND DISPOSAL BY THE COSWAY GROUP SUBSEQUENT TO THE FINANCIAL YEAR ENDED 30 APRIL 2009

12.1 THE GOLDEN WORKS ACQUISITION

On 1 May 2009 and 8 June 2009, Cosway M entered into two sales and purchase agreements with independent third parties to acquire (i) 90% equity interest in Golden Works for an aggregate consideration of RM19,530,000 (equivalent to approximately HK$43,513,425) by cash, and (ii) the remaining 10% equity interest in Golden Works for a consideration of RM2,180,000 (equivalent to approximately HK$4,857,105) by cash. The relevant sales and purchase agreements were completed on 29 May 2009 and 8 June 2009 respectively.

Golden Works is principally engaged in investment of properties for rental. It owns 130 shoplots in Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur. The Cosway Group intends to use the shoplots acquired under the Golden Works Acquisition for its own use.

12.2 THE ARENA GREEN PROPERTY

On 23 July 2009, Cosway M entered into the Arena Green Agreement with BGolf to acquire the Arena Green Property for an aggregate consideration of RM248,700 (equivalent to approximately HK$554,111) by cash.

BGolf is a company incorporated in Malaysia with limited liability, and is principally engaged in property development and investment, and operator of golf and recreation club.

The Arena Green Agreement was completed on 3 August 2009.

The Cosway Group will use the property acquired under the Arena Green Acquisition as the retail premises of the business.

12.3 THE TAIWAN PROPERTIES

On 29 July 2009, Cosway M entered into the Taiwan Properties Agreement with an independent third party to acquire the Taiwan Properties for an aggregate consideration of NT$17,850,000 (equivalent to approximately HK$4,325,055) by cash. The Taiwan Properties Agreement was completed on 3 September 2009.

The Cosway Group will use the office acquired under the Taiwan Properties Acquisition for its own use.

There is no identifiable income stream for the Taiwan Properties for the 3 years ended 31 December 2008.

12.4 THE DISPOSAL OF THE BUKIT JELUTONG LAND

On 12 May 2009, Cosway M entered into the Land Disposal Agreement with Teluk Juara to dispose the Bukit Jelutong Land for an aggregate consideration of RM10,450,000 (equivalent to approximately HK$23,282,913) by cash.

Teluk Juara is a company incorporated in Malaysia with limited liability, and is principally engaged in property investment. TSVT is a controlling shareholder of Teluk Juara as at the Latest Practicable Date.

The Land Disposal Agreement was completed on 11 August 2009.

It was considered a good opportunity for the Group to sell the Bukit Jelutong Land at a relatively attractive price.

13. REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group is principally engaged in property investment and investment holding. The Cosway Group is principally engaged in direct sales of consumer products including health and nutrition, slimming products, personal care, skincare, cosmetics, perfumes, household and car care products, food and beverage, water filtration systems, kitchenware, bodyshaping lingerie, etc, through network marketing.

The Company has been making losses since FYE 1998 except FYE 2004, FYE 2005, and FYE 2008 which are profitable due to revaluation surplus on investment properties. Revenue of the Company, which were mainly derived from rental income, was on a downward trend since FYE 1998 except for FYE 2002, FYE 2005, FYE 2006 and FYE 2008 where profit was recorded due to revaluation surplus on investment properties. In view of the historical financial performance of the Company, the Board has always been exploring suitable investment opportunities from time to time to diversify the existing business portfolio of the Company, to broaden its source of income to a larger scale in order to promote a healthier capital market performance and to enhance the long term return of the Shareholders. Given the proven track record in direct selling industry of the Cosway Group in the region, their wide range of products provided and their large direct selling distribution network, the Directors are optimistic about the future prospect of the direct selling business, and believe that by leveraging on Cosway Group's strong presence and brand name, the Acquisitions represents a solid platform for the Group to enter into the direct selling business and can hence provide an additional source of stable cash flows for the Group.

The issue of Consideration Shares and ICULS enables sufficient funding for the Acquisitions without utilizing cash of the Company. Further, by issuing the ICULS, there is no immediate dilution effect on shareholding. The Directors consider that this will strengthen the financial position of the Company and hence will be beneficial to the overall development and expansion of the Group.

The Directors believe that it is in the interest of the Company to capitalize HK$36 million of the Indebtedness owed by the Group to BCayman into share capital as the Capitalisation Issue can avoid unnecessary cash outflow from the Company. Further, the Capitalisation Issue will enlarge the capital base of the Company and reduce the gearing level of the Group. The Directors consider that this can strengthen the financial position of the Group for its continuous development of business. The Directors also consider that the improvement in gearing level of the Group would help the Company in obtaining and negotiating terms of new banking facilities.

The Directors consider that the terms of the Agreements are on normal commercial terms and the terms thereof are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Prior to the completion of the Acquisitions, the Cosway Group has various arrangements ("Arrangements") with a number of entities affiliated with BCorp, being connected persons, including (i) the leasing of Cosway Premises to the relevant connected persons, (ii) the renting of premises from the relevant connected persons, (iii) supply of Goods to/from the relevant connected persons, and (iv) supply of Services from the relevant connected persons, all of which fall within the ordinary and usual course of business of the Cosway Group. Upon completion of the Acquisitions, the Cosway Group will become subsidiaries of the Company. The Group intends to continue with the relevant services which constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

14. FUTURE PROSPECTS OF THE GROUP AFTER THE ACQUISITIONS

The Group is principally engaged in property investment and investment holdings. After the Acquisitions, the Cosway Group will become the principal asset of the Enlarged Group.

The Cosway Group is principally engaged in the direct sale of consumer products including health and nutrition, slimming products, personal care, skincare, cosmetics, perfumes, household and car care products, food and beverage, water filtration systems, kitchenware, bodyshaping lingerie, etc. through network marketing. It also operates an extensive retail network of stores operated by members throughout the major countries where it operates. Upon completion of the Acquisitions, the Cosway Group will become the sole major asset and business of the Enlarged Group.

The Cosway Group recorded sales growth for the year ended 30 April 2009 despite the global economic downturn that started in late 2008 and it is positive about its future prospect following the gradual recovery of the global economy.

The Cosway Group has expanded from Malaysia to other overseas markets with remarkable success in Taiwan and Hong Kong. It also has operations in Korea, Indonesia, Thailand, Australia, Brunei, Macau and Singapore. Leveraging on its experience in overseas expansion, the management of the Cosway Group aims to replicate its proven business model into other countries. The Cosway Group is also now researching the relevant business regulatory requirements in China in preparation to establish a physical presence when viable.

Given the Cosway Group's track record in the network marketing industry in the region, its wide range of products and its extensive distribution network, the Directors are optimistic about the future prospect of the Cosway Group, and believe that by leveraging on Cosway Group's strong regional presence and brand name, the prospects of the Enlarged Group which consists mainly of the Cosway Group, is likewise positive.

The Company recorded an audited accumulated losses of approximately HK$19.5 million for the year ended 30 April 2009. Upon completion of the Acquisitions, it is expected that the Cosway Group will bring in positive operating cash flow to the Enlarged Group. It is the intention of the Directors to declare dividend to the Shareholders after the accumulated losses are fully covered by future profits. Any future dividends to be declared by the Company will depend on the Enlarged Group's results, working capital, cash positions, capital requirements and other factors as may be deemed relevant at such time by the Directors.

15. IMPLICATIONS UNDER THE TAKEOVERS CODE: APPLICATION FOR WHITEWASH WAIVER

As at the Latest Practicable Date, BCorp and the parties acting in concert with it and its associates own in aggregate approximately 49.43% of the existing issued share capital of the Company. Immediately upon completion of the Acquisitions and the Capitalisation Issue but before the issue of the Conversion Shares upon conversion of the ICULS, BCorp and the parties acting in concert with it would own approximately 74.98% of the total issued share capital of the Company. Upon the issue of the Conversion Shares on full conversion of the ICULS, BCorp and the parties acting in concert with it would own approximately 88.80% of the total issued share capital of the Company. Therefore, pursuant to Rule 26.1(d) of the Takeovers Code, BCorp and the parties acting in concert, upon (i) the issue of the First Tranche Consideration Shares, Second Tranche Consideration Shares and the Capitalisation Shares; (ii) the issue of Conversion Shares under the relevant ICULS issued under the First Cosway M Agreement and/or the Second Cosway M Agreement; and/or (iii) the issue of the eCosway Consideration Shares and the eCosway Conversion Shares, would be required to make an unconditional mandatory general offer for all the issued Shares not already owned or agreed to be acquired by them, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code has been obtained from the Executive. The Company has made an application to the Executive for the Whitewash Waiver. The Whitewash Waiver, if granted, will be subject to the approval of the Independent Shareholders by way of poll at the EGM. Shareholders and public investors should note that immediately upon issue of the Consideration Shares, the shareholding of the BCorp and parties acting in concert with it in the Company will exceed 50% of the voting rights of the Company and that the BCorp and parties acting in concert with it may increase their holding without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer for the securities of the Company.

BCorp and parties acting in concert with it and those who are involved in, or interested in, the Acquisitions and the Capitalisation Issue are required to abstain from voting under the Takeovers Code. BCorp and parties acting in concert with it, together holding 292,149,475 shares (representing approximately 49.43% of the issued share capital of the Company) as at the Latest Practicable Date, will abstain from voting for the resolutions to approve the SP Agreements, the Loan Capitalisation Agreement and the Whitewash Waiver to be put forward at the EGM. As Madison is the vendor to the Third Cosway M Agreement, Penta Investment and its associates, together holding 27,435,000 Shares (representing approximately 4.64% of the issued share capital of the Company) as at the Latest Practicable Date, will also abstain from voting for the resolutions to approve the SP Agreements, the Loan Capitalisation Agreement and the Whitewash Waiver to be put forward at the EGM. **If the Whitewash Waiver is not granted, the SP Agreements and the Loan Capitalisation Agreement will not be satisfied and the transactions contemplated thereunder will not proceed.**

Neither BCorp nor persons acting in concert with it have acquired any voting rights or dealt for value in any Shares, convertible securities, warrants or options of the Company, or any outstanding derivatives in respect of securities in the Company during the six months immediately prior to the date of the announcement dated 23 July 2009 and up to and including the Latest Practicable Date.

As at the Latest Practicable Date, BCorp or any person acting in concert with it has not received any irrevocable commitment to vote for the Acquisitions, the Loan Capitalisation and the Whitewash Waiver in the EGM and do not hold any convertible securities, warrants, options or derivatives of the Company. As at the Latest Practicable Date, there is (i) no outstanding derivative in respect of securities in the Company entered into by BCorp or any person acting in concert with it; (ii) no arrangement (whether by way of option, indemnity or otherwise) in relation to shares of BCorp or the Company and which might be material to the Acquisitions, the Loan Capitalisation and the Whitewash Waiver; (iii) no agreements or arrangements to which BCorp is party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Acquisitions, the Loan Capitalisation and the Whitewash Waiver; and (iv) no relevant securities in the Company which BCorp or any person acting in concert with it has borrowed or lent.

16. IMPLICATIONS UNDER THE LISTING RULES

As Cosway Corp and Biofield are connected persons of the Company pursuant to the Listing Rules and the Cosway M Agreements are inter-conditional, the transactions contemplated under the Cosway M Agreements are connected transactions of the Company under Chapter 14A of the Listing Rules. As the eCosway Vendors are connected persons of the Company pursuant to the Listing Rules, the transactions contemplated under the eCosway Agreement is a connected transaction of the Company under Chapter 14A of the Listing Rules. As all of the Applicable Percentage Ratios in respect of the Acquisitions is more than 100%, according to Rule 14.08 of the Listing Rules, the entering into of the SP Agreements constitute very substantial acquisitions of the Company under Chapter 14 of the Listing Rules. Therefore, the SP Agreements are subject to the requirements of reporting, announcement, and the approval by the Independent Shareholders as set out in Chapter 14 of the Listing Rules.

BCayman is a connected person of the Company and therefore the Capitalisation Issue constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and will be subject to, among other things, the requirements of reporting, announcement and approval of the Independent Shareholders at the EGM.

Upon completion of the Acquisitions, Cosway M and eCosway will become wholly owned subsidiaries of the Company. As BCorp, BLand, BToto, UMobile, BAssets, Dijaya, BMedia and 7-Eleven are connected persons of the Company pursuant to the Listing Rules, the CCTs constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rule. As the Applicable Percentage Ratios for the Non-exempted Caps are higher than 25% on an annual basis, the Non-exempted CCTs constitute continuing connected transactions of the Company that are subject to reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

An Independent Board Committee has been appointed to advise the Independent Shareholders in respect of the terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. Somerley has been appointed by the Independent Board Committee to advise the Independent Board Committee and the

Independent Shareholders in this regard. BCorp and parties acting in concert with it and its associates, together holding 292,149,475 shares (representing approximately 49.43% of the issued share capital of the Company and of the voting rights) as at the Latest Practicable Date, will abstain from voting for the resolutions to approve the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver to be put forward at the EGM. As Madison is the vendor to the Third Cosway M Agreement, Penta Investment and its associates, together holding 27,435,000 Shares, representing approximately 4.64% of the issued share capital of the Company and of the voting rights as at the Latest Practicable Date, will also abstain from voting for the resolutions to approve the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver to be put forward at the EGM.

17. RECOMMENDATIONS

The Directors, including the independent non-executive Directors, consider the terms of the SP Agreements (taken as a whole), the Loan Capitalisation Agreement and the Non-exempted Continuing Connected Transactions (together with the Non-exempted Caps) are on normal commercial terms, are entered into in the usual and ordinary course of business and are fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the resolutions in respect of the SP Agreements (taken as a whole), the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver to be proposed at the EGM. The Directors also recommend the Shareholders to vote in favour of the resolutions in respect of the increase in authorized share capital, the change of Company name and the adoption of the Share Option Scheme.

The Independent Board Committee, having considered the advice from Somerley, consider that the terms of the SP Agreements (taken as a whole), the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee has recommended the Independent Shareholders to vote in favour of the resolutions in relation to the Cosway M Agreements, the eCosway Agreement, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. However, if the Independent Shareholders do not vote in favour of the resolution in relation to the Cosway M Agreements, the Independent Board Committee does not recommend the Independent Shareholders to vote in favour of the resolution in relation to the eCosway Agreement.

The recommendation of the Independent Board Committee is set out on pages 85 to 86 to the circular and the letter from Somerley is set out on pages 87 to 135.

Further Information

Your attention is also drawn to the additional information set out in the appendices to this circular.

By Order of the Board
Berjaya Holdings (HK) Limited
Chan Kien Sing
Chairman

BERJAYA

BERJAYA HOLDINGS (HK) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

30 October 2009

To the Independent Shareholders

Dear Sir or Madam,

(I) VERY SUBSTANTIAL ACQUISITIONS AND CONNECTED TRANSACTIONS IN RESPECT OF 100% OF THE COSWAY GROUP (COMPRISING 100% EQUITY INTEREST IN COSWAY (M) SDN BHD (INCLUDING 60% EQUITY INTEREST ALREADY HELD BY COSWAY (M) SDN BHD IN ECOSWAY.COM SDN BHD) AND 40% EQUITY INTEREST IN ECOSWAY.COM SDN BHD), INVOLVING ISSUE OF CONSIDERATION SHARES AND ISSUE OF IRREDEEMABLE CONVERTIBLE UNSECURED LOAN SECURITIES; (II) APPLICATION FOR WHITEWASH WAIVER; (III) ISSUE OF SHARES TO CONNECTED PERSON BY CAPITALISATION OF LOAN; AND (IV) CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of Berjaya Holdings (HK) Limited (the "Company") dated 30 October 2009 (the "Circular") to the shareholders of the Company, of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context requires otherwise.

We have been appointed by the Board as the Independent Board Committee to advise you as to whether the terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Somerley has been appointed to act as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the SP Agreements, Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. The text of the letter of advice from Somerley containing their recommendation and the principal factors they have taken into account in arriving at their recommendation is set out on pages 87 to 135 of the Circular.

Independent Shareholders are recommended to read the letter of advice from Somerley, the letter from the Board contained in the Circular as well as the additional information set out in the appendices to the Circular.

Having considered the terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver and the advice of Somerley, we consider that the terms of the SP Agreements (taken as a whole), the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver are fair and reasonable and in the interests of the Company and the Shareholders as a whole. We recommend the Independent Shareholders to vote in favour of the resolutions in relation to the Cosway M Agreements, the eCosway Agreement, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. However, if the Independent Shareholders do not vote in favour of the resolution in relation to the Cosway M Agreements, we do not recommend the Independent Shareholders to vote in favour of the resolution in relation to the eCosway Agreement.

Yours faithfully,
Independent Board Committee
Dato' Lee Ah Hoe **Mr. Tan Tee Yong** **Mr. Leou Thiam Lai**
Independent non-executive Directors

The following is the full text of the letter of advice to the Independent Board Committee and the Independent Shareholders from Somerley dated 30 October 2009 prepared for in incorporation in this circular.

SOMERLEY LIMITED
10th Floor
The Hong Kong Club Building
3A Chater Road
Central
Hong Kong

30 October 2009

To: The Independent Board Committee and the Independent Shareholders of Berjaya Holdings (HK) Limited

Dear Sirs,

VERY SUBSTANTIAL ACQUISITIONS AND CONNECTED TRANSACTIONS IN RESPECT OF 100% OF THE COSWAY GROUP INVOLVING ISSUE OF CONSIDERATION SHARES, AND ISSUE AND LISTING OF IRREDEEMABLE CONVERTIBLE UNSECURED LOAN SECURITIES; ISSUE OF SHARES TO CONNECTED PERSON BY CAPITALISATION OF LOAN; APPLICATION FOR WHITEWASH WAIVER; AND CONTINUING CONNECTED TRANSACTIONS

We refer to our appointment to advise the Independent Board Committee and the Independent Shareholders in relation to the terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. Detailed terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver are set out in the letter from the Board contained in the circular (the "Circular") of the Company to the Shareholders dated 30 October 2009, of which this letter forms part. Unless otherwise defined, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

On 13 October 2009, the Company entered into the SP Agreements, pursuant to which, the Company has conditionally agreed to acquire the entire interest in Cosway M (including 60% equity interest already held by Cosway M in eCosway) and 40% equity interest in eCosway at a total consideration of approximately RM1,107.6 million (equivalent to approximately HK$2,467.8 million, which will be settled by cash of RM44.7 million (equivalent to approximately HK$99.6 million), 890,683,666 Consideration Shares to be issued at HK$0.2 each and ICULS of a principal amount of HK$2,190.0 million. The eCosway Agreements and the Cosway M Agreements are not inter-conditional.

The Cosway Group has various arrangements with certain connected persons of the Company in relation to, among other things, the rental, provision of services, and supply and purchase of goods. To continue such arrangements between the Cosway Group and other members of BCorp Group which are essential to the operation of the Cosway Group, the Group also entered into the non-exclusive Non-exempted CCT Agreements.

To avoid unnecessary cash outflow from the Company, the Company also entered into the Loan Capitalisation Agreement with BCayman, pursuant to which the Company and BCayman mutually agree that the Company shall allot to BCayman 180,000,000 Capitalisation Shares at an issue price of HK$0.2 per Capitalisation Share and BCayman shall accept such Capitalisation Shares in satisfaction of the HK$36 million of the Indebtedness. The completion of the Loan Capitalisation Agreement is conditional on the completion of the Cosway M Agreements.

As Cosway Corp and Biofield are connected persons of the Company pursuant to the Listing Rules and the Cosway M Agreements are inter-conditional, the transactions contemplated under the Cosway M Agreements are connected transactions of the Company under Chapter 14A of the Listing Rules. As the eCosway Vendors are connected persons of the Company pursuant to the Listing Rules, the transactions contemplated under the eCosway Agreement is a connected transaction of the Company under Chapter 14A of the Listing Rules. As all of the Applicable Percentage Ratios in respect of the Acquisitions is more than 100%, the entering into of the SP Agreements constitute very substantial acquisitions of the Company under Chapter 14 of the Listing Rules. Therefore, the SP Agreements are subject to the requirements of reporting, announcement, and the approval by the Independent Shareholders as set out in Chapter 14 of the Listing Rules.

As BCayman is a connected person of the Company, therefore the Capitalisation Issue also constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and will be subject to, among other things, the requirements of reporting, announcement and approval of the Independent Shareholders at the EGM.

Upon completion of the Acquisitions, Cosway M and eCosway will become subsidiaries of the Company. As BCorp, BLand, BToto, UMobile, BAssets, Dijaya, BMedia and 7-Eleven are connected persons of the Company pursuant to the Listing Rules, the CCTs constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rule. As the Applicable Percentage Ratios for the Non-exempted Caps are higher than 25% on an annual basis, the Non-exempted CCTs constitute continuing connected transactions of the Company that are subject to reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee, comprising all of the three independent non-executive Directors, namely Dato' Lee Ah Hoe, Mr. Tan Tee Yong and Mr. Leou Thiam Lai has been established to advise the Independent Shareholders in respect of the terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. We, Somerley, have been approved by the Independent Board Commitment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

We are not associated with the Company, the counter parties to each of the SP Agreements, the Loan Capitalisation Agreement and the Non-exempted CCT Agreements, or their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them, and accordingly, are considered eligible to give independent advice on the terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company, the counter parties to each of the SP Agreements, the Loan Capitalisation Agreement and the Non-exempted CCT Agreements, or their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them.

In formulating our opinion and recommendation, we have reviewed, among other things, the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements, the annual reports of the Company for the two years ended 30 April 2009, the accountants' report of Cosway M and its subsidiaries for the three years ended 30 April 2009 (the "Cosway M Accountants' Report") as set out in Appendix II to this Circular, the accountants' report of eCosway for the three years ended 30 April 2009 (the "eCosway Accountants' Report") as set out in Appendix II to this Circular, unaudited pro forma financial information (the "Pro Forma Financial Information") of the Enlarged Group as set out in Appendix IV to this Circular, the valuation reports on the property interests of the Cosway Group as at 31 July 2009 (the "Cosway Valuation Report") as set out in Appendix V to this Circular and the valuation report on the property interests of the Group as at 31 July 2009 (the "Group's Valuation Report") as set out in Appendix V to this Circular. We have also discussed with the Company regarding the business of the Group and the prospects of the Cosway Group.

In addition, we have relied on the information and facts supplied, and the opinions expressed, by the Company and have assumed that the information and facts provided and opinions expressed to us are true, accurate and complete in all material aspects at the time they were made and will remain true, accurate and complete up to the date of the Circular. We have also sought and received confirmation from the Company that no material facts have been omitted from the information supplied by them and that their opinions expressed to us are not misleading in any material respect. We consider that the information we have received is sufficient for us to formulate our opinion and recommendation as set out in this letter and have no reason to believe that any material information has been withheld, nor to doubt the truth or accuracy of the information provided to us. We have not, however, conducted any independent investigation into the business and affairs of the Group or the Cosway Group nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion on the terms of the SP Agreements, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver, we have taken into consideration the followings principal factors and reasons.

1. Information on the Group

The principal activities of the Group consist of property investment and investment holding.

(i) Financial information

Set out below is a summary of the audited financial results of the Group for the three years ended 30 April 2009.

	For the year ended 30 April		
	2009	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*
Revenue	2,110	1,900	1,572
Gross profit	2,081	1,845	1,498
Loss before interest, taxation, investment properties fair value change and share of profit/(loss) of an associate	(379)	(612)	(2,762)
Share of profit/(loss) of an associate	(6,568)	2,416	2,057
Profit/(loss) before taxation	(23,994)	12,923	(3,120)
Profit/(loss) attributable to the Shareholders	(19,428)	7,307	(3,680)
(Loss)/earnings per share (HK cents)	(3.29)	1.24	(0.62)

Revenue of the Group represents rental income from investment properties. For the three years ended 30 April 2009, the Group only recorded turnover of around HK$2.0 million per annum.

Loss attributable to the Shareholders was HK$19.4 million for the year ended 30 April 2009, which was primarily due to the fair value losses on investment properties of approximately HK$14.6 million and share of loss in an associated company, which invests in listed securities, of approximately HK$6.6 million. Profit attributable to the Shareholders was approximately HK$7.3 million for the year ended 30 April 2008 and was mainly due to fair value gains on investment properties of HK13.9 million. The loss attributable to the Shareholders of approximately HK$3.7 million for the year ended 30 April 2007 was mainly due to the loss on write-off of receivables of HK$3.7 million due from a previously 82% owned subsidiary, which was disposed of during the financial year ended 30 April 2006.

Set out below is a summary of the balance sheet of the Group as at 30 April 2007, 2008 and 2009.

	As at 30 April		
	2009	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*
Non-current assets			
Investment properties	49,392	63,968	50,026
Interests in an associate	5,531	15,191	10,118
Others	492	421	972
	55,415	79,580	61,116
Current assets	445	431	524
Current liabilities			
Other payables and accruals	(630)	(963)	(1,199)
Amounts due to related companies	(473)	(355)	–
Interest-bearing bank borrowings	(180)	(180)	(180)
	(1,283)	(1,498)	(1,379)
Non-current liabilities			
Loan from BCayman	(28,895)	(25,824)	(22,972)
Advance from minority interests	–	–	(1,838)
Interest-bearing bank borrowings	(6,345)	(6,525)	(6,705)
Others	(259)	(4,535)	(2,095)
	(35,499)	(36,884)	(33,610)
Total equity			
Equity attributable to the Shareholders	14,095	36,615	26,651
Minority interests	4,983	5,014	–
	19,078	41,629	26,651

Investment properties of the Group mainly represents the office units, factory units and car parking spaces in Hong Kong and the PRC, held by the Group for leasing.

Interests in an associate represents the Group's 20% interests in Greenland Timber Industries (Private) Limited, which is principally engaged in investment holding of listed securities. Current assets of the Group mainly comprise of prepayments, deposits, receivables and cash.

Interest-bearing bank borrowings represent bank loan from a bank in Hong Kong at Hong Kong Dollar prime lending rate minus 0.5% per annum, secured by certain investment properties of the Group. Loan from BCayman is unsecured, bears interests at 3% per annum above the Hong Kong Dollar prime lending rate, and is not repayable within the next twelve months from 30 April 2009.

As at 30 April 2009, the equity attributable to the Shareholders amounted to approximately HK$14,095,000, or approximately HK$0.0238 on a per Share basis (the "Per Share NAV").

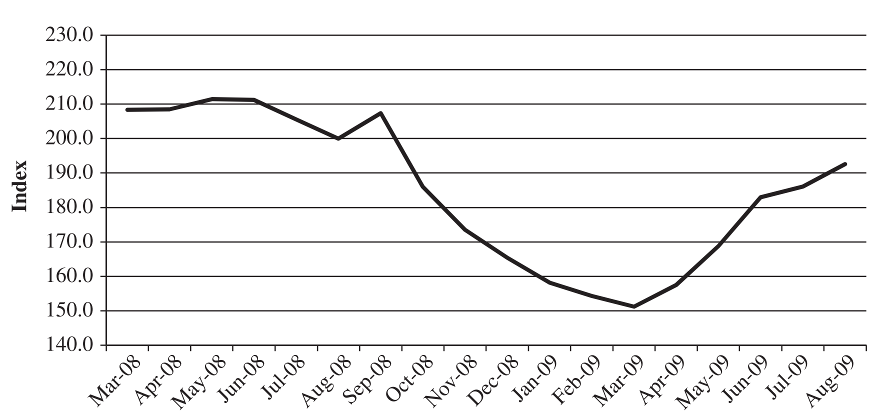
As set out in the Group's Valuation Report, the property interest of the Group as at 31 July 2009 were valued at HK$59,180,000, representing approximately 20% increment as compare to HK$49,392,000 as at 30 April 2009. Such increase is generally in line with the increase in office properties prices in Hong Kong. As such, the equity attributable to the Shareholders adjusted for the valuation surplus would be HK$23,883,000, representing HK$0.0404 on a per Share basis (the "Per Share Adjusted NAV").

(ii) Industry overview

As set out in the annual reports of the Company for the three years ended 30 April 2007, 2008 and 2009, the Group's revenue was all contributed by its property investment business in Hong Kong. As discussed with the management of the Company, a substantial portion of the revenue from the property investment business in Hong Kong is contributed by its office units in Star House, Tsim Sha Tsui, Kowloon. Set out below is our analysis on the office property market in Hong Kong.

Based on the latest statistics released by the Rating and Valuation Department of the Hong Kong Government, the office property market in Hong Kong was rebounding since April 2009, after continuous declining since the late 2008 and early 2009.

Private office – price index for all grades



Source: the Rating and Valuation Department of the Hong Kong Government

Over the past few months, Hong Kong's office sales market regained some momentum after a downturn that has lasted a year. Some investors re-entered into the market, eyeing good value in prices that have fallen from peak levels in 2008, yet some buyers adopted a wait-and-see attitude after having witnessed a surge in office prices. However, as the office property market is largely dependent on the economic activities and macro-economic environment, the office prices would still be under pressure until the economic indicators, such as gross domestic product and unemployment rate, rebound in the near future.

(iii) Prospect

The Group experienced a net operating cash outflow from operating activities for the three years ended 30 April 2009. As discussed with the management of the Company, the loan from BCayman is currently the only available new funding source of the Group. As set out above, the Group also recorded losses before interest, taxation, investment property fair value change and share of profit/loss of an associate of approximately HK$2.8 million, HK$0.6 million and HK$0.4 million for the three years ended 30 April 2007, 2008 and 2009, respectively.

As set out in the Company's 2009 annual report (the "2009 Annual Report"), the management of the Company expected that the rental income would suffer further decline in the coming year due to the deteriorating global economy. We consider that there is no economic indicator showing strong signs of further deterioration or recovery at this stage.

As confirmed with the Company, the Company has no other expansion plan other than the Acquisitions.

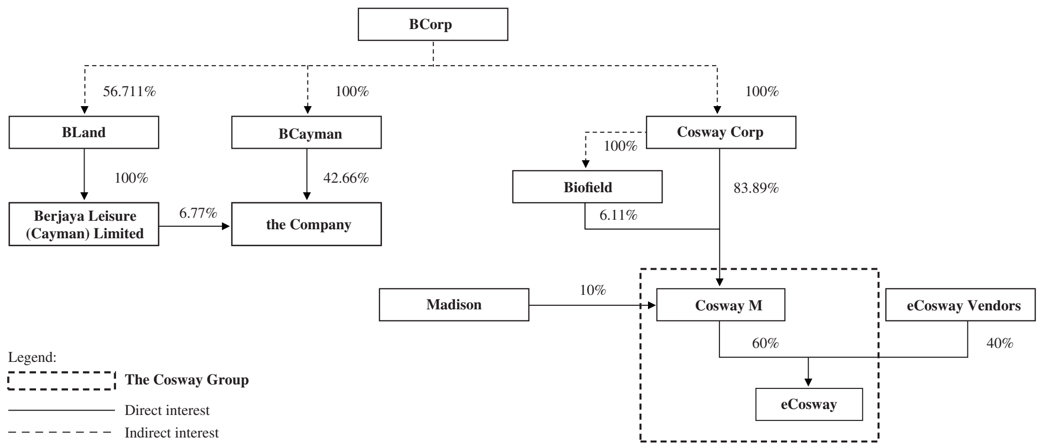
2. Information on the Cosway Group

(i) Corporate history

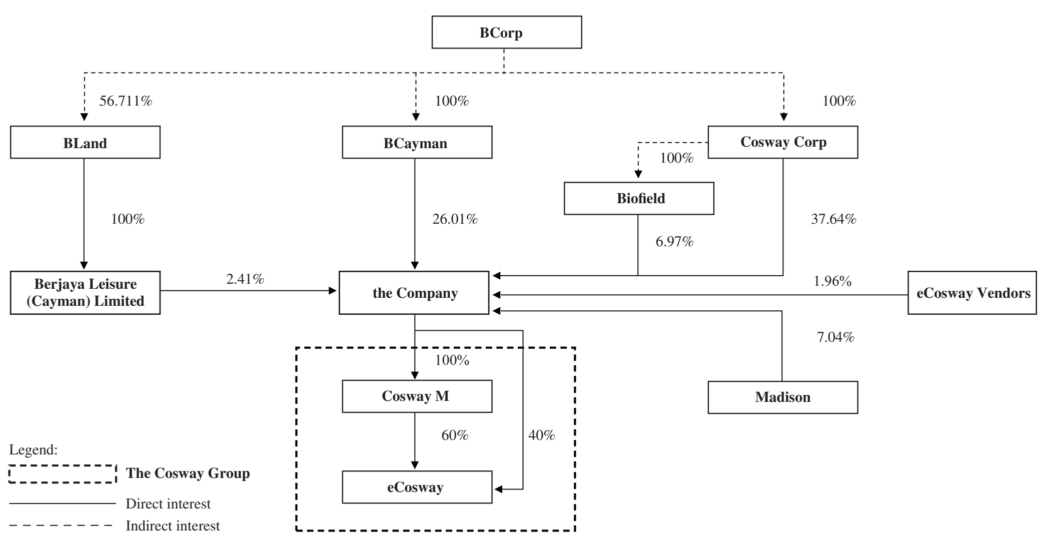
Cosway M was incorporated in Malaysia in 1979 as a private limited company principally engaged in direct selling and was acquired by Cosway Corp in 1994. Cosway Corp was listed on the Main Board of the Bursa Malaysia in 1992, but was subsequently delisted in 2007. Subsequently, Cosway Corp disposed of 10% interest in Cosway M to Madison.

Set out below is the corporate chart of the Cosway Group immediately before and after the completion of the Acquisitions:

Immediately before the completion of the Acquisitions:



Immediately after the completion of the Acquisitions and Capitalisation Issue but before the conversion of the ICULS:



(ii) Business

The Cosway Group is principally engaged in direct sales of consumer products including health and nutrition, slimming products, personal care, skincare, cosmetics, perfumes, household and car care products, food and beverage, water filtration systems, kitchenware, bodyshaping lingerie, etc, through network marketing. Operation of the Cosway Group is located in various countries with main operation in Malaysia, Hong Kong and Taiwan which in aggregate accounted for approximately 96% of the turnover (after inter-company consolidation adjustment) of the Cosway Group for the year ended 30 April 2009.

Direct selling is a retail channel for the distribution of goods and services. At a basic level it may be defined as marketing and selling products, direct to consumers away from a fixed retail location. Sales are typically made through party plan, one to one demonstrations, and other personal contact arrangements. By far the majority of direct selling companies use a multi-level compensation plan, where the agent is paid not only for their own sales but also a percentage of the sales of other representatives they introduce into the organization and help train.

As discussed with the management of the Cosway Group, the Cosway Group has adopted a "hybrid model" in conducting its direct sales business. Similar with traditional multi level marketing business, it relies on members owners to sell its products and recruit more members to build their networks, which continuously develops and expands its sales and distribution network. In return, the Cosway Group pays each member a "bonus" which is a percentage of the sales volume generated by the member and his or her "branch" of network. However, unlike most of the multi level marketing business players, it also has extensive retail network mainly operated by franchisees selling the Cosway Group's product exclusively. According to the management of the Cosway Group, such business model allows the products of the Cosway Group to be sold in the neighborhood of shoppers and, as the products are sold by store operators on a consignment basis, and are not required to pay for the stocks upfront, thereby encourages store operators to carry as many products of the Cosway Group as possible. Currently, other than the store located in the headquarter of the Cosway Group, all other 1,500 stores and stockist centres, located throughout Malaysia and other countries, are operated by store operators.

As set out in the letter from the Board, Cosway M currently provides a range of over 1,400 products, basically under the categories of personal care, health and nutrition, skin care, cosmetics, household, car care, and food and beverage. eCosway is principally engaged in direct selling business and also owns an online shopping portal which deals with a wide range of consumer product. The Cosway Group has a network of more than 870,000 members.

(iii) Financial information

(A) The Cosway Group

Set out below is the audited income statement data of the Cosway Group extracted from the Cosway M Accountants' Report or provided by the management of the Cosway Group:

	For the year ended 30 April		
	2009	**2008**	**2007**
	RM'000	*RM'000*	*RM'000*
Revenue	774,123	578,103	442,966
– Malaysia	399,818	343,647	314,607
– Taiwan, Hong Kong, Macau, Korea and Australia	359,578	223,454	116,595
– Others	14,727	11,002	11,764
Gross profit	315,231	229,630	171,455
Gross profit margin	*40.7%*	*39.7%*	*38.7%*
Net profit	60,730	46,645	30,003
Net profit margin	*7.8%*	*8.1%*	*6.7%*
Profit attributable to equity holders of Cosway M	54,012	42,973	27,867
Minority interests	6,718	3,672	2,136

(a) revenue

Per discussion with the management of the Cosway Group, the key reasons for the increase in revenue are (i) increase in number of stores, shoppers and members; (ii) deployment of the newly introduced hybrid model which combines traditional retailing and direct selling; and (iii) expansion in the Hong Kong and Taiwan markets.

(b) gross profit margin

Per discussion with the management of the Cosway Group, the key reasons for the improvement of gross profit margin are (i) economy of scales gained by increase in sales volume; (ii) introducing and shifting focus to more profitable products; and (iii) expansion in new markets that have higher spending power (i.e. Hong Kong and Taiwan) and thus enabled the Cosway Group to increase the selling price.

(c) net profit

As discussed with the management of the Cosway Group, the majority of the profit attributable to minority interests represents the share of the results of eCosway by its minority shareholder(s).

Set out below is the audited balance sheet data of the Cosway Group extracted from the Cosway M Accountants' Report:

	As at 30 April		
	2009	**2008**	**2007**
	RM'000	*RM'000*	*RM'000*
Non-current assets			
Property, plant and equipment	55,069	52,104	45,008
Investment properties	52,991	53,519	48,516
Prepaid land lease payments	3,952	4,045	3,851
Goodwill	4,489	4,489	4,489
Others	13,408	3,422	2,312
	129,909	117,579	104,176
Current assets			
Inventories	185,317	105,822	101,575
Trade receivables	36,024	10,684	19,934
Amount due from other members of the BCorp Group	17,424	1,904	909
Assets held for sale	10,450	–	–
Cash and cash equivalents	42,523	50,476	30,041
Others	17,859	14,792	13,319
	309,597	183,678	165,778
Current liabilities			
Trade payables	(125,344)	(86,101)	(73,628)
Interest-bearing bank borrowings	(26,905)	(3,379)	(14,877)
Tax payable	(12,930)	(8,525)	(3,818)
Due to other members of the BCorp Group	(368)	(374)	(17,305)
Others	(40,571)	(26,833)	(24,390)
	(206,118)	(125,212)	(134,018)
Non-current liabilities			
Interest-bearing bank borrowings	(16)	(230)	(3,642)
Others	(1,760)	(1,857)	(483)
	(1,776)	(2,087)	(4,125)
Equity			
Equity attributable to equity holders of Cosway M	214,140	162,880	124,006
Minority interests	17,472	11,078	7,805
	231,612	173,958	131,811

(a) property, plant and equipment, investment properties, and prepaid land lease payment

Property, plant and equipment mainly represent the freehold land, buildings, and office and computer equipment owned by the Cosway Group for self use. As discussed with the management of the Cosway Group, the investment properties mainly represent the non-self use portion of the headquarter of the Cosway Group renting out to third parties and the prepaid land lease payment represents the land portion of buildings.

As set out in the Cosway Valuation Report, the property, plant and equipment, investment properties, and prepaid land lease payment of the Cosway Group were valued at approximately RM100.9 million, compared with the book cost of RM78.2 million.

As set out in the Cosway Valuation Report, Vigers Appraisal & Consulting Limited ("Vigers") has applied a mix of direct comparison method, income approach and depreciated replacement cost approach in valuing the properties of the Cosway Group. Details in respect of the valuation methodology adopted by Vigers are set out in the Cosway Valuation Report in Appendix V to this Circular.

We have discussed with Vigers on the rationale of adopting different valuation methodology in valuing different properties. Vigers mentioned that in most of the cases, they would adopt a direct comparison approach. In adopting the direct comparison approach, Vigers have reviewed the recent transactions for similar premises in the proximity and made adjustments based on, among other things, the differences in transaction dates, building age and floor area between the comparable properties and the subject property.

In cases where the property is rented out for rental income, they would also adopt the direct comparison approach in its valuation and counter check the results by income approach. In adopting the income approach, Vigers have taken into account the current rent passing of the property interest and the reversionary potential of the tenancy.

In respect of properties without sufficient transaction evidence available and/or if the structure of the properties are specialized in nature, Vigers are of the view that it is not practicable to prepare a reliable valuation on the property based on direct comparison approach, as such they would rely on income approach (in cases where the property is rented out for rental income), or depreciated replacement cost method on the structure portion together with the direct comparison method on the land portion (in cases where the property is for self use). In adopting the depreciated replacement cost method, Vigers considered the current cost of replacement (reproduction) of the buildings and improvements less deductions for physical deterioration and all relevant forms of obsolescence and optimization. Vigers are of the view that the depreciated replacement cost approach generally furnishes the most reliable indication of value for property in the absence of a known market based on comparables sales.

Based on the above, we consider the valuation methodologies, and bases and assumptions adopted for the valuation of the properties of the Cosway Group by Vigers are reasonable.

(b) inventories

It mainly represents the finished good held for sales. As discussed with the management of the Cosway Group, the increase in the amount of inventories was mainly contributed by the active introduction of new products by the Cosway Group and the increase in the number of stores during the period under review. Increase in amount of inventories is also in line with the increase in revenue during the same period.

(c) trade receivables

Trade receivables are receivables from the store operators for the sales proceeds of the consignment stocks. The Cosway Group grants a credit term of 7 days to the store operators.

Per discussion with the management of the Cosway Group, the significant increase in the trade receivables as at 30 April 2009 (i) is consistent with the increase in sales and number of stores; and (ii) is partly caused by cash in transit from a credit card company in Hong Kong amounted to approximately HK$35 million settled subsequent to 30 April 2009.

(d) Assets held for sale

It represents a freehold land held by the Cosway Group for sale as at 30 April 2009. On 12 May 2009, Cosway M entered into a sale and purchase agreement, pursuant to which, Cosway M has agreed to dispose of the freehold land at a consideration of RM10,450,000 (equivalent to its carrying value as at 30 April 2009). The transaction was completed on 11 August 2009. As the consideration for disposal and the carrying value of the freehold land are the same, the management of the Cosway Group considered that the disposal would not have any significant impact on the Cosway Group's financial position.

(e) Trade payables

It mainly represents the trade payables to manufacturers of the products of the Cosway Group. The increase was in line with the increase in the inventory and the cost of sales during the three years ended 30 April 2009.

(f) Net assets value

As set out in the Cosway M Accountants' Report, equity attributable to the equity holder of Cosway M amounted to approximately RM214 million as at 30 April 2009. As set out in the Cosway M Accountants' Report, the freehold land and building are stated at cost less accumulated depreciation and any impairment losses, whilst the investment properties are stated at fair value. Therefore, the carrying value of the freehold land and building, and investment properties may different from the most current valuation. Set out below are the equity attributable to equity holder of Cosway M adjusted for the valuation of the freehold land, building, investment properties and prepaid land lease payment of the Cosway Group to reflect the current value of the freehold land and building, investment properties and prepaid land lease payment of the Cosway Group:

	RM'000
Equity attributable to the equity holder of Cosway M	214,140
Add: valuation of the freehold land, building, investment properties and prepaid land lease payment of the Cosway Group *(Note 1)*	99,985
Less: carrying value of the freehold land, building, investment properties and prepaid land lease payment of the Cosway Group *(Note 2)*	(77,410)
Adjusted equity attributable to the equity holders of Cosway M (the "Adjusted Cosway M Equity")	236,715

Notes:

1. Comprises all group I properties (except for property no. 1, which was acquired by Cosway M on 1 May 2009 through the acquisition of Golden Works) included in the property valuation report in relation to property interests held and occupied by the Cosway Group in Malaysia of RM70,542,000 (attributable interests only), all properties included in the property valuation report in relation to property interest held for investment by the Cosway Group in Brazil of R$13,580,000 (equivalent to approximately RM25,080,000), and all properties included in the property valuation report in relation to property interests held by the Cosway Group in Taiwan of approximately of NT$41,150,000 (equivalent to approximately RM4,363,000)

2. Comprises the freehold land of RM10,318,000 and buildings of RM10,894,000 under the property plant and equipment, investment properties of RM52,991,000 and prepaid land lease payments of RM3,952,000 on 30 April 2009 as set out in the Cosway M Accountant's Report, and less RM745,200 for the minority interest in one of the property. As set out in the eCosway Accountants' Report, eCosway did not have any property interest.

Subsequent to 30 April 2009, Cosway M entered into several acquisition agreements to acquire certain companies, the principal assets of which are property interests. The aggregated consideration for those acquisitions is around HK$55 million. Independent Shareholders may refer to the letter from the Board to this circular for details of such acquisitions.

(B) eCosway

The results of eCosway has been consolidated into the financial statement of the Cosway Group (as set out in the section above). However, as the Cosway M Agreements and the eCosway Agreement are not inter-conditional, the financial performance of the Cosway Group and eCosway should be considered separately. Set out below is the audited income statement data of eCosway extracted from the eCosway Accountants' Report:

	For the year ended 30 April		
	2009	**2008**	**2007**
	RM'000	*RM'000*	*RM'000*
Revenue	149,158	100,535	88,511
– Malaysia	131,484	87,856	81,154
– Others	17,674	12,679	7,357
Gross profit	29,892	19,056	12,425
Gross profit margin	*20.0%*	*19.0%*	*14.0%*
Net profit	15,536	7,814	4,139
Net profit margin	*10.4%*	*7.8%*	*4.7%*

The key reasons for the increase in revenue and improvement in gross profit margin are the same as those for that of Cosway M (including 60% equity interest already held by Cosway M) primarily because of the two companies apply substantially the same business strategies in substantially the same geographical coverage. We also noted that the cumulative average growth rate of profit attributable to the equity holders of eCosway for the past two financial years of 93.7% is much higher than that of Cosway M (including 60% equity interest already held by Cosway M) of 39.2%. We have discussed with the management of the Cosway Group and noted that the key reasons are that all new store operators of the Cosway Group are operated under the brand "eCosway" and the income of which are recognized in the financial statements of eCosway. Whereas the traditional brand "Cosway" will be limited to the existing stores.

As set out in the eCosway Accountants' Report, eCosway has been granted Pioneer Status with full income tax exemption under the Promotion of Investment Act, 1986, for an initial period of 5 years commencing from 4 October 2002, which was subsequently extended for a further period of 5 years commencing from 4 October 2007. Accordingly, the tax exemption status will be expired on 3 October 2012. As set out in the eCosway Accountants' Report, the effect of tax exemption amounted to approximately RM1.4 million, RM2.7 million and RM3.9 million respectively for three years ended 30 April 2007, 2008 and 2009, or approximately 33%, 33% and 25% respectively of the profit before tax for three years ended 30 April 2007, 2008 and 2009. We have discussed with the management of eCosway and noted that eCosway will continue to expand aggressively outside of Malaysia, therefore, the significance of tax exemption effect on the net profit of eCosway will be decreased gradually.

Set out below is the audited balance sheet data of eCosway extracted from the eCosway Accountants' Report:

	As at 30 April		
	2009	**2008**	**2007**
	RM'000	*RM'000*	*RM'000*
Non-current assets			
Property, plant and equipment	2,263	1,987	1,297
Deposits	46	85	38
	2,309	2,072	1,335
Current assets			
Trade receivables	1,083	43	108
Amount due from Cosway Corp	15,747	–	–
Amount due from other Cosway Group members	39,608	30,116	18,493
Cash and cash equivalents	3,781	2,375	1,502
Others	595	583	505
	60,814	33,117	20,608
Current liabilities			
Trade payables	(22,829)	(10,746)	(5,994)
Due to other members of the BCorp Group	(103)	(5)	(5)
Others	(2,662)	(2,445)	(1,765)
	(25,594)	(13,196)	(7,764)
Equity			
Equity attributable to equity holders of eCosway	37,529	21,993	14,179

(a) property, plant and equipment

Property, plant and equipment mainly represent motor vehicle, and computer equipment and software of eCosway. eCosway holds no land and building as at 30 April 2009 nor as at the Latest Practicable Date.

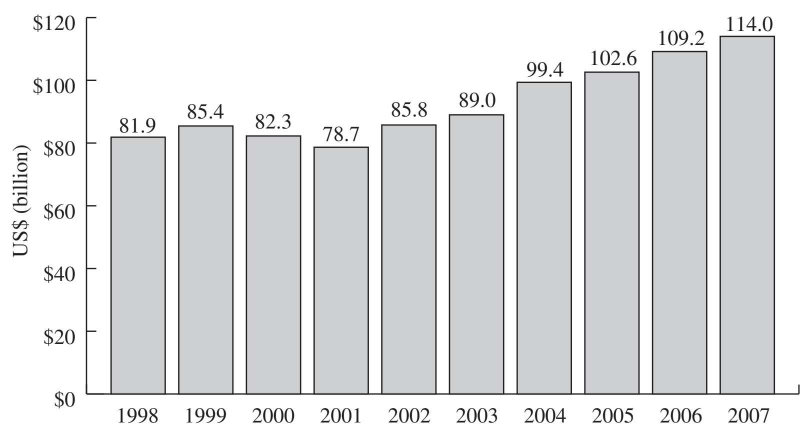
(b) Equity attributable to equity holders of eCosway

As set out above, the equity attributable to equity holders of eCosway amounted to approximately RM37,529,000 as at 30 April 2009. Based on an acquisition of 40% equity interest in eCosway pursuant to the eCosway Agreement, the value of the equity attributable to equity holders of eCosway to be acquired is approximately RM15,011,600.

Independent Shareholders are advised to read the management discussion and analysis on Cosway M and eCosway as set out in Appendix II of this Circular carefully for further information on Cosway M's and eCosway's financial analysis.

3. Direct selling industry overview

The World Federation of Direct Selling Associations ("WFDSA") reports that its 59 regional member associations recorded more than US$114 billion in retail sales in 2007, through the activities of more than 62 million independent sales representatives. The member associations of WFDSA are located in various countries in Asia, Australia, Northern America, Southern America and Europe, accordingly, the retail sales figure reported by the member associations of WFDSA serves as a rough estimate of the total direct selling revenue of the world. Set out below is the direct selling revenue of all the member associations of WFDSA from 1998 to 2007:



Source: WFDSA

As set out above, the sales from direct selling industry shown an increase from approximately US$81.9 billion in 1998 to US$114.0 billion in 2007, representing a cumulative average growth rate of approximately 3.75%.

4. Reasons for the Acquisitions

As set out in the letter from the Board, in view of the historical financial performance of the Company, the Board has always been exploring suitable investment opportunities from time to time to diversify the existing business portfolio of the Company, to broaden its source of income to a larger scale in order to promote a healthier capital market performance and to enhance the long term return of the Shareholders. Given the proven track record in direct selling industry of the Cosway Group in the region, its wide range of products provided and its large direct selling distribution network, the Directors are optimistic about the future prospect of the Cosway Group, and believe that by leveraging on the Cosway Group's strong presence and brand name, the Acquisitions represent a solid platform for the Group to enter into the direct selling business and can hence provide an additional source of stable cash flows for the Group.

5. Principal terms of the Acquisitions

(i) Basis of the consideration

As set out in the letter from the Board, the total consideration for the Acquisitions of RM1,107.6 million (equivalent to approximately HK$2,467.8 million) was determined after arm's length negotiation between the vendors and the Company taking into consideration of the historical profitable financial performance and the regional distribution network of the Cosway Group's direct marketing business located in various countries with main operations in Malaysia, Hong Kong and Taiwan.

Set out below is a summary of the consideration for each of Cosway M (including 60% equity interest in eCosway) and 40% of eCosway:

	Cosway Acquisition *(Note)*		**eCosway Acquisition**	
	RM (million)	*HK$ equivalent (HK$ (million))*	*RM (million)*	*HK$ equivalent (HK$ (million))*
Cash	44.7	99.6	–	–
Shares	77.0	171.6	2.9	6.5
ICULS	878.3	1,956.8	104.7	233.2
Total	1,000.0	2,228.0	107.6	239.7

Note: the Cosway M Acquisition comprises of the First Cosway M Agreement (the acquisition of 83.89% interest in Cosway M), the Second Cosway M Agreement (the acquisition of 6.11% interest in Cosway M) and the Third Cosway M Agreement (the acquisition of 10% interest in Cosway M), the consideration of each of these agreements are based on same valuation of Cosway M.

Based on the total consideration of RM1,000,000,000 (equivalent to approximately HK$2,228.0 million in relation to the Cosway M Acquisition (the "Coway M Consideration") and the profit attributable to the equity holders of Cosway M of approximately RM54,012,000 (equivalent to approximately HK$120,340,354) for the year ended 30 April 2009 as stated in the Cosway M Accountants' Report and the Adjusted Cosway M Equity of approximately RM236,715,000 (equivalent to approximately HK$525,079,819) as at 30 April 2009, the Cosway M Consideration implies a price-to-earnings ratio (the "PE ratio") of approximately 18.5 times (the "Cosway M Implied PE ratio") and price-to-book ratio (the "PB ratio") of approximately 4.2 times (the "Cosway M Implied PB ratio").

Based on the consideration of RM107,583,706 (equivalent to approximately HK$239,699,718 (the "eCosway Consideration") in relation to the eCosway Acquisition and the 40% profit attributable to the equity holders of eCosway of approximately RM6,214,250 (equivalent to approximately HK$13,845,535) for the year ended 30 April 2009 and the 40% equity attributable to equity holders of eCosway of approximately RM15,011,450 (equivalent to approximately HK$33,445,960) as at 30 April 2009, the eCosway Consideration implies a PE ratio of approximately 17.3 times (the "eCosway Implied PE ratio") and PB ratio of approximately 7.2 times (the "eCosway Implied PB ratio").

There is no company listed on the Stock Exchange which is principally engaged in direct selling. In order to assess the fairness and reasonableness of the Cosway M Consideration and eCosway Consideration, we have reviewed all companies listed on stock exchanges, which are covered by Bloomberg, and mainly engaged in direct selling (the "Comparable Companies") using the "Equity Screening" function of the Bloomberg terminal. We noted that the scale of operation of the Comparable Companies may be different from those of Cosway M and eCosway, however, we consider that the key driver of the profitability of companies engaging in direct selling business is the general economic environment instead of the scale of operation. As such, we have involved all the Comparable Companies for the purpose of our analysis.

Name	**Market listed**	**Principal activities**	**PB ratio** *(Note 1)*	**PE ratio** *(Note 1)*
Nu Skin Enterprises	USA	It is a global direct selling company. It distributes personal care products and nutritional supplements	4.50	20.97
USANA Health Sciences, Inc	USA	It develops, manufactures and markets nutritionals and personal care, and weight managment products. Its products are sold directly to preferred customers and distributors throughout USA, Canada, Australia, New Zealand, the United Kingdom and Hong Kong	10.58	17.49
Herbalife Ltd	USA	It is a network marketing company that sells weight management, nutritional supplement and personal care products. The Company sells its products globally through a network of independent distributors	7.27	12.25

Name	Market listed	Principal activities	PB ratio *(Note 1)*	PE ratio *(Note 1)*
Avon products, Inc	USA	It manufactures and direct sells beauty related products. It markets its products to consumers worldwide through independent sales representatives. Its product line includes beauty and fashion	17.90	20.57
Tupperware Brands Corporation	USA	It manufactures and direct sells consumer products for the home. Its products include food storage and other containers, as well as a line of children's education toys, serving products, and gifts. Its products are distributed worldwide primarily through the direct selling method of distribution	4.70	17.48
Amway (Malaysia) Holdings Berhad	Malaysia	It is a direct marketing company. Through its subsidiaries, it distributes consumer products under the AMWAY trademark in Malaysia. The four product lines distributed are: nutrition and wellness, personal care, home care, and home tech	4.67	13.63
CNI Holdings Bhd	Malaysia	It distributes food, beverages, health food supplements, and household, personal care, and beauty products through multi-level marketing	1.54	12.85
Undercoverwear Limited	Australia	It is a manufacturer and direct seller of women's lingerie, intimate apparel, underwear and sleepwear in Australia and New Zealand. The direct selling program involves its products to be sold by contracted sales consultants at home shopping parties	0.42	3.42
Best World International Limited	Singapore	It sources, formulates, brands, and distributes health and lifestyle products under certain brand names through multilevel direct selling	1.58	7.38
Oriflame Cosmetics SA	Sweden	It markets a range of cosmetic products through an independent sales force. Its products include skin care, color cosmetics, fragrances, toiletries and fashion accessories	18.91	21.51

Name	Market listed	Principal activities	PB ratio *(Note 1)*	PE ratio *(Note 1)*
Natura Cosmeticos SA	Brazil	It produces cosmetics, manufactures skin treatments, bath products and fragrances, and products for pregnant women and babies, and sells those products through direct sales	14.56	21.63
		average	7.88	15.38
		Maximum	18.91	21.63
		Minimum	0.42	3.42
		Cosway M *(Note 2)*	4.2	18.5
		eCosway *(Note 3)*	7.2	17.3

Notes:

1. Source: Bloomberg (as at 4:15 p.m. on the Latest Practicable Date).

2. Including the 60% equity interest in eCosway already held by Cosway M.

3. As discussed before, eCosway has been enjoying tax exemption in Malaysia for the past three financial years. Such tax exemption will be expired on 4 October 2012. On the basis that (i) companies doing businesses in different jurisdictions are always subject to the tax rate of such jurisdiction; (ii) as eCosway continues to expand in countries outside of Malaysia, the significance of the tax exemption impact on the net profit of eCosway will be decreased; (iii) each of the Comparable Companies is subject to different effective tax rates, we are of the view that it is not required to adjust the net profit of eCosway for the purpose of this analysis.

As set out above, PE ratios of the Comparable Companies range from 3.42 time to 21.63 times, with an average of 15.38 times, both the Cosway M Implied PE ratio of 18.5 times and the eCosway Implied PE ratio of 17.3 times are within the range of those of the Comparable Companies and are well below the high end of 21.63 times.

PB ratios of the Comparable Companies range from 0.42 to 18.91 times, with an average of 7.88 times. Both the Cosway M Implied PB ratio of 4.2 times and eCosway Implied PB ratio of 7.2 times are lower than the average PB Ratio of the Comparable Companies.

Although both the Cosway M Implied PE ratio of 18.5 times and the eCosway Implied PE ratio of 17.3 times are above the average PE ratio of the Comparable Companies of approximately 15.38 times, both companies have been experiencing a very high cumulative average growth rate of the profit attributable the equity holders of the company of approximately 39.2% and 93.7% respectively for the past two financial years, based on information as extracted from the Cosway M Accountant's Report and the eCosway Accountant's Report, which are the only available public financial information of both Cosway M and eCosway. On such basis, we consider that the higher than average implied PE ratios of both Cosway M and eCosway based on the Cosway M Consideration and eCosway Consideration are justifiable.

We therefore consider that both the Cosway M Consideration and the eCosway Consideration are fair and reasonable as far as the Independent Shareholders are concerned.

(ii) Cash consideration

RM$44.7 million (equivalent to approximately HK$99.6 million) of the Consideration will be satisfied by cash after the Completion of the First Cosway M Agreement. Historically, Cosway M and eCosway have provided Cosway Corp funds in the form of dividends and advances. As at the date of the First Cosway M Agreement and the Latest Practicable Date, this Intercompany Debt amounted to RM44.7 million. Save for the Intercompany Debt, Cosway Corp shall not take and Cosway M and eCosway shall not make further advances to Cosway Corp and its related companies before the completion of the Cosway M Agreements.

Cosway Corp undertakes to settle the Intercompany Debt within 180 days from the completion date of the First Cosway M Agreement subject to the terms and conditions set out in the First Cosway M Agreement. Cosway Corp agrees that the Company is entitled to retain the cash portion of the purchase consideration (the "Retention Sum") to the extent that the Intercompany Debt remains unsettled and the Retention Sum will be released upon receipt of the full repayment of the Intercompany Debt.

The advance to Cosway Corp by Cosway M and eCosway subsequent to the Cosway M Agreements Completion and completion of eCosway Agreement will constitute financial assistance to a connected person pursuant to the Listing Rules. On the basis that the Company can hold the Retention Sum, which is equivalent to the Intercompany Debt, as securities, we are of the view that the arrangement is acceptable to the Company as far as the Independent Shareholders are concerned.

Although the Group has only limited cash resources of approximately HK$0.1 million as at 30 April 2009, the Group can fully finance the cash portion of the Consideration based on the aforesaid arrangement and the payment of the cash consideration will not create any material adverse impact on the Group's working capital.

(iii) Consideration Shares

Approximately HK$171.6 million of the Cosway M Consideration and approximately HK$6.5 million of the eCosway Consideration will be satisfied by way of issue of 890,683,666 Consideration Shares at the issue price of HK$0.2 each (the "Issue Price"). As set out in the letter from the Board, the Issue Price has been determined by the parties with reference to the par value of the Shares, the loss performance of the Company since FYE 1998 (except FYE 2004, FYE 2005, and FYE 2008 which are profitable due to revaluation of the investment properties), the net assets value of the Company and the average closing price of the Share for the last twelve months up to and including the Last Trading Day. The Issue Price also represents:

(a) a discount of approximately 75.61% to the closing price of the Shares of HK$0.820 on the Latest Practicable Date;

(b) a discount of approximately 72.97% to the closing price of the Shares of HK$0.740 on the Last Trading Day;

(c) a discount of approximately 72.30% to the average of the closing price of the Shares of approximately HK$0.722 for the 10 trading days up to and including the Last Trading Day;

(d) a discount of approximately 48.45% to the average of the closing price of the Shares of approximately HK$0.388 for the last six months up to and including the Last Trading Day;

(e) a discount of approximately 15.25% to the average of the closing price of the Shares of approximately HK$0.236 for the last 12 months up to and including the Last Trading Day;

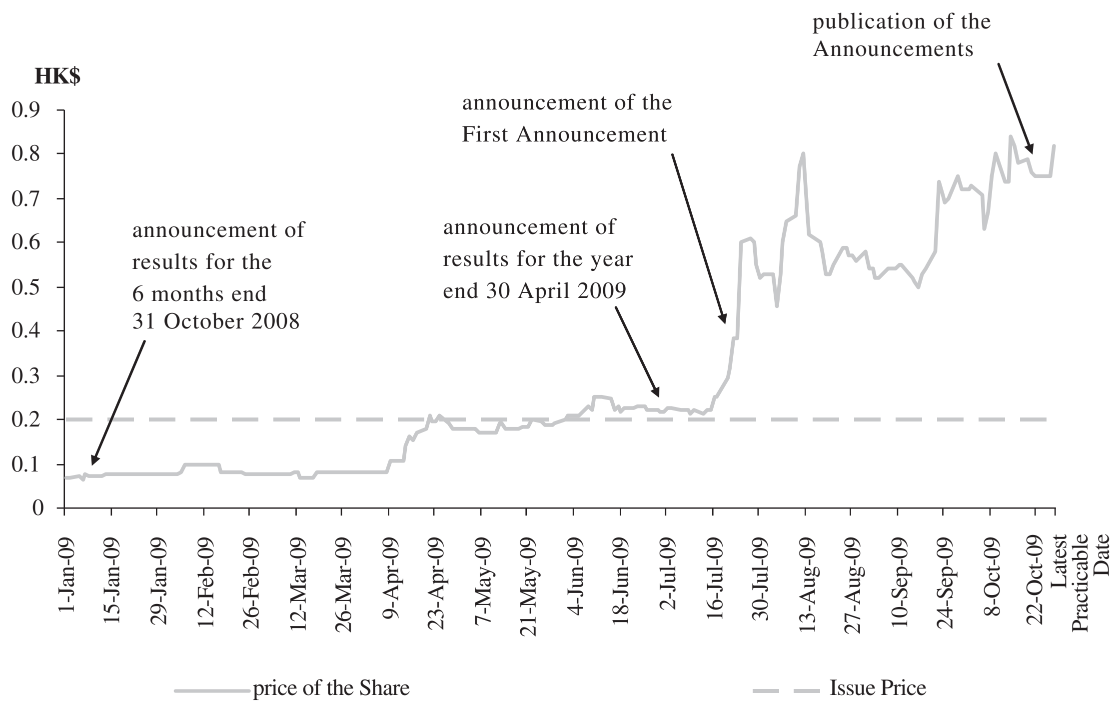
(f) a premium of over seven times over the Per Share NAV of approximately HK$0.0238; and

(g) a premium of approximately four times to the Per Share Adjusted NAV of HK$0.0404.

We have discussed with the Company and noted that the reason for issuing the Consideration Shares to satisfy part of the Cosway M Consideration and eCosway Consideration is that it enables sufficient funding for the Acquisitions without utilising cash of the Company. As such, the Directors consider that this will strengthen the capital base of the Company and hence will be beneficial to the future development and expansion of the Group.

Set out below is the share price chart of the Company since 1 January 2009 up to and including the Latest Practicable Date:

Price of the Share



Source: Bloomberg

At set out above, the price of the Share was lower than the Issue Price for most of the time from the beginning of 2009 up to May 2009 and was slightly above the Issue Price from early June 2009 up to mid July 2009.

On 29 June 2009, the Company published its 2009 results announcement showing a net loss of approximately HK$19.4 million for the year ended 30 April 2009, compare with a profit of approximately HK$7.3 million for the year ended 30 April 2008. The Share price was relatively stable until 16 July 2009, when the Share price and trade volume of the Shares commenced to increase substantially. On 23 July 2009, the Company published an announcement (the “First Announcement”) regarding the contemplation of a potential acquisition from BCorp and the price of the Share went up sharply on the following day to HK$0.6. On 14 October 2009, the Share price closed at HK$0.84, which was the highest closing Share price since 2009. The average share price between 1 January 2009 up to and including the date of the First Announcement, is approximately HK$0.1461 (the “Pre-Announcement Average Share Price”), representing a discount of approximately 25% to the Issue Price of HK$0.2.

Set out below is a table of the monthly trading volume of the Shares since 1 January 2009 up to and including the Latest Practicable Date:

2009	**Total number of trading days**	**Total trading volume of the Shares** *(note 1)*	**Percentage of total trading volume of the Shares to the total issued Shares** *(note 2)*	**Percentage of total trading volume of the Shares to public float** *(note 3)*
January	18	4,255,000	0.7%	2.4%
February	20	955,000	0.2%	0.5%
March	22	1,330,000	0.2%	0.7%
April	20	4,895,000	0.8%	2.7%
May	19	5,540,000	0.9%	3.1%
June	22	11,030,000	1.9%	6.1%
1 July to 22 July	15	2,965,000	0.5%	1.6%
23 July to 31 July	7	15,773,975	2.7%	8.7%
July	22	18,738,975	3.2%	10.4%
August	21	118,217,000	20.0%	65.4%
September	22	17,230,000	2.9%	9.5%
1 October to the Latest Practicable Date	16	38,135,000	6.5%	21.1%

Notes:

1. Source: Bloomberg

2. The calculation is based on the number of Shares in issue as at the end of each month, being 591,047,975 for the period covered.

3. Based on the number of Shares in issue as set out in note 2 above excluding the relevant number of Shares held by the substantial Shareholders.

Based on the above, we are of the view that trading volume of the Shares is thin before the First Announcement but has remained at a level substantially higher than previous average since the publication of the First Announcement.

On the basis that:

(a) the share price of the Company was substantially lower than the Issue Price during the period from January 2009 up to early June 2009;

(b) other than the Acquisitions, the Company has no other significant positive development. We are therefore of the view that the current price level of the Share is not likely to be maintained if the Acquisitions do not complete;

(c) the Issue Price of HK$0.2 represents a significant premium to the Per Share Adjusted NAV of approximately HK$0.0404 and is higher than the Pre-Announcement Average Share Price of approximately HK$0.1461;

(d) the issue of the Consideration Shares to satisfy part of the Cosway M Consideration and eCosway Consideration can release the Group from excessive gearing and/or cash outflow; and

(e) the effect on the ownership of the Independent Shareholders in the Company (details of which will be discussed in the section headed "6 Effects of the Acquisitions – (iv) ownership" below),

we are of the view that the issue of the Consideration Shares (including the Issue Price of HK$0.20) to satisfy part of the Cosway M Consideration and eCosway Consideration is fair and reasonable.

(iv) the ICULS

The remaining HK$1,956.8 million of the Cosway M Consideration and HK$233.2 million of the eCosway Consideration will be satisfied by issuing the ICULS with aggregated principal amount of HK$2,190.0 million and is convertible into 10,950,000,000 Shares.

The Directors are of the view that by issue of the ICULS to satisfy part of the Cosway M Consideration and eCosway Consideration, the Company can benefit from obtaining sufficient funding for the Acquisitions without utilising cash of the Company. Further, there is no immediate dilution effect on shareholding of the existing Shareholders by issuing the ICULS. The Directors also consider that the issue of the ICULS will strengthen the financial position of the Company and hence will be beneficial to the future development and expansion of the Group.

On the basis that (a) the taking up of a significant amount of ICULS by the vendors of Cosway M and eCosway demonstrates their confidence on the prospect of the Enlarged Group; and (b) the ICULS are in fact quasi capital of the Company (because of its irredeemable nature) and therefore will not result in cash outflow, we consider that the issue of ICULS to satisfy the substantial portion of the Cosway M Consideration and eCosway Consideration is beneficial to the Company and the Shareholders as a whole.

(a) Conversion price

HK$0.2 per ICULS (the "Initial Conversion Price"), which is the same as the Issue Price (subject to customary conversion price adjustment). On the basis that (i) the ICULS is in effect quasi capital of the Company; (ii) the Initial Conversion Price is the same as the Issue Price; and (iii) our analysis on the Issue Price as set out above, we consider that the Initial Conversion Price is fair and reasonable.

(b) Redemption

None of the ICULS shall be redeemable by the issuer or the holder(s) thereof for cash. Any ICULS which remains outstanding at maturity will be automatically converted into Conversion Shares at the then conversion price (subject to the Public Float Requirement). On the basis that any pressure on the Enlarged Group's liquidity as a result of the redemption of the ICULS can be avoided, we consider this to be favorable to the Company.

(c) Coupon rate

The ICULS carries a coupon rate of 1% per annum payable semi-annually in arrears for the first two years; and 3.5% per annum payable semi-annually in arrears for the remaining eight years.

As discussed with the Company, the coupon rate of the ICULS was determined based on (i) the current borrowing rate of the Group; (ii) the historical cash flow of the Cosway Group; (iii) the repayment ability of the Enlarged Group; and (iv) the quasi capital feature of the ICULS.

It is noted that the interest expenses in relation to the ICULS to be issued pursuant to the Cosway M Acquisition of HK$1,956.8 million and eCosway Acquisition of HK$233.2 million for the first two years should be approximately HK$19.6 million and HK$2.3 million, respectively. Such interest expenses only represent approximately 16.3% of the profit attributable to the equity holder of Cosway M for the year ended 30 April 2009 and approximately 16.6% of the 40% profit attributable to the equity holder of eCosway.

From the cash flow perspective, we noted that the consolidated net cash generated from operating activities of Cosway M is insufficient to cover the annual interest expense of the ICULS. As set out in the Cosway M Accountants' Report, the consolidated net cash inflow from operating activities of Cosway M for the three years ended 30 April 2007, 2008 and 2009 were approximately RM19.0 million, RM69.6 million and RM12.0 million respectively. As discussed with the management of the Cosway Group, the significant decrease in the cash flow generated from operating activities for the year ended 30 April 2009 was mainly attributed to the purchase of inventory close to the year ended date and the settlement of a substantial amount of accounts receivables subsequent to the year ended date. In addition, upon completion of the Acquisition, the Company will have control over Cosway M's operating and financing activities, therefore, the Company can manage the cash flow of Cosway M in a way that would allow the Company to have sufficient financial resources to pay for the interest of ICULS.

However, we are of the view that if only the eCosway Acquisition is completed, the Group may face financial difficulties in financing the interest for the ICULS as the Group will not be able to consolidate eCosway, therefore, the Group will rely on passive dividend stream from eCosway, which the Group will have no control. On such basis, there will be significant risk in meeting the interest obligation of the ICULS.

Subsequent to the first two years, the ICULS will bear interest of 3.5% per annum. Per discussion with the management of the Company, such mechanism is to compensate the holders of the ICULS for being unable to participate as a Shareholder and to encourage them to treat their investments in the ICULS as long term investments. We are of the view that it is not appropriate to analyse the interest coverage of the Company for such a long period of time as it would involve substantial amount of assumptions. In the event that the Enlarged Group does not have sufficient cash to service the coupon payment of the ICULS, it will trigger an "event of default" under the deed poll of the ICULS (the "Deed Poll"), under which, the holders of the ICULS may, by a special resolution, declare that the principal amount under the ICULS to be immediately due and convertible into Shares.

Based on (i) the healthy pro forma cash flow and net profit position of the Enlarged Group (details of which will be discussed in the section headed "Effects of the Acquisitions" below); (ii) the ICULS is irredeemable; (iii) the ICULS bears no default interest, if the Company delay the payment of coupon pursuant to the Deed Poll; (iv) the existing loan facility from BCayman (the "Existing Loan Facility") will continue to be valid and enforceable upon completion of the Acquisitions. Under the Existing Loan Facility, BCayman has committed to use its endeavour to provide or procure to be provided loans and/or other financial support to the Company for the purpose of working and investment capital of the Company without (a) a defined period of time; and (b) a maximum amount allowed to be drawn, therefore, it can be served as the backstop for the Company to finance the interest of the ICULS; (v) interest expenses for the first financial year only represent approximately 16.3% of the profit attributable to the equity holder of Cosway M for the year ended 30 April 2009 and approximately 16.6% of the 40% profit attributable to the equity holder of eCosway; and (vi) upon completion of the Acquisitions, the Company will have control over Cosway M's operating and financing activities, therefore, the Company can manage the cash flow of Cosway M in a way that would allow the Company to have sufficient financial resources to pay for the interest of ICULS, the management of the Company considers that the Enlarged Group would not suffer from excessive financial burden and the financial risks in relation to the service of the interest of the ICULS is well managed.

Based on the above, we are of the view that the interest rates for the first two years of 1% per annum and 3.5% per annum thereafter are fair and reasonable as far as the Independent Shareholders are concerned.

(d) Ranking

The ICULS shall as between the holders thereof rank pari passu in all respects and without discrimination or preference as an unsecured obligation of the Company and shall be subordinated to all other present and future unsecured and unsubordinated obligations of the Company from time to time outstanding.

(e) Conversion right

On any business day, during the period commencing from the date of first issuance up to the close of business on 20 business days immediately prior to the expiration of ten years from the date of first issuance.

(f) Rights upon liquidation

In the event of the passing of a special resolution for the voluntary winding-up of the Company, the holders of the ICULS shall be entitled within four weeks thereafter by notice in writing to the Company to elect to be treated as if the conversion right applicable to such ICULS has been exercised immediately before the date of the resolution relating to such voluntary winding-up. If no such notice is filed or the Company is under compulsory liquidation, the holders of the ICULS shall be treated as creditors of the Company.

We are of the view that if the Company is under mandatory liquidation, it is very likely that the assets of the Company are insufficient to cover the liabilities of the Company, as such, from the economic perspective there should be not much difference between a creditor for subordinated debt of the Company and the Shareholder. Accordingly, we consider that this clause is acceptable.

Further details of the ICULS are set out in the letter from the Board in this Circular, Independent Shareholders are advised to read the relevant section carefully.

6. Effects of the Acquisitions

(i) Prospect of the Enlarged Group

The scale of operation of the Cosway Group is substantially higher than the current operation of the Group. As such, the prospects of the Enlarged Group will be mainly dependent on the business of the Cosway Group.

The Cosway Group's main products include household, personal care, healthcare and other consumer products, the demand of which should have a high correlation with private consumption expenditure. As the Cosway Group has generated about 70% of its revenue from Malaysia and Hong Kong for the year ended 30 April 2009, we have focused our analysis in these markets.

(a) Malaysia

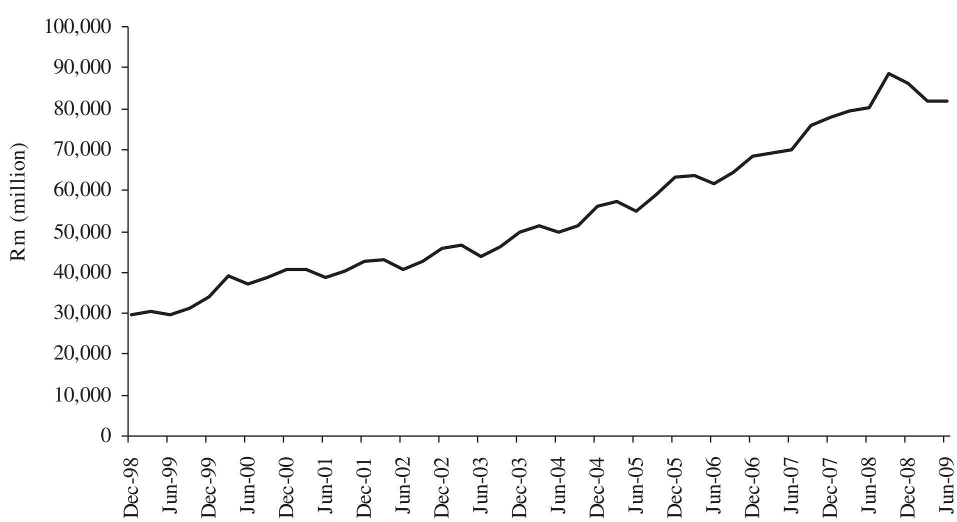
Recent economic developments

The Cosway Group generates more than half of its revenue from Malaysia, whereas, according to the BNM, the economy contracted at a slower rate of 3.9% in the second quarter of 2009 (first quarter 2009: contraction of 6.2%), mainly due to higher public spending and positive growth in private consumption. Nonetheless, growth continued to be affected by weak external demand and private investment activity during the quarter, domestic demand registered a slower decline of 2.3% in the second quarter of 2009 (first quarter 2009: decline of 2.9%) following expansion in public sector spending and private consumption. Private consumption recorded a positive growth of 0.5% in the second quarter of 2009 (first quarter 2009: decline of 0.7%), as stabilisation in labour market conditions and lower price levels provided further support to consumer spending. The consumer price index was up by 1.3% in the second quarter of 2009 (first quarter 2009: up 3.7%), due to lower inflation in the food and non-alcoholic beverages and transport categories.

Private consumption

As private consumption expenditure of Malaysia would be a key factor affecting prospect of the Enlarged Group, we have examined its historical trend. Set out in the chart below is the private consumption expenditure of Malaysia:

Malaysia private consumption expenditure (current prices)



Source: Bloomberg, Department of Statistics Malaysia

Private consumption expenditure of Malaysia has experienced a steep increase in the last quarter of 2008 followed subsequently by a steep decrease in first quarter of 2009, it has stablised in the second quarter of 2009. Apart from the period mentioned and seasonal fluctuation, the private consumption expenditure of Malaysia has been stably upward.

Combining the historical trend of private consumption expenditure of Malaysia, and the fact that the Cosway Group has been able to enjoy a cumulative average growth in sales in Malaysia of approximately 27.08% for the past two financial years, when the world experienced one of the worst financial crises in history, we are of the view that the prospect of the Enlarged Group's business in Malaysia is positive.

(c) Hong Kong

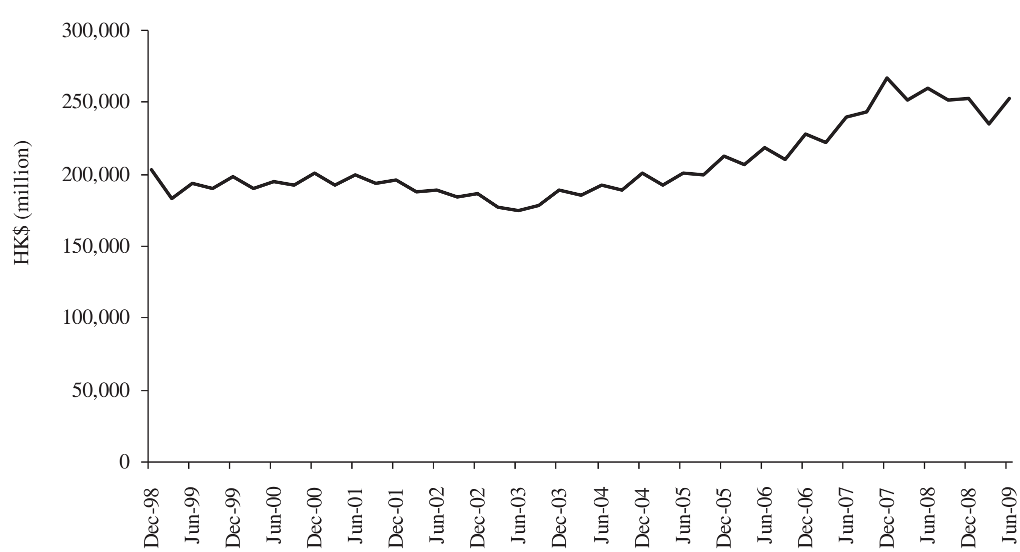
Recent economic developments

According to the Census and Statistic Department of Hong Kong, Hong Kong's gross domestic product has declined 7.4% and 2.2% in the first and second quarter of 2009 respectively on a year-on-year basis.

Private consumption

In the year ended 30 April 2009, approximately 18% of the Cosway Group's turnover is attributable to Hong Kong. Set out in the chart below is the private consumption expenditure of Hong Kong:

Hong Kong private consumption expenditure (current prices)



Source: Bloomberg

Private consumption expenditure of Hong Kong has experienced a steep increase from the second quarter of 2007 to the last quarter of 2007 followed subsequently by a steep decrease in first quarter of 2008, it went flat from second quarter of 2008 to last quarter of 2008 and experienced another steep drop in the first quarter of 2009. Private consumption expenditure of Hong Kong has rebounded in the second quarter of 2009. Apart from the period mentioned and seasonal fluctuation, the private consumption expenditure of Hong Kong has been increasing stably from the second quarter of 2003.

Combining the historical trend of private consumption expenditure of Hong Kong, and the fact that the Cosway Group has been able to expand rapidly for the past three financial years in Hong Kong, when the world experienced one of the worst financial crises in history, we are of the view that the prospect of the Enlarged Group's business in Hong Kong is positive.

(ii) Earnings

The Group recorded a loss per Share of 3.29 HK cents for the year end 30 April 2009. Set out below are the pro forma earnings per Share of the Enlarged Group under different scenarios, if the acquisition of Cosway M and/or eCosway were completed on 1 May 2008:

	If both the Acquisitions are completed	**If only the Cosway M Acquisition is completed**	**If only the eCosway Acquisition is completed**
Profit/(loss) attributable to equity holders of the Company	HK$84,003,000	HK$72,796,000	HK$(18,151,000)
Total number of Shares outstanding (assuming the ICULS are fully converted into the Conversion Shares)	12,431,731,641	11,233,233,049	1,789,546,567
Earnings/(loss) per Share	0.68 HK cents	0.65 HK cents	(1.01) HK cents

Under the scenarios that both Acquisitions are completed and that if only the Cosway M Acquisition is completed, the consolidated earnings of the Company would record a pro forma earning compare with a loss contributed to its equity holders. Under the scenario that if only the eCosway Acquisition is completed, the loss attributable to the equity holders of the Company would be reduced.

Independent Shareholder's attention is drawn to the Pro Forma Financial Information. As a result of the Acquisitions, a substantial amount of goodwill will be generated, which represents the excess of the consideration over the Enlarged Group's interest in the estimated fair value of the net assets of Cosway M and Golden Works, and/or eCosway (as the case may be). On completion of the Cosway M Acquisition and/or eCosway Acquisition, the fair value of the Consideration and the net identifiable assets and liabilities of the Cosway Group and Golden Works will have to be assessed again. Since the actual fair values of the assets, liabilities and contingent liabilities of each of them on the completion date of the Cosway M Acquisitions and/or eCosway Acquisition would be different from that in the Pro Forma Financial Information, the actual goodwill arising from the Coway M Acquisition and eCosway Acquisition might be materially different from that in the Pro Forma Financial Information. If a significant amount of goodwill is recorded as a result of the Acquisitions, there is a risk that a significant amount will have to be written-off due to impairment in the goodwill of the Enlarged Group (if any) in the future.

On the basis that the recognition of the goodwill and the subsequent impairment (if any) will not impact on the cash flow position of the Enlarged Group, we consider that the aforesaid risks associated with the Acquisitions are acceptable.

(iii) Equity attributable to the Shareholders per share

As at 30 April 2009, the Group's equity attributable to the Shareholders amounted to approximately HK$14,095,000, or approximately HK$0.0238 on a per Share. Set out below are the pro forma equity attributable to the Shareholders under different scenarios if the acquisition of Cosway M and/or eCosway were completed on 30 April 2009:

	If both the Acquisitions are completed	**If only the Cosway M Acquisition is completed**	**If only the eCosway Acquisition is completed**
Equity attributable to the Shareholders	HK$239,200,000	HK$51,684,000	HK$191,681,000
Total number of Shares outstanding (assuming the ICULS are fully converted into the Conversion Shares)	12,431,731,641	11,233,233,049	1,789,546,567
Equity attributable to the Shareholders per Share	1.92 HK cents	0.46 HK cents	10.71 HK cents

As discussed previously, a substantial amount of goodwill will be recorded in the consolidated financial statement of the Enlarged Group and the actual amount of goodwill to be recorded will depend on the fair value of the net assets of Cosway M and/or eCosway (as the case may be) to be determined on the date of the respective completion of the acquisition. For illustration purpose only, set out below is the deficit attributable to the Shareholders (excluding goodwill):

	If both the Acquisitions are completed	**If only the Cosway M Acquisition is completed**	**If only the eCosway Acquisition is completed**
Deficit attributable to the Shareholders (excluding goodwill)	HK$97,841,000	HK$78,284,000	HK$15,392,000 *(Note)*

Note: The goodwill for the eCosway Acquisition of approximately HK$207.1 million is for illustration purpose only and not disclosed separately in the Pro Forma Financial Information as interest in eCosway is only equity accounted for (i.e. not consolidated in the financial statement of the Enlarged Group) if only the eCosway Acquisition is completed.

Having considered that (a) the Company would record a pro forma profit attributable to the Shareholders or narrowed loss attributable to the Shareholders; (b) direct sales business, being the principal business of the Cosway Group, is not an asset based business; and (c) the prospect of the Cosway Group, we are of the view that the dilutive effect on the equity attributable to the equity holder of the Company is acceptable.

(iv) Gearing ratio

Based on the total interest bearing borrowings over total equity, the gearing ratio of the Group was approximately 1.9 times. The Enlarged Group would have a pro forma gearing ratio of approximately 2.7 times (if both the Acquisitions are completed), 6.5 times (if only the Cosway M Acquisition is completed) and 0.5 times (if only the eCosway Acquisition is completed).

As set out in the Pro Forma Financial Information, the total liabilities of the Enlarged Group would increase from approximately HK$36.8 million to approximately HK$1,067.4 million (if both the Acquisitions are completed), approximately HK$1,015.2 million (if only the Cosway M Acquisition is completed) and approximately HK$99.7 million (if only the eCosway Acquisition is completed), whilst the total equity would be increased from approximately HK$19.1 million to approximately HK$249.5 million (if both the Acquisitions are completed), approximately HK$94.6 million (if only the Cosway M Acquisition is completed) and approximately HK$196.7 million (if only the eCosway Acquisition is completed). We have discussed with the management of the Company and noted that the percentage increase in the total equity is much smaller than the percentage increase in the total liabilities (if both the Acquisitions are completed and if only the Cosway M Acquisition is completed) is mainly caused by the reduction of the equity of the Enlarged Group as a result of the reserve deficit of HK$1,815.9 million in relation to the Cosway M Acquisition.

On the basis that (a) such adjustments are solely accounting adjustment and have no actual cash flow impact on the Group; (b) the healthy pro forma cash flow and net profit position of the Enlarged Group (details of which have been discussed above); (c) the ICULS is irredeemable; and (d) the Existing Loan Facility from BCayman can be served as the backstop for the Company to finance the interest of the ICULS and/or other financing needs of the Company, we are of the view that the increase in the gearing rate as a result of the Acquisitions would not (a) cause significant adverse impact on the Enlarged Group's financial position; (b) imply any adverse cash flow impact on the Enlarged Group; and (c) imply any difficulties for the Enlarged Group to service its debts and other obligations.

(v) Cash generated from operating activities

The Group recorded net cash used in operating activities of approximately HK$1.3 million, HK$0.4 million and HK$0.2 million for the three years ended 30 April 2007, 2008 and 2009 respectively. The Enlarged group would record a pro forma net cash generated from operating activities of approximately HK$41.6 million (if both the Acquisitions are completed) and approximately HK$41.6 million (if only the Cosway M Acquisition is completed), and pro forma net cash used in operating activities of approximately HK$9.2 million (if only the eCosway Acquisition is completed) for the year ended 30 April 2009.

Under the scenarios that if both the Acquisitions are completed and if only the Cosway M Acquisition is completed, the Enlarged Group would generate a positive net cash flow from operating activities compare with a net cash outflow from operating activities for the Group in the past three financial years. As such, we are of the view that such change is beneficial to the Company and its Shareholders as a whole.

Under the scenario that only the eCosway Acquisition is completed, the Enlarged Group would record a larger net cash outflow in operating activities, therefore, we are of the view that the Company should not acquire the 40% interest in eCosway on a standalone basis.

(vi) Ownership

Set out below is a simplified shareholding structure of the Company:

Shareholders	As at the Latest Practicable Date	%	If both the Acquisitions are completed	%	If only the Cosway M Acquisition is completed	%	If only the eCosway Acquisition is completed	%
BCorp, its associates and parties acting in concert with any of them	292,149,475	49.43	11,018,818,614	88.63	9,820,319,572	87.42	1,490,648,067	83.30
Madison	–	0.00	1,114,014,977	8.96	1,114,014,977	9.92	–	0.00
Penta Investment	27,435,000	4.64	27,435,000	0.22	27,435,000	0.24	27,435,000	1.53
Independent Shareholders	271,463,500	45.93	271,463,050	2.19	271,463,500	2.42	271,463,500	15.17
	591,047,975	100.00	12,431,731,641	100.00	11,233,233,049	100.00	1,789,546,567	100.00

Note: the shareholding table as set out above is solely for the purpose of illustrating the maximum dilution of the shareholding of the Independent Shareholders in each scenario. The Deed Poll has stated that if the issue of Conversion Shares following the exercise by a holder of ICULS of the Conversion Rights relating to any of the Conversion Shares held by such holder of ICULS which would result in the Company not meeting the Public Float Requirement immediately after the conversion, then the number of Conversion Shares to be issued pursuant to such conversion shall be reduced to the maximum number of Conversion Shares issuable by the Company which would not in the reasonable opinion of the Company result in a breach of the Public Float Requirement and the balance of the Conversion Rights attached to the ICULS which the holder sought to convert shall be suspended until such time when the Company is able to issue additional Ordinary Shares in satisfaction of the exercise of the said balance of Conversion Rights and at the same time comply with the Public Float Requirement.

As set out above, the shareholding of the Independent Shareholders would decrease from 45.93% to 2.19% (if both the Acquisitions are completed), 2.42% (if only the Cosway M Acquisition is completed) and 15.17% (if only the eCosway Acquisition is completed). We consider the dilution on the shareholding interest of the Independent Shareholders to be acceptable as (a) the Company would record a pro forma profit attributable to the Shareholders or narrowed loss attributable to the Shareholders as a result of the Acquisitions; and (b) the improvement of the Group's future prospect as a result of the robust historical growth in earning of each of the Cosway M and eCosway.

(vii) Risks relating to the Cosway Group and its business

Set out below are the key risks relating to the Cosway Group and its business:

(a) the Cosway Group operates in a competitive environment;

(b) the Cosway Group's business may be adversely affected if there is a decrease in consumer spending;

(c) the Cosway Group may be exposed to product liability action;

(d) the Cosway Group is subject to change to governmental regulations in the countries where it operates; and

(e) the Cosway Group operates in various countries.

Details of the discussion of the aforesaid risks are set out in the letter from the Board.

On the basis that (i) the Cosway Group has an experienced management team; (ii) the Cosway Group has a proven track record in expanding its business during the market downturn in year 2008 and early 2009; and (iii) the aforesaid risks are inevitable for a multi-national retailer, we are of the view that the aforesaid risks are acceptable if the Group is expanding its business to the international retail sector.

7. Loan Capitalisation

Pursuant to the Loan Capitalisation Agreement, the Company shall allot to BCayman 180,000,000 Capitalisation Shares at an issue price of HK$0.20 per Capitalisation Share and BCayman shall accept such Capitalisation Shares in satisfaction of HK$36 million being part of the Indebtedness. The balance of the Indebtedness (being HK$0.5 million as at the Latest Practicable Date) shall be repaid by the Company to BCayman upon receipt of written demand of repayment. As at the Latest Practicable Date, the total Indebtedness amounted to HK$36.5 million.

Completion of the Loan Capitalisation Agreement is conditional upon completion of the Cosway M Agreements.

As set out in the letter from the Board to this circular, the Directors believe that it is in the interest of the Company to capitalise HK$36 million of the Indebtedness into share capital as the Capitalisation Issue can avoid unnecessary cash outflow from the Company. Further, the Capitalisation Issue will enlarge the capital base of the Company and reduce the gearing level of the Group. The Directors consider that this can strengthen the financial position of the Group for its continuous development of business.

On the basis that (i) Cosway M had cash and cash equivalent of approximately RM14.7 million (equivalent to approximately HK$32.8 million) as at 30 April 2009; and (ii) as at the Latest Practicable Date, the total Indebtedness amounted to only approximately HK$36.5 million; and (iii) upon completion of the Loan Capitalisation, the Company will extinguish Indebtedness up to HK$36 million, we are of the view that the repayment of the remaining balance of the Indebtedness of approximately HK$0.5 million (after the Loan Capitalisation) will not cause significant negative impact on the working capital of the Enlarged Group.

We have discussed with the management of the Company on the reasons for issuing the Shares at HK$0.20 each. The Company is of the view that:

(i) the Loan Capitalisation is conditional on the completion of the First Cosway M Agreement, pursuant to which, a significant amount of Consideration Shares will be issued at the Issue Price of HK$0.20 and a significant amount of Conversion Shares will be issued at the Initial Conversion Price of HK$0.20. As such, the Issue Price and the Initial Conversion Price should be served as a good reference for the issue price of the Capitalisation Issue; and

(ii) the Group has been recording net operating cash outflow, and loss before interest, taxation, investment property fair value change and share of profit/(loss) of an associate for years and Per Share Adjusted NAV of only HK$0.0404. As such, the issue price of the Capitalisation Issue of HK$0.20, which is substantially above the Per Share Adjusted NAV, is considered fair and reasonable.

Having considered the above and the fact that:

(i) the share price of the Company was substantially lower than the issue price of the Capitalisation Issue of HK$0.20 during the period from January 2009 up to early June 2009;

(ii) the issue price of the Capitalisation Issue of HK$0.20 represents a significant premium to the Per Share Adjusted NAV of HK$0.0404;

(iii) the Cowsay Group has been experiencing a significant growth and may require additional resources to finance its future growth. The extinguishment of the Indebtedness of HK$36 million will therefore allow the Group to preserve its financial resources for future development of the Cosway Group's business; and

(iv) the Indebtedness carries an interest of Hong Kong Dollar Prime rate plus 3%, the extinguishment of the Indebtedness will reduce the Enlarged Group's finance costs,

we are of the view that the Capitalisation Issue (including the issue price of HK$0.20 per Share) is fair and reasonable.

8. Whitewash waiver

As at the Latest Practicable Date, BCorp and the parties acting in concert with it and its associates own in aggregate approximately 49.43% of the existing issued share capital of the Company. Immediately upon completion of the Acquisitions and the Capitalisation Issue but before the issue of the Conversion Shares upon conversion of the ICULS, BCorp and the parties acting in concert with it would own approximately 74.98% of the total issued share capital of the Company. Upon the issue of the Conversion Shares on full conversion of the ICULS, BCorp and the parties acting in concert with it would own approximately 88.80% of the total issued share capital of the Company. Therefore, pursuant to Rule 26.1(d) of the Takeovers Code, BCorp and the parties acting in concert, upon (i) the issue of the First Tranche Consideration Shares, Second Tranche Consideration Shares and the Capitalisation Shares; (ii) the issue of Conversion Shares under the relevant ICULS issued under the First Cosway M Agreement and/or the Second Cosway M Agreement; and/or (iii) the issue of the eCosway Consideration Shares and the eCosway Conversion Shares, would be required to make an unconditional mandatory general offer for all the issued Shares not already owned or agreed to be acquired by them, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code has been obtained from the Executive.

The Whitewash Waiver, if granted, will be subject to the approval of the Independent Shareholders by way of poll at the EGM. Completion of the Acquisition is conditional on, among other things, the granting of the Whitewash Waiver. Accordingly, the Acquisition will not proceed if the Whitewash Waiver is not granted by the Executive and approved by the Independent Shareholders.

Having considered (a) the Group would be able to improve its future earning capability following the Acquisitions; and (b) the prospect of Cosway M and eCosway, we are of the view that the Whitewash Waiver, being a condition precedent to the Acquisitions, is beneficial to the Company and its shareholders as a whole.

9. The Non-exempted CCT Agreements

Prior to the completion of the Acquisitions, the Cosway Group has similar Arrangements with the relevant connected parties, including (i) the leasing of Cosway Premises to the relevant connected parties, (ii) the renting of premises from the relevant connected parties, (iii) supply of Goods to/from the relevant connected parties, and (iv) supply of Services from the relevant connected parties, all of which fall within the ordinary and usual course of business of the Cosway Group. Upon completion of the Acquisitions, the Cosway Group will become subsidiaries of the Company. The Group intends to continue such Arrangements and therefore these Arrangements will become CCTs after the completion of the Acquisitions. Set out below are the details of the agreements entered into between the Company and the relevant connected persons of the Company in relation to the continuation of the Arrangements.

(i) The Non-exempted Master Leasing Agreements

(A) General principles, pricing and terms for the Non-exempted Master Leasing Agreements

(a) the leasing arrangements shall be based on normal commercial terms agreed after good faith and arms' length negotiations between the relevant parties, by reference to prevailing market prices. The terms to be offered by the connected persons to the Group should not be less favorable than those offered to the independent third parties;

(b) each specific leasing arrangement relating to a particular Premises shall be governed by a separate lease agreement; and

(c) the arrangements are non-exclusive.

(B) Duration

The Non-exempted Master Leasing Agreements have a term from the respective Leasing Effective Date to 30 April 2012.

(C) Reasons for the entering into of the Non-exempted Master Leasing Agreements

As discussed with the management of the Company, the Premises are currently leased by the Cosway Group are used as offices or shops as part of the daily operations of the Cosway Group, the entering into of the Non-exempted Master Leasing Agreements will allow the Cosway Group's current operations in the Premises to be continued after the Acquisitions.

As the Premises are necessary parts of the daily operations of the Cosway Group and the terms to be offered to the Company will be no less favourable than those offered to independent third parties, we are of the view that the terms of the Non-exempted Master Leasing Agreements are on normal commercial terms and the terms thereof are fair and reasonable and in the interests of the Company and its shareholders as a whole.

(ii) The Non-exempted Master Supply of Goods Agreements

(A) General principles, pricing and terms

(a) The supply of the Cleaning Products and Chemical Products or procurement of the Garments or Telecom Equipment (as appropriate) shall be based on normal commercial terms agreed after good faith and arms' length negotiations between the relevant parties, by reference to prevailing market prices. The terms to be offered to the connected persons by the Group in relation to the supply of Cleaning Products and Chemical Products by the Group should not be more favorable than those offered to the independent third parties. The terms to be offered by the connected persons to the Group in relation to the supply of Garments or Telecom Equipment to the Group should not be less favorable than those offered to the independent third parties;

(b) Each specific supply arrangement relating to a particular Cleaning Products, Garments, Telecom Equipment or Chemical Products (as appropriate) shall be governed by a separate Purchase Orders or Quotation; and

(c) the arrangements are non-exclusive.

(B) Duration

The Non-exempted Master Supply of Goods Agreements have a term from the respective Supply of Goods Effective Date to 30 April 2012.

(C) Reasons for the entering into of the Non-exempted Master Supply of Goods Agreements

As discussed with the management of the Company, the supply of Cleaning Products and Chemical Products to the connected person of the Company will allow the Enlarged Group to generate additional source of income in additional to direct selling by utilising readily available resources of the Cosway Group. The procurement of Garments and Telecom Equipments will allow the Group to have the option to purchase from the current suppliers of the Cosway Group and minimize risk of procurement interruption after the Acquisitions.

Based on the above and the terms to be offered by (to) the Group will be no more (less) favourable than those offered to independent third parties in relation to the supply of the Cleaning Products and Chemical Products by the Group (supply of Garments and Telecom Equipments to the Group), we are of the view that the terms of the Non-exempted Master Supply of Goods Agreements are on normal commercial terms and the terms thereof are fair and reasonable and in the interests of the Company and its shareholders as a whole.

(iii) The Non-exempted Master Supply of Services Agreement

(A) General principles, pricing and terms

(a) The supply of Services shall be based on normal commercial terms agreed after good faith and arms' length negotiations between the relevant parties, by reference to prevailing market prices. The terms to be offered by the connected persons to the Group should not be less favorable than those offered to independent third parties;

(b) Each specific supply arrangement relating to a particular Services shall be governed by separate Purchase Orders or separate agreements; and

(c) the arrangements are non-exclusive.

(B) Duration

The Non-exempted Master Supply of Services Agreements have a term from the respective Supply of Services Effective Date to 30 April 2012.

(C) Reasons for the entering into of the Non-exempted Master Supply of Services Agreements

As discussed with the management of the Company, the supply of the Services will allow the Cosway Group to have the option to retain the services providers of the Services required in the daily operations of the Cosway Group after the Acquisitions and minimize the risks of interruption to the operations of the Group.

Based on the above and the terms to be offered by the Company will be no less favourable than those offered to independent third parties, we are of the view that the terms of the Non-exempted Master Supply of Services Agreements are on normal commercial terms and the terms thereof are fair and reasonable and in the interests of the Company and its shareholders as a whole.

10. Proposed annual caps for the Non-exempted CCT Agreements

The proposed annual caps of the Non-exempted CCTs for each of the three financial years ending 30 April 2010, 2011 and 2012 are set out below:

	For the financial year ended 30 April		
	2010	**2011**	**2012**
Non-exempted CCTs			
– Rental Payables under:			
(a) BCorp Second Master Leasing Agreement	RM50,000 (equivalent to approximately HK$111,401)	RM55,000 (equivalent to approximately HK$122,542)	RM60,500 (equivalent to approximately HK$134,796)
(b) BLand Second Master Leasing Agreement	RM140,000 (equivalent to approximately HK$311,924)	RM155,000 (equivalent to approximately HK$345,345)	RM170,000 (equivalent to approximately HK$378,765)

	For the financial year ended 30 April		
	2010	2011	2012
(c) BAssets Master Leasing Agreement	RM400,000 (equivalent to approximately HK$891,212)	RM420,000 (equivalent to approximately HK$935,773)	RM450,000 (equivalent to approximately HK$1,002,613)
(d) 7-Eleven Master Leasing Agreement	RM500,000 (equivalent to approximately HK$1,114,015)	RM520,000 (equivalent to approximately HK$1,158,576)	RM550,000 (equivalent to approximately HK$1,225,416)
– Supply of Goods under:			
(a) BCorp Second Master Supply of Goods Agreement	RM900,000 (equivalent to approximately HK$2,005,227)	RM1,000,000 (equivalent to approximately HK$2,228,030)	RM1,100,000 (equivalent to approximately HK$2,450,833)
(b) BCorp First Master Supply of Goods Agreement	RM320,000 (equivalent to approximately HK$712,970)	RM330,000 (equivalent to approximately HK$735,250)	RM363,000 (equivalent to approximately HK$808,775)
(c) BLand Master Supply of Goods Agreement	RM1,100,000 (equivalent to approximately HK$2,450,833)	RM1,200,000 (equivalent to approximately HK$2,673,636)	RM1,300,000 (equivalent to approximately HK$2,896,439)
(d) BAssets Master Supply of Goods Agreement	RM16,000 (equivalent to approximately HK$35,648)	RM18,000 (equivalent to approximately HK$40,105)	RM20,000 (equivalent to approximately HK$44,561)
(e) Dijaya Master Supply of Goods Agreement	RM20,000 (equivalent to approximately HK$44,561)	RM25,000 (equivalent to approximately HK$55,701)	RM30,000 (equivalent to approximately HK$66,841)
(f) UMobile Master Supply of Goods Agreement	RM163,000 (equivalent to approximately HK$363,169)	RM165,000 (equivalent to approximately HK$367,625)	RM168,000 (equivalent to approximately HK$374,309)

	For the financial year ended 30 April		
	2010	2011	2012
(g) 7-Eleven Master Supply of Goods Agreement	RM410,000 (equivalent to approximately HK$913,492)	RM450,000 (equivalent to approximately HK$1,002,613)	RM500,000 (equivalent to approximately HK$1,114,015)
– Supply of Services under:			
(a) BMedia Advertising Services Agreement	RM1,230,000 (equivalent to approximately HK$2,740,477)	RM1,300,000 (equivalent to approximately HK$2,896,439)	RM1,400,000 (equivalent to approximately HK$3,119,242)
(b) BLand Aircraft Agreement	RM960,000 (equivalent to approximately HK$2,138,909)	RM1,000,000 (equivalent to approximately HK$2,228,030)	RM1,400,000 (equivalent to approximately HK$3,119,242)
(c) BCorp Mailing Services Agreement	RM200,000 (equivalent to approximately HK$445,606)	RM220,000 (equivalent to approximately HK$490,167)	RM242,000 (equivalent to approximately HK$539,183)
(d) BCorp Printing Services Agreement	RM2,500,000 (equivalent to approximately HK$5,570,075)	RM2,750,000 (equivalent to approximately HK$6,127,082)	RM3,025,000 (equivalent to approximately HK$6,739,791)
(e) BCorp Courier Services Agreement	RM200,000 (equivalent to approximately HK$445,606)	RM220,000 (equivalent to approximately HK$490,167)	RM242,000 (equivalent to approximately HK$539,183)
(f) BCorp Insurance Services Agreement	RM2,500,000 (equivalent to approximately HK$5,570,075)	RM2,750,000 (equivalent to approximately HK$6,127,082)	RM3,025,000 (equivalent to approximately HK$6,739,791)
(g) BLand Guard Services Agreement	RM180,000 (equivalent to approximately HK$401,045)	RM200,000 (equivalent to approximately HK$445,606)	RM220,000 (equivalent to approximately HK$490,167)

In determining the proposed annual caps, the Board has considered the historical transaction amount and growth trend of the relevant businesses and in particular the following factors:

In relation to the renting of premises from the relevant connected parties

As set out in the letter from the Board, the Directors have taken into account the historical transaction amounts and the recent property rental market to derive the estimated rental rate after considering the growth trend of the relevant recent property rental market.

On the basis that the annual caps are determined based on (i) actual rental payables of existing leasing agreement which would be covered by the Non-exempted Leasing Agreements (the "Existing Leasing Agreements"); (ii) possible adjustment of the rental upon renewal of the Existing Leasing Agreements; and (iii) possible additional rental payables due to entering into new leasing agreements which would be covered by the Non-exempted Leasing Agreements, we consider that the annual caps for the Non-exempted Master Leasing Agreements are fair and reasonable.

In relation to supply of Goods to/from the relevant connected parties and supply of Services from the relevant connected parties

As set out in the letter from the Board, the Directors have taken into account the historical transaction amounts to derive the estimated price and volume after considering the growth trend of the relevant business. In particular, the proposed annual caps for BCorp Second Master Supply of Good Agreement, BMedia Advertising Services Agreement, BLand Aircraft Agreement and BCorp Insurance Services Agreement for the year ending 30 April 2010 are significantly higher than the relevant actual amounts for the year ended 30 April 2009 and the proposed annual caps for BLand Aircraft Agreement for the year ending 30 April 2012 represents a 40% increment when compare with that for the year ending 30 April 2011. The management of the Company is of the view that the significant increase in the respective caps is in line with the expected increase in transaction volume between the Enlarged Group and the respective connected person as (i) the Cosway Group is aggressively expanding its business, including the sale of garment products; (ii) the Cosway Group will significantly increase the investment in advertisements to promote its brand names; (iii) the management of the Cosway Group is expected to travel more frequently to seek new investment and business opportunities; (iv) the insurance coverage for the Cosway Group is expected to increase as a result of the increase in scale of operation of the Cosway Group. In addition, the management of the Company considered, and we concur that the significant increase in the annual caps on a percentage basis are partly because of the relatively lower historical amount incurred.

On the basis that the annual caps are determined based on (i) historical transaction volume; (ii) a buffer for growth in transaction volume due to business expansion trend in the past; and (iii) a buffer for growth in prices based on historical trend, we consider that the annual caps in relation to the Non-exempted Master Leasing Agreements and Non-exempted Master Supply of Goods Agreements are fair and reasonable.

DISCUSSION AND ANALYSIS

1. The SP Agreements

The Group only recorded a small turnover and net cash outflow for its operating activities for the past three financial years. The operation of the Group is highly dependent on the shareholder's loan from BCayman. The management of the Company expected the rental income will suffer further decline in the coming year due to the deteriorating global economy. Save for the Acquisitions, the management of the Company has no other expansion plan.

The Cosway Group is principally engaged in direct sales of consumer products including health and nutrition, slimming products, personal care, skincare, cosmetics, perfumes, household and car care products, food and beverage, water filtration systems, kitchenware, bodyshaping lingerie, etc, through network marketing. Operation of the Cosway Group is located in various countries with main operation in Malaysia, Hong Kong and Taiwan.

Although both the Cosway M Implied PE ratio of 18.5 times and the eCosway Implied PE ratio of 17.3 times are above the average PE ratio of the Comparable Companies of approximately 15.38 times, both companies have been experiencing a very high cumulative average growth rate of the profit attributable the equity holders of the company of approximately 39.2% and 93.7% respectively for the past two financial years. On such basis, we consider that the higher than average implied PE ratios of both Cosway M and eCosway based on the Cosway M Consideration and eCosway Consideration are justifiable.

The Cosway M Consideration and the eCosway Consideration will be mostly satisfied by the issue of the Consideration Shares and the ICULS. The Group has limited internal resources and debt financing capability to finance the Acquisitions. We concur with the management that the issue of new equity and/or equity-like instruments to finance the Acquisitions is the best available choice.

The Shares were traded below the Issue Price until late May 2009, and the Share price shot up after the publication of the First Announcement on 23 July 2009. We are of the view that other than the Acquisitions, there is no other significant positive news in relation to the Company. Therefore we consider that the current price level of the Share is not likely to maintain if the Acquisitions do not complete. On such basis, the Issue Price of HK$0.20 is acceptable although the Share price closed at HK$0.82 per Share as at the Latest Practicable Date.

The ICULS has an Initial Conversion Price of HK$0.20 per Conversion Shares, on the basis that the ICULS are in fact quasi capital of the Company given their non-redeemable characteristics and the Initial Conversion Price is equivalent to the Issue Price, we are of the view that the Initial Conversion Price is fair and reasonable.

The ICULS carries an interest rate of 1% for the first two years and 3.5% thereafter until the maturity of the ICULS on 10 years after the issue of the ICULS. Given that (i) the interests of ICULS for the first two years are well covered by the consolidated profit of Cosway M; (ii) Cosway M (including 60% of eCosway) has been experiencing a healthy growth in profit during the past three years; (iii) the interest rate for the first two years of 1% per annum and 3.5% per annum thereafter are much lower than the current borrowing rate of the Group; and (iv) the Group will have control over Cosway M and thus the use of its cash flow in a way that would allow the Group to pay for the interest of ICULS, we are of the view that the interest rate for the first two years of 1% per annum and 3.5% per annum thereafter are fair and reasonable as far as the Independent Shareholders are concerned.

On the basis that (a) the Company would record a pro forma profit attributable to the Shareholders or narrowed loss attributable to the Shareholders as a result of the Acquisition; (b) direct sales business, being the principal business of the Cosway Group, is not an asset based business; (c) the increase in gearing ratio of the Enlarged Group is mainly caused by accounting adjustment which has no cash flow impact; and (d) the prospect of the Cosway Group, we are of the view that the overall impact of the Acquisition on the Group is positive.

The Cosway M Agreements and the eCosway Agreement are not inter-conditional. We aware that eCosway has experienced a stronger growth (cumulative average growth rate of the profit attributable to the equity holders for the past two financial years is approximately 93.7% compare with that of Cosway M of approximately 39.2%). In addition, the management of the Cosway Group indicated that the future growth momentum of the Cosway Group will be from eCosway. However, on the basis that (i) if only the eCosway Agreement is completed, the Group will only acquire the minority stake in eCosway, which is not in the best interest of the Company (such as the competition issues between Cosway M and eCosway); (ii) the profit attributable to the equity holder of Cosway M also exhibited a strong growth in profit attributable to the equity holders of approximately 39.2%; and (iii) the Group may not have sufficient financial resources to finance the interest of ICULS if only 40% interest in eCosway is acquired, we are of the view that it is beneficial for the Company to acquire both Cosway M (including 60% equity interest in eCosway already held by Cosway M) and the remaining 40% interest in eCosway instead of only acquiring the 40% equity interest in eCosway.

2. The Loan Capitalisation Agreement

The Group has been facing financial difficulties. The operation of the Group is highly dependent on the shareholder's loan granted by BCayman, which carries an interest of Hong Kong Dollar Prime rate plus 3%. As at the Latest Practicable Date, the Indebtedness amounted to HK$36.5 million. The Cosway Group has been experiencing a significant growth and requires additional financial resources to fund the future growth. In addition, the pro forma gearing ratio of the Enlarged Group is substantially higher than that of the Group. As such, the extinguishment of the Indebtedness of HK$36 million will allow the Enlarged Group to preserve financial resources for future development of the Cosway Group's business.

In addition, we concur with the Company's view that the Issue Price and the Initial Conversion Price should serve as a good reference for the issue price of the Capitalisation Issue given that the Consideration Shares will be issued at the Issue Price of HK$0.20 and the Conversion Shares will be issued at the Initial Conversion Price of HK$0.20 pursuant to the Cosway M Agreements, the completion of which is one of the conditions precedent to the Loan Capitalisation Agreement.

3. Whitewash Waiver

The Acquisitions and the Loan Capitalisation are conditional on the grant of the Whitewash Waiver by the Executive. Having considered (a) the Group would be able to improve its future earning capability of the Acquisitions; and (b) the prospect of Cosway M and eCosway, we are of the view that the Whitewash Waiver, being a condition precedent to the Acquisitions, is beneficial to the Company and its shareholders as a whole.

4. The Non-exempted CCT Agreements

Prior to the completion of the Acquisitions, the Cosway Group has similar arrangements with the relevant connected parties, including (i) the renting of premises from the relevant connected parties, (ii) supply of Goods to/from the relevant connected parties, and (iii) supply of Services from the relevant connected parties, all of which fall within the ordinary and usual course of business of the Cosway Group. The Group intends to continue with the Arrangements pursuant to the terms of the Non-exempted CCT Agreements.

Set out below are the key terms of the respective Non-exempted CCT Agreements:

(a) the terms of the Non-exempted Master Leasing Agreements to be offered by the connected persons to the Group should not be less favorable than those offered to the independent third parties;

(b) the terms of the Non-exempted Master Supply of Goods Agreements to be offered to the connected persons by the Group in relation to the supply of Cleaning Products and Chemical Products by the Group should not be more favorable than those offered to the independent third parties. The terms of the Non-exempted Master Supply of Goods Agreements to be offered by the connected persons to the Group in relation to the supply of Garments or Telecom Equipment to the Group should not be less favorable than those offered to the independent third parties; and

(c) the terms of the Non-exempted Master Supply of Services Agreement to be offered by the connected persons to the Group should not be less favorable than those offered to independent third parties.

In relation to the renting of premises from the relevant connected parties

On the basis that the annual caps are determined based on (i) actual rental payables of Existing Leasing Agreement which would be covered by the Non-exempted Master Leasing Agreements; (ii) possible adjustment of the rental upon renewal of the Existing Leasing Agreements; and (iii) possible additional rental payables due to entering into new leasing agreements which would be covered by the Non-exempted Master Leasing Agreements, we consider that the annual caps for the Non-exempted Master Leasing Agreements are fair and reasonable.

In relation to supply of Goods to/from the relevant connected parties and supply of Services from the relevant connected parties

On the basis that the annual caps are determined based on (i) historical transaction volume; (ii) a buffer for growth in transaction volume due to business expansion trend in the past; and (iii) a buffer for growth in prices based on historical trend, we consider that the annual caps in relation to the Non-exempted Master Leasing Agreements and Non-exempted Master Supply of Goods Agreements are fair and reasonable.

OPINION AND RECOMMENDATION

Based on the above principal factors and reasons, we consider the SP Agreements, the Loan Capitalisation Agreement and the Non-exempted CCT Agreements are on normal commercial terms. We also consider the entering into of the SP Agreements, the Loan Capitalisation Agreement and the Non-exempted CCT Agreements are in the ordinary and usual course of business of the Company and are in the interests of the Company and its shareholders as a whole. In addition, we consider that the terms of the SP Agreements (taken as a whole), the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver are fair and reasonable as far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend, and ourselves recommend, the Independent Shareholders to vote in favour of the resolutions in relation to the Cosway M Agreements, the eCosway Agreement, the Loan Capitalisation Agreement, the Non-exempted CCT Agreements and the Whitewash Waiver. However, if the Independent Shareholders do not vote in favour of the resolution in relation to the Cosway M Agreements, we do not recommend them to vote in favour of the resolution in relation to the eCosway Agreement.

Yours faithfully
For and on behalf of
SOMERLEY LIMITED
Kenneth Chow
Director – Corporate Finance

1. FINANCIAL SUMMARY

The following is a summary of the consolidated results of the Group for the three years ended 30 April 2007, 2008 and 2009 as extracted from the relevant annual reports of the Company for the years presented. The financial statements of Group for the years ended 30 April 2007 and 2008 were audited by PricewaterhouseCoopers, Certified Public Accountants registered in Hong Kong, and for the year ended 30 April 2009 by Ernst & Young Hong Kong, Certified Public Accountants registered in Hong Kong. No qualification was contained in the auditors' report for the financial statements of Berjaya Holdings (HK) Limited for the three years ended 30 April 2007, 2008 and 2009. No exceptional and extraordinary items were noted in the financial statements of Group for the three years ended 30 April 2007, 2008 and 2009.

CONSOLIDATED BALANCE SHEETS
30 April

	2009	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*
Non-current assets			
Property, plant and equipment	292	126	118
Investment properties	49,392	63,968	50,026
Interest in an associate	5,531	15,191	10,118
Available-for-sale investment	200	295	295
Amount due from a shareholder	–	–	559
Total non-current assets	55,415	79,580	61,116
Current assets			
Trade receivables	9	12	31
Prepayments, deposits and other receivables	309	302	326
Cash and bank balances	127	117	167
Total current assets	445	431	524
Current liabilities			
Other payables and accruals	630	963	1,199
Due to related companies	473	355	–
Interest-bearing bank borrowings	180	180	180
Total current liabilities	1,283	1,498	1,379
Net current liabilities	(838)	(1,067)	(855)
Total assets less current liabilities	54,577	78,513	60,261
Non-current liabilities			
Other payables	259	–	–
Interest-bearing bank borrowings	6,345	6,525	6,705
Loan from a shareholder	28,895	25,824	22,972
Loans from minority interests	–	–	1,838
Deferred tax liabilities	–	4,535	2,095
Total non-current liabilities	35,499	36,884	33,610
Net assets	19,078	41,629	26,651
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	118,210	118,210	118,210
Reserves	(104,115)	(81,595)	(91,559)
	14,095	36,615	26,651
Minority interests	4,983	5,014	–
Total equity	19,078	41,629	26,651

CONSOLIDATED INCOME STATEMENTS

Year ended 30 April

	2009	2008	2007
	HK$'000	*HK$'000*	*HK$'000*
Revenue	2,110	1,900	1,572
Cost of services	(29)	(55)	(74)
Gross profit	2,081	1,845	1,498
Other income	20	3	29
Fair value gains/(losses) on investment properties	(14,576)	13,942	3,894
Other gains	–	–	2,097
Administrative expenses	(2,385)	(2,405)	(2,678)
Other operating expenses	(95)	(55)	(3,708)
Finance costs	(2,471)	(2,823)	(6,309)
Share of profit/(loss) of an associate	(6,568)	2,416	2,057
Profit/(loss) before tax	(23,994)	12,923	(3,120)
Tax	4,535	(2,440)	(681)
Profit/(loss) for the year	(19,459)	10,483	(3,801)
Attributable to:			
Equity holders of the Company	(19,428)	7,307	(3,680)
Minority interests	(31)	3,176	(121)
	(19,459)	10,483	(3,801)
	HK cents	*HK cents*	*HK cents*
Earnings/(loss) per share attributable to ordinary equity holders of the Company			
Basic	(3.29)	1.24	(0.62)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 30 April

	Attributable to equity holders of the Company							
	Issued capital HK$'000	Share premium account HK$'000	Available-for-sale investment revaluation reserve HK$'000	Exchange fluctuation reserve HK$'000	Accumulated losses HK$'000	Total HK$'000	Minority interests HK$'000	Total equity HK$'000
At 1 May 2006	118,210	12,282	79	336	(103,004)	27,903	–	27,903
Exchange realignment	–	–	–	342	–	342	–	342
Share of reserve of an associate	–	–	2,086	–	–	2,086	–	2,086
Total income and expense for the year recognised directly in equity	–	–	2,086	342	–	2,428	–	2,428
Loss for the year	–	–	–	–	(3,680)	(3,680)	(121)	(3,801)
Total income and expense for the year	–	–	2,086	342	(3,680)	(1,252)	(121)	(1,373)
Excess of loss covered by advances from minority interests	–	–	–	–	–	–	121	121
At 30 April 2007	118,210	12,282*	2,165*	678*	(106,684)*	26,651	–	26,651
At 1 May 2007	118,210	12,282	2,165	678	(106,684)	26,651	–	26,651
Exchange realignment	–	–	–	1,084	–	1,084	–	1,084
Transfer between reserves of an associate	–	–	(1,413)	–	1,413	–	–	–
Share of reserve of an associate	–	–	1,573	–	–	1,573	–	1,573
Total income and expense for the year recognised directly in equity	–	–	160	1,084	1,413	2,657	–	2,657
Profit for the year	–	–	–	–	7,307	7,307	3,176	10,483
Total income and expense for the year	–	–	160	1,084	8,720	9,964	3,176	13,140
Extinguishment of loan from minority interests	–	–	–	–	–	–	1,838	1,838
At 30 April 2008	118,210	12,282*	2,325*	1,762*	(97,964)*	36,615	5,014	41,629

	Attributable to equity holders of the Company							
	Issued capital	**Share premium account**	**Available-for-sale investment revaluation reserve**	**Exchange fluctuation reserve**	**Accumulated losses**	**Total**	**Minority interests**	**Total equity**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2008	118,210	12,282	2,325	1,762	(97,964)	36,615	5,014	41,629
Exchange realignment	–	–	–	(980)	–	(980)	–	(980)
Share of reserve of an associate	–	–	(2,112)	–	–	(2,112)	–	(2,112)
Total income and expense for the year recognised directly in equity	–	–	(2,112)	(980)	–	(3,092)	–	(3,092)
Loss for the year	–	–	–	–	(19,428)	(19,428)	(31)	(19,459)
Total income and expense for the year	–	–	(2,112)	(980)	(19,428)	(22,520)	(31)	(22,551)
At 30 April 2009	118,210	12,282*	213*	782*	(117,392)*	14,095	4,983	19,078

* These reserve accounts comprise the consolidated negative reserves of HK$104,115,000 (2008: HK$81,595,000; 2007: HK$91,559,000) in the consolidated balance sheets.

CONSOLIDATED CASH FLOW STATEMENTS

Year ended 30 April

	2009	2008	2007
	HK$'000	*HK$'000*	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax	(23,994)	12,923	(3,120)
Adjustments for:			
Finance costs	2,471	2,823	6,309
Share of loss/(profit) of an associate	6,568	(2,416)	(2,057)
Interest income	–	–	(2)
Loss on disposal of items of property, plant and equipment	–	38	–
Depreciation	28	21	20
Impairment of an available-for-sale investment	95	–	–
Fair value losses/(gains) on investment properties	14,576	(13,942)	(3,894)
	(256)	(553)	(2,744)
Decrease/(increase) in trade receivables	3	19	(14)
Decrease/(increase) in prepayments, deposits and other receivables	(7)	18	2,623
Decrease in other payables and accruals	(74)	(236)	(1,146)
Increase in amounts due to related companies	118	355	–
Cash used in operations	(216)	(397)	(1,281)
Interest received	–	–	2
Net cash outflow from operating activities	(216)	(397)	(1,279)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment	(194)	(67)	(26)
Purchase of investment properties	–	–	(337)
Net cash outflow from investing activities	(194)	(67)	(363)

	2009	2008	2007
	HK$'000	*HK$'000*	*HK$'000*
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loan	(180)	(180)	(365)
Interest paid	(325)	(469)	(540)
New loan from a shareholder	925	1,063	1,862
Net cash inflow from financing activities	420	414	957
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	10	(50)	(685)
Cash and cash equivalents at beginning of year	117	167	762
Effect of foreign exchange rate changes, net	–	–	90
CASH AND CASH EQUIVALENTS AT END OF YEAR	127	117	167
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	127	117	167

2. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

The following are the audited financial statements of the Group for the year ended 30 April 2009 together with the notes thereto as extracted from the annual report of the Company for the year ended 30 April 2009.

CONSOLIDATED INCOME STATEMENT

Year ended 30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
REVENUE	5	2,110	1,900
Cost of services		(29)	(55)
Gross profit		2,081	1,845
Other income	5	20	3
Fair value gains/(losses) on investment properties		(14,576)	13,942
Administrative expenses		(2,385)	(2,405)
Other operating expenses		(95)	(55)
Finance costs	6	(2,471)	(2,823)
Share of profit/(loss) of an associate		(6,568)	2,416
PROFIT/(LOSS) BEFORE TAX	7	(23,994)	12,923
Tax	10	4,535	(2,440)
PROFIT/(LOSS) FOR THE YEAR		(19,459)	10,483
Attributable to:			
Equity holders of the Company	11	(19,428)	7,307
Minority interests		(31)	3,176
		(19,459)	10,483
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	12		
Basic		(3.29) HK cents	1.24 HK cents

CONSOLIDATED BALANCE SHEET

30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	292	126
Investment properties	14	49,392	63,968
Interest in an associate	16	5,531	15,191
Available-for-sale investment	17	200	295
Total non-current assets		55,415	79,580
CURRENT ASSETS			
Trade receivables	18	9	12
Prepayments, deposits and other receivables	19	309	302
Cash and bank balances	20	127	117
Total current assets		445	431
CURRENT LIABILITIES			
Other payables and accruals	21	630	963
Due to related companies	22	473	355
Interest-bearing bank borrowings	23	180	180
Total current liabilities		1,283	1,498
NET CURRENT LIABILITIES		(838)	(1,067)
TOTAL ASSETS LESS CURRENT LIABILITIES		54,577	78,513
NON-CURRENT LIABILITIES			
Other payables	21	259	–
Interest-bearing bank borrowings	23	6,345	6,525
Loan from a shareholder	24	28,895	25,824
Deferred tax liabilities	25	–	4,535
Total non-current liabilities		35,499	36,884
Net assets		19,078	41,629

	Notes	**2009** *HK$'000*	**2008** *HK$'000*
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	*26*	118,210	118,210
Reserves	*27(a)*	(104,115)	(81,595)
		14,095	36,615
Minority interests		4,983	5,014
Total equity		19,078	41,629

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 April 2009

	Attributable to equity holders of the Company							
	Issued capital	Share premium account	Available-for-sale investment revaluation reserve	Exchange fluctuation reserve	Accumulated losses	Total	Minority interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2007	118,210	12,282	2,165	678	(106,684)	26,651	–	26,651
Exchange realignment	–	–	–	1,084	–	1,084	–	1,084
Transfer between reserves of an associate	–	–	(1,413)	–	1,413	–	–	–
Share of reserve of an associate	–	–	1,573	–	–	1,573	–	1,573
Total income and expense for the year recognised directly in equity	–	–	160	1,084	1,413	2,657	–	2,657
Profit for the year	–	–	–	–	7,307	7,307	3,176	10,483
Total income and expense for the year	–	–	160	1,084	8,720	9,964	3,176	13,140
Extinguishment of loan from minority interests	–	–	–	–	–	–	1,838	1,838
At 30 April 2008	118,210	12,282*	2,325*	1,762*	(97,964)*	36,615	5,014	41,629

	Attributable to equity holders of the Company							
	Issued capital	Share premium account	Available-for-sale investment revaluation reserve	Exchange fluctuation reserve	Accumulated losses	Total	Minority interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2008	118,210	12,282	2,325	1,762	(97,964)	36,615	5,014	41,629
Exchange realignment	–	–	–	(980)	–	(980)	–	(980)
Share of reserve of an associate	–	–	(2,112)	–	–	(2,112)	–	(2,112)
Total income and expense for the year recognised directly in equity	–	–	(2,112)	(980)	–	(3,092)	–	(3,092)
Loss for the year	–	–	–	–	(19,428)	(19,428)	(31)	(19,459)
Total income and expense for the year	–	–	(2,112)	(980)	(19,428)	(22,520)	(31)	(22,551)
At 30 April 2009	118,210	12,282*	213*	782*	(117,392)*	14,095	4,983	19,078

* These reserve accounts comprise the consolidated negative reserves of HK$104,115,000 (2008: HK$81,595,000) in the consolidated balance sheet.

CONSOLIDATED CASH FLOW STATEMENT
Year ended 30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		(23,994)	12,923
Adjustments for:			
Finance costs	6	2,471	2,823
Share of loss/(profit) of an associate		6,568	(2,416)
Loss on disposal of items of property, plant and equipment	7	–	38
Depreciation	7	28	21
Impairment of an available-for-sale investment	7	95	–
Fair value losses/(gains) on investment properties	7	14,576	(13,942)
		(256)	(553)
Decrease in trade receivables		3	19
Decrease/(increase) in prepayments, deposits and other receivables		(7)	18
Decrease in other payables and accruals		(74)	(236)
Increase in amounts due to related companies		118	355
Cash used in operations and net cash outflow from operating activities		(216)	(397)
CASH FLOWS FROM INVESTING ACTIVITY			
Purchases of items of property, plant and equipment and cash outflow from investing activity		(194)	(67)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loan		(180)	(180)
Interest paid		(325)	(469)
Additional loan from a shareholder		925	1,063
Net cash inflow from financing activities		420	414
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		10	(50)
Cash and cash equivalents at beginning of year		117	167
CASH AND CASH EQUIVALENTS AT END OF YEAR		127	117
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	20	127	117

BALANCE SHEET

30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	292	126
Investment properties	14	49,392	63,968
Interests in subsidiaries	15	–	–
Interest in an associate	16	8,200	8,200
Available-for-sale investment	17	200	295
Total non-current assets		58,084	72,589
CURRENT ASSETS			
Trade receivables	18	9	12
Prepayments, deposits and other receivables	19	305	297
Cash and bank balances	20	88	79
Total current assets		402	388
CURRENT LIABILITIES			
Other payables and accruals	21	630	963
Due to a related company	22	118	–
Due to a subsidiary	15	1,288	1,299
Interest-bearing bank borrowings	23	180	180
Total current liabilities		2,216	2,442
NET CURRENT LIABILITIES		(1,814)	(2,054)
TOTAL ASSETS LESS CURRENT LIABILITIES		56,270	70,535
NON-CURRENT LIABILITIES			
Other payables	21	259	–
Interest-bearing bank borrowings	23	6,345	6,525
Loan from a shareholder	24	28,895	24,005
Deferred tax liabilities	25	–	4,535
Total non-current liabilities		35,499	35,065
Net assets		20,771	35,470
EQUITY			
Issued capital	26	118,210	118,210
Reserves	27(b)	(97,439)	(82,740)
Total equity		20,771	35,470

NOTES TO FINANCIAL STATEMENTS

30 April 2009

1. CORPORATE INFORMATION

Berjaya Holdings (HK) Limited is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at Unit 1701, 17/F, Austin Plaza, 83 Austin Road, Jordan, Kowloon, Hong Kong.

During the year, the Group's principal activities consisted of property investment and investment holding.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and an available-for-sale investment, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 30 April 2009. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new interpretations and amendments has had no significant effect on these financial statements.

HKAS 39 and HKFRS 7 Amendments	Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement* and HKFRS 7 *Financial Instruments: Disclosures – Reclassification of Financial Assets*
HK(IFRIC)-Int 12	*Service Concession Arrangements*
HK(IFRIC)-Int 14	*HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement* and HKFRS 7 *Financial Instruments: Disclosures – Reclassification of Financial Assets*

The amendments to HKAS 39 permit an entity to reclassify a non-derivative financial asset classified as held for trading, other than a financial asset designated by an entity as at fair value through profit or loss upon initial recognition, out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling or repurchasing in the near term, if specified criteria are met.

A debt instrument that would have met the definition of loans and receivables (if it had not been required to be classified as held for trading at initial recognition) may be classified out of the fair value through profit or loss category or (if it had not been designated as available for sale) may be classified out of the available-for-sale category to the loans and receivables category if the entity has the intention and ability to hold it for the foreseeable future or until maturity.

In rare circumstances, financial assets that are not eligible for classification as loans and receivables may be transferred from the held-for-trading category to the available-for-sale category or to the held to maturity category (in the case of a debt instrument), if the financial asset is no longer held for the purpose of selling or repurchasing in the near term.

The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to HKFRS 7 require extensive disclosures of any financial asset reclassified in the situations described above. The amendments are effective from 1 July 2008.

As the Group has not reclassified any of its financial instruments, the amendments have had no impact on the financial position or results of operations of the Group.

(b) HK(IFRIC)-Int 12 *Service Concession Arrangements*

HK(IFRIC)-Int 12 applies to service concession operators and explains how to account for obligation undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

(c) HK(IFRIC)-Int 14 HKAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 *Employee Benefits*, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements.

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and HKAS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*[1]
HKFRS 1 (Revised)	*First-time Adoption of HKFRSs*[2]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Vesting Conditions and Cancellations*[1]
HKFRS 3 (Revised)	*Business Combinations*[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosure – Improving Disclosures about Financial Instruments*[1]
HKFRS 8	*Operating Segments*[1]
HKAS 1 (Revised)	*Presentation of Financial Statements*[1]
HKAS 23 (Revised)	*Borrowing Costs*[1]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*[2]
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*[1]
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*[2]

HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives*[5]
HK(IFRIC)-Int 13	*Customer Loyalty Programmes*[3]
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate*[1]
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation*[4]
HK(IFRIC)-Int 17	*Distribution of Non-cash Assets to Owners*[2]
HK(IFRIC)-Int 18	*Transfer of Assets from Customers*[6]

Apart from the above, the Hong Kong Institute of Certified Public Accountants has also issued Improvements to HKFRSs* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarify wording. Except for the amendment to HKFRS 5 which is effective for the annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009
3 Effective for annual periods beginning on or after 1 July 2008
4 Effective for annual periods beginning on or after 1 October 2008
5 Effective for annual periods ending on or after 30 June 2009
6 Effective for transfers of assets from customers received on or after 1 July 2009
* Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 8 and HKAS 1 (Revised) may result in new or amended disclosures and the adoption of HKFRS 3 (Revised), HKAS 27 (Revised) and HKAS 23 (Revised) may result in changes in accounting policies, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity in which the Company, directly or indirectly, controls more than half of its voting power or issued share capital or controls the composition of its board of directors; or over which the Company has a contractual right to exercise a dominant influence with respect to that entity's financial and operating policies.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associate

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's interest in an associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of the associate is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred.

The results of the associate are included in the Company's income statement to the extent of dividends received and receivable. The Company's interest in the associate is treated as a non-current asset and is stated at cost less any impairment losses.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Related parties

A party is considered to be related to the Group if:

(a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;

(b) the party is an associate;

(c) the party is a jointly-controlled entity;

(d) the party is a member of the key management personnel of the Group;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the shorter of the lease terms and 20%
Furniture, fixtures and equipment	10% to 20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases are charged to the income statement on the straight-line basis over the lease terms.

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in terms of the contract that significantly modifies for cash flows that would otherwise be required under the contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as "Other income" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognised in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the available-for-sale investment revaluation reserve.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and other valuation models.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. A provision for impairment is made for available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including other payables, amounts due to related companies, a loan from a shareholder and interest-bearing bank borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(a) rental income, on a time proportion basis over the lease terms; and

(b) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of an overseas associate is a currency other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of this entity are translated into the presentation currency of the Company at the exchange rate ruling at the balance sheet date and its income statement is translated into Hong Kong dollars at the weighted average exchange rate for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

(a) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;

(b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

(c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of an available-for-sale financial asset

The Group classifies a club debenture as available-for-sale and recognises movements of its fair value in equity. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised in the income statement. At 30 April 2009, an impairment loss of HK$95,000 has been recognised for an available-for-sale asset (2008: Nil). At 30 April 2009, the carrying amount of the available-for-sale asset was HK$200,000 (2008: HK$295,000).

4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

(a) the property investment segment invests in prime office space for its rental income potential; and

(b) the investment holding segment comprises the Group's investment activities.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

During the current and prior years, there were no intersegment transactions.

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 30 April 2009 and 2008.

	Property investment		**Investment holding**		**Total**	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	2,110	1,900	–	–	2,110	1,900
Segment results	(14,955)	13,330	–	–	(14,955)	13,330
Finance costs					(2,471)	(2,823)
Share of profit/(loss) of an associate	–	–	(6,568)	2,416	(6,568)	2,416
Profit/(loss) before tax					(23,994)	12,923
Tax					4,535	(2,440)
Profit/(loss) for the year					(19,459)	10,483

	Property investment		Investment holding		Total	
	2009	2008	2009	2008	2009	2008
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Assets and liabilities						
Segment assets	49,837	64,399	–	–	49,837	64,399
Interest in an associate	–	–	5,531	15,191	5,531	15,191
Unallocated assets					492	421
Total assets					55,860	80,011
Segment liabilities	628	586	355	355	983	941
Unallocated liabilities					35,799	37,441
Total liabilities					36,782	38,382
Other segment information:						
Capital expenditure	–	–	194	67	194	67
Depreciation	–	–	28	21	28	21
Fair value gains/(losses) on investment properties	(14,576)	13,942	–	–	(14,576)	13,942
Impairment of an available-for-sale investment	–	–	95	–	95	–

(b) Geographical segments

The following table presents revenue, and certain asset and expenditure information for the Group's geographical segments for the years ended 30 April 2009 and 2008.

	Segment revenue		Segment assets		Capital expenditure	
	2009	2008	2009	2008	2009	2008
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Hong Kong	2,110	1,900	49,425	63,953	194	67
Singapore	–	–	5,531	15,191	–	–
Mainland China	–	–	904	867	–	–
	2,110	1,900	55,860	80,011	194	67

5. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, represents gross rental income received and receivable from investment properties during the year.

An analysis of the Group's revenue and other income is as follows:

	2009	2008
	HK$'000	*HK$'000*
Revenue		
Gross rental income	2,110	1,900
Other income		
Miscellaneous income	20	3

6. FINANCE COSTS

	Group	
	2009	2008
	HK$'000	*HK$'000*
Interest on bank loan	325	469
Interest on loan from a shareholder	2,146	2,354
	2,471	2,823

7. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2009	2008
	HK$'000	*HK$'000*
Depreciation	28	21
Minimum lease payments under operating leases on land and buildings	192	218
Auditors' remuneration	318	318
Employee benefits expense (including Directors' remuneration (note 8)):		
Wages and salaries	622	604
Pension scheme contributions	58	39
	680	643
Gross rental income	(2,110)	(1,900)
Less: outgoing expenses	29	55
Net rental income	(2,081)	(1,845)
Fair value losses/(gains) on investment properties	14,576	(13,942)
Impairment of trade receivables*	–	17
Impairment of an available-for-sale investment	95	–
Loss on disposal of items of property, plant and equipment	–	38

* The impairment of trade receivables is included in "Administrative expenses" on the face of the consolidated income statement.

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	Group	
	2009	**2008**
	HK$'000	*HK$'000*
Fees	24	24
Other emoluments:		
Salaries, allowances and benefits in kind	307	314
Discretionary performance related bonuses*	41	53
Pension scheme contributions	29	28
	377	395
	401	419

* An Executive Director of the Company is entitled to bonus payments which are determined based on her performance during the year.

(a) Independent Non-Executive Directors

There were no fees or other emoluments payable to Independent Non-Executive Directors during the year (2008: Nil).

(b) Executive Directors

	Fees	Salaries, allowance and benefits in kind	Discretionary performance related bonuses	Pension scheme contributions	Total remuneration
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2009					
Executive Directors:					
Mr. Chan Kien Sing	–	–	–	–	–
Mr. Chin Chee Seng, Derek	–	–	–	–	–
Ms. Tan Ee Ling	–	307	41	28	376
Mr. Wong Man Hong	24	–	–	1	25
Mr. Tan Yeong Sheik, Rayvin	–	–	–	–	–
Ms. Cheng Chi Fan, Vivienne	–	–	–	–	–
Mr. Tan Thiam Chai	–	–	–	–	–
	24	307	41	29	401

	Fees	Salaries, allowance and benefits in kind	Discretionary performance related bonuses	Pension scheme contributions	Total remuneration
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2008					
Executive Directors:					
Mr. Chan Kien Sing	–	–	–	–	–
Mr. Chin Chee Seng, Derek	–	–	–	–	–
Ms. Tan Ee Ling	–	314	53	27	394
Mr. Wong Man Hong	24	–	–	1	25
	24	314	53	28	419

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2008: Nil).

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2008: two) Executive Directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two* (2008: three) non-director, highest paid employees for the year are as follows:

	Group	
	2009	**2008**
	HK$'000	*HK$'000*
Salaries, allowances and benefits in kind	250	213
Pension scheme contributions	29	11
	279	224

Remunerations of all non-director, highest paid employees were below HK$1,000,000 (2008: HK$1,000,000).

* The Company had only two non-director employees during the year.

10. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. No provision for overseas profits tax has been made as the Group did not generate any assessable profits arising outside Hong Kong during the year (2008: Nil).

	2009	**2008**
	HK$'000	*HK$'000*
Group:		
Current	–	–
Deferred *(note 25)*	(4,535)	2,440
Total tax charge/(credit) for the year	(4,535)	2,440

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax using the statutory rate for the jurisdiction in which the Company and its subsidiaries are domiciled to the tax expense/(credit) at the effective tax rate is as follows:

	Group	
	2009	**2008**
	HK$'000	*HK$'000*
Profit/(loss) before tax	(23,994)	12,923
Tax at the statutory tax rate of 16.5% (2008: 17.5%)	(3,959)	2,262
Effect on opening deferred tax of decrease in rate	(259)	–
Profit/(loss) attributable to an associate	1,084	(423)
Income not subject to tax	(6)	(189)
Expenses not deductible for tax	390	617
Tax losses utilised from previous periods	(1,679)	–
Tax losses not recognised	–	249
Others	(106)	(76)
Tax charge/(credit) at the Group's effective rate of 18.9% (2008: 18.9%)	(4,535)	2,440

The share of tax credit attributable to an associate amounting to HK$93,000 (2008: Nil) is included in "Share of profit and loss of an associate" on the face of the consolidated income statement.

11. PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit/(loss) attributable to equity holders of the Company for the year ended 30 April 2009 includes a loss of HK$14,699,000 (2008: profit of HK$4,832,000) which has been dealt with in the financial statements of the Company (note 27(b)).

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK$19,428,000 (2008: profit of HK$7,307,000), and the number of ordinary shares in issue of 591,047,975 (2008: 591,047,975) during the year.

As there were no dilutive potential ordinary shares outstanding during the years, no diluted earnings/(loss) per share amounts have been presented for both years.

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold improvements *HK$'000*	Furniture, fixtures and equipment *HK$'000*	Total *HK$'000*
30 April 2009			
At 30 April 2008 and at 1 May 2008:			
Cost	–	358	358
Accumulated depreciation	–	(232)	(232)
Net carrying amount	–	126	126
At 1 May 2008, net of accumulated depreciation	–	126	126
Additions	178	16	194
Depreciation provided during the year	(9)	(19)	(28)
At 30 April 2009, net of accumulated depreciation	169	123	292
At 30 April 2009:			
Cost	178	374	552
Accumulated depreciation	(9)	(251)	(260)
Net carrying amount	169	123	292

Group

	Furniture, fixtures and equipment
	HK$'000
30 April 2008	
At 1 May 2007:	
Cost	484
Accumulated depreciation	(366)
Net carrying amount	118
At 1 May 2007, net of accumulated depreciation	118
Additions	67
Disposals	(38)
Depreciation provided during the year	(21)
At 30 April 2008, net of accumulated depreciation	126
At 30 April 2008:	
Cost	358
Accumulated depreciation	(232)
Net carrying amount	126

Company

	Leasehold improvements *HK$'000*	Furniture, fixtures and equipment *HK$'000*	Total *HK$'000*
30 April 2009			
At 30 April 2008 and at 1 May 2008:			
Cost	–	357	357
Accumulated depreciation	–	(231)	(231)
Net carrying amount	–	126	126
At 1 May 2008, net of accumulated depreciation	–	126	126
Additions	178	16	194
Depreciation provided during the year	(9)	(19)	(28)
At 30 April 2009, net of accumulated depreciation	169	123	292
At 30 April 2009:			
Cost	178	373	551
Accumulated depreciation	(9)	(250)	(259)
Net carrying amount	169	123	292

Company

	Furniture, fixtures and equipment *HK$'000*
30 April 2008	
At 1 May 2007:	
Cost	438
Accumulated depreciation	(325)
Net carrying amount	113
At 1 May 2007, net of accumulated depreciation	113
Additions	66
Disposals	(33)
Depreciation provided during the year	(20)
At 30 April 2008, net of accumulated depreciation	126
At 30 April 2008:	
Cost	357
Accumulated depreciation	(231)
Net carrying amount	126

14. INVESTMENT PROPERTIES

	Group and Company	
	2009	**2008**
	HK$'000	*HK$'000*
Carrying amount at beginning of year	63,968	50,026
Net profit/(loss) from a fair value adjustment	(14,576)	13,942
Carrying amount at end of year	49,392	63,968
Representing:		
Hong Kong		
Long term leases	42,388	55,561
Medium term leases	6,100	7,540
Mainland China		
Long term leases	904	867
	49,392	63,968

The Group's investment properties were revalued on 30 April 2009 by Savills Valuation and Professional Services Limited, independent professionally qualified valuers, at HK$49,392,000 on an open market, existing use basis. The investment properties are leased to customers under operating leases, further summary details of which are included in note 30(a) to the financial statements.

At 30 April 2009, the Group's investment properties with a value of HK$46,787,000 (2008: HK$60,901,000) were pledged to secure general banking facilities granted to the Group (note 23).

15. INTERESTS IN SUBSIDIARIES

	Company	
	2009	**2008**
	HK$'000	*HK$'000*
Unlisted shares, at cost	2,105	2,105
Impairment#	(2,105)	(2,105)
	–	–
Due from subsidiaries	6,219	4,336
Impairment#	(6,219)	(4,336)
	–	–
Due to a subsidiary	(1,288)	(1,299)
	(1,288)	(1,299)

\# An impairment was recognised for investments in subsidiaries and amounts due from subsidiaries because these subsidiaries of the Company have been making losses.

The amounts due from and to subsidiaries included in the Company's current assets and current liabilities are unsecured, interest-free and repayable on demand. The carrying amounts of these balances approximate to their fair values.

Particulars of subsidiaries are as follows:

Name	Place of incorporation/ registration and operations	Nominal value of issued/ registered share capital	Percentage of equity attributable to the Company Direct	Indirect	Principal activities
Hopemore Development Limited	Hong Kong	HK$100	100	–	Dormant
Panluck Limited	Hong Kong	HK$100,000	100	–	Dormant
Mallia Limited	Hong Kong	HK$2	100	–	Dormant
Berjaya U-Luck Investments Limited	Hong Kong	HK$10,000	51	–	Dormant
Wing Hung Kee Commodities Limited	Hong Kong	HK$2,000,000	100	–	Dormant
Zhong Freight Limited*#	Hong Kong	HK$1,000,000	55	–	Dormant
C & C Freight International (Beijing) Limited*#	Mainland China	Renminbi 3,750,000	–	28**	Dormant

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

** C & C Freight International (Beijing) Limited is a subsidiary of a non-wholly-owned subsidiary of the Company and, accordingly, is accounted for as a subsidiary by virtue of the Company's control over it.

Under creditors' voluntary liquidation.

16. INTEREST IN AN ASSOCIATE

	Group 2009	Group 2008	Company 2009	Company 2008
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Unlisted shares, at cost	–	–	8,200	8,200
Share of net assets	5,531	15,191	–	–
	5,531	15,191	8,200	8,200

Particulars of the associate are as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration	Percentage of ownership interest attributable to the Group	Principal activity
Greenland Timber Industries (Private) Limited*	Ordinary shares of Singapore dollar 1.4 each	Singapore	20	Investment holding

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

The following table illustrates the summarised financial information of the Group's associate extracted from its management accounts:

	2009	2008
	HK$'000	*HK$'000*
Assets	33,033	86,511
Liabilities	(5,382)	(10,558)
Revenue	(33,261)	19,905
Profit/(loss)	(32,838)	12,080

17. AVAILABLE-FOR-SALE INVESTMENT

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Club debenture, at fair value	200	295

The fair value of the club debenture is based on its open market price.

There has been a significant decline in the market value of the club debenture during the year. The directors consider that such a decline indicates that the club debenture has been impaired and an impairment loss of HK$95,000 (2008: Nil) has been recognised in the income statement for the year.

18. TRADE RECEIVABLES

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Trade receivables	9	12

Trade debtors comprise rental income receivables. Rental from tenants is due and payable in advance. The credit period is generally 15 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management. In view of the aforementioned, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing. The carrying amounts of these balances approximate to their fair values.

An aged analysis of the trade receivables as at the balance sheet date, based on the payment due date and net of provisions, is as follows:

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Within 30 days	9	12

The movements in provision for impairment of trade receivables are as follows:

	Group and Company	
	2009	**2008**
	HK$'000	*HK$'000*
At beginning of year	–	–
Impairment losses recognised *(note 7)*	–	17
Amount written off as uncollectible	–	(17)
At end of year	–	–

The individually impaired trade receivables related to customers that were in financial difficulties and only a portion of the receivables was expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

	Group and Company	
	2009	**2008**
	HK$'000	*HK$'000*
Less than one month past due	9	12

Receivables that were past due but not impaired relate to customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

19. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Company	
	2009	**2008**	**2009**	**2008**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Prepayments	116	117	112	112
Deposits and other receivables	193	185	193	185
	309	302	305	297

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to deposits and receivables for which there was no recent history of default.

20. CASH AND BANK BALANCES

	Group		Company	
	2009	**2008**	**2009**	**2008**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Cash and bank balances	127	117	88	79

The bank balances are deposited with creditworthy banks with no recent history of default.

21. OTHER PAYABLES AND ACCRUALS

	Group and Company	
	2009	**2008**
	HK$'000	*HK$'000*
Other payables	510	586
Accruals	379	377
	889	963
Less: other payables classified as non-current liabilities	(259)	–
Current portion	630	963

Other payables are non-interest-bearing. Except for rental deposit payables of HK$259,000 (2008: Nil) which are included in the category of other payables classified as non-current liabilities, all other payables are expected to be settled within the next twelve months. The carrying amounts of other payables approximate to their fair values.

22. DUE TO RELATED COMPANIES

Except for an amount due to a related company of HK$118,000 (2008: Nil) which is repayable on the expiry of the lease term in relation to a lease arrangement entered into between the Company and that related company, amounts due to related companies, subsidiaries of the Company's substantial shareholder, are unsecured, interest-free and repayable on demand. The carrying amounts of balances with related companies approximate to their fair values.

23. INTEREST-BEARING BANK BORROWINGS

	2009			2008		
Group and Company	**Effective interest rate**	**Maturity**		**Effective interest rate**	**Maturity**	
	(%)		*HK$'000*	*(%)*		*HK$'000*
Current						
Bank loan						
– secured	5.0	2009	180	5.0-7.5	2008	180
Non-current						
Bank loan						
– secured	5.0	2010-2015	6,345	5.0-7.5	2009-2015	6,525
			6,525			6,705

	Group and Company	
	2009	**2008**
	HK$'000	*HK$'000*
Analysed into:		
Bank loan repayable:		
Within one year	180	180
In the second year	180	180
In the third to fifth years, inclusive	540	540
Beyond five years	5,625	5,805
	6,525	6,705

Notes:

(a) The bank loan is secured, bears interest at the Hong Kong Dollar prime lending rate of CITIC Ka Wah Bank Limited minus 0.5% per annum and is repayable by 194 monthly instalments commencing in October 1999.

(b) The bank loan is secured by the pledge of the Group's investment properties situated in Hong Kong, which had an aggregate carrying value at the balance sheet date of approximately HK$46,787,000 (2008: HK$60,901,000).

(c) The bank loan is denominated in Hong Kong dollars.

(d) The carrying amount of the bank loan approximates to its fair value.

24. LOAN FROM A SHAREHOLDER

The loan from a shareholder is unsecured, bears interest at 3% per annum above the Hong Kong Dollar prime lending rate of the Hongkong and Shanghai Banking Corporation Limited and is not repayable within the next twelve months. The carrying amount of the loan approximates to its fair value.

25. DEFERRED TAX

The movement in deferred tax liabilities, which are recognised in respect of the revaluation of investment properties, during the year is as follows:

Deferred tax liabilities

Group and Company

	Revaluation of investment properties	
	2009	**2008**
	HK$'000	*HK$'000*
At beginning of year	4,535	2,095
Deferred tax charged/(credited) to the income statement during the year *(note 10)*	(2,670)	2,440
Gross deferred tax liabilities at end of year	1,865	4,535

Deferred tax assets

Group and Company

	Losses available for offsetting against future taxable profits	
	2009	**2008**
	HK$'000	*HK$'000*
At beginning of year	–	–
Deferred tax credited to the income statement during the year *(note 10)*	1,865	–
Gross deferred tax assets at end of year	1,865	–

For the purpose of the balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances of the Group and the Company for financial reporting purposes:

	2009	**2008**
	HK$'000	*HK$'000*
Net deferred tax liabilities recognised in the balance sheet	(1,865)	(4,535)
Net deferred tax assets recognised in the balance sheet	1,865	–
	–	(4,535)

The Group and the Company have unrecognised tax losses arising in Hong Kong of HK$36,175,000 (2008: HK$46,351,000) and HK$35,978,000 (2008: HK$46,154,000), respectively, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

26. SHARE CAPITAL

	Company	
	2009	**2008**
	HK$'000	*HK$'000*
Authorised:		
1,250,000,000 shares of HK$0.20 each	250,000	250,000
Issued and fully paid:		
591,047,975 shares of HK$0.20 each	118,210	118,210

27. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages I-10 and I-11 of the financial statements.

(b) Company

	Share premium account *HK$'000*	Accumulated losses *HK$'000*	Total *HK$'000*
Balance at 1 May 2007	12,282	(99,854)	(87,572)
Profit for the year	–	4,832	4,832
At 30 April 2008 and 1 May 2008	12,282	(95,022)	(82,740)
Loss for the year	–	(14,699)	(14,699)
At 30 April 2009	12,282	(109,721)	(97,439)

28. MAJOR NON-CASH TRANSACTIONS

(a) Interest expenses paid to a shareholder of HK$2,146,000 (2008: HK$2,354,000) was settled through the loan balance with the shareholder.

(b) In the prior year, the Group applied an amount due from a shareholder of HK$559,000 as partial settlement of the loan from a shareholder. In addition, the Group extinguished a loan due to minority interests of HK$1,838,000.

29. PLEDGE OF ASSETS

Details of the Group's bank loan which is secured by the assets of the Group, are included in note 23 of the financial statements.

30. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 14 to the financial statements) under operating lease arrangements, with leases negotiated for terms of two years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 30 April 2009, the Group and the Company had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	Group and Company	
	2009 *HK$'000*	**2008** *HK$'000*
Within one year	1,563	1,377
In the second to fifth years, inclusive	646	271
	2,209	1,648

(b) As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms of two years.

At 30 April 2009, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	Group and Company	
	2009	**2008**
	HK$'000	*HK$'000*
Within one year	45	192
In the second to fifth years, inclusive	–	46
	45	238

31. COMMITMENTS

At the balance sheet date, neither the Group nor the Company had any significant commitments.

32. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		Group	
		2009	**2008**
	Notes	*HK$'000*	*HK$'000*
Interest expense paid to a shareholder	*(i)*	2,146	2,354
Rental income from a related company	*(ii)*	341	39

Notes:

(i) Interest expense was charged at 3% per annum above the Hong Kong Dollar prime lending rate of the Hongkong and Shanghai Banking Corporation Limited on the loan from a shareholder.

(ii) Rental income from a related company was charged in accordance with the terms set out in the agreement between the parties.

(b) Outstanding balances with related parties:

(i) Details of the Group's and the Company's balances with related companies are included in note 22 to the financial statements.

(ii) Details of the Group's and the Company's loan from a shareholder are included in note 24 to the financial statements.

(c) Compensation of key management personnel of the Group:

	2009 HK$'000	2008 HK$'000
Short term employee benefits	372	391
Post-employment benefits	29	28
Total compensation paid to key management personnel	401	419

Further details of directors' emoluments are included in note 8 to the financial statements.

The related party transaction in respect of item (a)(ii) above also constitutes a continuing connected transaction as defined in Chapter 14A of the Listing Rules.

33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

2009 **Group**

Financial assets

	Loans and receivables HK$'000	Available-for-sale financial assets HK$'000	Total HK$'000
Available-for-sale investment	–	200	200
Trade receivables	9	–	9
Financial assets included in prepayments, deposits and other receivables *(note 19)*	193	–	193
Cash and bank balances	127	–	127
	329	200	529

Financial liabilities

	Financial liabilities at amortised cost HK$'000
Financial liabilities included in other payables and accruals *(note 21)*	510
Due to related companies	473
Interest-bearing bank borrowings	6,525
Loan from a shareholder	28,895
	36,403

2008 **Group**

Financial assets

	Loans and receivables *HK$'000*	Available-for-sale financial assets *HK$'000*	Total *HK$'000*
Available-for-sale investment	–	295	295
Trade receivables	12	–	12
Financial assets included in prepayments, deposits and other receivables *(note 19)*	185	–	185
Cash and bank balances	117	–	117
	314	295	609

Financial liabilities

	Financial liabilities at amortised cost *HK$'000*
Financial liabilities included in other payables and accruals *(note 21)*	586
Due to a related company	355
Interest-bearing bank borrowings	6,705
Loan from a shareholder	25,824
	33,470

2009 **Company**

Financial assets

	Loans and receivables *HK$'000*	Available-for-sale financial assets *HK$'000*	Total *HK$'000*
Available-for-sale investment	–	200	200
Trade receivables	9	–	9
Financial assets included in prepayments, deposits and other receivables *(note 19)*	193	–	193
Cash and bank balances	88	–	88
	290	200	490

Financial liabilities

	Financial liabilities at amortised cost *HK$'000*
Financial liabilities included in other payables and accruals *(note 21)*	510
Due to a related company	118
Due to a subsidiary	1,288
Interest-bearing bank borrowings	6,525
Loan from a shareholder	28,895
	37,336

2008 **Company**

Financial assets

	Loans and receivables *HK$'000*	**Available-for-sale financial assets** *HK$'000*	**Total** *HK$'000*
Available-for-sale investment	–	295	295
Trade receivables	12	–	12
Financial assets included in prepayments, deposits and other receivables *(note 19)*	185	–	185
Cash and bank balances	79	–	79
	276	295	571

Financial liabilities

	Financial liabilities at amortised cost *HK$'000*
Financial liabilities included in other payables and accruals *(note 21)*	586
Due to a subsidiary	1,299
Interest-bearing bank borrowings	6,705
Loan from a shareholder	24,005
	32,595

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank loan, a loan from a shareholder, and cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The board of directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The Group's funding policy is to use interest-bearing borrowings to finance its working capital requirements.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's and the Company's profit before tax (through the impact on floating rate borrowings) and the Group's and the Company's equity.

	Group and Company	
	Increase/ (decrease) in basis points	Increase/ (decrease) in profit/(loss) before tax and equity
		HK$'000
2009		
Hong Kong dollar	100	(354)
Hong Kong dollar	(100)	354
2008		
Hong Kong dollar	100	(325)
Hong Kong dollar	(100)	325

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and bank balances, an available-for-sale financial asset and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

The terms of the leases generally require the tenants to pay security deposits. Concentrations of credit risk are managed by customer/counterparty. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 18 to the financial statements.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and loan from a shareholder.

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contractual undiscounted payments, was as follows:

Group

			2009		
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank borrowings	502	493	1,425	6,082	8,502
Other payables *(note 21)*	251	259	–	–	510
Due to related companies	473	–	–	–	473
Loan from a shareholder	2,312	28,895	–	–	31,207
	3,538	29,647	1,425	6,082	40,692

Group

			2008		
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank borrowings	510	501	1,450	6,524	8,985
Other payables *(note 21)*	586	–	–	–	586
Due to a related company	355	–	–	–	355
Loan from a shareholder	2,130	25,824	–	–	27,954
	3,581	26,325	1,450	6,524	37,880

Company

	2009				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank borrowings	502	493	1,425	6,082	8,502
Other payables *(note 21)*	251	259	–	–	510
Due to a subsidiary	1,288	–	–	–	1,288
Due to a related company	118	–	–	–	118
Loan from a shareholder	2,312	28,895	–	–	31,207
	4,471	29,647	1,425	6,082	41,625

Company

	2008				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank borrowings	510	501	1,450	6,524	8,985
Other payables *(note 21)*	586	–	–	–	586
Due to a subsidiary	1,299	–	–	–	1,299
Loan from a shareholder	1,980	24,005	–	–	25,985
	4,375	24,506	1,450	6,524	36,855

Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 April 2009 and 30 April 2008.

The Group monitors capital using a gearing ratio, which is net borrowings divided by the total capital plus net borrowings. The Group's policy is to maintain the gearing ratio less than 75%. Net borrowings includes interest-bearing bank borrowings and a loan from a shareholder, less cash and bank balances. Capital represents total equity. The gearing ratios as at the balance sheet dates were as follows:

	Group	
	2009	**2008**
	HK$'000	*HK$'000*
Interest-bearing bank borrowings	6,525	6,705
Loan from a shareholder	28,895	25,824
Less: Cash and bank balances	(127)	(117)
Net borrowings	35,293	32,412
Total equity	19,078	41,629
Total capital and net borrowings	54,371	74,041
Gearing ratio	65%	44%

35. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 29 June 2009.

3. CAPITALISATION OF THE GROUP

As at 31 July 2009, the authorised share capital of the Company was HK$250,000,000 divided into 1,250,000,000 ordinary shares of HK$0.20 par value each and its issued share capital was HK$118,209,595 consisting of 591,047,975 ordinary shares of HK$0.20 par value each.

The following table sets forth the consolidated capitalisation of the Group as at 31 July 2009 and as adjusted to give effect to the issue of the ICULS for which listing is sought:

	As at 31 July 2009 *(in HK$ million)*	As at 31 July 2009 (Adjusted by the issue of the ICULS for which listing is sought) *(in HK$ million)*
Short-term borrowings		
Interest-bearing bank borrowings	–	–
Total short-term borrowings	–	–
Long-term borrowings		
The ICULS to be issued – liability component	–	490.07
Interest-bearing bank borrowings	6.48	6.48
Loan from a Shareholder	29.68	29.68
Total long-term borrowings	36.16	526.23
Shareholders' equity		
Share capital	118.21	118.21
Reserves	13.28	13.28
The ICULS to be issued – equity component	–	1,699.94
Accumulated losses	(118.18)	(118.18)
Shareholders' equity	13.31	1,713.25
Minority interests	4.98	4.98
Total capitalisation[1]	54.45	2,244.46

Note:

1 Total capitalisation represents the sum of long-term borrowings, minority interests and shareholders' funds.

Assuming full conversion of ICULS at the initial Conversion Price of HK$0.20 per Share, the ICULS will be convertible into approximately 10,950 million Shares.

There has been no material change in the capitalisation of the Group since 31 July 2009 on the above basis. For the pro forma financial effect to the financial statements of the Group immediately upon completion of the Acquisitions, please refer to Appendix IV – Unaudited Pro Forma Financial Information of the Enlarged Group to this circular.

4. INDEBTEDNESS OF THE ENLARGED GROUP

At the close of business on 30 September 2009, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Enlarged Group had outstanding borrowings of approximately HK$156 million comprising secured unguaranteed bank borrowings of approximately HK$79 million, unsecured unguaranteed bank overdrafts of approximately HK$29 million, unsecured guaranteed bank loans of approximately HK$6 million, unsecured unguaranteed bank loans of approximately HK$6 million and unsecured unguaranteed loan from a shareholder of the Company of approximately HK$36 million.

Save as aforesaid or as otherwise mentioned herein and apart from intra-group liabilities and normal trade payables (amounted to approximately RM117.6 million) in the ordinary course of business, at the close of business on 30 September 2009, the Enlarged Group did not have any outstanding indebtedness, any loan capital, bank overdrafts and liabilities under acceptances or other similar indebtedness, debentures, mortgagees, charges or loans or acceptance credits or hire purchase of finance lease commitments, guarantees or other material contingent liabilities.

The Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Enlarged Group since 30 September 2009.

5. WORKING CAPITAL

Taking into account the internal resources available to the Enlarged Group, the Directors of the Company are of the opinion that the Enlarged Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the Latest Practicable Date in the absence of unforeseeable circumstances. The Directors are also of the view that should only the eCosway Agreement be completed, the Group with its mere 40% interest in eCosway might not have control over the eCosway dividend payment policy. As such, the Group might face financial difficulties in financing the ICULS interest payment with its dependency on the dividend income from eCosway.

6. MATERIAL CHANGES

There were no material change in the financial or trading position or outlook of the Group since 30 April 2009, the date to which the latest published audited financial statements of the Group were made up.

7. MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS OF THE GROUP

Set out below is the management discussion and analysis of the Group for the three years ended 30 April 2009.

For the year ended 30 April 2007

Financial Performance

Revenue of the Group for the year was HK$1.57 million, representing a decrease of 72% from the previous year as a result of the disposal of an investment property located in Penang Malaysia. Revenue for the year under review represents rental income from investment properties.

During the year, the Group reported a loss before taxation and loss attributable to equity holders of approximately HK$3.12 million and HK$3.68 million respectively compared to a loss before taxation of approximately HK$14.32 million and loss attributable to equity holders of approximately HK$14.95 million in the preceding year. This is primarily due to the loss on disposal of a subsidiary of HK$9.64 million in the preceding year.

Significant Investments held

The investment properties showed an increase in value of HK$3.89 million during the year, compared with HK$4.08 million in last year. Lower rental income was generated from investment properties as a result of the disposal of the investment property located in Penang, Malaysia. The average occupancy rate for investment properties had recorded a minor decrease of 0.08% from 90.47% to 90.39%.

Liquidity and Financial Resources and Charges on Assets

The Company had not issued any additional shares in 2007. There was no requirement or plan to raise additional fund through the issuance of equity or debt.

As of 30 April 2007, the Group had outstanding bank loan of approximately HK$6.89 million (2006: HK$7.25 million). This bank loan was secured by certain investment properties of the Group in Hong Kong with a net book value of approximately HK$47.53 million (2006: HK$43.62 million).

The gearing ratio, which is net debt divided by the total capital plus net debt, was approximately 54% as of 30 April 2007.

As of 30 April 2007, the Group had no material capital commitments or material contingent liabilities.

Material Acquisitions and Disposals

The Group did not make any material acquisitions or disposals for the year ended 30 April 2007.

Employees and Remuneration Policy

The Group had four executive Directors and one employee as of 30 April 2007. Remuneration is determined by reference to market terms. The Group also provided other benefits including medical allowances to all eligible staff.

Future Plans for Material Investments or Capital Assets

The Group had no material capital commitment nor future plans for material investment as at 30 April 2007.

Foreign Currency Risk

The Group is not exposed to significant foreign currency as its operations and businesses are transacted and denominated in HK$.

For the year ended 30 April 2008

Financial Performance

Revenue of the Group for the year was HK$1.90 million, representing an increase of 21% from the previous year as a result of the significant improvement in the property market. Revenue for the year under review represented rental income from investment properties.

During the year, the Group reported a profit before income tax and profit attributable to equity holders of approximately HK$12.92 million and HK$7.31 million respectively compared to a loss before income tax of approximately HK$3.12 million and loss attributable to equity holders of approximately HK$3.68 million in the preceding year. This is primarily due to the fair value gain on investment properties of HK$13.94 million in the current year.

Significant Investments held

The investment properties showed an increase in value of HK$13.94 million during the year, compared with HK$3.89 million in last year. Higher rental income was generated from investment properties. The average occupancy rate for investment properties had recorded an increase of 7.46% from 90.39% to 97.85%.

Liquidity and Financial Resources and Charges on Assets

The Company had not issued any additional shares in the current year. There was no requirement or plan to raise additional fund through the issuance of equity or debt.

As of 30 April 2008, the Group had outstanding bank loan of approximately HK$6.71 million (2007: HK$6.89 million). This bank loan was secured by certain of the investment properties of the Group located in Hong Kong with a net book value of approximately HK$60.90 million (2007: HK$47.53 million).

The gearing ratio, which is net debt divided by the total capital plus net debt, decreased to approximately 44% as of 30 April 2008 from the previous year of approximately 54%.

As of 30 April 2008, the Group had no material capital commitments or material contingent liabilities.

Material Acquisitions and Disposals

The Group did not make any material acquisitions or disposals for the year ended 30 April 2008.

Employees and Remuneration Policy

The Group had four executive Directors and one employee as of 30 April 2008. Remuneration is determined by reference to market terms. The Group also provided other benefits including medical allowances to all eligible staff.

Future Plans for Material Investments or Capital Assets

The Group had no material capital commitment nor future plans for material investment as at 30 April 2008.

Foreign Currency Risk

The Group is not exposed to significant foreign currency as its operations and businesses are transacted and denominated in HK$.

For the year ended 30 April 2009

Financial Performance

Group revenue for the year was HK$2.11 million, representing an increase of 11% from the previous year. Revenue for the year under review represents rental income from investment properties.

During the year, the Group reported a loss before tax and loss attributable to equity holders of the Company of approximately HK$23.99 million and HK$19.43 million respectively, compared to a profit before tax of approximately HK$12.92 million and profit attributable to equity holders of the Company of approximately HK$7.31 million in the preceding year. This was primarily due to the fair value losses on investment properties of HK$14.58 million in the current year compared to fair value gains on investment properties of HK$13.94 million in the preceding year as a result of the significant downturn of the property market of Hong Kong amid the global financial crisis, and our share of loss in an associated company of HK$6.57 million in the current year compared to share of profit of HK$2.42 million in the preceding year. The principal activity of the said associated company is investment in listed securities, which have depreciated due to the market downturn.

Significant Investments held

The investment properties showed a decrease in value of HK$14.58 million during the year compared with an increase of HK$13.94 million last year. Higher rental income was generated from investment properties as the impact of the adverse property market took effect only in the second half of the year. The average occupancy rate for investment properties has recorded a decrease of 6.54% from 94.48% to 87.94%. We expect rental income to suffer further decline in the coming year due to the deteriorating global economy.

Liquidity and Financial Resources and Charges on Assets

The Company has not issued any additional shares during the year. There is no present requirement or plan to raise additional fund through the issuance of equity or debt.

As of 30th April 2009, the Group has outstanding bank loan of approximately HK$6.53 million (2008: HK$6.71 million). Such bank loan was secured by certain of the investment properties of the Group located in Hong Kong with a net book value of approximately HK$46.79 million (2008: HK$60.90 million).

The gearing ratio, which is net debt divided by the total capital plus net debt, increased to approximately 65% as of 30th April 2009 from the previous year of approximately 44%.

As of 30 April 2009, the Group had no material capital commitments or material contingent liabilities.

Material Acquisitions and Disposals

The Group did not make any material acquisitions or disposals for the year ended 30 April 2009.

Employees and Remuneration Policy

The Group had seven executive Directors and one employee as of 30 April 2009. Remuneration is determined by reference to market terms. The Group also provided other benefits including medical allowances to all eligible staff.

Future Plans for Material Investments or Capital Assets

The Group had no material capital commitment nor future plans for material investment as at 30 April 2009 other than the Acquisitions.

Foreign Currency Risk

The Group is not exposed to significant foreign currency as its operations and businesses are transacted and denominated in HK$.

Future Plans of the Group

The Group will continue to focus on its core business and save for the Acquisitions, has no present plan to diversify or invest into other business activities.

(A) The following is the text of a report received from Cosway M's reporting accountant, Ernst and Young, for the purpose of incorporation into this circular.

ERNST & YOUNG
安 永

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

30 October 2009

The Directors
Berjaya Holdings (HK) Limited

Dear Sirs,

We set out below our report on the financial information regarding Cosway (M) SDN. BHD. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for each of the three years ended 30 April 2007, 2008 and 2009 (the "Relevant Periods") for inclusion in the circular of Berjaya Holdings (HK) Limited ("BHK") dated 30 October 2009 (the "Circular") in relation to the proposed acquisition of the entire equity interest in the Company by BHK.

The Company was incorporated in Malaysia on 22 August 1979. The Company is principally engaged in the direct selling of household, personal care, healthcare and other consumer products. As at the date of this report, the Company had direct or indirect interests in the principal subsidiaries set out in Note 1 of Section II below. The principal activities of the subsidiaries and associates are set out in Note 1 of Section II of this report. All companies now comprising the Group have adopted 30 April as their financial year end date for statutory reporting and/or management reporting purposes. The statutory financial statements (the "Malaysian GAAP Financial Statements") of the Company and its subsidiaries for each of the Relevant Periods were prepared in accordance with relevant accounting principles and financial regulations applicable to enterprises established in Malaysia ("Malaysian GAAP") and were audited by Ernst & Young Kuala Lumpur, Chartered Accountants registered in Malaysia.

For the purpose of this report, the directors of the Company have prepared the consolidated income statements, the consolidated statements of changes in equity and the consolidated cash flow statements of the Group for each of the Relevant Periods, the consolidated balance sheets of the Group and the balance sheets of the Company as at 30 April 2007, 2008 and 2009, together with the notes thereto, set out in this report (collectively the "Financial Information") based on the Malaysian GAAP Financial Statements and the relevant management accounts of the Group, after making such adjustments as are appropriate to comply with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong.

The directors of the Company are responsible for the preparation of the Financial Information in order to give a true and fair view. In preparing the Financial Information that gives a true and fair view, it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates made are reasonable, and that the reasons for any significant departure from applicable accounting standards are stated.

Procedures performed in respect of the Financial Information

For the purpose of this report, we have carried out independent audit procedures on the Financial Information in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA, and have carried out such additional procedures as we consider necessary in accordance with Auditing Guideline 3.340 Prospectuses and the Reporting Accountant issued by the HKICPA. It is our responsibility to form an independent opinion, based on our procedures, on the Financial Information and to report our opinion thereon.

Opinion in respect of the Financial Information

In our opinion, on the basis of preparation as set out in Note 2.1 of Section II below, the Financial Information gives, for the purpose of this report, a true and fair view of the state of affairs of the Company and of the Group as at 30 April 2007, 2008 and 2009, and of the consolidated results and cash flows of the Group for each of the Relevant Periods.

I. FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENTS

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
REVENUE	*5*	442,966	578,103	774,123
Cost of sales		(271,511)	(348,473)	(458,892)
Gross profit		171,455	229,630	315,231
Other income	*5*	2,303	8,419	6,282
Selling and distribution expenses		(63,247)	(79,911)	(115,812)
General and administrative expenses		(63,888)	(84,267)	(115,273)
Other expenses		(5,089)	(14,162)	(9,267)
Fair value gains/(losses) on investment properties		1,000	5,000	(544)
Finance costs	*6*	(1,140)	(820)	(843)
Share of profits and losses of associates		50	23	36
PROFIT BEFORE TAX	*7*	41,444	63,912	79,810
Tax	*10*	(11,441)	(17,267)	(19,080)
PROFIT FOR THE YEAR		30,003	46,645	60,730
Attributable to:				
Equity holders of the Company	*11*	27,867	42,973	54,012
Minority interests		2,136	3,672	6,718
		30,003	46,645	60,730
Interim dividends	*12*	16,972	4,015	3,720

CONSOLIDATED BALANCE SHEETS

		30 April		
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	45,008	52,104	55,069
Investment properties	*14*	48,516	53,519	52,991
Prepaid land lease payments	*15*	3,851	4,045	3,952
Goodwill	*16*	4,489	4,489	4,489
Investments in associates	*18*	75	74	50
Available-for-sale investments	*19*	119	114	112
Deposits	*23*	1,762	3,076	13,058
Deferred tax assets	*20*	356	158	188
Total non-current assets		104,176	117,579	129,909
CURRENT ASSETS				
Inventories	*21*	101,575	105,822	185,317
Trade receivables	*22*	19,934	10,684	36,024
Prepayments, deposits and other receivables	*23*	13,135	14,601	17,677
Due from the ultimate holding company	*24*	–	517	524
Due from an intermediate holding company	*24*	–	–	337
Due from the immediate holding company	*24*	–	364	15,748
Due from related companies	*25*	909	1,023	815
Pledged deposits	*26*	184	191	182
Cash and cash equivalents	*26*	30,041	50,476	42,523
		165,778	183,678	299,147
Asset held for sale	*27*	–	–	10,450
Total current assets		165,778	183,678	309,597
CURRENT LIABILITIES				
Trade payables	*28*	73,628	86,101	125,344
Other payables and accruals	*29*	23,137	25,623	39,474
Defined benefit obligations	*30*	–	–	24
Interest-bearing bank borrowings	*31*	14,877	3,379	26,905
Due to the immediate holding company	*24*	17,025	–	5
Due to associates	*18*	1,253	1,210	1,073
Due to related companies	*25*	280	374	363
Tax payable		3,818	8,525	12,930
Total current liabilities		134,018	125,212	206,118

		30 April		
		2007	2008	2009
	Notes	*RM'000*	*RM'000*	*RM'000*
NET CURRENT ASSETS		31,760	58,466	103,479
TOTAL ASSETS LESS CURRENT LIABILITIES		135,936	176,045	233,388
NON-CURRENT LIABILITIES				
Defined benefit obligations	*30*	314	389	454
Interest-bearing bank borrowings	*31*	3,642	230	16
Deferred tax liabilities	*20*	169	1,468	1,306
Total non-current liabilities		4,125	2,087	1,776
Net assets		131,811	173,958	231,612
EQUITY				
Equity attributable to equity holders of the Company				
Issued capital	*33*	155,000	155,000	155,000
Reserves	*34(a)*	(30,994)	7,880	59,140
		124,006	162,880	214,140
Minority interests		7,805	11,078	17,472
Total equity		131,811	173,958	231,612

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company						
	Issued capital	Exchange fluctuation reserve	Capital reserve	Retained profits/ (accumulated losses)	Total	Minority interests	Total equity
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
At 1 May 2006	155,000	–	1,401	(42,583)	113,818	5,981	119,799
Exchange realignment and total income and expense for the year recognised directly in equity	–	(707)	–	–	(707)	–	(707)
Profit for the year	–	–	–	27,867	27,867	2,136	30,003
Total income and expense for the year	–	(707)	–	27,867	27,160	2,136	29,296
Dividends paid to minority shareholders	–	–	–	–	–	(312)	(312)
Interim 2007 dividends *(note 12)*	–	–	–	(16,972)	(16,972)	–	(16,972)
At 30 April 2007 and 1 May 2007	155,000	(707)*	1,401*	(31,688)*	124,006	7,805	131,811
Exchange realignment and total income and expense for the year recognised directly in equity	–	(84)	–	–	(84)	–	(84)
Profit for the year	–	–	–	42,973	42,973	3,672	46,645
Total income and expense for the year	–	(84)	–	42,973	42,889	3,672	46,561
Dividends paid to minority shareholders	–	–	–	–	–	(399)	(399)
Interim 2008 dividends *(note 12)*	–	–	–	(4,015)	(4,015)	–	(4,015)
At 30 April 2008 and 1 May 2008	155,000	(791)*	1,401*	7,270*	162,880	11,078	173,958
Exchange realignment and total income and expense for the year recognised directly in equity	–	968	–	–	968	–	968
Profit for the year	–	–	–	54,012	54,012	6,718	60,730
Total income and expense for the year	–	968	–	54,012	54,980	6,718	61,698
Dividends paid to minority shareholders	–	–	–	–	–	(324)	(324)
Interim 2009 dividends *(note 12)*	–	–	–	(3,720)	(3,720)	–	(3,720)
At 30 April 2009	155,000	177*	1,401*	57,562*	214,140	17,472	231,612

* These reserve accounts comprise the negative consolidated reserves of Ringgit Malaysia ("RM") 30,994,000, consolidated reserves of RM7,880,000 and RM59,140,000 as at 30 April 2007, 2008 and 2009, respectively.

CONSOLIDATED CASH FLOW STATEMENTS

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		41,444	63,912	79,810
Adjustments for:				
Finance costs	*6*	1,140	820	843
Share of profits and losses of associates		(50)	(23)	(36)
Interest income	*5*	(235)	(319)	(370)
Loss/(gain) on disposal of items of property, plant and equipment	*7*	243	(538)	977
Impairment of items of property, plant and equipment	*7*	–	548	130
Reversal of impairment of items of property, plant and equipment	*7*	–	(1,250)	–
Impairment of prepaid land lease payments	*7*	–	32	13
Reversal of impairment of prepaid land lease payments	*7*	–	(301)	–
Changes in fair value of investment properties	*7*	(1,000)	(5,000)	544
Impairment/(reversal of impairment) of trade receivables, net	*7*	692	379	(829)
Impairment of other receivables	*7*	666	3,909	952
Changes in defined benefit obligations	*30*	(3)	75	89
Depreciation	*7*	5,829	6,132	9,573
Recognition of prepaid land lease payments	*15*	81	78	79
Write-down of inventories to net realisable value	*7*	1,531	3,365	2,802
		50,338	71,819	94,577
Increase in inventories		(29,235)	(7,612)	(82,297)
Decrease/(increase) in trade receivables		(4,473)	8,871	(24,511)
Increase in prepayments, deposits and other receivables		(3,630)	(6,689)	(10,104)
Increase in trade payables		3,556	12,473	39,243
Increase in other payables and accruals		11,708	1,814	9,972
Cash generated from operations		28,264	80,676	26,880
Taxes paid		(9,265)	(11,050)	(14,880)
Net cash inflow from operating activities		18,999	69,626	12,000

	Notes	Year ended 30 April 2007 RM'000	2008 RM'000	2009 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal of items of property, plant and equipment		315	1,100	631
Purchase of items of property, plant and equipment		(8,945)	(12,152)	(25,858)
Purchase of an investment property		(516)	–	–
Acquisition of a subsidiary	35	–	–	(136)
Disposal of an associate		162	–	–
Net cash outflow from investing activities		(8,984)	(11,052)	(25,363)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid		(16,972)	(4,015)	(3,720)
Dividends paid to minority shareholders		(312)	(399)	(324)
Interest received		235	319	370
Interest paid		(1,140)	(820)	(843)
Capital element of hire purchase and finance lease rental payments		(128)	(181)	(20)
New bank loans		3,014	–	10,707
Repayment of bank loans		–	(3,667)	–
Repayment of term loans		(3,080)	(3,360)	(3,360)
Increase in an amount due from the ultimate holding company		–	(517)	(7)
Decrease/(increase) in an amount due from an intermediate holding company		897	–	(337)
Decrease/(increase) in an amount due to the immediate holding company		9,174	(17,389)	(15,379)
Movement in balances with related companies		508	(20)	197
Decrease in amounts due to associates		(32)	(43)	(137)
Net cash outflow from financing activities		(7,836)	(30,092)	(12,853)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,179	28,482	(26,216)
Cash and cash equivalents at beginning of year		21,657	22,469	50,667
Effect of foreign exchange rate changes, net		(1,367)	(284)	2,269
CASH AND CASH EQUIVALENTS AT END OF YEAR		22,469	50,667	26,720

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and bank balances	*26*	21,934	35,295	38,766
Non-pledged time deposits with original maturity of less than three months when acquired	*26*	8,107	15,181	3,757
Time deposits with original maturity of less than three months when acquired, pledged as security for banking facilities	*26*	184	191	182
Bank overdrafts	*31*	(7,756)	–	(15,985)
		22,469	50,667	26,720

BALANCE SHEETS

			30 April	
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	30,177	33,126	30,140
Investment properties	*14*	516	519	491
Prepaid land lease payments	*15*	1,791	1,728	1,688
Investments in subsidiaries	*17*	18,056	21,609	25,318
Available-for-sale investments	*19*	105	105	105
Deposits	*23*	840	1,333	6,351
Deferred tax assets	*20*	445	134	168
Total non-current assets		51,930	58,554	64,261
CURRENT ASSETS				
Inventories	*21*	94,023	88,855	144,875
Trade receivables	*22*	17,028	7,525	13,956
Prepayments, deposits and other receivables	*23*	8,665	6,730	9,792
Due from the ultimate holding company	*24*	–	517	524
Due from an intermediate holding company	*24*	–	–	337
Due from the immediate holding company	*24*	–	364	–
Due from subsidiaries	*17*	69,179	73,955	90,059
Due from related companies	*25*	47	149	148
Cash and cash equivalents	*26*	14,115	21,896	14,702
		203,057	199,991	274,393
Asset held for sale	*27*	–	–	10,450
Total current assets		203,057	199,991	284,843
CURRENT LIABILITIES				
Trade payables	*28*	56,672	61,790	78,649
Other payables and accruals	*29*	16,568	16,243	21,842
Defined benefit obligations	*30*	–	–	24
Interest-bearing bank borrowings	*31*	14,783	3,360	25,727
Due to the immediate holding company	*24*	17,025	–	5
Due to subsidiaries	*17*	20,282	27,272	40,475
Due to associates	*18*	1,253	1,210	1,073
Due to related companies	*25*	64	162	140
Tax payable		475	2,997	3,636
Total current liabilities		127,122	113,034	171,571
NET CURRENT ASSETS		75,935	86,957	113,272

		30 April		
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
TOTAL ASSETS LESS CURRENT LIABILITIES		127,865	145,511	177,533
NON-CURRENT LIABILITIES				
Defined benefit obligations	*30*	314	389	454
Interest-bearing bank borrowings	*31*	3,560	200	–
Deferred tax liabilities	*20*	138	32	142
Total non-current liabilities		4,012	621	596
Net assets		123,853	144,890	176,937
EQUITY				
Issued capital	*33*	155,000	155,000	155,000
Reserves	*34(b)*	(31,147)	(10,110)	21,937
Total equity		123,853	144,890	176,937

II. NOTES TO FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur. The principal place of business is located at 2nd Floor, Wisma Cosway, Jalan Raja Chulan, 50200 Kuala Lumpur.

The principal activities of the Company are direct selling of household, personal care, healthcare and other consumer products. The principal activities of the subsidiaries and associates are described below. There have been no significant changes in the nature of the Group's principal activities during the Relevant Periods.

The immediate holding company of the Company is Cosway Corporation Berhad, which is incorporated in Malaysia. In the opinion of the directors, the ultimate holding company of the Company is Berjaya Corporation Berhad, which is incorporated in Malaysia and is listed on the Main Board of Bursa Malaysia Securities Berhad.

As at the date of this report, the Company had interests in the following principal subsidiaries and associates, all of which are private companies:

Name of companies	Notes	Place of incorporation/ registration and operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity interest attributable to the Company Direct	Indirect	Principal activities
Subsidiaries						
Rank Distributors Sdn. Bhd.	*(i)*	Malaysia	RM150,000	100	–	Trading of health care products
Kimia Suchi Sdn. Bhd.	*(i)*	Malaysia	RM1,500,000	82	–	Manufacture and trading in washing detergents
Cosway (Cayman) Limited	*(i)*	Cayman Islands	US$3,000,000	100	–	Investment holding
Juara Budi Sdn. Bhd.	*(i)*	Malaysia	RM2	100	–	Investment holding
eCosway.Com Sdn. Bhd.	*(i)*	Malaysia	RM5,000,000	60	–	Internet-based direct selling of consumer products
eCosway Pty. Ltd.	*(ii)*	Australia	Australian Dollar ("AUD") 3,500,000	100	–	Direct selling of consumer, household and skin care products
Cosway (HK) Limited	*(iii)*	Hong Kong	HK$2,000,002	100	–	Direct selling of consumer, household and skin care products

Name of companies	Notes	Place of incorporation/ registration and operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity interest attributable to the Company Direct	Indirect	Principal activities
Cosway India Pvt Ltd	*(iv)*	India	Indian Rupee ("INR") 78,850,000	100	–	Direct selling of consumer, household and skin care products
Stephens Properties Sdn. Bhd.	*(i)*	Malaysia	RM18,280,000	–	100	Investment holding and property investment
Kimia Suchi Marketing Sdn. Bhd.	*(i)*	Malaysia	RM2	–	100	Trading of washing detergent
Cosway (Thailand) Company Limited	*(v)*	Thailand	Thai Baht ("THB") 100,000,000	–	100	Direct selling and trading of consumer products
Cosway (Macau) Limited#	*(vi)*	Macau	Macau Pataca ("MOP") 100,000	–	100	Direct selling of consumer, household and skin care products
Vmart Corp (HK) Limited	*(vii)*	Hong Kong	HK$2,000,000	–	100	Investment holding
eCosway Korea Inc	*(vii)*	Korea	Korean Won ("KRW") 3,155,000,000	–	100	Direct selling of consumer, household and skin care products
Associates						
Coswin (M) Sdn. Bhd.	*(i)*	Malaysia	RM100,000	–	40	Trading of consumer products
Cosway Overseas Company Limited##	*(v)*	Thailand	THB47,000,000	–	49	Investment holding

1,000 ordinary shares of 1 MOP each being held by a nominee.

230,298 ordinary shares of 100 THB each being held by Cosway (Cayman) Limited and 239,702 ordinary shares of 100 THB each being held by a nominee.

Notes:

(i) The statutory financial statements of these subsidiaries and associate for the years ended 30 April 2007, 2008 and 2009 were audited by Ernst & Young Kuala Lumpur, Chartered Accountants registered in Malaysia.

(ii) The statutory financial statements of eCosway Pty. Ltd. for the years ended 30 April 2007, 2008 and 2009 were audited by KST Partners Chartered Accountants Business Advisor & Consultants, Chartered Accountants registered in Australia.

(iii) The statutory financial statements of Cosway (HK) Limited for the years ended 30 April 2007 and 2008 were audited by Zhong Yi (Hong Kong) C.P.A. Company limited, Certified Public Accountants registered in Hong Kong, and for the year ended 30 April 2009 by Ernst & Young Hong Kong, Certified Public Accountants registered in Hong Kong.

(iv) The statutory financial statements of Cosway India Pvt Ltd for the years ended 30 April 2007, 2008 and 2009 were audited by K.P. RAO & CO. Chartered Accountants, Chartered Accountants registered in India.

(v) The statutory financial statements of these companies for the years ended 30 April 2007, 2008 and 2009 were audited by PLP Auditing Office, Certified Public Accountants registered in Thailand.

(vi) No statutory audited financial statements have been prepared as Cosway (Macau) Limited is not subject to any statutory audit requirements under its jurisdiction and incorporation.

(vii) Vmart Corp (HK) Limited was incorporated on 15 October 2008 and the statutory financial statements of Vmart Corp (HK) Limited for the year ended 30 April 2009 were audited by Ernst & Young Hong Kong, Certified Public Accountants registered in Hong Kong.

(viii) eCosway Korea Inc ("EKI") was acquired during the year ended 30 April 2009 and the statutory financial statements of eCosway Korea Inc for the year ended 30 April 2009 were audited by Huang Samsun Tax Accounting Office, Certified Tax Accountants registered in Korea.

2.1 BASIS OF PREPARATION

The Financial Information has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong. HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards* has been applied in respect to the accounting policies adopted as at the date of transition to HKFRS. The Financial Information has been prepared under the historical cost convention, except for investment properties and available-for-sale investments, which have been measured at fair value. Non-current assets held for sale are stated at the lower of their carrying amounts and fair values less costs to sell, as further explained below. The Financial Information is presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand except when otherwise indicated.

All HKFRSs effective for the accounting periods commencing from 1 May 2006, together with the relevant transitional provisions, have been adopted by the Group in the preparation of the Financial Information for the Relevant Periods.

2.2 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and HKAS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*[1]
HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*[2]
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs – The Additional Exemptions for First-time Adopters*[9]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Vesting Conditions and Cancellations*[1]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Group Cash-settled Share-based Payment Transactions*[9]
HKFRS 3 (Revised)	*Business Combinations*[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*[1]
HKFRS 8	*Operating Segments*[1]
HKAS 1 (Revised)	*Presentation of Financial Statements*[1]
HKAS 23 (Revised)	*Borrowing Costs*[1]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*[2]
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*[1]
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*[2]

HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives* and HKAS 39 *Financial Instruments: Recognition and Measurement – Embedded Derivatives*[5]
HK(IFRIC)-Int 13	*Customer Loyalty Programmes*[3]
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate*[1]
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation*[4]
HK(IFRIC)-Int 17	*Distributions of Non-cash Assets to Owners*[2]
HK(IFRIC)-Int 18	*Transfers of Assets from Customers*[6]
Annual improvements project	*Improvements to HKFRSs*[7*]
Annual improvements project	*Improvements to HKFRSs 2009*[8**]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009
3 Effective for annual periods beginning on or after 1 July 2008
4 Effective for annual periods beginning on or after 1 October 2008
5 Effective for annual periods ending on or after 30 June 2009
6 Effective for transfers of assets from customers received on or after 1 July 2009
7 Effective for annual periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, which are effective for annual periods beginning on or after 1 July 2009
8 Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate
9 Effective for annual periods beginning on or after 1 January 2010
* Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.
** Improvements to HKFRSs 2009 contains amendments to HKFRS 2, HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 18, HKAS 36, HKAS 38, HKAS 39, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 8 and HKAS 1 (Revised) may result in new or amended disclosures and the adoption of HKFRS 3 (Revised), HKAS 23 (Revised), HKAS 27 (Revised) and HK(IFRIC)-Int 13 may result in changes in accounting policies, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The Financial Information includes the financial statements of the Company and its subsidiaries for the Relevant Periods. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

The acquisition of a subsidiary during the Relevant Periods has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition was measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries. An acquisition of minority interests is accounted for using the parent entity extension method whereby the difference between the consideration and the book value of the share of the net assets acquired is recognised as goodwill.

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interests in associates, except where unrealised losses provide evidence of an impairment of the asset transferred.

Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 30 April. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties, goodwill and non-current assets classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;

(b) the party is an associate;

(c) the party is a jointly-controlled entity;

(d) the party is a member of the key management personnel of the Group or any of its holding companies;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5, as further explained in the accounting policy for "Non-current assets held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Buildings	Over the shorter of the lease terms of leasehold land and 2%
Plant and machinery	25%
Office and computer equipment	20% – 33%
Furniture and fittings	10% – 20%
Renovation works	Over the shorter of the lease terms and 33%
Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets and its sale must be highly probable.

Non-current assets (other than investment properties, deferred tax assets and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in terms of the contract that significantly modifies for cash flows that would otherwise be required under the contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as "Other income" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognised in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the available-for-sale investment revaluation reserve.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and other valuation models.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. A provision for impairment is made for available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables, amounts due to the immediate holding company, associates and related companies, and interest-bearing bank borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statements when the liabilities are derecognised as well as through the amortisation process.

Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the balance sheet date; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis, and in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated cash flow statements, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

(b) from the rendering of services, when the services have been rendered;

(c) membership fee income, for the entrance fee, when no significant uncertainty as to its collectability exists;

(d) membership fee income, for the membership benefits, on a time proportion basis over the membership period;

(e) rental income, on a time proportion basis over the lease terms; and

(f) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

Borrowing costs are recognised as expenses in the income statement in the period in which they are incurred.

Dividends

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Employee benefits

Defined contribution plans

Defined contribution plans include post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred.

As required by law, companies in Malaysia make such contributions to the Employees Provident Fund. Some of the Group's foreign subsidiaries and branches also make contributions to their respective countries' statutory pension schemes.

The Group's subsidiaries which operate in Hong Kong operate a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of their employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Company's Taiwan branch (the "Taiwan Branch") participate in a central pension scheme (the "Taiwan Scheme") operated by the local government. The Taiwan Branch is required to contribute a specific amount and deposit these amounts into individual pension accounts at the Bureau of Labour Insurance, pursuant to the local pension regulations in Taiwan. The contributions are charged to the income statement, as they become payable in accordance with the rules of the Taiwan Scheme.

Defined benefit plans

The Group's net obligations in respect of defined benefit plans for certain subsidiaries are calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is the market yield at the balance sheet date on high quality corporate bonds or government bonds. The calculation is performed by an actuary using the projected unit credit method.

Past service cost is recognised in the income statement to the extent that the benefits are already vested. When the benefits of a plan have improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight-line basis over the average period until the benefits become vested.

In calculating the Group's obligation in respect of a plan, to the extent that any cumulative unrecognised actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

Where the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Foreign currencies

The Financial Information are presented in Ringgit Malaysia, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of certain overseas subsidiaries and associates are currencies other than Ringgit Malaysia. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date and their income statements are translated into Ringgit Malaysia at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statements, the cash flows of overseas subsidiaries are translated into Ringgit Malaysia at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Ringgit Malaysia at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Financial Information:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

(a) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;

(b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

(c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The principal assumptions for the Group's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs. Particulars of the investment properties held by the Group are set out in note 14 to the Financial Information.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised. The amounts of unrecognised tax losses at 30 April 2007, 2008 and 2009 were RM33,392,000, RM40,454,000 and RM56,010,000, respectively.

4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

Name of segment	**Operations in the segment**
Retailing	Direct selling of household, personal care, healthcare and other consumer products
Property investment	Investing in prime office space for rental income potential

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. Summary details of the geographical segments are as follows:

Name of segment	**Countries in the segment**
Malaysia	Malaysia
South East Asia (excluding Malaysia)	Thailand, Indonesia, Brunei and Singapore
Other Asia Pacific countries	Hong Kong SAR, Taiwan, Macau SAR, Korea and Australia
Others	Other parts of the world

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

(a) Business segments

The following table presents revenue, profit and certain assets, liabilties and expenditure information for the Group's business segments for the Relevant Periods.

	Retailing	Property investment	Eliminations	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2007				
Segment revenue				
Sales to external customers	439,769	4,028	–	443,797
Intersegment sales	–	–	(831)	(831)
Total	439,769	4,028	(831)	442,966
Segment results	168,523	3,932	–	172,455
Interest income and unallocated gains				2,303
Unallocated expenses				(132,224)
Finance costs				(1,140)
Share of profits and losses of associates				50
Profit before tax				41,444
Tax				(11,441)
Profit for the year				30,003
Assets and liabilities:				
Segment assets	219,611	49,912	–	269,523
Interests in associates	75	–	–	75
Unallocated assets				356
Total assets				269,954
Segment liabilities	131,889	2,267	–	134,156
Unallocated liabilities				3,987
Total liabilities				138,143
Other segment information:				
Depreciation	5,785	44	–	5,829
Recognition of prepaid land lease payments	81	–	–	81
Capital expenditure	8,836	109	–	8,945
Impairment of trade receivables recognised in the income statement	566	126	–	692
Impairment of other receivables recognised in the income statement	666	–	–	666
Fair value gains on investment properties	–	1,000	–	1,000

	Retailing *RM'000*	Property investment *RM'000*	Eliminations *RM'000*	Consolidated *RM'000*
Year ended 30 April 2008				
Segment revenue				
Sales to external customers	574,791	4,323	–	579,114
Intersegment sales	–	–	(1,011)	(1,011)
Total	574,791	4,323	(1,011)	578,103
Segment results	226,408	8,222	–	234,630
Interest income and unallocated gains				8,419
Unallocated expenses				(178,340)
Finance costs				(820)
Share of profits and losses of associates				23
Profit before tax				63,912
Tax				(17,267)
Profit for the year				46,645
Assets and liabilities:				
Segment assets	244,271	56,754	–	301,025
Interests in associates	74	–	–	74
Unallocated assets				158
Total assets				301,257
Segment liabilities	114,144	3,162	–	117,306
Unallocated liabilities				9,993
Total liabilities				127,299
Other segment information:				
Depreciation	6,085	47	–	6,132
Recognition of prepaid land lease payments	78	–	–	78
Capital expenditure	12,152	–	–	12,152
Impairment of trade receivables recognised in the income statement	371	8	–	379
Impairment of other receivables recognised in the income statement	3,909	–	–	3,909
Fair value gains on investment properties	–	5,000	–	5,000

	Retailing	Property investment	Eliminations	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2009				
Segment revenue				
Sales to external customers	771,120	4,277	–	775,397
Intersegment sales	–	–	(1,274)	(1,274)
Total	771,120	4,277	(1,274)	774,123
Segment results	312,702	1,985	–	314,687
Interest income and unallocated gains				6,282
Unallocated expenses				(240,352)
Finance costs				(843)
Share of profits and losses of associates				36
Profit before tax				79,810
Tax				(19,080)
Profit for the year				60,730
Assets and liabilities:				
Segment assets	383,092	56,176	–	439,268
Interests in associates	50	–	–	50
Unallocated assets				188
Total assets				439,506
Segment liabilities	191,012	2,646	–	193,658
Unallocated liabilities				14,236
Total liabilities				207,894
Other segment information:				
Depreciation	9,520	53	–	9,573
Recognition of prepaid land lease payments	79	–	–	79
Capital expenditure	25,815	43	–	25,858
Impairment of other receivables recognised in the income statement	952	–	–	952
Fair value losses on investment properties	–	544	–	544

(b) Geographical segments

The following tables present revenue and certain asset and expenditure information for the Group's geographical segments for the Relevant Periods.

	Malaysia	South East Asia (excluding Malaysia)	Other Asia Pacific countries	Others	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2007					
Segment revenue					
Sales to external customers	314,607	11,584	116,595	180	442,966
Other segment information:					
Segment assets	184,839	7,678	63,964	13,042	269,523
Capital expenditure	3,750	399	4,796	–	8,945

	Malaysia	South East Asia (excluding Malaysia)	Other Asia Pacific countries	Others	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2008					
Segment revenue					
Sales to external customers	343,647	10,937	223,454	65	578,103
Other segment information:					
Segment assets	188,063	10,131	82,507	20,324	301,025
Capital expenditure	7,338	162	3,545	1,107	12,152

	Malaysia	South East Asia (excluding Malaysia)	Other Asia Pacific countries	Others	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2009					
Segment revenue	399,818	12,772	359,578	1,955	774,123
Other segment information:					
Segment assets	255,558	9,538	158,885	15,287	439,268
Capital expenditure	11,182	1,525	12,170	981	25,858

5. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, represents the invoiced value of goods sold, net of discounts and returns; the value of services rendered; and gross rental income received and receivable from investment properties. An analysis of revenue and other income is as follows:

	Year ended 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Revenue			
Sale of goods	396,406	511,752	694,202
Membership fee income	43,364	62,029	75,644
Gross rental income	3,196	4,322	4,277
	442,966	578,103	774,123
Other income			
Interest income	235	319	370
Others	2,068	8,100	5,912
	2,303	8,419	6,282

6. FINANCE COSTS

	Year ended 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Interest on bank loans, overdrafts and other loans wholly repayable within five years	1,119	789	843
Interest on finance leases	21	31	–
	1,140	820	843

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived after charging/(crediting):

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
Auditors' remuneration:				
Current year		308	316	526
Underprovision in prior years		16	22	30
		324	338	556
Recognition of prepaid land lease payments	*15*	81	78	79
Depreciation	*13*	5,829	6,132	9,573
Minimum lease payments under operating leases:				
Land and buildings		9,283	13,520	20,118
Contingent rents of retail shops		–	–	102
Plant and machinery		98	84	113
		9,381	13,604	20,333
Employee benefit expenses (including directors' remuneration *(note 8)*):				
Wages, salaries and allowances		29,240	39,290	49,385
Defined contribution scheme		2,325	2,767	2,992
Defined benefit scheme		(3)	75	89
Pension scheme contributions		2,322	2,842	3,081
		31,562	42,132	52,446
Gross rental income		(3,196)	(4,322)	(4,277)
Less: direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties		866	891	1,345
Net rental income		(2,330)	(3,431)	(2,932)
Loss/(gain) on disposal of items of property, plant and equipment		243	(538)	977
Impairment/(reversal of impairment) of trade receivables, net	*22*	692	379	(829)
Impairment of other receivables	*23*	666	3,909	952
Impairment of items of property, plant and equipment	*13*	–	548	130
Reversal of impairment of items of property, plant and equipment	*13*	–	(1,250)	–
Impairment of available-for-sale investments		–	5	2
Impairment of prepaid land lease payments, net	*15*	–	32	13
Reversal of impairment of prepaid land lease payments	*15*	–	(301)	–
Fair value losses/(gains) on investment properties	*14*	(1,000)	(5,000)	544

The Group's profit before tax is arrived after charging/(crediting):

	Year ended 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Write-down of inventories to net realisable value, included in cost of sales	1,531	3,365	2,802
Withholding tax on royalty income	572	1,177	548
Foreign exchange differences, net	1,153	(1,555)	1,661

8. DIRECTORS' REMUNERATION

Details of directors' remuneration are as follows:

	Year ended 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Fees	–	–	–
Other emoluments:			
Salaries, allowances and benefits in kind	2,149	2,358	2,942
Pension scheme contributions	277	358	398
Performance related bonuses	409	847	855
	2,835	3,563	4,195
	2,835	3,563	4,195

	Salaries and other emoluments	Pension scheme contributions	Performance related bonus	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*
2007				
Executive directors:				
Chuah Choong Heong	1,436	211	345	1,992
Chow Chan Leong	36	5	3	44
Dr. Mohammad Naeem Rathor	454	56	58	568
Miss Poosanaporn Boontham	143	–	–	143
	2,069	272	406	2,747
Non-executive directors:				
Yong Teck Ming	44	5	3	52
Tengku Dato' Rahimah Bt Almarhum Sultan Mahrmid Mahtnid (F)	36	–	–	36
	80	5	3	88
	2,149	277	409	2,835

	Year ended 30 April			
	Salaries and other emoluments	**Pension scheme contributions**	**Performance related bonus**	**Total**
	RM'000	*RM'000*	*RM'000*	*RM'000*
2008				
Executive directors:				
Chuah Choong Heong	1,616	282	750	2,648
Chow Chan Leong	36	5	3	44
Dr. Mohammad Naeem Rathor	457	66	91	614
Miss Poosanaporn Boontham	169	–	–	169
	2,278	353	844	3,475
Non-executive directors:				
Yong Teck Ming	44	5	3	52
Tengku Dato' Rahimah Bt Almarhum Sultan Mahrmid Mahtnid (F)	36	–	–	36
	80	5	3	88
	2,358	358	847	3,563
2009				
Executive directors:				
Chuah Choong Heong	1,905	316	750	2,971
Chow Chan Leong	36	5	3	44
Dr. Mohammad Naeem Rathor	480	69	97	646
Miss Poosanaporn Boontham	161	–	–	161
Kim, June-Hong (Ben)	264	3	–	267
	2,846	393	850	4,089
Non-executive directors:				
Yong Teck Ming	60	5	5	70
Tengku Dato' Rahimah Bt Almarhum Sultan Mahrmid Mahtnid (F)	36	–	–	36
	96	5	5	106
	2,942	398	855	4,195

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods included 2 directors. Details of the remuneration of the remaining 3 non-directors, highest paid employees for the Relevant Periods are as follows:

	Year ended 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Salaries, allowances and benefits in kind	744	886	1,011
Performance related bonuses	112	250	165
Pension scheme contributions	85	107	23
	941	1,243	1,199

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 30 April Number of employees		
	2007	**2008**	**2009**
Nil to RM500,000	3	3	3

10. TAX

Hong Kong profits tax has been provided at the rates of 17.5%, 17.5% and 16.5%, on the estimated assessable profits arising in Hong Kong for the years ended 30 April 2007, 2008 and 2009, respectively. The lower Hong Kong profits tax rate is effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 30 April 2009. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Domestic income tax is calculated at the Malaysian statutory tax rates of 27%, 26% and 25% on the estimated assessable profits arising in Malaysia for the years ended 30 April 2007, 2008 and 2009, respectively. Certain subsidiaries of the Company, being Malaysian resident companies with paid-up capital of RM2.5 million or less, qualified for the rates under Paragraph 2A, Schedule 1 of the Income Tax Act, 1967 in the Laws of Malaysia for the years ended 30 April 2007 and 2008, as follows:

On the first RM500,000 of chargeable income:	20%
In excess of RM500,000 of chargeable income:	25%

However, pursuant to Paragraph 2B, Schedule 1 of the Income Tax Act, 1967 in the Laws of Malaysia that was introduced with effect from the year ended 30 April 2009, these subsidiaries no longer qualify for the above preferential tax rates.

	Year ended 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Group:			
Current – Hong Kong			
Charge for the year	681	1,901	3,640
Underprovision in prior years	–	2	–
Current – Malaysia			
Charge for the year	9,619	12,125	13,287
Underprovision/(overprovision) in prior years	4	46	(45)
Current – Elsewhere			
Charge for the year	1,197	1,644	2,261
Underprovision/(overprovision) in prior years	(1)	39	142
Deferred *(note 20)*	(59)	1,510	(205)
Total tax charge for the year	11,441	17,267	19,080

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	Year ended 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Profit before tax	41,444	63,912	79,810
Tax at Malaysian statutory tax rate (2007: 27%; 2008: 26%; 2009: 25%)	11,190	16,617	19,953
Effect of different tax rates in other countries	(922)	(1,303)	(2,213)
Effect on opening deferred tax of decrease in rates	(2)	(16)	(5)
Adjustments in respect of current tax of pervious periods	3	87	97
Lower tax rate enacted by a local authority	(97)	(68)	–
Effect of 100% tax exemption under Multimedia Super Corridor ("MSC") status	(1,389)	(2,692)	(3,937)
Income not subject to tax	(345)	(443)	(170)
Expenses not deductible for tax	851	1,252	1,266
Tax losses not recognised	2,083	3,873	4,041
Others	69	(40)	48
Tax charge at the Group's effective rate (2007: 28%; 2008: 27%; 2009: 24%)	11,441	17,267	19,080

A subsidiary of the Company, eCosway.com Sdn. Bhd., has obtained approval from the Multimedia Development Corporation as a MSC company and has been granted the Pioneer Status with full income tax exemption under the Promotion of Investments Act, 1986 in the Laws of Malaysia for an extended period of five years commencing from 4 October 2007.

Presently, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 in the Laws of Malaysia (the "Finance Act"), companies shall not be entitled to deduct tax on dividends paid, credited or distributed to their shareholders and such dividends will be exempted from tax in the hands of the shareholders (the "single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the balance in accordance with Section 108 of the Companies Act 1965 in the Laws of Malaysia (the "Companies Act") and opt to pay the dividends under the single tier system. The change in the tax legislation also provides for the balance in accordance with Section 108 of the Companies Act to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007 in the Laws of Malaysia.

The Company did not elect for the irrevocable option to disregard the balance in accordance with Section 108 of the Companies Act. Accordingly, during the transitional period, the Company may utilise the credit in the balance in accordance with Section 108 of the Companies Act of RM56,515,000 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act. As at 30 April 2008 and 2009, the Company had sufficient credit in the balance in accordance with Section 108 of the Companies Act to pay franked dividends out of its entire retained profits.

As at 30 April 2008 and 2009, the Company had tax exempted profits available for distribution of RM28,702,000 and RM28,702,000, respectively, subject to the agreement of the Malaysian Inland Revenue Board.

11. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the Relevant Periods includes profits of RM23,323,000, RM25,052,000 and RM35,613,000, respectively, which have been dealt with in the Financial Information of the Company.

12. DIVIDENDS

	Year ended 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
First interim dividend (2007: 5.11 sen; 2008: 1.48 sen; 2009: 1.20 sen per ordinary share)	7,920	2,294	1,860
Second interim dividend (2007: 5.84 sen; 2008: 1.11 sen; 2009: 1.20 sen per ordinary share)	9,052	1,721	1,860
	16,972	4,015	3,720

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office and computer equipment RM'000	Furniture and fittings RM'000	Renovation works RM'000	Motor vehicles RM'000	Total RM'000
Group								
30 April 2007								
At 1 May 2006:								
Cost	21,935	15,411	3,054	18,220	3,745	16,938	7,698	87,001
Accumulated depreciation and impairment	(2,560)	(4,425)	(2,695)	(14,223)	(3,006)	(11,821)	(5,389)	(44,119)
Net carrying amount	19,375	10,986	359	3,997	739	5,117	2,309	42,882
At 1 May 2006, net of accumulated depreciation and impairment	19,375	10,986	359	3,997	739	5,117	2,309	42,882
Additions	1,389	620	57	2,379	271	3,191	1,038	8,945
Disposals	–	–	(15)	(25)	–	(464)	(54)	(558)
Depreciation provided during the year	–	(327)	(87)	(1,779)	(215)	(3,001)	(420)	(5,829)
Exchange realignment	(110)	(74)	(2)	(89)	–	(144)	(13)	(432)
At 30 April 2007, net of accumulated depreciation and impairment	20,654	11,205	312	4,483	795	4,699	2,860	45,008
At 30 April 2007:								
Cost	23,214	15,934	2,045	19,515	3,578	17,600	7,106	88,992
Accumulated depreciation and impairment	(2,560)	(4,729)	(1,733)	(15,032)	(2,783)	(12,901)	(4,246)	(43,984)
Net carrying amount	20,654	11,205	312	4,483	795	4,699	2,860	45,008

	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office and computer equipment RM'000	Furniture and fittings RM'000	Renovation works RM'000	Motor vehicles RM'000	Total RM'000
Group								
30 April 2008								
At 30 April 2007 and at 1 May 2007:								
Cost	23,214	15,934	2,045	19,515	3,578	17,600	7,106	88,992
Accumulated depreciation and impairment	(2,560)	(4,729)	(1,733)	(15,032)	(2,783)	(12,901)	(4,246)	(43,984)
Net carrying amount	20,654	11,205	312	4,483	795	4,699	2,860	45,008
At 1 May 2007, net of accumulated depreciation and impairment	20,654	11,205	312	4,483	795	4,699	2,860	45,008
Additions	–	–	295	2,735	659	4,373	4,090	12,152
Disposal	–	–	(54)	(6)	(7)	(59)	(436)	(562)
Impairment	(548)	–	–	–	–	–	–	(548)
Reversal of impairment	850	400	–	–	–	–	–	1,250
Depreciation provided during the year	–	(352)	(87)	(1,798)	(253)	(3,038)	(604)	(6,132)
Exchange realignment	603	378	–	(26)	(7)	(9)	(3)	936
At 30 April 2008, net of accumulated depreciation and impairment	21,559	11,631	466	5,388	1,187	5,966	5,907	52,104
At 30 April 2008:								
Cost	23,817	16,449	2,378	22,148	4,270	21,870	8,886	99,818
Accumulated depreciation and impairment	(2,258)	(4,818)	(1,912)	(16,760)	(3,083)	(15,904)	(2,979)	(47,714)
Net carrying amount	21,559	11,631	466	5,388	1,187	5,966	5,907	52,104

	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office and computer equipment RM'000	Furniture and fittings RM'000	Renovation works RM'000	Motor vehicles RM'000	Total RM'000
Group								
30 April 2009								
At 30 April 2008 and 1 May 2008								
Cost	23,817	16,449	2,378	22,148	4,270	21,870	8,886	99,818
Accumulated depreciation and impairment	(2,258)	(4,818)	(1,912)	(16,760)	(3,083)	(15,904)	(2,979)	(47,714)
Net carrying amount	21,559	11,631	466	5,388	1,187	5,966	5,907	52,104
At 1 May 2008, net of accumulated depreciation and impairment	21,559	11,631	466	5,388	1,187	5,966	5,907	52,104
Additions	–	–	249	5,620	1,277	15,194	3,518	25,858
Disposals	–	–	–	(212)	(151)	(793)	(452)	(1,608)
Impairment	(130)	–	–	–	–	–	–	(130)
Depreciation provided during the year	–	(328)	(152)	(2,558)	(321)	(5,158)	(1,056)	(9,573)
Exchange realignment	(661)	(409)	–	30	(14)	(81)	3	(1,132)
Asset included in assets held for sale *(note 27)*	(10,450)	–	–	–	–	–	–	(10,450)
At 30 April 2009, net of accumulated depreciation and impairment	10,318	10,894	563	8,268	1,978	15,128	7,920	55,069
At 30 April 2009:								
Cost	12,706	15,863	2,337	27,410	5,319	35,972	11,109	110,716
Accumulated depreciation and impairment	(2,388)	(4,969)	(1,774)	(19,142)	(3,341)	(20,844)	(3,189)	(55,647)
Net carrying amount	10,318	10,894	563	8,268	1,978	15,128	7,920	55,069

	Freehold land	Buildings	Plant and machinery	Office and computer equipment	Furniture and fittings	Renovation works	Motor vehicles	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Company								
30 April 2007								
At 1 May 2006:								
Cost	16,256	7,881	228	10,799	2,165	13,161	5,150	55,640
Accumulated depreciation and impairment	(2,560)	(2,279)	(228)	(7,625)	(1,712)	(8,942)	(3,494)	(26,840)
Net carrying amount	13,696	5,602	–	3,174	453	4,219	1,656	28,800
At 1 May 2006, net of accumulated depreciation and impairment	13,696	5,602	–	3,174	453	4,219	1,656	28,800
Additions	1,389	620	–	1,032	25	2,074	674	5,814
Disposals	–	–	–	(11)	–	(44)	(15)	(70)
Depreciation provided the year	–	(133)	–	(1,144)	(110)	(2,766)	(209)	(4,362)
Exchange realignment	–	–	–	(2)	–	(2)	(1)	(5)
At 30 April 2007, net of accumulated depreciation and impairment	15,085	6,089	–	3,049	368	3,481	2,105	30,177
At 30 April 2007:								
Cost	17,645	8,501	228	11,700	2,190	15,004	5,340	60,608
Accumulated depreciation and impairment	(2,560)	(2,412)	(228)	(8,651)	(1,822)	(11,523)	(3,235)	(30,431)
Net carrying amount	15,085	6,089	–	3,049	368	3,481	2,105	30,177

	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office and computer equipment RM'000	Furniture and fittings RM'000	Renovation works RM'000	Motor vehicles RM'000	Total RM'000
Company								
30 April 2008								
At 30 April 2007 and 1 May 2007:								
Cost	17,645	8,501	228	11,700	2,190	15,004	5,340	60,608
Accumulated depreciation	(2,560)	(2,412)	(228)	(8,651)	(1,822)	(11,523)	(3,235)	(30,431)
Net carrying amount	15,085	6,089	–	3,049	368	3,481	2,105	30,177
At 1 May 2007, net of accumulated depreciation and impairment	15,085	6,089	–	3,049	368	3,481	2,105	30,177
Additions	–	–	230	1,397	132	2,684	2,782	7,225
Disposals	–	–	–	(3)	–	(16)	(404)	(423)
Reversal of impairment	850	99	–	–	–	–	–	949
Impairment	(548)	–	–	–	–	–	–	(548)
Depreciation provided during the year	–	(162)	(5)	(1,099)	(101)	(2,554)	(372)	(4,293)
Exchange realignment	10	4	–	8	–	14	3	39
At 30 April 2008, net of accumulated depreciation and impairment	15,397	6,030	225	3,352	399	3,609	4,114	33,126
At 30 April 2008:								
Cost	17,655	8,505	458	13,112	2,323	17,777	6,218	66,048
Accumulated depreciation and impairment	(2,258)	(2,475)	(233)	(9,760)	(1,924)	(14,168)	(2,104)	(32,922)
Net carrying amount	15,397	6,030	225	3,352	399	3,609	4,114	33,126

	Freehold land	Buildings	Plant and machinery	Office and computer equipment	Furniture and fittings	Renovation works	Motor vehicles	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Company								
30 April 2009								
At 30 April 2008 and 1 May 2008:								
Cost	17,655	8,505	458	13,112	2,323	17,777	6,218	66,048
Accumulated depreciation and impairment	(2,258)	(2,475)	(233)	(9,760)	(1,924)	(14,168)	(2,104)	(32,922)
Net carrying amount	15,397	6,030	225	3,352	399	3,609	4,114	33,126
At 1 May 2008, net of accumulated depreciation and impairment	15,397	6,030	225	3,352	399	3,609	4,114	33,126
Additions	–	–	224	3,041	55	9,191	1,844	14,355
Disposal	–	–	–	(97)	–	(12)	(330)	(439)
Impairment	(130)	–	–	–	–	–	–	(130)
Depreciation provided during the year	–	(155)	(108)	(1,426)	(106)	(4,010)	(671)	(6,476)
Exchange realignment	43	18	–	29	2	48	14	154
Asset included in assets held for sale *(note 27)*	(10,450)	–	–	–	–	–	–	(10,450)
At 30 April 2009, net of accumulated depreciation and impairment	4,860	5,893	341	4,899	350	8,826	4,971	30,140
At 30 April 2009:								
Cost	7,248	8,524	457	15,987	2,381	26,875	7,100	68,572
Accumulated depreciation and impairment	(2,388)	(2,631)	(116)	(11,088)	(2,031)	(18,049)	(2,129)	(38,432)
Net carrying amount	4,860	5,893	341	4,899	350	8,826	4,971	30,140

The net book values of the Group's property, plant and equipment held under hire purchase contracts included in the total amounts of plant and machinery and motor vehicles at 30 April 2007, 2008 and 2009 amounted to RM190,000, RM49,000 and RM29,000, respectively.

At 30 April 2007, 2008 and 2009, certain of the Group's freehold land and buildings with net book values of approximately RM12,031,000, RM13,076,000 and RM12,783,000, respectively, were pledged to secure general banking facilities granted to the Group (note 31(a)(i)).

14. INVESTMENT PROPERTIES

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Carrying amount at beginning of year	47,000	48,516	53,519
Additions	516	–	–
Fair value adjustment	1,000	5,000	(544)
Exchange realignment	–	3	16
Carrying amount at end of year	48,516	53,519	52,991

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Carrying amount at beginning of year	–	516	519
Additions	516	–	–
Fair value adjustment	–	–	(44)
Exchange realignment	–	3	16
Carrying amount at end of year	516	519	491

The Group's and the Company's investment properties are situated on freehold land in Malaysia and Taiwan and are anlaysed as follows:

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Malaysia	48,000	53,000	52,500
Taiwan	516	519	491
	48,516	53,519	52,991

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Taiwan	516	519	491

The Group's investment properties situated in Malaysia were revalued on 30 April 2007, 2008 and 2009 by Hartanah Consultants, independent professionally qualified valuers, at RM48,000,000, RM53,000,000 and RM52,500,000, respectively, on an open market, existing use basis.

The Group's investment properties situated in Taiwan were revalued on 30 April 2007 and 2008 by the directors by reference to the value of adjacent properties, at approximately RM516,000 and RM519,000, respectively, on an open market, existing use basis. The Group's investment properties situated in Taiwan were revalued on 30 April 2009 by Vigers Appraisal & Consulting Limited, independent professionally qualified valuers, at RM491,000 on an open market, existing use basis.

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 37(a) to the Financial Information.

At 30 April 2007, 2008 and 2009, the Group's investment properties with carrying values of RM48,000,000, RM53,000,000 and RM52,500,000, respectively, were pledged to secure general banking facilities granted to the immediate holding company (note 36(a)).

15. PREPAID LAND LEASE PAYMENTS

		Group	
		30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Carrying amount at beginning of year	4,013	3,932	4,123
Recognised during the year	(81)	(78)	(79)
Impairment	–	(32)	(13)
Reversal of impairment	–	301	–
Carrying amount at end of year	3,932	4,123	4,031
Current portion included in prepayments, deposits and other receivables	(81)	(78)	(79)
Non-current portion	3,851	4,045	3,952

The Group's prepaid land lease payments are situated in Malaysia and are held under the following lease terms:

		Group	
		30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Long term leases	1,376	1,151	1,140
Medium term leases	2,556	2,972	2,891
	3,932	4,123	4,031

		Company	
		30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Carrying amount at beginning of year	1,841	1,816	1,756
Recognised during the year	(25)	(28)	(27)
Impairment	–	(32)	(13)
Carrying amount at end of year	1,816	1,756	1,716
Current portion included in prepayments, deposits and other receivables	(25)	(28)	(28)
Non-current portion	1,791	1,728	1,688

The Company's prepaid land lease payments are situated in Malaysia and are held under the following lease terms:

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Long term leases	1,376	1,151	1,140
Medium term leases	440	605	576
	1,816	1,756	1,716

At 30 April 2007, 2008 and 2009, certain of the Group's leasehold land with net book values of approximately RM2,851,000, RM3,130,000 and RM3,345,000, respectively, were pledged to secure general banking facilities granted to the Group (note 31(a)(ii)).

16. GOODWILL

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Cost	4,489	4,489	4,489

The goodwill arising from business combination amounting to RM4,489,000 is allocated to the cash-generating unit in retailing segment.

The recoverable amount of the retailing unit has been determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by management covering a five-year periods. The cash flow projections are discounted using the weighted average cost of capital of 12%.

(a) Key assumptions used in value-in-use calculation

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

(i) Budgeted gross margin

The budgeted gross margins of 20% used is based on the average gross margins achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

(ii) Growth rate

The weighted average growth rates used are consistent with the long-term average growth rate for the industry at 5%.

(iii) Discount rate

The discount rates of 5% used are pre-tax and reflect specific risks relating to the industry.

(b) Sensitivity to changes in assumptions

The management believes that changes in any of the above key assumptions would not cause the carrying value of the unit to materially differ from its recoverable amount.

17. INTERESTS IN SUBSIDIARIES

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Unlisted shares, at cost	28,026	31,579	44,027
Impairment#	(9,970)	(9,970)	(18,709)
	18,056	21,609	25,318
Due from subsidiaries	245,812	262,068	283,656
Impairment#	(176,633)	(188,113)	(193,597)
	69,179	73,955	90,059
Due to subsidiaries	(20,282)	(27,272)	(40,475)
	66,953	68,292	74,902

Impairments were recognised for investments in subsidiaries and amounts due from subsidiaries because these subsidiaries of the Company have been making losses.

The movements in provision for impairment of amounts due from subsidiaries are as follows:

	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
At beginning of year	171,815	176,633	188,113
Impairment losses recognised	4,818	11,480	5,484
At end of year	176,633	188,113	193,597

As at 30 April 2007, 2008 and 2009, except for amounts due from certain subsidiaries of RM46,874,000, RM46,714,000 and RM46,464,000, respectively, which bear interest at 2% per annum, the balances with subsidiaries included in the Company's current assets and current liabilities, respectively, are unsecured, interest-free and repayable on demand.

Details of the subsidiaries are disclosed in note 1 to the Financial Information.

During the year ended 30 April 2009, the Group acquired a 100% equity interest in EKI, at a cash consideration of RM157,000. Further details of this acquisition are included in note 35 to the Financial Information.

18. INVESTMENTS IN ASSOCIATES

	Group 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Share of net assets	75	74	50

The amounts due to associates included in the current liabilities of the Company and of the Group are unsecured, interest-free and repayable on demand.

Details of the associates are disclosed in note 1 to the Financial Information.

The following table illustrates the summarised financial information of the Group's associates extracted from their management accounts:

	Group 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Assets	1,431	1,277	1,305
Liabilities	(1,185)	(1,035)	(1,123)
Revenues	1,437	743	722
Profit	133	56	52

19. AVAILABLE-FOR-SALE INVESTMENTS

	Group 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Malaysian listed equity investments, at fair value	14	9	7
Club membership, at cost	105	105	105
	119	114	112

	Company 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Club membership, at cost	105	105	105

The above listed investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturity date or coupon rate. The fair values of the listed equity investments are based on quoted market prices.

The club membership was stated at cost because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair values cannot be measured reliably. The Group does not intend to dispose of them in the near future.

20. DEFERRED TAX

The movements in deferred tax liabilities and assets during the Relevant Periods are as follows:

Deferred tax liabilities:

	Depreciation allowance in excess of related depreciation *RM'000*	Revaluation of investment properties *RM'000*	Other provisions *RM'000*	Others *RM'000*	Total *RM'000*
Group					
At 1 May 2006	203	–	(101)	(17)	85
Deferred tax charged/(credited) to the income statement during the year *(note 10)*	213	–	(262)	133	84
At 30 April 2007 and 1 May 2007	416	–	(363)	116	169
Deferred tax charged/(credited) to the income statement during the year *(note 10)*	124	1,250	46	(116)	1,304
Exchange differences	(5)	–	–	–	(5)
At 30 April 2008 and 1 May 2008	535	1,250	(317)	–	1,468
Deferred tax charged/(credited) to the income statement during the year *(note 10)*	72	(125)	(122)	–	(175)
Exchange differences	13	–	–	–	13
At 30 April 2009	620	1,125	(439)	–	1,306

Deferred tax assets:

	Other provisions *RM'000*	Others *RM'000*	Total *RM'000*
Group			
At 1 May 2006	(159)	(83)	(242)
Recognised in the income statement *(note 10)*	(179)	36	(143)
Exchange differences	29	–	29
At 30 April 2007 and 1 May 2007	(309)	(47)	(356)
Recognised in the income statement *(note 10)*	218	(12)	206
Exchange differences	(7)	(1)	(8)
At 30 April 2008 and 1 May 2008	(98)	(60)	(158)
Recognised in the income statement *(note 10)*	(18)	(12)	(30)
At 30 April 2009	(116)	(72)	(188)

Deferred tax liabilities:

	Depreciation allowance in excess of related depreciation *RM'000*	Other provisions *RM'000*	Others *RM'000*	Total *RM'000*
Company				
At 1 May 2006	112	(75)	(17)	20
Recognised in the income statement	138	(153)	133	118
At 30 April 2007 and 1 May 2007	250	(228)	116	138
Recognised in the income statement	94	(84)	(116)	(106)
At 30 April 2008 and 1 May 2008	344	(312)	–	32
Recognised in the income statement	231	(121)	–	110
At 30 April 2009	575	(433)	–	142

Deferred tax assets:

	Other provisions *RM'000*	Others *RM'000*	Total *RM'000*
Company			
At 1 May 2006	(185)	(46)	(231)
Recognised in the income statement	(289)	46	(243)
Exchange differences	29	–	29
At 30 April 2007 and 1 May 2007	(445)	–	(445)
Recognised in the income statement	311	3	314
Exchange differences	–	(3)	(3)
At 30 April 2008 and 1 May 2008	(134)	–	(134)
Recognised in the income statement	(34)	3	(31)
Exchange differences	–	(3)	(3)
At 30 April 2009	(168)	–	(168)

As at 30 April 2007, 2008 and 2009, the Group had tax losses of RM25,412,000, RM34,245,000 and RM52,242,000, respectively, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. As at 30 April 2007, 2008 and 2009, the Group also had tax losses arising in the Philippines of RM7,980,000, RM6,209,000 and RM3,768,000, respectively, that will expire in three to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Deferred tax assets have not been recognised in respect of the following items:

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Tax losses	33,392	40,454	56,010
Unutilised capital allowances	89	89	–
Deductible temporary differences	6,419	5,827	1,324
	39,900	46,370	57,334

21. INVENTORIES

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Raw materials	1,016	1,141	1,857
Finished goods	100,559	104,681	183,460
	101,575	105,822	185,317

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Finished goods	94,023	88,855	144,875

Cost of inventories sold of the Group for the year ended 30 April 2007, 2008 and 2009 were RM197,070,000, RM243,047,000 and RM327,904,000, respectively.

22. TRADE RECEIVABLES

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Trade receivables	31,422	22,538	46,978
Impairment	(11,488)	(11,854)	(10,954)
	19,934	10,684	36,024

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Trade receivables	21,162	12,082	18,157
Impairment	(4,134)	(4,557)	(4,201)
	17,028	7,525	13,956

The Group's trading credit terms range from 1 day to 90 days. Other credit terms are assessed and approved on a case-by-case basis. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management. In view of the aforementioned, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of trade receivables as at 30 April 2007, 2008 and 2009, based on the invoice date and net of provisions, is as follows:

		Group 30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Current	11,717	8,570	21,889
1 to 2 months	336	99	4,472
2 to 3 months	769	590	5,364
Over 3 months	7,112	1,425	4,299
	19,934	10,684	36,024

		Company 30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Current	10,689	6,175	10,373
1 to 2 months	178	170	131
2 to 3 months	826	89	589
Over 3 months	5,335	1,091	2,863
	17,028	7,525	13,956

The movements in the provision for impairment of trade receivable are as follows:

		Group	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
At beginning of year	10,840	11,488	11,854
Impairment losses recognised/(reversed), net *(note 7)*	692	379	(829)
Amount written off as uncollectible	(44)	(13)	(71)
At end of year	11,488	11,854	10,954

	Company		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
At beginning of year	3,630	4,134	4,557
Impairment losses recognised/(reversed), net	504	423	(356)
At end of year	4,134	4,557	4,201

Included in the above provision for impairment of trade receivables of the Group is a provision for individually impaired trade receivables of RM11,488,000, RM11,854,000 and RM10,954,000, respectively, with carrying amounts of RM11,488,000, RM11,854,000 and 10,954,000, respectively, as at 30 April 2007, 2008 and 2009.

Included in the above provision for impairment of trade receivables of the Company is a provision for individually impaired trade receivables of RM4,134,000, RM4,557,000 and RM4,201,000, respectively, with carrying amounts of RM4,134,000, RM4,557,000 and RM4,201,000, respectively, as at 30 April 2007, 2008 and 2009.

The individually impaired trade receivables relate to customers that were in default or delinquency in interest or principal payments and are not expected to be recovered. The Group and the Company do not hold any collateral or other credit enhancements over these balances.

An aged analysis of the trade receivables that are not considered to be impaired is as follows:

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Neither past due nor impaired	15,314	6,543	13,961
Less than 1 month past due	1,445	2,348	19,341
1 to 2 months past due	115	102	472
2 to 3 months past due	327	233	390
Over 3 months past due	2,733	1,458	1,860
	19,934	10,684	36,024

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Neither past due nor impaired	15,094	6,198	12,397
Less than 1 month past due	177	169	131
1 to 2 months past due	81	89	139
2 to 3 months past due	91	176	82
Over 3 months past due	1,585	893	1,207
	17,028	7,525	13,956

Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group and the Company do not hold any collateral or other credit enhancements over these balances.

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Prepayments	6,434	5,367	10,764
Prepaid land lease payments *(note 15)*	81	78	79
Deposits	4,277	6,474	13,813
Other receivables	17,930	23,492	24,765
	28,722	35,411	49,421
Impairment	(13,825)	(17,734)	(18,686)
	14,897	17,677	30,735
Less: Deposits classified as non-current assets	(1,762)	(3,076)	(13,058)
Current portion	13,135	14,601	17,677

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Prepayments	5,991	3,561	6,836
Prepaid land lease payments *(note 15)*	25	28	28
Deposits	3,159	3,864	6,367
Other receivables	330	610	2,912
	9,505	8,063	16,143
Less: Deposits classified as non-current assets	(840)	(1,333)	(6,351)
Current portion	8,665	6,730	9,792

Included in the above provision for impairment of other receivables of the Group is a provision for individually impaired other receivables of RM13,825,000, RM17,734,000 and RM18,686,000, respectively, with carrying amounts of RM17,013,000, RM22,377,000 and RM20,741,000, respectively, as at 30 April 2007, 2008 and 2009. The individually impaired other receivables relate to debtors that were in default or delinquency in interest or principal payments and are not expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

The movements in the provision for impairment of other receivables are as follows:

	Group		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
At beginning of year	13,159	13,825	17,734
Impairment losses recognised *(note 7)*	666	3,909	952
At end of year	13,825	17,734	18,686

24. BALANCES WITH HOLDING COMPANIES

Except for amounts due to the immediate holding company of RM17,025,000 and RM5,000, respectively, as at 30 April 2007 and 30 April 2009, which bear interest at 1.9% per annum, the balances with holding companies are unsecured, interest-free and repayable on demand.

25. BALANCES WITH RELATED COMPANIES

Except for amounts due from certain related companies of RM300,000, RM326,000 and RM341,000, respectively, as at 30 April 2007, 2008 and 2009, which bear interest at rates ranging from 6.64% to 6.68% per annum, the balances with related companies are unsecured, interest-free and repayable on demand.

26. CASH AND CASH EQUIVALENTS

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Cash and bank balances	21,934	35,295	38,766
Time deposits	8,291	15,372	3,939
	30,225	50,667	42,705
Less: Pledged time deposits for banking facilities	(184)	(191)	(182)
Cash and cash equivalents	30,041	50,476	42,523

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Cash and bank balances	11,789	13,781	10,979
Time deposits	2,326	8,115	3,723
Cash and cash equivalents	14,115	21,896	14,702

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and one month depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

27. ASSET HELD FOR SALE

Group and Company

		30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Freehold land	–	–	10,450

This represents the carrying amount of the freehold land owned by the Group with the intention of disposing of it in the immediate future. The carrying amount of the asset immediately before reclassification was not materially different from its fair value.

On 30 March 2009, the Company announced the decision of its directors to dispose of the freehold land which is part of the Malaysian segment assets. The Group has decided to disposed of the freehold land because it is no longer relevant to its business needs. As at 30 April 2009, final negotiations for the sale were in progress and the freehold land was classified as an asset held for sale. The freehold land was disposed of at a consideration of RM10,450,000, with no gain or loss arising from the disposal. The disposal of the freehold land was completed on 11 August 2009.

28. TRADE PAYABLES

An aged analysis of the trade payables as at 30 April 2007, 2008 and 2009, based on the invoice date, is as follows:

		Group 30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Current	33,005	40,342	63,189
1 to 2 months	20,620	19,492	29,767
2 to 3 months	4,818	5,453	7,886
Over 3 months	15,185	20,814	24,502
	73,628	86,101	125,344

		Company 30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Current	24,520	32,154	41,065
1 to 2 months	15,448	12,460	17,332
2 to 3 months	4,241	4,216	6,227
Over 3 months	12,463	12,960	14,025
	56,672	61,790	78,649

The trade payables are non-interest-bearing and are normally settled on 30-day to 90-day terms.

29. OTHER PAYABLES AND ACCRUALS

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Other payables	11,635	13,317	22,380
Accruals	11,502	12,306	17,094
	23,137	25,623	39,474

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Other payables	8,079	10,530	14,563
Accruals	8,489	5,713	7,279
	16,568	16,243	21,842

Other payables are non-interest-bearing and have an average term of one month.

30. DEFINED BENEFIT OBLIGATIONS

The Group operates an unfunded defined benefit plan for all its qualifying employees in Malaysia. Under the plan, the employees are entitled to lump sum retirement benefits at 75% of the average monthly salary of each full year of service rates on attainment of a retirement age of 55.

The actuarial valuations of the plan assets and the present value of the defined benefit obligations were carried out at 30 April, 2007, 2008 and 2009 by Mercer Zainal Consulting Sdn. Bhd., a member of the Actuarial Society of Malaysia, using the projected unit credit actuarial valuation method.

The principal actuarial assumptions used as at the balance sheet dates were as follows:

	2007	**2008**	**2009**
	%	%	%
Discount rate	6.25	6.25	6.25
Expected rate of salary increases	5.00	8.00% for 1st year 7.00% for 2nd year 6.00% thereafter	8.00% for 1st year 7.00% for 2nd year 6.00% thereafter

The overall expected rate of return on plan assets is determined based on the market expectations prevailing as at the balance sheet dates, applicable to the period over which the obligations are to be settled.

The total expenses recognised in the consolidated income statement in respect of the plan are as follows:

	Year ended 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Current service cost	40	55	59
Interest cost	17	20	28
Amortisation of net loss/(gain)	(60)	–	2
Net benefit expenses	(3)	75	89
Net benefit expenses recognised in administrative expenses	(3)	75	89

The movements in the present value of the defined benefit obligations are as follows:

	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
At beginning of year	272	314	389
Current service cost	40	55	59
Interest cost	17	20	28
Amortisation of net loss	–	–	2
Benefits paid	(15)	–	–
At end of year	314	389	478
Analysed as:			
Current	–	–	24
Non-current:			
– Later than 1 year but not later than 2 years	–	17	18
– Later than 2 years but not later than 5 years	75	27	106
– Later than 5 years	239	345	330
	314	389	454
	314	389	478

There are no plan assets as the defined benefit plan is unfunded.

A reconciliation of the present value of the defined benefit obligations to the net value of assets and liabilities recognised in the consolidated balance sheet is as follows:

	30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Present value of defined benefit obligations	314	454	541
Unrecognised net actuarial gains	–	(65)	(63)
Net liabilities arising from defined benefit obligations	314	389	478

A seven year summary of the present value of the defined benefit obligations, the fair value of the plan assets, the deficit in the plan and the experience adjustment arising on plan liabilities is as follows:

	30 April						
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Present value of defined benefit obligations	435	643	791	340	314	454	541
Deficit in the plan	435	643	791	340	314	454	541
Experience gains on plan liabilities	–	–	–	8	–	65	63

31. INTEREST-BEARING BANK BORROWINGS

Group

	30 April								
	2007			2008			2009		
	Effective interest rate	Maturity		Effective interest rate	Maturity		Effective interest rate	Maturity	
	(%)		*RM'000*	*(%)*		*RM'000*	*(%)*		*RM'000*
Current									
Bank overdrafts – unsecured	Malaysia Banking Institution's Base Lending Rate ("BLR") + 1.75	On demand	7,756	BLR + 1.75	On demand	–	BLR + 1.75	On demand	15,985
Bank loans – unsecured	Kuala Lumpur Interbank Offered Rate ("KLIBOR") + 0.75-1.00	2008	3,667	KLIBOR + 0.75-1.00	2009	–	KLIBOR + 0.75-1.00	2010	10,707
Hire purchase and finance lease payables – secured *(note 32)*	3.24-4.70	2007-2008	94	3.24-4.70	2008-2009	19	3.24-4.70	2009-2010	13
Term loans – secured	BLR + 2.00	2008	3,360	BLR + 2.00	2009	3,360	BLR + 2.00	2010	200
			14,877			3,379			26,905
Non-current									
Hire purchase and finance lease payables – secured *(note 32)*	3.24-4.70	2009-2010	82	3.24-4.70	2009-2010	30	3.24-4.70	2010	16
Term loans – secured	BLR + 2.00	2010	3,560	BLR + 2.00		200	BLR + 2.00	2010	–
			3,642			230			16
			18,519			3,609			26,921

Company

	30 April 2007			2008			2009		
	Effective interest rate *(%)*	Maturity	*RM'000*	Effective interest rate *(%)*	Maturity	*RM'000*	Effective interest rate *(%)*	Maturity	*RM'000*
Current									
Bank overdrafts – unsecured	BLR + 1.75	On demand	7,756	BLR + 1.75	On demand	–	BLR + 1.75	On demand	14,820
Bank loans – unsecured	KLIBOR + 0.75-1.00	2008	3,667	KLIBOR + 0.75-1.00	2009	–	KLIBOR + 0.75-1.00	2010	10,707
Term loans – secured	BLR + 2.00	2007-2008	3,360	BLR + 2.00	2008-2009	3,360	BLR + 2.00	2010	200
			14,783			3,360			25,727
Non-current									
Term loans – secured	BLR + 2.00	2008- 2010	3,560	BLR + 2.00	2009	200	BLR + 2.00	2010	–
			18,343			3,560			25,727

Group

	30 April 2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Analysed into:			
Bank loans and overdrafts repayable			
Within one year or on demand	14,877	3,379	26,905
In the second year	3,437	213	13
In the third to fifth years, inclusive	205	17	3
	18,519	3,609	26,921

Company

	30 April 2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Analysed into:			
Bank loans and overdrafts repayable			
Within one year or on demand	14,783	3,360	25,727
In the second year	3,360	200	–
In the third to fifth years, inclusive	200	–	–
	18,343	3,560	25,727

Notes:

(a) The Group's and the Company's bank borrowings are secured by:

(i) the pledge of certain of the Group's freehold land and buildings, which had aggregate carrying values at 30 April 2007, 2008 and 2009 of approximately RM12,031,000, RM13,076,000 and RM12,783,000, respectively (note 13); and

(ii) the pledge of certain of the Group's leasehold land, which had aggregate carrying values at 30 April 2007, 2008 and 2009 of approximately RM2,851,000, RM3,130,000 and RM3,345,000, respectively (note 15).

(b) All borrowings are in Ringgit Malaysia.

(c) The carrying amounts of the Group's bank borrowings approximate to their fair values.

32. HIRE PURCHASE CONTRACT PAYABLES

The Group leases certain of its plant and machinery for its electronic components business. These leases are classified as finance leases and have remaining lease terms ranging from four to six years.

At 30 April 2007, 2008 and 2009, the total future minimum lease payments under finance leases and their present values were as follows:

Group

	Minimum lease payments 2007	**Minimum lease payments 2008**	**Minimum lease payments 2009**	**Present value of minimum lease payments 2007**	**Present value minimum lease payments 2008**	**Present value of minimum lease payments 2009**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Amounts payable						
Within one year	112	21	15	94	19	13
In the second year	89	33	15	77	30	13
In the third to fifth years, inclusive	19	–	4	5	–	3
Total minimum finance lease payments	220	54	34	176	49	29
Future finance charges	(44)	(5)	(5)			
Total net finance lease payables	176	49	29			
Portion classified as current liabilities *(note 31)*	(94)	(19)	(13)			
Non-current portion *(note 31)*	82	30	16			

33. SHARE CAPITAL

	30 April 2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Authorised:			
500,000,000 ordinary shares of RM1 each	500,000	500,000	500,000
Issued and fully paid:			
155,000,000 ordinary shares of RM1 each	155,000	155,000	155,000

34. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity of the Financial Information.

(b) Company

	Retained profits/ (accumulated losses)	Exchange fluctuation reserve	Total
	RM'000	*RM'000*	*RM'000*
At 1 May 2006	(37,498)	–	(37,498)
Profit for the year *(note 11)*	23,323	–	23,323
Interim 2007 dividends *(note 12)*	(16,972)	–	(16,972)
At 30 April 2007 and 1 May 2007	(31,147)	–	(31,147)
Profit for the year *(note 11)*	25,052	–	25,052
Interim 2008 dividends *(note 12)*	(4,015)	–	(4,015)
At 30 April 2008 and 1 May 2008	(10,110)	–	(10,110)
Exchange realignment	–	154	154
Profit for the year *(note 11)*	35,613	–	35,613
Interim 2009 dividends *(note 12)*	(3,720)	–	(3,720)
At 30 April 2009	21,783	154	21,937

35. BUSINESS COMBINATION

Acquisition of EKI

On 12 June 2008, the Company acquired a 100% equity interest in EKI at a total consideration of KRW51,500,000 (equivalent to RM157,000). During the year ended 30 April 2009, EKI increased its issued and paid-up capital from KRW50,000,000 to KRW850,000,000. As a result, the Company increased its cost of investment in EKI by KRW800,000,000 (equivalent to RM2,198,000). On 17 November 2008, the Company transferred the entire equity interest in EKI to a wholly-owned subsidiary, Vmart Corp (HK) Limited.

The fair values of the identifiable assets and liabilities of EKI as at the date of acquisition and the corresponding carrying amounts immediately before the acquisition were as follows:

	Fair value recognised on acquisition	Previous carrying amount
	RM'000	*RM'000*
Cash and bank balances	21	21
Prepayments, deposits and other receivables	136	136
	157	157
Satisfied by cash	157	

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of the subsidiary is as follows:

	RM'000
Cash consideration	(157)
Cash and bank balances acquired	21
Net outflow of cash and cash equivalents in respect of the acquisition of the subsidiary	(136)

The contributions by the above subsidiary to the Group's revenue and consolidated profit for the year ended 30 April 2009 since its acquisition by the Group were insignificant.

Had the combination taken place at the beginning of the year ended 30 April 2009, there would have been no material change to the revenue and the consolidated profit of the Group for the year.

36. CONTINGENT LIABILITIES

(a) At 30 April 2007, 2008 and 2009, contingent liabilities not provided for in the Financial Information were as follows:

	Group 30 April		
	2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Guarantee given to a financial institution for credit facilities granted to the immediate holding company	35,000	35,000	35,000

The banking facilities granted to the immediate holding company are secured by the pledge of certain of the investment properties of the Group which had aggregate carrying values at 30 April 2007, 2008 and 2009 of approximately RM48,000,000, RM53,000,000 and RM52,500,000, respectively (note 14).

As of 30 April 2007, 2008 and 2009, the banking facilities granted to the immediate holding company were utilised to the extent of approximately RM30,054,000, RM29,857,000 and RM31,230,000, respectively.

(b) Under the license agreement dated 17 September 2004 entered into between the Company and Innovation Scientifique Dermatologique ("ISD"), ISD had granted the Company the exclusive license to use certain trademarks and names on the selected products of the Group in Malaysia, Indonesia, the Philippines and Mexico in return for license fees based on a percentage of sales value. By written notice served by ISD to the Company on 30 May 2006, this license agreement was terminated on 13 August 2006 (the "Termination").

On 24 January 2007, ISD filed a writ of summons against the Company to the Tribunal de Commerce (Commercial Court) of Paris. ISD is claiming for an alleged sum of Euro 2,035,000 (equivalent to approximately RM10.09 million) with interest for the alleged loss of license fees for the period from 1 August 2004 to 31 December 2007 and related damages arising from unfair competition in relation to the Termination.

The Company strongly disputed the claim and had instructed its local legal counsel to assist in the appointment of a French solicitor to advise the Company on the matter. Both parties have submitted in their briefs and are now awaiting for court decision of the case. The directors of the Company have been advised by the legal counsel that the Company has a valid defense to all allegations raised by ISD and accordingly, the directors are of the opinion that no provision is required to be made in respect of the claims made by ISD.

(c) On 18 February 2009, the Company executed a letter of indemnity in favour of a bank for a banking facility provided to the immediate holding company, which was not utilised as at 30 April 2009. On 29 July 2009, the said letter was cancelled.

37. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 14) under operating lease arrangements, with leases negotiated for terms ranging from one to three years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 30 April 2007, 2008 and 2009, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Within one year	1,202	1,253	1,306

(b) As lessee

The Group leases certain of its office properties and office equipment under operating lease arrangements. Leases for offices and retail shops are negotiated for terms ranging from one to five years, and those for office equipment are for terms ranging between two and five years.

At 30 April 2007, 2008 and 2009, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	Group 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Within one year	4,441	7,343	24,022
In the second to fifth years, inclusive	2,128	5,170	16,454
After five years	–	–	147
	6,569	12,513	40,623

	Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Within one year	3,565	6,067	12,866
In the second to fifth years, inclusive	1,868	4,310	7,821
After five years	–	–	147
	5,433	10,377	20,834

The operating lease rentals of certain retail shops are based on the sales of those shops. In the opinion of the directors, as the future sales of those retail shops could not be accurately estimated, the relevant rental commitments have not been included above.

38. COMMITMENTS

In addition to the operating lease commitments detailed in note 37(b) above, the Group and the Company had the following capital commitments at the balance sheet dates:

	Group and Company 30 April		
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Contracted, but not provided for, acquisition of 90% equity interest in a company	–	–	15,624

39. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in the Financial Information, the Group had the following transactions with related parties during the Relevant Periods:

		Group		
		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM'000*	*RM'000*	*RM'000*
Management fee paid to the immediate holding company	*(i)*	360	360	360
Interest paid to the immediate holding company	*(ii)*	1	1	29
Interest income from related companies	*(iii)*	22	23	24
Rental expenses paid to related companies	*(iv)*	85	420	348
Sales to the ultimate holding company	*(v)*	28	1	334

Notes:

(i) Management fee was charged at pre-determined rates agreed between the parties.

(ii) Interest expense was charged at 1.90% per annum on an amount due to the immediate holding company.

(iii) Interest income was charged at a range from 6.64% to 6.68% per annum on amounts due from related companies of RM300,000, RM326,000, and RM341,000, respectively, as at 30 April 2007, 2008 and 2009.

(iv) Rental expenses paid to related companies were charged in accordance with the terms set out in the agreements between the parties.

(v) The sales of the goods sold to the ultimate holding company were made at pre-determined prices agreed between the parties.

(b) Other transactions with related parties:

The Group has pledged certain of its investment properties of RM48,000,000, RM53,000,000 and RM52,500,000, respectively, as collateral to banks in connection with credit facilities granted to the immediate holding company as at 30 April 2007, 2008 and 2009, as further detailed in note 36(a) to the Financial Information.

(c) Outstanding balances with related parties:

(i) Details of the Group's and the Company's balances with holding companies are included in note 24 to the Financial Information.

(ii) Details of the Group's and the Company's balances with related companies are included in note 25 to the Financial Information.

(d) Compensation of key management personnel of the Group:

	Year ended 30 April 2007	2008	2009
	RM'000	*RM'000*	*RM'000*
Short term employee benefits	2,558	3,205	3,797
Post-employment benefits	277	358	398
Total compensation paid to key management personnel	2,835	3,563	4,195

Further details of directors' emoluments are included in note 8 to the Financial Information.

40. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at 30 April 2007, 2008 and 2009 are as follows:

Group

2007

Financial assets

	Loans and receivables	**Available-for-sale financial assets**	**Total**
	RM'000	*RM'000*	*RM'000*
Available-for-sale investments	–	119	119
Trade receivables	19,934	–	19,934
Financial assets included in prepayments, deposits and other receivables	8,382	–	8,382
Due from related companies	909	–	909
Pledged deposits	184	–	184
Cash and cash equivalents	30,041	–	30,041
	59,450	119	59,569

Financial liabilities

	Financial liabilities at amortised cost
	RM'000
Trade payables	73,628
Financial liabilities included in other payables and accruals	11,635
Interest-bearing bank borrowings	18,519
Due to the immediate holding company	17,025
Due to associates	1,253
Due to related companies	280
	122,340

Group

2008

Financial assets

	Loans and receivables *RM'000*	Available-for sale financial assets *RM'000*	Total *RM'000*
Available-for-sale investments	–	114	114
Trade receivables	10,684	–	10,684
Financial assets included in prepayments, deposits and other receivables	12,232	–	12,232
Due from the ultimate holding company	517	–	517
Due from the immediate holding company	364	–	364
Due from related companies	1,023	–	1,023
Pledged deposits	191	–	191
Cash and cash equivalents	50,476	–	50,476
	75,487	114	75,601

Financial liabilities

	Financial liabilities at amortised cost *RM'000*
Trade payables	86,101
Financial liabilities included in other payables and accruals	13,317
Interest-bearing bank borrowings	3,609
Due to associates	1,210
Due to related companies	374
	104,611

Group

2009

Financial assets

	Loans and receivables *RM'000*	Available-for-sale financial assets *RM'000*	Total *RM'000*
Available-for-sale investments	–	112	112
Trade receivables	36,024	–	36,024
Financial assets included in prepayments, deposits and other receivables	15,986	–	15,986
Due from the ultimate holding company	524	–	524
Due from an intermediate holding company	337	–	337
Due from the immediate holding company	15,748	–	15,748
Due from related companies	815	–	815
Pledged deposits	182	–	182
Cash and cash equivalents	42,523	–	42,523
	112,139	112	112,251

Financial liabilities

	Financial liabilities at amortised cost *RM'000*
Trade payables	125,344
Financial liabilities included in other payables and accruals	22,380
Interest-bearing bank borrowings	26,921
Due to the immediate holding company	5
Due to associates	1,073
Due to related companies	363
	176,086

Company

2007

Financial assets

	Loans and receivables *RM'000*	Available-for-sale financial assets *RM'000*	Total *RM'000*
Available-for-sale investments	–	105	105
Trade receivables	17,028	–	17,028
Financial assets included in prepayments, deposits and other receivables	3,489	–	3,489
Due from subsidiaries	69,179	–	69,179
Due from related companies	47	–	47
Cash and cash equivalents	14,115	–	14,115
	103,858	105	103,963

Financial liabilities

	Financial liabilities at amortised cost *RM'000*
Trade payables	56,672
Financial liabilities included in other payables and accruals	8,079
Interest-bearing bank borrowings	18,343
Due to the immediate holding company	17,025
Due to subsidiaries	20,282
Due to associates	1,253
Due to related companies	64
	121,718

Company

2008

Financial assets

	Loans and receivables *RM'000*	**Available-for-sale financial assets** *RM'000*	**Total** *RM'000*
Available-for-sale investments	–	105	105
Trade receivables	7,525	–	7,525
Financial assets included in prepayments, deposits and other receivables	4,474	–	4,474
Due from the ultimate holding company	517	–	517
Due from the immediate holding company	364	–	364
Due from subsidiaries	73,955	–	73,955
Due from related companies	149	–	149
Cash and cash equivalents	21,896	–	21,896
	108,880	105	108,985

Financial liabilities

	Financial liabilities at amortised cost *RM'000*
Trade payables	61,790
Financial liabilities included in other payables and accruals	10,530
Interest-bearing bank borrowings	3,560
Due to subsidiaries	27,272
Due to associates	1,210
Due to related companies	162
	104,524

Company

2009

Financial assets

	Loans and receivables	**Available-for-sale financial assets**	**Total**
	RM'000	*RM'000*	*RM'000*
Available-for-sale investments	–	105	105
Trade receivables	13,956	–	13,956
Financial assets included in prepayments, deposits and other receivables	5,373	–	5,373
Due from the ultimate holding company	524	–	524
Due from an intermediate holding company	337	–	337
Due from subsidiaries	90,059	–	90,059
Due from related companies	148	–	148
Cash and cash equivalents	14,702	–	14,702
	125,099	105	125,204

Financial liabilities

	Financial liabilities at amortised cost
	RM'000
Trade payables	78,649
Financial liabilities included in other payables and accruals	14,563
Interest-bearing bank borrowings	25,727
Due to the immediate holding company	5
Due to subsidiaries	40,475
Due to associates	1,073
Due to related companies	140
	160,632

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, comprise interest-bearing bank borrowings, cash and bank balances and balances with group companies. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The Group's interest rate risk arises primarily from interest-bearing borrowings. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings. The Group reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's and the Company's profit before tax (through the impact on floating rate borrowings) and the Group's and the Company's equity.

	Group and Company		
	Increase/ (decrease) in basis points	Increase/ (decrease) in profit before tax *RM'000*	Increase/ (decrease) in equity* *RM'000*
2007			
Ringgit Malaysia	100	(1,388)	–
Ringgit Malaysia	(100)	1,388	–
2008			
Ringgit Malaysia	100	(242)	–
Ringgit Malaysia	(100)	242	–
2009			
Ringgit Malaysia	100	(1,661)	–
Ringgit Malaysia	(100)	1,661	–

* Excluding retained profits

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency.

The following table demonstrates the sensitivity at the balance sheet dates to a reasonably possible change in the exchange rates, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity. There is no impact on the Company's equity.

		Group	
	Changes in exchange rates	**Increase/ (decrease) in profit before tax**	**Increase/ (decrease) in equity***
	%	*RM'000*	*RM'000*
2007			
If Ringgit Malaysia weakens against United States Dollar	5	(291)	–
If Ringgit Malaysia weakens against New Taiwan Dollar	5	(12)	–
If Ringgit Malaysia weakens against Brunei Dollar	5	24	–
If Ringgit Malaysia weakens against Singapore Dollar	5	77	–
If Ringgit Malaysia weakens against Renminbi	5	77	–
If Ringgit Malaysia weakens against Indonesian Rupiah	5	261	–
If Ringgit Malaysia strengthens against United States Dollar	5	291	–
If Ringgit Malaysia strengthens against New Taiwan Dollar	5	12	–
If Ringgit Malaysia strengthens against Brunei Dollar	5	(24)	–
If Ringgit Malaysia strengthens against Singapore Dollar	5	(77)	–
If Ringgit Malaysia strengthens against Renminbi	5	(77)	–
If Ringgit Malaysia strengthens against Indonesian Rupiah	5	(261)	–
2008			
If Ringgit Malaysia weakens against United States Dollar	5	(547)	–
If Ringgit Malaysia weakens against New Taiwan Dollar	5	(117)	–
If Ringgit Malaysia weakens against Brunei Dollar	5	86	–
If Ringgit Malaysia weakens against Singapore Dollar	5	175	–
If Ringgit Malaysia weakens against Renminbi	5	42	–
If Ringgit Malaysia weakens against Indonesian Rupiah	5	240	–

	Changes in exchange rates	Group Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity*
	%	*RM'000*	*RM'000*
2008			
If Ringgit Malaysia strengthens against United States Dollar	5	547	–
If Ringgit Malaysia strengthens against New Taiwan Dollar	5	117	–
If Ringgit Malaysia strengthens against Brunei Dollar	5	(86)	–
If Ringgit Malaysia strengthens against Singapore Dollar	5	(175)	–
If Ringgit Malaysia strengthens against Renminbi	5	(42)	–
If Ringgit Malaysia strengthens against Indonesian Rupiah	5	(240)	–
2009			
If Ringgit Malaysia weakens against United States Dollar	5	(1,081)	–
If Ringgit Malaysia weakens against New Taiwan Dollar	5	(110)	–
If Ringgit Malaysia weakens against Brunei Dollar	5	43	–
If Ringgit Malaysia weakens against Singapore Dollar	5	84	–
If Ringgit Malaysia weakens against Renminbi	5	7	–
If Ringgit Malaysia weakens against Indonesian Rupiah	5	103	–
If Ringgit Malaysia weakens against Swiss Franc	5	(45)	–
If Ringgit Malaysia weakens against Hong Kong Dollar	5	(188)	–
If Ringgit Malaysia strengthens against United States Dollar	5	1,081	–
If Ringgit Malaysia strengthens against New Taiwan Dollar	5	110	–
If Ringgit Malaysia strengthens against Brunei Dollar	5	(43)	–
If Ringgit Malaysia strengthens against Singapore Dollar	5	(84)	–
If Ringgit Malaysia strengthens against Renminbi	5	(7)	–
If Ringgit Malaysia strengthens against Indonesian Rupiah	5	(103)	–
If Ringgit Malaysia strengthens against Swiss Franc	5	45	–
If Ringgit Malaysia strengthens against Hong Kong Dollar	5	188	–

* Excluding retained profits

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, amounts due from holding companies, associates and related companies and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Group is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in note 36 to the Financial Information.

Since the Group trades only with recognised and creditworthy customers, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 22 to the Financial Information.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings.

The maturity profile of the Group's financial liabilities as at the balance sheet dates, based on the contractual undiscounted payments, was as follows:

Group

	On demand	Within 1 year	More than 1 year but less than 5 years	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*
2007				
Interest-bearing bank borrowings	–	15,442	3,827	19,269
Trade payables	–	73,628	–	73,628
Other payables	–	11,635	–	11,635
Due to the immediate holding company	17,206	–	–	17,206
Due to associates	1,253	–	–	1,253
Due to related companies	280	–	–	280
	18,739	100,705	3,827	123,271
2008				
Interest-bearing bank borrowings	–	3,563	231	3,794
Trade payables	–	86,101	–	86,101
Other payables	–	13,317	–	13,317
Due to associates	1,210	–	–	1,210
Due to related companies	374	–	–	374
	1,584	102,981	231	104,796
2009				
Interest-bearing bank borrowings	–	27,662	16	27,678
Trade payables	–	125,344	–	125,344
Other payables	–	22,380	–	22,380
Due to the immediate holding company	5	–	–	5
Due to associates	1,073	–	–	1,073
Due to related companies	363	–	–	363
	1,441	175,386	16	176,843

Company

	On demand *RM'000*	Within 1 year *RM'000*	More than 1 year but less than 5 years *RM'000*	Total *RM'000*
2007				
Interest-bearing bank borrowings	–	15,442	3,827	19,269
Trade payables	–	56,672	–	56,672
Other payables	–	8,079	–	8,079
Due to the immediate holding company	17,206	–	–	17,206
Due to subsidiaries	20,282	–	–	20,282
Due to associates	1,253	–	–	1,253
Due to related companies	64	–	–	64
	38,805	80,193	3,827	122,825
2008				
Interest-bearing bank borrowings	–	3,563	231	3,794
Trade payables	–	61,790	–	61,790
Other payables	–	10,530	–	10,530
Due to subsidiaries	27,272	–	–	27,272
Due to associates	1,210	–	–	1,210
Due to related companies	162	–	–	162
	28,644	75,883	231	104,758
2009				
Interest-bearing bank borrowings	–	27,662	16	27,678
Trade payables	–	78,649	–	78,649
Other payables	–	14,563	–	14,563
Due to the immediate holding company	5	–	–	5
Due to subsidiaries	40,475	–	–	40,475
Due to associates	1,073	–	–	1,073
Due to related companies	140	–	–	140
	41,693	120,874	16	162,583

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Group's policy is to minimise the gearing ratio. Net debt includes interest-bearing bank borrowings, amounts due to the immediate holding company, associates and related companies, trades and other payables, accruals, less cash and cash equivalents. Capital includes equity attributable to equity holders of the Company. The gearing ratios as at the balance sheet dates were as follows:

		30 April	
	2007	**2008**	**2009**
	RM'000	*RM'000*	*RM'000*
Interest-bearing bank borrowings	18,519	3,609	26,921
Trade payables	73,628	86,101	125,344
Other payables and accruals	23,137	25,623	39,474
Due to the immediate holding company	17,025	–	5
Due to associates	1,253	1,210	1,073
Due to related companies	280	374	363
Less: Cash and cash equivalents	(30,041)	(50,476)	(42,523)
Net debt	103,801	66,441	150,657
Equity attributable to equity holders of the Company	124,006	162,880	214,140
Capital and net debt	227,807	229,321	364,797
Gearing ratio	46%	29%	41%

42. EARNINGS PER SHARE

Earnings per share has not been presented as such information is not considered meaningful for the purpose of this report.

III. SUBSEQUENT EVENTS

Subsequent to the Relevant Periods, the following events occurred:

(a) On 1 May 2009, the Company acquired a 90% equity interest in Golden Works (M) Sdn. Bhd. ("GWSB"), a company incorporated in Malaysia and engaged in property investment, for a total cash consideration of RM19,530,000. On 8 June 2009, the Company acquired the remaining 10% equity interest in GWSB for a total cash consideration of RM2,180,000.

The fair values of the identifiable assets and liabilities of as at the date of acquisition and the corresponding carrying amounts immediately before the acquisition were as follows:

	Fair value recognised on acquisition	**Previous carrying amount**
	RM'000	*RM'000*
Property, plant and equipment	6	6
Investment properties	22,680	22,680
Trade receivables	66	66
Prepayments, deposits and other receivables	48	48
Cash and bank balances	452	452
Other payables	(472)	(472)
Tax payable	(6)	(6)
Deferred tax liabilities	(3,499)	(3,499)
	19,275	19,275
Goodwill	255	
Satisfied by cash	19,530	

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of the subsidiary is as follows:

	RM'000
Cash consideration	(19,530)
Cash and bank balances acquired	452
Net outflow of cash and cash equivalents in respect of the acquisition of the subsidiary	(19,078)

Had the combination taken place at the beginning of the year ended 30 April 2009, the revenue of the Group and the profit for the year of the Group would have been RM775,878,000 and RM62,326,000, respectively.

(b) On 12 May 2009, the Company agreed to dispose of a freehold land with a carrying amount of RM10,450,000 to a related company, Teluk Juara Sdn. Bhd., which is controlled by a director of the Company, for a total cash consideration of RM10,450,000. As at 30 April 2009, the Company has received a deposit of RM1.045 million and the sales transaction was completed on 11 August 2009.

(c) On 23 July 2009, the Company entered into an agreement to purchase a shop lot in Arena Green Apartments from a related Company, Berjaya Golf Resort Berhad, for a total cash consideration of RM249,000. The purchase transaction was completed on 3 August 2009. According to the information extracted from the books and records of Berjaya Golf Resort Berhad, the rental income for the years ended 30 April 2007, 2008 and 2009 were RM8,925, nil and RM16,500, respectively. Profit/(loss) before tax attributable to the shop lot were profit of RM7,289, loss of RM1,636 and profit of RM14,864 for the years ended 30 April 2007, 2008 and 2009, respectively.

(d) On 29 July 2009, the Company entered into an agreement to purchase an office lot in Taiwan for a consideration of New Taiwan Dollar ("NTD") 17,850,000 (equivalent to RM1,913,000). The purchase of the office lot is intended for the Company's own use. The purchase transaction was completed on 29 July 2009.

(e) On 8 September 2009, a total of 2,835 units SE Pendant, a product of the Group, marketed by Cosway (HK) Limited, a subsidiary of the Company, were seized by the Hong Kong Customs and Excise Department alleging that the SE Pendant contains excessive radiation which may cause health problem over time. Consistent with the Company's corporate principles and social responsibility to its customers, the management immediately recalled the product from the market in Hong Kong.

The Directors of the Company are of the opinion that there is no material financial impact to the financial statements of the Group and the Company arising from this matter. Further to this, the Company has also received an indemnity amounting to RM2,276,000 (equivalent to HK$5,000,000) from the supplier of the product for the compensation of the cost incurred from the recall of this product.

IV. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to 30 April 2009.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(B) MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS OF COSWAY M AND ITS SUBSIDIARIES ("COSWAY M GROUP")

Set out below is the management discussion and analysis of the Cosway M Group for each of the three years ended 30 April 2009.

(a) Business Review

The Cosway M Group recorded a turnover of RM443 million, RM578 million and RM774 million for the three years ended 30 April 2007, 2008 and 2009 respectively. The increase in turnover was primarily due to strong revenue growth from its Malaysian operations as well as expansion in new markets namely Taiwan and Hong Kong.

The net profits of the Cosway M Group for the three years ended 30 April 2007, 2008 and 2009 were approximately RM30 million, RM47 million and RM61 million respectively. The improved operating profits over these three years were mainly attributed to the higher profit contribution from international operations, increased operating profit from Malaysian operations and the ongoing rationalisation of its business processes and better economy of scales. For the year ended 30 April 2007, 2008 and 2009, there were fair value gains/losses on investment properties amounting to gain of RM1.00 million, gain of RM5.00 million and loss of RM0.54 million respectively.

(b) Segmental Information and Significant Investments Held

Summary of the Cosway M Group's business segments are as follows:

Name of segment	Operations in the segment
Retailing	Direct selling of household, personal care, healthcare and other consumer products
Property investment	Investing in prime office space for rental income potential

Summary of the Cosway M Group's geographical segments are as follows:

Name of segment	Countries in the segment
Malaysia	Malaysia
South East Asia (excluding Malaysia)	Thailand, Indonesia, Brunei and Singapore
Other Asia Pacific countries	Hong Kong, Taiwan, Macau, Korea and Australia
Others	Other parts of the world

Business segments

The following table presents revenue, profit and the main assets, liabilities and expenditure information for the Cosway M Group's business segments for the three years ended 30 April 2007, 2008 and 2009.

	Retailing *RM'000*	**Property investment** *RM'000*	**Eliminations** *RM'000*	**Consolidated** *RM'000*
Year ended 30 April 2007				
Segment revenue				
Sales to external customers	439,769	4,028	–	443,797
Intersegment sales	–	–	(831)	(831)
Total	439,769	4,028	(831)	442,966
Segment results	**168,523**	**3,932**	**–**	**172,455**
Interest income and unallocated gains				2,303
Unallocated expenses				(132,224)
Finance costs				(1,140)
Share of profits and losses of associates				50
Profit before tax				41,444
Tax				(11,441)
Profit for the year				30,003
Assets and liabilities:				
Segment assets	219,611	49,912	–	269,523
Interests in associates	75	–	–	75
Unallocated assets				356
Total assets				269,954
Segment liabilities	131,889	2,267	–	134,156
Unallocated liabilities				3,987
Total liabilities				138,143

	Retailing	Property investment	Eliminations	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2008				
Segment revenue				
Sales to external customers	574,791	4,323	–	579,114
Intersegment sales	–	–	(1,011)	(1,011)
Total	574,791	4,323	(1,011)	578,103
Segment results	**226,408**	**8,222**	**–**	**234,630**
Interest income and unallocated gains				8,419
Unallocated expenses				(178,340)
Finance costs				(820)
Share of profits and losses of associates				23
Profit before tax				63,912
Tax				(17,267)
Profit for the year				46,645
Assets and liabilities:				
Segment assets	244,271	56,754	–	301,025
Interests in associates	74	–	–	74
Unallocated assets				158
Total assets				301,257
Segment liabilities	114,144	3,162	–	117,306
Unallocated liabilities				9,993
Total liabilities				127,299

	Retailing *RM'000*	Property investment *RM'000*	Eliminations *RM'000*	Consolidated *RM'000*
Year ended 30 April 2009				
Segment revenue				
Sales to external customers	771,120	4,277	–	775,397
Intersegment sales	–	–	(1,274)	(1,274)
Total	771,120	4,277	(1,274)	774,123
Segment results	**312,702**	**1,985**	**–**	**314,687**
Interest income and unallocated gains				6,282
Unallocated expenses				(240,352)
Finance costs				(843)
Share of profits and losses of associates				36
Profit before tax				79,810
Tax				(19,080)
Profit for the year				60,730
Assets and liabilities:				
Segment assets	383,092	56,176	–	439,268
Interests in associates	50	–	–	50
Unallocated assets				188
Total assets				439,506
Segment liabilities	191,012	2,646	–	193,658
Unallocated liabilities				14,236
Total liabilities				207,894

Geographical segments

The following tables present revenue and certain asset and expenditure information for the Cosway M Group's geographical segments for the three years ended 30 April 2007, 2008 and 2009.

	Malaysia	South East Asia (excluding Malaysia)	Other Asia Pacific countries	Others	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2007					
Segment revenue					
Sales to external customers	314,607	11,584	116,595	180	442,966
Other segment information:					
Segment assets	184,839	7,678	63,964	13,042	269,523
Capital expenditure	3,750	399	4,796	–	8,945

	Malaysia	South East Asia (excluding Malaysia)	Other Asia Pacific countries	Others	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2008					
Segment revenue					
Sales to external customers	343,647	10,937	223,454	65	578,103
Other segment information:					
Segment assets	188,063	10,131	82,507	20,324	301,025
Capital expenditure	7,338	162	3,545	1,107	12,152

	Malaysia	South East Asia (excluding Malaysia)	Other Asia Pacific countries	Others	Consolidated
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 30 April 2009					
Segment revenue	399,818	12,772	359,578	1,955	774,123
Other segment information:					
Segment assets	255,558	9,538	158,885	15,287	439,268
Capital expenditure	11,182	1,525	12,170	981	25,858

(c) Liquidity and Financial Resources

As at 30 April 2009, the total cash and cash equivalents were approximately RM42.5 million, compared to approximately RM50.4 million and approximately RM30.0 million as at 30 April 2008 and 2007 respectively.

As at 30 April 2009, the total borrowings were approximately RM26.9 million, compared to approximately RM3.6 million and approximately RM18.5 million as at 30 April 2008 and 2007 respectively.

For the year ended 30 April 2009, the contractual interest rate of bank borrowings ranged from 3.66% to 13.55% per annum, compared to the contractual interest rate 3.90% to 8.75% per annum for the year ended 30 April 2008 and 3.9% to 8.8% per annum for the year ended 30 April 2007. For the three years ended 30 April 2007, 2008, 2009, all bank borrowings of the members of the Cosway M Group were mainly denominated in RM, and the members of the Cosway M Group have not entered into derivative contracts or hedging transactions.

Capital Structure

As at 30 April 2009, the total equity of the Cosway M Group was approximately RM231.6 million. This represented an increase of approximately RM57.6 million, or approximately 33.1%, as compared to 30 April 2008. As at 30 April 2008, the total equity of the Cosway M Group was approximately RM174.0 million. This represented an increase of approximately RM42.2 million, or approximately 32.0%, as compared to the total equity as at 30 April 2007 of approximately RM131.8 million.

As at 30 April 2009, the gearing ratio, which is net debt divided by the total capital plus net debt, was approximately 41%, compared to approximately 29% and approximately 46% as at 30 April 2008 and 2007 respectively.

The primary objective of Cosway M Group's capital management is to maintain healthy capital ratios in order to support its business and maximise shareholders' wealth. Cosway M Group regularly reviews its capital structure and makes adjustments to it in light of the changes in economic/market conditions and the risk characteristics of each major countries where Cosway M Group operates.

Charges on assets

During the three years ended 30 April 2007, 2008 and 2009, the investment property and freehold/leasehold land with a net book value as at 30 April 2009 totaling to RM52.5 million and RM16.13 million respectively were pledged as collaterals to banks. The former was given as a form of third party security to the immediate holding company for its banking facility of RM35 million and the latter is for a term loan taken by Cosway M Group for its working capital. Both loans have been fully settled as at the Latest Practicable Date.

Furthermore, as borrowings of Cosway M Group were predominantly on a fixed rate basis, the interest rate risk of Cosway M Group is minimal.

(d) Foreign Currency Management

With regards to foreign exchange risk, Cosway M Group's businesses are predominantly located in Malaysia and Asia Pacific regions. All transactions are conducted in the currency of the various countries of Cosway M Group's operations. In addition, purchases are primarily locally sourced and the distribution of inventory is managed in a centralised manner. Therefore, fluctuations of exchange rates of the major regions that Cosway M Group operates in against other foreign currencies are not expected to have a significant impact on Cosway M Group's results.

(e) Contingent Liabilities

On 24 January 2007, Innovation Scientifique Dermatologique ("ISD") filed a potential writ of summons for Cosway M Group to appear before the Tribunal de Commerce (Commercial Court) of Paris.

Under the license agreement dated 17 September 2004, ISD has granted Cosway M Group the exclusive license to use "Aubry Diffusion" and "Fairway" trademarks and names, on selected Cosway products in Malaysia, Indonesia, the Philippines and Mexico in return of license fee based on a percentage of sales value. By written notice served by ISD to Cosway M Group on 30 May 2006, this license agreement was terminated on 13 August 2006 ("Termination").

ISD is claiming an alleged sum of 2,035,000 euros, equivalent to approximately RM10.09 million, with interest for the alleged loss of license fee for the period from 1 August 2004 till 31 December 2007 and damages arising from unfair competition in relation to the Termination.

Cosway M Group strongly disputes the suit and has instructed its local legal counsel to assist in the appointment of a French solicitor to advise Cosway M Group on the matter. Both parties have filled in their briefs and are now awaiting the court's decision on the case. The legal counsel is in the opinion that there are no related material contingent liabilities.

Save for disclosed above, the Cosway M Group had no material contingent liability as at 30 April 2007, 2008 and 2009 respectively.

(f) Material Acquisitions and Disposals

Cosway M Group did not make any material acquisitions or disposals for the three years ended 30 April 2009.

(g) Future Plans for Material Investments or Capital Assets

Cosway M Group had no material capital commitment nor future plans for material investment as at 30 April 2007, 30 April 2008 and 30 April 2009, respectively other than the acquisition of Golden Works.

(h) Employees and Remuneration Policy

Cosway M Group employed approximately 711, 789 and 897 employees as of 30 April 2007, 2008 and 2009 respectively. Remuneration is determined by reference to market terms and the qualifications of the staff concerned. Cosway M Group also provided other benefits including medical allowances and group hospitalisation insurance to all eligible staff.

(C) The following is the text of a report received from eCosway's reporting accountant, Ernst and Young, for the purpose of incorporation into this circular.

ERNST & YOUNG
安 永

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

30 October 2009

The Directors
Berjaya Holdings (HK) Limited

Dear Sirs,

We set out below our report on the financial information regarding eCosway.com SDN. BHD. (the "Company") for each of the three years ended 30 April 2007, 2008 and 2009 (the "Relevant Periods") for inclusion in the circular of Berjaya Holdings (HK) Limited ("BHK") dated 30 October 2009 (the "Circular") in relation to the proposed acquisition of the entire equity interest in the Company by BHK.

The Company was incorporated in Malaysia on 28 March 2000 with limited liability. The Company is principally engaged in the internet-based direct selling of consumer products. The statutory financial statements (the "Malaysian GAAP Financial Statements") of the Company for each of the Relevant Periods were prepared in accordance with the relevant accounting principles and financial regulations applicable to enterprises established in Malaysia ("Malaysian GAAP") and were audited by Ernst & Young Kuala Lumpur, Chartered Accountants registered in Malaysia.

For the purpose of this report, the directors of the Company have prepared the income statements, the statements of changes in equity and the cash flow statements of the Company for each of the Relevant Periods, and the balance sheets of the Company as at 30 April 2007, 2008 and 2009, together with the notes thereto, set out in this report (collectively the "Financial Information") based on the Malaysian GAAP Financial Statements, after making such adjustments as are appropriate to comply with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong.

The directors of the Company are responsible for the preparation of the Financial Information in order to give a true and fair view. In preparing the Financial Information that gives a true and fair view, it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates made are reasonable, and that the reasons for any significant departure from applicable accounting standards are stated.

Procedures performed in respect of the Financial Information

For the purpose of this report, we have carried out independent audit procedures on the Financial Information in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA, and have carried out such additional procedures as we consider necessary in accordance with Auditing Guideline 3.340 Prospectuses and the Reporting Accountant issued by the HKICPA. It is our responsibility to form an independent opinion, based on our procedures, on the Financial Information and to report our opinion to you.

Opinion in respect of the Financial Information

In our opinion, on the basis of preparation as set out in Note 2.1 of Section II below, the Financial Information gives, for the purpose of this report, a true and fair view of the state of affairs of the Company as at 30 April 2007, 2008 and 2009, and of the results and cash flows of the Company for each of the Relevant Periods.

I. FINANCIAL INFORMATION

INCOME STATEMENTS

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM*	*RM*	*RM*
REVENUE	*5*	88,510,900	100,534,885	149,158,414
Cost of sales		(76,085,575)	(81,478,466)	(119,266,053)
Gross profit		12,425,325	19,056,419	29,892,361
Other income and gains	*5*	20,228	–	528,236
Selling and distribution expenses		(3,939,932)	(4,557,396)	(8,637,305)
Administrative expenses		(3,853,380)	(4,503,642)	(6,218,846)
Other expenses		(513,041)	(2,181,016)	(28,821)
PROFIT BEFORE TAX	*6*	4,139,200	7,814,365	15,535,625
Tax	*9*	(136)	(82)	–
PROFIT FOR THE YEAR		4,139,064	7,814,283	15,535,625

BALANCE SHEETS

		30 April		
		2007	**2008**	**2009**
	Notes	*RM*	*RM*	*RM*
NON-CURRENT ASSETS				
Plant and equipment	*10*	1,296,735	1,986,614	2,262,887
Deposits	*12*	37,898	85,346	45,812
Total non-current assets		1,334,633	2,071,960	2,308,699
CURRENT ASSETS				
Trade receivables	*11*	107,869	42,867	1,082,957
Prepayments, deposits and other receivables	*12*	505,535	581,879	594,116
Due from an intermediate holding company	*13*	–	–	15,747,500
Due from the immediate holding company	*13*	16,217,872	18,722,356	30,572,457
Due from fellow subsidiaries	*13*	2,274,899	11,393,695	9,035,640
Tax recoverable		–	850	850
Cash and bank balances	*14*	1,501,852	2,375,006	3,780,520
Total current assets		20,608,027	33,116,653	60,814,040
CURRENT LIABILITIES				
Trade payables	*15*	5,994,040	10,745,924	22,829,234
Other payables and accruals	*16*	1,765,284	2,445,070	2,662,041
Due to fellow subsidiaries	*13*	4,620	4,620	102,840
Total current liabilities		7,763,944	13,195,614	25,594,115
NET CURRENT ASSETS		12,844,083	19,921,039	35,219,925
Net assets		14,178,716	21,992,999	37,528,624
EQUITY				
Issued capital	*17*	5,000,000	5,000,000	5,000,000
Retained profits		9,178,716	16,992,999	32,528,624
Total equity		14,178,716	21,992,999	37,528,624

STATEMENTS OF CHANGES IN EQUITY

	Issued capital *RM*	Retained profits *RM*	Total *RM*
At 1 May 2006	5,000,000	5,039,652	10,039,652
Profit for the year	–	4,139,064	4,139,064
At 30 April 2007 and 1 May 2007	5,000,000	9,178,716	14,178,716
Profit for the year	–	7,814,283	7,814,283
At 30 April 2008 and 1 May 2008	5,000,000	16,992,999	21,992,999
Profit for the year	–	15,535,625	15,535,625
At 30 April 2009	5,000,000	32,528,624	37,528,624

CASH FLOW STATEMENTS

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM*	*RM*	*RM*
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		4,139,200	7,814,365	15,535,625
Adjustments for:				
Interest income	*5*	(4,007)	–	(2,998)
Loss/(gain) on disposal of items of plant and equipment	*6*	(16,221)	–	28,821
Depreciation	*6*	605,858	353,060	401,002
Impairment of amounts due from fellow subsidiaries	*6*	125,656	1,682,038	–
		4,850,486	9,849,463	15,962,450
Decrease/(increase) in trade receivables		137,508	65,002	(1,040,090)
Decrease/(increase) in prepayments, deposits and other receivables		65,973	(123,792)	27,297
Decrease/(increase) in an amount due from an intermediate holding company		261,057	–	(15,747,500)
Increase in an amount due from the immediate holding company		(1,560,600)	(2,504,484)	(11,850,101)
Decrease/(increase) in amounts due from fellow subsidiaries		(404,012)	(10,800,834)	2,358,055
Increase/(decrease) in trade payables		(3,322,598)	4,751,884	12,083,310
Increase in other payables and accruals		684,237	679,786	216,971
Increase in amounts due to fellow subsidiaries		–	–	98,220
Cash generated from operations		712,051	1,917,025	2,108,612
Overseas taxes paid		(136)	(932)	–
Net cash inflow from operating activities		711,915	1,916,093	2,108,612

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM*	*RM*	*RM*
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received		4,007	–	2,998
Proceeds from disposal of items of plant and equipment		19,170	–	93,199
Purchase of items of plant and equipment		(880,191)	(1,042,939)	(799,295)
Net cash outflow from investing activities		(857,014)	(1,042,939)	(703,098)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(145,099)	873,154	1,405,514
Cash and cash equivalents at beginning of the year		1,646,951	1,501,852	2,375,006
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,501,852	2,375,006	3,780,520
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS				
Cash and bank balances	*14*	1,501,852	2,375,006	3,780,520

II. NOTES TO FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur. The principal place of business is located at 14.08, 14th Floor, Wisma Cosway, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

The Company is principally engaged in the internet-based direct selling of consumer products.

The immediate holding company of the Company is Cosway (M) Sdn. Bhd., which is incorporated in Malaysia. In the opinion of the directors, the ultimate holding company of the Company is Berjaya Corporation Berhad ("BCorp"), which is incorporated in Malaysia and is listed on the Main Board of the Bursa Malaysia Securities Berhad.

2.1 BASIS OF PREPARATION

The Financial Information has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong. HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards* has been applied in respect to the accounting policies adopted as at the date of transition to HKFRS. The Financial Information has been prepared under the historical convention and is presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

All HKFRSs effective for the accounting periods commencing from 1 May 2006, together with the relevant transitional provisions, have been adopted by the Company in the preparation of the Financial Information for the Relevant Periods.

2.2 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Company has not applied the following new and revised HKFRSs, that have been issued but are not yet effective in the Financial Information:

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and HKAS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*[1]
HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*[2]
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs – The Additional Exemptions for First-time Adopters*[9]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Vesting Conditions and Cancellations*[1]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Group Cash-settled Share-based Payment Transactions*[9]
HKFRS 3 (Revised)	*Business Combinations*[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*[1]
HKFRS 8	*Operating Segments*[1]
HKAS 1 (Revised)	*Presentation of Financial Statements*[1]
HKAS 23 (Revised)	*Borrowing Costs*[1]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*[2]
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*[1]
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*[2]

HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives*[5]
HK(IFRIC)-Int 13	*Customer Loyalty Programmes*[3]
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate*[1]
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation*[4]
HK(IFRIC)-Int 17	*Distributions of Non-cash Assets to Owners*[2]
HK(IFRIC)-Int 18	*Transfers of Assets from Customers*[6]
Annual improvements project	*Improvements to HKFRSs*[7*]
Annual improvements project	*Improvements to HKFRSs 2009*[8**]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009
3 Effective for annual periods beginning on or after 1 July 2008
4 Effective for annual periods beginning on or after 1 October 2008
5 Effective for annual periods ending on or after 30 June 2009
6 Effective for transfers of assets from customers received on or after 1 July 2009
7 Effective for annual periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, which are effective for annual periods beginning on or after 1 July 2009
8 Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate
9 Effective for annual periods beginning on or after 1 January 2010
* Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.
** Improvements to HKFRSs 2009 contains amendments to HKFRS 2, HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 18, HKAS 36, HKAS 38, HKAS 39, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16.

The Company is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 8 and HKAS 1 (Revised) may result in new or amended disclosures and the adoption of HKAS 23 (Revised) and HK(IFRIC)-Int 13 may result in changes in accounting policies, these new and revised HKFRSs are unlikely to have a significant impact on the Company's results of operations and financial position.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises.

Related parties

A party is considered to be related to the Company if:

(a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Company; (ii) has an interest in the Company that gives it significant influence over the Company; or (iii) has joint control over the Company;

(b) the party is an associate;

(c) the party is a jointly-controlled entity;

(d) the party is a member of the key management personnel of the Company or any of its holding companies;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Company, or of any entity that is a related party of the Company.

Plant and equipment and depreciation

Plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Computer equipment and software	20%
Furniture and fittings	10%
Motor vehicles	20%
Office equipment	20%
Office renovation	Over the shorter of the lease terms and 33⅓%

Where parts of an item of plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Company is the lessee, rentals payable under operating leases are charged to the income statement on the straight-line basis over the lease terms.

Financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Company assesses whether a contract contains an embedded derivative when the Company first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in terms of the contract that significantly modifies for cash flows that would otherwise be required under the contract.

The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Impairment of financial assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Company will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;

- the Company retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Company's continuing involvement is the amount of the transferred asset that the Company may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Company's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables and amounts due to fellow subsidiaries are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statements.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Company's cash management.

For the purpose of the balance sheets, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted by the balance sheet date are used to determine deferred tax.

Deferred tax liabilities are provided in full on all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably, on the following bases:

(a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Company maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

(b) from the rendering of services, when the services have been rendered;

(c) membership fee income, for the entrance fee, when no significant uncertainty as to its collectability exists;

(d) membership fee income, for membership benefits, on a time proportion basis over the membership period; and

(e) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Employee benefits

Pension scheme

Defined contribution plans include post-employment benefit plans under which the Company pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred.

As required by law, companies in Malaysia make such contributions to the Employees Provident Fund.

Foreign currency transactions

The Financial Information is presented in Ringgit Malaysia, which is the Company's functional and presentation currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial information:

Impairment of assets

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Company has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by the management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of trade receivables and other receivables

The Company conducts impairment reviews of financial assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable in accordance with the relevant accounting standards. Determining whether an asset is impaired requires an estimation of the future cash flows and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, the Company would be required to revise the basis of making the allowance and its future results would be affected. As at 30 April 2007, 2008 and 2009, the carrying amounts of trade receivables were RM107,869, RM42,867 and RM1,082,957, respectively, and no impairment loss was made. As at 30 April 2007, 2008 and 2009, an aggregate impairment of other receivables of RM36,124 has been made and the carrying amounts of other receivables were RM164,649, RM193,467 and RM159,621, respectively.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

As at 30 April 2007, 2008 and 2009, management has deferred the recognition of deferred tax assets of RM513,208, RM494,200 and RM475,193, respectively, arising from unused tax losses prior to Multimedia Super Corridor ("MSC") Pioneer Status being granted, amounting to RM1,900,771 as at 30 April 2007, 2008 and 2009. The Company has been granted an extension of Pioneer Status for an initial period of 5 years commencing from 4 October 2002, which are subsequently extended for a further period of 5 years commencing from 4 October 2007.

4. SEGMENT INFORMATION

(a) Business segment

The Company's revenue is principally derived from the direct selling of consumer products. The Company has only one business segment.

(b) Geographical segments

The Company's major geographical segments are operating principally in Malaysia and other geographical areas of the world are as follows:

Name of segment	Countries in the segment
Malaysia	Malaysia
South East Asia	Thailand, Indonesia, Brunei and Singapore
Other Asia Pacific countries	Hong Kong SAR, Taiwan, Macau SAR and Australia
Others	Other parts of the world

The following tables present revenue and certain asset and expenditure information for the Company's geographical segments for the years ended 30 April 2007, 2008 and 2009.

	Malaysia	South East Asia	Other Asia Pacific countries	Others	Total
	RM	*RM*	*RM*	*RM*	*RM*
Year ended 30 April 2007					
Segment revenue:					
Sales to external customers	81,153,408	588,604	6,768,888	–	88,510,900
Other segment information					
Segment assets	18,600,640	–	–	–	18,600,640
Other unallocated assets					3,342,020
Total assets					21,942,660
Capital expenditure	880,191	–	–	–	880,191
Year ended 30 April 2008					
Segment revenue:					
Sales to external customers	87,856,233	668,429	11,728,746	281,477	100,534,885
Other segment information					
Segment assets	30,158,918	–	–	–	30,158,918
Other unallocated assets					5,029,695
Total assets					35,188,613
Capital expenditure	1,042,939	–	–	–	1,042,939
Year ended 30 April 2009					
Segment revenue:					
Sales to external customers	131,484,374	1,356,173	15,741,513	576,354	149,158,414
Other segment information					
Segment assets	40,691,054	–	–	–	40,691,054
Other unallocated assets					22,431,685
Total assets					63,122,739
Capital expenditure	799,295	–	–	–	799,295

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Company's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts; the value of services rendered; and membership income received and receivable.

An analysis of revenue, other income and gains is as follows:

	Year ended 30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Revenue			
Sale of goods	69,887,693	79,701,460	117,621,961
Rendering of services	9,022,399	14,695,904	18,552,048
Membership fee income	9,600,808	6,137,521	12,984,405
	88,510,900	100,534,885	149,158,414
Other income			
Bank interest income	4,007	–	2,998
Others	16,221	–	1,495
	20,228	–	4,493
Gains			
Foreign exchange gains, net	–	–	523,743
	20,228	–	528,236

6. PROFIT BEFORE TAX

The Company's profit before tax is arrived at after charging/(crediting):

	Year ended 30 April		
	2007	2008	2009
	RM	*RM*	*RM*
Cost of inventories sold	51,124,529	59,069,152	86,678,887
Auditors' remuneration	20,000	20,000	20,000
Depreciation	605,858	353,060	401,002
Impairment of amounts due from fellow subsidiaries	125,656	1,682,038	–
Minimum lease payments under operating leases:			
Land and buildings	369,291	443,955	536,012
Plant and machinery	261,057	–	–
	630,348	443,955	536,012
Employee benefit expenses (excluding directors' remuneration *(note7)*):			
Wages and salaries	2,285,328	2,797,300	4,199,126
Pension scheme contributions	218,352	255,081	403,970
	2,503,680	3,052,381	4,603,096
Loss/(gain) on disposal of items of plant and equipment	(16,221)	–	28,821
Withholding tax on royalty income	572,380	1,177,102	548,343
Foreign exchange differences, net	482,387	498,482	(523,743)

7. DIRECTORS' REMUNERATION

No directors of the Company received any remuneration during the Relevant Periods for their services rendered to the Company.

8. FIVE HIGHEST PAID EMPLOYEES

Details of the remuneration of the five highest paid employees, who are non-directors, during the Relevant Periods are as follows:

	Year ended 30 April		
	2007	2008	2009
	RM	*RM*	*RM*
Salaries, allowances and benefits in kind	405,430	405,124	724,672
Performance related bonuses	65,000	76,956	122,011
Pension scheme contributions	56,892	58,257	102,556
	527,322	540,337	949,239

The emoluments paid to the five highest paid employees throughout the Relevant Periods fell within the banding of nil to RM500,000.

9. TAX

The Company has obtained approval from the Multimedia Development Corporation, Malaysia as a MSC company and has been granted Pioneer Status with full income tax exemption under the Promotion of Investment Act, 1986 for an initial period of 5 years commencing from 4 October 2002, which was subsequently extended for a further period of 5 years commencing from 4 October 2007.

	Year ended 30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Current – Malaysia:			
Charge for the year	1,082	–	–
Underprovision/(overprovision) in prior years	(946)	82	–
	136	82	–

A reconciliation of the tax expense applicable to profit before tax using the statutory rate for the Company to the tax expense at the effective tax rate is as follows:

	Year ended 30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Profit before tax	4,139,200	7,814,365	15,535,625
Tax at Malaysian statutory tax rate (2007: 27%; 2008: 26%; 2009: 25%)	1,117,584	2,031,735	3,883,906
Adjustments in respect of current tax of previous periods	(946)	82	–
Effect of tax exemption under MSC status	(1,367,766)	(2,691,546)	(3,937,733)
Expenses not deductible for tax	190,522	659,811	53,827
Tax losses not recognised	60,742	–	–
Tax charge for the year	136	82	–

Deferred tax assets have not been recognised in respect of the following item:

	30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Tax losses	1,900,771	1,900,771	1,900,771

The availability of the tax losses of the Company for offsetting against future taxable profits is subject to there being no substantial change in the shareholding of the Company under the Malaysia Income Tax Act, 1976 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised in respect of the tax losses as it is uncertain whether future taxable income will be sufficient to allow the benefit to be realised after the extension of the Pioneer Status for another 5 years from 4 October 2007.

Presently, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 in the Laws of Malaysia (the "Finance Act"), companies shall not be entitled to deduct tax on dividends paid, credited or distributed to their shareholders and such dividends will be exempted from tax in the hands of the shareholders (the "single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the balance in accordance with Section 108 of the Companies Act 1965 in the Laws of Malaysia (the "Companies Act") and opt to pay the dividends under the single tier system. The change in the tax legislation also provides for the balance in accordance with Section 108 of the Companies Act to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007 in the Laws of Malaysia.

The Company did not elect for the irrevocable option to disregard the balance in accordance with Section 108 of the Companies Act. Accordingly, during the transitional period, the Company may utilise the credit in the balance in accordance with Section 108 of the Companies Act as at 31 December 2007 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act. As at 30 April 2007, 2008 and 2009, the Company had sufficient credit in the balance in accordance with Section 108 of the Companies Act to pay franked dividends amounting to RM12,000, RM12,000 and RM15,000, respectively, out of its retained profits. If the balance of the retained profits of RM9,166,716, RM16,980,999 and RM32,513,624 for 2007, 2008 and 2009 were to be distributed as dividends, the Company may distribute such dividends using the tax exempted balances or under the single tier system.

Subject to the agreement of the Inland Revenue Board of Malaysia, the Company had sufficient tax credit in its tax exempted account approximate to RM15,654,000, RM24,081,000 and RM29,821,000 for 2007, 2008 and 2009 under Section 21C of the Promotion of Investment Act, 1986 in the Laws of Malaysia to frank the payment of dividends out of its entire retained earnings.

10. PLANT AND EQUIPMENT

	Computer equipment and software *RM*	**Furniture and fittings** *RM*	**Motor vehicles** *RM*	**Office equipment** *RM*	**Office renovation** *RM*	**Total** *RM*
30 April 2007						
At 1 May 2006:						
Cost	4,305,333	148,164	576,378	189,625	370,530	5,590,030
Accumulated depreciation	(3,736,981)	(55,829)	(289,171)	(124,454)	(358,244)	(4,564,679)
Net carrying amount	568,352	92,335	287,207	65,171	12,286	1,025,351
At 1 May 2006, net of accumulated depreciation	568,352	92,335	287,207	65,171	12,286	1,025,351
Additions	758,234	21,607	76,249	21,661	2,440	880,191
Disposals	(2,948)	–	(1)	–	–	(2,949)
Depreciation provided during the year	(542,378)	(15,928)	(12,642)	(27,137)	(7,773)	(605,858)
At 30 April 2007, net of accumulated depreciation	781,260	98,014	350,813	59,695	6,953	1,296,735
At 30 April 2007:						
Cost	5,057,468	169,771	578,839	211,285	366,065	6,383,428
Accumulated depreciation	(4,276,208)	(71,757)	(228,026)	(151,590)	(359,112)	(5,086,693)
Net carrying amount	781,260	98,014	350,813	59,695	6,953	1,296,735

	Computer equipment and software *RM*	Furniture and fittings *RM*	Motor vehicles *RM*	Office equipment *RM*	Office renovation *RM*	Total *RM*
30 April 2008						
At 30 April 2007 and 1 May 2007:						
Cost	5,057,468	169,771	578,839	211,285	366,065	6,383,428
Accumulated depreciation	(4,276,208)	(71,757)	(228,026)	(151,590)	(359,112)	(5,086,693)
Net carrying amount	781,260	98,014	350,813	59,695	6,953	1,296,735
At 1 May 2007, net of accumulated depreciation	781,260	98,014	350,813	59,695	6,953	1,296,735
Additions	209,204	98,328	482,169	92,810	160,428	1,042,939
Depreciation provided during the year	(249,189)	(21,253)	(28,584)	(32,542)	(21,492)	(353,060)
At 30 April 2008, net of accumulated depreciation	741,275	175,089	804,398	119,963	145,889	1,986,614
At 30 April 2008:						
Cost	5,266,672	268,099	1,061,008	304,095	526,493	7,426,367
Accumulated depreciation	(4,525,397)	(93,010)	(256,610)	(184,132)	(380,604)	(5,439,753)
Net carrying amount	741,275	175,089	804,398	119,963	145,889	1,986,614

	Computer equipment and software *RM*	Furniture and fittings *RM*	Motor vehicles *RM*	Office equipment *RM*	Office renovation *RM*	Total *RM*
30 April 2009						
At 30 April 2008 and 1 May 2008:						
Cost	5,266,672	268,099	1,061,008	304,095	526,493	7,426,367
Accumulated depreciation	(4,525,397)	(93,010)	(256,610)	(184,132)	(380,604)	(5,439,753)
Net carrying amount	741,275	175,089	804,398	119,963	145,889	1,986,614
At 1 May 2008, net of accumulated depreciation	741,275	175,089	804,398	119,963	145,889	1,986,614
Additions	80,936	13,390	640,331	50,760	13,878	799,295
Disposals	–	–	(122,020)	–	–	(122,020)
Depreciation provided during the year	(236,511)	(27,186)	(39,107)	(40,390)	(57,808)	(401,002)
At 30 April 2009, net of accumulated depreciation	585,700	161,293	1,283,602	130,333	101,959	2,262,887
At 30 April 2009:						
Cost	5,347,608	281,489	1,410,612	354,855	540,371	7,934,935
Accumulated depreciation	(4,761,908)	(120,196)	(127,010)	(224,522)	(438,412)	(5,672,048)
Net carrying amount	585,700	161,293	1,283,602	130,333	101,959	2,262,887

11. TRADE RECEIVABLES

The Company's credit period granted to its customers is generally within 90-day terms. The Company seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at 30 April 2007, 2008 and 2009, based on the invoice dates, is as follows:

	30 April 2007 *RM*	2008 *RM*	2009 *RM*
Current	63,698	–	1,024,364
1 to 2 months	1,392	7,493	872
2 to 3 months	15,331	4,906	–
Over 3 months	27,448	30,468	57,721
	107,869	42,867	1,082,957

An aged analysis of the trade receivables that are not considered to be impaired is as follows:

	30 April		
	2007	2008	2009
	RM	*RM*	*RM*
Neither past due nor impaired	57,701	–	1,024,364
Less than 1 month past due	36,639	42,867	58,593
1 to 3 months past due	13,529	–	–
	107,869	42,867	1,082,957

Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Company. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Company does not hold any collateral or other credit enhancements over these balances.

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 April		
	2007	2008	2009
	RM	*RM*	*RM*
Prepayments	222,444	266,366	272,615
Deposits	156,340	207,392	207,692
Other receivables	200,773	229,591	195,745
	579,557	703,349	676,052
Impairment of other receivables	(36,124)	(36,124)	(36,124)
	543,433	667,225	639,928
Less: Deposits classified as non-current assets	(37,898)	(85,346)	(45,812)
Current portion	505,535	581,879	594,116

None of the deposits is either past due or impaired.

Included in the above provision for impairment of other receivables is a provision for individually impaired other receivables of RM36,124, with a carrying amount of RM36,124, as at 30 April 2007, 2008 and 2009. The individually impaired other receivables relate to debtors that were in default or delinquency in interest or principal payments and are not expected to be recovered. The Company does not hold any collateral or other credit enhancements over these balances.

There was no change in the impairment account during the Relevant Periods. The remaining balances of other receivables were neither past due nor impaired and relate to receivables for which there were no recent history of default.

13. BALANCES WITH GROUP COMPANIES

	30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Due from fellow subsidiaries	2,400,555	13,201,389	10,736,910
Impairment of amounts due from fellow subsidiaries	(125,656)	(1,807,694)	(1,701,270)
	2,274,899	11,393,695	9,035,640

Impairment is recognised for amounts due from fellow subsidiaries with carrying amounts of RM125,656, RM1,807,694 and RM1,701,270 (before deducting the impairment loss) as at 30 April 2007, 2008 and 2009, respectively, because the carrying amounts of amounts due from fellow subsidiaries exceeded their recoverable amounts as estimated by the directors.

The movements in provision for impairment of amounts due from fellow subsidiaries are as follows:

	2007	**2008**	**2009**
	RM	*RM*	*RM*
At beginning of year	–	125,656	1,807,694
Impairment losses recognised *(note 6)*	125,656	1,682,038	–
Foreign exchange differences, net	–	–	(106,424)
At end of year	125,656	1,807,694	1,701,270

The balances with group companies are unsecured, interest-free and repayable on demand.

14. CASH AND BANK BALANCES

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

15. TRADE PAYABLES

An aged analysis of the trade payables as at 30 April 2007, 2008 and 2009, based on the invoice date, is as follows:

	30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Within 1 month	1,700,441	1,388,152	9,946,226
1 to 2 months	1,757,231	1,612,953	2,906,321
2 to 3 months	12,168	553,834	490,293
Over 3 months	2,524,200	7,190,985	9,486,394
	5,994,040	10,745,924	22,829,234

The trade payables are non-interest-bearing and are normally settled on 30-day to 90-day terms.

16. OTHER PAYABLES AND ACCRUALS

	30 April 2007	2008	2009
	RM	*RM*	*RM*
Other payables	569,945	653,712	666,393
Accruals	1,195,339	1,791,358	1,995,648
	1,765,284	2,445,070	2,662,041

Other payables are non-interest-bearing and have an average term of three months.

17. SHARE CAPITAL

	30 April 2007	2008	2009
	RM	*RM*	*RM*
Authorised:			
10,000,000 ordinary shares of RM1 each	10,000,000	10,000,000	10,000,000
Issued and fully paid:			
5,000,000 ordinary shares of RM1 each	5,000,000	5,000,000	5,000,000

18. OPERATING LEASE ARRANGEMENTS

The Company leases certain of its office premises and office equipment under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to two years, and those for office equipment are for terms of one year.

At 30 April 2007, 2008 and 2009, the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	30 April 2007	2008	2009
	RM	*RM*	*RM*
Within one year	384,664	408,700	493,851
In the second to fifth years, inclusive	213,714	207,442	138,257
	598,378	616,142	632,108

19. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere the Financial Information, the Company had the following transactions with related parties during the Relevant Periods:

		Year ended 30 April		
		2007	**2008**	**2009**
	Notes	*RM*	*RM*	*RM*
Commission income from the immediate holding company	*(i)*	5,247,183	6,280,985	7,688,875
Commission income from fellow subsidiaries	*(i)*	2,210,502	6,397,668	9,985,166
Purchases of inventories from the immediate holding company	*(ii)*	49,773,526	56,643,257	86,639,731
Rental expenses paid to a fellow subsidiary	*(iii)*	279,718	337,725	408,069
Handling fees paid to the immediate holding company	*(iv)*	–	72,224	1,673,400

Notes:

(i) Commission income received from the immediate holding company and fellow subsidiaries was determined at a range from 4% to 25% of the sales of the immediate holding company and fellow subsidiaries.

(ii) The cost of purchases from the immediate holding company was made at pre-determined prices agreed between the parties.

(iii) The rental expenses paid to a fellow subsidiary were charged in accordance with the terms set out in the agreements between the parties.

(iv) The handling fees paid to the immediate holding company were charged at fixed rates on the number of registered members of the Company.

(b) Outstanding balances with related parties

Details of the balances with an intermediate holding company, the immediate holding company and fellow subsidiaries are included in note 13 to the Financial Information.

(c) Compensation of key management personnel of the Company

No key management personnel received any compensation in respect of their services rendered to the Company during the Relevant Periods.

20. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at 30 April 2007, 2008 and 2009, are as follows:

Financial assets

	Loans and receivables 30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Trade receivables	107,869	42,867	1,082,957
Financial assets included in prepayments, deposits and other receivables	320,989	400,859	367,313
Due from an intermediate holding company	–	–	15,747,500
Due from the immediate holding company	16,217,872	18,722,356	30,572,457
Due from fellow subsidiaries	2,274,899	11,393,695	9,035,640
Cash and bank balances	1,501,852	2,375,006	3,780,520
	20,423,481	32,934,783	60,586,387

Financial liabilities

	Financial liabilities at amortised cost 30 April		
	2007	**2008**	**2009**
	RM	*RM*	*RM*
Trade payables	5,994,040	10,745,924	22,829,234
Financial liabilities included in other payables and accruals	569,945	653,712	666,393
Due to fellow subsidiaries	4,620	4,620	102,840
	6,568,605	11,404,256	23,598,467

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments, comprise amounts due from an intermediate holding company, the immediate holding company and fellow subsidiaries and cash and bank balances. The main purpose of these financial instruments is to raise finance for the Company's operations. The Company has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Company's financial instruments are foreign currency risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Company has transactional currency exposures. Such exposures arise from sales or purchases in currencies other than the Company's functional currency.

The following table demonstrates the sensitivity at the balance sheet dates to a reasonably possible change in the exchange rates, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Company's equity.

	Changes in exchange rates	**Increase/ (decrease) in profit before tax**	**Increase/ (decrease) in equity***
	%	*RM*	*RM*
2007			
If Ringgit Malaysia weakens against New Taiwan Dollar	5	349,292	–
If Ringgit Malaysia weakens against Australian Dollar	5	7,620	–
If Ringgit Malaysia weakens against Hong Kong Dollar	5	18,141	–
If Ringgit Malaysia strengthens against New Taiwan Dollar	5	(349,292)	–
If Ringgit Malaysia strengthens against Australian Dollar	5	(7,620)	–
If Ringgit Malaysia strengthens against Hong Kong Dollar	5	(18,141)	–
2008			
If Ringgit Malaysia weakens against New Taiwan Dollar	5	433,839	–
If Ringgit Malaysia weakens against Australian Dollar	5	42,655	–
If Ringgit Malaysia weakens against Hong Kong Dollar	5	516,341	–
If Ringgit Malaysia weakens against Macau Pataca	5	8,993	–
If Ringgit Malaysia strengthens against New Taiwan Dollar	5	(433,839)	–
If Ringgit Malaysia strengthens against Australian Dollar	5	(42,655)	–
If Ringgit Malaysia strengthens against Hong Kong Dollar	5	(516,341)	–
If Ringgit Malaysia strengthens against Macau Pataca	5	(8,993)	–
2009			
If Ringgit Malaysia weakens against New Taiwan Dollar	5	604,981	–
If Ringgit Malaysia weakens against Australian Dollar	5	78,731	–
If Ringgit Malaysia weakens against Hong Kong Dollar	5	118,364	–
If Ringgit Malaysia weakens against Macau Pataca	5	23,308	–
If Ringgit Malaysia strengthens against New Taiwan Dollar	5	(604,981)	–
If Ringgit Malaysia strengthens against Australian Dollar	5	(78,731)	–
If Ringgit Malaysia strengthens against Hong Kong Dollar	5	(118,364)	–
If Ringgit Malaysia strengthens against Macau Pataca	5	(23,308)	–

* Excluding retained profits

Credit risk

The Company trades only with recognised and creditworthy customers. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Company's exposure to bad debts is not significant.

The credit risk of the Company's other financial assets, which comprise cash and bank balances, amounts due from an intermediate holding company, the immediate holding company and fellow subsidiaries and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Company trades only with recognised and creditworthy customers, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty and by geographical region. There are no significant concentrations of credit risk within the Company as the customer bases of the Company's trade receivables are widely dispersed in different sectors.

Further quantitative data in respect of the Company's exposure to credit risk arising from trade receivables are disclosed in note 11 to the Financial Information.

Liquidity risk

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Company's objective is to maintain a balance between continuity of funding and flexibility.

The maturity profile of the Company's financial liabilities as at the balance sheet dates, based on the contractual undiscounted payments, was as follows:

		2007	
	On demand	**Within 1 year**	**Total**
	RM	*RM*	*RM*
Trade payables	–	5,994,040	5,994,040
Other payables	–	569,945	569,945
Due to fellow subsidiaries	4,620	–	4,620
	4,620	6,563,985	6,568,605

		2008	
	On demand	**Within 1 year**	**Total**
	RM	*RM*	*RM*
Trade payables	–	10,745,924	10,745,924
Other payables	–	653,712	653,712
Due to fellow subsidiaries	4,620	–	4,620
	4,620	11,399,636	11,404,256

	2009		
	On demand	Within 1 year	Total
	RM	*RM*	*RM*
Trade payables	–	22,829,234	22,829,234
Other payables	–	666,393	666,393
Due to fellow subsidiaries	102,840	–	102,840
	102,840	23,495,627	23,598,467

Capital management

The primary objectives of the Company's capital management are to safeguard the Company's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 April 2007, 2008 and 2009.

The Company monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Company's policy is to minimise the gearing ratio. Net debt includes amounts due to fellow subsidiaries, trades and other payables, accruals, less cash and bank balances. Capital includes total equity. The gearing ratios as at the balance sheet dates were as follows:

	30 April		
	2007	2008	2009
	RM	*RM*	*RM*
Trade payables	5,994,040	10,745,924	22,829,234
Other payables and accruals	1,765,284	2,445,070	2,662,041
Due to fellow subsidiaries	4,620	4,620	102,840
Less: Cash and bank balances	(1,501,852)	(2,375,006)	(3,780,520)
Net debt	6,262,092	10,820,608	21,813,595
Total equity	14,178,716	21,992,999	37,528,624
Capital and net debt	20,440,808	32,813,607	59,342,219
Gearing ratio	31%	33%	37%

22. EARNINGS PER SHARE

Earnings per share has not been presented as such information is not considered meaningful for the purpose of this report.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company in respect of any period subsequent to 30 April 2009.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(D) MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS OF eCOSWAY

Set out below is the management discussion and analysis of eCosway for the three years ended 30 April 2009.

(a) Business Review

eCosway recorded turnovers of approximately RM88.5 million, RM100.5 million and RM149.2 million for the three years ended 30 April 2007, 2008 and 2009 respectively. The increase in turnover and gross profits over the three years was primarily attributable to the improvement in the products sales and organic business growth of the business in overseas countries, namely Hong Kong, Taiwan and Australia.

eCosway recorded net profits of approximately RM4.1 million, RM7.8 million and RM15.5 million for the three years ended 30 April 2007, 2008 and 2009 respectively. The improvement in the net profits was mainly attributed to higher turnovers as well as higher products contribution.

(b) Segmental Information and Significant Investments Held

Business segment

eCosway's revenue is principally derived from the direct selling of consumer products. eCosway has only one business segment.

Geographical segments

eCosway's geographical segments are as follows:

Name of segment	Countries in the segment
Malaysia	Malaysia
South East Asia	Thailand, Indonesia, Brunei and Singapore
Other Asia Pacific countries	Hong Kong SAR, Taiwan, Macau SAR, Korea and Australia
Others	Other parts of the world

The following tables present revenue and the main asset and expenditure information for eCosway's geographical segments for the three years ended 30 April 2007, 2008 and 2009.

	Malaysia	South East Asia	Other Asia Pacific countries	Others	Total
	RM	*RM*	*RM*	*RM*	*RM*
Year ended 30 April 2007					
Segment revenue:					
Sales to external customers	81,153,408	588,604	6,768,888	–	88,510,900
Other segment information					
Segment assets	18,600,640	–	–	–	18,600,640
Other unallocated assets					3,342,020
Total assets					21,942,660
Capital expenditure	880,191	–	–	–	880,191
Year ended 30 April 2008					
Segment revenue:					
Sales to external customers	87,856,233	668,429	11,728,746	281,477	100,534,885
Other segment information					
Segment assets	30,158,918	–	–	–	30,158,918
Other unallocated assets					5,029,695
Total assets					35,188,613
Capital expenditure	1,042,939	–	–	–	1,042,939

	Malaysia	South East Asia	Other Asia Pacific countries	Others	Total
	RM	*RM*	*RM*	*RM*	*RM*
Year ended 30 April 2009					
Segment revenue:					
Sales to external customers	131,484,374	1,356,173	15,741,513	576,354	149,158,414
Other segment information					
Segment assets	40,691,054	–	–	–	40,691,054
Other unallocated assets					22,431,685
Total assets					63,122,739
Capital expenditure	799,295	–	–	–	799,295

(c) Liquidity and Financial Resources

eCosway's cash and cash equivalent of approximately RM1.5 million, RM2.4 million RM3.8 million for the 3 years ended 30 April 2007, 2008 and 2009 respectively were mostly denominated in RM. As at 30 April 2007, 2008, 2009, the eCosway Group had no outstanding bank borrowings. The gearing ratio, which is net debt divided by the total capital plus net debt, was approximately 31%, 33% and 37% as of 30 April 2007, 2008 and 2009 respectively.

Capital structure and liquidity

As at 30 April 2009, the total equity of the eCosway Group was approximately RM37.5 million. This represented an increase of approximately RM15.5 million or approximately 70.5%, as compared to 30 April 2008. As at 30 April 2008, the total equity of the eCosway Group was approximately RM22 million, representing an increase of approximately RM7.8 million or approximately 54.9%, as compared to the total equity as at 30 April 2007 of approximately RM14.2 million.

Charges on assets

As at 30 April 2007, 2008 and 2009, the eCosway Group had no charges against any asset.

(d) Foreign Currency Management

With regards to foreign exchange risk, eCosway Group's businesses are predominantly located in Malaysia and Asia Pacific regions. All transactions are conducted in the currency of the various countries of eCosway Group's operations. In addition, purchases are primarily locally sourced and the distribution of inventory is managed in a centralised manner. Therefore, fluctuations of exchange rates of the major regions that eCosway Group operates in against other foreign currencies are not expected to have a significant impact on eCosway Group's results.

(e) Contingent Liabilities

As at 30 April 2007, 2008 and 2009 respectively, eCosway had no material contingent liabilities.

(f) Material Acquisitions and Disposals

eCosway did not make any material acquisitions or disposals for the three years ended 30 April 2009.

(g) Future Plans for Material Investments or Capital Assets

eCosway had no material capital commitment nor future plans for material investment as at 30 April 2007, 2008 and 2009 respectively.

(h) Employees and Remuneration Policy

eCosway employed approximately 55, 65 and 90 employees as of 30 April 2007, 2008 and 2009 respectively and functions through shared resources with its immediate holding company, Cosway (Malaysia) Sdn Bhd. eCosway ensures that the remuneration of its employees are competitive according to market terms and its employees are rewarded on a performance related basis within the general framework of eCosway's salary and bonus system.

1. The following is the text of a report received from Golden Works' reporting accountant, Ernst and Young, for the purpose of incorporation into this circular.

ERNST & YOUNG
安 永

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

30 October 2009

The Directors
Berjaya Holdings (HK) Limited

Dear Sirs,

We set out below our report on the financial information regarding Golden Works (M) SDN. BHD. (the "Company") for each of the three years ended 31 December 2006, 2007 and 2008 and the four-month period ended 30 April 2009 (the "Relevant Periods") and the four-month period ended 30 April 2008 (the "30 April 2008 Financial Information"), prepared on the basis of presentation set forth in Section II below, for inclusion in the circular of Berjaya Holdings (HK) Limited ("BHK") dated 30 October 2009 (the "Circular") in relation to the proposed acquisition of the entire equity interest in the Company by BHK.

The Company was incorporated in Malaysia on 22 March 1989 with limited liability. The Company is principally engaged in property investment. The statutory financial statements (the "Malaysian GAAP Financial Statements") of the Company for each of the three years ended 31 December 2006, 2007 and 2008 were prepared in accordance with the relevant accounting principles and financial regulations applicable to enterprises established in Malaysia ("Malaysian GAAP") and were audited by E.S. Lim & Co., Chartered Accountants registered in Malaysia.

For the purpose of this report, the directors of the Company have prepared the statements of comprehensive income, the statements of changes in equity and the statements of cash flows of the Company for each of the Relevant Periods, and the statements of financial position of the Company as at 31 December 2006, 2007 and 2008 and 30 April 2009, together with the notes thereto, set out in this report (collectively the "Financial Information") based on the Malaysian GAAP Financial Statements and management accounts of the Company, after making such adjustments as are appropriate to comply with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong.

The directors of the Company are responsible for the preparation of the Financial Information in order to give a true and fair view. In preparing the Financial Information that gives a true and fair view, it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates made are reasonable, and that the reasons for any significant departure from applicable accounting standards are stated.

Procedures performed in respect of the Financial Information

For the purpose of this report, we have carried out independent audit procedures on the Financial Information in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA, and have carried out such additional procedures as we consider necessary in accordance with Auditing Guideline 3.340 Prospectuses and the Reporting Accountant issued by the HKICPA. It is our responsibility to form an independent opinion, based on our procedures, on the Financial Information and to report our opinion thereon.

Procedures performed in respect of the 30 April 2008 Financial Information

For the purpose of this report, we have also performed a review of the 30 April 2008 Financial Information for which the directors are responsible, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. Our responsibility is to express a conclusion on such information based on our review. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an opinion on the 30 April 2008 Financial Information.

Opinion in respect of the Financial Information

In our opinion, on the basis of preparation as set out in Note 2.1 of Section II below, the Financial Information gives, for the purpose of this report, a true and fair view of the state of affairs of the Company as at 31 December 2006, 2007 and 2008 and 30 April 2009, and of the results and cash flows of the Company for each of the Relevant Periods.

Review conclusion in respect of the 30 April 2008 Financial Information

Based on our review which does not constitute an audit, for the purpose of this report, nothing has come to our attention that causes us to believe that the 30 April 2008 Financial Information does not give a true and fair view of the results and cash flows of the Company for the four-month period ended 30 April 2008 in accordance with HKFRSs.

I. FINANCIAL INFORMATION

STATEMENTS OF COMPREHENSIVE INCOME

		Year ended 31 December			Four-month period ended 30 April	
		2006	**2007**	**2008**	**2008**	**2009**
	Notes	*RM*	*RM*	*RM*	*RM* (unaudited)	*RM*
REVENUE	*5*	1,746,887	1,725,876	1,747,295	594,610	602,374
Cost of services		(485,583)	(481,286)	(588,543)	(157,681)	(159,737)
Gross profit		1,261,304	1,244,590	1,158,752	436,929	442,637
Gain on disposal of investment properties	*5*	6,985	–	–	–	–
Fair value gains on investment properties		1,332,000	1,900,000	1,400,000	–	–
Other expenses		(427,229)	(430,675)	(414,662)	(107,248)	(109,410)
Finance costs	*6*	(31,100)	(4,267)	(5)	(5)	–
PROFIT BEFORE TAX	*7*	2,141,960	2,709,648	2,144,085	329,676	333,227
Tax	*10*	(365,004)	(556,282)	(373,391)	(66,000)	(66,900)
PROFIT FOR THE YEAR/PERIOD		1,776,956	2,153,366	1,770,694	263,676	266,327
Other comprehensive income		–	–	–	–	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		1,776,956	2,153,366	1,770,694	263,676	266,327

STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 April
		2006	2007	2008	2009
	Notes	*RM*	*RM*	*RM*	*RM*
NON-CURRENT ASSETS					
Property, plant and equipment	*12*	5,315	4,416	6,876	6,546
Investment properties	*13*	21,900,000	23,800,000	25,200,000	25,200,000
Total non-current assets		21,905,315	23,804,416	25,206,876	25,206,546
CURRENT ASSETS					
Trade receivables	*14*	181,983	109,520	90,754	73,445
Prepayments, deposits and other receivables	*15*	4,108,230	4,111,343	23,434	53,784
Tax recoverable		–	–	700	–
Cash and bank balances	*16*	63,229	519,326	402,544	501,932
Total current assets		4,353,442	4,740,189	517,432	629,161
CURRENT LIABILITIES					
Other payables	*17*	533,991	545,034	685,199	524,071
Interest-bearing bank borrowings	*18*	240,305	–	–	–
Tax payable		29,500	19,700	–	6,200
Total current liabilities		803,796	564,734	685,199	530,271
NET CURRENT ASSETS/(LIABILITIES)		3,549,646	4,175,455	(167,767)	98,890
TOTAL ASSETS LESS CURRENT LIABILITIES		25,454,961	27,979,871	25,039,109	25,305,436
NON-CURRENT LIABILITIES					
Deferred tax liabilities	*19*	3,307,218	3,678,762	3,887,306	3,887,306
Net assets		22,147,743	24,301,109	21,151,803	21,418,130
EQUITY					
Issued capital	*20*	1,000,000	1,000,000	1,000,000	1,000,000
Retained profits		21,147,743	23,301,109	20,151,803	20,418,130
Total equity		22,147,743	24,301,109	21,151,803	21,418,130

STATEMENTS OF CHANGES IN EQUITY

	Issued capital *RM*	**Retained profits** *RM*	**Total equity** *RM*
At 1 January 2006	1,000,000	19,370,787	20,370,787
Total comprehensive income for the year	–	1,776,956	1,776,956
At 31 December 2006 and 1 January 2007	1,000,000	21,147,743	22,147,743
Total comprehensive income for the year	–	2,153,366	2,153,366
At 31 December 2007 and 1 January 2008	1,000,000	23,301,109	24,301,109
Total comprehensive income for the year	–	1,770,694	1,770,694
Interim 2008 dividend *(note 11)*	–	(4,920,000)	(4,920,000)
At 31 December 2008 and 1 January 2009	1,000,000	20,151,803	21,151,803
Total comprehensive income for the period	–	266,327	266,327
At 30 April 2009	1,000,000	20,418,130	21,418,130
(Unaudited)			
At 31 December 2007	1,000,000	23,301,109	24,301,109
Total comprehensive income for the period	–	263,676	263,676
At 30 April 2008	1,000,000	23,564,785	24,564,785

STATEMENTS OF CASH FLOWS

		Year ended 31 December			Four-month period ended 30 April	
		2006	2007	2008	2008	2009
	Notes	*RM*	*RM*	*RM*	*RM* (unaudited)	*RM*
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax		2,141,960	2,709,648	2,144,085	329,676	333,227
Adjustments for:						
Finance costs	6	31,100	4,267	5	5	–
Gain on disposal of investment properties	5	(6,985)	–	–	–	–
Loss on disposal of items of property, plant and equipment	7	490	–	–	–	–
Depreciation	7	899	899	989	330	330
Impairment of trade receivables	7	2,956	30,478	–	–	5,964
Fair value gains on investment properties	7	(1,332,000)	(1,900,000)	(1,400,000)	–	–
		838,420	845,292	745,079	330,011	339,521
Decrease/(increase) in trade receivables		(42,379)	41,985	18,766	(6,895)	11,345
Decrease/(increase) in prepayments, deposits and other receivables		(451,370)	(3,113)	4,087,909	(484,227)	(30,350)
Increase/(decrease) in other payables		(37,851)	11,043	140,165	(66,845)	(161,128)
Cash generated from/(used in) operations		306,820	895,207	4,991,919	(227,956)	159,388
Interest paid		(31,100)	(4,267)	(5)	(5)	–
Tax paid		(197,947)	(194,538)	(185,247)	(60,000)	(60,000)
Net cash inflow/(outflow) from operating activities		77,773	696,402	4,806,667	(287,961)	99,388

		Year ended 31 December			Four-month period ended 30 April	
		2006	2007	2008	2008	2009
	Notes	*RM*	*RM*	*RM*	*RM*	*RM*
					(unaudited)	
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of items of property, plant and equipment		(2,500)	–	(3,449)	(1,999)	–
Proceeds from disposal of investment properties		638,985	–	–	–	–
Net cash inflow/(outflow) from investing activities		636,485	–	(3,449)	(1,999)	–
CASH FLOW FROM FINANCING ACTIVITY						
Dividend paid and cash outflow from financing activity		–	–	(4,920,000)	–	–
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		714,258	696,402	(116,782)	(289,960)	99,388
Cash and cash equivalents at beginning of year/period		(891,334)	(177,076)	519,326	519,326	402,544
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		(177,076)	519,326	402,544	229,366	501,932
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	*16*	63,229	519,326	402,544	229,366	501,932
Bank overdrafts	*18*	(240,305)	–	–	–	–
		(177,076)	519,326	402,544	229,366	501,932

II. NOTES TO FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at No. 1.55, First Floor, Wisma Cosway, Jalan Raja Chulan, 50200 Kuala Lumpur. The principal place of business is located at Lot 2.01, Wisma Cosway, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

The Company is principally engaged in property investment.

2.1 BASIS OF PREPARATION

The Financial Information has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong. HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards* has been applied in respect to the accounting policies adopted as at the date of transition to HKFRS. The Financial Information has been prepared under the historical convention, except for investment properties, which have been measured at fair value. The Financial Information is presented in Ringgit Malaysia ("RM") which is also the Company's functional currency.

All HKFRSs effective for the accounting periods commencing from 1 January 2006, together with the relevant transitional provisions, have been adopted by the Company in the preparation of the Financial Information for the Relevant Periods.

2.2 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Company has not applied the following new and revised HKFRSs, that have been issued but are not yet effective in the Financial Information:

HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*[1]
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs – The Additional Exemptions for First-time Adopters*[5]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Group Cash-settled Share-based Payment Transactions*[5]
HKFRS 3 (Revised)	*Business Combinations*[1]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*[1]
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*[1]
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives*[2]
HK(IFRIC)-Int 17	*Distributions of Non-cash Assets to Owners*[1]
HK(IFRIC)-Int 18	Transfers of Assets from Customers[3]
Annual improvements project	Improvements to HKFRSs[4*]

1 Effective for annual periods beginning on or after 1 July 2009

2 Effective for annual periods ending on or after 30 June 2009

3 Effective for transfers of assets from customers received on or after 1 July 2009

4 Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate

5 Effective for annual periods beginning on or after 1 January 2010

* Improvements to HKFRSs 2009 contains amendments to HKFRS 2, HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 18, HKAS 36, HKAS 38, HKAS 39, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16.

The Company is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that these new and revised HKFRSs are unlikely to have a significant impact on the Company's results of operations and financial position.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of comprehensive income in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of comprehensive income in the period in which it arises.

Related parties

A party is considered to be related to the Company if:

(a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Company; (ii) has an interest in the Company that gives it significant influence over the Company; or (iii) has joint control over the Company;

(b) the party is an associate;

(c) the party is a jointly-controlled entity;

(d) the party is a member of the key management personnel of the Company;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Company, or of any entity that is a related party of the Company.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of comprehensive income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Office equipment	10%
Furniture and fittings	10%
Office renovation	Over the shorter of the lease terms and 20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each statement of financial position date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of comprehensive income in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the statement of financial position date.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of comprehensive income in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of comprehensive income in the year of the retirement or disposal.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Company is the lessor, assets leased by the Company under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of comprehensive income on the straight-line basis over the lease terms.

Financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Company assesses whether a contract contains an embedded derivative when the Company first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in terms of the contract that significantly modifies for cash flows that would otherwise be required under the contract.

The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the statement of financial position date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the statement of comprehensive income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Impairment of financial assets

The Company assesses at each statement of financial position date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the statement of comprehensive income. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the statement of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and other receivables and an amount due from a director, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Company will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;

- the Company retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Company's continuing involvement is the amount of the transferred asset that the Company may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Company's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost

Financial liabilities including other payables and interest-bearing bank borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the statement of comprehensive income.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of comprehensive income.

Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Company's cash management.

For the purpose of the statement of financial position, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted by the statement of financial position date are used to determine deferred tax.

Deferred tax liabilities are provided in full on all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably. Rental income is recognised on a time proportion basis over the lease terms.

Dividends

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Employee benefits

Pension scheme

Defined contribution plans include post-employment benefit plans under which the Company pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the statement of comprehensive income as incurred.

As required by law, companies in Malaysia make such contributions to the Employees Provident Fund.

Foreign currency transactions

The Financial Information is presented in Ringgit Malaysia, which is the Company's functional and presentation currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Financial Information:

Operating lease commitments – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Classification between investment properties and owner-occupied properties

The Company determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Company considers whether a property generates cash flows largely independently of the other assets held by the Company. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Company accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of trade receivables, deposits and other receivables

The Company conducts impairment reviews of financial assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable in accordance with the relevant accounting standards. Determining whether an asset is impaired requires an estimation of the future cash flows and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, the Company would be required to revise the basis of making the allowance and its future results would be affected. As at 30 April 2009, an aggregate impairment of trade receivables of RM5,964 has been made and the carrying amount of trade receivables was RM73,445. As at 31 December 2006, 2007 and 2008 and 30 April 2009, the carrying amounts of deposits and an amount due from a director were RM4,104,700, RM4,107,920, RM20,070 and RM20,070, respectively, and no impairment loss was made.

Fair value of investment properties

In the absence of current prices in an active market for similar properties, the Company considers information from a variety of sources, including:

(a) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;

(b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

(c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The principal assumptions for the Company's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs. Particulars of the investment properties held by the Company are set out in note 13 to the Financial Information.

4. SEGMENT INFORMATION

Operating segment

The Company's revenue is derived from the rental income from its investment properties. In the opinion of the management, the Company has only one operating segment.

No geographical information is presented as the Company's revenue is derived from customers based in Malaysia, and the Company's assets are all located in Malaysia.

5. REVENUE AND GAIN

Revenue, which is also the Company's turnover, represents rental income received from investment properties.

An analysis of revenue and gain is as follows:

	Year ended 31 December			Four-month period ended 30 April	
	2006	**2007**	**2008**	**2008**	**2009**
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Revenue					
Rental income	1,746,887	1,725,876	1,747,295	594,610	602,374
Gain					
Gain on disposal of investment properties	6,985	–	–	–	–

6. FINANCE COSTS

	Year ended 31 December			Four-month period ended 30 April	
	2006	**2007**	**2008**	**2008**	**2009**
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Interest on bank overdrafts	31,100	4,267	5	5	–

7. PROFIT BEFORE TAX

The Company's profit before tax is arrived at after charging:

		Year ended 31 December			Four-month period ended 30 April	
		2006	**2007**	**2008**	**2008**	**2009**
	Notes	*RM*	*RM*	*RM*	*RM* (unaudited)	*RM*
Auditors' remuneration		2,900	2,900	2,900	–	–
Depreciation	*12*	899	899	989	330	330
Employee benefit expenses (excluding directors' remuneration *(note 8)*)						
Wages, salaries and allowances		70,983	74,099	78,328	20,716	22,356
Pension scheme contributions		3,868	4,048	4,260	1,136	1,200
		74,851	78,147	82,588	21,852	23,556
Loss on disposal of items of property, plant and equipment		490	–	–	–	–
Impairment of trade receivables	*14*	2,956	30,478	–	–	5,964
Fair value gains on investment properties	*13*	(1,332,000)	(1,900,000)	(1,400,000)	–	–

8. DIRECTORS' REMUNERATION

Details of directors' remuneration are as follows:

	Year ended 31 December			Four-month period ended 30 April	
	2006	**2007**	**2008**	**2008**	**2009**
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Fees	83,000	73,000	73,000	24,333	–

	Fees
	RM
Year ended 31 December 2006	
Yang Kiat Lin	25,000
Ma Yee Chen	25,000
Wong King Fun	30,000
Yew Wee Siong	3,000
	83,000
Year ended 31 December 2007	
Yang Kiat Lin	25,000
Ma Yee Chen	25,000
Wong King Fun	20,000
Yew Wee Siong	3,000
	73,000
Year ended 31 December 2008	
Yang Kiat Lin	25,000
Ma Yee Chen	25,000
Wong King Fun	20,000
Yew Wee Siong	3,000
	73,000
Four-month period ended 30 April 2008 (unaudited)	
Yang Kiat Lin	8,333
Ma Yee Chen	8,333
Wong King Fun	6,667
Yew Wee Siong	1,000
	24,333
Four-month period ended 30 April 2009	
Yang Kiat Lin	–
Ma Yee Chen	–
Wong King Fun	–
Yew Wee Siong	–
	–

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods did not include any directors. Details of the remuneration of the two* non-director, highest paid employees for the Relevant Periods and the four-month period ended 30 April 2008 are as follows:

	Year ended 31 December			Four-month period ended 30 April	
	2006	**2007**	**2008**	**2008**	**2009**
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Salaries, allowances and benefits in kind	58,773	61,359	64,798	20,716	22,356
Performance related bonuses	12,210	12,740	13,530	–	–
Pension scheme contributions	3,868	4,048	4,260	1,136	1,200
	74,851	78,147	82,588	21,852	23,556

The number of non-director, highest paid employees whose remuneration fell within the following band is as follows:

	Year ended 31 December			Four-month period ended 30 April	
	2006	**2007**	**2008**	**2008**	**2009**
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Nil to RM500,000	2	2	2	2	2

* The Company had only two non-director employees during the Relevant Periods.

10. TAX

No provision for Hong Kong profits tax has been made as the Company did not generate any assessable profits arising in Hong Kong during the Relevant Periods. Taxes on profits elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Company operates, based on existing legislation, interpretations and practices in respect thereof.

Domestic income tax is calculated at the Malaysian statutory tax rates of 28%, 27% , 26% and 25% on the estimated assessable profits arising in Malaysia for years ended 31 December 2006, 2007 and 2008 and the four-month period ended 30 April 2009, respectively. The Company is a Malaysian resident company with paid-up capital of less than RM2,500,000 and is qualified for the application of lower rates under Paragraph 2A, Schedule 1 of the Income Tax Act, 1967 in the Laws of Malaysia for the years ended 31 December 2006, 2007 and 2008 and 30 April 2009, as follows:

On the first RM500,000 of chargeable income:	20%
In excess of RM500,000 of chargeable income:	Malaysian Corporate Statutory tax rate

	Year ended 31 December			Four-month period ended 30 April	
	2006	2007	2008	2008	2009
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Current – Malaysia:					
Charge for the year/period	194,500	184,700	164,300	66,000	66,900
Underprovision in prior years	47	38	547	–	–
Deferred *(note 19)*	170,457	371,544	208,544	–	–
	365,004	556,282	373,391	66,000	66,900

A reconciliation of the tax expense applicable to profit before tax using the statutory rate for the Company to the income tax expense at the effective tax rate is as follows:

	Year ended 31 December			Four-month period ended 30 April	
	2006	2007	2008	2008	2009
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Profit before tax	2,141,960	2,709,648	2,144,085	329,676	333,227
Tax at Malaysian statutory tax rate (2006: 28%; 2007: 27%; 2008: 26%; 2009: 25%)	599,749	731,605	557,462	85,716	83,307
Effect on opening deferred tax of decrease in rate	(202,403)	(141,456)	(155,456)	–	–
Adjustments in respect of current tax of previous periods	47	38	547	–	–
Effect of income subject to tax rate of 20%	(40,000)	(35,000)	(30,000)	(19,780)	(16,725)
Expenses not deductible for tax	7,611	1,095	838	64	318
Tax expense for the year	365,004	556,282	373,391	66,000	66,900

Presently, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 in the Laws of Malaysia (the "Finance Act"), companies shall not be entitled to deduct tax on dividends paid, credited or distributed to their shareholders and such dividends will be exempted from tax in the hands of the shareholders (the "single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the balance in accordance with Section 108 of the Companies Act 1965 in the Laws of Malaysia (the "Companies Act") and opt to pay the dividends under the single tier system. The change in the tax legislation also provides for the balance in accordance with Section 108 of the Companies Act to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007 in the Laws of Malaysia.

The Company did not elect for the irrevocable option to disregard the balance in accordance with Section 108 of the Companies Act. Accordingly, during the transitional period, the Company may utilise the credit in the balance in accordance with Section 108 of the Companies Act of RM1,868,074, RM1,868,074, RM308,074 and RM308,074 as at 31 December 2006, 2007 and 2008 and 30 April 2009, respectively, to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act. As at 31 December 2006, 31 December 2007, 31 December 2008 and 30 April 2009, the Company had tax exempted profits available for distribution of RM480,719, RM480,719, RM719 and RM719, respectively, subject to the agreement of the Malaysian Inland Revenue Board.

11. DIVIDEND

	Year ended 31 December			Four-month period ended 30 April	
	2006	**2007**	**2008**	**2008**	**2009**
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Interim dividend (31 December 2006: Nil 31 December 2007: Nil; 31 December 2008: RM4.92; 30 April 2009: Nil) per ordinary share	–	–	4,920,000	–	–

12. PROPERTY, PLANT AND EQUIPMENT

	Office equipment	**Furniture and fittings**	**Office renovation**	**Total**
	RM	*RM*	*RM*	*RM*
31 December 2006				
At 1 January 2006:				
Cost	14,227	8,475	4,349	27,051
Accumulated depreciation	(10,042)	(8,456)	(4,349)	(22,847)
Net carrying amount	4,185	19	–	4,204
At 1 January 2006, net of accumulated depreciation	4,185	19	–	4,204
Additions	2,500	–	–	2,500
Disposals	(490)	–	–	(490)
Depreciation provided during the year	(899)	–	–	(899)
At 31 December 2006, net of accumulated depreciation	5,296	19	–	5,315
At 31 December 2006:				
Cost	16,027	8,475	4,349	28,851
Accumulated depreciation	(10,731)	(8,456)	(4,349)	(23,536)
Net carrying amount	5,296	19	–	5,315

	Office equipment *RM*	Furniture and fittings *RM*	Office renovation *RM*	Total *RM*
31 December 2007				
At 31 December 2006 and 1 January 2007:				
Cost	16,027	8,475	4,349	28,851
Accumulated depreciation	(10,731)	(8,456)	(4,349)	(23,536)
Net carrying amount	5,296	19	–	5,315
At 1 January 2007, net of accumulated depreciation	5,296	19	–	5,315
Depreciation provided during the year	(899)	–	–	(899)
At 31 December 2007, net of accumulated depreciation	4,397	19	–	4,416
At 31 December 2007:				
Cost	16,027	8,475	4,349	28,851
Accumulated depreciation	(11,630)	(8,456)	(4,349)	(24,435)
Net carrying amount	4,397	19	–	4,416
31 December 2008				
At 31 December 2007 and 1 January 2008:				
Cost	16,027	8,475	4,349	28,851
Accumulated depreciation	(11,630)	(8,456)	(4,349)	(24,435)
Net carrying amount	4,397	19	–	4,416
At 1 January 2008, net of accumulated depreciation	4,397	19	–	4,416
Additions	3,449	–	–	3,449
Depreciation provided during the year	(989)	–	–	(989)
At 31 December 2008, net of accumulated depreciation	6,857	19	–	6,876
At 31 December 2008:				
Cost	19,476	8,475	4,349	32,300
Accumulated depreciation	(12,619)	(8,456)	(4,349)	(25,424)
Net carrying amount	6,857	19	–	6,876

	Office equipment *RM*	Furniture and fittings *RM*	Office renovation *RM*	Total *RM*
30 April 2009				
At 31 December 2008 and 1 January 2009:				
Cost	19,476	8,475	4,349	32,300
Accumulated depreciation	(12,619)	(8,456)	(4,349)	(25,424)
Net carrying amount	6,857	19	–	6,876
At 1 January 2009, net of accumulated depreciation	6,857	19	–	6,876
Depreciation provided during the period	(330)	–	–	(330)
At 30 April 2009, net of accumulated depreciation	6,527	19	–	6,546
At 30 April 2009:				
Cost	19,476	8,475	4,349	32,300
Accumulated depreciation	(12,949)	(8,456)	(4,349)	(25,754)
Net carrying amount	6,527	19	–	6,546

13. INVESTMENT PROPERTIES

	As at 31 December			As at 30 April
	2006 *RM*	2007 *RM*	2008 *RM*	2009 *RM*
Carrying amount at beginning of year/period	21,200,000	21,900,000	23,800,000	25,200,000
Disposals	(632,000)	–	–	–
Fair value adjustment	1,332,000	1,900,000	1,400,000	–
Carrying amount at end of year/period	21,900,000	23,800,000	25,200,000	25,200,000

The investment properties are situated on freehold land in Malaysia.

The investment properties were revalued as at 31 December 2006, 2007 and 2008 and 30 April 2009 by Hartanah Consultants, independent professionally qualified valuers, at RM21,900,000, RM23,800,000, RM25,200,000 and RM25,200,000, respectively, on an open market, existing use basis.

As at 31 December 2006, 2007 and 2008 and 30 April 2009, the investment properties with carrying values of RM10,270,000, RM11,420,000, RM12,175,000 and RM12,175,000, respectively, were pledged to secure the general banking facilities granted to the Company (note 18(a)).

14. TRADE RECEIVABLES

	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
Trade receivables	181,983	109,520	90,754	79,409
Impairment	–	–	–	(5,964)
	181,983	109,520	90,754	73,445

Trade debtors comprise rental income receivables. Rental from tenants is payable in advance. The Company seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management. In view of the aforementioned, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at 31 December 2006, 2007 and 2008 and 30 April 2009, based on the invoice date and net of provisions, is as follows:

	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
Current	68,654	40,542	29,224	30,650
1 to 2 months	30,671	15,787	16,565	18,812
2 to 3 months	17,389	15,246	15,148	10,041
Over 3 months	65,269	37,945	29,817	13,942
	181,983	109,520	90,754	73,445

The movements in the provision for impairment of trade receivable are as follows:

	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
At beginning of year/period	–	–	–	–
Impairment losses recognised *(note 7)*	2,956	30,478	–	5,964
Amount written off as uncollectible	(2,956)	(30,478)	–	–
At end of year/period	–	–	–	5,964

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of RM5,964, with a carrying amount of RM5,964 as at 30 April 2009.

The individually impaired trade receivables relate to customers that were in financial difficulties and the receivables are not expected to be recovered. The Company does not hold any collateral or other credit enhancements over these balances.

An aged analysis of the trade receivables that are not considered to be impaired is as follows:

	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
Neither past due nor impaired	–	–	–	–
Less than 1 month past due	68,654	40,542	29,224	30,650
1 to 3 months past due	48,060	31,033	31,713	28,853
Over 3 months past due	65,269	37,945	29,817	13,942
	181,983	109,520	90,754	73,445

Receivables that were past due but not impaired relate to customers that have a good track record with the Company. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Company does not hold any collateral or other credit enhancements over these balances.

15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
Prepayments	3,530	3,423	3,364	33,714
Deposits	4,700	7,920	20,070	20,070
Amount due from a director	4,100,000	4,100,000	–	–
	4,104,700	4,107,920	20,070	20,070
	4,108,230	4,111,343	23,434	53,784

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to deposits and an amount due from a director for which there was no recent history of default. The amount due from a director was fully settled during 2008.

Particulars of an amount due from a director are as follows:

31 December 2006

Name	**As at 1 January 2006**	**Maximum amount outstanding during the year**	**As at 31 December 2006**
	RM	*RM*	*RM*
Wong King Fun	3,650,000	4,100,000	4,100,000

31 December 2007

Name	As at 1 January 2007	Maximum amount outstanding during the year	As at 31 December 2007
	RM	*RM*	*RM*
Wong King Fun	4,100,000	4,100,000	4,100,000

31 December 2008

Name	As at 1 January 2008	Maximum amount outstanding during the year	As at 31 December 2008
	RM	*RM*	*RM*
Wong King Fun	4,100,000	4,550,000	–

The amount due from a director was unsecured, interest-free and repayable on demand.

16. CASH AND BANK BALANCES

The bank balances are deposited with creditworthy banks with no recent history of default.

17. OTHER PAYABLES

	As at 31 December			As at 30 April
	2006	2007	2008	2009
	RM	*RM*	*RM*	*RM*
Amounts due to directors	24,435	39,609	187,391	105,492
Other payables	509,556	505,425	497,808	418,579
	533,991	545,034	685,199	524,071

Amounts due to directors are unsecured, interest-free and repayable on demand. Other payables are interest-free and are repayable on the expiry of the lease terms in relation to lease arrangements entered into between the Company and the tenants.

18. INTEREST-BEARING BANK BORROWINGS

31 December 2006

	Effective interest rate	Maturity	
	(%)		*RM*
Current			
Bank overdrafts – secured	7.75–8.00	On demand	240,305

Notes:

(a) The Company's bank overdrafts are secured by:

(i) the pledge of the Company's investment properties, which had aggregate carrying values at 31 December 2006, 2007 and 2008 and 30 April 2009 of RM10,270,000, RM11,420,000, RM12,175,000 and RM12,175,000, respectively (note 13);

(ii) legal assignment of rental proceeds from the investment properties of the Company; and

(iii) joint and several guarantees by the directors of the Company.

(b) All borrowings are in Ringgit Malaysia.

(c) The carrying amounts of the bank overdrafts approximate to their fair values.

(d) The bank overdrafts are repayable on demand.

19. DEFERRED TAX LIABILITIES

	Depreciation allowance in excess of related depreciation *RM*	**Revaluation of investment properties** *RM*	**Total** *RM*
At 1 January 2006	1,000	3,135,761	3,136,761
Deferred tax charged/(credited) to the statement of comprehensive income during the year *(note 10)*	(100)	170,557	170,457
At 31 December 2006 and 1 January 2007	900	3,306,318	3,307,218
Deferred tax charged to the statement of comprehensive income during the year *(note 10)*	–	371,544	371,544
At 31 December 2007 and 1 January 2008	900	3,677,862	3,678,762
Deferred tax charged to the statement of comprehensive income during the year *(note 10)*	–	208,544	208,544
At 31 December 2008, 1 January 2009 and 30 April 2009	900	3,886,406	3,887,306

20. SHARE CAPITAL

	As at 31 December			**As at 30 April**
	2006 *RM*	**2007** *RM*	**2008** *RM*	**2009** *RM*
Authorised, issued and fully paid: 1,000,000 ordinary shares of RM1 each	1,000,000	1,000,000	1,000,000	1,000,000

21. RELATED PARTY TRANSACTIONS

(a) As disclosed in note 15 to the Financial Information, the Company had outstanding balances with its directors as at 31 December 2006 and 2007. The balances were unsecured, interest-free and repayable on demand.

(b) As at 31 December 2006, 2007, 2008 and 30 April 2009, certain directors of the Company have guaranteed the bank overdrafts made to the Company up to RM2,500,000, as further detailed in note 18(a) to the Financial Information.

(c) Compensation of key management personnel of the Company:

	Year ended 31 December			Four-month period ended 30 April	
	2006	**2007**	**2008**	**2008**	**2009**
	RM	*RM*	*RM*	*RM* (unaudited)	*RM*
Fees	83,000	73,000	73,000	24,333	–

Further details of directors' emoluments are included in note 8 to the Financial Information.

22. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at 31 December 2006, 2007 and 2008 and 30 April 2009 are as follows:

Financial assets

	Loans and receivables			
	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
Trade receivables	181,983	109,520	90,754	73,445
Financial assets included in prepayments, deposits and other receivables	4,104,700	4,107,920	20,070	20,070
Cash and bank balances	63,229	519,326	402,544	501,932
	4,349,912	4,736,766	513,368	595,447

Financial liabilities

	Financial liabilities at amortised cost			
	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
Other payables	533,991	545,034	685,199	524,071
Interest-bearing bank borrowings	240,305	–	–	–
	774,296	545,034	685,199	524,071

23. FINANCIAL RISKS MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments, comprise cash and bank balances and other receivables. The main purpose of these financial instruments is to raise finance for the Company's operations. The Company has various other financial assets and liabilities such as trade receivables, which arise directly from its operations.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with a floating interest rate.

The Company mitigates the risk by monitoring closely the movements in interest rates and reviewing its banking facilities regularly. The Company has not used any interest rate swap to hedge its exposure to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Company's profit before tax (through the impact on floating rate borrowings) and the Company's equity.

	Increase/ (decrease) in basis points	**Increase/ (decrease) in profit before tax**	**Increase/ (decrease) in equity***
		RM	*RM*
31 December 2006			
Ringgit Malaysia	100	(3,949)	–
Ringgit Malaysia	(100)	3,949	–

* Excluding retained profits

Credit risk

The Company trades only with recognised and creditworthy customers. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Company's exposure to bad debts is not significant.

The credit risk of the Company's other financial assets, which comprise cash and bank balances, an amount due from a director and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

The terms of the leases generally require the tenants to pay security deposits. Concentrations of credit risk are managed by customer/counterparty. There are no significant concentrations of credit risk within the Company as the customer bases of the Company's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Company's exposure to credit risk arising from trade receivables are disclosed in note 14 to the Financial Information.

Liquidity risk

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings.

The maturity profile of the Company's financial liabilities as at the statement of financial position dates, based on the contractual undiscounted payments, was as follows:

31 December 2006

	On demand *RM*	**Within 1 year** *RM*	**Total** *RM*
Other payables	–	533,991	533,991
Interest-bearing bank borrowings	240,305	–	240,305
	240,305	533,991	774,296

31 December 2007

	On demand *RM*	**Within 1 year** *RM*	**Total** *RM*
Other payables	–	545,034	545,034

31 December 2008

	On demand *RM*	**Within 1 year** *RM*	**Total** *RM*
Other payables	–	685,199	685,199

30 April 2009

	On demand *RM*	**Within 1 year** *RM*	**Total** *RM*
Other payables	–	524,071	524,071

Capital management

The primary objectives of the Company's capital management are to safeguard the Company's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Company monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Company's policy is to minimise the gearing ratio. Net debt includes interest-bearing bank borrowings and other payables less cash and bank balances. Capital includes total equity. The gearing ratios as at the statement of financial position dates were as follows:

	As at 31 December			As at 30 April
	2006	**2007**	**2008**	**2009**
	RM	*RM*	*RM*	*RM*
Other payables	533,991	545,034	685,199	524,071
Interest-bearing bank borrowings	240,305	–	–	–
Less: Cash and bank balances	(63,229)	(519,326)	(402,544)	(501,932)
Net debt	711,067	25,708	282,655	22,139
Total equity	22,147,743	24,301,109	21,151,803	21,418,130
Capital and net debt	22,858,810	24,326,817	21,434,458	21,440,269
Gearing ratio	3%	–	1%	–

24. EARNINGS PER SHARE

Earnings per share has not been presented as such information is not considered meaningful for the purpose of this report.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company in respect of any period subsequent to 30 April 2009.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

2. MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS OF GOLDEN WORKS

Set out below is the management discussion and analysis of Golden Works for the three years ended 31 December 2008 and four months ended 30 April 2009 (the "Review Period").

(a) Business Review

Golden Works recorded consistent turnovers of RM1.75 million, RM1.73 million and RM1.75 million for the three years ended 31 December 2006, 2007 and 2008 respectively. The turnovers for the four-month period ended 30 April 2008 and 2009 were also consistent at RM0.6 million in both periods.

Rental income from investment properties which consist of 130 retail lots in the building had been Golden Works' main source of income for the Review Period. The average occupancy rate throughout the Review Period was consistent at a range of 96% – 97%.

The gross profits of Golden Works were approximately RM1.26 million, approximately RM1.24 million and approximately RM1.16 million for the three years ended 31 December 2006, 2007 and 2008 respectively. The gross profits for the four-month period ended 30 April 2008 and 2009 were both RM0.4 million. Golden Works consistently recorded a gross profit margin of approximately 72% except a slightly lower margin in 2008 of approximately 66%, when higher repair and maintenance costs were incurred during the year.

Golden Works recorded net profits of approximately RM1.8 million, approximately RM2.2 million and approximately RM1.8 million for the three years ended 31 December 2006, 2007 and 2008 respectively. The net profits for the four-month period ended 30 April 2008 and 2009 were both RM0.3 million. There was a gain from the disposal of shopping lots in 2006 amounting to RM6,985. In addition, there were fair value gains on the investment properties amounting to RM1.33 million, RM1.90 million and RM1.40 million for the three years ended 31 December 2006, 2007 and 2008 respectively.

(b) Segmental Information and Significant Investments Held

Business segment

Golden Works is principally engaged in property investment for rental purpose.

Geographical segment

No geographical information is presented as the Golden Works' revenue is derived in Malaysia.

Significant investments held

Major asset held by Golden Works were investment properties, the book values of which were approximately RM21.9 million, RM23.8 million, RM25.2 million and RM25.2 million as at 31 December 2006, 2007, 2008 and 30 April 2009 respectively.

(c) Liquidity and Financial Resources

As at 31 December 2006, 2007 and 2008, Golden Works had cash and bank balances of approximately RM0.06 million, approximately RM0.5 million and approximately RM0.4 million respectively. The cash and bank balances for the four-month period ended 30 April 2009 were approximately RM0.5 million. All the cash and bank balances are denominated in RM. As at 31 December 2006, Golden Works had bank overdraft of RM240,305. As at 30 April 2009, 31 December 2008 and 31 December 2007, Golden Works had no outstanding bank borrowings. The gearing ratio, which is net debt divided by the total capital plus net debt, was approximately 3%, 0.1%, 1% and 0.1% as of 31 December 2006, 2007 and 2008 and 30 April 2009 respectively.

Capital structure and liquidity

The total equity of Golden Works was approximately RM21 to 24 million. As at 30 April 2009, Golden Works had a total equity of approximately RM21.4 million.

Charges on assets

The bank overdraft of Golden Works was secured by certain investment properties, which had aggregate carrying values at 31 December 2006, 2007 and 2008 and 30 April 2009 of RM10,270,000, RM11,420,000, RM12,175,000 and RM12,175,000, respectively.

(d) Foreign Currency Management

Golden Works is not exposed to any foreign exchange risk.

(e) Contingent Liabilities

As at 31 December 2006, 2007, 2008 and 30 April 2009, Golden Works had no contingent liabilities.

(f) Material Acquisitions and Disposals

For the year ended 31 December 2006, Golden Works disposed of certain investment properties with carrying value of RM632,000 and realised a gain on disposal of RM6,985. Save for this disposal, Golden Works did not make any material acquisitions or disposals for the three years ended 31 December 2008 and the 4 months ended 30 April 2009.

(g) Future Plans for Material Investments or Capital Assets

Golden Works had no material capital commitment nor future plans for material investment as at 31 December 2006, 2007, 2008 and 30 April 2009 respectively.

(h) Employees and Remuneration Policy

Golden Works employed only 2 employees for all the periods/years under review. Golden Works ensures that the pay levels of its employees are competitive according to market standards and its employees are rewarded on a performance related basis within the general framework of Golden Works' salary and bonus system.

(A) THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP AFTER THE COSWAY M ACQUISITION AND ECOSWAY ACQUISITION

Introduction

The accompanying unaudited pro forma financial information of the Enlarged Group, comprising the unaudited pro forma income statement, balance sheet and cash flow statement of the Enlarged Group, has been prepared by the Directors in accordance with rule 4.29 of the Listing Rules, for illustrative purposes only, to provide information about how the Acquisitions and the Capitalisation Issue as detailed in the section headed "Letter from the Board" in this circular might have affected the results of operations, financial position and cash flows of the Group as if the Acquisitions had been completed on (i) 1 May 2008 in respect of the unaudited pro forma income statement and cash flow statement of the Enlarged Group; and (ii) 30 April 2009 in respect of the unaudited pro forma balance sheet of the Enlarged Group.

The unaudited pro forma financial information of the Enlarged Group has been prepared based on the audited financial information of the Group for the year ended 30 April 2009 as set out in Section 2 of Appendix I to this circular, and the audited financial information of Cosway M Group, eCosway and Golden Works and the unaudited financial information of Arena Green Property as set out in the accountants' report in Appendix II and Appendix III to this circular, after giving effect to the pro forma adjustments described in the accompanying notes.

The unaudited pro forma financial information of the Enlarged Group is based on a number of assumptions, estimates, uncertainties and currently available information. As a result of these assumptions, estimates and uncertainties, the accompanying unaudited pro forma financial information of the Enlarged Group does not purport to describe the actual results of operations, financial position and cash flows of the Enlarged Group that would have been attained had the Acquisitions been completed on the dates indicated herein. Furthermore, the accompanying unaudited pro forma financial information of the Enlarged Group does not purport to predict the Enlarged Group's future results of operations, financial position or cash flows.

UNAUDITED PRO FORMA BALANCE SHEET OF THE ENLARGED GROUP

	The Group as at 30 April 2009	CoswayM Group as at 30 April 2009	Golden Works as at 30 April 2009	Pro forma adjustments						Subtotal before Loan Capitalisation		Unaudited pro forma Enlarged Group as at 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 3)*	*(Note 5)*	*(Note 6)*	*(Note 7)*	*(Note 8)*	*(Note 9)*	*(Note 10)*		*(Note 11)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS												
Non-current assets												
Property, plant and equipment	292	119,689	13	–	–	–	541	4,158	–	124,693	–	124,693
Investment properties	49,392	115,173	54,771	–	–	–	–	–	–	219,336	–	219,336
Interests in associates	5,531	109	–	–	–	–	–	–	–	5,640	–	5,640
Prepaid land lease payments	–	8,589	–	–	–	–	–	–	–	8,589	–	8,589
Goodwill	–	9,757	–	120,211	–	207,073	–	–	–	337,041	–	337,041
Deposits	–	28,380	–	(8,489)	–	–	–	–	–	19,891	–	19,891
Deferred tax assets	–	409	–	–	–	–	–	–	–	409	–	409
Available-for-sale investments	200	243	–	–	–	–	–	–	–	443	–	443
Total non-current assets	55,415	282,349	54,784	111,722	–	207,073	541	4,158	–	716,042	–	716,042
Current assets												
Trade receivables	9	78,296	159	–	–	–	–	–	–	78,464	–	78,464
Prepayments, deposits and other receivables	309	38,420	117	(44)	–	–	–	–	–	38,802	–	38,802
Inventories	–	402,775	–	–	–	–	–	–	–	402,775	–	402,775
Due from the ultimate holding company	–	1,139	–	(1,139)	–	–	–	–	–	–	–	–
Due from an intermediate holding company	–	732	–	(732)	–	–	–	–	–	–	–	–
Due from the immediate holding company	–	34,227	–	(34,227)	–	–	–	–	–	–	–	–
Due from related companies	–	1,771	–	–	–	–	–	–	–	1,771	–	1,771
Pledged deposits	–	396	–	–	–	–	–	–	–	396	–	396
Cash and bank balances	127	92,421	1,091	(33,855)	835	–	(541)	(4,158)	22,712	78,632	–	78,632
	445	650,177	1,367	(69,997)	835	–	(541)	(4,158)	22,712	600,840	–	600,840
Asset held for sale	–	22,712	–	–	–	–	–	–	(22,712)	–	–	–
Total current assets	445	672,889	1,367	(69,997)	835	–	(541)	(4,158)	–	600,840	–	600,840
TOTAL ASSETS	55,860	955,238	56,151	41,725	835	207,073	–	–	–	1,316,882	–	1,316,882
EQUITY												
Issued capital	118,210	336,883	2,173	(167,419)	–	6,500	–	–	–	296,347	36,000	332,347
ICULS – equity component	–	–	–	1,518,916	–	181,016	–	–	–	1,699,932	–	1,699,932
Reserves	(104,115)	128,537	44,377	(1,815,948)	(9,930)	–	–	–	–	(1,757,079)	–	(1,757,079)
Equity attributable to equity holders of the Company	14,095	465,420	46,550	(464,451)	(9,930)	187,516	–	–	–	239,200	36,000	275,200
Minority interests	4,983	37,974	–	–	–	(32,627)	–	–	–	10,330	–	10,330
Total equity	19,078	503,394	46,550	(464,451)	(9,930)	154,889	–	–	–	249,530	36,000	285,530
Non-current liabilities												
Loan from a shareholder	28,895	–	–	–	11,120	–	–	–	–	40,015	(36,000)	4,015
Defined benefit obligations	–	987	–	–	–	–	–	–	–	987	–	987
ICULS – liability component	–	–	–	437,884	–	52,184	–	–	–	490,068	–	490,068
Other payables	259	–	–	–	–	–	–	–	–	259	–	259
Interest-bearing bank borrowings	6,345	35	–	68,336	–	–	–	–	–	74,716	–	74,716
Deferred tax liabilities	–	2,839	8,449	–	–	–	–	–	–	11,288	–	11,288
Total non-current liabilities	35,499	3,861	8,449	506,220	11,120	52,184	–	–	–	617,333	(36,000)	581,333
Current liabilities												
Defined benefit obligations	–	52	–	–	–	–	–	–	–	52	–	52
Trade payables	–	272,426	–	–	–	–	–	–	–	272,426	–	272,426
Other payables and accruals	630	85,794	1,139	(44)	–	–	–	–	–	87,519	–	87,519
Due to immediate holding company	–	11	–	–	–	–	–	–	–	11	–	11
Due to associates	–	2,332	–	–	–	–	–	–	–	2,332	–	2,332
Due to related companies	473	789	–	–	(355)	–	–	–	–	907	–	907
Tax payable	–	28,103	13	–	–	–	–	–	–	28,116	–	28,116
Interest-bearing bank borrowings	180	58,476	–	–	–	–	–	–	–	58,656	–	58,656
Total current liabilities	1,283	447,983	1,152	(44)	(355)	–	–	–	–	450,019	–	450,019
TOTAL LIABILITIES	36,782	451,844	9,601	506,176	10,765	52,184	–	–	–	1,067,352	(36,000)	1,031,352
TOTAL EQUITY AND LIABILITIES	55,860	955,238	56,151	41,725	835	207,073	–	–	–	1,316,882	–	1,316,882

UNAUDITED PRO FORMA INCOME STATEMENT OF THE ENLARGED GROUP

	The Group For the year ended 30 April 2009	CoswayM Group For the year ended 30 April 2009	Golden Works For the year ended 31 December 2008	Pro forma adjustments			Unaudited pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 4)*	*(Note 6)*	*(Note 12)*	*(Note 13)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	2,110	1,726,797	3,897	–	–	–	1,732,804
Cost of sales	(29)	(1,023,627)	(1,312)	–	–	–	(1,024,968)
Gross profit	2,081	703,170	2,585	–	–	–	707,836
Other income	20	14,013	–	–	–	–	14,033
Selling and distribution expenses	–	(258,336)	–	–	–	–	(258,336)
Administrative expenses	(2,385)	(257,135)	(925)	–	–	–	(260,445)
Other operating expenses	(95)	(20,671)	–	(8,936)	–	–	(29,702)
Finance costs	(2,471)	(1,880)	–	(994)	–	(24,503)	(29,848)
Fair value gains/(losses) on investment properties	(14,576)	(1,213)	3,123	–	–	–	(12,666)
Share of profits and losses of associates	(6,568)	80	–	–	–	–	(6,488)
PROFIT/(LOSS) BEFORE TAX	(23,994)	178,028	4,783	(9,930)	–	(24,503)	124,384
Tax	4,535	(42,561)	(833)	–	–	(430)	(39,289)
PROFIT/(LOSS) FOR THE YEAR	(19,459)	135,467	3,950	(9,930)	–	(24,933)	85,095
Attributable to:							
Equity holders of the Company	(19,428)	120,482	3,950	(9,930)	13,862	(24,933)	84,003
Minority interests	(31)	14,985	–	–	(13,862)	–	1,092
	(19,459)	135,467	3,950	(9,930)	–	(24,933)	85,095

UNAUDITED PRO FORMA CASH FLOW STATEMENT OF THE ENLARGED GROUP

	The Group For the year ended 30 April 2009	CoswayM Group For the year ended 30 April 2009	Golden Works For the year ended 31 December 2008	Pro forma adjustments						Unaudited pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 4)*	*(Note 6)*	*(Note 8)*	*(Note 9)*	*(Note 10)*	*(Note 13)*	*(Note 14)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES										
Profit/(loss) before tax	(23,994)	178,028	4,783	(9,930)	–	–	–	(24,503)	–	124,384
Adjustments for:										
Finance costs	2,471	1,880	–	994	–	–	–	24,503	–	29,848
Share of profits and losses of associates	6,568	(80)	–	–	–	–	–	–	–	6,488
Depreciation	28	21,354	2	–	–	–	–	–	–	21,384
Impairment of an available-for-sale investment	95	–	–	–	–	–	–	–	–	95
Fair value losses/(gains) on investment properties	14,576	1,213	(3,123)	–	–	–	–	–	–	12,666
Recognition of prepaid land lease payments	–	176	–	–	–	–	–	–	–	176
Impairment of prepaid land lease payments	–	29	–	–	–	–	–	–	–	29
Reversal of impairment of trade receivables, net	–	(1,849)	–	–	–	–	–	–	–	(1,849)
Interest income	–	(825)	–	–	–	–	–	–	–	(825)
Loss on disposal of items of property, plant & equipment	–	2,179	–	–	–	–	–	–	–	2,179
Impairment of other receivables	–	2,124	–	–	–	–	–	–	–	2,124
Changes in defined benefit obligations	–	199	–	–	–	–	–	–	–	199
Write-down of inventories to net realisable value	–	6,250	–	–	–	–	–	–	–	6,250
Impairment of items of property, plant and equipment	–	290	–	–	–	–	–	–	–	290
	(256)	210,968	1,662	(8,936)	–	–	–	–	–	203,438
Increase in inventories	–	(178,868)	–	–	–	–	–	–	–	(178,868)
Decrease/(increase) in trade receivables	3	(53,273)	42	–	–	–	–	–	–	(53,228)
Decrease/(increase) in prepayments, deposits and other receivables	(7)	(21,960)	9,119	8,489	–	–	–	–	–	(4,359)
Increase in trade payables	–	85,292	–	–	–	–	–	–	–	85,292
Increase/(decrease) in other payables and accruals	(74)	21,674	312	–	–	–	–	–	–	21,912
Malaysian tax paid	–	(32,341)	(412)	–	–	–	–	–	–	(32,753)
Increase in amounts due to related companies	118	–	–	–	–	–	–	–	–	118
Net cash generated from/(used in) operating activities	(216)	31,492	10,723	(447)	–	–	–	–	–	41,552
CASH FLOWS FROM INVESTING ACTIVITIES										
Purchase of items of property, plant and equipment	(194)	(56,201)	(7)	–	(541)	(4,158)	–	–	–	(61,101)
Proceeds from disposal of items of property, plant and equipment	–	1,372	–	–	–	–	22,712	–	–	24,084
Acquisition of subsidiaries	–	(296)	–	(145,379)	–	–	–	–	–	(145,675)
Net cash generated from/(used in) investing activities	(194)	(55,125)	(7)	(145,379)	(541)	(4,158)	22,712	–	–	(182,692)

	The Group For the year ended 30 April 2009	CoswayM Group For the year ended 30 April 2009	Golden Works For the year ended 31 December 2008	Pro forma adjustments						Unaudited pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 4)*	*(Note 6)*	*(Note 8)*	*(Note 9)*	*(Note 10)*	*(Note 13)*	*(Note 14)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
CASH FLOWS FROM FINANCING ACTIVITIES										
Repayment of bank borrowings	(180)	(7,303)	–	–	–	–	–	–	–	(7,483)
New bank loans	–	23,271	–	68,336	–	–	–	–	–	91,607
Net change in inter-company balances	925	(34,043)	–	46,864	–	–	–	–	–	13,746
Capital element of hire purchase and finance lease rental payments	–	(43)	–	–	–	–	–	–	–	(43)
Dividends paid	–	(8,085)	(10,693)	–	–	–	–	–	–	(18,778)
Dividends paid to minority shareholders	–	(704)	–	–	–	–	–	–	–	(704)
Interest received	–	804	–	–	–	–	–	–	–	804
Interest paid	(325)	(1,832)	–	(994)	–	–	–	–	(21,900)	(25,051)
Net cash generated from/(used in) financing activities	420	(27,935)	(10,693)	114,206	–	–	–	–	(21,900)	54,098
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	10	(51,568)	23	(31,620)	(541)	(4,158)	22,712	–	(21,900)	(87,042)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	117	125,196	1,282	(1,399)	–	–	–	–	–	125,196
Effects of foreign exchange rate changes, net	–	(15,554)	(429)	–	–	–	–	–	–	(15,983)
CASH AND CASH EQUIVALENTS AT END OF YEAR	127	58,074	876	(33,019)	(541)	(4,158)	22,712	–	(21,900)	22,171

NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

Notes:

1. The balances are extracted from audited financial information of the Group for the year ended 30 April 2009 as set out in Section 2 of Appendix I of this circular.

2. The balances are extracted from the audited financial information of the Cosway M Group for the year ended 30 April 2009 as set out in Section A of Appendix II to this circular. The balances extracted from the consolidated balance sheet of Cosway M Group were translated to Hong Kong dollars at the exchange rate of RM46.01 = HK$100 and the balances extracted from the consolidated income statement and cash flow statement of Cosway M Group were translated to Hong Kong dollars at the exchange rate of RM44.83 = HK$100.

3. The balances are extracted from the audited balance sheet of the Golden Works as at 30 April 2009 as set out in Appendix III to this circular and were translated to Hong Kong dollars at the exchange rate of RM46.01 = HK$100.

4. The balances are extracted from the audited income statement and cash flow statement of the Golden Works for the year ended 31 December 2008 as set out in Appendix III to this circular and were translated to Hong Kong dollars at the exchange rate of RM44.83 = HK$100.

5. This pro forma adjustment reflects the Company's acquisition of 100% equity interest in Cosway M Group for total consideration of about HK$2,228 million. The consideration is to be settled by:

   (1) issuance of 858.2 million ordinary shares of the Company at par value of HK$0.20 each;

   (2) issuance of 9,784 million ICULS at nominal value of HK$0.20 each with total principal amount of HK$1,956.8 million; and

   (3) cash amounting to RM44.7 million (equivalent to HK$99.6 million).

   The ICULS is segregated to equity component of HK$1,518.9 million and liability component of HK$437.9 million.

   Regarding the cash consideration of HK$99.6 million, it is assumed that Cosway M paid dividend to the Company amounting to HK$99.6 million after Cosway M Acquisition. The Company would then settle the cash consideration to Cosway Corp following the repayment of the advances owing by Cosway Corp to Cosway M Group in accordance with the First Cosway M Agreement.

   This pro forma adjustment also reflects Cosway M's acquisition of 100% equity interest in Golden Works for a cash consideration of RM21.7 million (equivalent to approximately HK$47.2 million), of which HK$8.5 million had already been paid by the Group during the year ended 30 April 2009.

   Pro forma adjustment for the goodwill of HK$120,211,000 in the pro forma balance sheet represents goodwill in relation to Cosway M Acquisition of HK$119,576,000 and Golden Works Acquisition of HK$635,000.

   Goodwill on Cosway M Acquisition

	HK$'000
Cost of business combination	123,741
Fair value of the identifiable assets and liabilities of the Group as at 30 April 2009	(4,165)
Goodwill	119,576

The cost of the business combination represents the fair value of the equity instruments exchanged at the date of the completion of the Cosway M Acquisition. The aggregate fair value of the identifiable assets and liabilities of the Group as at the date of acquisition of HK$4,165,000 was derived from the aggregate carrying amount of identifiable assets and liabilities of the Group immediately before the acquisition of HK$14,095,000, less fair value adjustment of HK$9,930,000.

Goodwill on Golden Works Acquisition

	HK$'000
Purchase consideration	47,185
Fair value of the identifiable assets and liabilities of Golden Works as at 30 April 2009	(46,550)
Goodwill	635

On completion of the above acquisitions, the fair value of the consideration and the net identifiable assets and liabilities of the Cosway M Group, eCosway and Golden Works will have to be assessed, since the actual fair values of the assets, liabilities and contingent liabilities of these target companies on completion date of these acquisitions would be different from their estimated fair values used in the preparation of the unaudited pro forma consolidated balance sheet presented above, the actual financial position arising from these acquisitions might be materially different from the financial position as shown in this Section.

Pro forma adjustment for cash and bank balances of HK$33,855,000 in the pro forma balance sheet represents:

	HK$'000
Cash consideration paid for acquisition of Golden Works	(47,185)
Less: Deposits paid for the acquisition of Golden Works	8,489
Repayment of intercompany balance from related companies	4,841
	(33,855)

Pro forma adjustment for issued share capital of HK$167,419,000 in the pro forma balance sheet represents:

	HK$'000
Issuance of share capital for acquisition of Cosway M at HK$0.20 each	171,637
Reversal of issued capital of Cosway M on consolidation	(336,883)
Reversal of issued capital of Golden Works on consolidation	(2,173)
	(167,419)

Pro forma adjustment for the cash outflow for the acquisition of subsidiary of HK$145,379,000 in the pro forma cash flow statement represents:

	HK$'000
Cash consideration paid for acquisition of Cosway M	(99,593)
Cash consideration paid for acquisition of Golden Works	(47,185)
Cash and bank balances acquired from the Group	117
Cash and bank balances acquired from Golden Works	1,282
	(145,379)

Pro forma adjustment for the net change in intercompany balances of HK$46,864,000 in the pro forma cash flow statement represents changes in intercompany balances as follows:

	HK$'000
Professional fees paid by BGCL on behalf of the Group	8,936
Cash advances made by BGCL to the Group	835
Interest expense payable to BGCL	994
Repayment of intercompany balances from related companies of Cosway M	4,842
Cash advances made by Cosway M to Cosway Corp	(68,336)
Repayment from Cosway Corp to Cosway M	99,593
	46,864

This pro forma adjustment is not expected to have continuing effect on the Enlarged Group.

6. This pro forma adjustment assumes additional advances of HK$835,000 were made by the Company's shareholder, BGCL, to the Company and payment of professional fees of HK$8.9 million were also made by BGCL on behalf of the Company. The advances represent the funding from BGCL as working capital of the Group. The related interest payable to BGCL would be HK$994,000. This pro forma adjustment is not expected to have continuing effect on the Enlarged Group.

7. This pro forma adjustment reflects the Company's acquisition of 40% equity interest in eCosway for a consideration of HK$239.7 million. The consideration is to be settled by:

   (1) issuance of 32.499 million ordinary shares of the Company at par value of HK$0.20 each; and

   (2) issuance of 1,166 million ICULS at nominal value of HK$0.20 each with total principal amount of HK$233.2 million.

   The ICULS is segregated to equity component of HK$181.0 million and liability component of HK$52.2 million.

   The goodwill on the acquisition of 40% eCosway from minority interest is calculated as follow:

	HK$'000
Purchase consideration	239,700
40% of the net assets of eCosway as at 30 April 2009	(32,627)
Goodwill	207,073

   On completion of the above acquisition, the fair value of the consideration and the net identifiable assets and liabilities of the eCosway will have to be assessed, since the actual fair values of the assets, liabilities and contingent liabilities of eCosway on completion date of this acquisition would be different from their estimated fair values used in the preparation of the unaudited pro forma consolidated balance sheet presented above, the actual financial position arising from this acquisition might be materially different from the financial position as shown in this Section.

8. This pro forma adjustment reflects the purchase of the Arena Green Property by Cosway M Group for cash consideration of RM248,700 (equivalent to approximately HK$541,000) pursuant to the Arena Green Agreement. This pro forma adjustment is not expected to have continuing effect on the Enlarged Group.

9. This pro forma adjustment reflects the Taiwan Property Acquisition for cash consideration of NT$17,850,000 (equivalent to approximately HK$4.2 million). This pro forma adjustment is not expected to have continuing effect on the Enlarged Group.

10. This pro forma adjustment reflects the disposal of the Bukit Jelutong Land for cash consideration of RM10,450,000 (equivalent to approximately HK$22.7 million). This pro forma adjustment is not expected to have continuing effect on the Enlarged Group.

11. This pro forma adjustment reflects a total amount of HK$36 million due to BGCL being capitalised into 180 million ordinary shares of the Company at par value of HK$0.20 each in accordance with the Loan Capitalisation Agreement.

12. This pro forma adjustment represents the reversal of eCosway's profit shared by its 40% minority shareholder following the Company's acquisition of 40% equity interest in eCosway. This pro forma adjustment is not expected to have continuing effect on the Enlarged Group.

13. This pro forma adjustment represents the interest expenses of ICULS calculated based on the effective interest rate amounted to HK$24.5 million. The total principal amount of ICULS issued by the Company for the acquisition of Cosway M and eCosway amounted to HK$2,190 million. This pro forma adjustment is expected to have continuing effect on the Enlarged Group.

14. This pro forma adjustment represents the coupon payment of ICULS interest of 1% for the first year amounting to HK$21.9 million. Assuming the ICULS are issued on 1 May 2008, the first year coupon interest would be paid before 30 April 2009. This pro forma adjustment is expected to have continuing effect on the Enlarged Group.

(B) LETTER FROM THE REPORTING ACCOUNTANTS

The following is the text of a report, prepared for the sole purpose of inclusion in this circular, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Enlarged Group as set out in Section A of Appendix IV to this circular.

ERNST & YOUNG
安 永

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

30 October 2009

The Directors

Berjaya Holdings (HK) Limited

Dear Sirs,

We report on the unaudited pro forma financial information of the Group (the "Unaudited Pro Forma Financial Information") set out on pages 1 to 9 in Section A of Appendix IV to the circular of the Company dated 30 October 2009 (the "Circular") in connection with the very substantial acquisitions of the Company, which has been prepared by the directors of the Company (the "Directors") for illustrative purposes only, to provide information to the shareholders of the Company about how the Acquisitions (as defined in the Circular) might have affected the financial information presented in respect of the Group. The bases of preparation of the Unaudited Pro Forma Financial Information are set out on page 1 in Section A of Appendix IV to the Circular.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND REPORTING ACCOUNTANTS

It is the responsibility solely of the Directors to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

BASIS OF OPINION

We conducted our engagement in accordance with Hong Kong Standards on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the Directors. This engagement does not involve independent examination of any of the underlying financial information.

Our work did not constitute an audit or a review made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, and accordingly, we do not express any such audit or review assurance on the Unaudited Pro Forma Financial Information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated, that such bases are consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the Directors, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of the Group as at 30 April 2009 had the Acquisitions actually been completed on that date or any future date; or
- the results of operations and cash flows of the Group for the year ended 30 April 2009 had the Acquisitions actually been completed on 1 May 2008 or any future periods.

OPINION

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated;

(b) such bases are consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(C) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP AFTER THE COSWAY M ACQUISITION

Introduction

The accompanying unaudited pro forma financial information of the Group after the Cosway M Acquisition (the "Cosway M Enlarged Group"), comprising the unaudited pro forma income statement, balance sheet and cash flow statement of the Cosway M Enlarged Group, has been prepared by the Directors in accordance with rule 4.29 of the Listing Rules, for illustrative purposes only, to provide information about how the proposed Cosway M Acquisition and the Capitalisation Issue as detailed in the section headed "Letter from the Board" in this circular might have affected the results of operations, financial position and cash flows of the Group as if the Cosway M Acquisition had been completed on (i) 1 May 2008 in respect of the unaudited pro forma income statement and cash flow statement of the Cosway M Enlarged Group; and (ii) 30 April 2009 in respect of the unaudited pro forma balance sheet of the Cosway M Enlarged Group.

The unaudited pro forma financial information of the Cosway M Enlarged Group has been prepared based on the audited financial information of the Group for the year ended 30 April 2009 as set out in Section 2 of Appendix I to this circular, and the audited financial information of Cosway M Group and Golden Works as set out in the accountants' report in Appendix II and Appendix III to this circular, after giving effect to the pro forma adjustments described in the accompanying notes.

The unaudited pro forma financial information of the Cosway M Enlarged Group is based on a number of assumptions, estimates, uncertainties and currently available information. As a result of these assumptions, estimates and uncertainties, the accompanying unaudited pro forma financial information of the Cosway M Enlarged Group does not purport to describe the actual results of operations, financial position and cash flows of the Cosway M Enlarged Group that would have been attained had the Cosway M Acquisition been completed on the dates indicated herein. Furthermore, the accompanying unaudited pro forma financial information of the Cosway M Enlarged Group does not purport to predict the Cosway M Enlarged Group's future results of operations, financial position or cash flows.

UNAUDITED PRO FORMA BALANCE SHEET OF THE COSWAY M ENLARGED GROUP

	The Group as at 30 April 2009	CoswayM Group as at 30 April 2009	Golden Works as at 30 April 2009	Pro forma adjustments					Subtotal before Loan Capitalisation		Unaudited Pro forma of Enlarged Group as at 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 3)*	*(Note 5)*	*(Note 6)*	*(Note 7)*	*(Note 8)*	*(Note 9)*		*(Note 10)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS											
Non-current assets											
Property, plant and equipment	292	119,689	13	–	–	541	4,158	–	124,693	–	124,693
Investment properties	49,392	115,173	54,771	–	–	–	–	–	219,336	–	219,336
Interests in associates	5,531	109	–	–	–	–	–	–	5,640	–	5,640
Prepaid land lease payments	–	8,589	–	–	–	–	–	–	8,589	–	8,589
Goodwill	–	9,757	–	120,211	–	–	–	–	129,968	–	129,968
Deposits	–	28,380	–	(8,489)	–	–	–	–	19,891	–	19,891
Deferred tax assets	–	409	–	—	–	–	–	–	409	–	409
Available-for-sale investments	200	243	–	–	–	–	–	–	443	–	443
Total non-current assets	55,415	282,349	54,784	111,722	–	541	4,158	–	508,969	–	508,969
Current assets											
Trade receivables	9	78,296	159	–	–	–	–	–	78,464	–	78,464
Prepayments, deposits and other receivables	309	38,420	117	(44)	–	–	–	–	38,802	–	38,802
Inventories	–	402,775	–	–	–	–	–	–	402,775	–	402,775
Due from the ultimate holding company	–	1,139	–	(1,139)	–	–	–	–	–	–	–
Due from intermediate holding company	–	732	–	(732)	–	–	–	–	–	–	–
Due from immediate holding company	–	34,227	–	(34,227)	–	–	–	–	–	–	–
Due from related companies	–	1,771	–	–	–	–	–	–	1,771	–	1,771
Pledged deposits	–	396	–	–	–	–	–	–	396	–	396
Cash and bank balances	127	92,421	1,091	(33,855)	835	(541)	(4,158)	22,712	78,632	–	78,632
	445	650,177	1,367	(69,997)	835	(541)	(4,158)	22,712	600,840	–	600,840
Asset held for sale	–	22,712	–	–	–	–	–	(22,712)	–	–	–
Total current assets	445	672,889	1,367	(69,997)	835	(541)	(4,158)	–	600,840	–	600,840
TOTAL ASSETS	55,860	955,238	56,151	41,725	835	–	–	–	1,109,809	–	1,109,809

	The Group as at 30 April 2009	CoswayM Group as at 30 April 2009	Golden Works as at 30 April 2009	Pro forma adjustments					Subtotal before Loan Capitalisation		Unaudited Pro forma of Enlarged Group as at 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 3)*	*(Note 5)*	*(Note 6)*	*(Note 7)*	*(Note 8)*	*(Note 9)*		*(Note 10)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
EQUITY											
Issued capital	118,210	336,883	2,173	(167,419)	–	–	–	–	289,847	36,000	325,847
ICULS – equity component	–	–	–	1,518,916	–	–	–	–	1,518,916	–	1,518,916
Reserves	(104,115)	128,537	44,377	(1,815,948)	(9,930)	–	–	–	(1,757,079)	–	(1,757,079)
Shareholders' funds	14,095	465,420	46,550	(464,451)	(9,930)	–	–	–	51,684	36,000	87,684
Minority interests	4,983	37,974	–	–	–	–	–	–	42,957	–	42,957
Total equity funds	19,078	503,394	46,550	(464,451)	(9,930)	–	–	–	94,641	36,000	130,641
Non-current liabilities											
Loan from a shareholder	28,895	–	–	–	11,120	–	–	–	40,015	(36,000)	4,015
Defined benefit obligations	–	987	–	–	–	–	–	–	987	–	987
ICULS – liability component	–	–	–	437,884	–	–	–	–	437,884	–	437,884
Other payables	259	–	–	–	–	–	–	–	259	–	259
Inter-bearing bank borrowings	6,345	35	–	68,336	–	–	–	–	74,716	–	74,716
Deferred income tax liabilities	–	2,839	8,449	–	–	–	–	–	11,288	–	11,288
Total non-current liabilities	35,499	3,861	8,449	506,220	11,120	–	–	–	565,149	(36,000)	529,149
Current liabilities											
Retirement benefit obligations	–	52	–	–	–	–	–	–	52	–	52
Trade payables	–	272,426	–	–	–	–	–	–	272,426	–	272,426
Other payables and accruals	630	85,794	1,139	(44)	–	–	–	–	87,519	–	87,519
Due to the immediate holding company	–	11	–	–	–	–	–	–	11	–	11
Due to an associate	–	2,332	–	–	–	–	–	–	2,332	–	2,332
Due to related companies	473	789	–	–	(355)	–	–	–	907	–	907
Tax payable	–	28,103	13	–	–	–	–	–	28,116	–	28,116
Inter-bearing bank borrowings	180	58,476	–	–	–	–	–	–	58,656	–	58,656
Total current liabilities	1,283	447,983	1,152	(44)	(355)	–	–	–	450,019	–	450,019
TOTAL LIABILITIES	36,782	451,844	9,601	506,176	10,765	–	–	–	1,015,168	(36,000)	979,168
TOTAL EQUITY AND LIABILITIES	55,860	955,238	56,151	41,725	835	–	–	–	1,109,809	–	1,109,809

UNAUDITED PRO FORMA INCOME STATEMENT OF THE COSWAY M ENLARGED GROUP

	The Group For the year ended 30 April 2009	CoswayM Group For the year ended 30 April 2009	Golden Works For the year ended 31 December 2008	Pro forma adjustments		Unaudited Pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 4)*	*(Note 6)*	*(Note 11)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	2,110	1,726,797	3,897	–	–	1,732,804
Cost of sales	(29)	(1,023,627)	(1,312)	–	–	(1,024,968)
Gross profit	2,081	703,170	2,585	–	–	707,836
Other income	20	14,013	–	–	–	14,033
Selling and distribution expenses	–	(258,336)	–	–	–	(258,336)
Administrative expenses	(2,385)	(257,135)	(925)	–	–	(260,445)
Other operating expenses	(95)	(20,671)	–	(8,936)	–	(29,702)
Finance costs	(2,471)	(1,880)	–	(994)	(21,894)	(27,239)
Fair value gains/(losses) on investment properties	(14,576)	(1,213)	3,123	–	–	(12,666)
Share of profit and losses of associates	(6,568)	80	–	–	–	(6,488)
Profit before income tax	(23,994)	178,028	4,783	(9,930)	(21,894)	126,993
Tax	4,535	(42,561)	(833)	–	(384)	(39,243)
Profit/(loss) for the year	(19,459)	135,467	3,950	(9,930)	(22,278)	87,750
Attributable to:						
Equity holders of the Company	(19,428)	120,482	3,950	(9,930)	(22,278)	72,796
Minority interests	(31)	14,985	–	–	–	14,954
	(19,459)	135,467	3,950	(9,930)	(22,278)	87,750

UNAUDITED PRO FORMA CASH FLOW STATEMENT OF THE COSWAY M ENLARGED GROUP

	The Group For the year ended 30 April 2009	CoswayM Group For the year ended 30 April 2009	Golden Works For the year ended 31 December 2008	Pro forma adjustments						Unaudited Pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 4)*	*(Note 5)*	*(Note 7)*	*(Note 8)*	*(Note 9)*	*(Note 11)*	*(Note 12)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES										
Profit/(loss) before tax	(23,994)	178,028	4,783	(9,930)	–	–	–	(21,894)	–	126,993
Adjustments for:										
Finance costs	2,471	1,880	–	994	–	–	–	21,894	–	27,239
Share of profits and losses of associates	6,568	(80)	–	–	–	–	–	–	–	6,488
Depreciation	28	21,354	2	–	–	–	–	–	–	21,384
Impairment of an available-for-sale investments	95	–	–	–	–	–	–	–	–	95
Fair value losses/(gains) on investment properties	14,576	1,213	(3,123)	–	–	–	–	–	–	12,666
Recognition of prepaid land lease payments	–	176	–	–	–	–	–	–	–	176
Impairment of prepaid land lease payment	–	29	–	–	–	–	–	–	–	29
Reversal of impairment of trade receivables	–	(1,849)	–	–	–	–	–	–	–	(1,849)
Interest income	–	(825)	–	–	–	–	–	–	–	(825)
Loss on disposal of items of property, plant & equipment	–	2,179	–	–	–	–	–	–	–	2,179
Impairment of other receivables	–	2,124	–	–	–	–	–	–	–	2,124
Changes in defined benefit obligations	–	199	–	–	–	–	–	–	–	199
Write-down of inventories to net realisable value	–	6,250	–	–	–	–	–	–	–	6,250
Impairment of items of property, plant and equipment	–	290	–	–	–	–	–	–	–	290
	(256)	210,968	1,662	(8,936)	–	–	–	–	–	203,438
Increase in inventories	–	(178,868)	–	–	–	–	–	–	–	(178,868)
Decrease/(increase) in trade receivables	3	(53,273)	42	–	–	–	–	–	–	(53,228)
Decrease/(increase) in prepayments, deposits and other receivables	(7)	(21,960)	9,119	8,489	–	–	–	–	–	(4,359)
Increase in trade payables	–	85,292	–	–	–	–	–	–	–	85,292
Increase/(decrease) in other payables and accruals	(74)	21,674	312	–	–	–	–	–	–	21,912
Malaysian tax paid	–	(32,341)	(412)	–	–	–	–	–	–	(32,753)
Increase in amounts due to related companies	118	–	–	–	–	–	–	–	–	118
Net cash generated from/(used in) operating activities	(216)	31,492	10,723	(447)	–	–	–	–	–	41,552

	The Group For the year ended 30 April 2009	CoswayM Group For the year ended 30 April 2009	Golden Works For the year ended 31 December 2008	Pro forma adjustments						Unaudited Pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 4)*	*(Note 5)*	*(Note 7)*	*(Note 8)*	*(Note 9)*	*(Note 11)*	*(Note 12)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
CASH FLOWS FROM INVESTING ACTIVITIES										
Purchase of items of property, plant and equipment	(194)	(56,201)	(7)	–	(541)	(4,158)	–	–	–	(61,101)
Proceeds from disposal of items of property, plant and equipment	–	1,372	–	–	–	–	22,712	–	–	24,084
Acquisition of subsidiaries	–	(296)	–	(145,379)	–	–	–	–	–	(145,675)
Net cash generated from/(used in) investing activities	(194)	(55,125)	(7)	(145,379)	(541)	(4,158)	22,712	–	–	(182,692)
CASH FLOWS FROM FINANCING ACTIVITIES										
Drawdown/(repayment) of bank borrowings	(180)	(7,303)	–	–	–	–	–	–	–	(7,483)
New bank loans	–	23,271	–	68,336	–	–	–	–	–	91,607
Net change in inter-company balances	925	(34,043)	–	46,864	–	–	–	–	–	13,746
Repayment of hire purchase and lease financing	–	(43)	–	–	–	–	–	–	–	(43)
Dividends paid	–	(8,085)	(10,693)	–	–	–	–	–	–	(18,778)
Dividends paid to minority shareholders	–	(704)	–	–	–	–	–	–	–	(704)
Interest received	–	804	–	–	–	–	–	–	–	804
interest paid	(325)	(1,832)	–	(994)	–	–	–	–	(19,568)	(22,719)
Net cash generated from/(used in) financing activities	420	(27,935)	(10,693)	114,206	–	–	–	–	(19,568)	56,430
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	10	(51,568)	23	(31,620)	(541)	(4,158)	22,712	–	(19,568)	(84,710)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	117	125,196	1,282	(1,399)	–	–	–	–	–	125,196
Effects of exchange rate changes	–	(15,554)	(429)	–	–	–	–	–	–	(15,983)
CASH AND CASH EQUIVALENTS AT END OF YEAR	127	58,074	876	(33,019)	(541)	(4,158)	22,712	–	(19,568)	24,503

NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COSWAY M ENLARGED GROUP

Notes:

1. The balances have been extracted from the audited financial information of the Group for the year ended 30 April 2009 as set out in Section 2 of Appendix I to the circular of this circular.

2. The balances have been extracted from the audited financial information of the Cosway M Group for the year ended 30 April 2009 as set out in Section A of Appendix II to this circular. The balances extracted from the consolidated balance sheet of Cosway M Group were translated to Hong Kong dollars at the exchange rate of RM46.01 = HK$100 and the balances extracted from the consolidated income statement and cash flow statement of Cosway M Group were translated to Hong Kong dollars at the exchange rate of RM44.83 = HK$100.

3. The balances have been extracted from the audited balance sheet of the Golden Works as at 30 April 2009 as set out in Appendix III to this circular and were translated to Hong Kong dollars at the exchange rate of RM46.01 = HK$100.

4. The balances have been extracted from the audited income statement and cash flow statement of the Golden Works for the year ended 31 December 2008 as set out in Appendix III to this circular and were translated to Hong Kong dollars at the exchange rate of RM44.83 = HK$100.

5. This pro forma adjustment reflects the Company's acquisition of 100% equity interest in Cosway M Group for a total consideration of about HK$2,228 million. The consideration is to be settled by:

   (1) issuance of 858.2 million ordinary shares of the Company at par value of HK$0.20 each;

   (2) issuance of 9,784 million ICULS at nominal value of HK$0.20 each with a total principal amount of HK$1,956.8 million; and

   (3) cash amounting to RM44.7 million (equivalent to HK$99.6 million).

   The ICULS is segregated to equity component of HK$1,518.9 million and liability component of HK$437.9 million.

   Regarding the cash consideration of HK$99.6 million, it is assumed that Cosway M would pay a dividend to the Company amounting to HK$99.6 million after the Cosway M Acquisition. The Company would then settle the cash consideration to Cosway Corp following the repayment of the advances owing by Cosway Corp to Cosway M Group in accordance with the First Cosway M Agreement.

   This pro forma adjustment also reflects Cosway M's acquisition of 100% equity interest in Golden Works for a cash consideration of RM21.7 million (equivalent to approximately HK$47.2 million), of which HK$8.5 million had already been paid by the Group during the year.

   Pro forma adjustment for the goodwill of HK$120,211,000 in the pro forma balance sheet represents goodwill in relation to Cosway M Acquisition of HK$119,576,000 and Golden Works Acquisition of HK$635,000.

   Goodwill on Cosway M Acquisition

	HK$'000
Cost of business combination	123,741
Fair value of the identifiable assets and liabilities of the Group as at 30 April 2009	(4,165)
Goodwill	119,576

   The cost of the business combination represents the fair value of the equity instruments exchanged at the date of the completion of the Cosway M Acquisition. The aggregate fair value of the identifiable assets and liabilities of the Group as at the date of acquisition of HK$4,165,000 was derived from the aggregate carrying amount of identifiable assets and liabilities of the Group immediately before the acquisition of HK$14,095,000, less fair value adjustment of HK$9,930,000.

Goodwill on Golden Works Acquisition

	HK$'000
Purchase consideration	47,185
Fair value of the identifiable assets and liabilities of Golden Works as at 30 April 2009	(46,550)
Goodwill	635

On completion of the above acquisitions, the fair value of the consideration and the net identifiable assets and liabilities of the Cosway M Group and Golden Works will have to be assessed, since the actual fair values of the assets, liabilities and contingent liabilities of these target companies on completion date of these acquisitions would be different from their estimated fair values used in the preparation of the unaudited pro forma consolidated balance sheet presented above, the actual financial position arising from these acquisitions might be materially different from the financial position as shown in this Section.

Pro forma adjustment for cash and bank balances of HK$33,855,000 in the pro forma balance sheet represents:

	HK$'000
Cash consideration paid for acquisition of Golden Works	(47,185)
Less: Deposits paid for the acquisition of Golden Works	8,489
Repayment of intercompany balance from related companies	4,841
	(33,855)

Pro forma adjustment for issued share capital of HK$167,419,000 in the pro forma balance sheet represents:

	HK$'000
Issuance of share capital for acquisition of Cosway M at HK$0.20 each	171,637
Reversal of issued capital of Cosway M on consolidation	(336,883)
Reversal of issued capital of Golden Works on consolidation	(2,173)
	(167,419)

Pro forma adjustment for the cash outflow for the acquisition of subsidiary of HK$145,379,000 in the pro forma cash flow statement represents:

	HK$'000
Cash consideration paid for acquisition of Cosway M	(99,593)
Cash consideration paid for acquisition of Golden Works	(47,185)
Cash and bank balances acquired from the Group	117
Cash and bank balances acquired from Golden Works	1,282
	(145,379)

Pro forma adjustment for the net change in intercompany balances of HK$46,864,000 in the pro forma cash flow statement represents changes in intercompany balances as follows:

	HK$'000
Professional fees paid by BGCL on behalf of the Group	8,936
Cash advances made by BGCL to the Group	835
Interest expense payable to BGCL	994
Repayment of intercompany balances from related companies of Cosway M	4,842
Cash advances made by Cosway M to Cosway Corp	(68,336)
Repayment from Cosway Corp to Cosway M	99,593
	46,864

This pro forma adjustment is not expected to have continuing effect on the Cosway M Enlarged Group.

6. This pro forma adjustment assumes additional advances of HK$835,000 were made by the Company's shareholder, BGCL, to the Company and payment of professional fees of HK$8.9 million were also made by BGCL on behalf of the Company. The advances represent the funding from BGCL as working capital of the Group. The related interest payable to BGCL would be HK$994,000. This pro forma adjustment is not expected to have continuing effect on the Cosway M Enlarged Group.

7. This pro forma adjustment reflects the purchase of the Arena Green Property by Cosway M Group for cash consideration of RM248,700 (equivalent to approximately HK$541,000) pursuant to the Arena Green Agreement. This pro forma adjustment is not expected to have continuing effect on the Cosway M Enlarged Group.

8. This pro forma adjustment reflects the Taiwan Property Acquisition for cash consideration of NT$17,850,000 (equivalent to approximately HK$4.2 million). This pro forma adjustment is not expected to have continuing effect on the Cosway M Enlarged Group.

9. This pro forma adjustment reflects the disposal of the Bukit Jelutong Land for cash consideration of HK$22.7 million. This pro forma adjustment is not expected to have continuing effect on the Cosway M Enlarged Group.

10. This pro forma adjustment reflects a total amount of HK$36 million due to BGCL being capitalised into 180 million ordinary shares of the Company at par value of HK$0.20 each in accordance with the Loan Capitalisation Agreement.

11. This pro forma adjustment represents the interest expense of ICULS amounted to HK$21.9 million calculated based on the effective interest rate. The total principal amount of ICULS issued by the Company for the Cosway M Acquisition amounted to HK$1,956.8 million. This pro forma adjustment is expected to have continuing effect on the Cosway M Enlarged Group.

12. This pro forma adjustment represents the coupon payment of ICULS interest of 1% for the first year amounting to HK$19.6 million. Assuming the ICULS were issued on 1 May 2008, the first year coupon interest would be paid before 30 April 2009. This pro forma adjustment is expected to have continuing effect on the Cosway M Enlarged Group.

(D) LETTER FROM THE REPORTING ACCOUNTANTS

The following is the text of a report, prepared for the sole purpose of inclusion in this circular, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Cosway M Enlarged Group as set out in Section C of Appendix IV to this circular.

ERNST & YOUNG
安 永

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

30 October 2009

The Directors
Berjaya Holdings (HK) Limited

Dear Sirs,

We report on the unaudited pro forma financial information of the Group (the "Unaudited Pro Forma Financial Information") set out on pages 13 to 21 in Section C of Appendix IV to the circular of the Company dated 30 October 2009 (the "Circular") in connection with the very substantial acquisitions of the Company, which has been prepared by the directors of the Company (the "Directors") for illustrative purposes only, to provide information to the shareholders of the Company about how the Cosway M Acquisition (as defined in the Circular) might have affected the financial information presented in respect of the Group. The bases of preparation of the Unaudited Pro Forma Financial Information are set out on page 13 in Section C of Appendix IV to the Circular.

Respective Responsibilities of the Directors and Reporting Accountants

It is the responsibility solely of the Directors to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standards on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the Directors. This engagement does not involve independent examination of any of the underlying financial information.

Our work did not constitute an audit or a review made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, and accordingly, we do not express any such audit or review assurance on the Unaudited Pro Forma Financial Information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated, that such bases are consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the Directors, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of the Group as at 30 April 2009 had the Cosway M Acquisition actually been completed on that date or any future date; or

- the results of operations and cash flows of the Group for the year ended 30 April 2009 had the Cosway M Acquisition actually been completed on 1 May 2008 or any future periods.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated;

(b) such bases are consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(E) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP AFTER THE ECOSWAY ACQUISITION

Introduction

The accompanying unaudited pro forma financial information of the Group after the eCosway Acquisition (the "eCosway Enlarged Group"), comprising the unaudited pro forma income statement, balance sheet and cash flow statement of the eCosway Enlarged Group, has been prepared by the Directors in accordance with rule 4.29 of the Listing Rules, for illustrative purposes only, to provide information about how the proposed eCosway Acquisition as detailed in the section headed "Letter from the Board" in this circular might have affected the results of operations, financial position and cash flows of the Group as if the eCosway Acquisition had been completed on (i) 1 May 2008 in respect of the unaudited pro forma income statement and cash flow statement of the Enlarged Group; and (ii) 30 April 2009 in respect of the unaudited pro forma balance sheet of the eCosway Enlarged Group.

The unaudited pro forma financial information of the eCosway Enlarged Group has been prepared based on the audited financial information of the Group for the year ended 30 April 2009 as set out in Section 2 of Appendix I to this circular, and the audited financial information of eCosway as set out in the accountants' report in Appendix III to this circular, after giving effect to the pro forma adjustments described in the accompanying notes.

The unaudited pro forma financial information of the eCosway Enlarged Group is based on a number of assumptions, estimates, uncertainties and currently available information. As a result of these assumptions, estimates and uncertainties, the accompanying unaudited pro forma financial information of the eCosway Enlarged Group does not purport to describe the actual results of operations, financial position and cash flows of the eCosway Enlarged Group that would have been attained had the eCosway Acquisition been completed on the dates indicated herein. Furthermore, the accompanying unaudited pro forma financial information of the eCosway Enlarged Group does not purport to predict the eCosway Enlarged Group's future results of operations, financial position or cash flows.

UNAUDITED PRO FORMA BALANCE SHEET OF THE ECOSWAY ENLARGED GROUP

	The Group as at 30 April 2009	Pro forma adjustments		Unaudited Pro forma of Enlarged Group as at 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 3)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS				
Non-current assets				
Property, plant and equipment	292	–	–	292
Investment properties	49,392	–	–	49,392
Interests in associates	5,531	239,700	–	245,231
Available-for-sale financial investments	200	–		200
Total non-current assets	55,415	239,700	–	295,115
Current assets				
Trade receivables	9	–	–	9
Prepayments, deposits and other receivables	309	–	–	309
Cash and bank balances	127	–	835	962
Total current assets	445	–	835	1,280
TOTAL ASSETS	55,860	239,700	835	296,395

	The Group as at 30 April 2009	Pro forma adjustments		Unaudited Pro forma of Enlarged Group as at 30 April 2009
	(Note 1)	*(Note 2)*	*(Note 3)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
EQUITY				
Issued capital	118,210	6,500	–	124,710
ICULS – equity component	–	181,016	–	181,016
Reserves	(104,115)	–	(9,930)	(114,045)
Shareholders' funds	14,095	187,516	(9,930)	191,681
Minority interests	4,983			4,983
Total equity	19,078	187,516	(9,930)	196,664
Non-current liabilities				
Loan from a shareholder	28,895	–	11,120	40,015
ICULS – liability component	–	52,184	–	52,184
Other payables	259	–	–	259
Interest-bearing bank borrowings	6,345	–	–	6,345
Total non-current liabilities	35,499	52,184	11,120	98,803
Current liabilities				
Other payables and accruals	630	–	–	630
Due to related companies	473	–	(355)	118
Interest-bearing bank borrowings	180	–	–	180
Total current liabilities	1,283	–	(355)	928
TOTAL LIABILITIES	36,782	52,184	10,765	99,731
TOTAL EQUITY AND LIABILITIES	55,860	239,700	835	296,395

UNAUDITED PRO FORMA INCOME STATEMENT OF THE ECOSWAY ENLARGED GROUP

	The Group For the year ended 30 April 2009	Pro forma adjustments			Unaudited Pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 3)*	*(Note 4)*	*(Note 5)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	2,110	–	–	–	2,110
Cost of services	(29)	–	–	–	(29)
Gross profit	2,081		–	–	2,081
Other income	20	–	–	–	20
Administrative expenses	(2,385)	–	–	–	(2,385)
Other operating expenses	(95)	(8,936)	–	–	(9,031)
Finance costs	(2,471)	(994)	–	(2,609)	(6,074)
Fair value losses on investment properties	(14,576)	–	–	–	(14,576)
Share of profits and losses of associates	(6,568)	–	13,862	–	7,294
Profit before income tax	(23,994)	(9,930)	13,862	(2,609)	(22,671)
Tax	4,535	–	–	(46)	4,489
Profit for the year	(19,459)	(9,930)	13,862	(2,655)	(18,182)
Attributable to:					
Equity holders of the Company	(19,428)	(9,930)	13,862	(2,655)	(18,151)
Minority interests	(31)	–	–	–	(31)
	(19,459)	(9,930)	13,862	(2,655)	(18,182)

UNAUDITED PRO FORMA CASH FLOW STATEMENT OF THE ECOSWAY ENLARGED GROUP

	The Group For the year ended 30 April 2009	Pro forma adjustments				Unaudited Pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 3)*	*(Note 4)*	*(Note 5)*	*(Note 6)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES						
Loss before tax	(23,994)	(9,930)	13,862	(2,609)	–	(22,671)
Adjustments for:						
Finance costs	2,471	994	–	2,609	–	6,074
Share of profit of an associate	6,568	–	(13,862)	–	–	(7,294)
Depreciation	28	–	–	–	–	28
Impairment of an available-for-sale investment	95	–	–	–	–	95
Fair value losses on investment properties	14,576	–	–	–	–	14,576
	(256)	(8,936)	–	–		(9,192)
Decrease in trade receivables	3	–	–	–	–	3
Increase in prepayments, deposits and other receivables	(7)	–	–	–	–	(7)
Decrease in other payables and accruals	(74)	–	–	–	–	(74)
Increase in amounts due to related companies	118	–	–	–	–	118
Net cash used in operating activities	(216)	(8,936)	–	–	–	(9,152)

	The Group For the year ended 30 April 2009			Pro forma adjustments		Unaudited Pro forma Enlarged Group For the year ended 30 April 2009
	(Note 1)	*(Note 3)*	*(Note 4)*	*(Note 5)*	*(Note 6)*	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of items of property, plant and equipment	(194)	–	–	–	–	(194)
Net cash used in investing activities	(194)	–	–	–	–	(194)
CASH FLOWS FROM FINANCING ACTIVITIES						
Repayment of bank borrowings	(180)	–	–	–	–	(180)
Net change in inter-company balances	925	10,765	–	–	–	11,690
Interest paid	(325)	(994)	–	–	(2,332)	(3,651)
Net cash generated from investing activities	420	9,771	–	–	(2,332)	7,859
NET INCREASE IN CASH AND CASH EQUIVALENTS	10	835	–	–	(2,332)	(1,487)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	117	–	–	–	–	117
CASH AND CASH EQUIVALENTS AT END OF YEAR	127	835	–	–	(2,332)	(1,370)

NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ECOSWAY ENLARGED GROUP

Notes:

1. The balances have been extracted from the audited financial information of the Group for the year ended 30 April 2009 as set out in Section 2 of Appendix I to the circular of this circular.

2. This pro forma adjustment reflects the Company's acquisition of 40% equity interest in eCosway for a consideration of HK$239.7 million. The consideration is to be settled by:

   (1) issuance of 32.5 million ordinary shares of the Company at par value of HK$0.20 each; and

   (2) issuance of 1,166 million ICULS at nominal value of HK$0.20 each with a total principal amount of HK$233.2 million.

   The ICULS is segregated to equity component of HK$181.0 million and liability component of HK$52.2 million.

3. This pro forma adjustment assumes additional advances of HK$835,000 were made by the Company's shareholder, BGCL, to the Company and payment of professional fees of HK$8.9 million made by BGCL on behalf of the Company. The advances represent the funding from BGCL as working capital of the Group. The related interest payable to BGCL would be HK$994,000. This pro forma adjustment is not expected to have continuing effect on the eCosway Enlarged Group.

4. This pro forma adjustment represents the share of results of the eCosway's profit for the year ended 30 April 2009 following the Company's acquisition of 40% equity interest in eCosway. This pro forma adjustment is not expected to have continuing effect on the eCosway Enlarged Group.

5. This pro forma adjustment represents the interest expense of ICULS amounted to HK$2.6 million calculated based on the effective interest rate. The total principal amount of ICULS issued by the Company for the eCosway Acquisition amounted to HK$233.2 million. This pro forma adjustment is expected to have continuing effect on the eCosway Enlarged Group.

6. This pro forma adjustment represents the coupon payment of ICULS interest of 1% for the first year amounting to HK$2.3 million. Assuming the ICULS were issued on 1 May 2008, the first year coupon interest would be paid before 30 April 2009. This pro forma adjustment is expected to have continuing effect on the eCosway Enlarged Group.

(F) LETTER FROM THE REPORTING ACCOUNTANTS

The following is the text of a report, prepared for the sole purpose of inclusion in this circular, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the eCosway Enlarged Group as set out in Section E of Appendix IV to this circular.

ERNST & YOUNG
安 永

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

30 October 2009

The Directors

Berjaya Holdings (HK) Limited

Dear Sirs,

We report on the unaudited pro forma financial information of the Group (the "Unaudited Pro Forma Financial Information") set out on pages 25 to 31 in Section E of Appendix IV to the circular of the Company dated 30 October 2009 (the "Circular") in connection with the very substantial acquisitions of the Company, which has been prepared by the directors of the Company (the "Directors") for illustrative purposes only, to provide information to the shareholders of the Company about how the eCosway Acquisition (as defined in the Circular) might have affected the financial information presented in respect of the Group. The bases of preparation of the Unaudited Pro Forma Financial Information are set out on page 25 in Section E of Appendix IV to the Circular.

Respective Responsibilities of the Directors and Reporting Accountants

It is the responsibility solely of the Directors to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standards on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the Directors. This engagement does not involve independent examination of any of the underlying financial information.

Our work did not constitute an audit or a review made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, and accordingly, we do not express any such audit or review assurance on the Unaudited Pro Forma Financial Information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated, that such bases are consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the Directors, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of the Group as at 30 April 2009 had the eCosway Acquisition actually been completed on that date or any future date; or

- the results of operations and cash flows of the Group for the year ended 30 April 2009 had the eCosway Acquisition actually been completed on 1 May 2008 or any future periods.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated;

(b) such bases are consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(A) IN RELATION TO PROPERTY INTERESTS HELD AND OCCUPIED BY THE COSWAY GROUP (INCLUDING GOLDEN WORKS AND ARENA GREEN PROPERTY) IN MALAYSIA

The following is the texts of letter, summary of valuation and valuation certificates, prepared for the purpose of incorporation in this circular, received from Vigers Appraisal & Consulting Limited, an independent property valuer, in connection with their valuation as at 31st July 2009 for the property interests to be acquired by the Group in Malaysia.

Vigers Appraisal & Consulting Limited
International Assets Appraisal Consultants

10th Floor, The Grande Building
398 Kwun Tong Road
Kowloon
Hong Kong

30th October 2009

The Board of Directors
Berjaya Holdings (HK) Limited
Unit 1701, Austin Plaza
83 Austin Road
Kowloon
Hong Kong

Dear Sirs,

In accordance with your instructions for us to value the property interests exhibited to us as to be acquired by Berjaya Holdings (HK) Limited (hereinafter referred to as the "Company") and its subsidiaries (hereinafter referred to as the "Group") in Malaysia, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary of providing you with our opinion of the market value of such property interests as at 31st July 2009 (the "valuation date") for the purpose of incorporation into this circular.

Our valuation is our opinion of the market value of the property interest which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

In valuing properties Nos. 1 and 2, we have assessed the value of the properties by adopting the Direct Comparison Approach and made reference to the recent transactions for similar premises in the proximity. Adjustments have been made for the differences in transaction dates, building age, floor area etc. between the comparable properties and the subject properties. We have also adopted the Income Approach by taking into account the current rent passing of the property interests and the reversionary of the tenancies.

In valuing properties Nos. 3 to 5 and 7 to 21, we have assessed the value of the properties by adopting the Direct Comparison Approach and made reference to the recent transactions for similar premises in the proximity. Adjustments have been made for the differences in transaction dates, building age, floor area etc. between the comparable properties and the subject properties.

In valuing the property No. 6, the combination of the Direct Comparison Approach and Depreciated Replacement Cost Approach is adopted by assessing the land portion of the property and the buildings and structures standing on the land respectively. Hence, the sum of the two results represents the market value of the property as a whole. In the valuation of the land portion, reference has been made to the sales comparables as available to us in the localities. As the nature of the buildings and structures cannot be valued on the basis of market value, they have therefore been valued on the basis of their depreciated replacement costs. The depreciated replacement cost approach considers the current cost of replacement (reproduction) of the buildings and improvements less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement cost approach generally furnishes the most reliable indication of value for property in the absence of a known market based on comparables sales.

There is no tax payable if the properties are sold as at the valuation date in Malaysia.

We have caused title searches to be made for the property interests at the relevant government bureau in Malaysia. However, we have not searched the original documents to verify ownership or to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

Our valuation has been made on the assumption that the owner sell the property interests on the open market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreements or any similar arrangement which would serve to increase the values of the property interests.

We have inspected the exterior and, where possible, the interior of the properties. However, no structural survey has been made and we are therefore unable to report as to whether the properties are or not free of rot, infestation or any other structural defects. No tests have been carried out on any of the services.

We have relied on a considerable extent on information provided by you and have accepted advise given to us on such matters as planning approvals, statutory notices, easements, tenure, occupancy, lettings, site and floor areas, room and facilities schedule and in the identification of the properties. No on-site measurement has been taken. All dimensions, measurements and areas are approximations only.

No allowance has been made in our valuation certificates for any charges, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

Our valuation is prepared in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors (HKIS), the RICS Appraisal and Valuation Standards (6th Edition 2007) published by the Royal Institution of Chartered Surveyors (the "RICS") and the requirements set out in Chapter 5 and Practice Note 12 to the Rule governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited.

Unless otherwise stated, all monetary amounts stated are in Hong Kong Dollars (HK$). The exchange rate used in valuing the properties in Malaysia as at 31st July 2009 was RM1: HK$2.1966. There has been no significant fluctuation in the exchange rate for HK$ against RM between that date and the date of this letter.

We enclose herewith our summary of valuation together with the valuation certificates.

Yours Faithfully
For and on behalf of

Vigers Appraisal & Consulting Limited	**Hartanah Consultants**
Raymond Ho Kai Kwong	**Shah Reni Ahmad Huzzeini**
Registered Professional Surveyor (GP)	*Registered Valuer V-475*
MRICS MHKIS MSc(e-com)	*MRICS MISM*
Managing Director	*Associate Director*

Notes: Mr. Raymond Ho Kai Kwong, Chartered Surveyor, MRICS MHKIS MSc(e-com), has over twenty three years' experiences in undertaking valuations of properties in Hong Kong and has over sixteen years' experiences in valuations of properties in the PRC. Raymond has joined Vigers Appraisal & Consulting Limited since 1989.

Mr. Shah Reni Ahmad Huzzeini, MRICS MISM, has over twenty one years' experience in undertaking valuations of properties in Malaysia. Shah has joined Hartanah Consultants since 2008.

SUMMARY OF VALUATION

Group I – Property interests held by Golden Works (M) Sdn. Bhd, Stephens Properties Sdn. Bhd or Cosway (M) Sdn. Bhd as at the valuation date and to be acquired and occupied by the Group in Malaysia

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
1.	130 strata shop lots located on ground, first and second floor of Wisma Cosway, No. 88, Jalan Raja Chulan, Kuala Lumpur, Malaysia	RM25,200,000 (equivalent to approximately HK$55,350,000)	100%	RM25,200,000 (equivalent to approximately HK$55,350,000)
2.	67 strata shop lots located on ground, first, second and third floors, 70 strata office units, 7 apartment units, 52 storerooms and 421 car park spaces of Wisma Cosway, No. 88, Jalan Raja Chulan, Kuala Lumpur, Malaysia	RM52,800,000 (equivalent to approximately HK$115,980,000)	100%	RM52,800,000 (equivalent to approximately HK$115,980,000)
3.	A corner 4-storey terraced shopoffice located at No. 48, Jalan Wangsa Setia 4, Wangsa Melawati, Kuala Lumpur, Malaysia	RM1,200,000 (equivalent to approximately HK$2,640,000)	100%	RM1,200,000 (equivalent to approximately HK$2,640,000)

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
4.	An intermediate 4-storey terraced shopoffice located at No. 21, Jalan 2/33B, Kepong MWE Commercial Park, Kuala Lumpur, Malaysia	RM1,200,000 (equivalent to approximately HK$2,640,000)	100%	RM1,200,000 (equivalent to approximately HK$2,640,000)
5.	An intermediate 3-storey terraced shopoffice located at No. 71, Jalan USJ 21/11, Subang Jaya, Selangor Darul Ehsan, Malaysia	RM1,200,000 (equivalent to approximately HK$2,640,000)	100%	RM1,200,000 (equivalent to approximately HK$2,640,000)
6.	An industrial complex located at No. 21, Jalan TUDM, Kampung Baru Subang, Selangor Darul Ehsan, Malaysia	RM5,100,000 (equivalent to approximately HK$11,200,000)	82%	RM4,182,000 (equivalent to approximately HK$9,190,000)

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
7.	Two adjoining ground floor shoplots and a first floor office lot located at Unit Nos. 40, 40-1 and 42, Jalan PPM4, Plaza Pandan, Malim Business Park, Malim, Melaka, Malaysia	RM660,000 (equivalent to approximately HK$1,450,000)	100%	RM660,000 (equivalent to approximately HK$1,450,000)
8.	A corner 3-storey terraced shopoffice located at No. 15, Jalan Penjaja 3, Kim's Park Business Centre, Batu Pahat, Johor, Malaysia	RM950,000 (equivalent to approximately HK$2,090,000)	100%	RM950,000 (equivalent to approximately HK$2,090,000)
9.	Two adjoining 4-storey terraced shopoffices located at No. 20 (intermediate) and 22 (end), Jalan Permas 10, Bandar Baru Permas Jaya, Masai, Johor, Malaysia	RM1,800,000 (equivalent to approximately HK$3,950,000)	100%	RM1,800,000 (equivalent to approximately HK$3,950,000)

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
10.	An intermediate 4-storey terraced shopoffice located at No. 14, Jalan Permas 10, Bandar Baru Permas Jaya, Masai, Johor, Malaysia	RM650,000 (equivalent to approximately HK$1,430,000)	100%	RM650,000 (equivalent to approximately HK$1,430,000)
11.	An end unit 4-storey terraced shopoffice located at No. 38, Jalan Permas 10/6, Bandar Baru Permas Jaya, Masai, Johor, Malaysia	RM900,000 (equivalent to approximately HK$1,980,000)	100%	RM900,000 (equivalent to approximately HK$1,980,000)
12.	Three strata shop lots of Unit Nos. 5-02-9, 5-02-10 and 5-02-11 located on 1st floor and nine open carparking spaces located within Hunza Complex, Jalan Gangsa, Greenlane Heights, Penang, Malaysia	RM990,000 (equivalent to approximately HK$2,170,000)	100%	RM990,000 (equivalent to approximately HK$2,170,000)

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
13.	An intermediate 3-storey terraced shopoffice located at No. 107, Lorong Tembikai 1, Sungai Rambai Business Park, Bukit Mertajam, Penang, Malaysia	RM430,000 (equivalent to approximately HK$940,000)	100%	RM430,000 (equivalent to approximately HK$940,000)
14.	An end unit 2-storey terraced shophouse located at No. 905, Jalan Sultan Badlishah, Alor Setar, Kedah, Malaysia	RM300,000 (equivalent to approximately HK$660,000)	100%	RM300,000 (equivalent to approximately HK$660,000)
15.	An end unit 3-storey terraced shopoffice located at No. 1, Jalan Permatang Gedong, Taman Sejati Indah, Sungai Petani, Kedah, Malaysia	RM700,000 (equivalent to approximately HK$1,540,000)	100%	RM700,000 (equivalent to approximately HK$1,540,000)
16.	An intermediate 2-storey terraced shophouse located at No. 32C, Jalan Ng Weng Hup, Taman Pertama, Ipoh, Perak, Malaysia	RM330,000 (equivalent to approximately HK$720,000)	100%	RM330,000 (equivalent to approximately HK$720,000)

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
17.	An intermediate 3-storey terraced shopoffice located at Lot 4, Block 9, Lorong Bandar Indah 1, Bandar Indah, Sandakan, Sabah, Malaysia	RM700,000 (equivalent to approximately HK$1,540,000)	100%	RM700,000 (equivalent to approximately HK$1,540,000)
18.	An end unit 3-storey terraced shopoffice located at Lot 4, No. 186 Jalan Damai, off KM5 Jalan Tuaran, Kota Kinabalu, Sabah, Malaysia	RM650,000 (equivalent to approximately HK$1,430,000)	100%	RM650,000 (equivalent to approximately HK$1,430,000)
19.	An intermediate 4-storey terraced shopoffice located at Lot 1186, Jalan Bendahara, Miri Waterfront Business Centre, Miri, Sarawak, Malaysia	RM900,000 (equivalent to approximately HK$1,980,000)	100%	RM900,000 (equivalent to approximately HK$1,980,000)
	Sub-total	**RM96,660,000 (equivalent to approximately HK$212,330,000)**		**RM95,742,000 (equivalent to approximately HK$210,320,000)**

Group II – Property interest to be acquired and occupied by the Group in Malaysia

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
20.	Unit C-0-2, ground floor, Block C and 2 car park spaces, Arena Green Apartments, No. 3 Jalan 1/155A, Bukit Jalil, Kuala Lumpur, Malaysia	No commercial value	100%	Nil

Group III – Property interest to be acquired by the Group for sale purpose in Malaysia

	Property	Market Value in existing state as at 31st July 2009	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31st July 2009
21.	A parcel of industrial land located at Lot 3, Persiaran Gerbang Utama, Bukit Jelutong Industrial Park, Shah Alam, Selangor Darul Ehsan, Malaysia	RM10,450,000 (equivalent to approximately HK$22,950,000)	100%	RM10,450,000 (equivalent to approximately HK$22,950,000)
	Grand-Total	**RM107,110,000 (equivalent to approximately HK$235,280,000)**		**RM106,192,000 (equivalent to approximately HK$233,270,000)**

VALUATION CERTIFICATE

Group I – Property interests held by Golden Works (M) Sdn. Bhd, Stephens Properties Sdn. Bhd or Cosway (M) Sdn. Bhd as at the valuation date and to be acquired and occupied by the Group in Malaysia

	Property	**Description and Tenure**	**Particulars of occupancy**	**Market Value in existing state as at 31st July 2009**
1.	130 strata shop lots located on ground, first and second floor of Wisma Cosway, No. 88, Jalan Raja Chulan, Kuala Lumpur, Malaysia	The property comprises 130 strata shop lots located on ground, first and second floors of a 27-storey office and apartment tower atop of a 4-storey shopping podium with 2-level basement car park called Wisma Cosway completed in between 1980s and 1990s. The property has a total floor area of approximately 41,807 sq.ft. The property is held on a freehold interest. This land shall be used for commercial building only as per the copy of master title.	Portion of the property is subject to various tenancies with the latest term being expired on 1st June 2011 at a total gross annual rental of approximately RM1,721,706 and portion of the property is occupied by Cosway (M) Sdn. Bhd for shop and office uses. The property at present is occupied by the tenants and Cosway (M) Sdn. Bhd for retail and office uses.	RM25,200,000 (equivalent to approximately HK$55,350,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM25,200,000 (equivalent to approximately HK$55,350,000)

Notes:

1. On 1st May 2009, Cosway (M) Sdn Bhd acquired a 90% equity interest in Golden Works (M) Sdn Bhd vide an Agreement for Sale & Purchase of Shares made between Yang Kiat Lin, Yang Hung Chun Wah & Ma Yee Chen (the "Vendors") and Cosway (M) Sdn Bhd (the "Purchaser") for a total cash consideration of RM19,530,000.

2. On 8th June 2009, Cosway (M) Sdn Bhd acquired the remaining 10% equity interest in Golden Works (M) Sdn Bhd vide an agreement for Sale and Purchase of Shares made between Wong King Fun (the "Vendor") and Cosway (M) Sdn Bhd (the "Purchaser") for a total cash consideration of RM2,180,000.

3. According to the copies of 130 strata title documents obtained from the relevant government authority on 23rd July 2009 and 27th July 2009, the property having a floor area of approximately 41,807 sq.ft.. It is held on a freehold title. The registered owner of the property is Golden Works (M) Sdn. Bhd.

4. According to the copy of master title document obtained from the relevant government authority in July 2009, the land shall be used for commercial building only.

5. According to a document provided by Golden Works (M) Sdn. Bhd., the property is free from liens and encumbrances.

6. According to the information provided, Golden Works (M) Sdn Bhd is a company incorporated in Malaysia with limited liability, a wholly-owned subsidiary of Cosway (M) Sdn Bhd as at the date of this circular.

7. According to the information provided, the tenants are independent third parties, which are not connected with and are independent of, any of the directors, or any of their respective associates of the Group.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
2.	67 strata shop lots located on ground, first, second and third floors, 70 strata office units, 7 apartment units, 52 storerooms and 421 car park spaces of Wisma Cosway, No. 88, Jalan Raja Chulan, Kuala Lumpur, Malaysia	The property comprises 67 strata shop lots located on ground, first, second and third floors, 70 strata office units, 7 apartment units, 52 storerooms and 421 car park spaces of a 27-storey office and apartment tower atop of a 4-storey shopping podium with 2-level basement car park called Wisma Cosway completed in between 1980s and 1990s. The shop lots, office, apartments and storerooms of the property have a total floor area of approximately 112,397 sq.ft. The property is held on a freehold interest. This land shall be used for commercial building only as per the copy of master title.	Portion of the property is subject to various tenancies with the latest term being expired on 31st March 2011 at a total gross annual rental of approximately RM4,246,000 and portion of the property is occupied by Cosway (M) Sdn. Bhd for shop and office uses. At present, the property is occupied by the tenants and Cosway (M) Sdn. Bhd for retail, office, storage and residential uses.	RM52,800,000 (equivalent to approximately HK$115,980,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM52,800,000 (equivalent to approximately HK$115,980,000)

Notes:

1. According to the copies of 197 strata title documents obtained from the relevant government authority on 23rd July 2009 and 27th July 2009, the shop lots, office, apartments and storerooms of the property having a total floor area of approximately 112,397 sq.ft. and the remaining portion of the property comprising 2-level car parks located on basement 1 and 2 having a floor area of approximately 127,811 sq.ft. and 31 car park spaces located outside the building. It is held on a freehold title. The registered owner of the property is Stephens Properties Sdn. Bhd.

2. According to the copy of master title document obtained from the relevant government authority in July 2009, the land shall be used for commercial building only.

3. According to a document provided by Stephens Properties Sdn. Bhd., a portion of the property comprising 67 strata shop lots, 70 strata office units and 7 apartment units are subject to mortgage.

4. According to the information provided, Stephens Properties Sdn Bhd is an indirect wholly-owned subsidiary of the Company.

5. According to the information provided, the tenants are independent third parties, which are not connected with and are independent of, any of the directors, or any of their respective associates of the Group.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
3.	A corner 4-storey terraced shopoffice located at No. 48, Jalan Wangsa Setia 4, Wangsa Melawati, Kuala Lumpur, Malaysia	The property comprises a corner parcel of land with a site area of approximately 1,798 sq.ft. and a 4-storey terraced shopoffice building erected thereon completed in about 1999. The building portion of the property has a total gross floor area of approximately 6,864 sq.ft. The property is held on a freehold title for building (shop and office) use.	The property is currently occupied by Cosway (M) Sdn. Bhd. for retail, storage and lecture room uses.	RM1,200,000 (equivalent to approximately HK$2,640,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM1,200,000 (equivalent to approximately HK$2,640,000)

Notes:

1. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property has a site area of 167 sq.m. (approximately 1,798 sq.ft.). It is held on a freehold title for building (shop and office) use. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property has no recorded mortgage.

3. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
4.	An intermediate 4-storey terraced shopoffice located at No. 21, Jalan 2/33B, Kepong MWE Commercial Park, Kuala Lumpur, Malaysia	The property comprises an intermediate parcel of land with a site area of approximately 1,604 sq.ft. together with a 4-storey terraced shopoffice building erected thereon completed in about 1999. The property has a total gross floor area of approximately 6,329 sq.ft. The property is held on a 99-year leasehold title expiring on 13th August 2097 for building (shophouse) use.	The property is currently occupied by Cosway (M) Sdn. Bhd. for retail, storage and lecture room uses.	RM1,200,000 (equivalent to approximately HK$2,640,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM1,200,000 (equivalent to approximately HK$2,640,000)

Notes:

1. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property having a site area of approximately 149 sq.m. (approximately 1,604 sq.ft.). It is held on a 99-year leasehold title expiring on 13th August 2097 for building (shophouse) use. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property has been charged twice to Alliance Bank Malaysia Berhad vide the followings:

   a. Presn. No. 17794/1999 dated 08/12/1999

   b. Presn. No. 24626/2005 dated 28/10/2005

3. As informed by the Group, they are taking action to discharge the 2 charges but as at the date of title search on 16th July 2009, the 2 charges were still not discharged.

4. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
5.	An intermediate 3-storey terraced shopoffice located at No. 71, Jalan USJ 21/11, Subang Jaya, Selangor Darul Ehsan, Malaysia	The property comprises an intermediate parcel of land with a site area of approximately 2,002 sq.ft. together with a 3-storey terraced shopoffice building erected thereon completed in about 1999. The property has a total gross floor area of approximately 6,000 sq.ft. The property is held on a freehold title for commercial building use.	The property is currently occupied by Cosway (M) Sdn. Bhd. for retail, storage and lecture room uses.	RM1,200,000 (equivalent to approximately HK$2,640,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM1,200,000 (equivalent to approximately HK$2,640,000)

Notes:

1. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property having a site area of approximately 186 sq.m. (approximately 2,002 sq.ft.). It is held on a freehold title for commercial building use. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property has no recorded mortgage.

3. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
6.	An industrial complex located at No. 21, Jalan TUDM, Kampung Baru Subang, Selangor Darul Ehsan, Malaysia	The property comprises a parcel of land together with four single to 3-storey buildings and structures completed in between 1990s and 2000s erected thereon. The site area and total gross floor area of the property are approximately 2 acres (approximately 87,120 sq.ft.) and 40,978 sq.ft. respectively. The property is held on a 60-year leasehold title expiring on 3rd June 2053 for industrial use.	The property is currently occupied by Kimia Suchi Sdn Bhd for storage, production and office uses.	RM5,100,000 (equivalent to approximately HK$11,200,000) **Interest attributable to the Group** 82% **Market Value in existing state attributable to the Group as at 31st July 2009** RM4,182,000 (equivalent to approximately HK$9,190,000)

Notes:

1. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property having a site area of 2 acres. (approximately 87,120 sq.ft.). It is held on a 60-year leasehold title expiring on 3rd June 2053 for industrial use. The registered owner of the property is Kimia Suchi Sdn. Bhd.

2. According to the aforesaid copy of title document, the land cannot be sold, lease, charge or transfer by any means except with the consent of the State Authority.

3. We were informed by the Company, the buildings erected on the property had obtained certificate of fitness for occupation.

4. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property has been charged four times to Affin Bank Berhad vide the followings:

   a. Presn. No. 6256/1996, Charge Vol. 313, Folio 91, dated 08/10/1996

   b. Presn. No. 6257/1996, Charge Vol. 313, Folio 92, dated 08/10/1996

   c. Presn. No. 3905/1997, Charge Vol. 342, Folio 1, dated 23/07/1997

   d. Presn. No. 2996/2001, Charge Vol. 47, Folio 66, dated 19/06/2001

5. According to the information provided by the Group, some of the loans are in the form of overdraft facilities and the property is still charged to Affin Bank Berhad.

6. According to the information provided, Kimia Suchi Sdn Bhd is a direct 82% owned subsidiary of the Company.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
7.	Two adjoining ground floor shoplots and a first floor office lot located at Unit Nos. 40, 40-1 and 42, Jalan PPM4, Plaza Pandan, Malim Business Park, Malim, Melaka, Malaysia	The property comprises 2 intermediate adjoining shop units (Unit Nos. 40 and 42) located on ground floor and an intermediate office unit (Unit No. 40-1) located on first floor of a 3-storey terraced shopoffice building completed in about 2001. The property has a total floor area of approximately 3,708 sq.ft. As noted in the master title (Title No. PN 41120 & Lot 6586), the parent lot is held under a 99-year leasehold interest expiring on 07/05/2099, i.e. having an unexpired term of about 90 years. For the purpose of this valuation exercise, we assumed the subject property, when issued with a strata title, will also convey a leasehold interest with an unexpired term as per its master title.	The property is occupied by the Cosway (M) Sdn Bhd for retail, storage and lecture room uses.	RM660,000 (equivalent to approximately HK$1,450,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM660,000 (equivalent to approximately HK$1,450,000)

Notes:

1. The property has not been issued with strata titles. However, brief particulars of the property as extracted from 3 Sale and Purchase Agreements entered into between Texland Development Sdn Bhd (formerly known as Scientex Quatari Construction Sdn Bhd) (Vendor) and Cosway (M) Sdn. Bhd. (Purchaser) all dated 10th December 1999 are as follows:

Property	**Parent Lot No.**	**Approximate Floor Area**
Developer's Parcel No. 40, Storey No. Ground Floor, Building No. P.T. 2922, Plaza Pandan – Malim Business Park	PT No. 2922 (replaced by new parent Lot 6586 as informed by the developer)	114.078 sq.m. (approximately 1,228 sq.ft.)
Developer's Parcel No. 40-1, Storey No. First Floor, Building No. P.T. 2922, Plaza Pandan – Malim Business Park	PT No. 2922 (replaced by new parent Lot 6586 as informed by the developer)	116.293 sq.m. (approximately 1,252 sq.ft.)
Developer's Parcel No. 42, Storey No. Ground Floor, Building No. P.T. 2923, Plaza Pandan – Malim Business Park	PT No. 2923 (replaced by new parent Lot 6586 as informed by the developer)	114.078 sq.m. (approximately 1,228 sq.ft.)
	Total	**344.449 sq.m. (approximately 3,708 sq.ft.)**

2. We were verbally informed by the Company that the property is free from encumbrances.

3. Cosway (M) Sdn. Bhd. has the right to use and occupy the property by virtue of being the purchaser of the property vide the aforementioned Sale & Purchase Agreements. Strata title will be issued in due course upon application to be made by the developer of the project at the relevant Land Office and the name of Cosway (M) Sdn. Bhd. will be endorsed on the strata title upon issuance of the strata title.

4. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
8.	A corner 3-storey terraced shopoffice located at No. 15, Jalan Penjaja 3, Kim's Park Business Centre, Batu Pahat, Johor, Malaysia	The property comprises a corner parcel of commercial land together with a 3-storey terraced shopoffice building erected thereon completed in about 1998. The site area and total gross floor area of the property are 2,968 sq.ft. and 8,556 sq.ft. respectively. We noted that part of the floor slab between ground and first floor had been demolished and are accessible by a steel staircase. The property is held on a freehold interest for 3-storey shopoffice use.	The property is occupied by Cosway (M) Sdn Bhd for retail, office, lecture room and residential uses.	RM950,000 (equivalent to HK$2,090,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM950,000 (equivalent to approximately HK$2,090,000)

Notes:

1. According to the copy of title document obtained from the relevant government authority on 9th July 2009, the property having a site area of 275.6896 sq.m. (approximately 2,968 sq.ft). It is held on freehold title for 3-storey shopoffice use. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the aforesaid copy of title document, the land which is contained in this title can be sold or transfer ownership with whatever method even though to non-citizen of Malasia or foreign company without consent of the State Authority.

3. According to the copy of title document obtained from the relevant government authority on 9th July 2009, the property has no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
9.	Two adjoining 4-storey terraced shopoffices located at No. 20 (intermediate) and 22 (end), Jalan Permas 10, Bandar Baru Permas Jaya, Masai, Johor, Malaysia	The property comprises 2 adjoining parcel of commercial lands (an end and an intermediate lot) together with two 4-storey terraced shopoffices completed in about 1995. The site area and total gross floor area of the property are 4,542 sq.ft. and 17,913 sq.ft. respectively. We noted that part of the party walls on ground floor between No. 20 and No. 22 had been demolished and they are linked to each other. The property is held on a freehold interest for 4-storey shopoffice use.	The property is occupied by the Cosway (M) Sdn Bhd mainly for retail, office, residential and storage uses.	RM1,800,000 (equivalent to HK$3,950,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM1,800,000 (equivalent to approximately HK$3,950,000)

Notes:

1. According to copies of 2 title documents obtained from the relevant government authority both on 9th July 2009, the property has a total site area of approximately 422 sq.m. (approximately 4,542 sq.ft.). The property is held on freehold title for 4-storey shopoffice use. The registered owner of both properties is Cosway (M) Sdn. Bhd.

2. According to the aforesaid copies of title documents, the land which contained in the titles cannot be sold or transfer ownership with whatever method to non-citizen of Malaysia without consent of State Authority.

3. According to the copies of 2 title documents obtained from the relevant government authority both on 9th July 2009, both properties have no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
10.	An intermediate 4-storey terraced shopoffice located at No. 14, Jalan Permas 10, Bandar Baru Permas Jaya, Masai, Johor, Malaysia	The property comprises a parcel of commercial land (an intermediate lot) together with a 4-storey terraced shopoffice building erected thereon completed in about 1995. The site area and total gross floor area of the property are approximately 1,916 sq.ft. and 7,600 sq.ft. respectively. We noted that some windows of the building had been vandalized. The property is held on a freehold interest for 4-storey shopoffice use.	The property is vacant currently.	RM650,000 (equivalent to approximately HK$1,430,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM650,000 (equivalent to approximately HK$1,430,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority on 9th July 2009, the property having a site area of approximately 178 sq.m. (approximately 1,916 sq.ft.). The property is held on freehold title for 4-storey shopoffice use. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the aforesaid copy of title document, the land which contained in this title cannot be sold or transfer ownership with whatever method to non-citizen of Malaysia without consent of State Authority.

3. According to the copy of title document obtained from the relevant government authority on 9th July 2009, the property has no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
11.	An end unit 4-storey terraced shopoffice located at No. 38, Jalan Permas 10/6, Bandar Baru Permas Jaya, Masai, Johor, Malaysia	The property comprises a parcel of commercial land (an end lot) together with a 4-storey terraced shopoffice building completed in about 1995. The site area and total gross floor area of the property are approximately 2,626 sq.ft. and 10,313 sq.ft. respectively. We noted that most of the windows of the building had been vandalized. The property is held on a freehold interest for 4-storey shopoffice use.	The property is vacant currently.	RM900,000 (equivalent to approximately HK$1,980,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM900,000 (equivalent to approximately HK$1,980,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority on 9th July 2009, the property having a site area of approximately 244 sq.m. (approximately 2,626 sq.ft.). The property is held on a freehold title for 4-storey shopoffice use. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the aforesaid copy of title document, the land which contained in this title cannot be sold or transfer ownership with whatever method to non-citizen of Malaysia without consent of State Authority.

3. According to the copy of title document obtained from the relevant government authority on 9th July 2009, the property has no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
12.	Three strata shop lots of Unit Nos. 5-02-9, 5-02-10 and 5-02-11 located on 1st floor and nine open car park spaces located within Hunza Complex, Jalan Gangsa, Greenlane Heights, Penang, Malaysia	The property comprises 3 adjoining strata shop lots (two intermediate units and a corner unit) located on 1st Floor and 9 open car park spaces of a 5-storey shopoffice building completed in about 1996. The adjoining strata units are accessible through doors provided at the party walls of the adjoining units. The property has a total floor area of approximately 4,640 sq.ft. The property is held on a freehold interest. The land usage is not stated in the strata titles. However, we were informed by the Company, the property is issued with a Certificate of Fitness for Occupation.	The property is currently occupied by Cosway (M) Sdn. Bhd. for retail uses.	RM990,000 (equivalent to approximately HK$2,170,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM990,000 (equivalent to approximately HK$2,170,000)

Notes:

1. Brief strata title particulars of the property as extracted from the copies of 3 strata title documents obtained from the relevant government authority on 10th July 2009, the current registered owner of the property is Cosway (M) Sdn Bhd and the property is held on a freehold interest, the particulars are as follows:

Strata Title No.	Lot No.	Approximate Floor Area
Geran 57518/M1/2/20 Accessory Parcel Nos. A30, A38 & A39	4744, Bandar George Town Section 5, District Timur Laut, State of Pulau Pinang	120 sq.m. (approximately 1,292 sq.ft.)
Geran 57518/M1/2/21 Accessory Parcel Nos. A40, A41 & A29	4744, Bandar George Town Section 5, District Timur Laut, State of Pulau Pinang	120 sq.m. (approximately 1,292 sq.ft.)
Geran 57518/M1/2/22 Accessory Parcel Nos. A42, A43 & A28	4744, Bandar George Town Section 5, District Timur Laut, State of Pulau Pinang	191 sq.m. (approximately 2,056 sq.ft.)
	Total	**431 sq.m. (approximately 4,640 sq.ft.)**

2. The land usage is not stated in the strata titles. However, we were informed by the Company, the property is issued with a Certificate of Fitness for Occupation, the current occupancy of the property is legally permitted.

3. According to the aforesaid copies of 3 strata title documents obtained from the relevant government authority on 10th July 2009, the property has no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn. Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
13.	An intermediate 3-storey terraced shopoffice located at No. 107, Lorong Tembikai 1, Sungai Rambai Business Park, Bukit Mertajam, Penang, Malaysia	The property comprises a commercial land parcel (an intermediate lot) together with a 3-storey terraced shopoffice building completed in about 1999 erected thereon. The site area and the total gross floor area of the property are approximately 1,496 sq.ft. and 4,444 sq.ft. respectively. The property is held on a freehold interest for commercial use.	The property at present is occupied by Cosway (M) Sdn Bhd for commercial, storage and lecture room uses.	RM430,000 (equivalent to approximately HK$940,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM430,000 (equivalent to approximately HK$940,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority on 10th July 2009, the current registered owner of the property is Cosway (M) Sdn Bhd.

2. The land parcel of the property is freehold in nature and is for Building (commercial) use.

3. According to a copy of title document obtained from the relevant government authority on 10th July 2009, the property has no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
14.	An end unit 2-storey terraced shophouse located at No. 905, Jalan Sultan Badlishah, Alor Setar, Kedah, Malaysia	The property comprises a parcel of land together with a 2-storey commercial building completed in about 1972 erected thereon. The site area and total gross floor area of the property are approximately 1,400 sq.ft. and 2,800 sq.ft. respectively. The property is held by sub-leasehold term for a term expiring on 31st December 2032 for commercial use.	The property at present is occupied by Cosway (M) Sdn Bhd for commercial, storage and lecture room uses.	RM300,000 (equivalent to approximately HK$660,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM300,000 (equivalent to approximately HK$660,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority, the current registered owner of the property is Perbadanan Kemajuan Negeri Kedah held by leasehold interest for a term expiring on 31st October 2070.

   The property is sub-leased to Cosway (M) Sdn Bhd for a term commencing from 1st January 1972 and expiring on 31st December 2032.

2. Pursuant to a Sub-Lease Agreement provided by the Company, Perbadanan Kemajuan Negeri Kedah (“Lessor”) and The United Enterprise (Kedah) Sdn. Bhd. (“Lessee”) entered into an agreement for the lessor to lease the subject land to the lessee for a term of 60 years from 1st January 1972. According to the Company, the lessee is the developer of the property, after development, the property was sold to Wong Khai Fang.

   Pursuant to a Sale and Purchase Agreement entered into between Wong Khai Fang (“Vendor”) and Cosway (M) Sdn. Bhd. (“Purchaser”) dated 12th October 2000, the ownership of the property has been transferred from Vendor to Purchaser at a consideration of RM425,000.

   According to a copy of title document obtained from the relevant government authority, Cosway (M) Sdn. Bhd. is the registered lessee of the land while Perbadanan Kemajuan Negeri Kedah is the registered owner. Therefore, Cosway (M) Sdn. Bhd will continue the terms stipulated in the title for 60 years until 31st December 2032.

3. The land parcel of the property is held under a sub-leasehold interest for a term expiring on 31st December 2032 and is for Building (commercial) use.

4. According to a copy of title document obtained from the relevant government authority on 8th July 2009, the property has no recorded mortgage.

5. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
15.	An end unit 3-storey terraced shopoffice located at No. 1, Jalan Permatang Gedong, Taman Sejati Indah, Sungai Petani, Kedah, Malaysia	The property comprises a parcel of land together with a 3-storey commercial building completed in about 1998 erected thereon. The site area and total gross floor area are approximately 2,099 sq.ft. and 6,300 sq.ft. respectively. The property is held on a freehold interest for commercial and residential uses only.	The property at present is occupied by Cosway (M) Sdn Bhd for commercial, storage and lecture room uses.	RM700,000 (equivalent to approximately HK$1,540,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM700,000 (equivalent to approximately HK$1,540,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority on 8th July 2009, the current registered owner of the property is Cosway (M) Sdn Bhd.

2. The land parcel of the property is freehold in nature and is for Building (commercial and residential) uses.

3. According to a copy of title document obtained from the relevant government authority on 8th July 2009, the property has no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
16.	An intermediate 2-storey terraced shophouse located at No. 32C, Jalan Ng Weng Hup, Taman Pertama, Ipoh, Perak, Malaysia	The property comprises a parcel of land together with a 2-storey commercial building completed in about 1997 erected thereon. The site area and total gross floor area of the property are approximately 1,765 sq.ft. and 3,648 sq.ft. respectively. The property is held on a leasehold interest for a term of 99 years expiring on 17th July 2094 for commercial (shop) use.	The property at present is occupied by Cosway (M) Sdn Bhd for commercial, storage and lecture room uses.	RM330,000 (equivalent to approximately HK$720,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM330,000 (equivalent to approximately HK$720,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority on 10th July 2009, the current registered owner of the property is Cosway (M) Sdn Bhd.

2. The land parcel of the property is held on a leasehold interest for a term expiring on 17th July 2094 and is for Building (commercial – Shop) use.

3. According to a copy of title document obtained from the relevant government authority on 10th July 2009, the property has no recorded mortgage.

4. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
17.	An intermediate 3-storey terraced shopoffice located at Lot 4, Block 9, Lorong Bandar Indah 1, Bandar Indah, Sandakan, Sabah, Malaysia	The property comprises an intermediate parcel of land with a site area of approximately 1,119 sq.ft. together with a 3-storey terraced shopoffice building erected thereon completed in about 2000. The total gross floor area of the property is approximately 3,360 sq.ft. The property is held on a 999-year leasehold title expiring on 1st March 2882 for use as a 3-storey shopoffice.	The property is currently occupied by Cosway (M) Sdn. Bhd. for retail uses.	RM700,000 (equivalent to approximately HK$1,540,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM700,000 (equivalent to approximately HK$1,540,000)

Notes:

1. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property has a site area of approximately 104 sq.m. (approximately 1,119 sq.ft.). It is held on a 999-year leasehold title expiring on 1st March 2882 for use as a 3-storey shopoffice. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the copy of title document obtained from the relevant government authority on 16th July 2009, the property has no recorded mortgage. Subdivision of this title is prohibited without the written permission of the Director of Lands and Surveys. Transfer or sublease of this title is prohibited before fulfillment of the covenants in the title.

3. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
18.	An end unit 3-storey terraced shophouse located at Lot 4, No. 186 Jalan Damai, off KM5 Jalan Tuaran, Kota Kinabalu, Sabah, Malaysia	The property comprises a parcel of land (an end lot) together with a 3-storey terraced shopoffice building completed in about 1995. The site area and the total gross floor area of the property are approximately 1,336 sq.ft. and 3,975 sq.ft. respectively. The property is held on a 98-year leasehold interest expiring on 31st December 2072 for use as shophouse.	The property is currently occupied by Cosway (M) Sdn. Bhd. for retail uses.	RM650,000 (equivalent to approximately HK$1,430,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM650,000 (equivalent to approximately HK$1,430,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority on 15th July 2009, the property having a site area of approximately 124.1 sq.m. (approximately 1,336 sq.ft.). The property is held on a 98-year leasehold interest expiring on 31st December 2072 for use as a shophouse. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the information provided by Cosway (M) Sdn Bhd, the property has no recorded mortgage.

3. According to the aforesaid copy of title document, subdivision of this title is prohibited.

4. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
19.	An intermediate 4-storey terraced shopoffice located at Lot 1186, Jalan Bendahara, Miri Waterfront Business Centre, Miri, Sarawak, Malaysia	The property comprises a parcel of land (an intermediate lot) together with a 4-storey terraced shopoffice building completed in about 1997. The site area and total gross floor area of the property are approximately 1,356 sq.ft. and 5,424 sq.ft. respectively. The property is held on a 60-year leasehold interest expiring on 15th February 2058 for 4-storey terraced building for commercial purposes.	The property is currently occupied by Cosway (M) Sdn. Bhd. for retail uses.	RM900,000 (equivalent to approximately HK$1,980,000) **Interest attributable to the Group** 100% **Market Value in existing state attributable to the Group as at 31st July 2009** RM900,000 (equivalent to approximately HK$1,980,000)

Notes:

1. According to a copy of title document obtained from the relevant government authority on 22nd July 2009, the property has a site area of approximately 126 sq.m. (approximately 1,356 sq.ft.). The property is held on a 60-year leasehold interest expiring on 15th February 2058 for 4-storey terraced building for commercial purposes. The registered owner of the property is Cosway (M) Sdn. Bhd.

2. According to the aforesaid copy of title document, the property has been charged twice to Alliance Bank Malaysia Berhad vide the followings:

   a. For RM1,500,000 vide L.4805/1999 of 02.07.1999 (includes caveat) (subject to Charge No. L.2826/1999) dated 02/07/1999

   b. For RM10,000,000 vide L.12020/2005 of 09.11.2005 (includes caveat) (subject to Charge No. L.4805/1999) dated 09/11/2005

3. According to the information provided by the Group, they are taking action to discharge the 2 charges but as at the date of title search on 22nd July 2009 the 2 charges were still not discharged.

4. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

Group II – Property interest to be acquired and occupied by the Group in Malaysia

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
20.	Unit C-0-2, ground floor, Block C and 2 car park spaces, Arena Green Apartments, No. 3 Jalan 1/155A, Bukit Jalil, Kuala Lumpur, Malaysia	The property comprises a retail unit on Ground Floor of a 16-storey residential/commercial building completed in about 2000s and 2 car park spaces. The property has a floor area of approximately 829 sq.ft. The property is held on a freehold interest, the land use is restricted for residential building of medium low cost apartment only.	The property is leased to Cosway (M) Sdn. Bhd. by Berjaya Golf Resort Berhad for a term of 2 years commencing from 1st June 2008 and expiring on 31st May 2010 at a monthly rent of RM1,500. The property is occupied by Cosway (M) Sdn. Bhd. for commercial use as at the valuation date.	No commercial value *(See Note 9)*

Notes:

1. Pursuant to a Sale and Purchase Agreement entered into between Berjaya Golf Resort Berhad ("Vendor") and Cosway (M) Sdn Bhd ("Purchaser") dated 23rd July 2009, the ownership of the property has been transferred from Vendor to Purchaser at a consideration of RM248,700. According to the information provided by the Group, the total consideration was fully settled on 3rd August 2009.

2. According to the copy of strata title document obtained from the relevant government authority on 3rd August 2009, the property is held on a freehold title. The registered owner of the property is Berjaya Golf Resort Berhad.

3. As informed by the Group, they have made submission to the relevant government authority to transfer the property to Cosway (M) Sdn Bhd. However, it is still pending endorsement on the title document by the government authority. The application until endorsement of name onto the title could take between 6 months to a year.

4. The land usage is stated in the express condition of the parent title number Geran 47487, Lot No. 36480, Mukim of Petaling, District of Kuala Lumpur and State of Wilayah Persekutuan, the land shall be used for residential building of medium low cost apartment only.

5. We were informed by the Company, Arena Green wherein the property is located is issued with a Certificate of Fitness for Occupation, the current occupancy of the property is legally permitted.

6. As instructed by the Company, the property is free from any mortgages, charges and other legal encumbrances which may cause adverse effects on the title of the property.

7. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect subsidiary of Berjaya Corporation Berhad.

8. According to the information provided by the Group, Berjaya Golf Resort Berhad is a company incorporated in Malaysia with limited liability and is an indirect subsidiary of Berjaya Corporation Berhad.

9. As at the date of valuation, the ownership of the property has not yet been vested in Cosway (M) Sdn Bhd, we therefore ascribed no commercial value to the property. For reference purpose, the market value of the property on the assumption that the ownership of the property is legally vested in Cosway (M) Sdn Bhd and the property is freely transferable in the market as the date of valuation was RM220,000 (equivalent to approximately HK$480,000).

VALUATION CERTIFICATE

Group III – Property interest to be acquired by the Group for sale purpose in Malaysia

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
21.	A parcel of industrial land located at Lot 3, Persiaran Gerbang Utama, Bukit Jelutong Industrial Park, Shah Alam, Selangor Darul Ehsan, Malaysia	The property comprises a parcel of land with a site area of approximately 174,240 sq.ft. (approximately 4 acres). The land is regular in shape. The property is freehold in nature for industrial use.	The property at present is vacant.	RM10,450,000 (equivalent to approximately HK$22,950,000) *(See Note 6)*

Notes:

1. According to a Sale and Purchase Agreement entered into between Cosway (M) Sdn Bhd (Vendor) and Teluk Juara Sdn Bhd (Purchaser) dated 12th May 2009, the property has been agreed to transfer from Vendor to Purchaser at a consideration of RM10,450,000.

2. According to the copy of title document obtained from the relevant government authority on 25th August 2009, the property is held on a freehold title. The registered owner of the property is Cosway (M) Sdn. Bhd.

   As stated in the aforesaid title document, the property is permitted for industrial use.

   According to the aforesaid title document, the property has been charged twice to Alliance Bank Malaysia Berhad vide the followings:

   a. Presn. No. 84194/2005 dated 31/10/2005

   b. Presn. No. 84195/2005 dated 31/10/2005

3. As informed by the Group, Presentation No. 82197/2009 has been made to the relevant government authority to discharge the 2 charges. Vide Presentation No. 82198/2009 a Memorandum of Transfer has also been made to the relevant government authority to transfer the property to Teluk Juara Sdn Bhd.

   Both Presentations are still pending endorsements on the title document by the government authority.

   As at the date of title search on 25th August 2009, the 2 charges were still not discharged and the registered owner of the property is still Cosway (M) Sdn Bhd.

4. As informed by the Company, these is no development plan for the property.

5. According to the information provided, Teluk Juara Sdn Bhd is a company incorporated in Malaysia with limited liability, and is a company in which Tan Sri Dato' Seri Vincent Tan Chee Yioun, directly and indirectly holds 1,802,550,000 shares of Berjaya Corporation Berhad (representing approximately 52.80% of the total issued share capital of Berjaya Corporation Berhad) as at the Latest Practicable Date and is considered as a connected person of the Company pursuant to the Listing Rules.

6. According to the information provided by the Group, 10% of the purchase price as deposit had been paid on 11th May 2009 and the remaining 90% of the total purchase price had been settled on 11th August 2009 by Teluk Juara Sdn Bhd. The completion date of the Sale and Purchase Agreement stated in Note 1 is 11th August 2009. The Sale and Purchase Agreement stated in Note 1 was not completed as at the date of valuation and hence the property was still held under Cosway (M) Sdn. Bhd. as at the date of valuation.

(B) IN RELATION TO PROPERTY INTERESTS HELD FOR INVESTMENT BY THE COSWAY GROUP IN BRAZIL

The following is the texts of letter, summary of valuation and valuation certificates, prepared for the purpose of incorporation in this circular, received from Vigers Appraisal & Consulting Limited, an independent property valuer, in connection with their valuation as at 31st July 2009 for the property interests to be acquired by the Group in Federative Republic of Brazil.

Vigers Appraisal & Consulting Limited
International Assets Appraisal Consultants

VIGERS 威格斯

10th Floor, The Grande Building
398 Kwun Tong Road
Kowloon
Hong Kong

30th October 2009

The Board of Directors
Berjaya Holdings (HK) Limited
Unit 1701, Austin Plaza
83 Austin Road
Kowloon
Hong Kong

Dear Sirs,

In accordance with your instructions for us to value the property interests exhibited to us as to be acquired by Berjaya Holdings (HK) Limited (hereinafter referred to as the "Company") and its subsidiaries (hereinafter referred to as the "Group") in Federative Republic of Brazil (hereinafter referred to as "Brazil"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary of providing you with our opinion of the market value of such property interests as at 31st July 2009 (the "valuation date") for the purpose of incorporation into this circular.

Our valuation is our opinion of the market value of the property interest which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

In valuing properties Nos. 1 to 4, Income Approach is adopted on the basis of capitalization of net rental income currently derived from the existing tenancies and taken into account the reversionary income of the properties.

In order to comply with Rule 11.3 of the Code on Takeovers and Mergers and as instructed by the Group, the potential tax liabilities below which may arise if the properties are sold as at the date of valuation: (i) Stamp Duty of 2% of the transaction price and (ii) income tax subject to the actual practice at an appropriate tax rate determined by the government. As confirmed by the Group, the Group has no intention to sell any properties in Brazil, the likelihood of any potential tax liability of the properties being crystallized is remote. Thus such potential liability would not be considered in our valuation.

We have caused title searches to be made for the property interests at the relevant government bureau in Brazil. However, we have not searched the original documents to verify ownership or to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only. In undertaking our valuation for the property interests, we have relied on the legal opinion (the "Brazilian legal opinion") provided by the Company's Brazilian legal adviser, Demarest E Almeida.

Our valuation has been made on the assumption that the owner sell the property interests on the open market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreements or any similar arrangement which would serve to increase the values of the property interests.

We have inspected the exterior and, where possible, the interior of the properties. However, no structural survey has been made and we are therefore unable to report as to whether the properties are or not free of rot, infestation or any other structural defects. No tests have been carried out on any of the services.

We have relied on a considerable extent on information provided by you and have accepted advise given to us on such matters as planning approvals, statutory notices, easements, tenure, occupancy, lettings, site and floor areas, room and facilities schedule and in the identification of the properties. No on-site measurement has been taken. All dimensions, measurements and areas are approximations only.

No allowance has been made in our valuation certificates for any charges, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

Our valuation is prepared in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors (HKIS), the RICS Appraisal and Valuation Standards (6th Edition May 2007) published by the Royal Institution of Chartered Surveyors (the "RICS") and the requirements set out in Chapter 5 and Practice Note 12 to the Rule governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited.

Unless otherwise stated, all monetary amounts stated are in Hong Kong Dollars (HK$). The exchange rate used in valuing the properties in Brazil as at 31st July 2009 was R$1: HK$4.1145. There has been no significant fluctuation in the exchange rate for HK$ against R$ between that date and the date of this letter.

We enclose herewith our summary of valuation together with the valuation certificates.

Yours Faithfully
For and on behalf of

Vigers Appraisal & Consulting Limited	Magno Smith Gestão Patrimonial Ltda	
Raymond Ho Kai Kwong	**Raymond Halliday Watt Smith**	**Magno Stipkovic**
Registered Professional Surveyor (GP)	*FRICS CRECI-SP*	*Registered Architect*
MRICS MHKIS MSc(e-com)	*Senior Partner*	*CREA-SP*
Managing Director		*Senior Partner*

Notes: Mr. Raymond Ho Kai Kwong, Chartered Surveyor, MRICS MHKIS MSc(e-com), has over twenty three years' experiences in undertaking valuations of properties in Hong Kong and has over sixteen years' experiences in valuations of properties in the PRC. Raymond has joined Vigers Appraisal & Consulting Limited since 1989.

Mr. Raymond Halliday Watt Smith, Chartered Surveyor, FRICS CRECI-SP, has over 30 years' experience in undertaking valuations of properties in South America, including Brazil, Venezuela, Argentina and Uruguay. Raymond has founded Magno Smith Gestão Patrimonial Ltda in 2000.

Mr. Magno Stipkovic, Chartered Architect and CREA-SP, has over 14 years' experience in undertaking valuations of properties in Brazil. Magno has founded Magno Smith Gestão Patrimonial Ltda in 2000.

SUMMARY OF VALUATION

Property interest to be acquired by the Group for investment in Brazil

	Property	Market Value in existing state as at 31st July 2009
1.	The lands and buildings, Nos. 144 and 198 Rua São Paulo, Alphaville District, Municipality of Barueri – SP, São Paulo Metropolitan Region, Brazil	R$10,300,000 (equivalent to approximately HK$42,380,000)
2.	Apartment 1304, 13th Floor and 2 carparking spaces on basement Levels 1 and 2, Edifício San Francisco, No. 152 Alameda Cauaxi, Alphaville District, Municipality of Barueri, São Paulo Metropolitan Region, Brazil	R$380,000 (equivalent to approximately HK$1,560,000)
3.	Shop 12, Block D, Quadrant 716, SCRN – Setor Comercial Residencial Norte, Asa Norte, Brasília – DF, Brazil	R$1,800,000 (equivalent to approximately HK$7,410,000)
4.	Ground Floor and Mezzanine Floor, Residencial Piemonte, No. 919 Rua Rio Grande do Norte, Funcionários District, Belo Horizonte, State of Minas Gerais, Brazil	R$1,100,000 (equivalent to approximately HK$4,530,000)
	Total	**R$13,580,000 (equivalent to approximately HK$55,880,000)**

VALUATION CERTIFICATE

Property interest to be acquired by the Group for investment in Brazil

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
1.	The lands and buildings, Nos. 144 and 198 Rua São Paulo, Alphaville District, Municipality of Barueri – SP, São Paulo Metropolitan Region, Brazil	The property comprises 2 adjoining lands together with two 2 to 3-storey buildings completed in about 1982 erected thereon. The total built area and the site area of the property is approximately 5,984.99 sq.m. and 8,811.97 sq.m. respectively.	The property is leased by the Group to an independent third party for a term commencing from 28th August 2008 and expiring on 4th October 2009 at a monthly rent of R$40,292. The property at present is occupied by the tenant for production, warehouse and ancillary uses.	R$10,300,000 (equivalent to approximately HK$42,380,000)

Notes:

1. According to the Land Registry Certificate, the current registered owner of the property is Cosway do Brasil Ltda.

2. The property lies within an area designated for industrial use.

3. As confirmed by the Group, the tenant, Heliotek Máquinas e Equipamentos Ltda, is an independent third party, which is not connected with and is independent of, any of the directors, or any of their respective associates of the Group.

4. According to the information provided, Cosway do Brasil Ltda. is a wholly owned subsidiary of Cosway Group.

   Cosway Group is 100% equity interest in Cosway (M) Sdn Bhd (including 60% equity interest already held by Cosway (M) Sdn Bhd in eCosway.com Sdn Bhd) and 40% equity interest in eCosway.com Sdn Bhd together with their respective subsidiaries.

5. We have been provided with a legal opinion on the property prepared by the Group's Brazilian Legal Adviser, Demarest E Almeida, which contains, inter alia, the following information:

   (a) The current registered owner of the property is Cosway do Brasil Ltda., it is entitled to transfer, lease and mortgage the property in the market;

   (b) The tenancy between Cosway do Brasil Ltda and the lessee has not been recorded in the Real Estate Registry Office. The non-registration of the leases with the Real Estate Registry Office does not create any additional legal liability and risk on the part of the owner. The registration of the lease with Real Estate Registry Office may grant tenant the right to stay in the leased property in the event the sale of the property to third parties, by binding the new owner to the terms and conditions of the pre-existent agreement; and

   (c) The property is free from any mortgages, orders and any other legal encumbrances which may cause adverse effect on the title of the property.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
2.	Apartment 1304, 13th Floor and 2 carparking spaces on basement Levels 1 and 2, Edifício San Francisco, No. 152 Alameda Cauaxi, Alphaville District, Municipality of Barueri, São Paulo Metropolitan Region, Brazil	The property comprises a residential unit on 13th Floor together with 2 carparking spaces of a 16-storey residential building (excluding of 2 levels of basement designated for carparking use) completed in about 1995. The net area and the built area of the property is approximately 164.42 sq.m. and 272.49 sq.m. respectively.	The property was leased by the Group to an independent third party for a term of one year commencing from 21st August 2004 and expiring on 20th August 2005 at a monthly rent of R$1,600. The tenancy has been expired and no formal renewal tenancy agreement was further signed between the Group and the tenant. The property at present is occupied by the tenant for residential use.	R$380,000 (equivalent to approximately HK$1,560,000)

Notes:

1. According to the Land Registry Certificate, the current registered owner of the property is Cosway do Brasil Ltda.

2. The property lies within a zone designated for commercial use, whereas the development of multifamily residences, horizontal residential condominium, commerce and services and mixed commerce and residential buildings are also permitted subject to various development restrictions.

3. As confirmed by the Group, the tenant, Doma Engenharia, Manutenção e Comércio Ltda, is an independent third party, which is not connected with and is independent of, any of the directors, or any of their respective associates of the Group.

4. According to the information provided, Cosway do Brasil Ltda. is a wholly owned subsidiary of Cosway Group.

   Cosway Group is 100% equity interest in Cosway (M) Sdn Bhd (including 60% equity interest already held by Cosway (M) Sdn Bhd in eCosway.com Sdn Bhd) and 40% equity interest in eCosway.com Sdn Bhd together with their respective subsidiaries.

5. We have been provided with a legal opinion on the property prepared by the Group's Brazilian Legal Adviser, Demarest E Almeida, which contains, inter alia, the following information:

   (a) The current registered owner of the property is Cosway do Brasil Ltda., it is entitled to transfer, lease and mortgage the property in the market;

   (b) The tenancy between Cosway do Brasil Ltda and the lessee has not been recorded in the Real Estate Registry Office. The non-registration of the leases with the Real Estate Registry Office does not create any additional legal liability and risk on the part of the owner. The registration of the lease with Real Estate Registry Office may grant tenant the right to stay in the leased property in the event the sale of the property to third parties, by binding the new owner to the terms and conditions of the pre-existent agreement; and

   (c) The property is free from any mortgages, orders and any other legal encumbrances which may cause adverse effect on the title of the property.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
3.	Shop 12, Block D, Quadrant 716, SCRN – Setor Commercial Residencial Norte, Asa Norte, Brasília – DF, Brazil	The property comprises the ground floor and basement of a 4-storey (excluding a basement level) commercial/residential building completed in about 1995. The net area and built area of the property are 778.8 sq.m. and 966.75 sq.m. respectively.	The property is leased by the Group to an independent third party for a term of 8 years commencing from 1st April 2002 and expiring on 1st April 2010 at a monthly rent of R$5,888. The property at present is occupied by the tenant as church.	R$1,800,000 (equivalent to approximately HK$7,410,000)

Notes:

1. According to the Land Registry Certificate, the current registered owner of the property is Cosway do Brasil Ltda.

2. The property lies within a zone designated for residential, commercial and services of a local nature uses.

3. As confirmed by the Group, the tenant, Ministério Apostólico Jesus, o Pão da Vida, is an independent third party, which is not connected with and is independent of, any of the directors, or any of their respective associates of the Group.

4. According to the information provided, Cosway do Brasil Ltda. is a wholly owned subsidiary of Cosway Group.

   Cosway Group is 100% equity interest in Cosway (M) Sdn Bhd (including 60% equity interest already held by Cosway (M) Sdn Bhd in eCosway.com Sdn Bhd) and 40% equity interest in eCosway.com Sdn Bhd together with their respective subsidiaries.

5. We have been provided with a legal opinion on the property prepared by the Group's Brazilian Legal Adviser, Demarest E Almeida, which contains, inter alia, the following information:

   (a) The current registered owner of the property is Cosway do Brasil Ltda., it is entitled to transfer, lease and mortgage the property in the market;

   (b) The tenancy between Cosway do Brasil Ltda and the lessee has not been recorded in the Real Estate Registry Office. The non-registration of the leases with the Real Estate Registry Office does not create any additional legal liability and risk on the part of the owner. The registration of the lease with Real Estate Registry Office may grant tenant the right to stay in the leased property in the event the sale of the property to third parties, by binding the new owner to the terms and conditions of the pre-existent agreement;

   (c) The property is free from any mortgages, orders and any other legal encumbrances which may cause adverse effect on the title of the property; and

   (d) According to the Brazilian Lease Law, the tenancy may only be terminated in the event of (i) mutual agreement between the lessor and lessee; (ii) breach of the law or of the agreement; (iii) non payment of the lease and its charges; and (iv) for urgent reparations on the property that are determined by Public Authorities and that may not be executed if lessee is in the property or if they may, if lessee does not agree to that.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
4.	Ground Floor and Mezzanine Floor, Residencial Piemonte, No. 919 Rua Rio Grande do Norte, Funcionários District, Belo Horizonte, State of Minas Gerais, Brazil	The property comprises the Ground Floor and Mezzanine Floor of a 10-storey commercial/ residential building completed in about 1993. The built area and net area of the property are approximately 471.66 sq.m. and 417.66 sq.m. respectively.	The property is leased by the Group to an independent third party for a term of 9 years commencing from 27th May 2002 and expiring on 27th May 2011 at a monthly rent of R$4,285.42. The property at present is occupied by the tenant for retail use.	R$1,100,000 (equivalent to approximately HK$4,530,000)

Notes:

1. According to the Land Registry Certificate, the current registered owner of the property is Cosway do Brasil Ltda.

2. The property lies within a zone classified as ZCBH (Central Zone of Belo Horizonte) designated for residential and mixed non-residential uses.

3. As confirmed by the Group, the tenant, Closet Line Armários Ltda, is an independent third party, which is not connected with and is independent of, any of the directors, or any of their respective associates of the Group.

4. According to the information provided, Cosway do Brasil Ltda is a wholly owned subsidiary of Cosway Group.

   Cosway Group is 100% equity interest in Cosway (M) Sdn Bhd (including 60% equity interest already held by Cosway (M) Sdn Bhd in eCosway.com Sdn Bhd) and 40% equity interest in eCosway.com Sdn Bhd together with their respective subsidiaries.

5. We have been provided with a legal opinion on the property prepared by the Group's Brazilian Legal Adviser, Demarest E Almeida, which contains, inter alia, the following information:

   (a) The current registered owner of the property is Cosway do Brasil Ltda., it is entitled to transfer, lease and mortgage the property in the market;

   (b) The tenancy between Cosway do Brasil Ltda and the lessee has not been recorded in the Real Estate Registry Office. The non-registration of the leases with the Real Estate Registry Office does not create any additional legal liability and risk on the part of the owner. The registration of the lease with Real Estate Registry Office may grant tenant the right to stay in the leased property in the event the sale of the property to third parties, by binding the new owner to the terms and conditions of the pre-existent agreement; and

   (c) The property is free from any mortgages, orders and any other legal encumbrances which may cause adverse effect on the title of the property.

(C) IN RELATION TO PROPERTY INTERESTS HELD BY THE COSWAY GROUP (INCLUDING TAIWAN PROPERTIES) IN TAIWAN

The following is the texts of letter, summary of valuation and valuation certificates, prepared for the purpose of incorporation in this circular, received from Vigers Appraisal & Consulting Limited, an independent property valuer, in connection with their valuation as at 31st July 2009 for the property interests to be acquired by the Group in Taiwan.

Vigers Appraisal & Consulting Limited
International Assets Appraisal Consultants

10th Floor, The Grande Building
398 Kwun Tong Road
Kowloon
Hong Kong

30th October 2009

The Board of Directors
Berjaya Holdings (HK) Limited
Unit 1701, Austin Plaza
83 Austin Road
Kowloon
Hong Kong

Dear Sirs,

In accordance with your instructions for us to value the property interests exhibited to us as to be acquired by Berjaya Holdings (HK) Limited (hereinafter referred to as the "Company") and its subsidiaries (hereinafter referred to as the "Group") in Taiwan, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary of providing you with our opinion of the market value of such property interests as at 31st July 2009 (the "valuation date") for the purpose of incorporation into this circular.

Our valuation is our opinion of the market value of the property interest which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

In valuing the property No. 1, the combination of the Direct Comparison Approach and Depreciated Replacement Cost Approach is adopted by assessing the land portion of the properties and the buildings and structures standing on the land respectively. Hence, the sum of the two results represents the market value of the properties as a whole. In the valuation of the land portion, reference has been made to the sales comparables as available to us in the localities. As the nature of the buildings and structures cannot be valued on the basis of market value, they have therefore been valued on the basis of their depreciated replacement costs. The depreciated replacement cost approach considers the current cost of replacement (reproduction) of the buildings and improvements less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement cost approach generally furnishes the most reliable indication of value for property in the absence of a known market based on comparables sales.

In valuing the property interest No. 2, we have adopted both direct comparison approach and income approach. Direct Comparison Approach is adopted with reference to comparables in the open market and on the basis of vacant possession. Income approach is adopted by assuming the property is subject to tenancies, hence valued on the basis of capitalization of market rent achievable and taken into account the reversionary income of the property.

In valuing the property No. 3, Direct Comparison Approach is adopted with reference has been made to the sales comparables as available to us in the localities.

In order to comply with Rule 11.3 of the Code on Takeovers and Mergers and as instructed by the Group, the potential tax liabilities below which may arise if the properties are sold as at the date of valuation: (i) Land Appreciation Tax at a rate ranges from 10% to 40% of the Land Appreciation Amount; (ii) Property Tax charged from 1.38% to 3% of transaction price subject to the occupancy; (iii) Land Tax charged from 0.02% to 0.1% of the share on land lot; (iv) Enterprise Income Tax at 25% of gross profit gained annually of enterprises and (v) other administrative fee. As confirmed by the Group, the Group has no intention to sell any properties in Taiwan, the likelihood of any potential tax liability of the properties being crystallized is remote. Thus such potential liability would not be considered in our valuation.

We have caused title searches to be made for the property interests at the relevant government bureau in Taiwan. However, we have not searched the original documents to verify ownership or to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

Our valuation has been made on the assumption that the owner sell the property interests on the open market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreements or any similar arrangement which would serve to increase the values of the property interests.

We have inspected the exterior and, where possible, the interior of the properties. However, no structural survey has been made and we are therefore unable to report as to whether the properties are or not free of rot, infestation or any other structural defects. No tests have been carried out on any of the services.

We have relied on a considerable extent on information provided by you and have accepted advise given to us on such matters as planning approvals, statutory notices, easements, tenure, occupancy, lettings, site and floor areas, room and facilities schedule and in the identification of the properties. No on-site measurement has been taken. All dimensions, measurements and areas are approximations only.

No allowance has been made in our valuation certificates for any charges, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

Our valuation is prepared in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors (HKIS), the RICS Appraisal and Valuation Standards (6th Edition 2007) published by the Royal Institution of Chartered Surveyors (the "RICS") and the requirements set out in Chapter 5 and Practice Note 12 to the Rule governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited.

Unless otherwise stated, all monetary amounts stated are in Hong Kong Dollars (HK$). The exchange rate used in valuing the properties in Taiwan as at 31st July 2009 was NT$1: HK$0.2363. There has been no significant fluctuation in the exchange rate for HK$ against NT$ between that date and the date of this letter.

We enclose herewith our summary of valuation together with the valuation certificates.

Yours Faithfully
For and on behalf of

Vigers Appraisal & Consulting Limited
Raymond Ho Kai Kwong
Registered Professional Surveyor (GP)
MRICS MHKIS MSc(e-com)
Managing Director

Honda Appraisers Joint Firm
Alpha Jwo
Real Estate Appraiser Certificate of Taiwan
Real Estate Appraiser Practicing License of Taiwan
FRICS
President

Note: Mr. Raymond Ho Kai Kwong, Chartered Surveyor, MRICS MHKIS MSc(e-com), has over twenty three years' experiences in undertaking valuations of properties in Hong Kong and has over sixteen years' experiences in valuations of properties in the PRC. Raymond has joined Vigers Appraisal & Consulting Limited since 1989.

Mr. Alpha Jwo, FRICS, the holder of the Real Estate Appraiser Certificate of Taiwan and Real Estate Appraiser Practicing License of Taiwan, has over 24 years' experiences in undertaking valuations of properties in Taiwan. Mr Jwo has founded Honda Appraisers Joint Firm since 2002.

SUMMARY OF VALUATION

Group I – Property interest held by Cosway (M) Sdn Bhd as at the valuation date and to be acquired and occupied by the Group in Taiwan

	Property		Market Value in existing state as at 31st July 2009
1.	No. 257 Zhonghua Road (also known as Lot 49, Chengzhong Section), Magong City, Penghu County, Taiwan		NT$18,560,000 (equivalent to approximately HK$4,390,000)
2.	Units 2 and 3 on Level 11 and 4 carparking spaces on Basement Level 2, No. 20 Dalong Road, West District, Taichung City, Taiwan		NT$18,000,000 (equivalent to approximately HK$4,250,000)
		Sub-total	**NT$36,560,000 (equivalent to approximately HK$8,640,000)**

Group II – Property interest held by Cosway (M) Sdn Bhd as at the valuation date and to be acquired for development purpose by the Group in Taiwan

3.	No. 1067 Shanshuinan Section, Magong City, Penghu County, Taiwan		NT$4,590,000 (equivalent to approximately HK$1,080,000)
		Grand Total	**NT$41,150,000 (equivalent to approximately HK$9,720,000)**

VALUATION CERTIFICATE

Group I – Property interests held by Cosway (M) Sdn Bhd as at the valuation date and to be acquired and occupied by the Group in Taiwan

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
1.	No. 257 Zhonghua Road (also known as Lot 49, Chengzhong Section), Magong City, Penghu County, Taiwan	The property comprises a parcel of land together with a 4-storey commercial/residential building completed in 1997 erected thereon. The total gross floor area and the site area of the property is approximately 321.01 sq.m. (including balcony and machine rooms) and 129.97 sq.m. respectively.	Level 1 is occupied as shop, Level 2 is occupied as lecture room and Levels 3 and 4 are vacant.	NT$18,560,000 (equivalent to approximately HK$4,390,000)

Notes:

1. Pursuant to the Land Ownership Certificate (Document No.: 096 Peng Tu Zi No. 000208), the ownership of the land use rights of the property with a site area of approximately 129.97 sq.m. is vested in Cosway (M) Sdn Bhd.

2. Pursuant to a Building Ownership Certificate (Document No.: 096 Peng Jian Zi No. 000036), the ownership of the building portion of the property with a total gross floor area of approximately 321.01 sq.m. (including balcony and machine rooms) is vested in Cosway (M) Sdn Bhd.

3. Regarding to the Land Registration Record and Building Registration Record, the current registered owner of the property is Cosway (M) Sdn Bhd.

4. Regarding to a Real Estate Sales and Purchase Agreement entered into between Weng Ping An (“Vendor”) and Cosway (M) Sdn Bhd (“Purchaser”) dated 27th November 2006, the property has been transferred from the Vendor to the Purchaser at a consideration of NT$19,200,000.

5. The land the property located is zoned for residential use.

6. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
2.	Units 2 and 3 on Level 11 and 4 carparking spaces on Basement Level 2, No. 20 Dalong Road, West District, Taichung City, Taiwan	The property comprises 2 office units on Level 11 and 4 carparking spaces on Basement Level 2 of a 14-storey office/commercial building (excluding of a 2-level basement) completed in 1990. The property has a total gross floor area of approximately 569.32 sq.m.	The property at present is vacant.	NT$18,000,000 (equivalent to approximately HK$4,250,000)

Notes:

1. Pursuant to a Land Registration Record and Building Registration Records, the registered owner of the property is Cosway (M) Sdn Bhd.

   The property is subject to a mortgage in favour of Chang Hwa Bank at a loan amount of NT$18,000,000 registered on 27th August 2009 vide a memorial no. Pu Zi No. 202190.

2. According to a Real Estate Sales and Purchase Agreement entered into between Cosway (M) Sdn Bhd ("Purchaser") and Everlight Travel Service Co., Ltd ("Vendor") dated 29th July 2009, the ownership of the property has been transferred from Vendor to Purchaser at a consideration of NT$17,850,000.

3. The property is zoned as Residential (2nd Category). However, commercial use is permissible.

4. According to the information provided by the Group, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

VALUATION CERTIFICATE

Group II – Property interest held by Cosway (M) Sdn Bhd as at the valuation date and to be acquired for development purpose by the Group in Taiwan

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31st July 2009
3.	No. 1067 Shanshuinan Section, Magong City, Penghu County, Taiwan	The property comprises a parcel of land with a site area of approximately 248.61 sq.m.	The property at present is vacant.	NT$4,590,000 (equivalent to approximately HK$1,080,000)

Notes:

1. Pursuant to a Land Ownership Certificate (Document No.: 096 Peng Tu Zi No. 006185), the current registered owner of the property is Cosway (M) Sdn Bhd.

2. Pursuant to a Land Registration Record, the current registered owner of the property with a site area of approximately 248.61 sq.m. is Cosway (M) Sdn Bhd.

3. According to a Real Estate Sales and Purchase Agreement entered into between Fang Rui Li ("Vendor") and Cosway (M) Sdn Bhd ("Purchaser") dated 5th February 2007, the ownership of the property has been transferred from the Vendor to the Purchaser at a consideration of NT$5,000,000.

4. The property is zoned as Scenery Area – construction land (Grade C).

5. According to the information provided, Cosway (M) Sdn Bhd is a company incorporated in Malaysia with limited liability and is an indirect 90% owned subsidiary of Berjaya Corporation Berhad.

6. According to the information provided by the Group, there is no development plan for the property.

(D) IN RELATION TO PROPERTY INTERESTS HELD AND OCCUPIED BY THE GROUP IN HONG KONG AND THE PEOPLE'S REPUBLIC OF CHINA ("PRC")

The following is the text of a letter, summary of values and valuation certificate, prepared for inclusion in this circular, received from Savills Valuation and Professional Services Limited, an independent valuer, in connection with their valuation as at 31 July 2009 of the property interests held by the Group in Hong Kong and in the People's Republic of China ("PRC").

Savills Valuation and
Professional Services Limited
23/F Two Exchange Square
Central, Hong Kong

T: (852) 2801 6100
F: (852) 2530 0756

EA Licence: C-023750
savills.com

30 October 2009

The Board of Directors
Berjaya Holdings (HK) Limited
Unit 1701
Austin Plaza
83 Austin Road
Jordan
Kowloon
Hong Kong

Dear Sirs,

RE: VALUATION OF VARIOUS PROPERTY INTERESTS IN HONG KONG AND THE PEOPLE'S REPUBLIC OF CHINA ("PRC")

In accordance with your instructions for us to value various property interests held by Berjaya Holdings (HK) Limited (referred to as the "Company") and its subsidiaries (hereinafter together referred to as the "Group") located in Hong Kong and the PRC, we confirm that we have carried out inspections, made relevant searches and enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of values of these property interests as at 31 July 2009 ("Valuation Date") for public circular purposes.

Our valuation is our opinion of the market values of each of the properties concerned which we would define as intended to mean "the estimated amount for which a Property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a Property interest is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

Our valuation is prepared in accordance with The HKIS Valuation Standards on Properties (1st Edition 2005) published by The Hong Kong Institute of Surveyors and in compliance with the requirements of Chapter 5 and Practice Note 12 of Listing Rules published by the Stock Exchange of Hong Kong Limited.

In valuing the property interest in the PRC, we have assumed that transferrable land use rights in respect of the property for a specific term at nominal land use fee has been granted and that all requisite land premium payable has been fully settled. We have also assumed that the owner of the property has enforceable title to the property and has free and uninterrupted rights to use, occupy or assign the property for the whole of the unexpired term as granted.

We have valued the property interests by using the Direct Comparison Approach by making reference to sales evidence as available on the market and where appropriate on the basis of capitalization of the net rental income shown on schedules handed to us. We have allowed for outgoings and in appropriate cases made provisions for reversionary income potential.

We have not been provided with any title documents relating to the properties in Hong Kong but we have caused searches to be made at the Land Registry. We have not, however, searched the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. We do not accept a liability for any interpretation which we have placed on such information which is more properly the sphere of your legal advisers.

For the property situated in the PRC, we have been provided with copies of extracts of title documents relating to the property. However, we have not inspected the original documents to ascertain the existence of any amendments which do not appear on the copies handed to us. We have relied to a very considerable extent on information given by the Group and your legal advisers, Jun He Law Offices, regarding the title to the property.

We have relied to a very considerable extent on information given by you and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, letting, floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents and leases provided to us and are therefore only approximations.

We have inspected the exterior of the properties valued and, where possible, we have also inspected the interior of the premises. However, no structural survey has been made but, in the course of our inspection, we did not note any serious defect. We are not, however, able to report that the properties are free from rot, infestation or any other structural defect. No tests were carried out to any of the services.

No allowance has been made in our report for any charges, mortgage or amount owing on the properties. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions, and outgoings of an onerous nature which could affect their values.

For the purpose of compliance with Rule 11.3 of the Code on Takeovers and Mergers and as advised by the Company, the potential tax liabilities which may arise from the sale of the properties include:

(a) profit tax on the profit from the sale of the properties at rates of 16.5% for properties in Hong Kong and 25% for the property in the PRC; and

(b) land appreciation tax on property in the PRC at progressive tax rates ranging from 30% to 60% on the appreciation in property value in the range from not more than 50% to more than 200%.

The Company has confirmed to us that it has no intention to sell any of the properties in Hong Kong and the PRC. Hence, the likelihood of any potential tax liability of these properties being crystallized is remote. In the course of our valuation, we have neither verified nor taken into account such tax liability.

Unless otherwise stated, all property values are denominated in Hong Kong Dollars. The exchange rate used in our valuation is HK$1 to RMB0.8816, which was the approximate exchange rate prevailing as at the Valuation Date and there has been no significant fluctuation in such exchange rate between that date and the date of this letter.

We enclose herewith a summary of values and our valuation certificate.

Yours faithfully
For and on behalf of
Savills Valuation and Professional Services Limited

Charles C K Chan
MSc FRICS FHKIS MCIArb RPS(GP)
Managing Director

Note: Mr Charles C K Chan, chartered estate surveyor, MSc, FRICS, FHKIS, MCIArb, RPS(GP), has been a qualified valuer since June 1987 and has about 25 years experience in the valuation of properties in Hong Kong and about 20 years experience in the valuation of properties in the PRC.

SUMMARY OF VALUES

No.	Property	Capital Value in existing state as at 31 July 2009	Interest attributable to the Group	Capital Value in existing state as at 31 July 2009 attributable to the Group's interest
Group I – Property interests held by the Group for investment in Hong Kong				
1.	Units 726, 728, 729, 731, 735, 736, 739, 740, 741, 742, 743, 744, 745, 747, 748, 749, 750, 751, 753, 754, 755, 756 and 757 on 7th Floor, Star House, 3 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong	HK$49,800,000	100%	HK$49,800,000
2.	Factory Units 1 and 2 on 17th Floor and Car Parking Space No. L5 on Lower Ground Floor, Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong	HK$6,500,000	100%	HK$6,500,000
3.	Shops 83 and 84 on 2nd Floor, Houston Centre, 63 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong	HK$1,950,000	100%	HK$1,950,000
	SUB TOTAL	HK$58,250,000		HK$58,250,000

No.	Property	Capital Value in existing state as at 31 July 2009	Interest attributable to the Group	Capital Value in existing state as at 31 July 2009 attributable to the Group's interest
Group II – Property interest held by the Group for investment in the PRC				
4.	Unit 803 on 8th Floor of Block C and Carparking Space No. 10, Xiagang Garden, 32 Xiagangxincun Road, Siming District, Xiamen, Fujian Province, PRC	HK$930,000	100%	HK$930,000
	SUB TOTAL	HK$930,000		HK$930,000
	GRAND TOTAL	HK$59,180,000		HK$59,180,000

VALUATION CERTIFICATE

Group I – Property interests held by the Group for investment in Hong Kong

	Property	Description and Tenure	Particulars of occupancy	Capital Value in existing state as at 31 July 2009
1.	Units 726, 728, 729, 731, 735, 736, 739, 740, 741, 742, 743, 744, 745, 747, 748, 749, 750, 751, 753, 754, 755, 756 and 757 on 7th Floor, Star House, 3 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong 177/19,328th equal and undivided shares of and in Section A of Kowloon Marine Lot No. 10.	Star House is a 20-storey (including one basement) commercial building completed in 1966. The property comprises 23 office units on the 7th floor of the building with a total gross floor area of 969.16 sq.m. (10,432 sq.ft.) or thereabouts. Kowloon Marine Lot No. 10 is held under a Government lease for a term of 999 years commencing from 25 July 1864. The annual government rent payable for Section A of the lot is HK$736.	Except 83.61 sq.m. (900 sq.ft.) is vacant, the remainder is let under various tenancies mostly for terms of 2 years with the latest expiry date in July 2011, at a total monthly rental of approximately HK$132,000 exclusive of rates, government rent and management fees.	HK$49,800,000 (100% interest attributable to the Group)

Notes:

1. The registered owner of the property is Berjaya Holdings (HK) Limited (formerly known as Wing Hung Kee Holdings Limited).

2. The property is subject to a mortgage to secure general banking facilities in favour of The Hongkong Chinese Bank, Limited (now known as CITIC Ka Wah Bank Limited).

3. The property is subject to a deed poll regarding the external walls from the Ground to the 5th Floors of Star House which are declared as additional Common Area and/or Common Facilities by The Incorporated Owners of Star House.

4. The property lies within an area zoned “Commercial” under Tsim Sha Tsui Outline Zoning Plan.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Capital Value in existing state as at 31 July 2009
2.	Factory Units 1 and 2 on 17th Floor and Car Parking Space No. L5 on Lower Ground Floor, Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong 43/1,215th equal and undivided shares of and in Kwai Chung Town Lots Nos. 293 and 312.	Wah Sing Industrial Building is a 27-storey industrial building (including 4 levels of industrial/ car parking podium and a fire relief floor) completed in 1980. The property comprises two contiguous factory units on the 17th floor of the building with a total gross floor area of 821.07 sq.m. (8,838 sq.ft.) or thereabouts. The property also comprises a lorry parking space on the lower ground floor of the building. Kwai Chung Town Lots Nos. 293 and 312 are held under New Grant Nos. 5349 and 5379 respectively each for a term which expired on 27 June 1997 and such lease terms had been extended upon expiry until 30 June 2047 at an annual government rent equivalent to 3% of the rateable value for the time being of the lots.	The property is let under a tenancy for a term of 2 years expiring in May 2010 at a total monthly rental of HK$31,038 exclusive of management fees.	HK$6,500,000 (100% interest attributable to the Group)

Notes:

1. The registered owner of the property is Berjaya Holdings (HK) Limited (formerly known as Wing Hung Kee Investment Company Limited).

2. The property is subject to a mortgage to secure general banking facilities in favour of The Hongkong Chinese Bank Limited (now known as CITIC Ka Wah Bank Limited).

3. The property lies within an area zoned “Industrial” under Kwai Chung Outline Zoning Plan.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particulars of occupancy	Capital Value in existing state as at 31 July 2009
3.	Shops 83 and 84 on 2nd Floor, Houston Centre, 63 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong 10/8,410th equal and undivided shares of and in Kowloon Inland Lot No. 10588.	Houston Centre is a 16-storey (including one basement and lower ground floor) commercial building completed in 1981. The property comprises two retail shops on the 2nd floor of the building with a total gross floor area of 55.18 sq.m. (594 sq.ft.) or thereabouts. Kowloon Inland Lot No. 10588 is held under Conditions of Sale No. 11183 for a term of 75 years commencing from 3 March 1978 renewable for a further term of 75 years. The annual government rent payable for the lot is HK$1,000.	The property is let under a tenancy for a term of 2 years expiring in January 2011 at a monthly rental of HK$6,534 exclusive of rates, government rent and management fees.	HK$1,950,000 (100% interest attributable to the Group)

Notes:

1. The registered owner of the property is Berjaya Holdings (HK) Limited.

2. The property lies within an area zoned "Commercial" under Tsim Sha Tsui Outline Zoning Plan.

VALUATION CERTIFICATE

Group II – Property interest held by the Group for investment in the PRC

	Property	Description and Tenure	Particulars of occupancy	Capital Value in existing state as at 31 July 2009
4.	Unit 803 on 8th Floor of Block C and Carparking Space No. 10, Xiagang Garden, 32 Xiagangxincun Road, Siming District, Xiamen, Fujian Province, PRC	Xiagang Garden is a commercial/ residential composite development. The property comprises a residential unit on the 8th floor of a 15-storey residential building of the development completed in about 1996. The property also comprises a carparking space within the development. The property has a total gross floor area of approximately 216.47 sq.m. (2,330 sq.ft.) (including the car parking space). The land use rights of the property have been granted for a term of 70 years commencing on 20 January 1993 for residential uses.	The property is currently vacant.	HK$930,000 (100% interest attributable to the Group)

Notes:

1. Pursuant to the Real Estate Title Certificate Xia Di Fang Zheng No. 00006416 dated 1 December 1997, the title to the property with a gross floor area of 216.47 sq.m. (including the car parking space) is vested in Berjaya Holdings (HK) Limited, for a land use term of 70 years commencing on 20 January 1993 for residential uses.

2. We have been provided with a legal opinion on the title to the property issued by the Group's legal advisers, which contains, inter alia, the following information:

   (i) Berjaya Holdings (HK) Limited has legally acquired the land use rights and building ownership of the property;

   (ii) Berjaya Holdings (HK) Limited is entitled to freely transfer, mortgage or lease the property; and

   (iii) the property is free from any encumbrances.

(A) The following is a summary of the principal terms and conditions of the ICULS:

Issuer	:	Berjaya Holdings (HK) Limited.
Issue date	:	Actual date of allotment and issue which is expected to be on 8 December 2009.
Commencement date of dealing	:	expected to be on 10 December 2009
Last day for conversion to Shares	:	the Maturity Date
Maturity Date	:	ten years after the date of issue, which is expected to be on 7 December 2019.

(B) THE INTEREST TABLE

Interest payment date	Last Registration Date	Interest Payable *HK$*
7 June 2010	2 June 2010	49.86
7 December 2010	2 December 2010	50.14
7 June 2011	2 July 2011	49.86
7 December 2011	2 December 2011	50.14
7 June 2012	2 June 2012	175.06
7 December 2012	2 December 2012	175.00
7 June 2013	2 June 2013	174.46
7 December 2013	2 December 2013	175.48
7 June 2014	2 June 2014	174.52
7 December 2014	2 December 2014	175.48
7 June 2015	2 June 2015	174.52
7 December 2015	2 December 2015	175.48
7 June 2016	2 June 2016	175.06
7 December 2016	2 December 2016	175.00
7 June 2017	2 June 2017	174.46
7 December 2017	2 December 2017	175.48
7 June 2018	2 June 2018	174.52
7 December 2018	2 December 2018	175.48
7 June 2019	2 June 2019	174.52
7 December 2019	2 December 2019	175.48

Daily accrued interest table for the life of the ICULS (8 December 2009 to 7 December 2019)

Authorized denomination: HK$10,000

Interest rate: 1% per annum payable semi-annually in arrears for the first two years; and 3.5% per annum payable semi-annually in arrears for the remaining eight years

Interest on the ICULS will be paid by the Company to the holder of the ICULS on the relevant interest payment date. In order to determine entitlement to such interest payment, the applicable books closure period is 5 days before the relevant interest payment date. For purposes of the table below, interest accrued during the books closure period commencing immediately after the fifth day before the due day for such payment and ending on the relevant interest payment date is shown in negative numbers.

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
8 December 2009	0.27	19 January 2010	11.78	2 March 2010	23.29
9 December 2009	0.55	20 January 2010	12.05	3 March 2010	23.56
10 December 2009	0.82	21 January 2010	12.33	4 March 2010	23.84
11 December 2009	1.10	22 January 2010	12.60	5 March 2010	24.11
12 December 2009	1.37	23 January 2010	12.88	6 March 2010	24.38
13 December 2009	1.64	24 January 2010	13.15	7 March 2010	24.66
14 December 2009	1.92	25 January 2010	13.42	8 March 2010	24.93
15 December 2009	2.19	26 January 2010	13.70	9 March 2010	25.21
16 December 2009	2.47	27 January 2010	13.97	10 March 2010	25.48
17 December 2009	2.74	28 January 2010	14.25	11 March 2010	25.75
18 December 2009	3.01	29 January 2010	14.52	12 March 2010	26.03
19 December 2009	3.29	30 January 2010	14.79	13 March 2010	26.30
20 December 2009	3.56	31 January 2010	15.07	14 March 2010	26.58
21 December 2009	3.84	1 February 2010	15.34	15 March 2010	26.85
22 December 2009	4.11	2 February 2010	15.62	16 March 2010	27.12
23 December 2009	4.38	3 February 2010	15.89	17 March 2010	27.40
24 December 2009	4.66	4 February 2010	16.16	18 March 2010	27.67
25 December 2009	4.93	5 February 2010	16.44	19 March 2010	27.95
26 December 2009	5.21	6 February 2010	16.71	20 March 2010	28.22
27 December 2009	5.48	7 February 2010	16.99	21 March 2010	28.49
28 December 2009	5.75	8 February 2010	17.26	22 March 2010	28.77
29 December 2009	6.03	9 February 2010	17.53	23 March 2010	29.04
30 December 2009	6.30	10 February 2010	17.81	24 March 2010	29.32
31 December 2009	6.58	11 February 2010	18.08	25 March 2010	29.59
1 January 2010	6.85	12 February 2010	18.36	26 March 2010	29.86
2 January 2010	7.12	13 February 2010	18.63	27 March 2010	30.14
3 January 2010	7.40	14 February 2010	18.90	28 March 2010	30.41
4 January 2010	7.67	15 February 2010	19.18	29 March 2010	30.68
5 January 2010	7.95	16 February 2010	19.45	30 March 2010	30.96
6 January 2010	8.22	17 February 2010	19.73	31 March 2010	31.23
7 January 2010	8.49	18 February 2010	20.00	1 April 2010	31.51
8 January 2010	8.77	19 February 2010	20.27	2 April 2010	31.78
9 January 2010	9.04	20 February 2010	20.55	3 April 2010	32.05
10 January 2010	9.32	21 February 2010	20.82	4 April 2010	32.33
11 January 2010	9.59	22 February 2010	21.10	5 April 2010	32.60
12 January 2010	9.86	23 February 2010	21.37	6 April 2010	32.88
13 January 2010	10.14	24 February 2010	21.64	7 April 2010	33.15
14 January 2010	10.41	25 February 2010	21.92	8 April 2010	33.42
15 January 2010	10.68	26 February 2010	22.19	9 April 2010	33.70
16 January 2010	10.96	27 February 2010	22.47	10 April 2010	33.97
17 January 2010	11.23	28 February 2010	22.74	11 April 2010	34.25
18 January 2010	11.51	1 March 2010	23.01	12 April 2010	34.52

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
13 April 2010	34.79	25 May 2010	46.30	6 July 2010	7.95
14 April 2010	35.07	26 May 2010	46.58	7 July 2010	8.22
15 April 2010	35.34	27 May 2010	46.85	8 July 2010	8.49
16 April 2010	35.62	28 May 2010	47.12	9 July 2010	8.77
17 April 2010	35.89	29 May 2010	47.40	10 July 2010	9.04
18 April 2010	36.16	30 May 2010	47.67	11 July 2010	9.32
19 April 2010	36.44	31 May 2010	47.95	12 July 2010	9.59
20 April 2010	36.71	1 June 2010	48.22	13 July 2010	9.86
21 April 2010	36.99	2 June 2010	48.49	14 July 2010	10.14
22 April 2010	37.26	3 June 2010	(1.10)	15 July 2010	10.41
23 April 2010	37.53	4 June 2010	(0.82)	16 July 2010	10.68
24 April 2010	37.81	5 June 2010	(0.55)	17 July 2010	10.96
25 April 2010	38.08	6 June 2010	(0.27)	18 July 2010	11.23
26 April 2010	38.36	7 June 2010	0	19 July 2010	11.51
27 April 2010	38.63	8 June 2010	0.27	20 July 2010	11.78
28 April 2010	38.90	9 June 2010	0.55	21 July 2010	12.05
29 April 2010	39.18	10 June 2010	0.82	22 July 2010	12.33
30 April 2010	39.45	11 June 2010	1.10	23 July 2010	12.60
1 May 2010	39.73	12 June 2010	1.37	24 July 2010	12.88
2 May 2010	40.00	13 June 2010	1.64	25 July 2010	13.15
3 May 2010	40.27	14 June 2010	1.92	26 July 2010	13.42
4 May 2010	40.55	15 June 2010	2.19	27 July 2010	13.70
5 May 2010	40.82	16 June 2010	2.47	28 July 2010	13.97
6 May 2010	41.10	17 June 2010	2.74	29 July 2010	14.25
7 May 2010	41.37	18 June 2010	3.01	30 July 2010	14.52
8 May 2010	41.64	19 June 2010	3.29	31 July 2010	14.79
9 May 2010	41.92	20 June 2010	3.56	1 August 2010	15.07
10 May 2010	42.19	21 June 2010	3.84	2 August 2010	15.34
11 May 2010	42.47	22 June 2010	4.11	3 August 2010	15.62
12 May 2010	42.74	23 June 2010	4.38	4 August 2010	15.89
13 May 2010	43.01	24 June 2010	4.66	5 August 2010	16.16
14 May 2010	43.29	25 June 2010	4.93	6 August 2010	16.44
15 May 2010	43.56	26 June 2010	5.21	7 August 2010	16.71
16 May 2010	43.84	27 June 2010	5.48	8 August 2010	16.99
17 May 2010	44.11	28 June 2010	5.75	9 August 2010	17.26
18 May 2010	44.38	29 June 2010	6.03	10 August 2010	17.53
19 May 2010	44.66	30 June 2010	6.30	11 August 2010	17.81
20 May 2010	44.93	1 July 2010	6.58	12 August 2010	18.08
21 May 2010	45.21	2 July 2010	6.85	13 August 2010	18.36
22 May 2010	45.48	3 July 2010	7.12	14 August 2010	18.63
23 May 2010	45.75	4 July 2010	7.40	15 August 2010	18.90
24 May 2010	46.03	5 July 2010	7.67	16 August 2010	19.18

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
17 August 2010	19.45	28 September 2010	30.96	9 November 2010	42.47
18 August 2010	19.73	29 September 2010	31.23	10 November 2010	42.74
19 August 2010	20.00	30 September 2010	31.51	11 November 2010	43.01
20 August 2010	20.27	1 October 2010	31.78	12 November 2010	43.29
21 August 2010	20.55	2 October 2010	32.05	13 November 2010	43.56
22 August 2010	20.82	3 October 2010	32.33	14 November 2010	43.84
23 August 2010	21.10	4 October 2010	32.60	15 November 2010	44.11
24 August 2010	21.37	5 October 2010	32.88	16 November 2010	44.38
25 August 2010	21.64	6 October 2010	33.15	17 November 2010	44.66
26 August 2010	21.92	7 October 2010	33.42	18 November 2010	44.93
27 August 2010	22.19	8 October 2010	33.70	19 November 2010	45.21
28 August 2010	22.47	9 October 2010	33.97	20 November 2010	45.48
29 August 2010	22.74	10 October 2010	34.25	21 November 2010	45.75
30 August 2010	23.01	11 October 2010	34.52	22 November 2010	46.03
31 August 2010	23.29	12 October 2010	34.79	23 November 2010	46.30
1 September 2010	23.56	13 October 2010	35.07	24 November 2010	46.58
2 September 2010	23.84	14 October 2010	35.34	25 November 2010	46.85
3 September 2010	24.11	15 October 2010	35.62	26 November 2010	47.12
4 September 2010	24.38	16 October 2010	35.89	27 November 2010	47.40
5 September 2010	24.66	17 October 2010	36.16	28 November 2010	47.67
6 September 2010	24.93	18 October 2010	36.44	29 November 2010	47.95
7 September 2010	25.21	19 October 2010	36.71	30 November 2010	48.22
8 September 2010	25.48	20 October 2010	36.99	1 December 2010	48.49
9 September 2010	25.75	21 October 2010	37.26	2 December 2010	48.77
10 September 2010	26.03	22 October 2010	37.53	3 December 2010	(1.10)
11 September 2010	26.30	23 October 2010	37.81	4 December 2010	(0.82)
12 September 2010	26.58	24 October 2010	38.08	5 December 2010	(0.55)
13 September 2010	26.85	25 October 2010	38.36	6 December 2010	(0.27)
14 September 2010	27.12	26 October 2010	38.63	7 December 2010	0
15 September 2010	27.40	27 October 2010	38.90	8 December 2010	0.27
16 September 2010	27.67	28 October 2010	39.18	9 December 2010	0.55
17 September 2010	27.95	29 October 2010	39.45	10 December 2010	0.82
18 September 2010	28.22	30 October 2010	39.73	11 December 2010	1.10
19 September 2010	28.49	31 October 2010	40.00	12 December 2010	1.37
20 September 2010	28.77	1 November 2010	40.27	13 December 2010	1.64
21 September 2010	29.04	2 November 2010	40.55	14 December 2010	1.92
22 September 2010	29.32	3 November 2010	40.82	15 December 2010	2.19
23 September 2010	29.59	4 November 2010	41.10	16 December 2010	2.47
24 September 2010	29.86	5 November 2010	41.37	17 December 2010	2.74
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27 September 2010	30.68	8 November 2010	42.19	20 December 2010	3.56

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
21 December 2010	3.84	1 February 2011	15.34	15 March 2011	26.85
22 December 2010	4.11	2 February 2011	15.62	16 March 2011	27.12
23 December 2010	4.38	3 February 2011	15.89	17 March 2011	27.40
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3 January 2011	7.40	14 February 2011	18.90	28 March 2011	30.41
4 January 2011	7.67	15 February 2011	19.18	29 March 2011	30.68
5 January 2011	7.95	16 February 2011	19.45	30 March 2011	30.96
6 January 2011	8.22	17 February 2011	19.73	31 March 2011	31.23
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8 January 2011	8.77	19 February 2011	20.27	2 April 2011	31.78
9 January 2011	9.04	20 February 2011	20.55	3 April 2011	32.05
10 January 2011	9.32	21 February 2011	20.82	4 April 2011	32.33
11 January 2011	9.59	22 February 2011	21.10	5 April 2011	32.60
12 January 2011	9.86	23 February 2011	21.37	6 April 2011	32.88
13 January 2011	10.14	24 February 2011	21.64	7 April 2011	33.15
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17 January 2011	11.23	28 February 2011	22.74	11 April 2011	34.25
18 January 2011	11.51	1 March 2011	23.01	12 April 2011	34.52
19 January 2011	11.78	2 March 2011	23.29	13 April 2011	34.79
20 January 2011	12.05	3 March 2011	23.56	14 April 2011	35.07
21 January 2011	12.33	4 March 2011	23.84	15 April 2011	35.34
22 January 2011	12.60	5 March 2011	24.11	16 April 2011	35.62
23 January 2011	12.88	6 March 2011	24.38	17 April 2011	35.89
24 January 2011	13.15	7 March 2011	24.66	18 April 2011	36.16
25 January 2011	13.42	8 March 2011	24.93	19 April 2011	36.44
26 January 2011	13.70	9 March 2011	25.21	20 April 2011	36.71
27 January 2011	13.97	10 March 2011	25.48	21 April 2011	36.99
28 January 2011	14.25	11 March 2011	25.75	22 April 2011	37.26
29 January 2011	14.52	12 March 2011	26.03	23 April 2011	37.53
30 January 2011	14.79	13 March 2011	26.30	24 April 2011	37.81
31 January 2011	15.07	14 March 2011	26.58	25 April 2011	38.08

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
26 April 2011	38.36	7 June 2011	0	19 July 2011	11.51
27 April 2011	38.63	8 June 2011	0.27	20 July 2011	11.78
28 April 2011	38.90	9 June 2011	0.55	21 July 2011	12.05
29 April 2011	39.18	10 June 2011	0.82	22 July 2011	12.33
30 April 2011	39.45	11 June 2011	1.10	23 July 2011	12.60
1 May 2011	39.73	12 June 2011	1.37	24 July 2011	12.88
2 May 2011	40.00	13 June 2011	1.64	25 July 2011	13.15
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6 May 2011	41.10	17 June 2011	2.74	29 July 2011	14.25
7 May 2011	41.37	18 June 2011	3.01	30 July 2011	14.52
8 May 2011	41.64	19 June 2011	3.29	31 July 2011	14.79
9 May 2011	41.92	20 June 2011	3.56	1 August 2011	15.07
10 May 2011	42.19	21 June 2011	3.84	2 August 2011	15.34
11 May 2011	42.47	22 June 2011	4.11	3 August 2011	15.62
12 May 2011	42.74	23 June 2011	4.38	4 August 2011	15.89
13 May 2011	43.01	24 June 2011	4.66	5 August 2011	16.16
14 May 2011	43.29	25 June 2011	4.93	6 August 2011	16.44
15 May 2011	43.56	26 June 2011	5.21	7 August 2011	16.71
16 May 2011	43.84	27 June 2011	5.48	8 August 2011	16.99
17 May 2011	44.11	28 June 2011	5.75	9 August 2011	17.26
18 May 2011	44.38	29 June 2011	6.03	10 August 2011	17.53
19 May 2011	44.66	30 June 2011	6.30	11 August 2011	17.81
20 May 2011	44.93	1 July 2011	6.58	12 August 2011	18.08
21 May 2011	45.21	2 July 2011	6.85	13 August 2011	18.36
22 May 2011	45.48	3 July 2011	7.12	14 August 2011	18.63
23 May 2011	45.75	4 July 2011	7.40	15 August 2011	18.90
24 May 2011	46.03	5 July 2011	7.67	16 August 2011	19.18
25 May 2011	46.30	6 July 2011	7.95	17 August 2011	19.45
26 May 2011	46.58	7 July 2011	8.22	18 August 2011	19.73
27 May 2011	46.85	8 July 2011	8.49	19 August 2011	20.00
28 May 2011	47.12	9 July 2011	8.77	20 August 2011	20.27
29 May 2011	47.40	10 July 2011	9.04	21 August 2011	20.55
30 May 2011	47.67	11 July 2011	9.32	22 August 2011	20.82
31 May 2011	47.95	12 July 2011	9.59	23 August 2011	21.10
1 June 2011	48.22	13 July 2011	9.86	24 August 2011	21.37
2 June 2011	48.49	14 July 2011	10.14	25 August 2011	21.64
3 June 2011	(1.10)	15 July 2011	10.41	26 August 2011	21.92
4 June 2011	(0.82)	16 July 2011	10.68	27 August 2011	22.19
5 June 2011	(0.55)	17 July 2011	10.96	28 August 2011	22.47
6 June 2011	(0.27)	18 July 2011	11.23	29 August 2011	22.74

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
30 August 2011	23.01	11 October 2011	34.52	22 November 2011	46.03
31 August 2011	23.29	12 October 2011	34.79	23 November 2011	46.30
1 September 2011	23.56	13 October 2011	35.07	24 November 2011	46.58
2 September 2011	23.84	14 October 2011	35.34	25 November 2011	46.85
3 September 2011	24.11	15 October 2011	35.62	26 November 2011	47.12
4 September 2011	24.38	16 October 2011	35.89	27 November 2011	47.40
5 September 2011	24.66	17 October 2011	36.16	28 November 2011	47.67
6 September 2011	24.93	18 October 2011	36.44	29 November 2011	47.95
7 September 2011	25.21	19 October 2011	36.71	30 November 2011	48.22
8 September 2011	25.48	20 October 2011	36.99	1 December 2011	48.49
9 September 2011	25.75	21 October 2011	37.26	2 December 2011	48.77
10 September 2011	26.03	22 October 2011	37.53	3 December 2011	(1.10)
11 September 2011	26.30	23 October 2011	37.81	4 December 2011	(0.82)
12 September 2011	26.58	24 October 2011	38.08	5 December 2011	(0.55)
13 September 2011	26.85	25 October 2011	38.36	6 December 2011	(0.27)
14 September 2011	27.12	26 October 2011	38.63	7 December 2011	0
15 September 2011	27.40	27 October 2011	38.90	8 December 2011	0.96
16 September 2011	27.67	28 October 2011	39.18	9 December 2011	1.92
17 September 2011	27.95	29 October 2011	39.45	10 December 2011	2.88
18 September 2011	28.22	30 October 2011	39.73	11 December 2011	3.84
19 September 2011	28.49	31 October 2011	40.00	12 December 2011	4.79
20 September 2011	28.77	1 November 2011	40.27	13 December 2011	5.75
21 September 2011	29.04	2 November 2011	40.55	14 December 2011	6.71
22 September 2011	29.32	3 November 2011	40.82	15 December 2011	7.67
23 September 2011	29.59	4 November 2011	41.10	16 December 2011	8.63
24 September 2011	29.86	5 November 2011	41.37	17 December 2011	9.59
25 September 2011	30.14	6 November 2011	41.64	18 December 2011	10.55
26 September 2011	30.41	7 November 2011	41.92	19 December 2011	11.51
27 September 2011	30.68	8 November 2011	42.19	20 December 2011	12.47
28 September 2011	30.96	9 November 2011	42.47	21 December 2011	13.42
29 September 2011	31.23	10 November 2011	42.74	22 December 2011	14.38
30 September 2011	31.51	11 November 2011	43.01	23 December 2011	15.34
1 October 2011	31.78	12 November 2011	43.29	24 December 2011	16.30
2 October 2011	32.05	13 November 2011	43.56	25 December 2011	17.26
3 October 2011	32.33	14 November 2011	43.84	26 December 2011	18.22
4 October 2011	32.60	15 November 2011	44.11	27 December 2011	19.18
5 October 2011	32.88	16 November 2011	44.38	28 December 2011	20.14
6 October 2011	33.15	17 November 2011	44.66	29 December 2011	21.10
7 October 2011	33.42	18 November 2011	44.93	30 December 2011	22.05
8 October 2011	33.70	19 November 2011	45.21	31 December 2011	23.01
9 October 2011	33.97	20 November 2011	45.48	1 January 2012	23.97
10 October 2011	34.25	21 November 2011	45.75	2 January 2012	24.93

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
3 January 2012	25.88	14 February 2012	66.05	27 March 2012	106.21
4 January 2012	26.84	15 February 2012	67.00	28 March 2012	107.17
5 January 2012	27.80	16 February 2012	67.96	29 March 2012	108.12
6 January 2012	28.75	17 February 2012	68.92	30 March 2012	109.08
7 January 2012	29.71	18 February 2012	69.87	31 March 2012	110.04
8 January 2012	30.66	19 February 2012	70.83	1 April 2012	110.99
9 January 2012	31.62	20 February 2012	71.78	2 April 2012	111.95
10 January 2012	32.58	21 February 2012	72.74	3 April 2012	112.90
11 January 2012	33.53	22 February 2012	73.70	4 April 2012	113.86
12 January 2012	34.49	23 February 2012	74.65	5 April 2012	114.82
13 January 2012	35.45	24 February 2012	75.61	6 April 2012	115.77
14 January 2012	36.40	25 February 2012	76.57	7 April 2012	116.73
15 January 2012	37.36	26 February 2012	77.52	8 April 2012	117.69
16 January 2012	38.31	27 February 2012	78.48	9 April 2012	118.64
17 January 2012	39.27	28 February 2012	79.43	10 April 2012	119.60
18 January 2012	40.23	29 February 2012	80.39	11 April 2012	120.55
19 January 2012	41.18	1 March 2012	81.35	12 April 2012	121.51
20 January 2012	42.14	2 March 2012	82.30	13 April 2012	122.47
21 January 2012	43.10	3 March 2012	83.26	14 April 2012	123.42
22 January 2012	44.05	4 March 2012	84.22	15 April 2012	124.38
23 January 2012	45.01	5 March 2012	85.17	16 April 2012	125.34
24 January 2012	45.96	6 March 2012	86.13	17 April 2012	126.29
25 January 2012	46.92	7 March 2012	87.08	18 April 2012	127.25
26 January 2012	47.88	8 March 2012	88.04	19 April 2012	128.20
27 January 2012	48.83	9 March 2012	89.00	20 April 2012	129.16
28 January 2012	49.79	10 March 2012	89.95	21 April 2012	130.12
29 January 2012	50.75	11 March 2012	90.91	22 April 2012	131.07
30 January 2012	51.70	12 March 2012	91.87	23 April 2012	132.03
31 January 2012	52.66	13 March 2012	92.82	24 April 2012	132.99
1 February 2012	53.61	14 March 2012	93.78	25 April 2012	133.94
2 February 2012	54.57	15 March 2012	94.74	26 April 2012	134.90
3 February 2012	55.53	16 March 2012	95.69	27 April 2012	135.86
4 February 2012	56.48	17 March 2012	96.65	28 April 2012	136.81
5 February 2012	57.44	18 March 2012	97.60	29 April 2012	137.77
6 February 2012	58.40	19 March 2012	98.56	30 April 2012	138.72
7 February 2012	59.35	20 March 2012	99.52	1 May 2012	139.68
8 February 2012	60.31	21 March 2012	100.47	2 May 2012	140.64
9 February 2012	61.27	22 March 2012	101.43	3 May 2012	141.59
10 February 2012	62.22	23 March 2012	102.39	4 May 2012	142.55
11 February 2012	63.18	24 March 2012	103.34	5 May 2012	143.51
12 February 2012	64.13	25 March 2012	104.30	6 May 2012	144.46
13 February 2012	65.09	26 March 2012	105.25	7 May 2012	145.42

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
8 May 2012	146.37	19 June 2012	11.48	31 July 2012	51.64
9 May 2012	147.33	20 June 2012	12.43	1 August 2012	52.60
10 May 2012	148.29	21 June 2012	13.39	2 August 2012	53.55
11 May 2012	149.24	22 June 2012	14.34	3 August 2012	54.51
12 May 2012	150.20	23 June 2012	15.30	4 August 2012	55.46
13 May 2012	151.16	24 June 2012	16.26	5 August 2012	56.42
14 May 2012	152.11	25 June 2012	17.21	6 August 2012	57.38
15 May 2012	153.07	26 June 2012	18.17	7 August 2012	58.33
16 May 2012	154.02	27 June 2012	19.13	8 August 2012	59.29
17 May 2012	154.98	28 June 2012	20.08	9 August 2012	60.25
18 May 2012	155.94	29 June 2012	21.04	10 August 2012	61.20
19 May 2012	156.89	30 June 2012	21.99	11 August 2012	62.16
20 May 2012	157.85	1 July 2012	22.95	12 August 2012	63.11
21 May 2012	158.81	2 July 2012	23.91	13 August 2012	64.07
22 May 2012	159.76	3 July 2012	24.86	14 August 2012	65.03
23 May 2012	160.72	4 July 2012	25.82	15 August 2012	65.98
24 May 2012	161.67	5 July 2012	26.78	16 August 2012	66.94
25 May 2012	162.63	6 July 2012	27.73	17 August 2012	67.90
26 May 2012	163.59	7 July 2012	28.69	18 August 2012	68.85
27 May 2012	164.54	8 July 2012	29.64	19 August 2012	69.81
28 May 2012	165.50	9 July 2012	30.60	20 August 2012	70.77
29 May 2012	166.46	10 July 2012	31.56	21 August 2012	71.72
30 May 2012	167.41	11 July 2012	32.51	22 August 2012	72.68
31 May 2012	168.37	12 July 2012	33.47	23 August 2012	73.63
1 June 2012	169.33	13 July 2012	34.43	24 August 2012	74.59
2 June 2012	170.28	14 July 2012	35.38	25 August 2012	75.55
3 June 2012	(3.83)	15 July 2012	36.34	26 August 2012	76.50
4 June 2012	(2.87)	16 July 2012	37.30	27 August 2012	77.46
5 June 2012	(1.91)	17 July 2012	38.25	28 August 2012	78.42
6 June 2012	(0.96)	18 July 2012	39.21	29 August 2012	79.37
7 June 2012	0	19 July 2012	40.16	30 August 2012	80.33
8 June 2012	0.96	20 July 2012	41.12	31 August 2012	81.28
9 June 2012	1.91	21 July 2012	42.08	1 September 2012	82.24
10 June 2012	2.87	22 July 2012	43.03	2 September 2012	83.20
11 June 2012	3.83	23 July 2012	43.99	3 September 2012	84.15
12 June 2012	4.78	24 July 2012	44.95	4 September 2012	85.11
13 June 2012	5.74	25 July 2012	45.90	5 September 2012	86.07
14 June 2012	6.69	26 July 2012	46.86	6 September 2012	87.02
15 June 2012	7.65	27 July 2012	47.81	7 September 2012	87.98
16 June 2012	8.61	28 July 2012	48.77	8 September 2012	88.93
17 June 2012	9.56	29 July 2012	49.73	9 September 2012	89.89
18 June 2012	10.52	30 July 2012	50.68	10 September 2012	90.85

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
11 September 2012	91.80	23 October 2012	131.97	4 December 2012	(2.87)
12 September 2012	92.76	24 October 2012	132.92	5 December 2012	(1.91)
13 September 2012	93.72	25 October 2012	133.88	6 December 2012	(0.96)
14 September 2012	94.67	26 October 2012	134.84	7 December 2012	0
15 September 2012	95.63	27 October 2012	135.79	8 December 2012	0.96
16 September 2012	96.58	28 October 2012	136.75	9 December 2012	1.91
17 September 2012	97.54	29 October 2012	137.70	10 December 2012	2.87
18 September 2012	98.50	30 October 2012	138.66	11 December 2012	3.83
19 September 2012	99.45	31 October 2012	139.62	12 December 2012	4.78
20 September 2012	100.41	1 November 2012	140.57	13 December 2012	5.74
21 September 2012	101.37	2 November 2012	141.53	14 December 2012	6.69
22 September 2012	102.32	3 November 2012	142.49	15 December 2012	7.65
23 September 2012	103.28	4 November 2012	143.44	16 December 2012	8.61
24 September 2012	104.23	5 November 2012	144.40	17 December 2012	9.56
25 September 2012	105.19	6 November 2012	145.36	18 December 2012	10.52
26 September 2012	106.15	7 November 2012	146.31	19 December 2012	11.48
27 September 2012	107.10	8 November 2012	147.27	20 December 2012	12.43
28 September 2012	108.06	9 November 2012	148.22	21 December 2012	13.39
29 September 2012	109.02	10 November 2012	149.18	22 December 2012	14.34
30 September 2012	109.97	11 November 2012	150.14	23 December 2012	15.30
1 October 2012	110.93	12 November 2012	151.09	24 December 2012	16.26
2 October 2012	111.89	13 November 2012	152.05	25 December 2012	17.21
3 October 2012	112.84	14 November 2012	153.01	26 December 2012	18.17
4 October 2012	113.80	15 November 2012	153.96	27 December 2012	19.13
5 October 2012	114.75	16 November 2012	154.92	28 December 2012	20.08
6 October 2012	115.71	17 November 2012	155.87	29 December 2012	21.04
7 October 2012	116.67	18 November 2012	156.83	30 December 2012	21.99
8 October 2012	117.62	19 November 2012	157.79	31 December 2012	22.95
9 October 2012	118.58	20 November 2012	158.74	1 January 2013	23.91
10 October 2012	119.54	21 November 2012	159.70	2 January 2013	24.87
11 October 2012	120.49	22 November 2012	160.66	3 January 2013	25.83
12 October 2012	121.45	23 November 2012	161.61	4 January 2013	26.79
13 October 2012	122.40	24 November 2012	162.57	5 January 2013	27.75
14 October 2012	123.36	25 November 2012	163.52	6 January 2013	28.70
15 October 2012	124.32	26 November 2012	164.48	7 January 2013	29.66
16 October 2012	125.27	27 November 2012	165.44	8 January 2013	30.62
17 October 2012	126.23	28 November 2012	166.39	9 January 2013	31.58
18 October 2012	127.19	29 November 2012	167.35	10 January 2013	32.54
19 October 2012	128.14	30 November 2012	168.31	11 January 2013	33.50
20 October 2012	129.10	1 December 2012	169.26	12 January 2013	34.46
21 October 2012	130.05	2 December 2012	170.22	13 January 2013	35.42
22 October 2012	131.01	3 December 2012	(3.83)	14 January 2013	36.38

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
15 January 2013	37.33	26 February 2013	77.61	9 April 2013	117.88
16 January 2013	38.29	27 February 2013	78.57	10 April 2013	118.84
17 January 2013	39.25	28 February 2013	79.53	11 April 2013	119.80
18 January 2013	40.21	1 March 2013	80.49	12 April 2013	120.76
19 January 2013	41.17	2 March 2013	81.44	13 April 2013	121.72
20 January 2013	42.13	3 March 2013	82.40	14 April 2013	122.68
21 January 2013	43.09	4 March 2013	83.36	15 April 2013	123.64
22 January 2013	44.05	5 March 2013	84.32	16 April 2013	124.59
23 January 2013	45.01	6 March 2013	85.28	17 April 2013	125.55
24 January 2013	45.96	7 March 2013	86.24	18 April 2013	126.51
25 January 2013	46.92	8 March 2013	87.20	19 April 2013	127.47
26 January 2013	47.88	9 March 2013	88.16	20 April 2013	128.43
27 January 2013	48.84	10 March 2013	89.12	21 April 2013	129.39
28 January 2013	49.80	11 March 2013	90.07	22 April 2013	130.35
29 January 2013	50.76	12 March 2013	91.03	23 April 2013	131.31
30 January 2013	51.72	13 March 2013	91.99	24 April 2013	132.27
31 January 2013	52.68	14 March 2013	92.95	25 April 2013	133.22
1 February 2013	53.64	15 March 2013	93.91	26 April 2013	134.18
2 February 2013	54.59	16 March 2013	94.87	27 April 2013	135.14
3 February 2013	55.55	17 March 2013	95.83	28 April 2013	136.10
4 February 2013	56.51	18 March 2013	96.79	29 April 2013	137.06
5 February 2013	57.47	19 March 2013	97.75	30 April 2013	138.02
6 February 2013	58.43	20 March 2013	98.70	1 May 2013	138.98
7 February 2013	59.39	21 March 2013	99.66	2 May 2013	139.94
8 February 2013	60.35	22 March 2013	100.62	3 May 2013	140.90
9 February 2013	61.31	23 March 2013	101.58	4 May 2013	141.85
10 February 2013	62.27	24 March 2013	102.54	5 May 2013	142.81
11 February 2013	63.22	25 March 2013	103.50	6 May 2013	143.77
12 February 2013	64.18	26 March 2013	104.46	7 May 2013	144.73
13 February 2013	65.14	27 March 2013	105.42	8 May 2013	145.69
14 February 2013	66.10	28 March 2013	106.38	9 May 2013	146.65
15 February 2013	67.06	29 March 2013	107.33	10 May 2013	147.61
16 February 2013	68.02	30 March 2013	108.29	11 May 2013	148.57
17 February 2013	68.98	31 March 2013	109.25	12 May 2013	149.53
18 February 2013	69.94	1 April 2013	110.21	13 May 2013	150.49
19 February 2013	70.90	2 April 2013	111.17	14 May 2013	151.44
20 February 2013	71.85	3 April 2013	112.13	15 May 2013	152.40
21 February 2013	72.81	4 April 2013	113.09	16 May 2013	153.36
22 February 2013	73.77	5 April 2013	114.05	17 May 2013	154.32
23 February 2013	74.73	6 April 2013	115.01	18 May 2013	155.28
24 February 2013	75.69	7 April 2013	115.96	19 May 2013	156.24
25 February 2013	76.65	8 April 2013	116.92	20 May 2013	157.20

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
21 May 2013	158.16	2 July 2013	23.97	13 August 2013	64.25
22 May 2013	159.12	3 July 2013	24.93	14 August 2013	65.21
23 May 2013	160.07	4 July 2013	25.89	15 August 2013	66.16
24 May 2013	161.03	5 July 2013	26.85	16 August 2013	67.12
25 May 2013	161.99	6 July 2013	27.81	17 August 2013	68.08
26 May 2013	162.95	7 July 2013	28.77	18 August 2013	69.04
27 May 2013	163.91	8 July 2013	29.73	19 August 2013	70.00
28 May 2013	164.87	9 July 2013	30.68	20 August 2013	70.96
29 May 2013	165.83	10 July 2013	31.64	21 August 2013	71.92
30 May 2013	166.79	11 July 2013	32.60	22 August 2013	72.88
31 May 2013	167.75	12 July 2013	33.56	23 August 2013	73.84
1 June 2013	168.70	13 July 2013	34.52	24 August 2013	74.79
2 June 2013	169.66	14 July 2013	35.48	25 August 2013	75.75
3 June 2013	(3.84)	15 July 2013	36.44	26 August 2013	76.71
4 June 2013	(2.88)	16 July 2013	37.40	27 August 2013	77.67
5 June 2013	(1.92)	17 July 2013	38.36	28 August 2013	78.63
6 June 2013	(0.96)	18 July 2013	39.32	29 August 2013	79.59
7 June 2013	0	19 July 2013	40.27	30 August 2013	80.55
8 June 2013	0.96	20 July 2013	41.23	31 August 2013	81.51
9 June 2013	1.92	21 July 2013	42.19	1 September 2013	82.47
10 June 2013	2.88	22 July 2013	43.15	2 September 2013	83.42
11 June 2013	3.84	23 July 2013	44.11	3 September 2013	84.38
12 June 2013	4.79	24 July 2013	45.07	4 September 2013	85.34
13 June 2013	5.75	25 July 2013	46.03	5 September 2013	86.30
14 June 2013	6.71	26 July 2013	46.99	6 September 2013	87.26
15 June 2013	7.67	27 July 2013	47.95	7 September 2013	88.22
16 June 2013	8.63	28 July 2013	48.90	8 September 2013	89.18
17 June 2013	9.59	29 July 2013	49.86	9 September 2013	90.14
18 June 2013	10.55	30 July 2013	50.82	10 September 2013	91.10
19 June 2013	11.51	31 July 2013	51.78	11 September 2013	92.05
20 June 2013	12.47	1 August 2013	52.74	12 September 2013	93.01
21 June 2013	13.42	2 August 2013	53.70	13 September 2013	93.97
22 June 2013	14.38	3 August 2013	54.66	14 September 2013	94.93
23 June 2013	15.34	4 August 2013	55.62	15 September 2013	95.89
24 June 2013	16.30	5 August 2013	56.58	16 September 2013	96.85
25 June 2013	17.26	6 August 2013	57.53	17 September 2013	97.81
26 June 2013	18.22	7 August 2013	58.49	18 September 2013	98.77
27 June 2013	19.18	8 August 2013	59.45	19 September 2013	99.73
28 June 2013	20.14	9 August 2013	60.41	20 September 2013	100.68
29 June 2013	21.10	10 August 2013	61.37	21 September 2013	101.64
30 June 2013	22.05	11 August 2013	62.33	22 September 2013	102.60
1 July 2013	23.01	12 August 2013	63.29	23 September 2013	103.56

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
24 September 2013	104.52	5 November 2013	144.79	17 December 2013	9.59
25 September 2013	105.48	6 November 2013	145.75	18 December 2013	10.55
26 September 2013	106.44	7 November 2013	146.71	19 December 2013	11.51
27 September 2013	107.40	8 November 2013	147.67	20 December 2013	12.47
28 September 2013	108.36	9 November 2013	148.63	21 December 2013	13.42
29 September 2013	109.32	10 November 2013	149.59	22 December 2013	14.38
30 September 2013	110.27	11 November 2013	150.55	23 December 2013	15.34
1 October 2013	111.23	12 November 2013	151.51	24 December 2013	16.30
2 October 2013	112.19	13 November 2013	152.47	25 December 2013	17.26
3 October 2013	113.15	14 November 2013	153.42	26 December 2013	18.22
4 October 2013	114.11	15 November 2013	154.38	27 December 2013	19.18
5 October 2013	115.07	16 November 2013	155.34	28 December 2013	20.14
6 October 2013	116.03	17 November 2013	156.30	29 December 2013	21.10
7 October 2013	116.99	18 November 2013	157.26	30 December 2013	22.05
8 October 2013	117.95	19 November 2013	158.22	31 December 2013	23.01
9 October 2013	118.90	20 November 2013	159.18	1 January 2014	23.97
10 October 2013	119.86	21 November 2013	160.14	2 January 2014	24.93
11 October 2013	120.82	22 November 2013	161.10	3 January 2014	25.89
12 October 2013	121.78	23 November 2013	162.05	4 January 2014	26.85
13 October 2013	122.74	24 November 2013	163.01	5 January 2014	27.81
14 October 2013	123.70	25 November 2013	163.97	6 January 2014	28.77
15 October 2013	124.66	26 November 2013	164.93	7 January 2014	29.73
16 October 2013	125.62	27 November 2013	165.89	8 January 2014	30.68
17 October 2013	126.58	28 November 2013	166.85	9 January 2014	31.64
18 October 2013	127.53	29 November 2013	167.81	10 January 2014	32.60
19 October 2013	128.49	30 November 2013	168.77	11 January 2014	33.56
20 October 2013	129.45	1 December 2013	169.73	12 January 2014	34.52
21 October 2013	130.41	2 December 2013	170.68	13 January 2014	35.48
22 October 2013	131.37	3 December 2013	(3.84)	14 January 2014	36.44
23 October 2013	132.33	4 December 2013	(2.88)	15 January 2014	37.40
24 October 2013	133.29	5 December 2013	(1.92)	16 January 2014	38.36
25 October 2013	134.25	6 December 2013	(0.96)	17 January 2014	39.32
26 October 2013	135.21	7 December 2013	0	18 January 2014	40.27
27 October 2013	136.16	8 December 2013	0.96	19 January 2014	41.23
28 October 2013	137.12	9 December 2013	1.92	20 January 2014	42.19
29 October 2013	138.08	10 December 2013	2.88	21 January 2014	43.15
30 October 2013	139.04	11 December 2013	3.84	22 January 2014	44.11
31 October 2013	140.00	12 December 2013	4.79	23 January 2014	45.07
1 November 2013	140.96	13 December 2013	5.75	24 January 2014	46.03
2 November 2013	141.92	14 December 2013	6.71	25 January 2014	46.99
3 November 2013	142.88	15 December 2013	7.67	26 January 2014	47.95
4 November 2013	143.84	16 December 2013	8.63	27 January 2014	48.90

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
28 January 2014	49.86	11 March 2014	90.14	22 April 2014	130.41
29 January 2014	50.82	12 March 2014	91.10	23 April 2014	131.37
30 January 2014	51.78	13 March 2014	92.05	24 April 2014	132.33
31 January 2014	52.74	14 March 2014	93.01	25 April 2014	133.29
1 February 2014	53.70	15 March 2014	93.97	26 April 2014	134.25
2 February 2014	54.66	16 March 2014	94.93	27 April 2014	135.21
3 February 2014	55.62	17 March 2014	95.89	28 April 2014	136.16
4 February 2014	56.58	18 March 2014	96.85	29 April 2014	137.12
5 February 2014	57.53	19 March 2014	97.81	30 April 2014	138.08
6 February 2014	58.49	20 March 2014	98.77	1 May 2014	139.04
7 February 2014	59.45	21 March 2014	99.73	2 May 2014	140.00
8 February 2014	60.41	22 March 2014	100.68	3 May 2014	140.96
9 February 2014	61.37	23 March 2014	101.64	4 May 2014	141.92
10 February 2014	62.33	24 March 2014	102.60	5 May 2014	142.88
11 February 2014	63.29	25 March 2014	103.56	6 May 2014	143.84
12 February 2014	64.25	26 March 2014	104.52	7 May 2014	144.79
13 February 2014	65.21	27 March 2014	105.48	8 May 2014	145.75
14 February 2014	66.16	28 March 2014	106.44	9 May 2014	146.71
15 February 2014	67.12	29 March 2014	107.40	10 May 2014	147.67
16 February 2014	68.08	30 March 2014	108.36	11 May 2014	148.63
17 February 2014	69.04	31 March 2014	109.32	12 May 2014	149.59
18 February 2014	70.00	1 April 2014	110.27	13 May 2014	150.55
19 February 2014	70.96	2 April 2014	111.23	14 May 2014	151.51
20 February 2014	71.92	3 April 2014	112.19	15 May 2014	152.47
21 February 2014	72.88	4 April 2014	113.15	16 May 2014	153.42
22 February 2014	73.84	5 April 2014	114.11	17 May 2014	154.38
23 February 2014	74.79	6 April 2014	115.07	18 May 2014	155.34
24 February 2014	75.75	7 April 2014	116.03	19 May 2014	156.30
25 February 2014	76.71	8 April 2014	116.99	20 May 2014	157.26
26 February 2014	77.67	9 April 2014	117.95	21 May 2014	158.22
27 February 2014	78.63	10 April 2014	118.90	22 May 2014	159.18
28 February 2014	79.59	11 April 2014	119.86	23 May 2014	160.14
1 March 2014	80.55	12 April 2014	120.82	24 May 2014	161.10
2 March 2014	81.51	13 April 2014	121.78	25 May 2014	162.05
3 March 2014	82.47	14 April 2014	122.74	26 May 2014	163.01
4 March 2014	83.42	15 April 2014	123.70	27 May 2014	163.97
5 March 2014	84.38	16 April 2014	124.66	28 May 2014	164.93
6 March 2014	85.34	17 April 2014	125.62	29 May 2014	165.89
7 March 2014	86.30	18 April 2014	126.58	30 May 2014	166.85
8 March 2014	87.26	19 April 2014	127.53	31 May 2014	167.81
9 March 2014	88.22	20 April 2014	128.49	1 June 2014	168.77
10 March 2014	89.18	21 April 2014	129.45	2 June 2014	169.73

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
3 June 2014	(3.84)	15 July 2014	36.44	26 August 2014	76.71
4 June 2014	(2.88)	16 July 2014	37.40	27 August 2014	77.67
5 June 2014	(1.92)	17 July 2014	38.36	28 August 2014	78.63
6 June 2014	(0.96)	18 July 2014	39.32	29 August 2014	79.59
7 June 2014	0	19 July 2014	40.27	30 August 2014	80.55
8 June 2014	0.96	20 July 2014	41.23	31 August 2014	81.51
9 June 2014	1.92	21 July 2014	42.19	1 September 2014	82.47
10 June 2014	2.88	22 July 2014	43.15	2 September 2014	83.42
11 June 2014	3.84	23 July 2014	44.11	3 September 2014	84.38
12 June 2014	4.79	24 July 2014	45.07	4 September 2014	85.34
13 June 2014	5.75	25 July 2014	46.03	5 September 2014	86.30
14 June 2014	6.71	26 July 2014	46.99	6 September 2014	87.26
15 June 2014	7.67	27 July 2014	47.95	7 September 2014	88.22
16 June 2014	8.63	28 July 2014	48.90	8 September 2014	89.18
17 June 2014	9.59	29 July 2014	49.86	9 September 2014	90.14
18 June 2014	10.55	30 July 2014	50.82	10 September 2014	91.10
19 June 2014	11.51	31 July 2014	51.78	11 September 2014	92.05
20 June 2014	12.47	1 August 2014	52.74	12 September 2014	93.01
21 June 2014	13.42	2 August 2014	53.70	13 September 2014	93.97
22 June 2014	14.38	3 August 2014	54.66	14 September 2014	94.93
23 June 2014	15.34	4 August 2014	55.62	15 September 2014	95.89
24 June 2014	16.30	5 August 2014	56.58	16 September 2014	96.85
25 June 2014	17.26	6 August 2014	57.53	17 September 2014	97.81
26 June 2014	18.22	7 August 2014	58.49	18 September 2014	98.77
27 June 2014	19.18	8 August 2014	59.45	19 September 2014	99.73
28 June 2014	20.14	9 August 2014	60.41	20 September 2014	100.68
29 June 2014	21.10	10 August 2014	61.37	21 September 2014	101.64
30 June 2014	22.05	11 August 2014	62.33	22 September 2014	102.60
1 July 2014	23.01	12 August 2014	63.29	23 September 2014	103.56
2 July 2014	23.97	13 August 2014	64.25	24 September 2014	104.52
3 July 2014	24.93	14 August 2014	65.21	25 September 2014	105.48
4 July 2014	25.89	15 August 2014	66.16	26 September 2014	106.44
5 July 2014	26.85	16 August 2014	67.12	27 September 2014	107.40
6 July 2014	27.81	17 August 2014	68.08	28 September 2014	108.36
7 July 2014	28.77	18 August 2014	69.04	29 September 2014	109.32
8 July 2014	29.73	19 August 2014	70.00	30 September 2014	110.27
9 July 2014	30.68	20 August 2014	70.96	1 October 2014	111.23
10 July 2014	31.64	21 August 2014	71.92	2 October 2014	112.19
11 July 2014	32.60	22 August 2014	72.88	3 October 2014	113.15
12 July 2014	33.56	23 August 2014	73.84	4 October 2014	114.11
13 July 2014	34.52	24 August 2014	74.79	5 October 2014	115.07
14 July 2014	35.48	25 August 2014	75.75	6 October 2014	116.03

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
7 October 2014	116.99	18 November 2014	157.26	30 December 2014	22.05
8 October 2014	117.95	19 November 2014	158.22	31 December 2014	23.01
9 October 2014	118.90	20 November 2014	159.18	1 January 2015	23.97
10 October 2014	119.86	21 November 2014	160.14	2 January 2015	24.93
11 October 2014	120.82	22 November 2014	161.10	3 January 2015	25.89
12 October 2014	121.78	23 November 2014	162.05	4 January 2015	26.85
13 October 2014	122.74	24 November 2014	163.01	5 January 2015	27.81
14 October 2014	123.70	25 November 2014	163.97	6 January 2015	28.77
15 October 2014	124.66	26 November 2014	164.93	7 January 2015	29.73
16 October 2014	125.62	27 November 2014	165.89	8 January 2015	30.68
17 October 2014	126.58	28 November 2014	166.85	9 January 2015	31.64
18 October 2014	127.53	29 November 2014	167.81	10 January 2015	32.60
19 October 2014	128.49	30 November 2014	168.77	11 January 2015	33.56
20 October 2014	129.45	1 December 2014	169.73	12 January 2015	34.52
21 October 2014	130.41	2 December 2014	170.68	13 January 2015	35.48
22 October 2014	131.37	3 December 2014	(3.84)	14 January 2015	36.44
23 October 2014	132.33	4 December 2014	(2.88)	15 January 2015	37.40
24 October 2014	133.29	5 December 2014	(1.92)	16 January 2015	38.36
25 October 2014	134.25	6 December 2014	(0.96)	17 January 2015	39.32
26 October 2014	135.21	7 December 2014	0	18 January 2015	40.27
27 October 2014	136.16	8 December 2014	0.96	19 January 2015	41.23
28 October 2014	137.12	9 December 2014	1.92	20 January 2015	42.19
29 October 2014	138.08	10 December 2014	2.88	21 January 2015	43.15
30 October 2014	139.04	11 December 2014	3.84	22 January 2015	44.11
31 October 2014	140.00	12 December 2014	4.79	23 January 2015	45.07
1 November 2014	140.96	13 December 2014	5.75	24 January 2015	46.03
2 November 2014	141.92	14 December 2014	6.71	25 January 2015	46.99
3 November 2014	142.88	15 December 2014	7.67	26 January 2015	47.95
4 November 2014	143.84	16 December 2014	8.63	27 January 2015	48.90
5 November 2014	144.79	17 December 2014	9.59	28 January 2015	49.86
6 November 2014	145.75	18 December 2014	10.55	29 January 2015	50.82
7 November 2014	146.71	19 December 2014	11.51	30 January 2015	51.78
8 November 2014	147.67	20 December 2014	12.47	31 January 2015	52.74
9 November 2014	148.63	21 December 2014	13.42	1 February 2015	53.70
10 November 2014	149.59	22 December 2014	14.38	2 February 2015	54.66
11 November 2014	150.55	23 December 2014	15.34	3 February 2015	55.62
12 November 2014	151.51	24 December 2014	16.30	4 February 2015	56.58
13 November 2014	152.47	25 December 2014	17.26	5 February 2015	57.53
14 November 2014	153.42	26 December 2014	18.22	6 February 2015	58.49
15 November 2014	154.38	27 December 2014	19.18	7 February 2015	59.45
16 November 2014	155.34	28 December 2014	20.14	8 February 2015	60.41
17 November 2014	156.30	29 December 2014	21.10	9 February 2015	61.37

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
10 February 2015	62.33	24 March 2015	102.60	5 May 2015	142.88
11 February 2015	63.29	25 March 2015	103.56	6 May 2015	143.84
12 February 2015	64.25	26 March 2015	104.52	7 May 2015	144.79
13 February 2015	65.21	27 March 2015	105.48	8 May 2015	145.75
14 February 2015	66.16	28 March 2015	106.44	9 May 2015	146.71
15 February 2015	67.12	29 March 2015	107.40	10 May 2015	147.67
16 February 2015	68.08	30 March 2015	108.36	11 May 2015	148.63
17 February 2015	69.04	31 March 2015	109.32	12 May 2015	149.59
18 February 2015	70.00	1 April 2015	110.27	13 May 2015	150.55
19 February 2015	70.96	2 April 2015	111.23	14 May 2015	151.51
20 February 2015	71.92	3 April 2015	112.19	15 May 2015	152.47
21 February 2015	72.88	4 April 2015	113.15	16 May 2015	153.42
22 February 2015	73.84	5 April 2015	114.11	17 May 2015	154.38
23 February 2015	74.79	6 April 2015	115.07	18 May 2015	155.34
24 February 2015	75.75	7 April 2015	116.03	19 May 2015	156.30
25 February 2015	76.71	8 April 2015	116.99	20 May 2015	157.26
26 February 2015	77.67	9 April 2015	117.95	21 May 2015	158.22
27 February 2015	78.63	10 April 2015	118.90	22 May 2015	159.18
28 February 2015	79.59	11 April 2015	119.86	23 May 2015	160.14
1 March 2015	80.55	12 April 2015	120.82	24 May 2015	161.10
2 March 2015	81.51	13 April 2015	121.78	25 May 2015	162.05
3 March 2015	82.47	14 April 2015	122.74	26 May 2015	163.01
4 March 2015	83.42	15 April 2015	123.70	27 May 2015	163.97
5 March 2015	84.38	16 April 2015	124.66	28 May 2015	164.93
6 March 2015	85.34	17 April 2015	125.62	29 May 2015	165.89
7 March 2015	86.30	18 April 2015	126.58	30 May 2015	166.85
8 March 2015	87.26	19 April 2015	127.53	31 May 2015	167.81
9 March 2015	88.22	20 April 2015	128.49	1 June 2015	168.77
10 March 2015	89.18	21 April 2015	129.45	2 June 2015	169.73
11 March 2015	90.14	22 April 2015	130.41	3 June 2015	(3.84)
12 March 2015	91.10	23 April 2015	131.37	4 June 2015	(2.88)
13 March 2015	92.05	24 April 2015	132.33	5 June 2015	(1.92)
14 March 2015	93.01	25 April 2015	133.29	6 June 2015	(0.96)
15 March 2015	93.97	26 April 2015	134.25	7 June 2015	0
16 March 2015	94.93	27 April 2015	135.21	8 June 2015	0.96
17 March 2015	95.89	28 April 2015	136.16	9 June 2015	1.92
18 March 2015	96.85	29 April 2015	137.12	10 June 2015	2.88
19 March 2015	97.81	30 April 2015	138.08	11 June 2015	3.84
20 March 2015	98.77	1 May 2015	139.04	12 June 2015	4.79
21 March 2015	99.73	2 May 2015	140.00	13 June 2015	5.75
22 March 2015	100.68	3 May 2015	140.96	14 June 2015	6.71
23 March 2015	101.64	4 May 2015	141.92	15 June 2015	7.67

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
16 June 2015	8.63	28 July 2015	48.90	8 September 2015	89.18
17 June 2015	9.59	29 July 2015	49.86	9 September 2015	90.14
18 June 2015	10.55	30 July 2015	50.82	10 September 2015	91.10
19 June 2015	11.51	31 July 2015	51.78	11 September 2015	92.05
20 June 2015	12.47	1 August 2015	52.74	12 September 2015	93.01
21 June 2015	13.42	2 August 2015	53.70	13 September 2015	93.97
22 June 2015	14.38	3 August 2015	54.66	14 September 2015	94.93
23 June 2015	15.34	4 August 2015	55.62	15 September 2015	95.89
24 June 2015	16.30	5 August 2015	56.58	16 September 2015	96.85
25 June 2015	17.26	6 August 2015	57.53	17 September 2015	97.81
26 June 2015	18.22	7 August 2015	58.49	18 September 2015	98.77
27 June 2015	19.18	8 August 2015	59.45	19 September 2015	99.73
28 June 2015	20.14	9 August 2015	60.41	20 September 2015	100.68
29 June 2015	21.10	10 August 2015	61.37	21 September 2015	101.64
30 June 2015	22.05	11 August 2015	62.33	22 September 2015	102.60
1 July 2015	23.01	12 August 2015	63.29	23 September 2015	103.56
2 July 2015	23.97	13 August 2015	64.25	24 September 2015	104.52
3 July 2015	24.93	14 August 2015	65.21	25 September 2015	105.48
4 July 2015	25.89	15 August 2015	66.16	26 September 2015	106.44
5 July 2015	26.85	16 August 2015	67.12	27 September 2015	107.40
6 July 2015	27.81	17 August 2015	68.08	28 September 2015	108.36
7 July 2015	28.77	18 August 2015	69.04	29 September 2015	109.32
8 July 2015	29.73	19 August 2015	70.00	30 September 2015	110.27
9 July 2015	30.68	20 August 2015	70.96	1 October 2015	111.23
10 July 2015	31.64	21 August 2015	71.92	2 October 2015	112.19
11 July 2015	32.60	22 August 2015	72.88	3 October 2015	113.15
12 July 2015	33.56	23 August 2015	73.84	4 October 2015	114.11
13 July 2015	34.52	24 August 2015	74.79	5 October 2015	115.07
14 July 2015	35.48	25 August 2015	75.75	6 October 2015	116.03
15 July 2015	36.44	26 August 2015	76.71	7 October 2015	116.99
16 July 2015	37.40	27 August 2015	77.67	8 October 2015	117.95
17 July 2015	38.36	28 August 2015	78.63	9 October 2015	118.90
18 July 2015	39.32	29 August 2015	79.59	10 October 2015	119.86
19 July 2015	40.27	30 August 2015	80.55	11 October 2015	120.82
20 July 2015	41.23	31 August 2015	81.51	12 October 2015	121.78
21 July 2015	42.19	1 September 2015	82.47	13 October 2015	122.74
22 July 2015	43.15	2 September 2015	83.42	14 October 2015	123.70
23 July 2015	44.11	3 September 2015	84.38	15 October 2015	124.66
24 July 2015	45.07	4 September 2015	85.34	16 October 2015	125.62
25 July 2015	46.03	5 September 2015	86.30	17 October 2015	126.58
26 July 2015	46.99	6 September 2015	87.26	18 October 2015	127.53
27 July 2015	47.95	7 September 2015	88.22	19 October 2015	128.49

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
20 October 2015	129.45	1 December 2015	169.73	12 January 2016	34.49
21 October 2015	130.41	2 December 2015	170.68	13 January 2016	35.45
22 October 2015	131.37	3 December 2015	(3.84)	14 January 2016	36.40
23 October 2015	132.33	4 December 2015	(2.88)	15 January 2016	37.36
24 October 2015	133.29	5 December 2015	(1.92)	16 January 2016	38.31
25 October 2015	134.25	6 December 2015	(0.96)	17 January 2016	39.27
26 October 2015	135.21	7 December 2015	0	18 January 2016	40.23
27 October 2015	136.16	8 December 2015	0.96	19 January 2016	41.18
28 October 2015	137.12	9 December 2015	1.92	20 January 2016	42.14
29 October 2015	138.08	10 December 2015	2.88	21 January 2016	43.10
30 October 2015	139.04	11 December 2015	3.84	22 January 2016	44.05
31 October 2015	140.00	12 December 2015	4.79	23 January 2016	45.01
1 November 2015	140.96	13 December 2015	5.75	24 January 2016	45.96
2 November 2015	141.92	14 December 2015	6.71	25 January 2016	46.92
3 November 2015	142.88	15 December 2015	7.67	26 January 2016	47.88
4 November 2015	143.84	16 December 2015	8.63	27 January 2016	48.83
5 November 2015	144.79	17 December 2015	9.59	28 January 2016	49.79
6 November 2015	145.75	18 December 2015	10.55	29 January 2016	50.75
7 November 2015	146.71	19 December 2015	11.51	30 January 2016	51.70
8 November 2015	147.67	20 December 2015	12.47	31 January 2016	52.66
9 November 2015	148.63	21 December 2015	13.42	1 February 2016	53.61
10 November 2015	149.59	22 December 2015	14.38	2 February 2016	54.57
11 November 2015	150.55	23 December 2015	15.34	3 February 2016	55.53
12 November 2015	151.51	24 December 2015	16.30	4 February 2016	56.48
13 November 2015	152.47	25 December 2015	17.26	5 February 2016	57.44
14 November 2015	153.42	26 December 2015	18.22	6 February 2016	58.40
15 November 2015	154.38	27 December 2015	19.18	7 February 2016	59.35
16 November 2015	155.34	28 December 2015	20.14	8 February 2016	60.31
17 November 2015	156.30	29 December 2015	21.10	9 February 2016	61.27
18 November 2015	157.26	30 December 2015	22.05	10 February 2016	62.22
19 November 2015	158.22	31 December 2015	23.01	11 February 2016	63.18
20 November 2015	159.18	1 January 2016	23.97	12 February 2016	64.13
21 November 2015	160.14	2 January 2016	24.93	13 February 2016	65.09
22 November 2015	161.10	3 January 2016	25.88	14 February 2016	66.05
23 November 2015	162.05	4 January 2016	26.84	15 February 2016	67.00
24 November 2015	163.01	5 January 2016	27.80	16 February 2016	67.96
25 November 2015	163.97	6 January 2016	28.75	17 February 2016	68.92
26 November 2015	164.93	7 January 2016	29.71	18 February 2016	69.87
27 November 2015	165.89	8 January 2016	30.66	19 February 2016	70.83
28 November 2015	166.85	9 January 2016	31.62	20 February 2016	71.78
29 November 2015	167.81	10 January 2016	32.58	21 February 2016	72.74
30 November 2015	168.77	11 January 2016	33.53	22 February 2016	73.70

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
23 February 2016	74.65	5 April 2016	114.82	17 May 2016	154.98
24 February 2016	75.61	6 April 2016	115.77	18 May 2016	155.94
25 February 2016	76.57	7 April 2016	116.73	19 May 2016	156.89
26 February 2016	77.52	8 April 2016	117.69	20 May 2016	157.85
27 February 2016	78.48	9 April 2016	118.64	21 May 2016	158.81
28 February 2016	79.43	10 April 2016	119.60	22 May 2016	159.76
29 February 2016	80.39	11 April 2016	120.55	23 May 2016	160.72
1 March 2016	81.35	12 April 2016	121.51	24 May 2016	161.67
2 March 2016	82.30	13 April 2016	122.47	25 May 2016	162.63
3 March 2016	83.26	14 April 2016	123.42	26 May 2016	163.59
4 March 2016	84.22	15 April 2016	124.38	27 May 2016	164.54
5 March 2016	85.17	16 April 2016	125.34	28 May 2016	165.50
6 March 2016	86.13	17 April 2016	126.29	29 May 2016	166.46
7 March 2016	87.08	18 April 2016	127.25	30 May 2016	167.41
8 March 2016	88.04	19 April 2016	128.20	31 May 2016	168.37
9 March 2016	89.00	20 April 2016	129.16	1 June 2016	169.33
10 March 2016	89.95	21 April 2016	130.12	2 June 2016	170.28
11 March 2016	90.91	22 April 2016	131.07	3 June 2016	(3.83)
12 March 2016	91.87	23 April 2016	132.03	4 June 2016	(2.87)
13 March 2016	92.82	24 April 2016	132.99	5 June 2016	(1.91)
14 March 2016	93.78	25 April 2016	133.94	6 June 2016	(0.96)
15 March 2016	94.74	26 April 2016	134.90	7 June 2016	0
16 March 2016	95.69	27 April 2016	135.86	8 June 2016	0.96
17 March 2016	96.65	28 April 2016	136.81	9 June 2016	1.91
18 March 2016	97.60	29 April 2016	137.77	10 June 2016	2.87
19 March 2016	98.56	30 April 2016	138.72	11 June 2016	3.83
20 March 2016	99.52	1 May 2016	139.68	12 June 2016	4.78
21 March 2016	100.47	2 May 2016	140.64	13 June 2016	5.74
22 March 2016	101.43	3 May 2016	141.59	14 June 2016	6.69
23 March 2016	102.39	4 May 2016	142.55	15 June 2016	7.65
24 March 2016	103.34	5 May 2016	143.51	16 June 2016	8.61
25 March 2016	104.30	6 May 2016	144.46	17 June 2016	9.56
26 March 2016	105.25	7 May 2016	145.42	18 June 2016	10.52
27 March 2016	106.21	8 May 2016	146.37	19 June 2016	11.48
28 March 2016	107.17	9 May 2016	147.33	20 June 2016	12.43
29 March 2016	108.12	10 May 2016	148.29	21 June 2016	13.39
30 March 2016	109.08	11 May 2016	149.24	22 June 2016	14.34
31 March 2016	110.04	12 May 2016	150.20	23 June 2016	15.30
1 April 2016	110.99	13 May 2016	151.16	24 June 2016	16.26
2 April 2016	111.95	14 May 2016	152.11	25 June 2016	17.21
3 April 2016	112.90	15 May 2016	153.07	26 June 2016	18.17
4 April 2016	113.86	16 May 2016	154.02	27 June 2016	19.13

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
28 June 2016	20.08	9 August 2016	60.25	20 September 2016	100.41
29 June 2016	21.04	10 August 2016	61.20	21 September 2016	101.37
30 June 2016	21.99	11 August 2016	62.16	22 September 2016	102.32
1 July 2016	22.95	12 August 2016	63.11	23 September 2016	103.28
2 July 2016	23.91	13 August 2016	64.07	24 September 2016	104.23
3 July 2016	24.86	14 August 2016	65.03	25 September 2016	105.19
4 July 2016	25.82	15 August 2016	65.98	26 September 2016	106.15
5 July 2016	26.78	16 August 2016	66.94	27 September 2016	107.10
6 July 2016	27.73	17 August 2016	67.90	28 September 2016	108.06
7 July 2016	28.69	18 August 2016	68.85	29 September 2016	109.02
8 July 2016	29.64	19 August 2016	69.81	30 September 2016	109.97
9 July 2016	30.60	20 August 2016	70.77	1 October 2016	110.93
10 July 2016	31.56	21 August 2016	71.72	2 October 2016	111.89
11 July 2016	32.51	22 August 2016	72.68	3 October 2016	112.84
12 July 2016	33.47	23 August 2016	73.63	4 October 2016	113.80
13 July 2016	34.43	24 August 2016	74.59	5 October 2016	114.75
14 July 2016	35.38	25 August 2016	75.55	6 October 2016	115.71
15 July 2016	36.34	26 August 2016	76.50	7 October 2016	116.67
16 July 2016	37.30	27 August 2016	77.46	8 October 2016	117.62
17 July 2016	38.25	28 August 2016	78.42	9 October 2016	118.58
18 July 2016	39.21	29 August 2016	79.37	10 October 2016	119.54
19 July 2016	40.16	30 August 2016	80.33	11 October 2016	120.49
20 July 2016	41.12	31 August 2016	81.28	12 October 2016	121.45
21 July 2016	42.08	1 September 2016	82.24	13 October 2016	122.40
22 July 2016	43.03	2 September 2016	83.20	14 October 2016	123.36
23 July 2016	43.99	3 September 2016	84.15	15 October 2016	124.32
24 July 2016	44.95	4 September 2016	85.11	16 October 2016	125.27
25 July 2016	45.90	5 September 2016	86.07	17 October 2016	126.23
26 July 2016	46.86	6 September 2016	87.02	18 October 2016	127.19
27 July 2016	47.81	7 September 2016	87.98	19 October 2016	128.14
28 July 2016	48.77	8 September 2016	88.93	20 October 2016	129.10
29 July 2016	49.73	9 September 2016	89.89	21 October 2016	130.05
30 July 2016	50.68	10 September 2016	90.85	22 October 2016	131.01
31 July 2016	51.64	11 September 2016	91.80	23 October 2016	131.97
1 August 2016	52.60	12 September 2016	92.76	24 October 2016	132.92
2 August 2016	53.55	13 September 2016	93.72	25 October 2016	133.88
3 August 2016	54.51	14 September 2016	94.67	26 October 2016	134.84
4 August 2016	55.46	15 September 2016	95.63	27 October 2016	135.79
5 August 2016	56.42	16 September 2016	96.58	28 October 2016	136.75
6 August 2016	57.38	17 September 2016	97.54	29 October 2016	137.70
7 August 2016	58.33	18 September 2016	98.50	30 October 2016	138.66
8 August 2016	59.29	19 September 2016	99.45	31 October 2016	139.62

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
1 November 2016	140.57	13 December 2016	5.74	24 January 2017	45.96
2 November 2016	141.53	14 December 2016	6.69	25 January 2017	46.92
3 November 2016	142.49	15 December 2016	7.65	26 January 2017	47.88
4 November 2016	143.44	16 December 2016	8.61	27 January 2017	48.84
5 November 2016	144.40	17 December 2016	9.56	28 January 2017	49.80
6 November 2016	145.36	18 December 2016	10.52	29 January 2017	50.76
7 November 2016	146.31	19 December 2016	11.48	30 January 2017	51.72
8 November 2016	147.27	20 December 2016	12.43	31 January 2017	52.68
9 November 2016	148.22	21 December 2016	13.39	1 February 2017	53.64
10 November 2016	149.18	22 December 2016	14.34	2 February 2017	54.59
11 November 2016	150.14	23 December 2016	15.30	3 February 2017	55.55
12 November 2016	151.09	24 December 2016	16.26	4 February 2017	56.51
13 November 2016	152.05	25 December 2016	17.21	5 February 2017	57.47
14 November 2016	153.01	26 December 2016	18.17	6 February 2017	58.43
15 November 2016	153.96	27 December 2016	19.13	7 February 2017	59.39
16 November 2016	154.92	28 December 2016	20.08	8 February 2017	60.35
17 November 2016	155.87	29 December 2016	21.04	9 February 2017	61.31
18 November 2016	156.83	30 December 2016	21.99	10 February 2017	62.27
19 November 2016	157.79	31 December 2016	22.95	11 February 2017	63.22
20 November 2016	158.74	1 January 2017	23.91	12 February 2017	64.18
21 November 2016	159.70	2 January 2017	24.87	13 February 2017	65.14
22 November 2016	160.66	3 January 2017	25.83	14 February 2017	66.10
23 November 2016	161.61	4 January 2017	26.79	15 February 2017	67.06
24 November 2016	162.57	5 January 2017	27.75	16 February 2017	68.02
25 November 2016	163.52	6 January 2017	28.70	17 February 2017	68.98
26 November 2016	164.48	7 January 2017	29.66	18 February 2017	69.94
27 November 2016	165.44	8 January 2017	30.62	19 February 2017	70.90
28 November 2016	166.39	9 January 2017	31.58	20 February 2017	71.85
29 November 2016	167.35	10 January 2017	32.54	21 February 2017	72.81
30 November 2016	168.31	11 January 2017	33.50	22 February 2017	73.77
1 December 2016	169.26	12 January 2017	34.46	23 February 2017	74.73
2 December 2016	170.22	13 January 2017	35.42	24 February 2017	75.69
3 December 2016	(3.83)	14 January 2017	36.38	25 February 2017	76.65
4 December 2016	(2.87)	15 January 2017	37.33	26 February 2017	77.61
5 December 2016	(1.91)	16 January 2017	38.29	27 February 2017	78.57
6 December 2016	(0.96)	17 January 2017	39.25	28 February 2017	79.53
7 December 2016	0	18 January 2017	40.21	1 March 2017	80.49
8 December 2016	0.96	19 January 2017	41.17	2 March 2017	81.44
9 December 2016	1.91	20 January 2017	42.13	3 March 2017	82.40
10 December 2016	2.87	21 January 2017	43.09	4 March 2017	83.36
11 December 2016	3.83	22 January 2017	44.05	5 March 2017	84.32
12 December 2016	4.78	23 January 2017	45.01	6 March 2017	85.28

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
7 March 2017	86.24	18 April 2017	126.51	30 May 2017	166.79
8 March 2017	87.20	19 April 2017	127.47	31 May 2017	167.75
9 March 2017	88.16	20 April 2017	128.43	1 June 2017	168.70
10 March 2017	89.12	21 April 2017	129.39	2 June 2017	169.66
11 March 2017	90.07	22 April 2017	130.35	3 June 2017	(3.84)
12 March 2017	91.03	23 April 2017	131.31	4 June 2017	(2.88)
13 March 2017	91.99	24 April 2017	132.27	5 June 2017	(1.92)
14 March 2017	92.95	25 April 2017	133.22	6 June 2017	(0.96)
15 March 2017	93.91	26 April 2017	134.18	7 June 2017	0
16 March 2017	94.87	27 April 2017	135.14	8 June 2017	0.96
17 March 2017	95.83	28 April 2017	136.10	9 June 2017	1.92
18 March 2017	96.79	29 April 2017	137.06	10 June 2017	2.88
19 March 2017	97.75	30 April 2017	138.02	11 June 2017	3.84
20 March 2017	98.70	1 May 2017	138.98	12 June 2017	4.79
21 March 2017	99.66	2 May 2017	139.94	13 June 2017	5.75
22 March 2017	100.62	3 May 2017	140.90	14 June 2017	6.71
23 March 2017	101.58	4 May 2017	141.85	15 June 2017	7.67
24 March 2017	102.54	5 May 2017	142.81	16 June 2017	8.63
25 March 2017	103.50	6 May 2017	143.77	17 June 2017	9.59
26 March 2017	104.46	7 May 2017	144.73	18 June 2017	10.55
27 March 2017	105.42	8 May 2017	145.69	19 June 2017	11.51
28 March 2017	106.38	9 May 2017	146.65	20 June 2017	12.47
29 March 2017	107.33	10 May 2017	147.61	21 June 2017	13.42
30 March 2017	108.29	11 May 2017	148.57	22 June 2017	14.38
31 March 2017	109.25	12 May 2017	149.53	23 June 2017	15.34
1 April 2017	110.21	13 May 2017	150.49	24 June 2017	16.30
2 April 2017	111.17	14 May 2017	151.44	25 June 2017	17.26
3 April 2017	112.13	15 May 2017	152.40	26 June 2017	18.22
4 April 2017	113.09	16 May 2017	153.36	27 June 2017	19.18
5 April 2017	114.05	17 May 2017	154.32	28 June 2017	20.14
6 April 2017	115.01	18 May 2017	155.28	29 June 2017	21.10
7 April 2017	115.96	19 May 2017	156.24	30 June 2017	22.05
8 April 2017	116.92	20 May 2017	157.20	1 July 2017	23.01
9 April 2017	117.88	21 May 2017	158.16	2 July 2017	23.97
10 April 2017	118.84	22 May 2017	159.12	3 July 2017	24.93
11 April 2017	119.80	23 May 2017	160.07	4 July 2017	25.89
12 April 2017	120.76	24 May 2017	161.03	5 July 2017	26.85
13 April 2017	121.72	25 May 2017	161.99	6 July 2017	27.81
14 April 2017	122.68	26 May 2017	162.95	7 July 2017	28.77
15 April 2017	123.64	27 May 2017	163.91	8 July 2017	29.73
16 April 2017	124.59	28 May 2017	164.87	9 July 2017	30.68
17 April 2017	125.55	29 May 2017	165.83	10 July 2017	31.64

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
11 July 2017	32.60	22 August 2017	72.88	3 October 2017	113.15
12 July 2017	33.56	23 August 2017	73.84	4 October 2017	114.11
13 July 2017	34.52	24 August 2017	74.79	5 October 2017	115.07
14 July 2017	35.48	25 August 2017	75.75	6 October 2017	116.03
15 July 2017	36.44	26 August 2017	76.71	7 October 2017	116.99
16 July 2017	37.40	27 August 2017	77.67	8 October 2017	117.95
17 July 2017	38.36	28 August 2017	78.63	9 October 2017	118.90
18 July 2017	39.32	29 August 2017	79.59	10 October 2017	119.86
19 July 2017	40.27	30 August 2017	80.55	11 October 2017	120.82
20 July 2017	41.23	31 August 2017	81.51	12 October 2017	121.78
21 July 2017	42.19	1 September 2017	82.47	13 October 2017	122.74
22 July 2017	43.15	2 September 2017	83.42	14 October 2017	123.70
23 July 2017	44.11	3 September 2017	84.38	15 October 2017	124.66
24 July 2017	45.07	4 September 2017	85.34	16 October 2017	125.62
25 July 2017	46.03	5 September 2017	86.30	17 October 2017	126.58
26 July 2017	46.99	6 September 2017	87.26	18 October 2017	127.53
27 July 2017	47.95	7 September 2017	88.22	19 October 2017	128.49
28 July 2017	48.90	8 September 2017	89.18	20 October 2017	129.45
29 July 2017	49.86	9 September 2017	90.14	21 October 2017	130.41
30 July 2017	50.82	10 September 2017	91.10	22 October 2017	131.37
31 July 2017	51.78	11 September 2017	92.05	23 October 2017	132.33
1 August 2017	52.74	12 September 2017	93.01	24 October 2017	133.29
2 August 2017	53.70	13 September 2017	93.97	25 October 2017	134.25
3 August 2017	54.66	14 September 2017	94.93	26 October 2017	135.21
4 August 2017	55.62	15 September 2017	95.89	27 October 2017	136.16
5 August 2017	56.58	16 September 2017	96.85	28 October 2017	137.12
6 August 2017	57.53	17 September 2017	97.81	29 October 2017	138.08
7 August 2017	58.49	18 September 2017	98.77	30 October 2017	139.04
8 August 2017	59.45	19 September 2017	99.73	31 October 2017	140.00
9 August 2017	60.41	20 September 2017	100.68	1 November 2017	140.96
10 August 2017	61.37	21 September 2017	101.64	2 November 2017	141.92
11 August 2017	62.33	22 September 2017	102.60	3 November 2017	142.88
12 August 2017	63.29	23 September 2017	103.56	4 November 2017	143.84
13 August 2017	64.25	24 September 2017	104.52	5 November 2017	144.79
14 August 2017	65.21	25 September 2017	105.48	6 November 2017	145.75
15 August 2017	66.16	26 September 2017	106.44	7 November 2017	146.71
16 August 2017	67.12	27 September 2017	107.40	8 November 2017	147.67
17 August 2017	68.08	28 September 2017	108.36	9 November 2017	148.63
18 August 2017	69.04	29 September 2017	109.32	10 November 2017	149.59
19 August 2017	70.00	30 September 2017	110.27	11 November 2017	150.55
20 August 2017	70.96	1 October 2017	111.23	12 November 2017	151.51
21 August 2017	71.92	2 October 2017	112.19	13 November 2017	152.47

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
14 November 2017	153.42	26 December 2017	18.22	6 February 2018	58.49
15 November 2017	154.38	27 December 2017	19.18	7 February 2018	59.45
16 November 2017	155.34	28 December 2017	20.14	8 February 2018	60.41
17 November 2017	156.30	29 December 2017	21.10	9 February 2018	61.37
18 November 2017	157.26	30 December 2017	22.05	10 February 2018	62.33
19 November 2017	158.22	31 December 2017	23.01	11 February 2018	63.29
20 November 2017	159.18	1 January 2018	23.97	12 February 2018	64.25
21 November 2017	160.14	2 January 2018	24.93	13 February 2018	65.21
22 November 2017	161.10	3 January 2018	25.89	14 February 2018	66.16
23 November 2017	162.05	4 January 2018	26.85	15 February 2018	67.12
24 November 2017	163.01	5 January 2018	27.81	16 February 2018	68.08
25 November 2017	163.97	6 January 2018	28.77	17 February 2018	69.04
26 November 2017	164.93	7 January 2018	29.73	18 February 2018	70.00
27 November 2017	165.89	8 January 2018	30.68	19 February 2018	70.96
28 November 2017	166.85	9 January 2018	31.64	20 February 2018	71.92
29 November 2017	167.81	10 January 2018	32.60	21 February 2018	72.88
30 November 2017	168.77	11 January 2018	33.56	22 February 2018	73.84
1 December 2017	169.73	12 January 2018	34.52	23 February 2018	74.79
2 December 2017	170.68	13 January 2018	35.48	24 February 2018	75.75
3 December 2017	(3.84)	14 January 2018	36.44	25 February 2018	76.71
4 December 2017	(2.88)	15 January 2018	37.40	26 February 2018	77.67
5 December 2017	(1.92)	16 January 2018	38.36	27 February 2018	78.63
6 December 2017	(0.96)	17 January 2018	39.32	28 February 2018	79.59
7 December 2017	0	18 January 2018	40.27	1 March 2018	80.55
8 December 2017	0.96	19 January 2018	41.23	2 March 2018	81.51
9 December 2017	1.92	20 January 2018	42.19	3 March 2018	82.47
10 December 2017	2.88	21 January 2018	43.15	4 March 2018	83.42
11 December 2017	3.84	22 January 2018	44.11	5 March 2018	84.38
12 December 2017	4.79	23 January 2018	45.07	6 March 2018	85.34
13 December 2017	5.75	24 January 2018	46.03	7 March 2018	86.30
14 December 2017	6.71	25 January 2018	46.99	8 March 2018	87.26
15 December 2017	7.67	26 January 2018	47.95	9 March 2018	88.22
16 December 2017	8.63	27 January 2018	48.90	10 March 2018	89.18
17 December 2017	9.59	28 January 2018	49.86	11 March 2018	90.14
18 December 2017	10.55	29 January 2018	50.82	12 March 2018	91.10
19 December 2017	11.51	30 January 2018	51.78	13 March 2018	92.05
20 December 2017	12.47	31 January 2018	52.74	14 March 2018	93.01
21 December 2017	13.42	1 February 2018	53.70	15 March 2018	93.97
22 December 2017	14.38	2 February 2018	54.66	16 March 2018	94.93
23 December 2017	15.34	3 February 2018	55.62	17 March 2018	95.89
24 December 2017	16.30	4 February 2018	56.58	18 March 2018	96.85
25 December 2017	17.26	5 February 2018	57.53	19 March 2018	97.81

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
20 March 2018	98.77	1 May 2018	139.04	12 June 2018	4.79
21 March 2018	99.73	2 May 2018	140.00	13 June 2018	5.75
22 March 2018	100.68	3 May 2018	140.96	14 June 2018	6.71
23 March 2018	101.64	4 May 2018	141.92	15 June 2018	7.67
24 March 2018	102.60	5 May 2018	142.88	16 June 2018	8.63
25 March 2018	103.56	6 May 2018	143.84	17 June 2018	9.59
26 March 2018	104.52	7 May 2018	144.79	18 June 2018	10.55
27 March 2018	105.48	8 May 2018	145.75	19 June 2018	11.51
28 March 2018	106.44	9 May 2018	146.71	20 June 2018	12.47
29 March 2018	107.40	10 May 2018	147.67	21 June 2018	13.42
30 March 2018	108.36	11 May 2018	148.63	22 June 2018	14.38
31 March 2018	109.32	12 May 2018	149.59	23 June 2018	15.34
1 April 2018	110.27	13 May 2018	150.55	24 June 2018	16.30
2 April 2018	111.23	14 May 2018	151.51	25 June 2018	17.26
3 April 2018	112.19	15 May 2018	152.47	26 June 2018	18.22
4 April 2018	113.15	16 May 2018	153.42	27 June 2018	19.18
5 April 2018	114.11	17 May 2018	154.38	28 June 2018	20.14
6 April 2018	115.07	18 May 2018	155.34	29 June 2018	21.10
7 April 2018	116.03	19 May 2018	156.30	30 June 2018	22.05
8 April 2018	116.99	20 May 2018	157.26	1 July 2018	23.01
9 April 2018	117.95	21 May 2018	158.22	2 July 2018	23.97
10 April 2018	118.90	22 May 2018	159.18	3 July 2018	24.93
11 April 2018	119.86	23 May 2018	160.14	4 July 2018	25.89
12 April 2018	120.82	24 May 2018	161.10	5 July 2018	26.85
13 April 2018	121.78	25 May 2018	162.05	6 July 2018	27.81
14 April 2018	122.74	26 May 2018	163.01	7 July 2018	28.77
15 April 2018	123.70	27 May 2018	163.97	8 July 2018	29.73
16 April 2018	124.66	28 May 2018	164.93	9 July 2018	30.68
17 April 2018	125.62	29 May 2018	165.89	10 July 2018	31.64
18 April 2018	126.58	30 May 2018	166.85	11 July 2018	32.60
19 April 2018	127.53	31 May 2018	167.81	12 July 2018	33.56
20 April 2018	128.49	1 June 2018	168.77	13 July 2018	34.52
21 April 2018	129.45	2 June 2018	169.73	14 July 2018	35.48
22 April 2018	130.41	3 June 2018	(3.84)	15 July 2018	36.44
23 April 2018	131.37	4 June 2018	(2.88)	16 July 2018	37.40
24 April 2018	132.33	5 June 2018	(1.92)	17 July 2018	38.36
25 April 2018	133.29	6 June 2018	(0.96)	18 July 2018	39.32
26 April 2018	134.25	7 June 2018	0	19 July 2018	40.27
27 April 2018	135.21	8 June 2018	0.96	20 July 2018	41.23
28 April 2018	136.16	9 June 2018	1.92	21 July 2018	42.19
29 April 2018	137.12	10 June 2018	2.88	22 July 2018	43.15
30 April 2018	138.08	11 June 2018	3.84	23 July 2018	44.11

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
24 July 2018	45.07	4 September 2018	85.34	16 October 2018	125.62
25 July 2018	46.03	5 September 2018	86.30	17 October 2018	126.58
26 July 2018	46.99	6 September 2018	87.26	18 October 2018	127.53
27 July 2018	47.95	7 September 2018	88.22	19 October 2018	128.49
28 July 2018	48.90	8 September 2018	89.18	20 October 2018	129.45
29 July 2018	49.86	9 September 2018	90.14	21 October 2018	130.41
30 July 2018	50.82	10 September 2018	91.10	22 October 2018	131.37
31 July 2018	51.78	11 September 2018	92.05	23 October 2018	132.33
1 August 2018	52.74	12 September 2018	93.01	24 October 2018	133.29
2 August 2018	53.70	13 September 2018	93.97	25 October 2018	134.25
3 August 2018	54.66	14 September 2018	94.93	26 October 2018	135.21
4 August 2018	55.62	15 September 2018	95.89	27 October 2018	136.16
5 August 2018	56.58	16 September 2018	96.85	28 October 2018	137.12
6 August 2018	57.53	17 September 2018	97.81	29 October 2018	138.08
7 August 2018	58.49	18 September 2018	98.77	30 October 2018	139.04
8 August 2018	59.45	19 September 2018	99.73	31 October 2018	140.00
9 August 2018	60.41	20 September 2018	100.68	1 November 2018	140.96
10 August 2018	61.37	21 September 2018	101.64	2 November 2018	141.92
11 August 2018	62.33	22 September 2018	102.60	3 November 2018	142.88
12 August 2018	63.29	23 September 2018	103.56	4 November 2018	143.84
13 August 2018	64.25	24 September 2018	104.52	5 November 2018	144.79
14 August 2018	65.21	25 September 2018	105.48	6 November 2018	145.75
15 August 2018	66.16	26 September 2018	106.44	7 November 2018	146.71
16 August 2018	67.12	27 September 2018	107.40	8 November 2018	147.67
17 August 2018	68.08	28 September 2018	108.36	9 November 2018	148.63
18 August 2018	69.04	29 September 2018	109.32	10 November 2018	149.59
19 August 2018	70.00	30 September 2018	110.27	11 November 2018	150.55
20 August 2018	70.96	1 October 2018	111.23	12 November 2018	151.51
21 August 2018	71.92	2 October 2018	112.19	13 November 2018	152.47
22 August 2018	72.88	3 October 2018	113.15	14 November 2018	153.42
23 August 2018	73.84	4 October 2018	114.11	15 November 2018	154.38
24 August 2018	74.79	5 October 2018	115.07	16 November 2018	155.34
25 August 2018	75.75	6 October 2018	116.03	17 November 2018	156.30
26 August 2018	76.71	7 October 2018	116.99	18 November 2018	157.26
27 August 2018	77.67	8 October 2018	117.95	19 November 2018	158.22
28 August 2018	78.63	9 October 2018	118.90	20 November 2018	159.18
29 August 2018	79.59	10 October 2018	119.86	21 November 2018	160.14
30 August 2018	80.55	11 October 2018	120.82	22 November 2018	161.10
31 August 2018	81.51	12 October 2018	121.78	23 November 2018	162.05
1 September 2018	82.47	13 October 2018	122.74	24 November 2018	163.01
2 September 2018	83.42	14 October 2018	123.70	25 November 2018	163.97
3 September 2018	84.38	15 October 2018	124.66	26 November 2018	164.93

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
27 November 2018	165.89	8 January 2019	30.68	19 February 2019	70.96
28 November 2018	166.85	9 January 2019	31.64	20 February 2019	71.92
29 November 2018	167.81	10 January 2019	32.60	21 February 2019	72.88
30 November 2018	168.77	11 January 2019	33.56	22 February 2019	73.84
1 December 2018	169.73	12 January 2019	34.52	23 February 2019	74.79
2 December 2018	170.68	13 January 2019	35.48	24 February 2019	75.75
3 December 2018	(3.84)	14 January 2019	36.44	25 February 2019	76.71
4 December 2018	(2.88)	15 January 2019	37.40	26 February 2019	77.67
5 December 2018	(1.92)	16 January 2019	38.36	27 February 2019	78.63
6 December 2018	(0.96)	17 January 2019	39.32	28 February 2019	79.59
7 December 2018	0	18 January 2019	40.27	1 March 2019	80.55
8 December 2018	0.96	19 January 2019	41.23	2 March 2019	81.51
9 December 2018	1.92	20 January 2019	42.19	3 March 2019	82.47
10 December 2018	2.88	21 January 2019	43.15	4 March 2019	83.42
11 December 2018	3.84	22 January 2019	44.11	5 March 2019	84.38
12 December 2018	4.79	23 January 2019	45.07	6 March 2019	85.34
13 December 2018	5.75	24 January 2019	46.03	7 March 2019	86.30
14 December 2018	6.71	25 January 2019	46.99	8 March 2019	87.26
15 December 2018	7.67	26 January 2019	47.95	9 March 2019	88.22
16 December 2018	8.63	27 January 2019	48.90	10 March 2019	89.18
17 December 2018	9.59	28 January 2019	49.86	11 March 2019	90.14
18 December 2018	10.55	29 January 2019	50.82	12 March 2019	91.10
19 December 2018	11.51	30 January 2019	51.78	13 March 2019	92.05
20 December 2018	12.47	31 January 2019	52.74	14 March 2019	93.01
21 December 2018	13.42	1 February 2019	53.70	15 March 2019	93.97
22 December 2018	14.38	2 February 2019	54.66	16 March 2019	94.93
23 December 2018	15.34	3 February 2019	55.62	17 March 2019	95.89
24 December 2018	16.30	4 February 2019	56.58	18 March 2019	96.85
25 December 2018	17.26	5 February 2019	57.53	19 March 2019	97.81
26 December 2018	18.22	6 February 2019	58.49	20 March 2019	98.77
27 December 2018	19.18	7 February 2019	59.45	21 March 2019	99.73
28 December 2018	20.14	8 February 2019	60.41	22 March 2019	100.68
29 December 2018	21.10	9 February 2019	61.37	23 March 2019	101.64
30 December 2018	22.05	10 February 2019	62.33	24 March 2019	102.60
31 December 2018	23.01	11 February 2019	63.29	25 March 2019	103.56
1 January 2019	23.97	12 February 2019	64.25	26 March 2019	104.52
2 January 2019	24.93	13 February 2019	65.21	27 March 2019	105.48
3 January 2019	25.89	14 February 2019	66.16	28 March 2019	106.44
4 January 2019	26.85	15 February 2019	67.12	29 March 2019	107.40
5 January 2019	27.81	16 February 2019	68.08	30 March 2019	108.36
6 January 2019	28.77	17 February 2019	69.04	31 March 2019	109.32
7 January 2019	29.73	18 February 2019	70.00	1 April 2019	110.27

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
2 April 2019	111.23	14 May 2019	151.51	25 June 2019	17.26
3 April 2019	112.19	15 May 2019	152.47	26 June 2019	18.22
4 April 2019	113.15	16 May 2019	153.42	27 June 2019	19.18
5 April 2019	114.11	17 May 2019	154.38	28 June 2019	20.14
6 April 2019	115.07	18 May 2019	155.34	29 June 2019	21.10
7 April 2019	116.03	19 May 2019	156.30	30 June 2019	22.05
8 April 2019	116.99	20 May 2019	157.26	1 July 2019	23.01
9 April 2019	117.95	21 May 2019	158.22	2 July 2019	23.97
10 April 2019	118.90	22 May 2019	159.18	3 July 2019	24.93
11 April 2019	119.86	23 May 2019	160.14	4 July 2019	25.89
12 April 2019	120.82	24 May 2019	161.10	5 July 2019	26.85
13 April 2019	121.78	25 May 2019	162.05	6 July 2019	27.81
14 April 2019	122.74	26 May 2019	163.01	7 July 2019	28.77
15 April 2019	123.70	27 May 2019	163.97	8 July 2019	29.73
16 April 2019	124.66	28 May 2019	164.93	9 July 2019	30.68
17 April 2019	125.62	29 May 2019	165.89	10 July 2019	31.64
18 April 2019	126.58	30 May 2019	166.85	11 July 2019	32.60
19 April 2019	127.53	31 May 2019	167.81	12 July 2019	33.56
20 April 2019	128.49	1 June 2019	168.77	13 July 2019	34.52
21 April 2019	129.45	2 June 2019	169.73	14 July 2019	35.48
22 April 2019	130.41	3 June 2019	(3.84)	15 July 2019	36.44
23 April 2019	131.37	4 June 2019	(2.88)	16 July 2019	37.40
24 April 2019	132.33	5 June 2019	(1.92)	17 July 2019	38.36
25 April 2019	133.29	6 June 2019	(0.96)	18 July 2019	39.32
26 April 2019	134.25	7 June 2019	0	19 July 2019	40.27
27 April 2019	135.21	8 June 2019	0.96	20 July 2019	41.23
28 April 2019	136.16	9 June 2019	1.92	21 July 2019	42.19
29 April 2019	137.12	10 June 2019	2.88	22 July 2019	43.15
30 April 2019	138.08	11 June 2019	3.84	23 July 2019	44.11
1 May 2019	139.04	12 June 2019	4.79	24 July 2019	45.07
2 May 2019	140.00	13 June 2019	5.75	25 July 2019	46.03
3 May 2019	140.96	14 June 2019	6.71	26 July 2019	46.99
4 May 2019	141.92	15 June 2019	7.67	27 July 2019	47.95
5 May 2019	142.88	16 June 2019	8.63	28 July 2019	48.90
6 May 2019	143.84	17 June 2019	9.59	29 July 2019	49.86
7 May 2019	144.79	18 June 2019	10.55	30 July 2019	50.82
8 May 2019	145.75	19 June 2019	11.51	31 July 2019	51.78
9 May 2019	146.71	20 June 2019	12.47	1 August 2019	52.74
10 May 2019	147.67	21 June 2019	13.42	2 August 2019	53.70
11 May 2019	148.63	22 June 2019	14.38	3 August 2019	54.66
12 May 2019	149.59	23 June 2019	15.34	4 August 2019	55.62
13 May 2019	150.55	24 June 2019	16.30	5 August 2019	56.58

Settlement Date	Accrued interest	Settlement Date	Accrued interest	Settlement Date	Accrued interest
6 August 2019	57.53	17 September 2019	97.81	29 October 2019	138.08
7 August 2019	58.49	18 September 2019	98.77	30 October 2019	139.04
8 August 2019	59.45	19 September 2019	99.73	31 October 2019	140.00
9 August 2019	60.41	20 September 2019	100.68	1 November 2019	140.96
10 August 2019	61.37	21 September 2019	101.64	2 November 2019	141.92
11 August 2019	62.33	22 September 2019	102.60	3 November 2019	142.88
12 August 2019	63.29	23 September 2019	103.56	4 November 2019	143.84
13 August 2019	64.25	24 September 2019	104.52	5 November 2019	144.79
14 August 2019	65.21	25 September 2019	105.48	6 November 2019	145.75
15 August 2019	66.16	26 September 2019	106.44	7 November 2019	146.71
16 August 2019	67.12	27 September 2019	107.40	8 November 2019	147.67
17 August 2019	68.08	28 September 2019	108.36	9 November 2019	148.63
18 August 2019	69.04	29 September 2019	109.32	10 November 2019	149.59
19 August 2019	70.00	30 September 2019	110.27	11 November 2019	150.55
20 August 2019	70.96	1 October 2019	111.23	12 November 2019	151.51
21 August 2019	71.92	2 October 2019	112.19	13 November 2019	152.47
22 August 2019	72.88	3 October 2019	113.15	14 November 2019	153.42
23 August 2019	73.84	4 October 2019	114.11	15 November 2019	154.38
24 August 2019	74.79	5 October 2019	115.07	16 November 2019	155.34
25 August 2019	75.75	6 October 2019	116.03	17 November 2019	156.30
26 August 2019	76.71	7 October 2019	116.99	18 November 2019	157.26
27 August 2019	77.67	8 October 2019	117.95	19 November 2019	158.22
28 August 2019	78.63	9 October 2019	118.90	20 November 2019	159.18
29 August 2019	79.59	10 October 2019	119.86	21 November 2019	160.14
30 August 2019	80.55	11 October 2019	120.82	22 November 2019	161.10
31 August 2019	81.51	12 October 2019	121.78	23 November 2019	162.05
1 September 2019	82.47	13 October 2019	122.74	24 November 2019	163.01
2 September 2019	83.42	14 October 2019	123.70	25 November 2019	163.97
3 September 2019	84.38	15 October 2019	124.66	26 November 2019	164.93
4 September 2019	85.34	16 October 2019	125.62	27 November 2019	165.89
5 September 2019	86.30	17 October 2019	126.58	28 November 2019	166.85
6 September 2019	87.26	18 October 2019	127.53	29 November 2019	167.81
7 September 2019	88.22	19 October 2019	128.49	30 November 2019	168.77
8 September 2019	89.18	20 October 2019	129.45	1 December 2019	169.73
9 September 2019	90.14	21 October 2019	130.41	2 December 2019	170.68
10 September 2019	91.10	22 October 2019	131.37	3 December 2019	(3.84)
11 September 2019	92.05	23 October 2019	132.33	4 December 2019	(2.88)
12 September 2019	93.01	24 October 2019	133.29	5 December 2019	(1.92)
13 September 2019	93.97	25 October 2019	134.25	6 December 2019	(0.96)
14 September 2019	94.93	26 October 2019	135.21	7 December 2019	0
15 September 2019	95.89	27 October 2019	136.16		
16 September 2019	96.85	28 October 2019	137.12		

The following other than the words in italics is the text of the Terms and Conditions of the ICULS which will appear on the reverse of each of the definitive certificates evidencing the ICULS:

TERMS AND CONDITIONS OF THE ICULS

The issue of a 10-year one to three and a half per cent. (1-3.5%) Irredeemable Convertible Unsecured Loan Securities of an aggregate principal amount up to HK$2,190,000,000 (the "**ICULS**", which term shall include, unless the context requires otherwise, any further ICULS issued in accordance with Condition 15 and consolidated and forming a single series therewith) by Berjaya Holdings (HK) Limited (the "**Issuer**"), was authorised by a resolution of the Board of Directors of the Issuer passed on 30 September 2009 and by the shareholders of the Issuer at a general meeting held on 23 November 2009*. The ICULS are constituted by a Deed Poll (as amended or supplemented from time to time, the "**Deed Poll**") dated 8 December 2009* issued by the Issuer. The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, the "**Agency Agreement**") dated 8 December 2009* with Tricor Secretaries Limited as paying, conversion and transfer agent and as registrar (the "**Registrar**") relating to the ICULS. The statements in these terms and conditions (these "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Deed Poll. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Deed Poll. Copies of the Deed Poll and of the Agency Agreement are available for inspection at the specified office of the Registrar being at the date hereof at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. The holder(s) of the ICULS are entitled to the benefit of the Deed Poll and are bound by, and are deemed to have notice of, all the provisions of the Deed Poll and the Agency Agreement applicable to them.

**Note:* *To be modified if there is any adjournment thereof or as appropriate.*

1 STATUS

The ICULS:

1.1 shall, as between the Holders themselves rank pari passu in all respects and without discrimination or preferences as an unsecured obligation of the Company; and

1.2 shall be subordinated to all other present and future unsecured and unsubordinated obligations of the Company from time to time outstanding.

2 FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

The ICULS are issued in registered form in denominations of HK$10,000 each or integral multiples thereof, save that if the outstanding principal amount of the ICULS to be issued is less than HK$10,000, the ICULS may be issued in such amount. An ICULS certificate (each a "**definitive Certificate**") will be issued to each Holder in respect of its registered holding of ICULS. Each ICULS and each definitive Certificate will be numbered serially with an identifying number which will be recorded on the relevant definitive Certificate and in the register of Holders (as described in Condition 3) which the Issuer will procure to be kept by the Registrar.

Upon issue of the ICULS, a definitive Certificate will be issued to each Holder in respect of its registered holding of ICULS. Each ICULS and each definitive Certificate will have an identifying number which will be recorded on the relevant definitive Certificate and in the register of Holders which the Issuer will procure to be kept by the Registrar.

2.2 Title

Title to the ICULS passes only by transfer and registration in the register of Holders as described in Condition 3. The holder of any ICULS will (except as otherwise required by law) be treated as its absolute legal and beneficial owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the definitive Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Terms and Conditions, "**Holder**" means the person in whose name a ICULS is registered.

3 TRANSFERS OF ICULS; ISSUE OF DEFINITIVE CERTIFICATES

3.1 Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the ICULS and the particulars of the ICULS held by them and of all transfers of the ICULS (the "**Register**").

3.2 Transfers

Subject to Condition 3.5 and the terms of the Agency Agreement, an ICULS may be transferred or exchanged by delivery of the definitive Certificate issued in respect of that ICULS, with the relevant form of transfer duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar. No transfer of title to a ICULS will be valid or effective unless and until entered on the Register.

Where the transferor or the transferee is HKSCC Nominees Limited (or its successor thereto), the transfers may be executed by machine imprinted signature(s) on its behalf or under hand(s) of authorised persons.

Since the ICULS will be admitted to CCASS, so far as applicable laws or regulations of relevant regulatory authorities, terms of the instrument and circumstances permit, the Issuer may determine the last Trading Day of the ICULS to be a date at least 3 Trading Days before the Maturity Date.

3.3 Delivery of New Definitive Certificates

3.3.1 Each new definitive Certificate to be issued upon a transfer or exchange of ICULS will, within seven business days of receipt by the Registrar of the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the Holder entitled to the ICULS (but free of charge to the Holder) to the address specified in the form of transfer. The form of transfer is available at the specified office of the Registrar.

3.3.2 Where only part of a principal amount of the ICULS (being that of one or more ICULS) in respect of which a definitive Certificate is issued is to be transferred, exchanged or converted, a new definitive Certificate in respect of the ICULS not so transferred, exchanged or converted will, within seven business days of delivery of the original definitive Certificate to the Registrar, be made available for collection at the specified office of the Registrar or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the ICULS not so transferred, exchanged or converted (but free of charge to the holder) to the address of such holder appearing on the Register.

3.3.3 For the purposes of these Conditions (except for Condition 6), "**business day**" shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a definitive Certificate is deposited with it in connection with a transfer or conversion) with whom a definitive Certificate is deposited in connection with a transfer or conversion, is located.

3.4 Fees in Respect of Formalities

Registration of transfers of ICULS will be effected by or on behalf of the Issuer or the Registrar, but upon payment of such transfer charge as determined in accordance with the Registrar's scale of charges as revised from time to time and upon payment which shall not exceed the maximum fees prescribed by the Stock Exchange from time to time under the Listing Rules (or the giving of such indemnity as the Issuer, or the Registrar may require in respect of any tax or other governmental charge which may be imposed in relation to it).

3.5 Closed Periods

No Holder may require the transfer of a ICULS to be registered during the period when the Register is closed, which shall be determined at the discretion of the Issuer subject to the terms herein and compliance with the applicable listing rules to which the Issuer is subject.

3.6 Regulations

All transfers of ICULS and entries on the Register will be made subject to the detailed regulations concerning transfer of ICULS in the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Holder upon request.

4 INTEREST

4.1 The ICULS, unless previously converted into Shares, credited as fully paid-up, in accordance with these Conditions, shall carry interest at one per cent. (1%) per annum payable semi-annually in arrears commencing from its date of issue until the date falling two (2) years thereafter and interest at three and a half per cent. (3.5%) per annum payable semi-annually in arrears commencing from the date immediately falling two (2) years after the date of issue until the date falling ten (10) years thereafter (the "**Maturity Date**"). The first payment of interest will be made on the expiry of six (6) months from the date of issue of the ICULS (and if that date is not a business day, on the business day immediately preceding that date) calculated for the period commencing on the date of issue of the ICULS to the expiry of six (6) months from the date of issue of the ICULS (both dates inclusive). The last payment of interest will be made on the Maturity Date calculated by reference to the period commencing from the date immediately following the last period by which interest is calculated and payable up to the Maturity Date (both dates inclusive). Interest as aforesaid shall be paid to the Holders registered in the Register as at the relevant entitlement date. The books closure period in order to determine such entitlement shall be five (5) days before and including the due date for such payment (or such other period of time as the Issuer may specify). Payment of interest to non-resident Holders shall be subject to any exchange control legislation applicable to the relevant jurisdictions of such non-resident Holders, as amended from time to time and includes any modification, amendment or re-enactment thereof and every other legislation for the time being in force made thereunder, where applicable.

4.2 Notwithstanding Condition 4.1, if any Holder shall exercise the Conversion Right (as hereinafter defined) in respect of the ICULS (or any part thereof) held by him in accordance with Condition 5 during the Conversion Period (as defined in Condition 5), no interest whatsoever shall be payable on the ICULS or any part thereof (as the case may be) in respect of which the Conversion Right has been exercised from and after the interest payment date immediately preceding the Conversion Date (as defined in Condition 5).

5 CONVERSION

5.1 Conversion Right

5.1.1 Conversion Period: Subject as hereinafter provided, Holders have the right to convert their ICULS into Shares at any time during the Conversion Period (as defined below).

The right of a Holder to convert any ICULS into Shares (defined below) is called the "**Conversion Right**". Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any ICULS may be exercised, at the option of the Holder thereof, at any time on and after its issue date up to and including the Maturity Date (the "**Conversion Period**"). The Issuer shall give not less than four weeks and not more than six weeks advance notice to the Holders prior to the end of the Conversion Period reminding them of the conversion right then subsisting and stating the relative basis of conversion (after taking into account any required adjustments).

The number of Shares, credited as fully paid-up, to be issued on conversion of an ICULS will be determined by dividing the principal amount of the ICULS to be converted by the Conversion Price in effect at the Conversion Date (both as hereinafter defined). A Conversion Right may only be exercised in respect of one or more ICULS. If more than one ICULS held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the ICULS to be converted.

5.1.2 Fractions of Shares: Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof.

5.1.3 Conversion Price: The price at which Shares will be issued upon conversion will initially be HK$0.20 per Share but will be subject to adjustment in the manner provided in Condition 5.3 (the "**Conversion Price**").

5.1.4 Meaning of "Shares": As used in these Conditions, the expression "**Shares**" means ordinary shares with a par value of HK$0.20 each in the capital of the Issuer (which include ordinary shares of the Issuer listed on the Hong Kong Stock Exchange) or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer.

5.2 Conversion Procedure

5.2.1 Conversion Notice:

(i) To exercise the Conversion Right attaching to any ICULS, the Holder thereof must complete, execute and deposit at his own expense during normal business hours at the specified office of the Registrar a notice of conversion (a "**Conversion Notice**") in the form (for the time being current) obtainable from the specified office of the Registrar, together with the relevant definitive Certificate and any amounts required to be paid by the Holder under Condition 5.2.2.

(ii) The conversion date in respect of a ICULS (the "**Conversion Date**") must fall at a time when the Conversion Right attaching to that ICULS is expressed in these Conditions to be exercisable and will be deemed to be the Stock Exchange Business Day (as defined below) immediately following the date of the surrender of the definitive Certificate in respect of such ICULS and delivery of such Conversion Notice duly signed and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal. "**Stock Exchange Business Day**" means any day (other than a Saturday or Sunday) on which The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") or the Alternative Stock Exchange (as defined in Condition 5.4.1 below), as the case may be, is open for securities trading.

5.2.2 Stamp Duty etc.: A Holder delivering a definitive Certificate in respect of a ICULS for conversion must pay to the Registrar any taxes and capital, stamp, issue and registration duties arising on conversion (the "**Taxes**") and such Holder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a ICULS in connection with such conversion. The Holder (and, if applicable, the person other than the Holder to whom the Shares are to be issued) must, if required by the Registrar, provide the Registrar with details of the relevant tax authorities to which the Registrar must pay monies received in settlement of Taxes payable pursuant to this Condition 5.2.2. The Registrar is under no obligation to determine whether a Holder is liable to pay any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 5.2.2.

No Hong Kong stamp duty will be chargeable upon the issue of the Shares or the ICULS. Hong Kong stamp duty is however payable on any purchase and sale of Shares, and for the transfer of the ICULS for as long as the transfer thereof is required to be registered in Hong Kong. The duty is charged on each *of the purchaser and the seller at the ad valorem rate of 0.1 per cent. (rounded up to the nearest dollar) of the consideration for, or (if greater) the value of, the ICULS or the Shares bought and sold. In addition, any instrument of transfer (if required) will be subject to a flat rate of stamp duty of HK$5.*

5.2.3 Registration:

(i) As soon as practicable, and in any event not later than fourteen business days after the Conversion Date, the Issuer will, in the case of ICULS converted on exercise of the Conversion Right and in respect of which a duly completed Conversion Notice has been delivered and the relevant definitive Certificate and amounts payable by the relevant Holder deposited or paid as required by Conditions 5.2.1 and 5.2.2, register the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the Issuer's register of members and will make a certificate or certificates for the relevant Shares available for collection at the Registrar's specified office or, if so requested in the relevant Conversion Notice, at the risk of the relevant Holder, mail by way of uninsured mail such certificate or certificates to the person and at the place specified in the Conversion Notice required to be delivered upon conversion and other documents (if any) as may be required by law.

The person or persons designated in the Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Issuer's register of members (the "**Registration Date**"). The Shares issued upon conversion of the ICULS will in all respects rank pari passu with the Shares in issue on the relevant Registration Date, save for any rights the record date for which precedes the relevant Registration Date.

5.2.4 Public Float Requirement:

(i) Notwithstanding anything to the contrary herein, if the issue of Shares following the exercise by a Holder of the Conversion Rights under the ICULS would result in the Issuer not meeting the Public Float Requirement (defined below) immediately after the conversion, then the number of Shares to be issued pursuant to such conversion shall be reduced to the maximum number of Shares issuable by the Issuer which would not in the reasonable opinion of the Issuer result in a breach of the Public Float Requirement and the balance of the Conversion Rights attached to the ICULS which the Holder sought to convert shall be suspended until such time when the Issuer is able to issue additional Shares in satisfaction of the exercise of the said balance of Conversion Rights and at the same time comply with the Public Float Requirement.

(ii) In the event that paragraph (i) above shall affect the exercise of the Conversion Right of any Holder of ICULS, the Issuer shall use reasonable endeavours to procure that there will be a sufficient number of Shares in public hands for the purposes of the Listing Rules so that all ICULS suspended from conversion may be converted to the fullest extent as soon as practicable without causing the Issuer to breach the Public Float Requirement.

(iii) As used in these Conditions, the expression "**Public Float Requirement**" means the requirement under the Listing Rules applicable to the Issuer that not less than a specified percentage of the Shares which are listed on the Hong Kong Stock Exchange shall be held by the public for the purpose of the Listing Rules.

5.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in certain events set out in the Deed Poll, including the following events:

5.3.1 Consolidation, Subdivision or Reclassification:

If and whenever a Share by reason of any consolidation or subdivision or re-classification shall have a different par value, the Conversion Price, shall be adjusted by multiplying it by the revised par value and dividing the result by the former par value.

Each such adjustment will be effective from the Trading Day (as defined below) on which the consolidation or subdivision or re-classification becomes effective.

5.3.2 Capitalisation of Profits or Reserves:

If and whenever the Issuer shall make any issue of Shares to its Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve fund) the Conversion Price shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{A + B}$$

where:

A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue; and

B = the aggregate number of Shares to be issued pursuant to any allotment to its Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve fund).

Such adjustment will be effective (if appropriate retroactively) on the date of issue of such Shares, or if a record date is fixed therefor, on the Trading Day immediately after such record date.

5.3.3 Capital Distribution or rights issue or offer by way of rights:

If and whenever the Issuer shall make:

(a) a Capital Distribution (as defined below) to its Shareholders whether on a reduction of capital or otherwise (but excluding any reduction or cancellation of capital which is lost or unrepresented by available assets); or

(b) any offer or invitation to Shareholders by way of rights under which they may acquire or subscribe for Shares; or

(c) any offer or invitation to its Shareholders by way of rights under which they may acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares;

then and in respect of each such case, the Conversion Price shall be adjusted by multiplying it by the following fraction:

$$\frac{C - D}{C}$$

where:

C = the Current Market Price (as defined in Condition 5.4.3 below) of each Share on the Trading Day next preceding the date on which the Capital Distribution, or, as the case may be, the offer or invitation is publicly announced or (failing any such announcement) next preceding the date of the Capital Distribution, or, as the case may be, the offer or invitation; and

D = (a) in the case of an offer or invitation to acquire or subscribe for Shares or for securities convertible into or securities with rights to acquire or subscribe for Shares the value of the rights attributable to one Share (as defined below); or

(b) in the case of any other transaction falling within Condition 5.3.3(a) above the fair market value, as determined by (i) a financial adviser licensed under the Securities and Futures Ordinance (Cap 571, Laws of Hong Kong) (the "**SFO**") or (ii) the auditors for the time being of the Issuer or (iii) such other firm of auditors as may be nominated by the Issuer, as selected by the Issuer (the "**Approved Adviser**") of that portion of the Capital Distribution attributable to one Share.

For the purpose of paragraph (a) of D above the "**value of the rights attributable to one Share**" shall be calculated in accordance with the formula:

$$\frac{C - E}{F + 1}$$

where:

C = as C above;

E = the subscription price for one additional Share the terms of such offer or invitation or one additional security convertible into Shares or one additional security with rights to acquire or subscribe for Shares; and

F = the number of Share(s) which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share or security convertible into Shares or right to acquire or subscribe for Shares.

For the purpose of this Condition 5.3.3, "**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie or by way of issue of Shares other than an issue falling within Condition 5.3.2 above or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund). Any dividend charged or provided for in the accounts of any period shall (whenever paid and however described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to Shareholders after the date of the issue of the ICULS (as shown in the audited consolidated profit and loss accounts of the Issuer.

Such adjustment will be effective (if appropriate, retroactively), on the date such Capital Distribution is made or on the date of issue of the Shares (as the case may be).

5.3.4 Capitalization of Profits or Reserves and Rights Issues of Shares:

If and whenever the Issuer makes any allotment to its Shareholders as provided in Condition 5.3.2 above and also makes any offer or invitation to its Shareholders as provided in Condition 5.3.3(b) or 5.3.3(c) above and the entitlement date for the purpose of the allotment is also the entitlement date for the purpose of the offer or invitation, the Conversion Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \times C) + (H \times I)}{(G + H + B) \times C}$$

where:

G = the aggregate number of issued and fully paid-up Shares on the entitlement date;

C = C in Condition 5.3.3 above;

H = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into Shares or rights to acquire or subscribe for Shares as the case may be;

I = the subscription price of one additional Share under an offer or invitation to acquire or subscribe for Shares or the exercise price on conversion of securities or exercise of such rights to acquire or subscribe for one additional Shares, as the case may be; and

B = B in Condition 5.3.2 above.

Such adjustment will be effective (if appropriate, retroactively) on the date of such issue of Shares.

5.3.5 Rights Issues of Shares and Options over Shares:

If and whenever the Issuer makes any offer or invitation to its Shareholders by way of rights to acquire or subscribe for Shares as provided in Condition 5.3.3(b) above together with an offer or invitation to acquire or subscribe for securities convertible into or with rights to acquire or subscribe for Shares as provided in Condition 5.3.3(c) above, the Conversion Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \text{ x } C) + (H \text{ x } I) + (J \text{ x } K)}{(G + H + J) \text{ x } C}$$

where:

G = G as in Condition 5.3.4 above;

C = C as in Condition 5.3.3 above;

H = H as in Condition 5.3.4 above;

I = I as in Condition 5.3.4 above;

J = the aggregate number of Shares to be issued to its shareholders upon conversion of such securities or exercise of such rights to subscribe for Shares by the Shareholders; and

K = the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one additional Share.

Such adjustment will be effective (if appropriate, retroactively) on the date of such issue of Shares.

5.3.6 Capitalization of Profits or Reserves and Rights Issues of Other Securities:

If and whenever the Issuer makes an allotment to its Shareholders as provided in Condition 5.3.2 above and also makes an offer or invitation to acquire or subscribe for Shares to its Shareholders as provided in Condition 5.3.3(b) above together with rights to acquire or subscribe for securities convertible into or with rights to acquire or subscribe for Shares as provided in Condition 5.3.3(c) above and the entitlement date for the purpose of the allotment is also the entitlement date for the purpose of the offer or invitation, the Conversion Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J + B) \times C}$$

where:

G = G as in Condition 5.3.4 above;

C = C as in Condition 5.3.3 above;

H = H as in Condition 5.3.4 above;

I = I as in Condition 5.3.4 above;

J = J as in Condition 5.3.5 above;

K = K as in Condition 5.3.5 above; and

B = B as in Condition 5.3.2 above.

Such adjustment will be effective (if appropriate, retroactively) on the date of issue of such securities.

5.3.7 Issues at less than Current Market Price:

If and whenever (otherwise than pursuant to a right issue available to all Shareholders alike and requiring an adjustment under Conditions 5.3.3, 5.3.4 and 5.3.6 above) the Issuer shall issue either any Shares or any securities convertible into or with rights to acquire or subscribe for Shares, and in any such case the Total Effective Consideration per Share (as defined below) is less than ninety per cent (90%) of the average of the last closing prices in the 5 Trading Days immediately prior to the date of the definitive agreement relating to such issue (hereinafter referred to as the "**Average Price**") , the Conversion Price shall be adjusted by multiplying it by the following fraction:

$$\frac{L + M}{L + N}$$

where:

L = the number of Shares in issue at the close of business on the Hong Kong Stock Exchange on the Trading Day preceding the date on which the relevant adjustment becomes effective;

M = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at the Average Price (exclusive of expenses); and

N = the aggregate number of Shares so issued or, in the case of securities convertible into or with rights to acquire or subscribe for Shares, the maximum number of Shares issuable upon full conversion of such securities or the exercise in full of such rights.

For the purpose of this Condition 5.3.7 the "**Total Effective Consideration**" shall be as determined by the board of directors of the Issuer with the concurrence of the Approved Adviser, as selected by the Issuer, and shall be:

(a) in the case of the issue of Shares, the aggregate consideration receivable by the Issuer on payment in full for such Shares; or

(b) in the case of the issue by the Issuer of securities wholly or partly convertible into Shares, the aggregate consideration receivable by the Issuer on payment in full for such securities or such part of the securities as is convertible together with the total amount receivable by the Issuer upon full conversion of such securities; or

(c) in the case of the issue by the Issuer of securities with rights to acquire or subscribe for Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Issuer upon full exercise of such rights, in each case without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the "**Total Effective Consideration per Share**" shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid or, in the case of securities convertible into or securities with rights to acquire or subscribe for Shares, by the maximum number of Shares issuable on full conversion of such securities or on exercise in full of such rights.

Such adjustment will be effective (if appropriate, retroactively) on the date of issue of such Shares or such securities (as the case may be).

5.3.8 Other Events:

If the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 5.3, the Issuer shall at its own expense request the Approved Adviser (acting as expert), as selected by the Issuer, to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination **PROVIDED THAT** where the circumstances giving rise to any adjustment pursuant to this Condition 5.3 have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 5.3 as may be advised by the Approved Adviser (acting as expert), as selected by the Issuer, to be in their opinion appropriate to give the intended result.

5.3.9 Notwithstanding anything to the contrary in Condition 5.3, no adjustment to the Conversion Price will be required in respect of:

(i) an issue by the Issuer of Shares or securities convertible into Shares or with rights to acquire or to subscribe for Shares to eligible persons including executive directors, or employees of the Issuer or any of its Subsidiaries pursuant to any share option scheme approved by Shareholders in general meeting and in compliance with Listing Rules; or

(ii) an issue by the Issuer of Shares or securities convertible into Shares or with rights to acquire or to subscribe for Shares, in any such case in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business; or

(iii) an issue of Shares arising from the exercise of the Conversion Rights attached to the ICULS or the conversion of any convertible securities previously issued by the Issuer.

5.4 For the purposes of these Conditions:

5.4.1 "Alternative Stock Exchange" means at any time, in the case of the Shares or ICULS, if they are not at that time listed and traded on the Hong Kong Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in.

5.4.2 "closing price" or "Closing Price" for the Shares for any Trading Day shall be the closing market price quoted by the Hong Kong Stock Exchange or, as the case may be, the Alternative Stock Exchange for such Trading Day.

5.4.3 "Current Market Price" means, in respect of a Share at a particular time on a particular date, the average of the closing prices quoted by the Hong Kong Stock Exchange or, as the case may be, by the Alternative Stock Exchange for one Share (being a Share carrying full entitlement to dividend) for the five (5) consecutive Trading Days ending on the Trading Day immediately preceding such date; **PROVIDED THAT** if at any time during the said five (5) Trading Day period the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:

(i) if the Shares to be issued in such circumstances do not rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the Fair Market Value thereof reduced by an amount equal to the amount of that dividend per Share; or

(ii) if the Shares to be issued in such circumstances rank for the dividend in question, the closing prices on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by such similar amount;

and provided further that if the Shares on each of the said five (5) Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Share,

and **PROVIDED FURTHER THAT**:

(iii) if such closing prices are not available on any of the five (5) Trading Days during the relevant period, then the arithmetic average of such closing prices which are available in the relevant period shall be used (subject to a minimum of two such closing prices); and

(iv) if only one or no such closing prices is available in the relevant period, then the Current Market Price shall be determined in good faith by the Approved Adviser (acting as expert) appointed by the Issuer.

5.4.4 "Fair Market Value" means, with respect to any assets, security, option, warrants or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by the Approved Adviser, as selected by the Issuer, acting as experts; provided that (i) the fair market value of a cash Dividend paid or to be paid per Share shall be the amount of such cash Dividend per Share determined as at the date of announcement of such Dividend; and (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Approved Adviser) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five Trading Days on the relevant market commencing on the first such Trading Day such options, warrants or other rights are publicly traded.

5.4.5 "Trading Day" means a day when the Hong Kong Stock Exchange or, as the case may be, an Alternative Stock Exchange is open for dealing business, provided that if no closing price is reported in respect of the relevant Shares on the Hong Kong Stock Exchange or, as the case may be, the Alternative Stock Exchange for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not have existed when ascertaining any period of dealing days.

5.4.6 On any adjustment, the relevant Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded up to the nearest one Hong Kong cent. No adjustment shall be made to the Conversion Price where such adjustment would be less than one per cent. of the Conversion Price then in effect. Notice of any adjustment shall be given to Holders in accordance with Condition 16 as soon as practicable after the determination thereof. Any adjustment which would otherwise have been required shall not be carried forward and taken into account in any subsequent adjustment.

5.4.7 The Conversion Price may not be reduced so that, on conversion of ICULS, Shares would fall to be issued at a discount to their nominal value or would require Shares to be issued in any other circumstances not permitted by applicable law. For avoidance of doubt, Shares would not be issued below their nominal value if not permitted by applicable law.

5.4.8 Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of the Approved Adviser (acting as expert), as selected by the Issuer, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by the Approved Adviser (acting as expert), selected by the Issuer, to be in their opinion appropriate in order to give such intended result.

5.4.9 No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares as referred to in Condition 5.3.1 above or to correct an error.

5.5 Undertakings

5.5.1 The Issuer has undertaken in the Deed Poll, inter alia, that so long as any ICULS remains outstanding, save with the approval of an Extraordinary Resolution (as defined in the Deed Poll) of the Holders:

(i) it will use all reasonable endeavours (a) to maintain a listing for all the issued Shares on the Hong Kong Stock Exchange, (b) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the ICULS on the Hong Kong Stock Exchange and (c) if the Issuer is unable to obtain or maintain such listing, to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights on an Alternative Stock Exchange as the Issuer may from time to time determine and will forthwith give notice to the Holders in accordance with Condition 16 below of the listing or delisting of the Shares (as a class) by any of such stock exchanges;

(ii) it will pay the expenses of the issue of, and all expenses of obtaining listing for, Shares arising on conversion of the ICULS; and

(iii) except as provided in Condition 5.8, it will use all reasonable endeavours to maintain the listing of the ICULS on the Hong Kong Stock Exchange, or if the Issuer considers appropriate, an Alternative Stock Exchange.

In the Deed Poll, the Issuer has undertaken that so long as any ICULS remains outstanding, it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the ICULS from time to time remaining outstanding and shall ensure that all Shares delivered on conversion of the ICULS will be duly and validly issued as fully-paid.

5.6 Notice of Change in Conversion Price

The Issuer shall give notice to the Holders in accordance with Condition 16 of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

5.7 Satisfaction on Maturity Date

5.7.1 The Issuer shall on the Maturity Date in satisfaction of the principal amount of the ICULS then outstanding (so far as not previously converted) convert such ICULS by issuing and allotting in full and final satisfaction of the principal amount of such ICULS to the Holders appearing in the Register as at the Maturity Date, Shares credited as fully paid-up, based on the Conversion Price. Upon the issue and allotment of the Shares by the Issuer as aforesaid and the payment of interest due on the Maturity Date in respect of such outstanding ICULS, such outstanding ICULS shall forthwith be deemed cancelled and the Issuer shall be discharged from all its obligations and liabilities in respect thereof or in connection therewith. The Issuer will make a certificate for the relevant Shares available for collection at the Registrar's specified office by such Holders, unless it receives a written notice form the Holder to mail by way of uninsured mail and at the risk of the relevant Holder such certificate to another place as specified in such written notice.

5.7.2 Interest on outstanding ICULS shall in any event cease to accrue from the Maturity Date.

5.8 Early Conversion

If at any time the principal amount of the ICULS then outstanding is not more than ten per cent (10%) of the whole of the ICULS issued or is HK$219,000,000,000 or less, the Issuer shall be entitled at its absolute discretion (but not obliged) to convert all such outstanding ICULS into Shares at the applicable Conversion Price by giving not less than twenty (20) business days notice thereof to the Holders in accordance with Condition 16. The date fixed by the Issuer shall hereinafter be referred to as the "**Early Conversion Date**". In such event, the provisions of Conditions 5.1 to 5.6 and 5.8 above shall, with the necessary modifications, be applicable to such early Conversion by the Issuer pursuant to this Condition 5.8.

5.9 Conversion on Voluntary Winding-up

If a special resolution is passed for the voluntary winding-up of the Issuer (except for the purpose of reconstruction or amalgamation on terms previously approved by an Extraordinary Resolution (defined below), each Holder shall in respect of all or any of his ICULS be entitled within four (4) weeks thereafter by notice in writing to the Issuer (such notice to be accompanied by a Conversion Notice in respect thereof duly completed) to elect to be treated as if the Conversion Right applicable to such ICULS had been exercisable and had been exercised immediately before the date of such resolution and in that event the Holders of the ICULS will be entitled to receive out of the assets of the Company available in the winding up pari passu with the shareholders of the Company and in satisfaction of the amount due in respect of such ICULS a sum equal to the amount to which he would have become entitled by virtue of such conversion. Provided that such election shall not be valid unless the said notice in writing shall have been delivered to the Company as aforesaid. At the expiration of the four (4) week period referred to above, any remaining conversion right attached to the outstanding ICULS shall lapse.

5.10 Unissued Shares and Issued Shares

5.10.1 The Issuer shall maintain at all time sufficient unissued share capital to cover all outstanding Conversion Rights.

5.10.2 The Shares issued and allotted upon conversion of the ICULS shall rank pari passu in all respects with the existing ordinary shares of the Issuer save for any rights the record date for which precedes the relevant Registration Date of such Shares.

6 PAYMENTS

6.1 Interest

Payment of interest will be made by transfer to the registered account of the Holder or by Hong Kong dollar cheque drawn on a bank in Hong Kong mailed to the registered address of the Holder if it does not have a registered account.

6.2 Registered Accounts

For the purposes of this Condition, a Holder's registered account means the Hong Kong dollar account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Holder's registered address means its address appearing on the Register at that time.

6.3 Fiscal Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 8. No commissions or expenses incurred by the Issuer shall be charged to the Holders in respect of such payments. The Holders shall bear their own costs and expenses incurred in respect of their receipt of such payments.

6.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that it not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day).

6.5 Delay in Payment

If the Issuer fails to pay any interest or any other sum whatsoever in respect of the ICULS when the same becomes due and payable under these Conditions, no default interest shall accrue.

6.6 Business Day

In this Condition, "**business day**" means a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and, in the case of the surrender of a definitive Certificate, in the place where the definitive Certificate is surrendered. If an amount which is due on the ICULS is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

7 REDEMPTION AND PURCHASE

7.1 Redemption

None of the ICULS shall be redeemable by the Issuer or the Holder(s) thereof.

7.2 Purchases

To the extent permitted by applicable laws, the Issuer's Subsidiaries may at any time and from time to time purchase the ICULS at any price in the open market or by tender or otherwise. Such ICULS may, at the option of the Issuer or the relevant Subsidiary, be held in treasury, resold or cancelled. The ICULS so acquired, while held by or on behalf of any Subsidiary, shall not entitle the holders thereof to convert the ICULS in accordance with these Conditions nor exercise any voting rights with respect to such ICULS.

8 TAXATION

All payments made by the Issuer hereunder will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Hong Kong or the PRC or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

9 EVENTS OF DEFAULT

9.1 The Holders may, upon the passing of an Extraordinary Resolution, give notice to the Issuer that the ICULS are to be immediately convertible into Shares as if Conversion Notice(s) were completed in relation to the ICULS held by such Holders, and have been executed and deposited by the Holders in accordance with Condition 5 as at the date of such notice from the Holders, if any of the following events has occurred:

9.1.1 if the Issuer defaults in the performance and observance of any agreement, covenant, undertaking, stipulation, proviso or obligation herein contained or contained in the Deed Poll or other documents relating to the issue, offer or invitation in respect of the ICULS and on the part of the Issuer to be performed and observed AND, where such default is capable of remedy, such default continues for a period of thirty (30) days from the date of receipt by the Issuer of a notice in writing from the Holders requiring the Issuer to remedy such default;

9.1.2 if distress or execution or other process of a court of competent jurisdiction is levied or enforced upon or against the assets or properties of the Issuer or any of its Principal Subsidiaries or any part thereof and is not appealed against or contested by the Issuer or any of its Principal Subsidiaries or paid out, stayed, withdrawn, discharged or set aside within thirty (30) days thereof;

9.1.3 if an encumbrancer takes possession or a receiver is appointed of the whole or a substantial part of the assets or undertaking of the Issuer or any of its Principal Subsidiaries or a scheme of arrangement under section 166 of the Companies Ordinance (Cap 32, Laws of Hong Kong) has been has been proposed between the Company and creditors of the Company or any class of them or between the Company and members of the Company or any class of them;

9.1.4 if the Issuer or any of its Principal Subsidiaries stops or threatens to stop payment of its debts or ceases or threatens to cease to carry on its business;

9.1.5 if the Issuer or any of its Principal Subsidiaries is unable to pay its debts within the meaning of Section 178 of the Companies Ordinance (Cap 32, Laws of Hong Kong);

9.1.6 if an order is made or an effective resolution is passed for winding up the Issuer or any of its Principal Subsidiaries except for the purpose of reconstruction or amalgamation;

9.1.7 if the ICULS ceases to be listed on the Hong Kong Stock Exchange or an Alternative Stock Exchange; or

9.1.8 if any other indebtedness of the Issuer or any of its Principal Subsidiaries becomes due and payable prior to its stated maturity or where the security created for any other indebtedness becomes enforceable.

For the purposes of these Conditions, "**Subsidiary**" or "**subsidiary**" means any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which at any time has its accounts consolidated with those of that person or which, under Hong Kong law, regulations or generally accepted accounting principles from time to time, should have its accounts consolidated with those of that person.

"**Principal Subsidiary**" means any Subsidiary of the Issuer;

(a) whose profits from ordinary activities before taxation ("**pre-tax profit**") or (in the case of a Subsidiary which itself has subsidiaries) consolidated pre-tax profit, as shown by its latest audited income statement are at least 25 per cent. of the consolidated pre-tax profit as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(b) whose gross assets or (in the case of a Subsidiary which itself has subsidiaries) gross consolidated assets, as shown by its latest audited balance sheet are at least 25 per cent. of the amount which equals the amount included in the consolidated gross assets of the Issuer and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Issuer and its Subsidiaries as being represented by the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustment for minority interests;

provided that, in relation to paragraphs (a) and (b) above:

(1) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has subsidiaries) of such Subsidiary in such accounts;

(2) if at any relevant time in relation to the Issuer or any Subsidiary which itself has subsidiaries, no consolidated accounts are prepared and audited, gross assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the Issuer, which are reviewed by the Auditors (as defined in the Deed Poll) for the purposes of preparing a certificate thereon to the Holders;

(3) if at any relevant time in relation to any Subsidiary, no accounts are audited, its gross assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by the Issuer, which are reviewed by the Auditors for the purposes of preparing a certificate thereon to the Holders; and

(4) if the accounts of any subsidiary (not being a Subsidiary referred to in proviso (1) above) are not consolidated with those of the Issuer, then the determination of whether or not such subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer; or

(c) any Subsidiary of the Issuer to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall become a Principal Subsidiary at the date on which the first published audited accounts (consolidated, if appropriate), of the Issuer prepared as of a date later than such transfer are issued unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such accounts by virtue of the provisions of paragraph (a) above.

10 CONSOLIDATION, AMALGAMATION OR MERGER

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "**Merger**"), unless:

(i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental Deed Poll, all obligations of the Issuer under the Deed Poll and the performance of every covenant and agreement applicable to it contained therein;

(ii) immediately after giving effect to any such Merger, no Default or Event of Default shall have occurred or be continuing or would result therefrom; and

(iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a ICULS against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of interest on the ICULS.

11 PRESCRIPTION

Claims in respect of interest due in respect of the ICULS will become prescribed unless made within 10 years from the relevant date in respect thereof.

12 ENFORCEMENT

At any time upon a breach of the provisions of these Conditions, the Holders may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of these Conditions.

13 MEETINGS OF HOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

13.1 Meetings

The Deed Poll contains provisions for convening meetings of Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the ICULS or the provisions of the Deed Poll. At any meeting of the Holders, at least two (2) persons present being Holders or being proxies for such Holders and who hold in the aggregate not less than one-twentieth (1/20) of the principal amount of the ICULS for the time being outstanding shall form a quorum for the transaction of business except for the purposes of passing a Extraordinary Resolution. The quorum for a meeting at which a Extraordinary Resolution is proposed to be passed shall be at least two (2) persons present being Holders (or being proxies for such Holders) holding (or representing) in the aggregate fifty one per cent (51%) of the principal amount of the ICULS for the time being outstanding. No business shall be transacted at any meeting (other than the appointment of a chairman for such meeting) unless the requisite quorum is present at the commencement of such meeting.

The Deed Poll provides that at any meeting a resolution (other than a Extraordinary Resolution) put to the vote of the meeting shall be decided by a show of hands and shall be carried by a majority of not less than half (1/2) of the number of persons voting thereat unless before or on the declaration of the result of the show of hands a poll is demanded by the chairman or by one or more Holders of ICULS present and/or proxies for the Holders present and holding or representing in the aggregate at least one-twentieth (1/20) of the aggregate principal amount of the ICULS for the time being outstanding. Certain matters set out in the Deed Poll relating to, among other things, modification of the rights of Holders against the Issuer and modification of the Deed Poll require the sanction of an Extraordinary Resolution. An "**Extraordinary Resolution**" means a resolution passed at a meeting of Holders duly convened and held in accordance with the provisions of the Deed Poll and carried by a majority consisting not less than three-fourths (3/4) of the number of persons voting thereat upon a show of hands or if a poll is duly demanded, by a majority consisting of not less than three-fourths (3/4) of the total number of votes given at such meeting. The Deed Poll provides that a written resolution signed by or on behalf of the holders of not less than 90 per cent. of the aggregate principal amount of ICULS outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

13.2 Modification and Waiver

The Holders agree to (i) any modification (except as mentioned in Condition 13.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the ICULS, the Agency Agreement or the Deed Poll which is not materially prejudicial to the interests of the Holders or (ii) any modification to the ICULS or the Deed Poll which is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Holders and any such modifications will be notified by the Issuer to the Holders as soon as practicable thereafter.

13.3 Substitution

The Deed Poll contains provisions permitting the Holders to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Deed Poll and the ICULS. In such event, the Issuer shall give notice to Holders in accordance with Condition 16.

14 REPLACEMENT OF DEFINITIVE CERTIFICATES

14.1 If any definitive Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar the Registrar upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and the Registrar may reasonably require provided that such costs shall be subject to the maximum fees prescribed by the Stock Exchange from time to time. Mutilated or defaced definitive Certificates must be surrendered before replacements will be issued.

14.2 In case of lost definitive Certificate, the procedure for replacement shall follow Section 71A of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as if "shares in the company" includes the ICULS.

15 FURTHER ISSUES

The Issuer may from time to time, without the consent of the Holders, create and issue further ICULS having the same terms and conditions as the ICULS in all respects and so that such further issue shall be consolidated and form a single series with the ICULS. Such further ICULS may be constituted by a deed supplemental to the Deed Poll.

16 NOTICES

All notices to Holders shall be validly given if mailed to them at their respective addresses in the Register maintained by the Registrar or published in a leading newspaper having general circulation in Hong Kong and, so long as the ICULS are listed on the Hong Kong Stock Exchange and the rules of that Exchange so require, published in a leading newspaper having general circulation in Hong Kong. Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

17 AGENTS

The names of the initial Registrar (acting as initial registrar, transfer agent, paying agent and conversion agent) and its initial specified offices are set out at the end of these Conditions. The Issuer reserves the right, at any time to vary or terminate the appointment of any of them and to appoint additional or other persons in their place, provided that the Issuer will at all times maintain (i) a conversion agent, a transfer agent and a paying agent and (ii) a registrar having a specified office in Hong Kong, so long as the ICULS are listed on the Hong Kong Stock Exchange. Notice of any such termination or appointment or of any changes in the specified offices or identity of the Registrar (acting as registrar, transfer agent, paying agent and conversion agent) will be given promptly by the Issuer to the Holders in accordance with Condition 16 and in any event not less than 45 days' notice will be given.

18 GOVERNING LAW

The ICULS, the Deed Poll and the Agency Agreement are governed by, and shall be construed in accordance with, the laws of Hong Kong. In relation to any legal action or proceedings arising out of or in connection with the Deed Poll or the ICULS, the Issuer has in the Deed Poll irrevocably submitted to the courts of Hong Kong.

The following is a summary of the principal terms of the Share Option Scheme to be adopted at the EGM. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

For the purpose of this Appendix only, unless the context otherwise requires, the following words shall have the following meanings:

"Adoption Date"	means the date on which the Scheme is conditionally adopted by the Company at a general meeting of the Shareholders;
"associate"	has the meaning ascribed thereto in Rule 1.01 of the Listing Rules;
"Auditors"	means the auditors for the time being of the Company;
"Board"	means the board of Directors or a duly authorised committee thereof;
"Business Day"	means a day (other than Saturday and days on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business;
"Company"	Berjaya Holdings (HK) Limited, a company incorporated in Hong Kong with limited liability whose Shares are listed on the Main Board of the Exchange;
"connected person"	has the meaning ascribed to it under the Listing Rules;
"Directors"	means the directors of the Company and "Director" shall be construed accordingly;

"Eligible Participant"	means: (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, or any of its Subsidiaries or Invested Entity in which any member of the Group holds any equity interest; (b) any non-executive director (including independent non-executive directors) of the Company, any of its Subsidiaries or any Invested Entity; and (c) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity;
"Exchange"	means The Stock Exchange of Hong Kong Limited;
"Grantee"	means any Eligible Participant who accepts the offer of the grant of any Option in accordance with the terms of the Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee;
"Group"	means the Company and its Subsidiaries from time to time and "members of the Group" shall be construed accordingly;
"HK$"	Hong Kong dollars;
"Hong Kong"	means the Hong Kong Special Administrative Region of the People's Republic of China;
"Invested Entity"	means any entity in which the Group holds any equity interest;

"Listing Rules"	means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (as amended, modified or supplemented from time to time);
"Option"	means an option to subscribe for Shares granted pursuant to the Scheme;
"Option Period"	means in respect of any particular Option (subject as otherwise provided under the terms of this Scheme, including without limitation Clause 7), such period during which the Option is exercisable as set out in the offer of the Option, which shall, at the discretion of the Directors, commence at any time on or after the date of the offer of the Option and expire no later than the 10th anniversary of the date of such offer;
"Scheme"	means this share option scheme (as amended, modified or supplemented from time to time);
"Shareholders"	means the holders of Shares;
"Shares"	means shares of HK$0.20 each (or of such other nominal amount as shall result from a sub-division, consolidation, re-classification or re-construction of such shares from time to time) of the Company;
"Subscription Price"	means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in paragraph 5;
"Subsidiary"	means a company which is for the time being and from time to time a subsidiary of the Company;
"Substantial shareholder"	has the meaning ascribed thereto under rule 1.01 of the Listing Rules; and
"trading day"	means a day on which the Exchange is open for the trading of securities.

1. PURPOSE

The purpose of this Scheme is to enable the Company to grant Options to selected Eligible Participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

2. WHO MAY JOIN

On and subject to the terms of the Scheme, the Board shall be entitled at any time and from time to time within ten (10) years after the Adoption Date to offer to grant to any Eligible Participant as the Board may in its absolute discretion select, and subject to such conditions as the Board may impose at its absolute discretion, an Option to subscribe for such number of Shares as the Board may determine at an exercise price determined as described under paragraph 5 below. An offer of the grant of an Option (the "**Offer**") shall remain open for acceptance by the Eligible Participant concerned for a period of seven (7) days from the date of the offer and no such offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Scheme has been terminated. An Option shall be deemed to have been granted and accepted (with retrospective effect from the offer date) when the duplicate letter comprising acceptance of the Option duly signed by the Grantee with the number of Shares in respect of which Offer is accepted clearly stated therein, together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company. Such remittance shall in no circumstances be refundable.

Any offer may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of such number of Shares as represents a board lot for the time being for the purposes of trading on the Exchange or an integral multiple thereof. To the extent that the offer is not accepted within seven (7) days from the date of the Offer, it will be deemed to have been irrevocably declined and lapsed automatically.

3. MAXIMUM NUMBER OF SHARES

The total number of Shares in respect of which Options (including both exercised and outstanding Options) may be granted under the Scheme and any other share option schemes of our Company shall not in aggregate exceed 10 per cent. of the total number of Shares in issue at the time the Scheme is adopted by the Shareholders.

Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(a) renew this limit at any time up to 10% of the Shares in issue as at the date of the approval by the Shareholders in general meeting; and/or

(b) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time.

No options shall be granted under any schemes of the Company (including the Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of the Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company in accordance with paragraph 18 below whether by way of consolidation, capitalisation issue, rights issue, sub-division or reduction of the share capital of the Company but in no event shall exceed the limit prescribed in this paragraph.

4. MAXIMUM NUMBER OF OPTIONS TO ANY ONE INDIVIDUAL

(a) Subject to paragraph 4(b), no Eligible Participant shall be granted an Option if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the Options granted to such Eligible Participant (including both exercised and outstanding Options) in any 12-month period exceeding 1% of the total number of Shares in issue.

(b) Where any further grant of Options to a Eligible Participant, if exercised in full would result in the total number of Shares already issued or to be issued upon exercise of all Options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the date of such further grant exceeding 1% of the total number of Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his associates abstaining from voting. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Options to be granted and Options previously granted to such Eligible Participant and the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules. The number and terms (including the Subscription Price) of the Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval and the date of the meeting of the Board for proposing such further grant of Option should be taken as the date of grant for the purpose of calculating the Subscription Price.

5. EXERCISE PRICE

The subscription price in respect of any Option granted under the Share Option Scheme shall be such price as determined by the Board in its absolute discretion but in any case shall be at least not be lower than the higher of:

(a) the closing price of the Shares as stated in the Exchange's daily quotation sheet on the date of grant, which must be a Business Day;

(b) the average closing price of the Shares as stated in the Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of grant; and

(c) the nominal value of a Share.

6. GRANT OF OPTIONS TO CONNECTED PERSONS

Any grant of Options to a Director, chief executive (other than a proposed Director or a proposed chief executive of the Company) or substantial shareholder or any of their respective associates, under the Scheme or any other share option scheme of the Company or any of its subsidiaries shall be subject to approval by the independent non-executive Directors (excluding independent non-executive Director who is a Grantee of the Options). In case of any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director, or any of their respective associates; or where any grant of Options to a substantial shareholder or an independent non-executive Director, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(a) representing in aggregate over 0.1% of the relevant class of Shares in issue; and

(b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK$5,000,000,

such further grant of Options must be approved by the Shareholders and the Company shall send a circular to all Shareholders. All connected persons of the Company must abstain from voting in favour at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his or her intention to do so has been stated in the circular in accordance with Rule 13.40 of the Listing Rules. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll.

7. RESTRICTIONS ON THE TIMES OF GRANT OF OPTIONS

No offer of grant of Options shall be made after a price sensitive development has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published in accordance with Rule 2.07C of the Listing Rules. In particular, no option may be granted during the period of one month immediately preceding the earlier of:

(a) the date of the Board meeting (as such date is first notified to the Exchange in accordance with Rule 13.43 of the Listing Rules) for the approval of the Company's results for any year, half year, quarterly or other interim period (whether or not required under the Listing Rules); and

(b) the deadline for the Company to publish an announcement of its results for any year, half year, quarterly or other interim period (whether or not required under the Listing Rules) under the Listing Rules, and ending on the date of the results announcement.

8. RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee.

9. EXERCISE OF OPTION

An Option may be exercised in whole or in part by the Grantee (or his legal representative(s)) within the option period, which shall be determined and notified by the Board to the Grantee during which the option may be exercised and in any event shall be not more than 10 years commencing on the date on which the offer in relation to such Option is deemed to have been accepted in accordance with paragraph 2 and expiring on the last day of such 10-year period subject to the provisions for early termination contained in paragraph 16, giving notice in writing stating that the Option is to be exercised and the number of Shares in respect of which it is exercised. Such notice must be accompanied by a remittance for the full amount of the price of the Shares in respect of which the notice is given. Within 30 days after receipt of the notice and (where appropriate) receipt of the independent financial adviser's or the Auditors' certificate under paragraph 18, the Company shall issue and allot the relevant Shares to the Grantee credited as fully paid and issue to the Grantee a share certificate in respect of the Shares so issued and allotted.

10. PERFORMANCE TARGET

There is no general requirement for any performance target to be achieved before options can be exercised under the Scheme although the Board has the discretion to require a particular Grantee to achieve certain performance targets specified at the time of grant before any Option granted under the Scheme can be exercised.

11. RIGHTS ON CEASING EMPLOYMENT OR DEATH

If the Grantee of an option ceases to be an employee of the Company, its Subsidiaries or Invested Entity:

(a) by any reason other than death or termination of his employment on the grounds specified in paragraph 12 below, the Grantee may exercise the Option up to the entitlement of the Grantee as at the date of cessation (to the extent not already exercised) on or before the date of such cessation, which date shall be the actual last working day on which the Grantee was at work with the Company, or the relevant Subsidiary or Invested Entity, on which salary is paid whether in lieu of notice or not, or such longer period as the Board may determine; or

(b) by reason of death, the legal personal representative(s) of the Grantee may exercise the Option within a period of 12 months from the date of his death (or such longer period as the Board may determine.

12. RIGHTS ON DISMISSAL

If the Grantee is under employment with the Company and/or any of the Subsidiaries or the Invested Entity, the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his or her employment on and ground that he or she has been guilty of misconduct or has been convicted of any criminal offence involving his or her integrity or honesty, the Grantee's Option shall lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

13. RIGHTS ON TAKEOVER

In the event that a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, and such offer becomes or is declared unconditional, a Grantee shall be entitled to exercise his or her or its Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in exercise of his or her or its Option at any time before the close of such offer (or any revised offer).

14. RIGHTS ON A COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its members (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement, and thereupon any Grantee or his or her legal personal representative(s) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling two (2) calendar months thereafter and the date on which such compromise or arrangement is sanctioned by Court be entitled to exercise his or her or its Option (to the extent which has become exercisable and not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective.

15. RIGHTS ON WINDING UP

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all Grantees and thereupon, each Grantee or his or her legal personal representative(s) shall be entitled to exercise all or any of his or her or its Options (to the extent which has become exercisable and not already exercised) at any time not later than two (2) Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

16. LAPSE OF OPTION

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

(a) the expiry of the option period;

(b) the expiry of any of the periods referred to in paragraphs 11, 12, 13, 14 and 15;

(c) the date on which the offer (or as the case may be, revised offer) referred to in paragraph 13 closes;

(d) the date of the commencement of the winding-up of the Company referred to in Clause 15;

(e) the date on which the Grantee who is an employee of the Company, its Subsidiaries or Invested Entity ceases to be such an employee by reason of the termination of his employment on the grounds that he has been guilty of misconduct or has been convicted of any criminal offence involving his integrity or honesty.

17. RANKING OF SHARES

No dividends will be payable and no voting rights will be exercisable in relation to an option that has not been exercised. Shares issued on the exercise of an option will rank equally in all respects with the Shares in issue on the date of allotment. They will not rank for any rights (which include, among other things, voting rights and dividend rights) attaching to Shares by reference to a date preceding the date of allotment.

18. EFFECTS OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue or other similar offer of securities to holders of Shares, consolidation, subdivision or reduction or similar reorganisation of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding alterations (if any) shall be made in the number or nominal amount of Shares subject to any options so far as unexercised and/or the Subscription Price and/or the method of exercise of Option and/or the maximum number of Shares referred to in paragraph 3 above, in accordance with Rule 17.03(13) of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time, as the Company's independent financial adviser or Auditors shall certify in writing to the Board.

Any alteration shall be made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such alteration shall remain the same as that to which he or she or it was entitled before such alteration and that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but so that no such alteration shall be made the effect of which would be to enable any Share to be issued at less than its nominal value and no such adjustment will be required in circumstances where there is an issue of Shares or other securities of the Group as consideration in a transaction.

19. ALTERATIONS OF THE SCHEME

The Scheme may be altered in any respect by a resolution of the Board except that the following shall not be carried out except with the prior sanction of an ordinary resolution of the Shareholders in general meeting, provided always that the amended terms of the Scheme shall comply with the applicable requirements of the Listing Rules: (i) any material alteration to its terms and conditions or any change to the terms of Options granted (except where the alterations take effect under the existing terms of the Scheme); (ii) any alteration to the provisions of the Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Grantee; and (iii) any change to the authority of the Directors in relation to any alteration to the terms of the Scheme.

20. CANCELLATION OF OPTIONS

The Company may cancel an Option granted but not exercised with the approval of the Grantee of such Option. Option may be granted to an Eligible Participant in place on his cancelled Options provided that there are available unissued options (excluding the cancelled Options) within the Scheme Mandate Limit (or similar limit under any other scheme adopted by our company) from time to time.

21. DURATION AND ADMINISTRATION OF THE SCHEME

Subject to paragraph 22, the Scheme shall be valid and effective for a period of ten (10) years commencing on the date on which the conditions set out in paragraph 23 are satisfied, after which period no further Options will be granted but the provisions of this Scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the Scheme and remain unexercised immediately prior to the end of the ten-year period shall continue to be exercisable in accordance with their terms of grant within the option period for which such Options are granted, notwithstanding the expiry of this Scheme.

The Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to this Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

22. TERMINATION OF THE SCHEME

The Company, by resolution in general meeting, or the Board may at any time terminate the operation of the Scheme and in such event no further Option will be offered but the provisions of the Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of the Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provision of the Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Scheme.

23. CONDITION OF THE SCHEME

The Scheme is conditional on:

(a) the passing by the Shareholders of an ordinary resolution at the extraordinary general meeting to approve and adopt the Scheme; and

(b) the Listing Committee of the Stock Exchange granting approval of the listing of and permission to deal in the Shares which fall to be issued pursuant to the exercise of any Options.

24. DISCLOSURE IN ANNUAL AND INTERIM REPORTS

The Board shall procure that details of the Scheme are disclosed in the Company's annual and interim reports in compliance with the Listing Rules in force from time to time.

25. PRESENT STATE OF THE SCHEME

As at the Latest Practicable Date, no Option has been granted under the Scheme.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules and the Takeovers Code for the purpose of giving information with regard to the Group. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts not contained herein, the omission of which would make any statement in this circular misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date were, and immediately following completion of the Acquisitions and Capitalisation Issue and increase in authorised share capital becoming effective will be, as follows:

As at the Latest Practicable Date

Authorised:		*HK$'000*
1,250,000,000	Shares	250,000
Issued and fully paid or credited as fully paid:		
591,047,975	Shares	118,210

Upon completion of the Acquisitions and Capitalisation Issue and the increase in authorised share capital becoming effective but before the conversion of the ICULS

Authorised:		*HK$'000*
20,000,000,000	Shares	4,000,000,000
Issued and fully paid or credited as fully paid:		
591,047,975	Shares	118,210
890,683,666	Consideration Shares	178,137
180,000,000	Capitalisation Shares	36,000
1,661,731,641	Shares	332,347

The Company does not have any outstanding options, warrants or derivatives or other securities which are convertible into Shares as at the Latest Practicable Date.

All the existing Shares in issue, Consideration Shares and the Capitalisation Shares, when issued and allotted, will rank pari passu in all respects with each other including as regards to rights to all dividends, distributions and other payments made or to be made the record date for which shall fall on or after such allotment and issue, voting and return of capital.

The Directors of BCorp confirmed that none of the Consideration Shares and the Capitalisation Shares will be transferred, charged or pledged to any other persons immediately upon completion of the Acquisitions and Loan Capitalisation.

3. CORPORATE INFORMATION

Executive Directors

Mr. Chan Kien Sing, aged 53, joined the Group in 1993. He is a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Mr. Chan joined Berjaya Group Berhad in 1989 as General Manager, Investment. In 2005, he was appointed as Group Executive Director to the Board of Berjaya Corporation Berhad. He is an Executive Director of Berjaya Corporation Berhad, Berjaya Sports Toto Berhad, Berjaya Media Berhad and he is a director of BAssets (companies listed on Bursa Malaysia Securities Berhad). He is also a director of various subsidiaries under the Berjaya Corporation Berhad group of companies in Malaysia and in several foreign based companies in Hong Kong and United States of America.

Mr. Chin Chee Seng, Derek, aged 52, joined the Group in 1993. He holds a BA (Hons) Business Law degree and is a Barrister-at-Law. He was admitted as an advocate and solicitor of the High Court of Malaya in 1983 and practiced in the legal firm of Allen & Gledhill, Kuala Lumpur for six years until he joined Berjaya Group Berhad in 1989. He is currently the Senior General Manager in charge of legal affairs for Berjaya Corporation Berhad.

Ms. Tan Ee Ling, aged 39, joined the Group in 1993. She graduated from University of Essex, UK with a First Class honours degree in Accounting and Financial Management. Having worked in an accounting firm, she continued her studies and obtained a Master's degree in Business Administration (Finance) from University of Nottingham, UK.

Mr. Wong Man Hong, aged 40, joined the Group in 2003. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He is the husband of Ms. Tan Ee Ling.

Mr. Tan Yeong Sheik, Rayvin, aged 30, 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 and its subsidiaries in May 2001 and was subsequently appointed to the position of Executive Director in May 2002. Currently, he is an Executive Director of Berjaya Corporation Berhad as well as in Berjaya Sports Toto Berhad.

Ms. Cheng Chi Fan, Vivienne, aged 50, joined the Group in 2009. She obtained her Bachelor degree in Economics (Accounting) from Monash University, Australia in 1982 and was subsequently admitted as a member of the Australian Society of Accountants. She has over 25 years of working experience in the field of treasury and finance with broad expertise in project finance, debt capital raising, corporate and debt restructuring and treasury cash management. Prior to joining the Treasury Department of Berjaya Group Berhad in 1989, she was attached to Sunway Group of Companies for 6 years and headed its Treasury Division. Currently, she is an Executive Director of Berjaya Corporation Berhad and also a Director of Berjaya Group Berhad. She also holds directorships in several private limited companies of Berjaya Corporation Berhad and its subsidiaries.

Mr. Tan Thiam Chai, aged 50, 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 Berjaya Corporation Berhad 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 Berjaya Group Berhad to head the Group Internal Audit function and subsequently in 1993, he was promoted to oversee the Group Accounting function of Berjaya Group Berhad. Currently, he is the Chief Financial Officer of Berjaya Corporation Berhad and is heading the Group Accounts & Budgets Division of Berjaya Corporation Berhad and its subsidiaries. He is also an Executive Director of Berjaya Land Berhad and Berjaya Assets Berhad (listed on Bursa Malaysia Securities Berhad) and a Director of Berjaya Capital Berhad, Cosway Corporation Berhad and Magni-Tech Industries Berhad (listed on Bursa Malaysia Securities Berhad) and holds directorships in several other private limited companies.

Independent Non-executive Directors

Dato' Lee Ah Hoe, J.P., aged 65, joined the Group in 1994 as an Independent Non-Executive Director. Dato' Lee has over 35 years of experience in property development.

Mr. Tan Tee Yong, aged 45, joined the Group in 1998 as an Independent Non-Executive Director. Mr. Tan has over 25 years of experience in the business sector and has held directorships in freight forwarding, investment and automobile industry in Malaysia.

Mr. Leou Thiam Lai, aged 53, joined the Group in 2004 as an Independent Non-Executive Director. He is currently a partner of Leou & Associates, Chartered Accountants, Malaysia. Mr. Leou studied at the Tunku Abdul Rahman College, Kuala Lumpur. Upon graduation, in June 1980, he began his career in a Chartered Accountants firm and subsequently, was the Group Accountant of a public listed company in 1987. He started a risk management agency and, in 1988 upon the approval of his Audit Licence by the Treasury, he started Leou & Associates, a Chartered Accountants Firm. Mr. Leou is a Chartered Accountant of the Malaysian Institute of Accountants, he is also a fellow member of The Association of Chartered Certified Accountants, as well as a fellow member of the Malaysia Institute of Taxation. At present, Mr. Leou also sits on the Board of DeGem Berhad, United Bintang Berhad, I-Power Berhad, Ramunia Holdings Berhad and Nextnation Communication Berhad.

Principal Bankers

CITIC Ka Wah Bank Limited
Lippo Centre, 89 Queensway, Hong Kong

DBS Bank (Hong Kong) Limited
G/F, The Centre, 99 Queen's Road Central, Central, Hong Kong

Authorised Representatives

Tan Ee Ling
Unit 1701, 17/F, Austin Plaza, 83 Austin Road, Jordan, Kowloon, Hong Kong

Wong Man Hong
Unit 1701, 17/F, Austin Plaza, 83 Austin Road, Jordan, Kowloon, Hong Kong

Share Registrar and the register of holders of the ICULS

Tricor Secretaries Limited
26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong

4. DISCLOSURE OF INTERESTS

(a) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under the provisions of the SFO) or which were required pursuant to Section 352 of the SFO to be entered in the register referred to therein or which had otherwise been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

(i) Long positions in shares and underlying shares of associated corporation

(1) Berjaya Corporation Berhad

Name of director	Capacity	Number of shares held	Number of underlying shares under derivative interest held	Total interest	Approximate percentage of shareholding
Tan Yeong Sheik, Rayvin	Beneficial owner	176,000	139,333 *(Note 1)*	315,333	0.00%
Chan Kien Sing	Beneficial owner	47,688	–	47,688	0.00%
Chin Chee Seng, Derek	Beneficial owner	90,000	–	90,000	0.00%
Leou Thiam Lai	Beneficial owner	300,000	–	300,000	0.00%
Tan Thiam Chai	Beneficial owner/ interests of spouse	274,458 *(Note 2)*	–	274,458	0.00%
Cheng Chi Fan, Vivienne	Beneficial owner	4,400	–	4,400	0.00%

Notes:

1 These 139,333 underlying shares are those shares which would be issued by BCorp upon conversion of the irredeemable convertible unsecured loan stocks 2005/2015 of RM0.50 nominal value each held by Tan Yeong Sheik, Rayvin.

2 Of these shares, 151,164 shares are held by Lim Beng Poh, the spouse of Tan Thiam Chai, and are deemed to be interested by Tan Thiam Chai.

(2) Berjaya Land Berhad

Name of director	Capacity	Number of shares held	Number of underlying shares under derivative interest held	Total interest	Approximate percentage of shareholding
Tan Thiam Chai	Beneficial owner	10,000	–	10,000	0.00%

(3) Berjaya Sports Toto Berhad

Name of director	Capacity	Number of shares held	Number of underlying shares under derivative interest held	Total interest	Approximate percentage of shareholding
Chan Kien Sing	Beneficial owner	3,428	–	3,428	0.00%
Tan Yeong Sheik, Rayvin	Beneficial owner	165,000	–	165,000	0.01%
Tan Thiam Chai	Beneficial owner/ interests of spouse	228,543 *(Note 1)*	–	228,543	0.01%

Note:

1 Of these shares, 65,000 shares are held by Lim Beng Poh, the spouse of Tan Thiam Chai, and are deemed to be interested by Tan Thiam Chai.

Save as disclosed herein so far as is known to the Directors, as at the Latest Practicable Date, no person (not being a Director or chief executive of the Company) had any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO to be entered in the register referred to therein or which had otherwise been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

(b) Interests of Substantial Shareholders

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO and, so far as was known to the Directors or chief executive of the Company, the persons or entities, other than a Director or chief executive of the Company, who had an interest or a short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other company which is a subsidiary of the Company or in any options in respect of such share capital were as follows:

(i) Long positions in Shares

Name of shareholders	Capacity and nature of interest	Number of Shares held	Approximate percentage of shareholding
TSVT *(Note 1)*	Interests through controlled corporation	292,149,475	49.43%
BCorp *(Note 1)*	Interests through controlled corporation	292,149,475	49.43%
Berjaya Group Berhad *(Note 1)*	Interests through controlled corporation	292,149,475	49.43%
BCayman *(Note 1)*	Beneficial owner	252,149,475	42.66%
Grandgroup Investments Limited *(Note 2)*	Beneficial owner	118,180,000	19.99%
Berjaya Leisure (Cayman) Limited *(Note 1)*	Beneficial owner	40,000,000	6.77%

Notes:

1 The interests of Berjaya Group Berhad in the issued share capital of the Company refer to the interests of BCayman and Berjaya Leisure (Cayman) Limited, both being subsidiaries of Berjaya Group Berhad. BCorp is the parent company of Berjaya Group Berhad. TSVT directly and indirectly controls approximately 52.80% of the total issued share capital of BCorp. TSVT, BCorp and Berjaya Group Berhad are deemed to be interested in the Shares held by BCayman and Berjaya Leisure (Cayman) Limited.

2 None of the Directors is the ultimate shareholder of these companies.

Save as disclosed herein so far as is known to the Directors, as at the Latest Practicable Date, no person (not being a Director or chief executive of the Company) had an interest or a short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other company which is a subsidiary of the Company, or in any options in respect of such share capital.

5. DIRECTORS' INTEREST IN CONTRACTS/ASSETS

As at the Latest Practicable Date,

(i) save for the eCosway Agreement pursuant to which Mr. Tan Yeong Sheik, Rayvin, an executive director of the Company, has agreed to sell his 750,000 eCosway Sale Shares, representing 15% of the total equity interest in eCosway, for consideration of RM40,343,890 (approximately HK$89,897,394), none of the Directors was materially interested in any contract or arrangement entered into by any member of the Enlarged Group subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group taken as a whole; and

(ii) save for the eCosway Agreement entered into by Mr. Tan Yeong Sheik, Rayvin, an executive director of the Company, the particulars of which have been stated above, none of the Directors had any direct or indirect interest in any assets acquired or disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Enlarged Group since 30 April 2009, the date up to which the latest published audited consolidated financial statements of the Group were made up.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contract with the Enlarged Group:

(i) which (including both continuous and fixed term contracts) have been entered into or amended in the Relevant Period;

(ii) which are continuous contracts with a notice period of 12 months or more; or

(iii) which are fixed term contracts with more than 12 months to run irrespective of the notice period.

7. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, none of the Directors and their respective associates is interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

8. SHAREHOLDINGS AND DEALINGS

(a) In relation to BCorp

(i) As at the Latest Practicable Date, the Company did not own or control any securities, convertible securities, warrants, options and derivatives of BCorp.

(ii) As at the Latest Practicable Date, save as disclosed in the paragraph headed "4. Disclosure of Interests" in this section above, none of the Directors was interested in the securities, convertible securities, warrants, options and derivatives of BCorp which were required to be disclosed in this circular pursuant to the requirements of the Takeovers Code.

(iii) During the period starting six months prior to 23 July 2009 (being the date of the first announcement relating to the Acquisitions) and ending on the Latest Practicable Date (the "Relevant Period"):

(1) the Company had not dealt for value in the securities, convertible securities, warrants, options and derivatives of BCorp; and

(2) save for (i) Mr. Tan Yeong Sheik, Rayvin who had acquired 53,000, 22,000, 44,000 and 55,000 shares in BCorp on 10 September 2009, 14 September 2009, 15 September 2009 and 18 September 2009, respectively, at RM0.9381, RM0.9050, RM0.8850 and RM0.9050 respectively per share, and 110,000, 47,000 and 115,000 BCorp irredeemable convertible unsecured loan stocks 2005/2015 ("BCorp ICULS") of RM0.50 nominal value each on 10 September 2009, 14 September 2009 and 18 September 2009, respectively, at RM0.4500, RM0.4250 and RM0.4300 respectively per BCorp ICULS, (ii) Mr. Chin Chee Seng, Derek who had acquired 5,000 shares in BCorp on 23 June 2009 at RM0.79 per share and subsequently disposed 5,000 shares in BCorp on 6 August 2009 at RM0.94 per share, no Directors had dealt for value in the securities, convertible securities, warrants, options and derivatives of BCorp.

(b) In relation to the Company

(i) Save as disclosed in the section headed "Disclosure of Interests" in paragraph 4 of this Appendix, none of BCorp, its concert parties and any of their respective directors owned or controlled any securities, convertible securities, warrants, options or derivatives of the Company as at the Latest Practicable Date, and none of them had dealt for value in any such securities during the Relevant Period.

(ii) Save as disclosed in the section headed "Disclosure of Interests" in paragraph 4 of this Appendix, none of the Directors was interested in any securities, convertible securities, warrants, options or derivatives in respect of securities which carry voting rights of the Company as at the Latest Practicable Date and none of them had dealt for value in any such securities during the Relevant Period.

(iii) As at the Latest Practicable Date, no person who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with BCorp or with any party acting in concert with it, owned or controlled any Shares, convertible securities, warrants, options and derivatives of the Company.

(iv) As at the Latest Practicable Date, no person who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is an associate of the Company by virtue of classes (1), (2), (3) and (4) of the definition of "associate" under the Takeovers Code owned or controlled any Shares, convertible securities, warrants, options and derivatives of the Company.

(v) As at the Latest Practicable Date, none of BCorp or its concert parties, the Company or Directors has borrowed or lent any securities, convertible securities, warrants, options or derivatives of the Company.

(vi) During the period starting six months prior to 23 July 2009 (being the date of the first announcement relating to the Acquisitions) and ending on the Latest Practicable Date:

(1) none of the subsidiaries of the Company and pension funds of the Company or of a subsidiary of the Company owned or had dealt for value in or owned or controlled any securities, convertible securities, warrants, options and derivatives of the Company or any of its subsidiaries;

(2) no fund managers connected with the Company had owned, dealt or managed any securities, convertible securities, warrants, options and derivatives of any member of the Group on a discretionary basis;

(3) save for the dealings in the Shares for the account of non-discretionary clients by the brokerage division of CIMB Securities (HK) Limited, CIMB Securities (HK) Limited, as the financial adviser to the Company, being an associate of the Company as specified in class (2) of the definition of "associate" under the Takeovers Code, had not dealt for value in any securities, convertible securities, warrants, options and derivatives of the Company; and

(4) save as disclosed in paragraph (3) above, none of the professional advisers named under the section headed "Experts and consent" in this Appendix and as specified in class (2) of the definition of "associate" under the Takeovers Code had dealt for value in any securities, convertible securities, warrants, options and derivatives of the Group.

(vii) As at the Latest Practicable Date, there was no Shareholders who have irrevocably committed themselves to vote for or against the Whitewash Waiver in the EGM.

(viii) As at the Latest Practicable Date, no Director has any shareholding in the Company.

9. ARRANGEMENT AFFECTING THE DIRECTORS

As at the Latest Practicable Date,

(i) no benefit (other than statutory compensation) would be given to any Director as compensation for loss of office or otherwise in connection with the Acquisition, the Loan Capitalisation and the Whitewash Waiver;

(ii) save for the Agreements, no agreement or arrangement was entered into between any Director and any other person which was conditional on or dependent upon the outcome of the Acquisition, the Loan Capitalisation and the Whitewash Waiver or was otherwise connected with the Acquisition, the Loan Capitalisation and the Whitewash Waiver; and

(iii) save for the Agreements, no material contract was entered into by BCorp in which any Director had a material personal interest.

10. MARKET PRICES

(a) The table below shows the closing prices of the Shares as quoted on the Stock Exchange on (i) the last trading day of each of the six calendar months immediately preceding 12 October 2009, being the date of suspension of trading in the Shares on the Stock Exchange pending the release of the Announcement; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	**Closing price** *HK$*
30 April 2009	0.18
29 May 2009	0.192
30 June 2009	0.218
31 July 2009	0.53
31 August 2009	0.58
30 September 2009	0.72
12 October 2009 (being the Last Trading Day)	0.74
Latest Practicable Date	0.82

(b) The highest and lowest closing prices of the Shares recorded on the Stock Exchange during the period between 14 April 2009 (being the date six months prior to the date of the Announcements) and the Latest Practicable Date (both dates inclusive) were HK$0.84 on 14 October 2009 and HK$0.14 on 14 April 2009 respectively.

11. LITIGATION

Save as disclosed below, as at the Latest Practicable Date, none of the members the Enlarged Group was engaged in any litigation of material importance and no litigation or claim of material importance was known to the Company to be pending or threatened against the Enlarged Group:

On 24 January 2007, Innovation Scientifique Dermatologique ("ISD") filed a writ of summons against Cosway M to the Tribunal de Commerce (Commercial Court) of Paris, claiming for a sum of Euro 2,035,000 (equivalent to approximately RM10.09 million) with interest for the alleged loss of license fees for the period from 1 August 2004 to 31 December 2007 and related damages arising from unfair competition in relation to the termination of a license agreement dated 17 September 2004 entered into between the Cosway M and ISD. The directors of Cosway M have been advised by the legal counsel of Cosway M that Cosway M has a valid defense to all allegations raised by ISD. As at the Latest Practicable Date, no hearing date for the trial has yet been fixed.

12. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Enlarged Group within two years immediately preceding 23 July 2009 (being the date of the first announcement relating to the Acquisitions) up to and including the Latest Practicable Date which are or may be material:

(a) The Agreements;

(b) The Loan Capitalisation Agreement;

(c) The Loan Agreement;

(d) The Taiwan Properties Agreement;

(e) The Arena Green Agreement;

(f) The Land Disposal Agreement; and

(g) The Golden Works Agreements.

13. EXPERTS AND CONSENTS

The qualifications of the experts who have given opinion in this circular are as follows:

Name	Qualification
Ernst and Young	Certified Public Accountants
Vigers Appraisal & Consulting Limited	Independent property valuer
Hartanah Consultants	Independent property valuer
Magno Smith Gestão Patrimonial Ltda	Independent property valuer
Honda Appraisers Joint Firm	Independent property valuer
Savills Valuation and Professional Services Limited	Independent property valuer
Somerley Limited	a corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

As at the Latest Practicable Date, each of Ernst and Young, Vigers Appraisal & Consulting Limited, Hartanah Consultants, Magno Smith Gestão Patrimonial Ltda, Honda Appraisers Joint Firm, Savills Valuation and Professional Services Limited and Somerley Limited did not have any shareholding in any member of the Enlarged Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Enlarged Group.

As at the Latest Practicable Date, none of Ernst and Young, Vigers Appraisal & Consulting Limited, Hartanah Consultants, Magno Smith Gestão Patrimonial Ltda, Honda Appraisers Joint Firm, Savills Valuation and Professional Services Limited and Somerley Limited had any interest, direct or indirect, in any assets which had been, since 30 April 2009, the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Enlarged Group, or were proposed to be acquired or disposed of by or leased to any member of the Enlarged Group.

Each of Ernst and Young, Vigers Appraisal & Consulting Limited, Hartanah Consultants, Magno Smith Gestão Patrimonial Ltda, Honda Appraisers Joint Firm, Savills Valuation and Professional Services Limited and Somerley Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter or reports or valuation certificates (as the case may be) and references to its name and advice or opinion in the form and context in which they respectively appear in this circular.

14. PROVISIONS REGARDING CHANGES IN CAPITAL AND VARIATION OF CLASS RIGHTS

(a) Changes in capital

The Company may by ordinary resolution from time to time:

- increase its capital by such sum, to be divided into shares of such amount as the resolution prescribes;

- consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

- by sub-division of its existing shares or any of them divide the whole or any part of its capital into shares or smaller amount that is fixed by its Memorandum of Association and the resolution may determine that as between the shares resulting from the sub-division any of them may have any preference or advantage as compared with the others or such deferred rights or be subject to any restrictions as compared with the others as the Company has power to attach to unissued or new shares;

- cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by person and diminish the amount of its capital by the amount of the shares so cancelled.

The Company may by special resolution reduce its share capital, any capital redemption reserve and its share premium account in any manner allowed by law.

(b) Variation of class rights

- Whenever the capital is divided into different classes of shares the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these presents relating to general meetings shall mulatis mutandis apply but so that at every such separate general meeting the quorum shall be two or more persons holding or representing by proxy or as an authorized representative at least one-third in nominal value of the issued shares of the class and any one person holding or representing by proxy or as an authorized representative any issued shares of the class may demand a poll.

- The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respects in priority thereto.

15. GENERAL

(a) So far as is known to the Directors, as at the Latest Practicable Date, there was (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholders; and (ii) no obligation or entitlement of any Shareholders, whereby he/she/it has or may have temporarily or permanently passed control over the exercise of the voting rights in respect of his/her/its Shares to a third party, either generally or on a case by case basis.

(b) So far as is known to the Directors, as at the Latest Practicable Date, there was no discrepancy between any Shareholder's beneficial shareholding interest in the Company as disclosed in this circular and the number of Shares in respect of which it will control or will be entitled to exercise control over the voting rights at the EGM.

(c) The registered address of BCorp is Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan lmbl, 55100 Kuala Lumpur.

(d) As at the Latest Practicable Date, the directors of BCorp were Tan Sri Dato' Seri Vincent Tan Chee Yioun, Tan Sri Dato' Tan Chee Sing, Dato' Robin Tan Yeong Ching, Chan Kien Sing, Freddie Pang Hock Cheng, Rayvin Tan Yeong Sheik, Vivienne Cheng Chi Fan, Dato' Azlan Meah Bin Hj Ahmed Meah, Datuk Robert Yong Kuen Loke, Tan Sri Datuk Abdul Rahim Bin Haji Din, Dato' Suleiman Bin Mohd Noor, Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar and Mohd Zain Bin Ahmad.

(e) As at the Latest Practicable Date, there was no agreement or arrangement existing between any Director and any other person which is conditional on or dependent upon the outcome of the Whitewash Waiver or otherwise connected therewith.

(f) As at the Latest Practicable Date, there was no agreement, arrangement or understanding (including any compensation arrangement) between BCorp or any parties acting in concert with it and any of the Directors or recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Whitewash Waiver.

(g) There are no commissions, discounts, brokerages or other special terms granted since 30 April 2009 (the date to which the latest published audited accounts of the Company were made up) in connection with the issue or sale of any capital of the Group.

(h) It is the intention of BCorp to continue to carry on the business of the Company and to continue the employment of the management and employees of the Group. BCorp has no intention to redeploy the fixed assets of the Group. BCorp does not intend to introduce any changes to the current business of the Group.

(i) The estimated amount of expenses relating to the issue and application for the listing of the ICULS is approximately HK$15 million payable by the Company.

(j) The registered office of the financial adviser, CIMB Securities (HK) Limited is situated at 25/F Centre Tower, 28 Queen's Road Central, Hong Kong.

(k) The registered office of the independent financial adviser, Somerley is situated at 10th Floor, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong.

(l) The registered office of the auditor, Ernst & Young is situated at 18th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

(m) The registered office of the independent property valuer, Vigers Appraisal & Consulting Limited is 10th Floor, The Grande Building, 398 Kwun Tong Road, Kowloon, Hong Kong.

(n) The registered office of the independent property valuer, Hartanah Consultants is Suite 9.03, 9th Floor, Wisma Cosway, No. 88, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

(o) The registered office of the independent property valuer, Magno Smith Gestão Patrimonial Ltda is Rua Manuel Pereira Lobo 177, Mooca, São Paulo, SP, Brazil.

(p) The registered office of the independent property valuer, Honda Appraisers Joint Firm is 8/F, No. 27 Section 1, Chungshan North Road, Taipei, Taiwan.

(q) The registered office of the independent property valuer, Savills Valuation and Professional Services Limited is 23/F, Two Exchange Square, Central, Hong Kong.

(r) The paying, conversion and transfer agent is Tricor Secretaries Limited, 26th Floor Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

(s) There will not be any change in the composition of the Board as a result of Completion.

(t) The registered office of the Company is situated at Unit 1701, 17th Floor Austin Plaza, 83 Austin Road, Jordan, Kowloon, Hong Kong

(u) The Company's share registrar and transfer office in Hong Kong is Tricor Secretaries Limited, 26th Floor Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

(v) The company secretary of the Company is Mr. Wong Man Hong, certified public accountant in Hong Kong, an associate member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

(w) In the event of inconsistency, the English text of this circular and the accompanying notice of EGM and form of proxy shall prevail over the Chinese text thereof.

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the office of Morrison & Foerster at 33/F, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong during normal business hours from 9:00 a.m. to 6:00 p.m. on any Business Day from the date of this circular up to and including the date of the EGM and will also be displayed on the websites of the Company (http://www.berjayahk.com) and the SFC (http://www.sfc.hk) up to and including the date of EGM:

(a) the Agreements;

(b) the memorandum and articles of association of the Company and BCorp;

(c) the letter from the Board, the text of which is set out on pages 19 to 84 in this circular;

(d) the letter of recommendation from the Independent Board Committee to the Independent Shareholders, the text of which is set out on pages 85 and 86 in this circular;

(e) the letter of advice from Somerley to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 87 to 135 in this circular;

(f) the respective accountant's reports of Ernst and Young on Cosway M, eCosway and Golden Works, the text of which is set out in Appendix II and Appendix III to this circular;

(g) the reports from Ernst and Young on the unaudited pro forma financial information of the Enlarged Group, the text of which is set out in Appendix IV to this circular;

(h) the valuation reports prepared by Vigers Appraisal & Consulting Limited, Hartanah Consultants, Magno Smith Gestão Patrimonial Ltda, Honda Appraisers Joint Firm and Savills Valuation and Professional Services Limited, the text of which is set out in Appendix V to this circular;

(i) the annual reports of the Company for each of the two financial years ended 30 April 2008 and 2009;

(j) the written consents from each of Ernst and Young, Vigers Appraisal & Consulting Limited, Hartanah Consultants, Magno Smith Gestão Patrimonial Ltda, Honda Appraisers Joint Firm, Savills Valuation and Professional Services Limited and Somerley as referred to in the paragraph headed "Experts and Consents" in this Appendix IX;

(k) each of the material contracts entered into by the Group, as referred to in the paragraph headed "Material Contracts" in this appendix;

(l) the Exempted CCT Agreements and the Non-exempted CCT Agreements;

(m) the draft Deed Poll;

(n) the draft rules of the Share Option Scheme; and

(o) the statement of adjustments from Ernst and Young on the accountants' reports set out in Appendix II and III of Cosway M, eCosway and Golden Works.

BERJAYA

BERJAYA HOLDINGS (HK) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 288)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Berjaya Holdings (HK) Limited (the "Company") will be held at Studio 3, 7th Floor, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on Monday, 23 November 2009 at 10:00 a.m. (the "EGM") for the purpose of considering and, if thought fit, passing the following resolutions of the Company, with or without modification:

ORDINARY RESOLUTIONS

(1) The Cosway M Acquisition

"**THAT**, contingent upon the passing (as an ordinary resolution) of each of the resolutions set out as Resolutions (4), (5) and (6) in the notice convening this meeting:

(i) the sale and purchase agreement dated 13 October 2009 (a copy of which is produced to the meeting marked "A" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and Cosway Corporation Berhad ("**Cosway Corp**") (the "**First Cosway M Agreement**"), further details of which are specified in the circular of the Company dated 30 October 2009 (the "**Circular**") (a copy of which is produced to the meeting marked "B" and initialed by the chairman of the meeting for identification purpose), pursuant to which the Company has agreed to acquire approximately 83.89% of the issued and paid up share capital of Cosway (M) Sdn Bhd ("**Cosway M**") from Cosway Corp in accordance with the terms and conditions of the First Cosway M Agreement, and the transactions contemplated under the First Cosway M Agreement and the implementation thereof, be and are hereby confirmed, approved and ratified;

(ii) the sale and purchase agreement dated 13 October 2009 (a copy of which is produced to the meeting marked "C" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and Biofield Sdn Bhd ("**Biofield**") (the "**Second Cosway M Agreement**"), further details of which are specified in the Circular, pursuant to which the Company has agreed to acquire approximately 6.11% of the issued and paid up share capital of Cosway M from Biofield, in accordance with the terms and conditions of the Second Cosway M Agreement, and the transactions contemplated under the Second Cosway M Agreement and the implementation thereof, be and are hereby confirmed, approved and ratified;

(iii) the sale and purchase agreement dated 13 October 2009 (a copy of which is produced to the meeting marked "D" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and Madison County LLC ("**Madison**") (the "**Third Cosway M Agreement**"), further details of which are specified in the Circular, pursuant to which the Company has agreed to acquire 10% of the issued and paid up share capital of Cosway M from Madison, in accordance with the terms and conditions of the Third Cosway M Agreement, and the transactions contemplated under the Third Cosway M Agreement and the implementation thereof, be and are hereby confirmed, approved and ratified;

(iv) the consideration of RM838,892,000, RM61,108,000 and RM100,000,000 under First Cosway M Agreement, the Second Cosway M Agreement and the Third Cosway M Agreement, respectively, be satisfied by:

a. cash payment in the sum of RM 44.7 million to Cosway Corp;

b. the issue of 625,417,825 Consideration Shares (as defined in the Circular), 115,752,272 Consideration Shares and 117,014,977 Considerations Shares to Cosway Corp, Biofield and Madison, respectively, at the price of HK$0.20 per Consideration Share; and

c. the issue of ICULS (as defined in the Circular) in the principal amounts of HK$1,644,400,000, HK$113,000,000 and HK$199,400,000 to Cosway Corp, Biofield and Madison respectively;

be and is hereby confirmed, approved and ratified;

(v) any one director of the Company be and is hereby authorized for and on behalf of the Company to execute all such other documents (with or without the affixation of the common seal but to be countersigned by the secretary of the Company or by another director of the Company if it is required to affix the common seal of the Company thereto), instructions and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to, or in connection with the matters contemplated under this resolution."

(2) The eCosway Acquisition

"**THAT**, contingent upon the passing (as an ordinary resolution) of each of the resolutions set out as Resolutions (4), (5) and (6) in the notice convening this meeting:

(i) the sale and purchase agreement dated 13 October 2009 (a copy of which is produced to the meeting marked "E" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and the eCosway Vendors (as defined in the Circular) (the "**eCosway Agreement**"), further details of which are specified in the Circular, pursuant to which the Company has agreed to acquire 40% of the issued and paid up share capital of eCosway.com Sdn. Bhd. ("**eCosway**") from the eCosway Vendors, in accordance with the terms and conditions of the eCosway Agreement, and the transactions contemplated under the eCosway Agreement and the implementation thereof, be and are hereby confirmed, approved and ratified;

(ii) the consideration of RM107,583,706 under the eCosway Agreement be satisfied by issuing:

a. 32,498,592 Considerations Shares to the eCosway Vendors at the price of HK$0.20 per Consideration Share; and

b. the ICULS in a principal amount of HK$233,200,000 to the eCosway Vendors;

be and is hereby confirmed, approved and ratified;

(iii) any one director of the Company be and is hereby authorized for and on behalf of the Company to execute all such other documents (with or without the affixation of the common seal but to be countersigned by the secretary of the Company or by another director of the Company if it is required to affix the common seal of the Company thereto), instructions and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to, or in connection with the matters contemplated under this resolution."

(3) Loan Capitalisation

"**THAT**, contingent upon the passing (as an ordinary resolution) of each of the resolutions set out as Resolutions (1), (4), (5) and (6) in the notice convening this meeting:

(i) the loan capitalisation agreement dated 13 October 2009 (a copy of which is produced to the meeting marked "F" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and Berjaya Group (Cayman) Limited ("**BCayman**") (the "**Loan Capitalisation Agreement**"), pursuant to which the Company and BCayman have conditionally agreed that the Company shall allot to BCayman 180,000,000 new ordinary shares in the Company at an issue price of HK$0.20 per ordinary share (the "**Capitalisation Shares**") in satisfaction of HK$36 million being part of the Indebtedness (as defined in the Circular), be and is hereby confirmed, approved and ratified;

(ii) the issue of the Capitalisation Shares in the capital the Company credited as fully paid up to BCayman (the "**Capitalisation Issue**") be and is hereby confirmed, approved and ratified; and

(iii) any one director of the Company be and is hereby authorized for and on behalf of the Company to execute all such other documents (with or without the affixation of the common seal but to be countersigned by the secretary of the Company or by another director of the Company if it is required to affix the common seal of the Company thereto), instructions and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to, or in connection with the matters contemplated under this resolution."

(4) Proposed Increase In Authorised Share Capital

"**THAT** contingent upon the passing (as an ordinary resolution) of each of the resolutions set out as Resolutions (5), (6) and either (a) Resolutions (1) and (3) or (b) Resolution (2) in the notice convening this meeting:

(i) the authorized share capital of the Company be increased from HK$250,000,000 divided into 1,250,000,000 ordinary shares of the Company of HK$0.20 each ("**Shares**") to HK$4,000,000,000 divided into 20,000,000,000 Shares by creation of 18,750,000,000 new Shares of HK$0.20 each; and

(ii) any one director of the Company be and is hereby authorized for and on behalf of the Company to execute all such other documents (with or without the affixation of the common seal but to be countersigned by the secretary of the Company or by another director of the Company if it is required to affix the common seal of the Company thereto), instructions and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to, or in connection with the matters contemplated under this resolution."

(5) Application for Whitewash Waiver

"**THAT**:

(i) the waiver granted or to be granted by the Executive Director of the Corporate Finance Division of Securities and Futures Commission of Hong Kong (or any of his delegates) in accordance with Note 1 on Dispensations from Rule 26 of the Codes on Takeovers and Mergers and Share Repurchases of Hong Kong in respect of the obligation of BCorp and the parties acting in concert with it (as defined in the Circular) to make an unconditional mandatory general offer for all the issued Shares not already owned or agreed to be acquired by BCorp and the parties acting in concert with it, upon the (i) issue of the Consideration Shares and ICULS under the First Cosway M Agreement, the Second Cosway M Agreement and the issue of the Capitalisation Shares under the Loan Capitalisation Agreement; (ii) the issue of the Conversion Shares under the relevant ICULS under the First Cosway M Agreement and the Second Cosway M Agreement; and/or (iii) the issue of the Consideration Shares and Conversion Shares under the relevant ICULS under eCosway Agreement, as the case may be, (a copy of which is produced to the meeting marked "G" and initialed by the chairman of the meeting for identification purpose), be and are hereby confirmed, approved and ratified; and

(ii) any one director of the Company be and is hereby authorized for and on behalf of the Company to execute all such other documents (with or without the affixation of the common seal but to be countersigned by the secretary of the Company or by another director of the Company if it is required to affix the common seal of the Company thereto), instructions and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to, or in connection with the matters contemplated under this resolution."

(6) Specific Mandate

"**THAT**, contingent upon the passing (as an ordinary resolution) of each of the resolutions set out as Resolutions (1), (2), (3), (4) and (5) in the notice convening this meeting, the grant of a specific mandate for the allotment and issue of the Consideration Shares, the Capitalisation Shares and the underlying Shares which fall to be issued upon conversion of the ICULS be and is hereby approved."

(7) Proposed Adoption of the Share Option Scheme

"**THAT**:

(i) contingent upon the Listing Committee of the Stock Exchange granting approval of the Share Option Scheme (as defined in the Circular) and any option which may be granted thereunder and the granting of listing of and permission to deal in the shares of the Company to be issued pursuant to the exercise of options granted under the Share Option Scheme, the terms of the Share Option Scheme, in the form produced to the meeting (and marked "H" and initialed by the chairman of the meeting for identification purpose), be and are hereby approved and adopted;

(ii) the board of directors of the Company be hereby authorized to grant the options under the Share Option Scheme and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the options granted under the Share Option Scheme; and

(iii) any one director of the Company be and is hereby authorized for and on behalf of the Company to execute all such other documents (with or without the affixation of the common seal but to be countersigned by the secretary of the Company or by another director of the Company if it is required to affix the common seal of the Company thereto), instructions and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to, or in connection with the matters contemplated under this resolution."

(8) The Non-exempted CCT Agreements

"**THAT**, contingent upon the passing (as an ordinary resolution) of each of the resolutions set out as Resolutions (1), (5) and (6) in the notice convening this meeting:

(i) the BCorp Second Master Leasing Agreement, the BLand Second Master Leasing Agreement, the BAssets Master Leasing Agreement and the 7-Eleven Master Leasing Agreement (each defined in the Circular and collectively, the "Non-exempted Master Leasing Agreements" and copies of which are produced to the meeting marked "I-1" to "I-4" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and various connected persons in relation to various rental arrangements (full details are specified in the Circular) in accordance with the terms and conditions of the Non-exempted Master Leasing Agreements, and the transactions contemplated thereof, be and are hereby confirmed, approved and ratified;

(ii) the proposed annual caps in relation to the transactions under each of the Non-exempted Master Leasing Agreements from the period commencing on the date on which the Non-exempted Master Leasing Agreements for the years ending 30 April 2010, 2011 and 2012, be and are hereby approved;

(iii) the BCorp First Master Supply of Goods Agreement, the BLand Master Supply of Goods Agreement, the BAssets Master Supply of Goods Agreement, the Dijaya Master Supply of Goods Agreement, the BCorp Second Master Supply of Goods Agreement, the UMobile Master Supply of Goods Agreement and the 7-Eleven Master Supply of Goods Agreement (each defined in the Circular and collectively, the "Non-exempted Master Supply of Goods Agreements" and copies of which are produced to the meeting marked "J-1" to "J-7" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and various connected persons in relation to various arrangements for supply of goods (full details are specified in the Circular) in accordance with the terms and conditions of the Non-exempted Master Supply of Goods Agreements, and the transactions contemplated thereof, be and are hereby confirmed, approved and ratified;

(iv) the proposed annual caps in relation to the transactions under each of the Non-exempted Master Supply of Goods Agreements from the period commencing on the date on which the Non-exempted Master Supply of Goods Agreements for the years ending 30 April 2010, 2011 and 2012, be and are hereby approved;

(v) the BMedia Advertising Services Agreement, the BLand Aircraft Agreement, the BCorp Mailing Services Agreement, the BCorp Printing Services Agreement, the

BCorp Courier Services Agreement, the BCorp Insurance Services Agreement and BLand Guard Services Agreement (each defined in the Circular and collectively, the "Non-exempted Master Supply of Services Agreements" and copies of which are produced to the meeting marked "K-1" to "K-7" and initialed by the chairman of the meeting for identification purpose) entered into between the Company and various connected persons in relation to various arrangements for supply of services (full details are specified in the Circular) in accordance with the terms and conditions of the Non-exempted Master Supply of Services Agreements, and the transactions contemplated thereof, be and are hereby confirmed, approved and ratified;

(vi) the proposed annual caps in relation to the transactions under each of the Non-exempted Master Supply of Services Agreements from the period commencing on the date on which the Non-exempted Master Supply of Services Agreements for the years ending 30 April 2010, 2011 and 2012, be and are hereby approved; and

(vii) any one director of the Company be and is hereby authorized for and on behalf of the Company to execute all such other documents (with or without the affixation of the common seal but to be countersigned by the secretary of the Company or by another director of the Company if it is required to affix the common seal of the Company thereto), instructions and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to, or in connection with the matters contemplated under this resolution."

SPECIAL RESOLUTION

(9) Proposed Change of Company Name

"**THAT**, contingent upon the passing (as an ordinary resolution) of each of the resolutions set out as Resolutions (1), (4), (5) and (6) in the notice convening this meeting, the name of the Company be changed from "Berjaya Holdings (HK) Limited" to Cosway Corporation Limited" and its Chinese name from "成功控股(香港)有限公司" to "科士威集團有限公司"."

By order of the Board
Berjaya Holdings (HK) Limited
Tan Ee Ling
Executive Director

Hong Kong, 30 October 2009

Notes:

1. A member of the Company who is entitled to attend and vote at the meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares of the Company may appoint more than one proxy. A proxy need not be a member of the Company.

2. A form of proxy for use at the EGM is enclosed.

3. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the share registrar and transfer office of the Company at Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.

4. Completion and return of the form of proxy shall not preclude a member of the Company from attending and voting in person at the EGM or on the poll concerned, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

5. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the EGM either personally or by proxy, in respect of such share as if he or she were solely entitled thereto, but if more than one of such joint holders be present at the EGM personally or by proxy then the one of such joint holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

6. A member who is a corporation may by resolution of its directors or other governing body authorise 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 authorised is present thereof.

7. All votes of members, whether in person or by proxy, at the EGM will be taken by way of poll.

As at the date of this notice, the Board comprises seven Executive Directors, namely Mr. Chan Kien Sing, Mr. Tan Yeong Sheik, Rayvin, Ms. Cheng Chi Fan, Vivienne, Mr. Tan Thiam Chai, Mr. Chin Chee Seng, Derek, Ms. Tan Ee Ling and Mr. Wong Man Hong; and three Independent Non-Executive Directors, namely Dato' Lee Ah Hoe, Mr. Tan Tee Yong and Mr. Leou Thiam Lai.