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**SUNWAY BERHAD** (921551-D) [Formerly known as ALPHA SUNRISE SDN BHD]



**SUNWAY**

**SUNWAY BERHAD** (921551-D)

(Formerly known as ALPHA SUNRISE SDN BHD)  
(Incorporated in Malaysia under the Companies Act, 1965)

**LISTING OF SUNWAY BERHAD (FORMERLY KNOWN AS ALPHA SUNRISE SDN BHD)  
ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD**

Joint Principal Advisers



**CIMB Investment Bank Berhad** (18417-M)

(A Participating Organisation of Bursa Malaysia Securities Berhad)



**RHB Investment Bank Berhad**

(19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING CERTAIN RISKS RELATING TO OUR SHARES, WARRANTS AND BUSINESSES, SEE "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS. THIS DOCUMENT IS ISSUED FOR INFORMATION PURPOSES ONLY. NO OFFER FOR SUBSCRIPTION OR PURCHASE OF, OR INVITATION TO SUBSCRIBE FOR OR PURCHASE SECURITIES IS OR WILL BE MADE ON THE BASIS OF THIS DOCUMENT. THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

This Prospectus is dated 18 August 2011

P R O S P E C T U S

**SUNWAY BERHAD** (921551-D)

(Formerly known as ALPHA SUNRISE SDN BHD)

Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia. **T** (603) 5639 8889 **F** (603) 5639 9507





## RESPONSIBILITY STATEMENTS

OUR DIRECTORS AND PROMOTERS HAVE REVIEWED AND APPROVED THIS PROSPECTUS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY AND CORRECTNESS OF THE INFORMATION GIVEN IN THIS PROSPECTUS. THEY CONFIRM, AFTER MAKING ALL REASONABLE ENQUIRIES AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS PROSPECTUS FALSE OR MISLEADING.

CIMB INVESTMENT BANK BERHAD ("**CIMB**") AND RHB INVESTMENT BANK BERHAD ("**RHB INVESTMENT BANK**") ("**JOINT PRINCIPAL ADVISERS**" COLLECTIVELY), BEING THE JOINT PRINCIPAL ADVISERS, ACKNOWLEDGE THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS IN CONNECTION WITH OUR LISTING ON BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") ("**LISTING**").

## STATEMENTS OF DISCLAIMER

THE SECURITIES COMMISSION ("**SC**") HAS APPROVED OUR LISTING AND A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. THE APPROVAL AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE LISTING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE ORDINARY SHARES OF RM1.00 EACH IN OUR COMPANY ("**SHARES**") AND WARRANTS IN OUR COMPANY ("**WARRANTS**") OR THE LISTING.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE IN THIS PROSPECTUS BY US. THE SC ALSO TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS AND MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS THAT YOU MAY SUFFER AS A RESULT OF YOUR RELIANCE ON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

**YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE LISTING AND AN INVESTMENT IN US. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.**

THE VALUATION INCLUDED IN THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT ASSETS.

OUR COMPANY HAS OBTAINED THE APPROVAL FROM BURSA SECURITIES FOR THE LISTING OF AND QUOTATION FOR OUR SHARES AND WARRANTS. OUR ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR COMPANY, OUR SHARES, OUR WARRANTS, THE ACQUISITION (AS DEFINED HEREIN) OR THE LISTING.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 ("**CMSA**").

THIS PROSPECTUS HAS ALSO BEEN LODGED WITH THE COMPANIES COMMISSION OF MALAYSIA WHICH TAKES NO RESPONSIBILITY FOR ITS CONTENTS. THIS PROSPECTUS CAN BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES' WEBSITE AT [www.bursamalaysia.com](http://www.bursamalaysia.com).

OUR SECURITIES TO BE LISTED ON BURSA SECURITIES ARE DISTRIBUTED TO THE RESPECTIVE SHAREHOLDERS, WARRANT HOLDERS AND EMPLOYEES' SHARE OPTION SCHEME OPTION HOLDERS OF SUNWAY CITY BERHAD AND SUNWAY HOLDINGS BERHAD PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE LISTING FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMA E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THIS PROSPECTUS DOES NOT COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA, AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OR BY ANY REGULATORY AUTHORITY OF ANY JURISDICTION OTHER THAN MALAYSIA.

THIS PROSPECTUS IS NOT INTENDED TO BE ISSUED, CIRCULATED OR DISTRIBUTED, AND THE ISSUANCE WILL NOT BE MADE IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA OR TO PERSONS WHO ARE SUBJECT TO THE LAWS OF ANY COUNTRY OR JURISDICTION OTHER THAN THE LAWS OF MALAYSIA. THE ISSUANCE TO WHICH THIS PROSPECTUS RELATES IS ONLY AVAILABLE TO PERSONS RECEIVING THIS PROSPECTUS WITHIN MALAYSIA.

WE WILL NOT MAKE OR BE BOUND TO MAKE ANY ENQUIRY IN RESPECT OF THE ISSUANCE AS TO WHETHER YOU HAVE A REGISTERED ADDRESS IN MALAYSIA. WE WILL NOT ACCEPT ANY LIABILITY WHETHER OR NOT ANY ENQUIRY OR INVESTIGATION IS MADE IN CONNECTION TO IT. IT IS YOUR SOLE RESPONSIBILITY TO CONSULT YOUR LEGAL AND/OR OTHER PROFESSIONAL ADVISERS AS TO WHETHER THE ISSUANCE WOULD RESULT IN THE CONTRAVENTION OF ANY LAWS OR JURISDICTIONS OTHER THAN MALAYSIA.

FURTHER, IT SHALL ALSO BE YOUR SOLE RESPONSIBILITY TO ENSURE THAT THE ISSUANCE WOULD NOT BE IN CONTRAVENTION OF ANY LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO WHICH YOU MAY BE SUBJECTED TO. WE WILL FURTHER ASSUME THAT YOU HAD ACCEPTED THE ISSUANCE IN MALAYSIA AND WILL AT ALL APPLICABLE TIMES BE SUBJECTED ONLY TO THE LAWS OF MALAYSIA IN CONNECTION TO IT.

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## GENERAL INFORMATION AND INDICATIVE TIMETABLE

Please refer to "Definitions" commencing on pages vii to xiii respectively, for defined terms.

On 24 November 2010, we made offers to both SunCity and SunH with the aim of merging SunCity and SunH.

On 18 January 2011, we entered into a Sale of Business Agreement with SunCity and with SunH respectively.

As at 15 July 2011, being the latest practicable date prior to the registration of our Prospectus, we, SunCity and SunH have received all requisite approvals for the Acquisition, the Capital Reduction and Repayment, the Warrant Scheme and the ESOS Termination. The Sale of Business Agreement became unconditional on 24 June 2011 and as at the date of this Prospectus, the Acquisition is completed. On completion of the Acquisition, we own the SunCity Business and the SunH Business. The completion of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination takes place on the same day as the completion of the Acquisition.

Pursuant to the Acquisition, a total of 1,292,505,002 Shares is issued as part of the Consideration with the remainder of the Consideration being satisfied in cash, as described in Section 4.4 of this Prospectus. A total of 258,501,000 Warrants is issued for free on the basis of 1 Warrant for every 5 Shares issued as part of the Consideration. The Issuance is made directly to the Entitled Holders as nominated by SunCity and SunH respectively to be the recipients of the Consideration as part of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination.

We have set out below the total number of our Shares, cash and Warrants that are issued and paid to SunCity and SunH and/or their respective nominees.

<b>Company</b>	<b>Our Shares</b>	<b>Cash</b>	<b>Our Warrants</b>
		<b>RM</b>	
SunCity	742,026,045	519,418,232	148,405,209
SunH	550,478,957	385,335,270	110,095,791
<b>Total</b>	<b>1,292,505,002</b>	<b>904,753,502</b>	<b>258,501,000</b>

The timing of events leading up to our Listing is as follows:

<b>Events</b>	<b>Date</b>
Announcement of the Entitlement Date	11 July 2011
Entitlement Date	8 August 2011
	<b>Tentative Date</b>
Listing of our Shares and Warrants	23 August 2011

The Shares and Warrants will be credited into your CDS account(s) prior to the listing of our Shares and Warrants on the Main Market of Bursa Securities.

**You do not need to take any action nor make any payment to receive our Shares and Warrants.**

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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All defined terms used in this Prospectus are defined under **"Presentation of financial and other information"**, **"Definitions"** and **"Glossary of technical terms"** commencing on pages iv, vii and xiv respectively.

All references to **"you"** are to the Entitled Holders; references to **"our Company"** and **"Sunway"** are to Sunway Berhad; references to **"Sunway Group"**, **"the Group"** and **"our Group"** in this Prospectus are to our Company and our subsidiaries and associate companies upon completion of the Acquisition; and references to **"we"**, **"us"**, **"our"** and **"ourselves"** are to our Company and save where the context otherwise requires, shall include our subsidiaries and associate companies upon completion of the Acquisition. References to **"our subsidiaries"** and **"our associate companies"** are to our subsidiaries and associate companies respectively upon completion of the Acquisition. Unless the context otherwise requires, references to **"Management"** are to our Directors and key management personnel as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

All references to shares or treasury shares in respect of SunCity and SunH are to the ordinary shares or treasury shares of SunCity and SunH. All references to shareholders in respect of SunCity and SunH are to the shareholders of SunCity and SunH.

All references to the **"Government"** are to the Government of Malaysia; references to **"Ringgit"**, **"Ringgit Malaysia"**, **"RM"** and **"sen"** are to the lawful currency of Malaysia. Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding. Other abbreviations used are defined in the **"Definitions"** section appearing on pages vii to xiii of this Prospectus while certain acronyms and technical terms used are defined in the **"Glossary of technical terms"** section appearing on page xiv of this Prospectus. Words denoting the singular only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include companies and corporations.

Any reference to any provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulation, enactment or rules of stock exchange for the time being in force.

All references to dates and times are references to dates and times in Malaysia.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by Infobusiness Research & Consulting Sdn Bhd for inclusion in this Prospectus. We had appointed Infobusiness Research & Consulting Sdn Bhd to provide an independent market and industry review. In compiling their data for the review, Infobusiness Research & Consulting Sdn Bhd relied on industry sources, published materials, its own private databanks and direct contacts within the industry. The information on the industry as contained in this Prospectus and the other statistical data and projections cited in this Prospectus is intended to help you understand the major trends in the industry in which we operate. However, we and our advisers have not independently verified these figures.

Further, certain background information on substantial shareholders contained in this Prospectus was obtained from publicly available sources, which neither we nor our advisers have verified.

We and our advisers do not make any representation as to the correctness, accuracy or completeness of such data and accordingly, you should not place undue reliance on the statistical data cited in this Prospectus. Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. You should not place undue reliance on the third-party projections cited in this Prospectus.

**PRESENTATION OF FINANCIAL AND OTHER INFORMATION (cont'd)**

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The information on our website or the websites of any of SunCity or SunH or any website directly or indirectly linked to such websites does not form part of this Prospectus and you should not rely on it.

All references to the "**LPD**" in this Prospectus are to 15 July 2011, which is the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of this Prospectus with the SC.

All the information set out in this Prospectus is presented as of the LPD, unless otherwise indicated.

All references to the "**year ended/ending**" in this Prospectus are to the respective financial year ended or ending 30 June or 31 December, as the case may be. References to the "**period ended/ending**" in this Prospectus are to the financial period in the number of months as stated in this Prospectus.

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## FORWARD LOOKING STATEMENTS

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This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, financial estimates, business strategies, plans and objectives of our Management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminology such as the words **"may"**, **"will"**, **"would"**, **"could"**, **"believe"**, **"expect"**, **"anticipate"**, **"intend"**, **"estimate"**, **"aim"**, **"plan"**, **"forecast"** or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) the demand for our products and services and general industry environment;
- (ii) our business strategies, trends and competitive position;
- (iii) plans and objectives of our Management for future operations;
- (iv) our financial position;
- (v) the regulatory environment and the effects of future regulation; and
- (vi) our future earnings, cash flows and liquidity.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (i) the general economic, business, social, political and investment environment in Malaysia and globally;
- (ii) government policy, legislation or regulation;
- (iii) interest rates, foreign exchange rates and tax rates;
- (iv) the competitive environment in our industry;
- (v) delays, cost overruns, shortages in labour or problems with the execution of our growth plans;
- (vi) the activities and financial health of our customers and suppliers;
- (vii) fixed and contingent obligations and commitments; and
- (viii) any other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to those discussed in Sections 5 and 9 of this Prospectus. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus. Subject to us complying with the provisions of Section 238 of the CMSA, we expressly disclaim any obligation or undertaking to release publicly any update or revision to any forward-looking statement contained in this Prospectus to reflect any change in our expectations with regard to it or any change in events, conditions or circumstances on which any such statement is based.

## DEFINITIONS

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The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

Act	: Companies Act, 1965, as amended from time to time and any re-enactment thereof
Acquisition	: Acquisition of the SunCity Business and SunH Business, collectively, based on the terms and conditions set forth in the Sale of Business Agreements
Active Builder	: Active Builder Sdn Bhd (111691-V)
Active Equity	: Active Equity Sdn Bhd (92492-K)
ASEAN	: Association of Southeast Asian Nations
Assets	: All the assets of SunCity and SunH comprising all cash and short-term funds (whether in Deposit Accounts or otherwise), deposits and placements with financial institutions, investment securities being money market instruments, quoted and unquoted securities (including government, corporate and other bonds) and shares, including all shares of their subsidiaries and associated companies, loans and advances, any accrued interest on the foregoing assets that has not yet been received as of the Completion and in relation to Deposit Accounts, interest that has accrued but remains unposted as of Completion, outstanding purchase contracts, other assets by way of debtors, receivables, prepayments, tax recoverable, deposits, all concession, licence and other contracts, undertakings, arrangements, agreements, rights and entitlements including Business Agreements in connection with SunCity Business and SunH Business, all fixed assets including lands and those other fixed assets including assets utilised for the operation, administration or management of the businesses of SunCity and SunH by way of office furniture, fittings, equipment and renovations, data processing equipment, electrical and security equipment, motor vehicles, buildings-in-progress, plant and machinery, all intellectual property rights, including, without limitation, the rights to computer software owned by SunCity and SunH and used in or for the SunCity Business and SunH Business and all records so owned and used and any other assets not specifically described, including any claim, demand, judgment, award or legal proceedings by or obtained by SunCity and SunH against any person, body or corporation in Malaysia or any other country but excluding the Excluded Assets
Articles	: Articles of Association of our Company
Board	: Our Board of Directors
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (165570-W)
Bursa Securities	: Bursa Malaysia Securities Berhad (635998-W)
Business Agreements	: All subsisting agreements, contracts, deeds, indentures, deed polls and/or instruments to which SunCity and SunH are/or were the party in relation to the SunCity Business and the SunH Business respectively, in each case to the extent that at Completion the same remain to be completed or performed or remain in force
Capital Reduction and Repayment	: SunCity Capital Reduction and Repayment and SunH Capital Reduction and Repayment, collectively



**DEFINITIONS (cont'd)**

CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CIMB	:	CIMB Investment Bank Berhad (18417-M)
CMSA	:	Capital Markets and Services Act, 2007
Code	:	Malaysian Code on Take-Overs and Mergers, 2010
Completion	:	Completion of the sale and purchase of the SunCity Business and SunH Business in accordance with the terms of the Sale of Business Agreements
Consideration	:	SunCity Consideration and SunH Consideration, collectively
Court	:	High Court of Malaya
Deed Poll	:	The deed poll dated 28 June 2011 constituting the Warrants
Deposit Accounts	:	Accounts, trust accounts and deposits, including the aggregate balances thereof and all liabilities (including the accrued interest thereof) with respect thereto held at or with banks, financial institutions, discount houses and/or any other person
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EGM	:	Extraordinary general meeting
Entitlement Date	:	8 August 2011
Entitled Holder(s)	:	Collectively, the Entitled Shareholders, Entitled Warrant Holders and the ESOS Options Holders
Entitled Shareholder(s)	:	The holders of SunCity Share and SunH Share whose names appear on the ROD of SunCity and SunH respectively as at the Entitlement Date
Entitled Warrant Holder(s)	:	The Warrant holders of SunCity and SunH whose names appear on the ROD of SunCity and SunH respectively as at the Entitlement Date
EPS	:	Earnings per share
ESOS	:	Employees' share option scheme
ESOS Termination	:	The cancellation of the ESOS Options and the termination of the ESOS of SunCity and SunH in consideration of the ESOS Options Holders being paid their entitlement to the Consideration
ESOS Option(s)	:	Option(s) issued under an ESOS
ESOS Options Holders	:	Holders of ESOS Options in SunCity and SunH, collectively

**DEFINITIONS (cont'd)**

Evan Cheah	: Evan Cheah Yean Shin
Excluded Assets	: Means assets of SunCity and SunH that do not form part of the sale and purchase and transfer and delivery of SunCity Business and SunH Business and remain the property of SunCity and SunH after Completion, which are as follows: (i) the designated account and balance thereof, (ii) SunCity Shares and SunH Shares held by SunCity and SunH in treasury (iii) such common seals, statutory records and corporate records required by law to be retained by SunCity and SunH and (iv) all rights of SunCity and SunH under the Sale of Business Agreements (including all rights in respect of the Consideration paid by us)
Exercise Price	: Price at which 1 Warrant is exercisable into 1 new Sunway Share, being RM2.80 per Share, subject to the adjustments in accordance with the provisions of the Deed Poll
FRS	: Malaysian Financial Reporting Standards
GIC	: Government of Singapore Investment Corporation Pte Ltd
Government	: Government of Malaysia
Issuance	: Issuance of our Shares and Warrants to the Entitled Holders pursuant to the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination
Jef-San	: Jef-San Enterprise Sdn Bhd (22878-U)
Joint Principal Advisers	: CIMB and RHB Investment Bank, collectively
Liabilities	: All debts, liabilities, duties and obligations of SunCity and SunH (whether in Malaysia or elsewhere and whether present or future, actual or contingent, ascertained or unascertained or disputed and whether owed or incurred severally or jointly and as principal or surety or otherwise howsoever), including (but not limited) to subordinated obligations, outstanding sales contracts, any tax (whether present, future or contingent and including clawbacks) payable, any obligation to pay, off-balance sheet items which have not crystallised or which may, in future, give rise to an indebtedness, any claim, demand, right of set-off or legal proceeding by any person against SunCity and SunH, and any amounts due to trade or other creditors and accrued charges relating thereto (whether or not invoiced and whether or not due and payable at that time), and for the avoidance of doubt, includes any and all liabilities of any nature whatsoever relating to the SunCity Business and SunH Business for which SunCity and SunH is or will become liable, whether or not such liability has arisen prior to the Completion or arises after Completion
Listing	: The admission to the Official List and the listing of and quotation for our entire issued and paid-up share capital comprising 1,292,505,002 Shares and the listing of and quotation for 258,501,000 Warrants on the Main Market of Bursa Securities
LPD	: 15 July 2011, being the latest practicable date prior to the registration of our Prospectus
Main Market LR	: Main Market Listing Requirements of Bursa Securities

**DEFINITIONS (cont'd)**

Market Day	:	Day on which Bursa Securities is open for securities trading
MITI	:	Ministry of International Trade and Industry, Malaysia
N/A	:	Not applicable
NA	:	Net assets
NTA	:	Net tangible assets
Official List	:	A list specifying all securities which have been admitted for listing on the Main Market of Bursa Securities and not removed
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PER	:	Price-earnings ratio
Progressive Traders	:	Progressive Traders Sdn Bhd (60549-A)
Promoters	:	Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah, Evan Cheah, SWCSB, Timah Dunia, Active Equity, Active Builder, Jef-San, Progressive Traders and Timah Sini-Sana, collectively
Puan Sri Susan Cheah	:	Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng
RHB Investment Bank	:	RHB Investment Bank Berhad (19663-P)
ROD	:	Record of Depositors of our Shares and Warrants, respectively
ROM	:	Register of Members
Sale of Business Agreement	:	Sale of business agreement entered into by our Company with SunCity on 18 January 2011 and with SunH on 18 January 2011, in relation to the Acquisition. " <b>Sale of Business Agreements</b> " shall mean the Sale of Business Agreements with SunCity and SunH collectively
Sarena Cheah	:	Sarena Cheah Yean Tih
SC	:	Securities Commission, Malaysia
SC Guidelines	:	SC's Equity Guidelines issued on 8 May 2009 (effective and updated on 3 August 2009)
Share(s)	:	Ordinary share(s) of RM1.00 each in our Company
SICDA	:	Securities Industry (Central Depositories) Act, 1991
sq. ft.	:	Square feet

**DEFINITIONS (cont'd)**

SunCity	:	Sunway City Berhad (87564-X)
SunCity Business	:	All of the business and undertaking of SunCity carried on by SunCity as at 24 November 2010, including the Assets and Liabilities as at Completion
SunCity Capital Reduction and Repayment	:	Capital repayment by way of a capital reduction exercise to be carried out by SunCity in accordance with Section 64 of the Act, with the object of distributing to the entitled SunCity shareholders their entitlements to the SunCity Consideration
SunCity Consideration	:	As at the Completion, the consideration to be paid to SunCity with respect to the acquisition of the SunCity Business, being: <ul style="list-style-type: none"> <li>(i) RM5.10 per SunCity Share multiplied by the outstanding SunCity Shares as at the Entitlement Date;</li> <li>(ii) equivalent to Black-Scholes valuation based on RM5.10 per SunCity Share and calculated by applying all the relevant variables as at 22 November 2010 for the ESOS Options multiplied by the outstanding number of ESOS Options issued (for every issue of the ESOS Options, batched by their respective conversion prices). The Black-Scholes values for the ESOS Options range from RM0.96 to RM4.10 per ESOS Option (subject to the respective conversion price of the ESOS Options); and</li> <li>(iii) equivalent to Black-Scholes valuation based on RM5.10 per SunCity Share and calculated by applying all the relevant variables as at 22 November 2010, being RM1.29 per SunCity warrant, multiplied by the outstanding number of SunCity warrants in issue as at the Entitlement Date</li> </ul>
SunCity Group	:	SunCity and its subsidiaries, collectively
SunCity Share(s)	:	Ordinary shares of RM1.00 each in SunCity
Sungei Jaya	:	Sungei Jaya Sdn Bhd (59116-T)
SunH	:	Sunway Holdings Berhad (37465-A)
SunH Business	:	Entire business and undertaking of SunH carried on by SunH as at 24 November 2010, including the Assets and Liabilities as at Completion
SunH Capital Reduction and Repayment	:	Capital repayment by way of a capital reduction exercise to be carried out by SunH in accordance with Section 64 of the Act, with the object of distributing to the entitled SunH shareholders their entitlements to the SunH Consideration



DEFINITIONS (*cont'd*)

SunH Consideration	: As at the Completion, the consideration to be paid to SunH with respect to the acquisition of the SunH Business, being:
	(i) RM2.60 per SunH Share multiplied by the outstanding SunH Share (less treasury shares) as at the Entitlement Date;
	(ii) equivalent to the Black-Scholes valuation based on RM2.60 per SunH Share and calculated by applying all the relevant variables as at 22 November 2010 for the ESOS Options multiplied by the outstanding number of ESOS Options issued (for every issue of the ESOS Options, batched by their respective conversion prices). The Black-Scholes values for the ESOS Options range from RM0.98 to RM1.67 per ESOS Option (subject to the respective conversion price of the ESOS Options); and
	(iii) equivalent to the Black-Scholes valuation based on RM2.60 per SunH Share and calculated by applying all the relevant variables as at 22 November 2010, being RM1.50 per SunH warrant, multiplied by the outstanding number of SunH warrants in issue at the Entitlement Date
SunH Group	: SunH and its subsidiaries, collectively
SunH Share(s)	: Ordinary shares of RM1.00 each in SunH
Sunway or Company	: Sunway Berhad ( <i>formerly known as Alpha Sunrise Sdn Bhd</i> ) (921551-D)
Sunway Group or Group	: Sunway Berhad and its subsidiaries, collectively
Sunway Lagoon	: An approximately 88 acres family-oriented theme park operated by Sunway Lagoon Sdn Bhd, one of our subsidiaries, located in Bandar Sunway, Selangor
Sunway REIT	: Sunway Real Estate Investment Trust
SWCSB	: Sungei Way Corporation Sdn Bhd (18105-V)
Tan Sri Jeffrey Cheah	: Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO
Timah Dunia	: Timah Dunia Dredging Sdn Bhd (56769-U)
Timah Sini-Sana	: Timah Sini-Sana Sdn Bhd (53844-A)
U.S.	: United States of America
Warrant(s)	: Warrants to be issued by us pursuant to the Acquisition
Warrant Scheme	: A scheme to pay the Entitled Warrant Holders their entitlement to the Consideration following the termination of the exercise rights and cancellation of the warrants of SunCity and SunH

**DEFINITIONS (cont'd)****CURRENCIES**

AED	:	United Arab Emirates Dirham, the lawful currency of the United Arab Emirates
AUD	:	Australian Dollar, the lawful currency of Australia
Dong	:	Vietnamese Dong, the lawful currency of Socialist Republic of Vietnam
HKD	:	Hong Kong Dollar, the lawful currency of Hong Kong Special Administrative Region of China
IDR	:	Indonesian Rupiah, the lawful currency of the Republic of Indonesia
INR	:	Indian Rupees, the lawful currency of the Republic of India
K	:	Myanmar Kyat, the lawful currency of the Union of Myanmar
KHR	:	Cambodian Riel, the lawful currency of the Kingdom of Cambodia
MOP	:	Macau Pataca, the lawful currency of Macau Special Administrative Region of China
RM and sen	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
RMB	:	Renminbi, the lawful currency of the People's Republic of China
SGD	:	Singapore Dollars, the lawful currency of the Republic of Singapore
THB	:	Thai Baht, the lawful currency of the Kingdom of Thailand
TTD	:	Trinidad and Tobago Dollar, the lawful currency of the Republic of Trinidad and Tobago
USD	:	U.S. Dollar, the lawful currency of the United States of America
YEN	:	Japanese Yen, the lawful currency of Japan

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## GLOSSARY OF TECHNICAL TERMS

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This glossary of technical terms contains terms used in this Prospectus as they relate to our businesses. As such, these terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

10MP	: 10 <sup>th</sup> Malaysia Plan 2011-2015
BCA	: Building and Construction Authority of Singapore
BTS	: Build then sell
CCC	: Certificate of completion and compliance
CIDB	: Construction Industry Development Board
EIA	: Environmental impact assessment
EPPs	: Entry point projects
ETP	: Economic Transformation Programme
GBI	: Green Building Index
GDP	: Gross domestic product
GDV	: Gross development value
HDB	: Housing and Development Board of Singapore
IBS	: Industrialised building system
ISO	: International Organisation for Standardisation, the world's largest developer and publisher of international standards
LEED	: Leadership in Energy and Environment Design
LOHAS	: Lifestyles of health and sustainability
LRT	: Light rail transit
OHSAS	: Occupational Health and Safety Assessment Series
PFI	: Private finance initiative
PKK	: Pusat Khidmat Kontraktor
STB	: Sell then build

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## 1. CORPORATE DIRECTORY

**DIRECTORS**

<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO (Executive Chairman)	36, Lorong Bukit Pantai Lapan Pantai Hill 59100 Kuala Lumpur	Company Director	Malaysian
Datuk Razman M Hashim (Deputy Executive Chairman)	No.18, Jalan Palong The Mines Resort City 43300 Seri Kembangan Selangor Darul Ehsan	Company Director	Malaysian
Dato' Chew Chee Kin (President)	No.5, Pinggiran Golf Saujana Resort, Seksyen U2 40150 Shah Alam Selangor Darul Ehsan	Company Director	Malaysian
Sarena Cheah Yean Tih (Executive Director)	36, Lorong Bukit Pantai Lapan Pantai Hill 59100 Kuala Lumpur	Company Director	Malaysian
Lim Swe Guan (Independent Non- Executive Director)	49, Woo Mon Chew Road Singapore 455126	Company Director	Singaporean
Datuk Low Seng Kuan (Independent Non- Executive Director)	Armanee Terrace Unit A5C 09, Jalan PJU 8/1 Damansara Perdana 47820 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Wong Chin Mun (Independent Non- Executive Director)	Kiaramas Ayuria Condominium Unit No. A-32-01 No.9, Jalan Kiara 7 Off Jalan Bukit Kiara 50480 Kuala Lumpur	Company Director	Malaysian

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**1. CORPORATE DIRECTORY (cont'd)****AUDIT COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Datuk Low Seng Kuan	Chairman	Independent Non-Executive Director
Wong Chin Mun	Member	Independent Non-Executive Director
Lim Swe Guan	Member	Independent Non-Executive Director

**NOMINATION COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Lim Swe Guan	Chairman	Independent Non-Executive Director
Wong Chin Mun	Member	Independent Non-Executive Director
Datuk Low Seng Kuan	Member	Independent Non-Executive Director

**REMUNERATION COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Wong Chin Mun	Chairman	Independent Non-Executive Director
Tan Sri Jeffrey Cheah	Member	Executive Chairman
Datuk Low Seng Kuan	Member	Independent Non-Executive Director
Lim Swe Guan	Member	Independent Non-Executive Director

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**1. CORPORATE DIRECTORY (cont'd)**

<b>COMPANY SECRETARIES</b>	:	Tan Kim Aun (MA/CSA 7002988) No. 3, Jalan Jaya Baru 3A Taman Jaya Off Jalan Cheras 56000 Kuala Lumpur
	:	Lee Suan Choo (MA/CSA 7017562) 62, Lorong Jerangor Taman Chi Liung 41200 Klang Selangor Darul Ehsan
<b>REGISTERED OFFICE</b>	:	Level 16, Menara Sunway Jalan Lagoon Timur Bandar Sunway 46150 Petaling Jaya Selangor Darul Ehsan
	:	Tel: 03-5639 8889 Website: <a href="http://www.sunway.com.my">www.sunway.com.my</a>
<b>HEAD OFFICE/ MANAGEMENT OFFICE</b>	:	Level 16, Menara Sunway Jalan Lagoon Timur Bandar Sunway 46150 Petaling Jaya Selangor Darul Ehsan
	:	Tel: 03-5639 8889 Email: <a href="mailto:irsunwayberhad@sunway.com.my">irsunwayberhad@sunway.com.my</a> Website: <a href="http://www.sunway.com.my">www.sunway.com.my</a>
<b>AUDITORS AND REPORTING ACCOUNTANTS</b>	:	Ernst & Young (AF:0039) Level 23A, Menara Milenium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur
	:	Tel: 03-7495 8000

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**1. CORPORATE DIRECTORY (cont'd)**

<b>PRINCIPAL BANKERS</b>	:	HSBC Bank Malaysia Berhad Main Office No. 2 Leboh Ampang 50100 Kuala Lumpur  Tel: 03-2050 7676
	:	Malayan Banking Berhad Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur  Tel: 03-2070 8833
	:	Public Bank Berhad Head Office Menara Public Bank 146, Jalan Ampang 50450 Kuala Lumpur  Tel: 03-2716 6000
	:	RHB Bank Berhad Level 7, Tower 3, RHB Centre Jalan Tun Razak 50400 Kuala Lumpur  Tel: 03-9287 8888
	:	Standard Chartered Bank Malaysia Berhad Level 13, Menara Standard Chartered 30 Jalan Sultan Ismail 50250 Kuala Lumpur  Tel: 03-2117 7777
<b>SOLICITORS AND DUE DILIGENCE SOLICITORS FOR SUNWAY</b>	:	Kadir Andri & Partners 8 <sup>th</sup> Floor, Menara Safuan 80 Jalan Ampang 50450 Kuala Lumpur  Tel: 03-2078 2888
<b>SOLICITORS AND DUE DILIGENCE SOLICITORS FOR SUNCITY AND SUNH</b>	:	Mah-Kamariyah & Philip Koh No. 3, Persiaran Hampshire Off Jalan Ampang 50450 Kuala Lumpur  Tel: 03-2163 0208
<b>INDEPENDENT MARKET RESEARCHER</b>	:	Infobusiness Research & Consulting Sdn Bhd C4-3A-2, Solaris Dutamas No.1, Jalan Dutamas 1 50480 Kuala Lumpur  Tel: 03-6205 3930

**1. CORPORATE DIRECTORY (cont'd)**

<b>INDEPENDENT REGISTERED VALUERS</b>	:	Knight Frank (Proprietor: Ooi & Zaharin Sdn Bhd) Suite 9.01, 9 <sup>th</sup> Floor Menara IGB Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur  Tel: 03-2289 9688
	:	CH Williams Talhar & Wong Sdn Bhd 32 <sup>nd</sup> Floor, Menara Tun Razak 50768 Kuala Lumpur  Tel: 03-7955 1818
	:	City Valuers & Consultants Sdn Bhd 39 & 41, 2 <sup>nd</sup> Floor Jalan Telawi 3 Bangsar Baru 59100 Kuala Lumpur  Tel: 03-2282 9000
<b>JOINT PRINCIPAL ADVISERS</b>	:	CIMB Investment Bank Berhad (A Participating Organisation of Bursa Securities) 10th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur  Tel: 03-2084 8888
	:	RHB Investment Bank Berhad (A Participating Organisation of Bursa Securities) Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur  Tel: 03-9287 3888
<b>REGISTRAR</b>	:	Sunway Management Sdn Bhd Level 16, Menara Sunway Jalan Lagoon Timur Bandar Sunway 46150 Petaling Jaya Selangor Darul Ehsan  Tel: 03-5639 8889
<b>LISTING SOUGHT</b>	:	Main Market of Bursa Securities

## 2. INTRODUCTION

---

This Prospectus is dated 18 August 2011.

We have registered this Prospectus with the SC. We have also lodged a copy of this Prospectus with the CCM, who takes no responsibility for its contents.

As at the LPD, we, SunCity and SunH have obtained all the requisite approvals to effect the Acquisition, Capital Reduction and Repayment, Warrant Scheme and ESOS Termination. The Sale of Business Agreements have become unconditional on 24 June 2011 and as at the date of this Prospectus, the Acquisition is completed. The completion of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination take place on the same day as the Completion.

**The approval of the SC shall not be taken to indicate that the SC recommends the Listing. You are advised to make your own independent assessment of our Company and should rely on your own evaluation to assess the merits and risks of the Listing and an investment in our Company.**

We have received Bursa Securities' approval on 9 August 2011 for the admission of our Company to the Official List and the Listing. Admission to the Official List of Bursa Securities shall not be taken as an indication of the merits of our Company, our Shares, our Warrants, the Acquisition, or the Listing.

**Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares and Warrants as prescribed securities. Consequently, our Shares and Warrants issued pursuant to our Issuance will be deposited directly with Bursa Depository. Any dealings in our Shares and Warrants will be carried out in accordance with the SICDA and the Rules of Bursa Depository. We will not issue any share certificates and warrant certificates to the Entitled Holders.**

In accordance with the Main Market LR, at least 25% of the total number of our Shares for which listing is sought must be held by at least 1,000 public shareholders holding not less than 100 shares each at the point of our Listing. In the event that the above requirement is not met, we may not be allowed to proceed with the Listing. As at the LPD, both SunCity and SunH are in compliance with their public shareholding spread requirement prescribed under Main Market LR ("**Public Shareholding Spread Requirement**"). As a result, it is therefore envisaged that Sunway will upon its listing on Bursa Securities be in compliance with the Public Shareholding Spread Requirement.

You should rely only on the information contained in this Prospectus. We have not authorised any person to provide you with information that is different from those contained in this Prospectus. The delivery of this Prospectus or any issue made in connection with this Prospectus shall not, under any circumstances, represent or imply that there has been no material change in our affairs since the date of this Prospectus. Nonetheless, should we become aware of any material change or development affecting a matter disclosed in this Prospectus from the date of registration of this Prospectus with the SC up to the date of the Listing, we shall further issue a supplemental or replacement Prospectus, as the case may be, in accordance with the provision of Section 238 of the CMSA.

This Prospectus does not constitute and may not be used for the purpose of an offer for subscription or purchase of, or an invitation to subscribe for or purchase securities in any jurisdiction or circumstances in which such offer or invitation is not authorised or lawful, or to any person to whom it is unlawful to make such offer or invitation.

**THIS PROSPECTUS IS ISSUED FOR INFORMATION PURPOSE ONLY. NO OFFER FOR SUBSCRIPTION OR PURCHASE OF, OR INVITATION TO SUBSCRIBE FOR OR PURCHASE OF SECURITIES IS OR WILL BE MADE ON THE BASIS OF THIS PROSPECTUS.**



### 3. INFORMATION SUMMARY

---

This section is only a summary of the salient information about us and the Issuance, which is extracted and summarised from the full text of this Prospectus. You should read and understand this section together with the entire Prospectus.

#### 3.1 Overview of our Group

We were set up as a special purpose company to facilitate the acquisition of SunCity Business and SunH Business. Upon the Completion, the businesses of SunCity Business and SunH Business will be merged under the enlarged Sunway Group.

We were incorporated in Malaysia under the Act on 10 November 2010 as a private limited company under the name of Alpha Sunrise Sdn Bhd. On 23 November 2010, we changed our name to Sunway Sdn Bhd. On 30 November 2010, we were converted into a public limited company and assumed our present name. The enlarged Sunway Group will consist of 2 main businesses, namely, property and construction. Other business divisions include quarry and building materials, trading and manufacturing, and hospitality, leisure and healthcare.

Our business and operations are further disclosed in Sections 6 and 10 of this Prospectus.

#### 3.2 Our competitive strengths

We believe our competitive strengths include the following:

- 3.2.1 Strong track record with long-term strategic partners;
- 3.2.2 A recognised and well-known brand;
- 3.2.3 A strong human capital base;
- 3.2.4 Established reputation; and
- 3.2.5 Healthy construction order book and proven ability to replenish construction contracts.

Our competitive strengths are further discussed in Section 6.2 of this Prospectus.

#### 3.3 Business strategies, future plans and prospects

Upon Completion, we plan to implement the following business strategies in order to realise our future plans and prospects:

- 3.3.1 Value of the merger
  - (i) Optimise access to capital markets;
  - (ii) Realise synergies between property and construction businesses;
  - (iii) Realise basic cost synergies; and
  - (iv) Brand clarity.

### 3. INFORMATION SUMMARY (cont'd)

#### 3.3.2 Overall shape of business portfolio

Going forward, we believe our combined businesses fall into 3 broad categories, i.e. property, construction and others.

#### 3.3.3 Vision for our businesses

We aim to become a leading regional property and construction group.

Our business strategies, future plans and prospects are further discussed in Section 6.3 of this Prospectus.

### 3.4 Financial information

The following proforma consolidated balance sheets as at 31 December 2010 and proforma consolidated income statements are provided for illustrative purposes only, after incorporating appropriate adjustments and assuming that our Group has been in existence throughout the year/periods under review.

You should read the proforma consolidated balance sheets as at 31 December 2010 and proforma consolidated income statements in conjunction with the management's discussion and analysis of financial condition and results of operations in Section 9.2 of this Prospectus and the Reporting Accountants' Letter on the proforma consolidated financial information as set out in Section 9.5 of this Prospectus.

#### Proforma consolidated balance sheets as at 31 December 2010

	Audited as at 31 December 2010	Proforma adjustment 1	Proforma 1 Drawdown of borrowings	Proforma adjustment 2	Proforma 2 Acquisitions of SunCity and SunH	Proforma adjustment 3	Proforma 3 Listing expenses
	RM'000						
<b>Assets</b>							
<b>Non-current assets</b>							
Property, plant and equipment	-	-	-	968,702	968,702	-	968,702
Biological assets	-	-	-	461	461	-	461
Investment properties	-	-	-	716,669	716,669	-	716,669
Rock reserves	-	-	-	9,314	9,314	-	9,314
Interest in associates	-	-	-	987,896	987,896	-	987,896
Other investments	-	-	-	12,647	12,647	-	12,647
Interest in jointly controlled entities	-	-	-	395,319	395,319	-	395,319
Loan to jointly controlled entities	-	-	-	-	-	-	-
Receivables	-	-	-	19,669	19,669	-	19,669
Land held for property development	-	-	-	533,187	533,187	-	533,187
Goodwill	-	-	-	330,095	330,095	-	330,095
Deferred tax assets	-	-	-	40,194	40,194	-	40,194
Derivative assets	-	-	-	-	-	-	-
<b>Total non-current assets</b>	-	-	-	-	4,014,153	-	4,014,153
<b>Current assets</b>							
Property development costs	-	-	-	630,778	630,778	-	630,778
Inventories and completed development properties	-	-	-	301,545	301,545	-	301,545
Tax recoverable	-	-	-	54,566	54,566	-	54,566
Receivables	-	-	-	1,142,911	1,142,911	-	1,142,911
Deposits, cash and bank balances	6	912,254	912,260	(36,221)	876,039	(7,500)	868,539
Derivative assets	-	-	-	12,484	12,484	-	12,484
<b>Total current assets</b>	6	-	912,260	-	3,018,323	-	3,010,823
<b>Total assets</b>	6	-	912,260	-	7,032,476	-	7,024,976

## 3. INFORMATION SUMMARY (cont'd)

	Audited as at 31 December 2010	Proforma adjustment 1	Proforma 1 Drawdown of borrowings	Proforma adjustment 2	Proforma 2 Acquisitions of SunCity and SunH	Proforma adjustment 3	Proforma 3 Listing expenses
	RM'000						
<b>Equity and liabilities</b>							
<b>Equity attributable to equity holders of the Company</b>							
Share capital	*	-	*	1,292,505	1,292,505	-	1,292,505
Share premium	-	-	-	2,326,509	2,326,509	-	2,326,509
Capital reserve	-	-	-	109,312	109,312	-	109,312
Capital redemption reserve	-	-	-	203	203	-	203
Negative merger reserve	-	-	-	(1,190,200)	(1,190,200)	-	(1,190,200)
Foreign currency reserve	-	-	-	(8,002)	(8,002)	-	(8,002)
Fair value reserve	-	-	-	49,967	49,967	-	49,967
Statutory reserve	-	-	-	618	618	-	618
Revaluation reserve	-	-	-	22,501	22,501	-	22,501
Accumulated losses	(79)	-	(79)	-	(79)	(7,500)	(7,579)
<b>Shareholders' equity</b>	(79)		(79)		2,603,334		2,595,834
<b>Minority interest</b>	-		-	385,837	385,837	-	385,837
<b>Total equity</b>	(79)		(79)		2,989,171		2,981,671
<b>Current liabilities</b>							
Payables	85	-	85	1,379,773	1,379,858	-	1,379,858
Borrowings	-	-	-	505,454	505,454	-	505,454
Current tax liabilities	-	-	-	67,605	67,605	-	67,605
Derivative liabilities	-	-	-	279	279	-	279
	85		85		1,953,196		1,953,196
<b>Non-current liabilities</b>							
Borrowings	-	912,254	912,254	914,081	1,826,335	-	1,826,335
Long term liabilities	-	-	-	180,895	180,895	-	180,895
Derivative liabilities	-	-	-	1,754	1,754	-	1,754
Deferred tax liabilities	-	-	-	81,125	81,125	-	81,125
	-		912,254		2,090,109		2,090,109
<b>Total liabilities</b>	85		912,339		4,043,305		4,043,305
<b>Total equity and liabilities</b>	6		912,260		7,032,476		7,024,976
<b>NA attributable to equity holders of the Company (RM'000)</b>	*		*		2,603,334		2,595,834
<b>Number of Shares ('000)</b>	#		#		1,292,505		1,292,505
<b>NA per Share (RM)</b>	#		#		2.01		2.01

**Notes:**

\* RM2.

# Negligible.

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## 3. INFORMATION SUMMARY (cont'd)

## Proforma consolidated income statements

	Year ended 30 June 2008	18-month period ended 31 December 2009 *	Year ended 31 December 2010
	RM'000		
<b>Income statement data:</b>			
Revenue	2,939,828	4,150,355	3,134,474
Cost of sales	(1,897,835)	(2,659,045)	(2,076,424)
Gross profit	1,041,993	1,491,310	1,058,050
Other operating income	405,318	838,456	300,390
Administrative expenses	(330,428)	(545,666)	(407,411)
Selling, distribution and marketing expenses	(84,200)	(157,888)	(112,494)
Other operating expenses	(190,112)	(321,762)	(246,393)
Operating profit	842,571	1,304,450	592,142
Finance income	16,928	18,846	26,963
Finance costs	(123,290)	(164,308)	(101,170)
Share of results of associates	13,848	28,860	73,152
Share of results of jointly controlled entities	9,132	101,577	126,180
PBT	759,189	1,289,425	717,267
Taxation	(201,990)	(308,478)	280,216
PAT	557,199	980,947	997,483
<b>PAT attributable to:</b>			
Equity holders	358,723	643,494	688,248
Minority interest	198,476	337,453	309,235
	557,199	980,947	997,483
<b>Other selected financial data:</b>			
Depreciation	76,274	146,481	78,178
Amortisation	1,207	2,473	1,813
EBITDA <sup>(1)</sup>	943,032	1,583,841	871,465
Gross profit margin (%) <sup>(2)</sup>	35.4	35.9	33.8
PBT margin (%) <sup>(3)</sup>	25.8	31.1	22.9
PAT margin (%) <sup>(4)</sup>	19.0	23.6	31.8
<b>Gross EPS (sen) <sup>(5)</sup></b>			
-Basic	58.7	99.8	55.5
-Fully diluted	49.0	83.1	46.3
<b>Net EPS (sen) <sup>(6)</sup></b>			
-Basic	27.8	49.7	53.3
-Fully diluted	23.1	41.4	44.4

**Notes:**

- (1) EBITDA represents earnings before finance cost, taxation, depreciation and amortisation. The table below sets forth a reconciliation of our PAT to EBITDA:

	Year ended 30 June 2008	18-month period ended 31 December * 2009	Year ended 31 December 2010
	RM'000		
EBITDA:			
PAT	557,199	980,947	997,483
Taxation	201,990	308,478	(280,216)
PBT	759,189	1,289,425	717,267
Finance costs	123,290	164,308	101,170
Finance income	(16,928)	(18,846)	(26,963)
Depreciation	76,274	146,481	78,178
Amortisation	1,207	2,473	1,813
	943,032	1,583,841	871,465

### 3. INFORMATION SUMMARY (cont'd)

EBITDA, as well as the related ratios presented in this Prospectus are supplemental measures of our performance and liquidity and are not required by, or represented in accordance with, Financial Reporting Standards in Malaysia. Furthermore, EBITDA is not a measure of our financial performance or liquidity under Financial Reporting Standards in Malaysia and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with Financial Reporting Standards in Malaysia or as an alternative to cash flow from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison between companies using such a term may not be possible.

- (2) Computed based on the gross profit over total revenue of our Group.
  - (3) Computed based on the PBT over total revenue of our Group.
  - (4) Computed based on the PAT over total revenue of our Group.
  - (5) Basic gross EPS is computed based on the PBT over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion. Fully diluted gross EPS is computed based on the PBT over 1,551,006,004 Shares, which is our enlarged number of shares issued as at the date of this Prospectus after Completion and assuming full exercise of our Warrants.
  - (6) Basic net EPS is computed based on the PAT attributable to equity holders over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion. Fully diluted net EPS is computed based on the PAT attributable to equity holders over 1,551,006,004 Shares, which is our enlarged number of shares issued as at the date of this Prospectus after Completion and assuming full exercise of our Warrants.
- \* The financial year end was changed from 30 June to 31 December.

#### 3.5 Dividend policy

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to shareholders' approval. We intend to pay dividends to our shareholders in the future. However, such payments will depend upon a number of factors, including our earnings, capital requirements, general financial condition, our distributable reserves and other factors considered relevant by our Board. As we are a holding company, our income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions that we receive from our subsidiaries. The payment of dividends or other distributions by our subsidiaries will depend upon their operating results, financial conditions, capital expenditure plans and other factors that their respective boards of directors deem relevant. Dividends may only be paid out of distributable reserves. In addition, covenants in the loan agreements, if any, for our subsidiaries may limit their ability to declare or pay cash dividends.

We currently do not have a formal dividend policy as we intend to adopt a policy of active capital management. The form, frequency and amount of future dividends on our Shares will depend on our earnings and financial position, our results of operations, our capital needs, our plans for expansion and other factors as our Directors may deem appropriate.

Our dividend policy is also discussed in Section 9.4 of this Prospectus.

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### 3. INFORMATION SUMMARY *(cont'd)*

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#### 3.6 Details of our Issuance and Listing

The objectives of our Listing are to enhance our profile and recognition within the global investing community and provide us easier access to the capital market in the future to give us the financial flexibility to pursue future expansion and growth opportunities.

Pursuant to the Acquisition, a total of 1,292,505,002 Shares are issued as part of the Consideration with the remainder of the Consideration being satisfied in cash. A total of 258,501,000 Warrants are issued for free on the basis of 1 Warrant for every 5 Shares issued as part of the Consideration. The Issuance is made directly to the Entitled Holders as nominated by SunCity and SunH respectively to be the recipients of the Consideration as part of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination.

Section 4 of this Prospectus sets out further information in relation to the Issuance.

#### 3.7 Proceeds

We are not receiving any proceeds as there is no offer for subscription or purchase of our Shares and Warrants.

#### 3.8 Risk factors

**You should be aware of the risks relating to our Shares, Warrants and businesses, along with other matters in this Prospectus. The following is not an exhaustive list of challenges that we currently face or that may develop in the future.**

##### 3.8.1 Risk factors relating to our securities

- (i) Upon the issuance of our Shares and Warrants to you, you are exposed to the performance of our main businesses;
- (ii) There has been no prior trading market for our securities and this Listing may not result in an active or liquid market for our securities;
- (iii) Like all other companies listed on Bursa Securities, the price of our securities may be volatile and this may affect your investment in our securities;
- (iv) Difference between the Exercise Price and the market price of our Warrants;
- (v) Delay or failure in our Listing;
- (vi) We may face integration risks when integrating our businesses upon Completion;
- (vii) Our ability to pay dividends and our general financial condition are affected by various factors; and
- (viii) We require borrowings to fund the cash portion of the Consideration.

##### 3.8.2 Risk factors relating to our businesses

- (i) Deterioration in our reputation will adversely affect our businesses;
- (ii) We are exposed to competition risk;

### 3. INFORMATION SUMMARY (cont'd)

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- (iii) Increase in the cost of operations of our businesses;
- (iv) We are exposed to retention and succession risk of key management and Directors;
- (v) We are exposed to risks arising from our overseas business ventures;
- (vi) We are dependent on our operating licences;
- (vii) We are exposed to foreign exchange fluctuations;
- (viii) Increase in interest rates may lead to higher borrowing costs and affect our profitability;
- (ix) We may be affected by bad debts;
- (x) We may face malpractice or negligence suits;
- (xi) Our current insurance coverage may not be sufficient to cover the risks related to our operations;
- (xii) We are subject to political, economic, market and regulatory considerations;
- (xiii) Our growth is dependent on our ability to secure suitable landbank;
- (xiv) We may not be able to sustain our current order book
- (xv) Our property business is exposed to inventory build-up;
- (xvi) Our income is dependent on our ability to secure tenants/lessees;
- (xvii) Deterioration in the value of our properties;
- (xviii) Illiquidity of property investment;
- (xix) We are dependent on third party contractors;
- (xx) We are exposed to unforeseen delays in the completion of our projects;
- (xxi) We are exposed to inherent risks in the construction industry;
- (xxii) Our failure to comply with laws and regulations relating to environment and health and safety may result in penalties;
- (xxiii) We are exposed to inherent risks in our quarry and building materials businesses;
- (xxiv) We may not be able to renew the lease of certain quarries;
- (xxv) Our leisure and hospitality businesses may be affected by the outbreak of infectious diseases; and
- (xxvi) Our trading and manufacturing business relies on agency lines.

Section 5 of this Prospectus sets out a detailed discussion on the risks associated with investing in our Company.



#### 4. DETAILS OF OUR LISTING

##### 4.1 Timetable

The timing of events leading up to our Listing is as follows:

<b>Events</b>	<b>Date</b>
Announcement of the Entitlement Date	11 July 2011
Entitlement Date	8 August 2011
	<b><u>Tentative Date</u></b>
Listing of our Shares and Warrants	23 August 2011

##### 4.2 Rationale for the Acquisition

The rationale for the Acquisition is as follows:

- (i) The combined SunCity Business and SunH Business pursuant to the Acquisition will create scale and synergies. It is expected that we will realise operational, procurement and administrative efficiencies, resulting from economies of scale and integration.
- (ii) Our enlarged Group will have better access to larger scale business opportunities as well as to tap the global equity and debt capital market. Being a larger combined entity provide us with an opportunity to re-articulate our "Sunway" brand and renew foreign investors' interest in our Shares.
- (iii) We will further expand our property business to multiple markets, which will serve as a platform for our continuous growth. We will have a combined landbank of approximately 2,200 acres with a total estimated GDV of approximately RM23 billion, further enhancing our position as one of the leading listed property developer in Malaysia with a larger landbank and increased regional presence.  
  
Besides providing clear visibility on our earnings potential over the coming decade, our sizeable landbank will provide us with the opportunities to develop a variety of products catering to all segments, from the mass market to the very niche, luxury accommodation.
- (iv) Following the Acquisition, we will have the financial strength and resources to fulfil the potentials and possibilities above.

On 18 January 2011, we have entered into the Sale of Business Agreements with SunCity and SunH.

As at the LPD, we, SunCity and SunH have received all requisite approvals for the Acquisition, Capital Reduction and Repayment, Warrant Scheme and ESOS Termination. The Sale of Business Agreement became unconditional on 24 June 2011 and as at the date of this Prospectus, the Acquisition is completed. The completion of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination takes place on the same day as the Completion.

#### 4. DETAILS OF OUR LISTING *(cont'd)*

##### 4.3 Details of our Issuance

Pursuant to the Acquisition, a total of 1,292,505,002 Shares are issued as part of the Consideration with the remainder of the Consideration being satisfied in cash. A total of 258,501,000 Warrants are issued for free on the basis of 1 Warrant for every 5 Shares issued as part of the Consideration. The Issuance is made directly to the Entitled Holders as nominated by SunCity and SunH respectively to be the recipients of the Consideration as part of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination. These Shares and Warrants will be credited into the CDS accounts of the Entitled Holders and the cash shall be paid to the Entitled Holders, the entitlements of which are derived as follows:

- (i) in the case of Entitled Shareholders, a Capital Reduction and Repayment, whereby all the SunCity Shares and the SunH Shares are cancelled with the object of distributing to the Entitled Shareholders, their entitlement to the Consideration of RM5.10 per SunCity Share and RM2.60 per SunH Share respectively. Simultaneous with the Capital Reduction and Repayment, SunCity and SunH, each issues 2 new SunCity Shares and 2 new SunH Shares at an issue price of RM1.00 each to Sunway. Upon completion of the Capital Reduction and Repayment, the share capital of SunCity and SunH stands at RM2.00 comprising 2 ordinary shares respectively;
- (ii) in the case of Entitled Warrant Holders, the Warrant Scheme whereby the SunCity warrant holders are paid RM1.29 and the SunH warrant holders are paid RM1.50 for each outstanding warrant in consideration of the termination of the exercise rights and cancellation of the SunCity warrants and the SunH warrants. The Entitled Warrant Holders are receiving a combination of our Shares, cash and our Warrants; and
- (iii) in the case of ESOS Options Holders, an ESOS Termination, with the object of paying a fair value to the SunCity and SunH ESOS Options Holders based on the Black-Scholes valuation method in consideration for the cancellation of the ESOS Options and the termination of the ESOS. The ESOS Options Holders are receiving a combination of our Shares, cash and our Warrants.

Further details of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination are set out in Section 4.4 of this Prospectus.

##### 4.4 Distribution of the Consideration to the Entitled Holders

Pursuant to the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination, SunCity and SunH are distributing the Consideration to their respective Entitled Holders. Further details of the Capital Repayment, Warrant Scheme and ESOS Termination are set out in Sections 4.4.1, 4.4.2 and 4.4.3 of this Prospectus. After the completion of the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination, SunCity and SunH will be delisted from the Main Market of Bursa Securities.

###### 4.4.1 Capital Reduction and Repayment

Pursuant to the Capital Reduction and Repayment, both SunCity and SunH are implementing a capital repayment exercise by way of a capital reduction exercise in accordance with Section 64 of the Act, under which all SunCity Shares and SunH Shares are cancelled with the object of distributing to their respective shareholders, their entitlement to the SunCity Consideration and SunH Consideration respectively. Our Shares will form 80% of the Consideration with the remaining 20% of the Consideration paid in cash. The SunCity and SunH shareholders are receiving our Warrants, on the basis of 1 Warrant for every 5 Shares received. In order to facilitate the Capital Reduction and Repayment, SunCity and SunH had immediately prior to the implementation of the Capital Reduction and Repayment undertaken a bonus

#### 4. DETAILS OF OUR LISTING (cont'd)

issue, effected by way of capitalising the gain arising from the disposal of SunCity Business and SunH Business respectively, all sums standing to the credit of the share premium account and retained profits account, and in the case of SunH, including the reserves arising from the cancellation of all its treasury shares. Upon completion of the Capital Reduction and Repayment, SunCity and SunH are issuing 2 SunCity Shares and 2 SunH Shares to Sunway, resulting in SunCity and SunH becoming our subsidiaries and each having a share capital of RM2 comprising 2 ordinary shares of RM1.00 each.

##### 4.4.2 Warrant Scheme

SunCity and SunH are carrying out a Warrant Scheme to pay the SunCity warrant holders and SunH warrant holders part of the Consideration for the termination of the exercise rights of the SunCity warrants and SunH warrants. The SunCity warrant holders are paid RM1.29 whereas the SunH warrant holders are paid RM1.50 for each outstanding warrant in the form of a combination of Shares and cash. Our Shares form 80% of the Consideration with the remaining 20% of the Consideration paid in cash. The SunCity warrant holders and SunH warrant holders are issued with our Warrants, on the basis of 1 Warrant for every 5 Shares which they are issued.

##### 4.4.3 ESOS Termination

SunCity and SunH are paying their respective ESOS Options Holders part of the Consideration in the form of Shares and cash for the cancellation of their ESOS Options and the termination of the ESOS. Our Shares form 80% of the consideration with the remaining 20% of the consideration paid in cash. The ESOS Options Holders are also issued our Warrants, on the basis of 1 Warrant for every 5 Shares which they are issued.

#### 4.5 Share capital

	No. of Shares / Warrants	RM
Authorised share capital	10,000,000,000	10,000,000,000
Issued and fully paid-up as at the date of this Prospectus <b>before</b> Completion	2	2
Shares issued pursuant to the Acquisition	1,292,505,002	1,292,505,002
Enlarged Issued and fully paid-up as at the date of this Prospectus <b>after</b> Completion	1,292,505,004	1,292,505,004
Warrants issued pursuant to our Acquisition	258,501,000	N/A

Based on the issue price of RM2.80 per Share and our enlarged issued and paid-up share capital of 1,292,505,004 Shares, our market capitalisation upon listing on the Main Market of Bursa Securities will be RM3,619,014,011.

#### 4. DETAILS OF OUR LISTING *(cont'd)*

##### 4.6 Classes of shares, ranking and information on Warrants

###### 4.6.1 Our Shares

As at the date of this Prospectus, we only have 1 class of shares, being ordinary shares of RM1.00 each.

Our Shares will rank equally in all respects with our other existing issued and paid-up ordinary shares including voting rights and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of allotment of our Shares.

At any of our Company's general meeting, each of our shareholders shall be entitled to vote in person or by proxy or by attorney or by duly authorised representative and, on a resolution to be decided by show of hands, every person who is a shareholder or proxy or attorney or representative of a shareholder shall have 1 vote and on a poll, every shareholder present in person or by proxy or by attorney or by a duly authorised representative shall have 1 vote for each Share he holds. A proxy may but need not be a member and the provisions of Section 149(1)(b) of the Act shall not apply to our Company.

Subject to any special rights attaching to any shares that we may issue in the future, our shareholders shall in proportion to the amount paid-up on our Shares held by them, be entitled to share in the profits paid out by us in the form of dividends and other distributions and any surplus in the event of our liquidation, in accordance with our Articles and provisions of the Act.

###### 4.6.2 Our Warrants

A total of 258,501,000 Warrants are issued to the Entitled Holders on the basis of one free Warrant for every 5 Shares which they are issued. The salient terms of our Warrants are set out below:

Form	:	Our Warrants are issued in registered form. For the purpose of trading on Bursa Securities, a board lot of our Warrants shall be 100 Warrants carrying the right to subscribe for 100 Shares, or such denomination as may be determined by Bursa Securities.
Tenure	:	5 years from and inclusive of the date of issue of our Warrants.
Exercise rights	:	Each of our Warrant entitles the holder to subscribe for 1 new Share at the Exercise Price, subject to adjustments in accordance with the provisions of the Deed Poll.
Exercise Price	:	RM2.80 per Share.
Mode of exercise	:	Each Warrant is exercisable into 1 new Share upon payment of the Exercise Price in cash.
Exercise period	:	Our Warrants shall be exercisable into our Shares on any market day within a period from the date of issue of our Warrants up to and including the close of business day on the date preceding the 5th anniversary of the date of issue of our Warrants. The Warrants that are not exercised during the exercise period shall thereafter lapse and cease to be valid.

#### 4. DETAILS OF OUR LISTING (cont'd)

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Rights of our Warrants	:	Our Warrant holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in our Company.
Status of our Shares arising from the exercise of our Warrants	:	Our new Shares to be issued arising from the exercise of our Warrants shall, upon issue and allotment, rank pari passu in all respects with our then existing Shares save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of our new Shares.
Adjustment in the Exercise Price and/or number of our Warrants held	:	Subject to the provisions of the Deed Poll, the Exercise Price and/or number of our Warrants held by each of our Warrant holder may from time to time be adjusted, calculated or determined by the Board in consultation with an approved investment bank or the auditors appointed by us, in the event of an alteration to our share capital in accordance with the provisions as set out in the Deed Poll.
Listing	:	Bursa Securities has approved the listing of and quotation for our Warrants and our new Shares to be issued upon exercise of our Warrants.
Constitution	:	Our Warrants are constituted by the Deed Poll.
Rights of our Warrant holders in the event of winding-up, liquidation, compromise and or arrangement	:	Where a resolution has been passed for a members' voluntary winding-up of our Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company, or the amalgamation of our Company with one or more companies, then every holder of our Warrant shall be entitled to, subject to the provisions of the Deed Poll at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of our Company or 6 weeks after the granting of the court order approving the compromise or arrangement, as the case may be, by the irrevocable surrender of the free Warrants to our Company, elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement, exercise the subscription rights attached to the Warrants, to the extent specified in the subscription forms and be entitled to receive, out of the assets of our Company which would be in liquidation if he had on such date been the holder of our Shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company will give effect to such election accordingly.
Governing Law	:	Laws and regulations of Malaysia.

#### 4. DETAILS OF OUR LISTING (*cont'd*)

##### 4.7 Basis of arriving at the issue price of our Share and Exercise Price of our Warrants

The issue price of our Shares of RM2.80 each was arrived at after taking into account the total number of securities to be issued resulting from the Consideration, as well as the potential trading liquidity and the subsequent PER of the Sunway Shares. For illustration purposes, the satisfaction of the total Consideration of RM4,523,767,508 involves the issuance of 1,292,505,002 Sunway Shares at an issue price of RM2.80 with the remainder of the Consideration of RM904,753,502 being satisfied in cash. As our Warrants are issued concurrent with our Shares, we have determined the exercise price of our Warrants at RM2.80 each per Share, being the issue price of our Shares. At an issue price of RM2.80 and EPS (based on the proforma consolidated income statement for the year ended 31 December 2010 and excluding one off and/or non operational items that include fair value gains on properties, net gain on disposals to the Sunway REIT, expenses in relation to the Sunway REIT exercise, gain from the adoption of Financial Reporting Standard 139 on Financial Instruments: Recognition and Measurement and reversal of deferred taxation) of RM0.24, the PER is approximately 11.76 times. Based on the business strategies, future plans and prospects of our Group, there may be potential upside to the PER of the Sunway Shares.

Please refer to Section 6.3 of this Prospectus for the business strategies, future plans and prospects of our Group.

##### 4.8 General mandate pursuant to Section 132D of the Act

You should take note that prior to the Completion, our Directors have obtained a general mandate pursuant to Section 132D of the Act from our then existing shareholders to issue and allot new Shares, at any time until the conclusion of the next annual general meeting upon such terms and conditions and for such purposes and to such person or persons as our Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued does not exceed 10% of our total enlarged issued share capital (excluding treasury shares) at any time ("**Mandate**"). The issuance, if any, will also be subject to the approvals of the relevant regulatory authorities. The Mandate shall be in addition to the specific approval obtained from our shareholders of Sunway at an EGM held on 30 June 2011 for the issuance of our Shares forming part of the Consideration and our Shares to be issued pursuant to the exercise of our Warrants.

For illustration purposes, based on our enlarged issued and paid-up share capital upon Completion, the Mandate would enable our Directors to issue up to 155,100,600 Shares, derived from the enlarged issued and paid-up share capital of 1,551,006,004 Shares, on the assumption that all our Warrants issued are fully exercised on the date of Listing.

The Mandate will provide us with the flexibility to issue new Shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time and to cater for possible fund raising exercises including but not limited to private placement of our Shares for the purpose of, amongst others, funding current and/or future investment projects, repayment of borrowings, working capital requirements and/or mergers and acquisitions.

##### 4.9 Underwriting arrangement

We are not required to underwrite our Issuance because no subscription monies are receivable by us. Our Shares are issued as part of the Consideration and our Warrants are issued for free.

#### 4. DETAILS OF OUR LISTING (cont'd)

##### 4.10 Objectives of our Listing

The objectives of our Listing are to enhance our profile and recognition within the global investing community and provide us easier access the capital market in the future to give us the financial flexibility to pursue future expansion and growth opportunities.

##### 4.11 Proceeds

We are not receiving any proceeds as there is no offer for subscription or purchase of our Shares and Warrants.

##### 4.12 Estimated expenses pursuant to the Listing

The estimated expenses of RM7.5 million pursuant to the Listing to be borne by us, and will be funded through borrowings, comprises the following:

	RM 000
Professional fees <sup>(1)</sup>	5,000
Fees to authorities pursuant to the Listing	1,000
Other fees and expenses <sup>(2)</sup>	800
Miscellaneous expenses and contingencies	700
<b>Total estimated listing expenses</b>	<b>7,500</b>

**Notes:**

(1) Include fees for, amongst others, the Joint Principal Advisers, Solicitors and the Reporting Accountants.

(2) Include finance costs, printing, advertisement and public relations related expenses.

##### 4.13 Trading and settlement in the secondary market

Upon the Listing, our Shares and Warrants will be traded through Bursa Securities and settled by book-entry settlement through CDS (which is operated by Bursa Depository), which will be effected in accordance with the Rules of Bursa Depository for the operation of CDS accounts and the provisions of the SICDA. Accordingly, we will not deliver certificates to the Entitled Holders.

Beneficial owners of our Shares and Warrants are required under the Rules of Bursa Depository to maintain CDS accounts, either directly in their name or through authorised nominees. Persons whose names appear in the ROD will be treated as our shareholders in respect of the number of Shares credited to their respective CDS accounts. Persons whose names appear in the ROD will be treated as our Warrant holders in respect of the number of Warrants credited to their respective CDS accounts.



**4. DETAILS OF OUR LISTING (cont'd)**

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Transactions in our Shares and Warrants under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares and Warrants sold and the buyer's CDS account being credited with the number of Shares and Warrants acquired. No transfer stamp duty is currently payable for our Shares and Warrants that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market. All Shares and Warrants held in CDS accounts may not be withdrawn from CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;
- (iv) where a body corporate is removed from the Official List;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

Trading of securities of companies listed on Bursa Securities is normally done in "board lots" of 100 units. Investors who desire to trade less than 100 units shall trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the third Market Day following the transaction date.

**Prior to the Listing, there has been no trading market for our Shares and Warrants within or outside Malaysia. You should take note that the market prices of our Shares and Warrants upon Listing are subject to the vagaries of market forces and other uncertainties that may affect the price of our Shares and Warrants. You are reminded to read the risk factors as set out in Section 5 of this Prospectus.**

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## 5. RISK FACTORS

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*Please take note that our operations are subject to the legal, regulatory and business environment in Malaysia and other countries in which we have businesses in. Our businesses are subject to a number of factors, many of which are outside our control. The risks and investment considerations set out below are not an exhaustive list of the challenges that we currently face or may develop in the future that may have a significant impact on our current and future performance. These and other risks, whether known or unknown, may have a material adverse effect on us or our Shares or Warrants.*

### 5.1 Risk factors relating to our securities

#### 5.1.1 Upon the issuance of our Shares and Warrants to you, you are exposed to the performance of our main businesses

Upon Completion, we have 2 main businesses, namely, property and construction. Other businesses include quarry and building materials, trading and manufacturing and hospitality, leisure and healthcare. Upon the issuance of our Shares and Warrants to you, you are exposed to the inherent risks of those businesses. These inherent risks are set out in Section 5.2 of this Prospectus.

You should note that, depending on whether you were a shareholder of SunCity or SunH, the income profile of your investment will change upon the issuance of our Shares and Warrants to you pursuant to the Capital Reduction and Repayment.

Shareholders of SunCity (which are in the property, hospitality, leisure and healthcare businesses) who received our Shares and Warrants are exposed to new businesses, namely, the construction, trading and manufacturing of construction and industrial products, quarry and building materials businesses.

Shareholders of SunH (which are in the construction, trading and manufacturing of construction and industrial products, quarry and building materials businesses) who received our Shares and Warrants are exposed to new businesses, namely, the property, hospitality, leisure and healthcare businesses.

In line with our intention to expand our main businesses, opportunities may arise that may require substantial capital outlay and are subject to risks which will be assessed in totality before we undertake any plans. Our business strategies, future plans and prospects are set out in Section 6.3 of this Prospectus.

Nonetheless, you should note that whilst you will be subject to the risks inherent in the businesses that you previously had no or less exposure to, the varied and market lifecycles of our different businesses provide an opportunity for risk diversification. Further, you would also be able to have exposure to the collective performance of each business, as well as the potential opportunities and benefits arising from the Acquisition.

#### 5.1.2 There has been no prior trading market for our securities and this Listing may not result in an active or liquid market for our securities

Whilst a trading market had existed for the securities of SunCity and SunH prior to the suspension of their respective trading in conjunction with the Capital Reduction and Repayment and the Warrant Scheme, there has been no prior trading market for our securities.

There can be no assurance as to the liquidity of any market that may develop for our securities; nor can we assure that the trading price of our securities may reflect our financial and operating conditions, our prospects and the prospects of the industries in which we operate in. We have no obligation to make a market in our securities nor is there any assurance that we will be able to maintain our Listing.

## 5. RISK FACTORS *(cont'd)*

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### 5.1.3 Like all other companies listed on Bursa Securities, the price of our securities may be volatile and this may affect your investment in our securities

The market price of our securities could be affected by numerous factors, including:

- (i) general market, political and economic conditions;
- (ii) trading and liquidity of our securities;
- (iii) changes in earnings estimates and recommendations by financial analysts;
- (iv) changes in market valuations of listed shares in general and other securities exchanges' shares in particular;
- (v) changes in governmental policy, legislation or regulation; and
- (vi) general operational and business risks.

In addition, many of the risks described elsewhere in this Prospectus could materially and adversely affect the market price of our securities.

The Malaysian, regional and global equity markets have experienced price and volume volatility that have affected the prices of securities of many companies. Prices of securities of many companies have experienced wide fluctuations that have often been unrelated to the operating performance of those companies. Such fluctuations in price may adversely affect the market price of our securities.

### 5.1.4 Difference between the Exercise Price and the market price of our Warrants

Although our Warrants are issued for free to the Entitled Warrant Holders as part of the Consideration for the Acquisition, our Warrants carry an exercise price of RM2.80 per Share. If the price of our Shares falls below the Exercise Price of our Warrants, then the Warrants are deemed "out-of-money". Further, our Warrants have a tenure of 5 years and will be valueless and cease to be valid upon the expiry of its tenure. As such, our Warrant holders bear the risk that the Warrants may never be exercised at all in the event the price of our Shares continue to fall below the Exercise Price for the entire tenure of our Warrants.

### 5.1.5 Delay or failure in our Listing

The occurrence of certain events, including the following, may cause a delay in or termination of our Listing:

- (i) the approval for the Listing is revoked by the authorities for whatever reason; or
- (ii) the occurrence of certain events or circumstance beyond our control (including any legal suit filed by any party).

Based on the existing market conditions and shareholding spread of SunCity and SunH, our public spread requirements as set out in the Main Market LR, i.e. having at least 25% of our issued and paid-up Shares in the hands of at least 1,000 public shareholders holding at least 100 Shares each at the point of Listing, are met upon Issuance of our Shares and Warrants to the Entitled Holders.

## 5. RISK FACTORS (cont'd)

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After our securities have been credited to your CDS account, which would occur prior to the anticipated date of our Listing, you will be our shareholder and Warrant holder even if the admission into and the commencement of trading of our securities on the Main Market of Bursa Securities does not occur. Delays in admission and the commencement of trading in securities on Bursa Securities have also previously occurred.

### 5.1.6 We may face integration risks when integrating our businesses upon Completion

Integration risks can arise when distinct companies are integrated under a single entity due to, amongst others, differences in culture, business processes, practices and policies. In addition, there is no assurance that the anticipated benefits of the Acquisition, such as creating a platform for sustainable continuous growth or the strengthening of the balance sheet, will be realised, or if realised, will be realised within the expected timeframe. The anticipated benefits do not represent a forecast of our future performance and is subject to the assumptions set out under "Business strategies, future plans and prospects in Section 6.3 of this Prospectus.

Nonetheless, we have taken steps to address this integration risk by forming a merger integration committee and have appointed a team of consultants: (i) to study the potential synergies that can be extracted from the integration; (ii) to identify key strategy areas, design broad integration strategies and develop plans to capture the synergies; and (iii) to assimilate the differences in culture, business processes, practices and policies of businesses, if any.

### 5.1.7 Our ability to pay dividends and our general financial condition are affected by various factors

Our ability to pay dividends or make any distributions to our shareholders is subject to the confirmation from our Board, to any applicable law, licence and contractual obligations, including restrictions in our financial contracts. Our ability to pay dividend is also dependent on the financial performance and cash flow position of our operating subsidiaries.

Dividend payments are not guaranteed and may be less than the dividends previously paid by SunCity and SunH respectively, prior to the Acquisition.

There is no assurance that we will be able to record profits and have sufficient funds above our funding requirements, to pay dividends to our shareholders. In addition, changes in the applicable accounting standards may affect our ability to declare and pay dividends.

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## 5. RISK FACTORS *(cont'd)*

### 5.1.8 We require borrowings to fund the cash portion of the Consideration

We have incurred bank borrowings of approximately RM912.3 million to pay the cash portion of the Consideration to the Entitled Holders and the expenses related to the Acquisition and the Listing. The additional borrowings together with the existing borrowings of SunH and SunCity have resulted in a proforma gross gearing ratio of 0.9 times and net gearing ratio of 0.6 times upon the Completion. The proforma gross gearing ratio and net gearing ratio without the additional borrowings are 0.5 times and 0.2 times respectively. Please refer to Section 9.2.8 (iii) for further details of our borrowings. Based on our proforma consolidated balance sheet as at 31 December 2010, we had total interest-bearing indebtedness of RM2,331.8 million. In order to fund future operations and expansion, we expect to continue to incur additional indebtedness. Our indebtedness may limit our ability to obtain additional financing for working capital, capital expenditure, strategic acquisition, general corporate purposes and require us to dedicate a substantial portion of our cash flow to service our debt, which will reduce funds available for other purposes, limit our flexibility in planning for or reacting to changes in the markets in which we compete, place us at a competitive disadvantage relative to our competitors with less indebtedness, render us more vulnerable to general adverse economic and industry conditions, make it more difficult for us to satisfy our financial obligations or be able to refinance maturing indebtedness and affect our ability to declare dividends. We may also be exposed to fluctuations in interest rates and exchange rates as a result of our borrowings.

## 5.2 Risk factors relating to our businesses

### *General*

#### 5.2.1 Deterioration in our reputation will adversely affect our businesses

Since the establishment of SunCity and SunH businesses, we have built up our reputation and established good business relationships with our customers. Hence, if there is any future adverse publicity against us, our products and/or services, our reputation and business relationships will be affected and our customers may lose confidence in our products and/or services. This will affect our businesses and financial performance.

#### 5.2.2 We are exposed to competition risk

We are exposed to competition risk in all of our businesses.

There is intense competition among property developers to identify and purchase strategically located and reasonably priced landbank, employing skilled labour and purchasing building materials. The success of a property development project is based on a number of factors, which include but are not limited to, location, pricing, accessibility, infrastructure and amenities, quality of development and the reliability and reputation of the property developer. Failure by us to secure strategically located landbank for development, price our products competitively and offer a property which meets or exceeds the expectations of our prospective customers (for a given price range) may have a bearing on our ability to sell such property.

Our construction and quarry business face competition from other listed and non-listed companies operating in the same business. Intense competition may result in highly competitive pricing in securing a contract, which may subsequently affect our financial performance. No assurance can be given that we will be able to compete effectively with current and new entrants into the construction and quarry business in the future.

## 5. RISK FACTORS (cont'd)

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The success of our leisure and hospitality business depends on our ability to compete in providing the best room rates, quality of accommodation, services and amenities including a variety of theme park rides and entertainment. If we fail to provide or refresh our accommodations and amenities to meet the ever increasing expectation of our customers, it may lead to reduced sales and affect our profitability.

Our trading and manufacturing business is required to maintain certain stock levels as part of our operations. In the event we are not competitive, demand for our stocked items may decline resulting in an inventory build-up which will affect our cash flow and profitability due to the associated logistics and warehousing costs. Although we have established our presence in 6 other countries outside Malaysia and have a diverse distribution channel comprising dealers, factories, distributors and directly to end users, there is no assurance that our business model employed will be successful or continue to be successful.

Our healthcare business faces stiff competition from other local private healthcare providers. With an over-concentration of hospitals in certain locations particularly in Kuala Lumpur, Selangor and Penang, we face intense competition for consultants, nurses and patients. There can be no assurance that we will be able to attract or retain our consultants, nurses and patients given the increasing number of healthcare providers in the market.

If we are unable to differentiate ourselves from our competitors or stay competitive for any of our businesses, our profitability may be materially and adversely affected.

### 5.2.3 Increase in the cost of operations of our businesses

Any increase in raw material prices, labour and sub-contractor costs, overheads, energy costs and other cost of operations may result in lower margins, culminating in a need to increase prices of our products and services. Any material increase in the aforesaid costs will have an adverse impact on our profit margins in the event we are unable to pass on the additional costs by increasing the prices of our products and services. Nevertheless, this risk did not adversely affect us in the past.

### 5.2.4 We are exposed to retention and succession risk of our key management and Directors

Our success depends to a significant extent on the abilities and continuing efforts of our Directors and key management. Please refer to Sections 11.1.1 and 11.2.1 of this Prospectus for the profiles of our Directors and key management. The loss of any of these persons without a suitable replacement, or our inability to attract and retain qualified and skilled key management, could adversely affect our continued ability to compete in our industries which may then adversely affect our businesses, financial conditions, results of operations and prospects. Nevertheless, this risk did not adversely affect us in the past.

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## 5. RISK FACTORS (cont'd)

### 5.2.5 We are exposed to risks arising from our overseas business ventures

The majority of our revenue was generated locally, i.e., approximately 84.1%, 77.6% and 70.1% (before inter-company elimination) in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively. Approximately 15.9%, 22.4% and 29.9% (before inter-company elimination) of our revenue was contributed by our overseas business in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively. We are exposed to risks arising from our overseas business ventures. For example, our construction business in countries such as Abu Dhabi, Singapore and India is exposed to added risks given the different business operating conditions and regulatory environments in those countries such as, among others, the general economy, political stability, legal and tax legislation, credit environment and foreign exchange rules. If we fail to fully understand the local environment of our overseas venture, it may cause us to make decisions which may lead to negative outcomes. Furthermore, if we fail to enter into a collaboration/partnership with a suitable partner in our overseas venture (if the need arises), it may also affect our ability to successfully penetrate and build a reputation for ourselves overseas. Should such occur, our operations and profitability may be adversely affected. No assurance is given that our collaboration/partnership with our foreign partners can or will be sustained in the future.

In addition, operating losses were recorded from our overseas operations for the past years/period under review as disclosed in Section 9.2.4 of this Prospectus. There is no assurance that the revenue generated in the future is sufficient to cover the future operating costs.

Furthermore, we are also involved in an arbitration arising from our operations in India whereby there is a claim by Shristi Infrastructure Development Corporation Ltd against Sunway Construction Sdn Bhd for a claim of INR89,14,55,047.83 (equivalent to approximately RM60.15 million based on the exchange rate of RM6.7479: INR100 as at the LPD). Further details are disclosed in Section 15.4(ii) of this Prospectus. If the arbitrator grants an arbitral award in favour of Shristi Infrastructure Development Corporation Ltd and dismiss our counter-claim, this will have an adverse impact on our business and financial performance.

### 5.2.6 We are dependent on our operating licences

We have been granted various licences, certificates and other clearances from authorities, some of which are subject to periodical renewals, for our businesses. Further details are disclosed in Section 6.8.3 of this Prospectus. There can be no assurance that our licences, certificates and other clearances from authorities will not be revoked or suspended prior to its expiration. There can also be no assurance that we will be able to renew such licences, certificates and other clearances from authorities. Any revocation or non-renewal of our licences, certificates and other clearances from authorities or failure by us to obtain new licences, certificates and other clearances from authorities (if so required) will have a material impact on our ability to continue our operations and hence will affect our profitability. Nevertheless, this risk did not adversely affect us in the past.



## 5. RISK FACTORS (cont'd)

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### 5.2.7 We are exposed to foreign exchange fluctuations

We have operations in various countries and as such are exposed to the volatility of various currencies we transact with. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposures. Any fluctuations in the foreign exchange rate may have a material and adverse effect on our financial performance.

### 5.2.8 Increase in interest rates may lead to higher borrowing costs and affect our profitability

Interest rate exposure arises mainly from our borrowings and deposits. Any increase in the interest rates may lead to higher borrowing costs, and in turn, affect our profitability. We have incurred bank borrowings of approximately RM912.3 million to finance the cash portion of the Consideration to the Entitled Holders and expenses related to the Acquisition and the Listing. This will result in additional interest expense of approximately RM45.6 million per annum which may increase further depending on the movement of interest rates. Further details of our borrowings are disclosed in Section 9.2.8(iii) of this Prospectus. Our credit facilities agreements with banks and financiers contain, inter-alia, covenants that may limit our operating and financing flexibility. Any act falling within the ambit or scope of such covenants will require the consent of the relevant banks or financiers.

### 5.2.9 We may be affected by bad debts

Credit risks arise when sales are made on credit terms in particular for our construction, trading and manufacturing businesses. If our debtors do not pay us and the debts turn bad, we would be required to write-off such debt which would affect our cash flow and profitability. Further details are disclosed in the aging analysis set out in Section 9.2.12 of this Prospectus.

### 5.2.10 We may face malpractice or negligence suits

Inherent to the business of providing healthcare and related services is the risks of being exposed to potential suits of medical malpractice or negligence. Regardless of the outcome of the suit in a court of law, these suits may adversely affect the image, perception and reputation of our medical centre and our staff in terms of our quality of services and standard of care. If we fail to successfully defend our position or to have sufficient insurance coverage to safeguard ourselves from such suits, it may have an adverse impact on our business and financial performance. Nevertheless, this risk did not adversely affect us in the past.

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## 5. RISK FACTORS (cont'd)

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### 5.2.11 Our current insurance coverage may not be sufficient to cover the risks related to our operations

Although we have taken the necessary measure to ensure that all our assets are adequately covered by insurance in accordance with standard industry practice, there can be no assurance that the coverage would be adequate for the replacement cost of the assets or any consequential losses arising thereof. Any losses or liabilities that are not covered by our standard insurance plan may have a material adverse effect on our businesses, financial condition and results of our operations.

In addition, we are also exposed to potential third party claims or litigation by tenants or other persons relating to personal injury or other damages resulting from contact with or use of our properties, may be made against us as the owner / manager / contractor of the properties. There can be no assurance that the insurance coverage that we have obtained will be adequate to safeguard ourselves from the impact of such potential third party claims or litigation. Nevertheless, this risk did not adversely affect us in the past.

### 5.2.12 We are subject to political, economic, market and regulatory considerations

Like all other business entities, we could be adversely affected by changes in the political, economic, market and regulatory conditions in Malaysia and the countries in which we operate in. These uncertainties include changes in political leadership, risks of war and riots, expropriation, nationalisation, changes in interest rates, methods of taxation and exchange control policy or rules. In addition, countries could change their interpretation of existing laws, policies and regulations. For example, the property business will be sensitive to, amongst others, interest rate movements, consumer sentiment, regulation and taxation changes or the gradual tightening of credit conditions.

In terms of economic risks, our business operations and financial performance may be affected by a downturn in the Malaysian or global economy. The property, construction and construction-related industries are most likely to be affected by an economic downturn. The recent global financial crisis, the recent European sovereign debt crisis, recent political upheavals in the Middle East and general weakness of the global economy have increased the uncertainties involving the global economy and may continue to affect the key markets in Asia which our Group operates in. Any future decline of the Malaysian and the global economy could materially affect the financial condition or results of operations of our Group.

There can be no assurance that any changes to the political, economic, market and regulatory factors do not have a material and adverse effect on our business and prospects.

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## 5. RISK FACTORS (cont'd)

### *Industry specific*

#### **5.2.13 Our growth is dependent on our ability to secure suitable landbank**

Obtaining sizeable landbank at strategic locations is important in ensuring the financial growth and profitability of our property business. Upon Completion, our property business has a landbank of approximately 2,200 acres with a total GDV estimated to be approximately RM23 billion for our on-going and future development. Our landbank mainly comprises parcels of land at locations with development potential within Malaysia such as Kuala Lumpur city centre, and Mont' Kiara in the Federal Territory of Kuala Lumpur, Bandar Sunway, Sunway South Quay, Kota Damansara, Shah Alam, Sungai Long, Seri Kembangan, Bangi and Rawang in the State of Selangor, Sunway City Ipoh in the State of Perak, Penang and Johor and landbank overseas such as China, Singapore, India and Australia. Some of these landbank are developed on a joint venture basis with the landowners, thus affording us some flexibility to defer the launches to suit market demand, given the low land-holding cost. We shall continuously source to increase our landbank at strategic locations with development potential. However, there can be no assurance that we will be able to increase our landbank with parcels of land at strategic locations and with high development potential to spur our future growth.

#### **5.2.14 We may not be able to sustain our current order book**

As at 30 June 2011, our construction order book stood at approximately RM1.81 billion of which approximately 24% is derived from overseas. There can be no certainty that the current order book can be sustained in the future given that international contracts are based on open tenders and are very competitive due to the numerous players in the industry. There can also be no assurance that there will be a continuous upward trend in construction activity in the local construction scene. Our inability to maintain a strong order book may have a material adverse impact on our Group's profitability and financial performance.

#### **5.2.15 Our property business is exposed to inventory build-up**

Based on our proforma consolidated balance sheet as at 31 December 2010, our inventory in our property business was approximately RM78.6 million. Our property business is exposed to the inherent risk of inventory build-up (i.e. property overhang) which is caused by over-supply and low sale of property due to various external factors such as rising interest rates, negative consumer sentiment, unattractive location of properties or oversupply of properties in the market. The continuing rise in property overhang may have a direct impact on the performance and cash flows of our property business.

#### **5.2.16 Our income is dependent on our ability to secure tenants/lessees**

We derive rental income from renting our commercial properties which mainly include Sunway Giza Shopping Mall, Monash University Sunway Campus, Sunway University and Wisma SunwayMas. Our rental income would be affected by lower occupancy rate and non-renewal of existing tenancy agreements due to unfavourable economic condition.

Inability of tenants to pay the rental during difficult times will also result in the provisions or write-offs of debt which will affect our cash flow and profitability. Nevertheless, this risk did not adversely affect us in the past.

## 5. RISK FACTORS (cont'd)

We also receive income distribution from our investment in the units of Sunway REIT. Sunway REIT's financial capability to make distributions will depend significantly on its ability to continuously lease properties to tenants on economically favourable terms, to retain its existing major tenants and/or to secure new tenants.

### 5.2.17 Deterioration in the value of our properties

Our property business is subject to changes to the following factors that may adversely affect the value of our properties:

- (i) the quality of our tenants;
- (ii) the physical attributes of the building in relation to the competing buildings (i.e. age, condition, design, access to public transportation); and
- (iii) the desirability of the area as a location for business, leisure and etc.

The consequences of any changes to the above may have an adverse impact on our business, financial condition, results of operations and prospects.

### 5.2.18 Illiquidity of property investment

Property investments are relatively illiquid given the sizeable values involved, and as a result, the time taken in the process of identifying potential suitors up to the completion of the transaction is lengthy. The sizeable values also cause the lack of tradability as a result of limitations in the financial abilities of potential purchasers. The illiquidity limits the ability of an owner or a developer to convert real estates into cash on short notice or may require a substantial reduction in price that might otherwise be sought for such assets to ensure a quick sale. This also limits our ability to vary our portfolio in response to changes in economic or other conditions. Furthermore, there can be no assurance that we will be able to sustain the long-term leases consistently in the future.

### 5.2.19 We are dependent on third party contractors

Our property and construction businesses are substantially dependent on the support of third party contractors to ensure the continuous supply of services and construction materials. Any non-satisfactory performance of our appointed contractors and their inability to supply sufficient labour, whether skilled or unskilled and insufficient quality building materials will inevitably disrupt the progress and/or quality of our operations and will have an adverse effect on our profitability.

### 5.2.20 We are exposed to unforeseen delays in the completion of our projects

The timely completion of property and construction projects is dependent on many external factors such as obtaining the necessary approvals on a timely basis, sourcing and securing quality construction materials in adequate amounts on favourable credit terms and the satisfactory performance of the contractors appointed to complete the projects. Any delay in the completion of our projects may result in claims for liquidated and ascertained damages by our customers, thus affecting our cash flow, profitability and reputation. Nevertheless, this risk did not adversely affect us in the past.

## 5. RISK FACTORS (cont'd)

### 5.2.21 We are exposed to inherent risks in the construction industry

Among the risks relating to our construction business are shortages of construction materials and skilled workers, non-availability and inefficiency of equipment, price increase in construction materials, labour disputes, the non-performance or unsatisfactory performance of contractors, inclement weather, natural disasters, accidents, failure or postponement of the issuance or grant of licences, permits and approvals, non-compliance of designs to local standards and unforeseen engineering or environmental problems. Construction delays, loss of revenue and cost over-runs are likely to result from such events, which could in turn materially and adversely affect the operations and financial performance of our construction business.

### 5.2.22 Our failure to comply with laws and regulations relating to environment and health and safety may result in penalties

In general, all our construction activities, quarries and building materials factories generate dust, waste and noise pollution. We are required to comply with various environmental laws and regulations relating to water, air and noise pollution, and the disposal of waste materials. Our failure to comply with such environmental laws and regulations may result in penalties and in serious cases, closure of our construction sites, quarries and building materials factories. Should this occur, our operating profits would be adversely affected. Any tightening of environmental laws may require us to invest significantly in equipments and machineries or to implement added processes to our current operations in order to meet such changes in environmental laws and regulations. Further, some of our operations may be affected by changes in health and safety laws and regulations where compliance with these new laws and regulations may entail significant expenses to us. There can be no assurance that the future costs of compliance with such laws and regulations will not have a material adverse impact on our businesses and profitability. Nevertheless, this risk did not adversely affect us in the past.

### 5.2.23 We are exposed to inherent risks in our quarry and building materials businesses

The primary output from our quarries, being aggregates, are generally utilised for the construction of buildings and infrastructure such as roads and bridges within the vicinity of our quarries. Aggregates are used for the production of building materials such as cement and ready-mixed concrete and also form the base material for various applications, such as road and railway construction as well as the production of concrete, mortar and premix products.

Our quarry division also produces premix products that are generally used for road construction and maintenance. As such, the general demand for our quarry and premix products is highly dependent on the health of the construction industry. We are exposed to the volatility in bitumen prices given that bitumen forms the bulk of the production cost of premix.

In addition, other key raw materials for our quarry operations are diesel, lubricants and explosives. As such, our operations are subject to the volatility in prices of these raw materials and any increase may affect our profit margin.

Similarly, our building materials business which comprises the manufacturing of tiles and pipes are highly dependent on construction activities and any increase in prices of raw materials such as cement, clay and natural gas may affect our profit margins if the increased costs cannot be passed on to our customers.

**5. RISK FACTORS (cont'd)**

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**5.2.24 We may not be able to renew the lease of certain quarries**

Some of our quarries are located on land which are under lease or license such that our quarrying activities are subject to renewal of the said lease or licences. Although we have to date, been able to renew such lease or licences, there is no assurance that we may be similarly successful in renewing the leases or licences when the tenure of such leases or licences expire in the future. In addition, there can be no assurance that the leases or licences of our quarries will not be revoked due to non-compliance with the relevant rules and regulations governing the quarry business. Our failure to renew the leases or licences of such quarries would adversely affect our operating profits.

**5.2.25 Our leisure and hospitality businesses may be affected by the outbreak of infectious diseases**

We are susceptible to the outbreak of diseases. For instance, the outbreak of severe acute respiratory syndrome ("SARS") had a material impact on our financial results and operations for the financial year ended 31 December 2003. As a consequence of SARS, some countries implemented immigration policies to restrict travellers coming from SARS affected countries or regions and several airlines reduced flights to and from such affected areas. As a result, our operations and profitability were affected due to the reduced number of tourist arrivals and cancellation of hotel reservations. If SARS were to re-emerge or any other outbreaks of similar potential hazardous nature were to occur, for example avian flu or swine flu, the financial condition and operating results of our leisure and hospitality business may be adversely affected. Nevertheless, this risk did not adversely affect us in the past.

**5.2.26 Our trading and manufacturing business relies on agency lines**

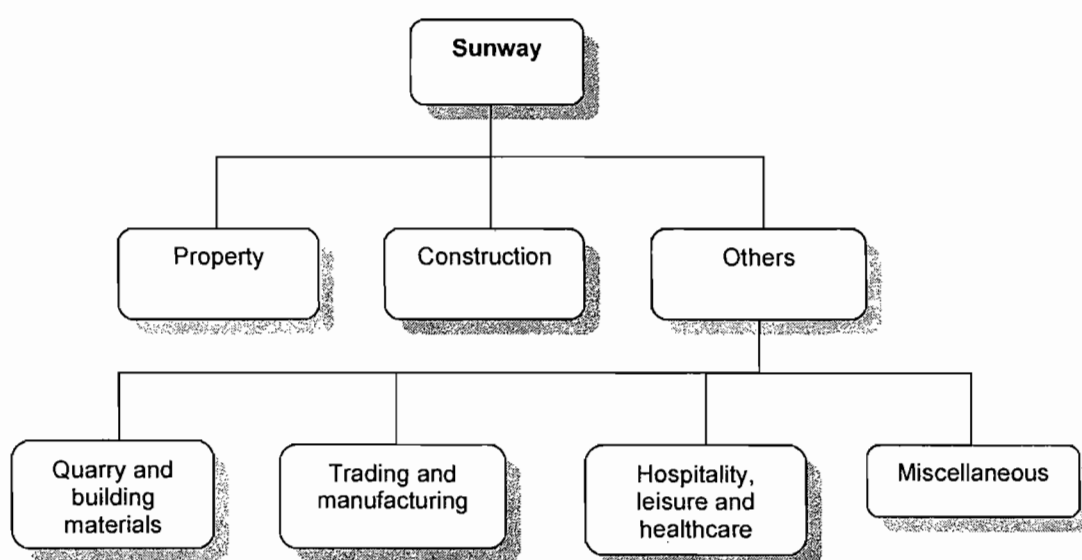
A principal activity of our trading and manufacturing business is the agency and distribution of various branded hoses and fittings, heavy equipment parts and building materials. The distribution of these products is based on terms of distribution agreements signed with manufacturers and/or principals. There is no assurance that the principals may not adversely vary the terms in the distribution agreement nor withdraw the rights for our trading and manufacturing business to distribute their products. In addition, there is no assurance that customers will continue to purchase products from us and they may resort to purchase directly from the principals and/or other agents/distributors.

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## 6. BUSINESS OVERVIEW

### 6.1 Business overview

We were set up as a special purpose company to facilitate the Acquisition. Upon the Completion, the Sunway Group comprising the SunCity Business and the SunH Business will consist of 2 main businesses, namely, property and construction. Other businesses include quarry and building materials, trading and manufacturing as well as hospitality, leisure and healthcare.



#### 6.1.1 Property

Our property business has strength in developing innovative and quality residential, industrial and commercial properties. We have delivered over 17,000 units of residential, industrial and commercial properties, including high-end bungalows. As at LPD, this business has access to landbank of approximately 2,200 acres with a total GDV estimated to be approximately RM23 billion. Our property business contributed approximately 35.2%, 27.2% and 27.9% (before inter-company elimination) to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

We have developed Bandar Sunway, an 800 acres integrated resort township situated in Klang Valley, Selangor in Malaysia. Bandar Sunway is an integrated development with 6 key components namely residential, industrial and commercial properties, hospitality, retail mall, leisure and theme park as well as health care and education, which include Sunway Resort Hotel & Spa, Pyramid Tower Hotel, Menara Sunway, Sunway Pyramid Shopping Mall, Sunway Lagoon, Sunway University, Monash University Sunway Campus and Sunway Medical Centre.

Bandar Sunway is further complemented by the ongoing development of Sunway South Quay, a lakeside mixed-use development project which spreads across 123 acres of land comprising luxury lakeside bungalows, high-end condominiums, serviced apartments, boutique shops, retail outlets, shop offices and suites. The total GDV for the project is estimated to be RM5.2 billion.

In addition, Sunway Velocity, another major integrated development, is located less than 5 kilometres to the south of Kuala Lumpur City Centre. It is a 22.6 acres integrated mixed-use development comprising a shopping mall, shop offices and serviced apartments. The total GDV for the project is estimated to be RM3 billion.

## 6. BUSINESS OVERVIEW (cont'd)

We own 36.7% in Sunway REIT which is managed by our wholly-owned subsidiary, Sunway REIT Management Sdn Bhd. Sunway REIT owns a portfolio of retail and commercial properties such as Sunway Resort Hotel & Spa, Pyramid Tower Hotel, Sunway Pyramid Shopping Mall, Sunway Carnival Shopping Mall, Sunway Hotel Seberang Jaya, SunCity Ipoh Hypermarket, Menara Sunway, Sunway Tower and Putra Place (Kuala Lumpur). Other than distribution income from the Sunway REIT, we also receive management fees from Sunway REIT.

Under our property business, we also develop, own, and/or manage retail and commercial properties such as Monash University Sunway Campus, Sunway University and Sunway Residence in Bandar Sunway as well as Sunway Giza Shopping Mall in Kota Damansara, Selangor.

### (i) Local presence

Some of the real estate developments currently being undertaken are:

- (a) Sunway South Quay, a lakeside mixed-use development project which spreads across 123 acres of land comprising luxury lakeside bungalows, high-end condominiums, serviced apartments, boutique shops, retail outlets, shop offices and suites. The total GDV for the project is estimated to be RM5.2 billion;
- (b) Sunway Velocity, another major integrated development, is located less than 5 kilometres to the south of Kuala Lumpur City Centre. It is a 22.6 acres integrated mixed-use development comprising a shopping mall, shop offices and serviced apartments. The total GDV for the project is estimated to be RM3 billion;
- (c) Sunway Damansara, an integrated township comprising residential, commercial and industrial development spread across approximately 400 acres of land in Kota Damansara, Selangor. This project is a joint venture development with Perbadanan Kemajuan Negeri Selangor. The total GDV of the project is estimated to be RM2.7 billion;
- (d) Sunway Palazzio, a luxury condominium project situated on 4 acres of land located in Sri Hartamas, Kuala Lumpur with views of the Kuala Lumpur cityscape. The total GDV of the project is estimated to be RM455 million;
- (e) Sunway Rydgeway, a stratified landed development in Taman Melawati, Selangor comprising zero lot bungalows and semi-detached homes. The total GDV of the project is estimated to be RM190 million;
- (f) Sunway SPK 3 Harmoni, a garden townhouse development with only 16 units per acre. The total GDV of the project is estimated to be RM188 million; and
- (g) Sunway PJ@51a, an integrated commercial park located in Petaling Jaya, Selangor comprising office suites, retail outlets and showrooms. The total GDV of the project is estimated to be RM105 million.



## 6. BUSINESS OVERVIEW (*cont'd*)

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### (ii) Overseas presence

#### (a) Singapore

Our public housing projects, City View @ Boon Keng and The Peak @ Toa Payoh (with estimated GDV of RM1.0 billion and RM1.6 billion respectively) maintained steady progress throughout 2010 and 2011. City View @ Boon Keng is our maiden property development venture in Singapore, followed by The Peak @ Toa Payoh, both secured through a joint venture with Hoi Hup Realty Pte Ltd. These projects are under the Design, Build and Sell Scheme ("DBSS") by HDB and are residential units strategically located near Mass Rapid Transit stations in Singapore.

Following the success of the above mentioned projects, the joint venturers launched their first freehold private development, the Vacanza@East in District 14, Singapore, with a GDV of approximately RM1.1 billion. This was followed by the launch of the Miltonia Close project in June 2011, with a GDV of approximately RM 900 million and the project is 40% sold as at LPD.

Future launches in Singapore will include an Executive Condominium in Tampines, a DBSS condominium in Yuan Ching Road and a 3-storey terrace house development in Sembawang.

#### (b) China

The first development was launched in Jiangyin, China, which comprises medium to high-end apartments and specialty shops. The total GDV of the 17 acre project is estimated to be RM492 million. It is located within the central business district of the Jiangyin New Harbour City.

We have also signed a collaboration agreement in April 2010 to participate in Tianjin Eco-City with the master developer, Sino-Singapore Tianjin Eco-City Investment and Development Co. Ltd ("SSTEC") for a project with total GDV estimated to be RM5 billion on parcels of land measuring approximately 99 acres over a period of 5 years ("Proposed Development"). Following thereto, we have signed the equity joint venture agreement in October 2010 with SSTEC to develop approximately 69 acres under the Proposed Development. The balance of approximately 30 acres will be undertaken by another planned foreign equity joint venture to be entered into later.

Tianjin Eco-City is a Government-to-Government eco-city development project between China and Singapore. SSTEC is a 50:50 joint venture between a Singapore consortium led by Keppel Group and a Chinese consortium led by Tianjin TEDA Investment Holding Co. Ltd. Tianjin Eco-City will be a modern township for approximately 350,000 residents.

## 6. BUSINESS OVERVIEW (cont'd)

## (c) India

We have embarked on a partnership with Opus Developers & Builders Private Limited in India to develop Sunway Opus Grand Residency, an exclusive 35 acres development with total estimated GDV of RM745 million in the suburb of Ameenpur, Hyderabad.

We have also signed a joint venture agreement for a property development project, Sunway MAK, in Hyderabad, India with MAK Projects Private Limited, the property developer of Banyan Tree Retreat in Hyderabad.

## (d) Australia

We have entered into a joint venture with Australand Industrial No. 111 Pty Ltd to develop industrial land located in a logistic precinct in Sydney, Australia.

A summary of some of our local and overseas presence of our property business is set out below:

Real estate development	Estimated GDV of the project	Acreage of the project (approximately)
<b>Local presence</b>		
Sunway South Quay	RM5.2 billion	123 acres
Sunway Velocity	RM3.0 billion	22.6 acres
Sunway Damansara	RM2.7 billion	400 acres
Sunway Palazzio	RM455 million	4 acres
Sunway Rydgeway	RM190 million	14 acres
Sunway SPK 3 Harmoni	RM188 million	11 acres
Sunway PJ@51a	RM105 million	3 acres
<b>Overseas presence</b>		
<i>Singapore</i>		
City View @ Boon Keng	RM1.0 billion	5 acres
The Peak @ Toa Payoh	RM1.6 billion	7 acres
Vacanza@East	RM1.1 billion	5 acres
Miltonia Close	RM900 million	7 acres
<i>China</i>		
A development in Jiangyin	RM492 million	17 acres
Participation in Tianjin Eco-City	RM5 billion	99 acres
<i>India</i>		
Sunway Opus Grand Residency	RM745 million	35 acres
Sunway MAK	RM180 million	14 acres
<i>Australia</i>		
An industrial land development in Sydney	RM800 million	114 acres

## 6. BUSINESS OVERVIEW (*cont'd*)

### 6.1.2 Construction

Our construction business is an integrated solution provider in the construction industry which offers turnkey, design and build capabilities with award-winning recognition in the fields of building construction, civil engineering, infrastructure, mechanical and electrical engineering, machinery and site equipment rental, precast, foundation and piling, and stone materials. Our construction business contributed approximately 32.7%, 33.1% and 34.9% (before inter-company elimination) to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Our expertise in both civil and building construction was further recognised with the G7 Contractor Award garnered in the Malaysian Construction Industry Excellence Award 2009. Building on our market presence globally as well as our niche in the design and build sector, our construction business is set to meet the growth targets for the year and more importantly, to secure the foundations for continued growth.

#### (i) Local presence

On the local front, our ongoing projects include the construction of 2 high rise government office buildings in Precinct 4, Putrajaya, a hotel and a office building in Precinct 1, Putrajaya, expansion of the UiTM campus, extension of the Impiana Hotel, Kuala Lumpur and Sunway Velocity.

Major completed projects during the financial year ended 2010 include main drain works and canal de-silting works at Precinct 17, Putrajaya, infrastructure works in Precinct 11, Putrajaya and the construction of Section 1B of the South Klang Valley Expressway.

#### (ii) Overseas presence

##### (a) Abu Dhabi

Construction works at our Rihan Heights project in Abu Dhabi is currently progressing steadily and as at the LPD is approximately 90% completed. This project involves the construction of 5 residential towers, a 3-level podium, townhouses, a clubhouse and car park lots which was developed by Mubadala Capitaland Real Estate LLC, a joint venture between Mubadala Real Estate LLC and Capitaland Limited. The contract is undertaken jointly with Silver Coast Construction & Boring LLC, our partner in Abu Dhabi, and has a contract sum of approximately RM1.5 billion.

##### (b) Singapore

Our precast concrete products plant was established in Singapore since 1999. Our plant, located in Tampines, doubled its capacity to 120,000 cubic metres per annum in 2009. An approved precaster by HDB for public housing projects, the expansion coincides with the growing demand for HDB houses. As at 30 June 2011, our outstanding order book of over RM165 million includes the supply of precast concrete products to public housing projects as well as for our own development projects.

## 6. BUSINESS OVERVIEW (cont'd)

### 6.1.3 Others

#### 6.1.3.1 Quarry and building materials

Our quarry and building material businesses contributed approximately 15.4%, 14.7% and 10.3% (before inter-company elimination) to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

##### Quarry

We produce and supply crushed rock aggregates and asphalt. We provide a comprehensive range of aggregates to meet the demand from the building and construction industries. We operate 7 quarries and 7 asphalt plants strategically located throughout Peninsular Malaysia. We also operate quarries in Trinidad and Tobago and Vietnam.

##### Building materials

We manufacture and sell pavers, pipes and spun piles. We provide pavement and flooring solutions from our manufacturing plants in Batang Kali in Selangor, Senai in Johor and Nibong Tebal in Penang.

We have ventured into China by setting up 2 pavers manufacturing plants in Shanghai and Dongguan and a spun pile manufacturing plant in Zhuhai, China.

#### 6.1.3.2 Trading and manufacturing

Our trading and distribution network is located in Malaysia, Singapore, Thailand, Indonesia, China, Australia and India. We have recorded over 8,000 customers in 32 cities outside Malaysia. Our trading and manufacturing business contributed approximately 14.5%, 16.1% and 16.9% (before inter-company elimination) to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

We presently carry our own brands "Sunflex" and "Totalrubber" for hoses and fittings, and "Suntrak" for heavy equipment parts. In addition, we are the distributor for global brand names such as Furukawa, Airman, SANY and Lonking for heavy equipment, TREK and FP Diesel for heavy equipment parts as well as Finn Power, SSP, DNP, Tipsa and Copperstate for hoses and fittings.

We manufacture track links and other heavy equipment parts via Sunway Daechang Forging (Anhui) Co. Ltd, a joint venture with DCF Trek Co. Ltd of Korea, and manufacture hydraulic couplings and fittings via another joint venture company, Sunway Xin Long (Anhui) Hydraulic Co. Ltd. Both operations are located in Anhui, China.

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## 6. BUSINESS OVERVIEW (cont'd)

### 6.1.3.3 Hospitality, leisure and healthcare

Our hospitality, leisure and healthcare businesses contributed approximately 12.8%, 15.8% and 15.8% (before inter-company elimination) to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

#### Hospitality

We are a reputable hotel manager under the brand names of Sunway Hotels & Resorts and Allson Hotels & Resort. We manage a range of hotels rated from 3 to 5-star with convention, meeting and exhibition facilities, luxurious villas and serviced apartments. We also own and manage The Banjaran Hotspring Retreat in Perak.

We are the hotel operator of Sunway Resort Hotel & Spa, Pyramid Tower Hotel and Sunway Hotel Seberang Jaya, properties which we have leased from Sunway REIT.

We also own and operate hotels in Georgetown in Penang, Hanoi in Vietnam and Phnom Penh in Cambodia.

#### Leisure

Sunway Lagoon has won the prestigious 'Asia's Best Attraction Awards – Medium Attraction Category' awarded by the International Association of Amusement Parks & Attractions ("IAAPA") for 4 consecutive years (2007 to 2010). Sunway Lagoon consists of 5 themed parks, namely the Water Park, Amusement Park, Wildlife Park, Extreme Park and Scream Park. It is also a venue to host prestigious and international concerts and events.

We also own The Lost World of Tambun, a theme park located in Perak, which is surrounded by limestone hills and caves with natural hot spring within the theme park.

#### Healthcare

Sunway Medical Centre, which has 335 beds, offers a comprehensive range of medical services including facilities and medical care for outpatient and inpatient specialty care, health and wellness programme and 24-hour emergency services.

## 6.2 Our competitive strengths

We believe our competitive strengths include the following:

### 6.2.1 Strong track record with long-term strategic partners

We have a strong track record with several long-term strategic partners, which include GIC that will hold approximately 12.3% in Sunway. Apart from GIC, we have attracted various strategic local and foreign partners including Kuwait Finance House (Malaysia) Berhad, Employees Provident Fund, Australand Industrial No. 111 Pty Ltd (a subsidiary of Capitaland Limited), Perbadanan Kemajuan Negeri Selangor (a body corporate under the Selangor State Government), Goldman Sachs Strategic Investments (Asia) LLC and Hoi Hup Realty Pte Ltd (a property developer in Singapore).

## 6. BUSINESS OVERVIEW (*cont'd*)

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### 6.2.2 A recognised and well-known brand

The strength of the Sunway brand is well established in the ASEAN region. For 2 consecutive years in 2008 and 2009, we won Malaysia's Most Valuable Brands by Interbrand and the Association of Accredited Advertising Agencies Malaysia (4As) and the BrandLaureate Conglomerate Awards by Asia Pacific Brands Foundation. Winning both the awards for 2 consecutive years affirms our success in becoming a brand with high equity. The strength of our brand is further affirmed by our success in winning the Bronze Award in the property category awarded by Putra Brand Awards 2011. We have also been recognised for our outstanding achievements in Corporate Social Responsibility by winning the Overall Award at the prestigious Prime Minister's Corporate Social Responsibility Awards 2010.

### 6.2.3 A strong human capital base

We have a strong human capital base whereby our employees across our Group are talents of many facets. We invest in staff development and retention programs and we recognise the importance of succession planning in the interest of giving our stakeholders sustainable value. To further sustain our competitive strength in the international arena, we leverage on global talent recruitment. We also strive to inculcate a culture of excellence amongst our people. Further information on our employees is disclosed in Section 11.8 of this prospectus.

### 6.2.4 Established reputation

#### (i) Property

We commenced operations as a property developer in 1986, primarily to develop Bandar Sunway, an 800 acres integrated resort township situated in Klang Valley, Selangor in Malaysia. We have expanded our principal activities from property development to property investment and ownership and operation of hospitality, theme park, recreational and health care businesses.

We have sold and delivered more than 17,000 units of properties, including high-end bungalows sold for as high as RM6 million per unit. As at the LPD, we had a total landbank of approximately 2,200 acres as well as developments with a total GDV estimated to be approximately RM23 billion across residential and commercial units.

#### (ii) Construction

Since the commencement of our construction business in 1978, we have established a track record within the construction industry, focusing on building works and civil engineering as well as mechanical and electrical engineering which recorded turnover of more than RM10 billion over the years. Major projects completed by us include the Kuala Lumpur Convention Centre, Traders Hotel, Kajang Ring Road, part of South Klang Valley Expressway and several government buildings in Putrajaya apart from those in the vicinity of Bandar Sunway, for example Sunway Pyramid Shopping Mall, Sunway Resort Hotel & Spa, Pyramid Tower Hotel, Sunway Lagoon. We had also ventured into foreign markets, such as India, Singapore and Abu Dhabi. Our established track record underlines our sturdy business profile and positions us to secure new projects.

## 6. BUSINESS OVERVIEW (cont'd)

### 6.2.5 Healthy construction order book and proven ability to replenish construction contracts

Our Group's outstanding construction order book is healthy, coming up to RM1.81 billion as at 30 June 2011, and will sustain us over the next 3 years. Moving forward, our Group is well positioned to secure some of the expected job roll-outs from the Government of Malaysia and joint public-private partnerships as well as any jobs that may arise from the expected growth in the property sector.

Our foregoing views are premised on the following:

- (i) our track record in execution which includes completion of landmark projects like Kuala Lumpur Convention Center, Traders Hotel Kuala Lumpur, Kajang Ring Road and South Klang Valley Expressway;
- (ii) an experienced management and technical team, which includes, amongst others, Kwan Foh Kwai, our Managing Director of Construction Division, who is the current President of the Master Builders Association of Malaysia, and Dato' Tan Kia Loke, our Senior Managing Director of Construction and Quarry Divisions, who is a Board member of CIDB;
- (iii) domestic recognition of our expertise where Sunway is registered under grade G7 by the CIDB and awarded Contractor Award – Grade G7 in The Malaysian Construction Industry Excellence Awards (MCIEA) 2009;
- (iv) international recognition of our expertise resulting in a group of international clientele including Mubadala Real Estate LLC, Capitaland Limited and National Highways Authority of India; and
- (v) our successful pre-qualification for large government jobs including the LRT extension.

In addition, our Group's proven ability vis-à-vis order-book replenishment is demonstrated by our success in maintaining a healthy outstanding construction order book for the past 3 years, i.e. year 2008 to year 2010, averaging RM3.0 billion annually.

## 6.3 Business strategies, future plans and prospects

### 6.3.1 Value of the merger

The Acquisition will allow us to generate value in 4 key ways:

#### (i) Optimise access to capital markets

From an equity market point of view, a larger entity will increase liquidity and therefore command greater investor interest. Pooling cash across entities will also enhance cash management and thus reduce financing costs. With better access to capital markets, we will be able to fund the investments required to strengthen our core businesses. A larger and stronger balance sheet will also empower us to bid for larger and more profitable projects.

## 6. BUSINESS OVERVIEW (cont'd)

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### (ii) Realise synergies between property and construction businesses

By collaborating more closely on design and build, the property and construction business can improve development quality and operational efficiency. This is particularly true of larger and more complex developments, where in-house construction expertise can be an important strength for the property business.

### (iii) Realise basic cost synergies

There are also basic cost synergies to be realised by combining the businesses of SunCity and SunH through the pooling of procurement of raw materials and various services as well as streamlining back-office functions such as information technology, human resources and finance operations to increase efficiency.

### (iv) Brand clarity

Combining the entities will improve the clarity of the "Sunway" brands and alleviate any concerns regarding conflicts of interest.

## 6.3.2 Overall shape of business portfolio

Going forward, we believe our combined businesses fall into 3 broad categories:

### (i) Property

This category includes our property businesses comprising property development, property investment as well as management and investment in Sunway REIT. In addition, a number of our other businesses, including hospitality, leisure and healthcare will work closely with our property businesses to increase the value of our integrated developments. We plan to reinforce the linkages across these related businesses to solidify and replicate our unique integrated development model.

### (ii) Construction

This category includes our range of activities along the construction value chain, from pre-cast to contractor services to specialty engineering, both in Malaysia and abroad. Construction is an important part of our heritage and will remain a stand-alone business unit with substantial third-party sales.

### (iii) Others

We believe the businesses in this category demonstrate potential in their respective markets. For example, the trading and manufacturing business and the quarry business have the potential to become market leaders in their respective industries. We intend to nurture these businesses and drive them towards their full potential.



## 6. BUSINESS OVERVIEW (*cont'd*)

### 6.3.3 Vision for our businesses

We aim to become a leading regional property and construction group. We will focus our energy and resources on the following strategic paths:

#### (i) Property

Several strategic thrusts and priorities going forward: (a) continuous improvement in our development expertise; (b) replication of our “integrated development” model in new geographies both locally and overseas; (c) embarking on more research activities to generate innovative offerings that cater to the changing social trends; (d) further enhancement of loyalty from our existing customers.

We will be moving cautiously into international markets by building strong strategic partnerships and cultivating strong in-house local expertise. Our ‘5 Ps’ approach to regional expansion stresses the importance of (a) identifying **places**/locations with high growth in their population and per capita income, (b) building strong relationships with local **partners**, (c) bringing our **people** overseas, (d) codifying our expertise in replicable **processes**, and (e) strengthening **perception** of our brand overseas.

#### (ii) Construction

Several strategic thrusts and priorities going forward: (a) moving up the value chain towards specialty construction services, including higher margin and higher value-added engineering and pre-cast, where we have already established presence in certain segments, and positioning ourselves as a total solutions provider; (b) more sophisticated and high value-added projects as compared to standard construction jobs; (c) tighter design and build links with property business using our “5D” digital software to improve development quality and drive down costs.

#### (iii) Others

We will focus on growing our trading and manufacturing, and quarry businesses into market leading businesses. Our trading and manufacturing business will focus on strengthening our brand, manufacturing partnerships and distribution channels, primarily in China. Our quarry business will focus on identifying well-located sites and drive towards regaining scale position within Malaysia. Given our capabilities and experience in the Malaysian quarry business, we are confident that we will be able to strengthen our position. Our hospitality, leisure and healthcare businesses will work closely with our property business to increase the value of our integrated developments. All other businesses will also be expected to drive towards leadership in their respective market segments.

### 6.3.4 Prospects

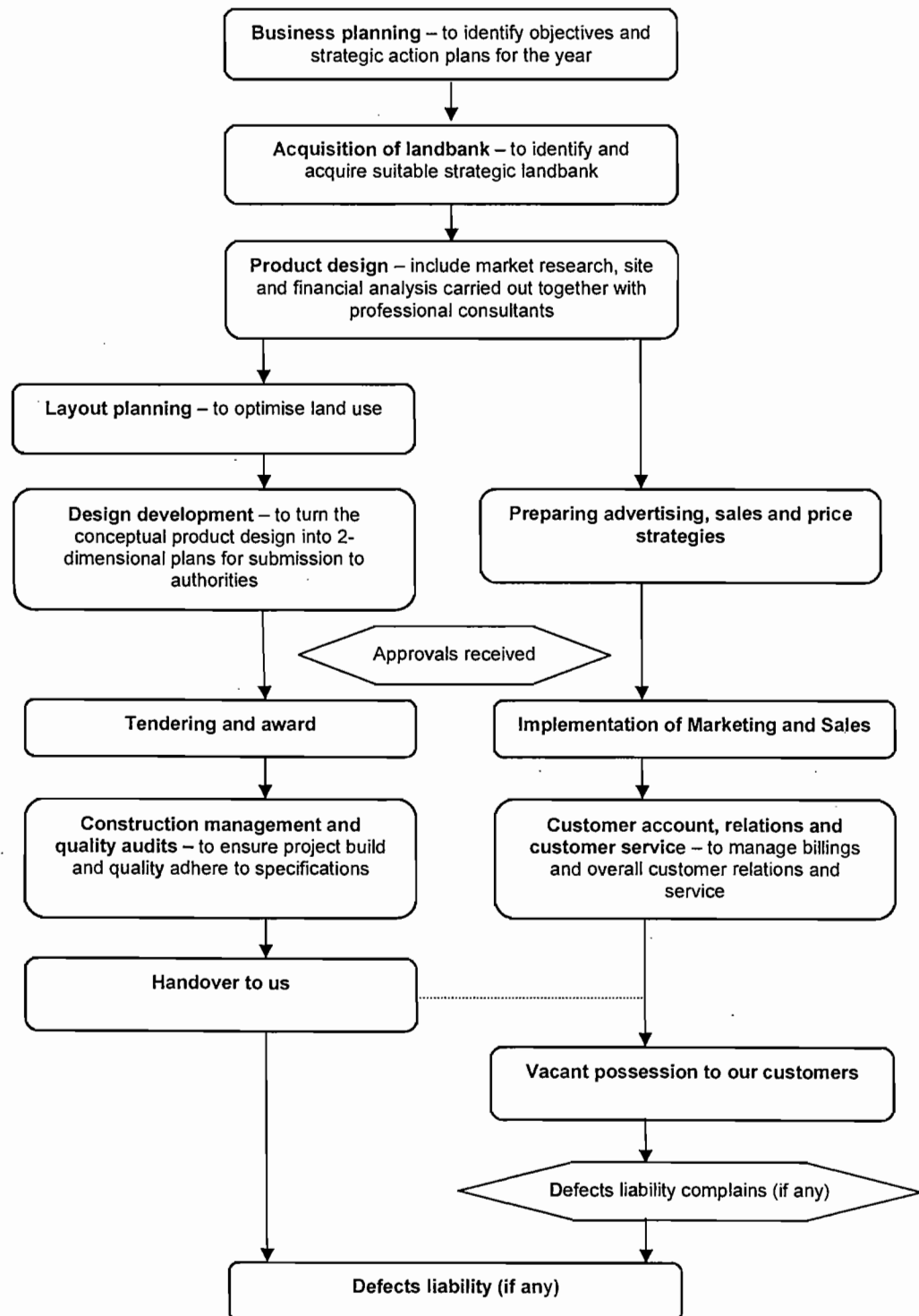
In light of the industry prospects, condition and competition, and as disclosed in Section 9.2.17 of this Prospectus, our Directors expect the results of our Group’s operations for the year ending 31 December 2011 to be sustainable. The prospects and outlook of the main industries which we are involved are disclosed in Section 7 of this Prospectus.

## 6. BUSINESS OVERVIEW (cont'd)

### 6.4 Operating or trading mechanisms

#### 6.4.1 Property

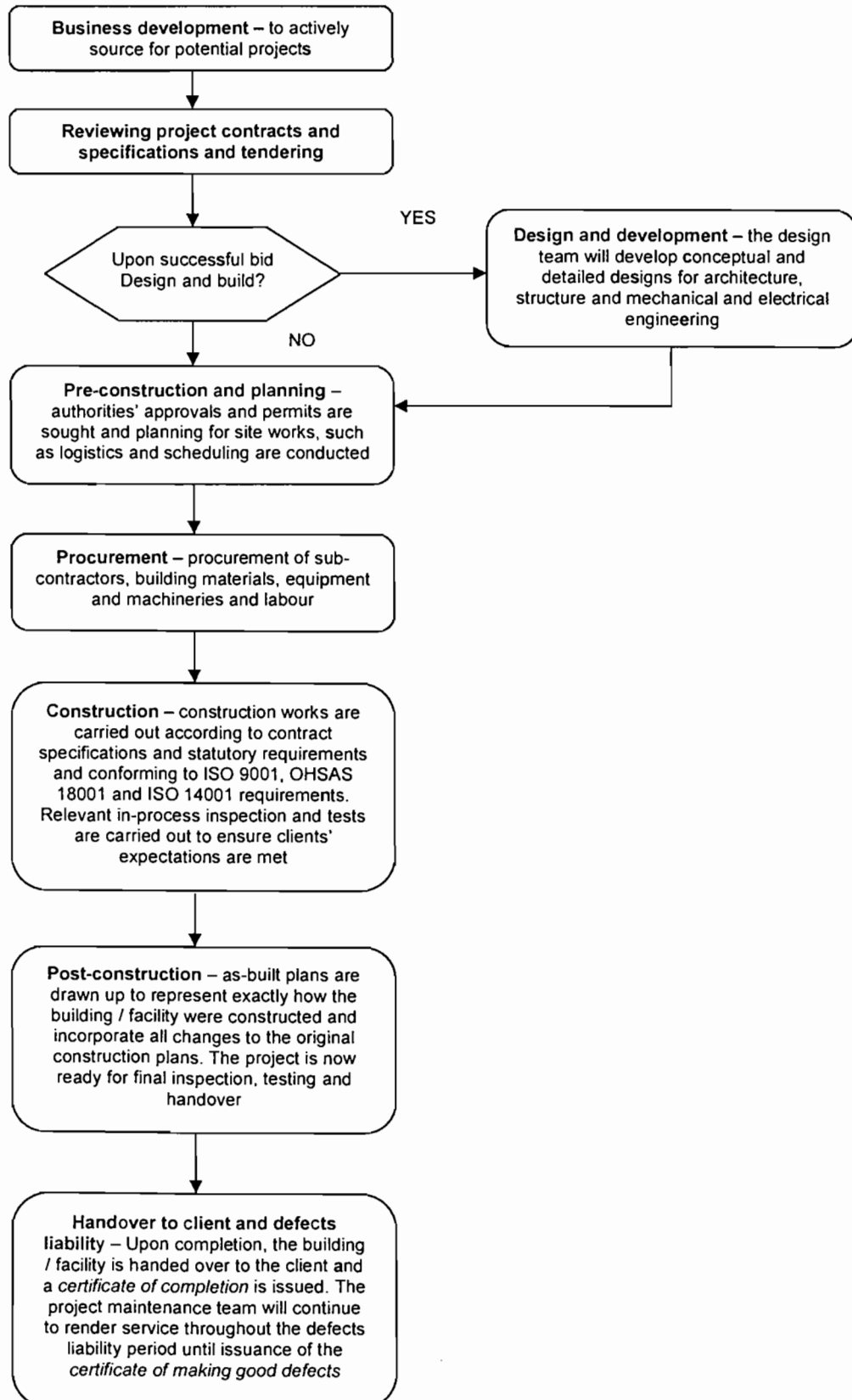
We generally adopt the following process in our property business.



## 6. BUSINESS OVERVIEW (cont'd)

### 6.4.2 Construction

We generally adopt the following process in our construction business.



## 6. BUSINESS OVERVIEW *(cont'd)*

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### 6.5 Types, sources and availability of resources

Our resources include both financial and non-financial resources and are as set out below:

#### 6.5.1 Financial

We are able to source required financing from various sources such as internally generated cash, borrowings from financial institutions and/or from the capital markets.

#### 6.5.2 Non-financial

We have access to landbank of approximately 2,200 acres. However, we constantly seek to acquire strategic landbank both locally as well as overseas.

We maintain a list of experienced consultants and contractors with good track records given their importance to our Group.

The use of steel materials, concrete and diesel constitute a large part of the raw materials used in our construction business. We source our steel materials, concrete and diesel from local manufacturers and suppliers. With adequate sources of supply thus far, we have not experienced any shortages in the supply of our steel materials, concrete materials and diesel. However, volatility in prices of land and raw materials may affect our Group adversely. Increase in the cost of land and raw materials are an inherent risk in the property industry and may affect our profit margin. For further details, please refer to Section 5.2.3 of this Prospectus.

### 6.6 Technology used and processes

#### 6.6.1 Property

We design products that comply with Singapore's BCA Green Mark requirements and adopt environmentally sustainable construction methods by using recyclable and energy-efficient materials such as aluminium and steel form precast and dry wall, converter air-conditioners, solar panels, low-emissivity glass, water-saving closet and others.

All our products are subject to stringent quality controls using the Singaporean quality standard, Construction Quality Assessment System ("CONQUAS") and the Malaysian quality standard, Quality Assessment System in Construction ("QLASSIC").

Since its introduction in 1989 by BCA, CONQUAS has served as a prominent standard assessment system on the quality of building projects and is widely used in Malaysia, China, Hong Kong, United Kingdom, Australia, South Africa and India.

QLASSIC is a system to measure and evaluate the quality of workmanship and construction work based on relevant approved standards through a scoring system.

Other than the above, pre-delivery inspections are carried out, as part of our standard quality control procedures, 3 months prior to delivery of vacant possession to our customers.

In addition, we use information technology extensively to enhance processes, share knowledge, speed-up decision making, connect with customers as well as to add value to the end products by installing consumer-centric technology such as satellite television, broadband-ready infrastructures, smart home systems, advanced security features and others.

## 6. BUSINESS OVERVIEW (*cont'd*)

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### 6.6.2 Construction

We build on our capability to design innovative quality and value-added construction works using the latest tools and technologies. The use of system formwork technology is one of our initiatives to further enhance construction efficiency and productivity, speeding up construction, enhancing workplace safety and reducing dependency on foreign labour.

We also adopt environmental friendly construction system and methods. Our team of GBI facilitators, BCA Green Mark and LEED accredited professionals, and GBI Commissioning Specialists are well-equipped to design and further improve construction or engineering processes encompassing green elements.

Another technology being used is IBS. IBS is a construction system whereby building components are manufactured on or off the site, transported and then assembled into a structure. We have in-house capability to design and manufacture standardised and customised precast concrete components which are used, for example, in the upgrading of lifts, volumetric architectural facade, and prefabricated toilets. The use of IBS reduces dependency on labour, minimises handling of materials on site and enables fast-track construction while achieving better quality control at a lower cost.

## 6.7 Research and development

### 6.7.1 Property

We conduct research and development primarily in the areas of product development. Research is conducted continuously to maintain our competitive strength in the market. Types of research conducted include studies on the economy, demographic change, trends in design and competitors activities. In addition, surveys and focus groups are conducted to understand our customers' needs and to seek their feedback on our products and services. Such feedback is then used to improve upcoming products. We also conduct regular knowledge-sharing session with industry and in-house experts to tap on their expertise and enhance our products offerings and designs. We emphasise on innovation during our product development phase to create differentiated products from current market offerings.

### 6.7.2 Construction

We focus on research and development to provide value to our customers. We are developing a virtual design and construction tool, commonly known as Building Information Modelling ("**BIM**"). BIM enables an accurate 3D model of a building to be constructed digitally. The computer-generated model contains physical and functional information of the building components needed to support the construction, fabrication and procurement activities in order to realise the building. The BIM model also enable effective trade coordination and integration of architecture, structure and mechanical and electrical works, clash detection of design at an early stage and automated quantity take-off.

## 6. BUSINESS OVERVIEW (*cont'd*)

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### 6.8 Quality assurance

We place emphasis on quality and adhere to stringent quality standards. Quality assurance measures are established by us at various stages of our projects. We employ a team of qualified and experienced engineers, architects and other consultants to provide quality review and to ensure that our contractors and suppliers abide by the standards required by us.

#### 6.8.1 Procurement policy

Our procurement process is efficiently managed to ensure materials or services purchased meet the requirements of our clients and the specifications of the established contracts.

Contracts awarded to contractors are approved by our Management Tender Committee after reviewing the financial and technical abilities of the shortlisted contractors.

With active management of our supplier base, supported by our e-procurement and e-bid system, we are able to obtain materials or services from reliable sources in terms of quality, pricing and timeliness of delivery.

#### 6.8.2 Quality management

We have adopted the Total Quality Management System ("TQMS"). With constant focus on total customer satisfaction, solutions are continually developed to meet our clients' expectations.

The TQMS model is based on the 5 pillars of total quality management:

##### (a) Customer focus

We strive to continuously and proactively improve our processes in order to meet the requirements of our customers. While we keep track of current market trends, we also take into consideration the feedback from our employees as well as our customers and seek opportunities for continuous improvement.

##### (b) Total involvement

The responsibility of our staff has been clearly defined. Everyone is responsible for the quality of their output. Extensive time has been spent in cultivating the quality concept throughout the organisation through poster campaigns, education, training and workshops at all levels.

##### (c) Systematic support

We continuously plan and review all infrastructures to support our quality assurance efforts which include annual business plans, ISO standard operating manual, work instruction and knowledge portal.

##### (d) Measurement

We measure our organisation and individual performance against performance benchmarks set by our Management from time to time, which is being assessed continuously.

## 6. BUSINESS OVERVIEW (cont'd)

## (e) Continuous improvement

We strive to continuously improve on ways to prevent problems, make improvements and serve our customers better.

## 6.8.3 Awards, certifications and accreditations

Our notable awards, certifications and accreditations from 2007 up to the LPD are set out below.

Authority / Certification body / Awarding body	Company/Development	Issuance year / Validity period	Type of certification
Asia Pacific Property Awards 2011 in association with Bloomberg Television	Sunway Vivaldi (development by Sunway D'Mont Kiara Sdn Bhd)	2011	Five-Star Award for the 2011 Condominium Category
The Edge Malaysia	SunCity	2011	The Edge Billion Ringgit Club 2011 – Most Profitable Company with the Highest Return on Equity over Three Years, in the Property and REIT Sectors
BCI Asia	SunCity	2011	BCI Asia Awards 2011 – Top 10 Property Developers Awards
Association of Accredited Advertising Agencies Malaysia (4As)	SunCity	2011	Putra Brand Award 2011 – Property Development Category – Bronze
Singapore Institute of Materials Management (SIMM) – ARIBA	SunCity Group and SunH Group	2011	SIMM-ARIBA Procurement Excellence Awards, Procurement Excellence Award – Company of the Year 2011
MITI	Sunway Construction Sdn Bhd	2011	Export Excellence Award (Services) – 20th Industry Excellence Awards
Asia Pacific Property Awards 2011 in association with Bloomberg Television	Sunway Rydgeway (development by Sunway Rydgeway Sdn Bhd)	2011	Highly-Commended Award for 2011 Development (Multiple Units) category
Building and Construction Authority (BCA) of Singapore	Sunway Rymba Hills (development by Sunway Damansara Sdn Bhd)	2011	BCA Green Mark Gold Awards (Provisional)

## 6. BUSINESS OVERVIEW (cont'd)

Authority / Certification body / Awarding body	Company/Development	Issuance year / Validity period	Type of certification
Building and Construction Authority (BCA) of Singapore	Sunway Velocity Phase 1A (development by SunCity)	2010	BCA Green Mark Certified Awards (Provisional)
Building and Construction Authority (BCA) of Singapore	Sunway SPK 3 Harmoni (development by Sunway SPK Homes Sdn Bhd)	2010	BCA Green Mark Gold Awards (Provisional)
Building and Construction Authority (BCA) of Singapore	Nautica Lake Suites (development by Sunway South Quay Sdn Bhd)	2010	BCA Green Mark Certified Awards (Provisional)
Pertubuhan Akitik Malaysia(PAM) and Association of Consulting Engineers Malaysia (ACEM)	Sunway SPK 3 Harmoni (developed by Sunway SPK Homes Sdn Bhd)	2010	Green Building Index Certification (Provisional)
- Fukuoka Asian Urban Research Center - United-Nation Habitat for Asia and The Pacific - Asia Townscape and Design Society and China Real Estate Association	Sunway Opal (developed by Sunway Damansara Sdn Bhd)	2010	2010 Green Asian Townscape Award
World Association of Chinese Architects (WACA), China	Sunway Opal (developed by Sunway Damansara Sdn Bhd)	2010	2010 Design Grand Award of Chinese Residential Projects
International Real Estate Federation (FIABCI) Malaysia	Sunway City (Ipoh) Sdn Bhd	2010	FIABCI Malaysia Property Award-Master Plan Award
The Edge Malaysia	SunCity	Each year from 2003 to 2010	The Edge Top Property Developers Awards
Association of Accredited Advertising Agencies Malaysia (4As)	SunCity	2010	Putra Brand Awards Silver Award in the Property Development Category
Building and Construction Authority (BCA) of Singapore	Sunway Vivaldi (development by Sunway D'Mont Kiara Sdn Bhd)	2010	BCA Green Mark Certified Awards (Provisional) – High-rise Residential Development
Malaysian Institute of Human Resource Management (MIHRM)	SunCity	2010	HR Achievement Silver Award 2010



## 6. BUSINESS OVERVIEW (cont'd)

Authority / Certification body / Awarding body	Company/Development	Issuance year / Validity period	Type of certification
Ministry of Tourism Malaysia	Lost World of Tambun (owned by Sunway Lagoon Water Park Sdn Bhd)	2010	Malaysia Tourism Award 2008/2009 – Innovative Tourist Attraction (Natural Attraction/Eco Tourism)
Malaysia Business Council (UAE) & Matrade	Sunway Construction Sdn Bhd	2010	Malaysia Business Awards 2010 – Most Promising Contractor in Middle East
The Malaysian Construction Industry Excellence Awards (MCIEA) 2010	Sunway Construction Sdn Bhd	2010	Special Mention Award – International Achievement category
AXN Channel and International Association of Amusement Parks & Attractions	Sunway Lagoon Sdn Bhd	Each year from 2007 to 2010	Asia's Best Attraction Awards – Medium Attraction Category
Minority Shareholder Watchdog Group (MSWG)	SunCity	2010	Malaysian Corporate Governance (MCG) Index 2010 - Industry Excellence Award
RAM Holdings	SunCity	2010	RAM Heritage Hall Award 2010-Inspiration Award
Islamic Finance Asia magazine	SunCity	2010	Top 10 Islamic Groundbreaker Deals 2009
GTI Media	Sunway Group	2009 and 2010	Malaysia's 100 Leading Graduate Employers
Construction Industry Development Broad of Malaysia	Sunway Challis Damansara (developed by Sunway Damansara Sdn Bhd)	2009	QLASSIC Silver Achievement under the Stratified Housing Building Category
Consumer News and Business Channel (CNBC) Television	Sunway Palazzio (development by SunCity)	2009	CNBC's Asia Pacific Residential Property Awards – Best High- Rise Residential Development in Malaysia
Building and Construction Authority (BCA) of Singapore	Sunway Challis Damansara (developed by Sunway Damansara Sdn Bhd)	2009	BCA Green Mark Certified Awards – Landed Residential Development

## 6. BUSINESS OVERVIEW (cont'd)

Authority / Certification body / Awarding body	Company/Development	Issuance year / Validity period	Type of certification
Building and Construction Authority (BCA) of Singapore	Sunway Palazzio (development by SunCity)	2009	BCA Green Mark Gold Awards (Provisional)– High-Rise Residential Development
Bursa Malaysia Berhad, Malaysian Institute of Accountants (MIA), Malaysian Institute of Management (MIM) and The Malaysian Institute of Certified Public Accountants (MICPA)	SunCity	Each year from 2007 to 2010	National Annual Corporate Report Award (NACRA) - Industry Excellence Award in the Properties, Hotels and Trusts category (2007- 2010) Silver Award in Best Annual Report for Bahasa Malaysia (2009)
	SunH	2008 to 2009	National Annual Corporate Report Awards (NACRA) - Certificate of Merit (for Annual Report 2008) - Industry Excellence Award in Construction category (for Annual Report 2009)
Association of Accredited Advertising Agencies Malaysia and sanctioned by Interbrand	SunCity	Each year from 2007 to 2009	Malaysia's Most Valuable Brands (2009) Sunway Group (2008- 2009)
LIBUR Magazine supported by the Ministry of Tourism Malaysia	Sunway Lagoon Sdn Bhd	2008 to 2009	LIBUR Travel Awards – Best Theme Park Attraction Award
Asia Pacific Brands Foundation	Sunway Group	2008 to 2009	The BrandLaureate Conglomerate Awards
DP Information Group	Sunway Concrete Products (S) Pte Ltd	2009	23rd Annual Singapore 1000
The Editorial Office & Trade Leaders Club, Spain	Sunway Engineering Sdn Bhd	2009	21st International Construction Award (New Millennium Award)
SME Corporation	Sunway Creative Stones Sdn Bhd	2009	SME Enterprise 50 Award

## 6. BUSINESS OVERVIEW (cont'd)

Authority / Certification body / Awarding body	Company/Development	Issuance year / Validity period	Type of certification
The Malaysian Construction Industry Excellence Awards (MCIEA) 2009	Sunway Construction Sdn Bhd	2009	Contractor Award – Grade G7
Malaysian Institute of Accountants (MIA) & The Chartered Institute of Management Accountants (CIMA)	Sunway Construction Sdn Bhd	2009	National Award for Management Accounting (NAfMA) – Certificate of Merit
- Bureau Veritas Certification - SIRIM QAS International Sdn Bhd - IQNet	Sunway Construction Sdn Bhd	2009	ISO 9001: 2008 (originally certified to MS ISO 9002 in 1997)
- SIRIM QAS International Sdn Bhd - IQNet	Sunway Construction Sdn Bhd	2009	OHSAS 18001: 2007 (originally certified to OHSAS 18001 in 2001)
- SIRIM QAS International Sdn Bhd - IQNet	Sunway Construction Sdn Bhd	2009	ISO 14001: 2004
6th Malaysian Occupational Safety & Health Professional's Association (MOSHPA) OSH Excellence Award 2010	Sunway Geotechnics (M) Sdn Bhd	2009/2010	Best Occupational Safety & Health in Piling & Geotechnics
Malaysian Society for Occupational Safety & Health (MSOSH)	Sunway Construction Sdn Bhd	2009	MSOSH OSH Award
Bureau Veritas Certification	Sunway Builders Sdn Bhd Sunway Innopave Sdn Bhd	2009	ISO 9001: 2008
The Malaysian Construction Industry Excellence Awards (MCIEA) 2008	Sunway Construction Sdn Bhd	2008	Special Award – Information & Communication Technology (ICT) category
Lloyd's Register Quality Assurance	Sunway Engineering Sdn Bhd	2008	ISO 9001: 2008
The Technology Business Review	SunCity	2007	Excellence Awards under the Property Development for Integrated Development Category

## 6. BUSINESS OVERVIEW (cont'd)

Authority / Certification body / Awarding body	Company/Development	Issuance year / Validity period	Type of certification
Perak State Tourism	Lost World of Tambun (owned by Sunway Lagoon Water Park Sdn Bhd)	2007	Perak Tourism Appreciation Awards 2007 -Exciting Tourist Attraction' award 2007
Selangor State Investment Centre Berhad	Sunway Medical Centre Berhad	2007	"Anugerah Industri Selangor 2007" Quality Management Excellence Award
Hewitt Associates with Fortune and RBL Group	SunCity Group and SunH Group	2007	Top 10 Companies for Leaders 2007- Asia Pacific
Certification Body of TÜV SÜD PSB Pte Ltd	Sunway Concrete Products (S) Pte Ltd	2007	ISO 9001: 2000

The major licences and permits under the possession of our Group are as follows:

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
1	Housing development licence to Sunway City Berhad for the development of 881 units of service apartments at Sunway Velocity  4105-9/12-2015/1470	Ministry of Housing and Local Government	28.12.2010 – 27.12.2015	No condition is attached	Not applicable
2	Advertisement and sale permit licence to Sunway City Berhad for the development of 264 units of service apartments at Sunway Velocity  4105-9/1073/2012(05)	Ministry of Housing and Local Government	20.05.2011 – 19.05.2012	Approved advertisement: brochure, newspaper, signboard and others	Complied
3	Housing development licence to Sunway Damansara Sdn Bhd for the development of 80 units of 3-storey bungalows at Sunway Rymba Hills  6909-21/03-2015/292	Ministry of Housing and Local Government	19.03.2010 – 18.03.2015	No condition is attached	Not applicable

## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
4	Advertisement and sale permit licence to Sunway Damansara Sdn Bhd for the development of 31 units of 3-storey bungalows at Sunway Rymba Hills  6909-21/732/2012(04)	Ministry of Housing and Local Government	15.04.2011 – 14.04.2012	Approved advertisement: brochure, newspaper, signboard and others	Complied
5	Housing development licence to Sunway City Berhad for the development of 107 units of 2-storey terrace houses at Sunway Alam Suria (Ph1biii)  4105-6/08-2012/601	Ministry of Housing and Local Government	24.08.2009 – 23.08.2012	No condition is attached	Not applicable
6	Advertisement and sale permit to Sunway City Berhad for the development of 13 units of 2-storey terrace houses at Sunway Alam Suria (Ph1biii)  4105-6/961/2012(05)	Ministry of Housing and Local Government	27.05.2011– 26.05.2012	Approved advertisement: brochure, newspaper, signboard and others	Complied
7	Housing development licence to Sunway City Berhad for the development of 145 units of 2.5-storey terrace houses at Sunway Alam Suria (Ph1C)  4105-10/04-2014/449	Ministry of Housing and Local Government	12.04.2011 – 11.04.2014	No condition is attached	Not applicable
8	Advertisement and sale permit to Sunway City Berhad for the development of 145 units of 2.5-storey terrace houses at Sunway Alam Suria (Ph1C)  4105-10/1072/2012(05)	Ministry of Housing and Local Government	20.05.2011 – 19.05.2012	Approved advertisement: brochure, newspaper and signboard	Complied
9	Advertisement and sale permit to Sunway SPK Homes Sdn Bhd for the development Phase 5B Sunway SPK Damansara  9317-5/405/2010(10)	Ministry of Housing and Local Government	22.01.2010 – 21.01.2015	Approved advertisement: brochure, newspaper and signboard	Complied
10	Housing development licence to Sunway SPK Homes Sdn Bhd for the development of 3 Harmoni at Sunway SPK Damansara  9317-6/01-2015/81	Ministry of Housing and Local Government	22.01.2010 – 21.01.2015	No condition is attached	Not applicable

## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
11	Advertisement and sale permit to Sunway SPK Homes Sdn Bhd for the development of 3 Harmoni at Sunway SPK Damansara  9317-6/2372/2012(01)	Ministry of Housing and Local Government	27.01.2011 – 26.01.2012	Approved advertisement: brochure, newspaper, signboard and others	Complied
12	Housing development licence to Sunway City Berhad for the development of 100 units of 2-storey Cluster Homes at Sunway Alam Suria (Ph2B)  4105-8/12-2012/1309	Ministry of Housing and Local Government	22.12.2009 – 21.12.2012	No condition is attached	Not applicable
13	Advertisement and sale permit to Sunway City Berhad for the development of 25 units of 2-storey Cluster Homes at Sunway Alam Suria (Ph2B)  4105-8/35/2012(01)	Ministry of Housing and Local Government	13.01.2011 – 12.01.2012	Approved advertisement: brochure, newspaper, signboard and others	Complied
14	Housing development licence to Sunway City Berhad for the development of 160 units of condominiums/luxury apartments (Palazzio)  4105-7/09-2011/950	Ministry of Housing and Local Government	28.09.2006 – 27.09.2011	No condition is attached	Not applicable
15	Advertisement and sale permit to Sunway City Berhad for the development of 23 units of condominiums/luxury apartments at Lot 48629 (Palazzio)  4105-7/36/2011(09)	Ministry of Housing and Local Government	11.01.2011 – 27.09.2011	Approved advertisement: brochure, newspaper, signboard and others	Complied
16	Housing development licence to Sunway D'Mont Kiara Sdn Bhd for the development of 234 units of condominiums/luxury apartments (Vivaldi)  8965-4/09-2012/1056	Ministry of Housing and Local Government	18.09.2007 – 17.09.2012	No condition is attached	Not applicable

## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
17	Advertisement and sale permit to Sunway D'Mont Kiara Sdn Bhd for the development of 172 units of condominiums/ luxury apartment (Vivaldi)  8965-4/2317/2011(11)	Ministry of Housing and Local Government	26.11.2010 – 25.11.2011	Approved advertisement: brochure, newspaper, signboard, internet and compact disc	Complied
18	Advertisement and sale permit to Sunway D'Mont Kiara Sdn Bhd for the development of 234 units of condominiums/luxury apartments (Vivaldi)  8965-4/2317/2011(11)	Ministry of Housing and Local Government	26.11.2010 – 25.11.2011	Approved advertisement: brochure, newspaper, signboard, internet and compact disc	Complied
19	Housing development licence to Sunway South Quay Sdn Bhd for the development of 77 units of bungalows (Bayrocks)  10363-1/05-2012/621	Ministry of Housing and Local Government	01.06.2007 – 31.05.2012	No condition is attached	Not applicable
20	Housing development licence to Sunway South Quay Sdn Bhd for the development of Leaders' Country at Sunway South Quay (Nautica)  10363-2/11-2012/1266	Ministry of Housing and Local Government	07.11.2007 – 06.11.2012	No condition is attached	Not applicable
21	Housing development licence to Sunway South Quay Sdn Bhd for the development of 242 units of condominiums/luxury apartments (A'marine)  10363-3/08-2013/849	Ministry of Housing and Local Government	06.08.2008 – 05.08.2013	No condition is attached	Not applicable
22	Advertisement and sale permit to Sunway South Quay Sdn Bhd for the development of 242 units of condominiums/luxury apartments (A'marine)  10363-3/2408/2012(01)	Ministry of Housing and Local Government	11.01.2011 – 10.01.2012	Approved advertisement: brochure, newspaper and signboard	Complied

## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
23	Housing development licence to Sunway South Quay Sdn Bhd for the development of 377 units of condominiums/luxury apartments (Lacosta)  10363-4/11-2015/1272	Ministry of Housing and Local Government	09.11.2010 – 08.11.2015	No condition is attached	Not applicable
24	Advertisement and sale permit to Sunway South Quay Sdn Bhd for the development of 377 units of condominiums/luxury apartments (Lacosta)  10363-4/2274/2011(11)	Ministry of Housing and Local Government	22.11.2010 – 21.11.2011	Approved advertisement: brochure, newspaper and signboard	Complied
25	Housing development licence to Sunway Grand Sdn Bhd for the development of 49 units of 3-storey terrace houses at Sunway Merica  9891-3/11-2012-1191	Ministry of Housing and Local Government	24.01.2009 – 23.11.2012	No condition is attached	Not applicable
26	Housing development licence to Sunway Grand Sdn Bhd for the development of 44 units of 2-storey terrace houses at Sunway Aspera  9891-4/12-2012/1226	Ministry of Housing and Local Government	03.12.2009 – 02.12.2012	No condition is attached	Not applicable
27	Housing development licence to Sunway Grand Sdn Bhd for the development of 9 units of 3-storey and 32 units of 2-storey terrace houses at Sunway Aspera  9891-5/12-2012/1312	Ministry of Housing and Local Government	22.12.2009 – 21.12.2012	No condition is attached	Not applicable
28	Housing development licence to Sunway Grand Sdn Bhd for the development of Lot 168333, Mukim 12, Dearah Barat Daya, Negeri Pulau Pinang at Sunway Merica  9891-6/04-2013/468	Ministry of Housing and Local Government	28.04.2010 – 27.04.2013	No condition is attached	Not applicable



## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
29	Housing development licence to Sunway Grand Sdn Bhd for the development of 33 units of 3-storey terrace houses at Sunway Cassia  9891-7/03-2014/336	Ministry of Housing and Local Government	21.03.2011 – 20.03.2014	No condition is attached	Not applicable
30	Housing development licence to Sunway City (Ipoh) Sdn Bhd for the development of 16 units Lakeside Bungalows  7624-17/01-2013/32	Ministry of Housing and Local Government	12.01.2010 – 11.01.2013	No condition is attached	Not applicable
31	Housing development licence to Sunway City (Ipoh) Sdn Bhd for the development of 220 units of condominiums/luxury apartments  7624-18/02-2015/185	Ministry of Housing and Local Government	24.02.2010 – 23.02.2015	No condition is attached	Not applicable
32	Housing development licence to Sunway City (Ipoh) Sdn Bhd for the development of 5 units of 2-storey bungalows and 30 units of 2-storey terrace house at Sunway City Ipoh  7624-12/01-2012/454	Ministry of Housing and Local Government	07.01.2009 – 06.01.2012	No condition is attached	Not applicable
33	Housing development licence to Sunway City (Ipoh) Sdn Bhd for the development of Garden Villa  7624-9/06-2012/518	Ministry of Housing and Local Government	06.06.2009 – 05.06.2012	No condition is attached	Not applicable
34	Advertisement and sale permit to the development of 28 units of 3-storey terrace houses at Sunway Merica  9891-3/319/2012(12)	Ministry of Housing and Local Government	17.02.2011 – 16.02.2012	Approved advertisement: brochure, newspaper and signboard	Complied
35	Advertisement and sale permit to the development of 44 units of 2-storey terrace houses at Sunway Aspera  9891-4/107/2012(01)	Ministry of Housing and Local Government	17.01.2011 – 16.01.2012	Approved advertisement: brochure, newspaper, signboard and others	Complied

## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
36	Advertisement and sale permit to Sunway Grand Sdn Bhd for the development of 9 units of 3-storey and 32 units of 2-storey terrace houses at Sunway Aspera  9891-5/106/2012(01)	Ministry of Housing and Local Government	17.01.2011 – 16.01.2012	Approved advertisement: brochure, newspaper and signboard	Complied
37	Advertisement and sale permit to Sunway Grand Sdn Bhd for the development of 16 units of 3-storey terrace houses and 12 units of 3-storey semi-detached houses at Sunway Merica  9891-6/1142/2012(05)	Ministry of Housing and Local Government	30.05.2011 – 29.05.2012	Approved advertisement: brochure, newspaper and signboard	Not applicable
38	Advertisement and sale permit to Sunway Grand Sdn Bhd for the development of 33 units of 3-storey terrace houses at Sunway Cassia  9891-7/649/2012(03)	Ministry of Housing and Local Government	01.04.2011 – 31.03.2012	Approved advertisement: brochure, newspaper and signboard	Complied
39	Advertisement and sale permit to Sunway City (Ipoh) Sdn Bhd for the development of 170 units of condominiums/luxury apartments  7624-18/701/2012(04)	Ministry of Housing and Local Government	13.04.2011 – 12.04.2012	Approved advertisement: brochure, newspaper, and signboard	Complied
40	Advertisement and sale permit to Sunway City (Ipoh) Sdn Bhd for the development of 3 units of 2-storey bungalows and 30 units of 2-storey terrace house at Sunway City Ipoh  7624-12/1094/2012(01)	Ministry of Housing and Local Government	25.05.2011 – 06.01.2012	Approved advertisement: brochure, newspaper, and signboard	Complied
41	Advertisement and sale permit to Sunway City (Ipoh) Sdn Bhd for the development of 1 unit of double storey terrace house and 1 unit of 2 storey luxurious bungalow  7624-9/1093/2012(06)	Ministry of Housing and Local Government	09.06.2011 – 08.06.2012	Approved advertisement: brochure, newspaper, and signboard	Complied

## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
42	Sunway Builders Sdn. Bhd. registered as contractor under Grade G7 (no limit) specialising in general building works, general civil engineering works and road and bridge construction  1970122-SL021617	Construction Industry Development Board Malaysia	03.06.2010 – 02.06.2011 (being renewed, pending issuance of new licence certificate)	Not applicable	Not applicable
43	Sunway Innopave Sdn. Bhd. registered as contractor under Grade 3 (not exceeding RM1,000,000) specialising in general civil engineering works and general building works  0120020508-WP070915	Construction Industry Development Board Malaysia	06.08.2010 – 05.08.2011	Not applicable	Not applicable
44	Sunway Construction Sdn. Bhd. registered as an International Contractor under Grade G7 (no limit) specialising in general civil engineering works, road, bridge and reservoir construction, marine structure, piling and sewerage works, and general building works, building and plant construction works and piling works  1960319-WP000698	Construction Industry Development Board Malaysia	17.06.2010 – 18.01.2013	Not applicable	Not applicable
45	Sunway Geotechnics (M) Sdn. Bhd. registered as an International Contractor under Grade G7 (no limit) specialising in piling works  0120031208-SL090948	Construction Industry Development Board Malaysia	08.10.2010 – 25.01.2013	Not applicable	Not applicable
46	Sunway Paving Solutions Sdn. Bhd. registered as Contractor under Grade G7 (no limit) specialising in general building works, road, piling and general civil engineering works  1961001-SL007172	Construction Industry Development Board Malaysia	14.07.2011 – 13.07.2012	Not applicable	Not applicable

## 6. BUSINESS OVERVIEW (cont'd)

No.	Type of licence/ licence no.	Authority	Effective date/ Date of expiry	Major conditions	Compliance status
47	Sunway Engineering Sdn. Bhd. registered as an International Contractor under Grade 7 (no limit) specialising in general building works, general civil engineering works and; mechanical and electronic works  1970416-SL028884	Construction Industry Development Board Malaysia	28.10.2010 — 26.10.2012	Not applicable	Not applicable
48	Water sewerage permit issued to Sunway Construction Sdn. Bhd. in which works may be carried out in Peninsular Malaysia, Wilayah Persekutuan and Putrajaya; and Labuan  SPAN/EKS/(PT)/ 800-2C/1/07/388	National Water Services Commission	31.12.2010 — 30.12.2011	Not applicable	Not applicable
49	Tendering of works by Sunway Construction Sdn. Bhd. with the value of RM50 million and above referring to the Treasury Circular No. 5.2007  1008 A 95 0135	Ministry of Works Malaysia	17.05.2011 — 16.05.2013	Not applicable	Not applicable
50	Housing development licence issued to Sunway Greenview Sdn. Bhd. to develop pieces of lands held under Lot No. 1217, 1218, 1225, 1226, 1227 in Ulu Kelang, Gombak, Selangor to build 40 units of 3 storey house (gated) and 30 units of 2 storey house (gated). The said development is known as Taman Melawati (Project)  10906-1/02-2014/165	Ministry of Housing & Local Government	23.02.2009 — 22.02.2014	Not applicable	Not applicable
51	Certificate of registration of contractor issued to Sunway Construction Sdn. Bhd. in the field of supply/service under the following heads/sub-heads: 130100, 140100, 150100, 160200, 160302, 180100, 180300, 200100 & 200200  357-02139310	Ministry of Finance	15.09.2009 — 14.09.2012	Not applicable	Not applicable

## 6. BUSINESS OVERVIEW *(cont'd)*

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### 6.9 Health, safety and environmental policy

#### 6.9.1 Health and safety

We constantly promote a safe and healthy work culture for a more conducive working environment. To this end, different initiatives were introduced with the support from various internal and external parties ranging from developing an extensive fire and building safety system to ensuring transparency via independent audits conducted by external qualified professionals.

To the extent of promoting a safe and healthy working environment, our construction business has received recognition from OHSAS 18001 for Occupational Health & Safety Management System.

Our quality environment safety and health policy includes the following objectives:

- To strive towards zero life loss at all work sites;
- To achieve a monthly inspection score of 70% and above; and
- To achieve 2.5 million man-hours without loss time accident company wide.

#### 6.9.2 Environment

We place great importance on environment conservation by actively managing our resources in a responsible manner while consistently developing and implementing environmentally-friendly business practices. This is premised on the need to strike a balance between our business objectives and the environment. In line with our vision of building livable townships, we emphasise the importance of preserving the environment through new and innovative measures.

##### (i) Property

As one of the first-movers in developing green property development projects, we have incorporated various principles of sustainability in our earlier developments in Bandar Sunway, such as aligning our units in a north-south orientation to reduce heat and using high-quality cavity walls to provide better insulation.

We also incorporate numerous green initiatives for greater energy and water efficiency in our recent projects such as Sunway Palazzio (Gold-Provisional), Sunway Challis Damansara, Sunway Vivaldi, Sunway SPK 3 Harmoni and Nautica at Sunway South Quay. Sunway Challis Damansara was awarded Singapore's BCA Green Mark which evaluates buildings for their environmental impact and performance, while the others have received provisional certifications under Singapore's BCA Green Mark.

Currently, our projects are designed to adopt various requirements of Singapore's BCA Green Mark and the GBI. Key criteria evaluated include energy efficiency, water efficiency, environmental protection, indoor environment quality and other green features.

We have obtained the ISO 14001:2004 Environmental Management System certification from SIRIM QAS International. The certification demonstrates our commitment in protecting the environment through the establishment of an environmental policy, setting of objectives and the implementation of programs to eliminate or reduce the impact to the environment.

## 6. BUSINESS OVERVIEW (*cont'd*)

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Our efforts to protect the environment are not limited to the 'hard' physical buildings. We also place importance on the 'soft' approach by organising events and educating the communities living within our developments to appreciate the environment. We also donated 200 trees (*Eugenia oleana*) as well as 1,800 square meters of carpet grass to beautify the landscape in Sunway SPK Damansara. In addition, we organised talks on organic compost and demonstration of recycling practices to promote the awareness of safeguarding the environment.

### (ii) Construction

We have documented an environmental management system which provides foundation elements for effective management and implementation of environmental practices and is accredited with ISO 14001 Environmental Management System, an internationally recognised standard for the establishment of an organisation's environmental management system.

We have BCA Green Mark Managers and LEED-accredited professionals as part of our team.

### 6.10 Business location and summary of landed properties

Please refer to Appendix I for further details of the business location and summary of landed properties of our Group. Please also refer to Section 8 of the Prospectus for respective valuation certificates (where valuations have been carried out in accordance with the SC's Asset Valuation Guidelines).

### 6.11 Dependency on any contract and arrangements

We are not highly dependent on any contracts and arrangements, which are material to our Group's business or profitability.

### 6.12 Sales and marketing plans

Our sales and marketing plans include the following:

#### 6.12.1 Property

##### Locally

We focus on solidifying our reputation in the marketplace by offering quality and innovative properties. We emphasise on the LOHAS philosophy in our projects to enhance the quality of life for our customers. This philosophy is anchored by 5 pillars, namely health and fitness, environment, sustainable living, personal development and social justice.

We have multiple product offerings to various categories of customers at multiple strategic locations. We implement comprehensive marketing and advertising campaigns including pre-launch awareness campaigns and innovative promotions.

## 6. BUSINESS OVERVIEW (cont'd)

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### Overseas

With our established reputation as one of the leading developers in Malaysia, we are expanding our business overseas by having strategic partnerships with local parties. Our proposed development, with LOHAS philosophy, targets the middle to higher end market. We will also build strategic relationships with the local media in order to achieve wider coverage.

### 6.12.2 Construction

#### Locally

The Government of Malaysia has announced a profusion of projects in the recent ETP with 113 EPPs to stimulate and kick-start the ETP. We view the EPPs as an opportunity for us to secure future projects.

At the same time, we are also exploring the implementation of the IBS in the construction of government buildings. This would reduce our country's dependency on foreign labour and is in line with the government's aspiration in the ETP to become a high-income, inclusive and sustainable nation.

On the private sector, we have a two-pronged approach. Firstly, we plan to maintain our good relationship with our existing clients who have been very satisfied with our deliveries. Secondly, building on our core strengths, we will continue to pursue opportunities locally, such as the construction of high-rise buildings and civil engineering infrastructure.

#### Overseas

#### (i) Middle East and North Africa ("MENA")

We have 2 ongoing projects in Abu Dhabi representing about 15% of our order book as at 30 June 2011. With our presence in Abu Dhabi, we will seek further inroads into the MENA market and tap on our strategic partnerships to capitalise on further growth to strengthen our foothold in that region.

#### (ii) Singapore

We specialise in precast concrete building components and supply concrete products to public housing in Singapore. The Singapore precast market is expected to grow in line with the Government of Singapore's effort to ramp up the supply of HDB flats and its efforts to boost productivity. We will strive to tender for more precast concrete delivery contracts.

### 6.13 Major suppliers

We are not dependent on any single supplier which contributes to 10% or more of our purchases, during the past 3 financial years/period under review.

### 6.14 Major customers

We are not dependent on any single individual customer which contributes to 10% or more of our revenue, during the past 3 financial years/period under review.

## **6. BUSINESS OVERVIEW (cont'd)**

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### **6.15 Seasonality**

Generally, we are not affected by seasonal demand conditions except for our hospitality and leisure businesses which are subject to seasonal demand conditions such as school holidays and summer holidays both locally and internationally.

### **6.16 Interruption in business in the past 12 months**

We have not experienced any major business interruptions which had a significant effect on our operations during the past 12 months.

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## 7. INDUSTRY OVERVIEW

*(Prepared for inclusion in this Prospectus)***infobusiness****02 AUG 2011**

The Board of Directors  
 Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd)  
 Level 16, Menara Sunway  
 Jalan Lagoon Timur  
 Bandar Sunway  
 46150 Petaling Jaya  
 Selangor Darul Ehsan

Dear Sirs / Madams,

**EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET  
 RESEARCH REPORT ("EXECUTIVE SUMMARY") FOR SUNWAY  
 BERHAD (FORMERLY KNOWN AS ALPHA SUNRISE SDN BHD)  
 ("SUNWAY" OR THE "COMPANY")**

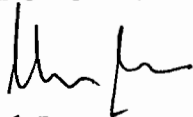
This Executive Summary has been prepared for inclusion in the Prospectus pursuant to the listing of Sunway on the Main Market of Bursa Malaysia Securities Berhad.

This research is undertaken with the purpose of providing an overview of The Construction Industry and Property Market in Malaysia. The research methodology includes both primary research, involving in-depth interviews with pertinent companies, as well as secondary research such as reviewing press articles, periodicals, government literatures, in-house databases, Internet research and online databases.

Infobusiness Research & Consulting Sdn Bhd ("Infobusiness") has prepared this Executive Summary in an independent and objective manner and has taken all reasonable consideration and care to ensure the accuracy and completeness of the Executive Summary. In addition, Infobusiness acknowledges that if there are significant changes affecting the contents of the Executive Summary after the issue of the Prospectus and before the issue of securities, then Infobusiness has an on-going obligation to either cause the Executive Summary to be updated for the changes and, where applicable, cause the Company to issue a Supplementary Prospectus, or withdraw our consent to the inclusion of the Executive Summary in the Prospectus.

The Executive Summary is highlighted in the following sections.

for and on behalf of  
**INFOBUSINESS RESEARCH & CONSULTING SDN BHD**



**Mark Lee**  
 Director

# infobusiness

## EXECUTIVE SUMMARY

### 1.1 THE GLOBAL ECONOMY

In 2010, the global economic recovery continued, albeit at an uneven pace, after exiting from the sharpest post-war economic contraction in the second half of 2009. The recovery accelerated in the first half of the year due to inventory restocking, continued policy support as well as the low base effect, but the momentum tapered off in the second half as these temporary factors waned.

To some extent, growth prospects in the advanced economies in 2011 will be supported by recent policy stimulus in the US and Japan, underscoring the governments' concerns that growth in private sector demand may not be sufficiently strong to sustain economic activity. An emerging feature of the global economy in the post-crisis period is that global growth is increasingly dependent on the emerging economies. While the emerging economies account for about a third of global gross domestic product ("GDP"), they have contributed more than two-thirds of global growth in recent years, highlighting the growing importance of emerging economies as the new growth centres. However, changing growth dynamics have brought about new challenges to the emerging economies, following the shift in global short-term capital flows from the advanced economies to the emerging market economies.

In the United States ("US"), the prospects are for a continued expansion in economic activity, underpinned by a new round of fiscal policy stimulus, easy monetary conditions, and a gradual revival in private consumption. In addition to the anticipated positive impact of these measures on private sector demand, the underlying private consumption is also expected to be supported by a gradual improvement in the job market, rising personal incomes, longer working hours and the higher equity prices that will contribute towards increasing the net worth of households.

## 7. INDUSTRY OVERVIEW (cont'd)

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The prospects of a gradual growth in the advanced economies coupled with a more moderate demand from the emerging economies are expected to slow the pace of expansion in global trade in 2011. Of significance, global trade will continue to be increasingly driven by the emerging economies, particularly Asia. Intra-regional trade in Asia would remain strong, benefiting from the robust domestic demand in the region.

**Table 1: Global Real GDP Growth, 2002-2011<sup>f</sup>**

Growth (%)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 <sup>f</sup>
World GDP	3.1	4.0	5.3	4.8	4.9	5.2	3.0	-0.6	5.0	4.4
US	1.6	2.5	3.9	3.1	2.9	2.0	0.4	-2.6	2.8	3.0
Japan	0.3	1.4	2.7	1.9	2.2	2.4	-1.2	-6.3	3.9	1.6
Euro area *	0.9	0.8	2.0	1.5	2.8	2.4	0.6	-4.1	1.7	1.5

Notes:

\* = Indicates member countries of the Euro area (Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia, Spain)

e = estimate

f = forecast

Source: Bank Negara Malaysia, Ministry of Finance

## 1.2 THE MALAYSIAN ECONOMY

Following the strong performance in 2010, the Malaysian economy is projected to grow at between 5% and 6% in 2011, supported mainly by continued expansion in domestic demand. Whilst external demand is expected to moderate in 2011, the growth contribution of net exports would turn around to be positive amid a larger trade surplus on sustained commodity exports to the Asian region.

## 7. INDUSTRY OVERVIEW (cont'd)

# infobusiness

Domestic demand is expected to maintain a strong growth momentum, driven mainly by a robust expansion in private sector activity. Private consumption will be supported by favourable labour market conditions, higher disposable incomes and sustained consumer confidence. Private investment is expected to remain strong and contribute favourably to growth. This will be supported by capital spending of the domestic-oriented industries given the high levels of capacity utilisation and positive business confidence, as well as the implementation of key initiatives announced by the government under the Economic Transformation Programme (“ETP”). Meanwhile, the public sector will remain supportive of growth, with higher capital spending projected in the second half of 2011. This is attributable mainly to the implementation of new projects and the acceleration of ongoing projects to promote private sector activity.

**Table 2: Annual Change in Real GDP by Sector, 2002-2011<sup>f</sup> (2000 prices)**

Growth (%)	2002	2003	2004	2005	2006 <sup>e</sup>	2007	2008	2009	2010 <sup>e</sup>	2011 <sup>f</sup>
GDP	5.4	5.8	6.8	5.0	5.8	6.2	4.7	-1.7	7.2	5.0-6.0
Agriculture	2.9	6.0	4.7	2.6	5.4	1.4	4.3	0.4	1.7	3.4
Manufacturing	4.1	9.2	9.6	5.3	7.1	3.1	1.3	-9.4	11.4	5.7
Mining	4.4	6.1	4.1	-1.3	-2.7	2.0	-2.4	-3.8	0.2	2.0
Construction	2.3	1.8	-0.9	-1.8	-0.5	4.7	4.2	5.8	5.2	5.4
Services	5.8	4.2	6.4	6.7	7.3	9.6	7.4	2.6	6.8	5.9

Notes:

*e* = estimate

*f* = forecast

Source: Bank Negara Malaysia, Ministry of Finance

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## 1.3 THE CONSTRUCTION SECTOR IN MALAYSIA

Further progress in on-going infrastructure projects and new projects due for implementation under the ETP will provide the impetus for the construction sector. In particular, the civil engineering sub-sector is expected to benefit from the implementation of various projects. Apart from further progress on on-going projects such as the construction of the Second Penang Bridge, double-track rail network, low cost carrier terminal, and oil and gas terminal in Sabah; the civil engineering sub-sector will also be supported by the implementation of new major projects such as the construction of power plants in Terengganu and Sabah as well as the Klang Valley light rail transit ("LRT") extension. The non-residential segments will be driven by the on-going construction of purpose built office and retail space as well as public sector expenditure on the building and upgrading of schools, hospitals and clinics, while the continued growth in housing demand and favourable financing environment will support growth in the residential segment.

## 1.4 INTRODUCTION

The construction industry plays a crucial role in a country, by supplying structures that house and facilitate nearly all other economic and social activities. It also plays a pivotal role in a country's development process given its position as an indispensable growth factor. However, it is also unique in the sense that its growth rate is closely linked with the economic framework that generates demand for its expansion. The Malaysian construction sector in particular, has always been a prime economic mover and a frequent target for the government's economic stimulus measures. The industry itself has matured over the years, braving through many cycles. From a totally government-dependant industry initially, it has grown into a highly evolved sector of the economy with a global presence.

Property development companies acquire raw land, improved land, and/or re-developable property in order to construct building projects. Once constructed, the buildings are then sold in entirety or in part to others, or retained as assets to produce cash flow via rentals and other means. Some property development companies have their own internal departments for designing and constructing buildings, while others subcontract parts of the work to third parties.

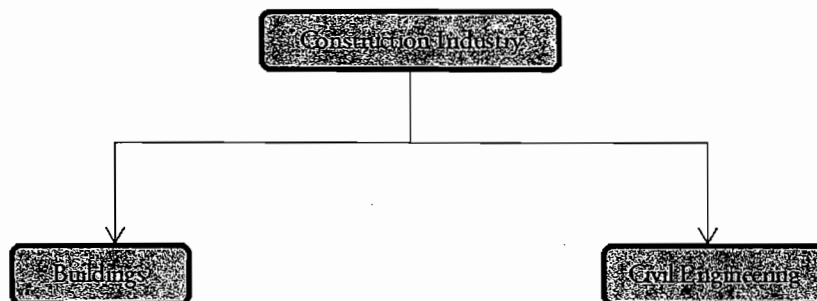
## 7. INDUSTRY OVERVIEW (cont'd)

# infobusiness

## 1.5 DIFFERING SEGMENTS

In general, the construction industry in Malaysia can be segmented into two (2) segments: buildings and civil engineering. Most large construction companies undertake both buildings and civil engineering works and there is considerable interchange of staff between the two (2) disciplines. The buildings segment of the industry encompasses the construction of residential, commercial, leisure and industrial buildings. Civil engineering is the broadest of all engineering fields. Civil engineering in construction relates to the building of infrastructure which generally comprises government-owned capital goods that provide services to the public, usually with benefits to the community at large as well as to the direct user. Examples include roads, highways, bridges, dams, harbours etc.

Figure 1: Main Segments of Construction Industry



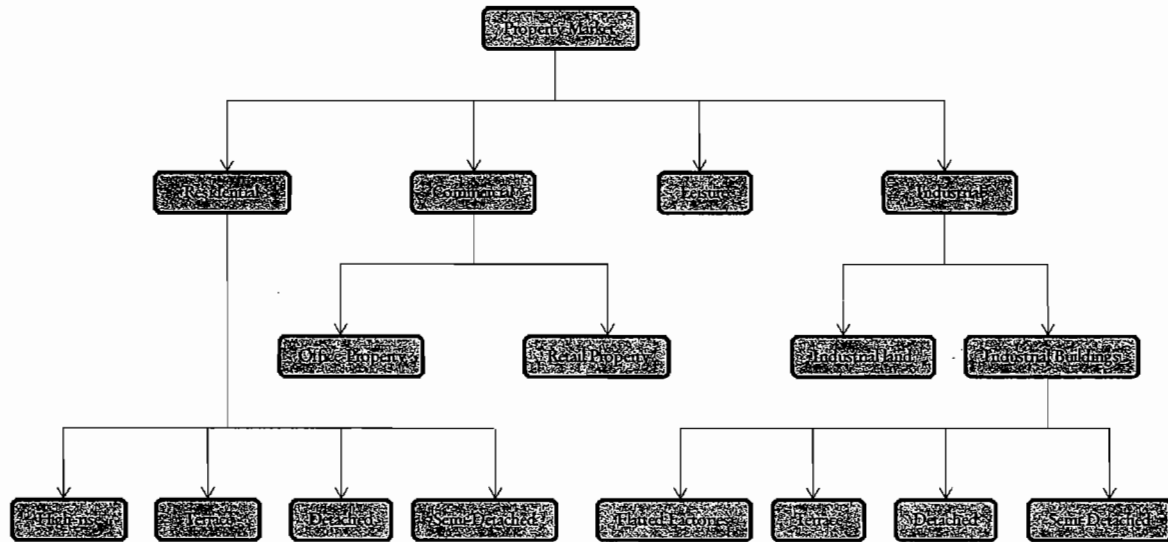
Source: Infobusiness

The property market encompasses many segments, each of which has its own unique characteristics. Furthermore, a number of these properties have their own and regional peculiarities. In other words, each piece of real estate is to a certain extent unique and stands or falls on its own merits. Broadly, the property market can be divided into four (4) categories as shown below.

## 7. INDUSTRY OVERVIEW (cont'd)

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Figure 2: Main Segments of Property Market



Source: Infobusiness

## 1.6 SUBSTITUTE PRODUCTS

There are no substitute products to the construction industry at present. Construction activities are needed in virtually all creations of new buildings and infrastructure. They are also essential during the renovation and refurbishment phase. The construction industry not only provides the buildings that host a wide variety of human activities, but also the infrastructure that links them into an increasingly complex network.

**7. INDUSTRY OVERVIEW (cont'd)**

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Since no two (2) properties are alike, no property is (fully) substitutable for another. Substitutability may range from very low (for example, industrial users have very specific requirements for building size, location, access, layout and relationship to other uses) to moderate (such as residential units in similar adjacent apartment blocks). Hence, the degree of substitutability can fall within a spectrum ranging from very low to moderate, depending on the specific use of the property. The property market is multi-dimensional and is characterised by aspects of the site (such as its use, development potential, tenure, access, slope, aspect, landscaping and susceptibility to flooding), and the building (including its design, materials used and type of finishing) as well as the location which sets the whole pattern of externalities (such as access to amenities like schools, banks, post offices, shopping complexes and jobs).

## **1.7 INDUSTRY PLAYERS AND COMPETITION**

Among the major competitors in the construction industry in Malaysia, Sunway is ranked in the middle, in terms of the PBT margin, based on the latest publicly available financial statements. Factors that contribute to Sunway's achieving this PBT margin include its ability to obtain better margins for its overseas projects as compared to domestic projects, securing quality construction materials on favourable credit terms, the use of system formwork technology that speeds up construction and mechanisation, the ability to negotiate favourable terms with sub-contractors, and managing the costs of building materials, constructions and sub-contractors more efficiently.



## 7. INDUSTRY OVERVIEW (cont'd)

# infobusiness

**Table 3: Comparisons of Major Competitors in the Construction Industry, by PBT Margin**

Company	FYE	Revenue (RM Million)	PBT (RM Million)	PBT Margin (%)
Mudajaya Group Bhd	31/12/10	870.4	278.4	31.9
WCT Bhd	31/12/10	1,708.5	257.6	15.1
Gamuda Bhd	31/07/10	2,455.1	370.0	15.1
IJM Corporation Bhd	31/03/10	4,013.5	578.0	14.4
MTD Capital Bhd	31/03/10	892.5	115.1	12.9
Prostaco Bhd	31/12/10	771.1	94.1	12.2
Sunway*	31/12/10	1,094.9	121.3	11.1
Malaysian Resources Corporation Bhd	31/12/10	1,067.6	97.6	9.1
Ranhill Bhd	30/06/10	2,120.7	167.4	7.9
Muhibbah Engineering (M) Bhd	31/12/10	1,768.9	53.3	3.0
Bina Puri Holdings Bhd	31/12/10	1,230.7	14.2	1.2

Notes:

\* For Sunway, the revenues and PBT figures are based on its construction division for calendar year 2010.

It should be noted that although the above selected companies are all broadly involved in the construction industry, these selected companies may not be directly comparable to Sunway due to various factors which include, amongst others, the composition of business activities, size of the business, target markets, product offerings, and different FYEs.

Source: Bursa Malaysia Securities Bhd, Management of Sunway

A comparison of the listed peer property development companies reveals that based on the latest publicly available financial statements, Sunway managed to chart the highest PBT margin. This is due to factors such as its ability to negotiate favourable terms with sub-contractors, managing sub-contractor costs efficiently, the launching of properties in prime locations that command better pricings, as well as launching properties at an appropriate time and the corresponding relatively more favourable buyers' responses. It is also able to manage its property investment assets efficiently.

## 7. INDUSTRY OVERVIEW (cont'd)

## infobusiness

Table 4: Comparisons of Major Competitors in the Property Market, by PBT Margin

Company	FYE	Revenues (RM Million)	PBT (RM Million)	PBT Margin (%)
Sunway*	31/12/10	747.3	306.3	40.9
IGB Corporation Bhd	31/12/10	719.4	227.9	31.7
Sunrise Bhd	30/06/10	590.7	180.9	30.6
YNH Property Bhd	31/12/10	259.7	71.5	27.5
Eastern & Oriental Bhd	31/03/10	352.4	93.0	26.4
Bandar Raya Developments Bhd	31/12/10	627.4	151.2	24.1
Glomac Bhd	30/04/10	316.8	74.9	23.6
SP Setia Bhd	31/10/10	1,745.9	330.9	18.9
Mah Sing Group Bhd	31/12/10	1,110.1	177.9	16.0
IJM Land Bhd	31/03/10	1,101.1	148.9	13.5
Malton Bhd	30/06/10	346.9	35.8	10.3

## Notes:

\* For Sunway, the revenues and PBT figures are based on its property division for calendar year 2010.

Sunway's PBT is adjusted to exclude RM121.4 million gain on disposal of the hotels and reversal of deferred tax provided for investment properties sold to Sunway REIT. Another RM127.0 million was the share of revaluation surplus recognised by Sunway REIT and other investment properties.

Sunway REIT is 36.6% owned by SunCity, and therefore, Sunway REIT is an associate company of SunCity.

It should be noted that although the above selected companies are all broadly involved in the property market, these selected companies may not be directly comparable to Sunway due to various factors which include, amongst others, the composition of business activities, size of the business, target markets, product offerings, and different FYEs.

Source: Bursa Malaysia Securities Bhd, Management of Sunway

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## 1.8 POSITIONING

Sunway is a complete turnkey, design and build construction company. A conventional construction contract generally involves a three-party arrangement between the owner, design professional and contractor. The owner hires a design professional to design the structure and then the contractor to construct the project according to the design plans and specifications. In contrast, in a design/build contract, the owner enters into a single agreement by which the design/build contractor agrees to perform both the design and construction of the project. As well as being responsible for faulty workmanship in construction, the contractor is also liable for any deficiencies in design under this arrangement. In some instances, the contractor may also agree to be responsible for acquiring land, financing the project and leasing the finished structure. This more comprehensive arrangement is often referred to as a “turnkey” contract.

The design/build contractor may be composed of a joint venture of a contractor and a design professional, or it may be a contractor acting alone as the prime design/build contractor who in turn, engages professional design consultants. Either way, the owner is looking to the design/build contractor for the full package of design and construction services. From an owner's perspective, the design/build contract provides a single source of responsibility. The owner can recover directly from the contractor for deficiencies in either design or construction of the project. Therefore, the owner need not determine initially whether a defect was caused by an error in design or construction. In the conventional construction contract, this issue must be resolved so that the owner can determine whether the design professional or the contractor is at fault.

Another advantage of a design/build contract is that the project can often be completed within a shorter period of time compared with the conventional three-party arrangement, since the construction can begin before the entire plans and specifications are completed. This time saving results from designing the project in phases so that the contractor can begin work on the initial phase of the project while the later phases are being designed. No corresponding time savings occur in the conventional three-party contractual arrangement because the contractor often does not begin work, until the design professional has finalised the plans.

## 7. INDUSTRY OVERVIEW (cont'd)

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# infobusiness

Sunway is an integrated township property development company. It has the branding and track record in developing residential, commercial, industrial and leisure properties. Its flagship project is the integrated and bustling resort city of Bandar Sunway, which was developed from former mining land. The main challenge in township development is that everything is essentially built from the ground up by the property development company, such as the buildings and the entire infrastructure, including roads, power, water and sanitation. Home owners are typically drawn to living in the townships because their offices are located within the same development. This allows them to avoid traffic congestion and crowded transportation systems. Their family members also benefit from the schools, hospitals, shopping, and recreation facilities that are also located within the same township.

In addition, by participating in construction and property development projects overseas, Sunway is able to learn from best practices in the industries in these countries. The knowledge and skills learnt can then be transferred to Malaysia. Best practice is a process or method that, when executed effectively, leads to enhanced project performance. Companies implementing best practices consistently report significantly higher profits, increased customer, employee and shareholders' satisfactions, improved safety and productivity and reduced environmental impacts.

Sunway has also successfully achieved the following internationally recognised certifications that give an assurance to its customers that there is a measurable and verifiable system in place to ensure quality in its products and that have been produced in an environmentally-friendly and safe manner:

- ISO 9001:2008 - Quality Management System;
- ISO 14001: 2004 - Environmental Management System: and
- Occupational Health & Safety Services 18001:2007.

## 7. INDUSTRY OVERVIEW (cont'd)

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## 1.9 MARKET SHARE

There were 4,533 contractors registered under grade G7 in 2010, accounting for 7.0% of all contractors registered with CIDB in that year. Sunway is registered under grade G7. Construction projects were the most abundant under registration grade G7, accounting for 75.5% of total project value in 2010.

With project values amounting to RM57.1 billion for registration grade 7 awarded in the construction industry in Malaysia in 2010, and Sunway (and its subsidiaries, Sunway Geotechnics (M) Sdn Bhd and Sunway Engineering Sdn Bhd) was awarded RM781.3 million in the same year, Sunway recorded a market share of 1.4% for registration grade G7 in the construction industry in 2010. Another subsidiary, Sunway Creative Stones Sdn Bhd, is registered under registration grade G5 and was awarded construction projects worth RM7.5 million in 2010. Construction projects awarded under registration grade G5 amounted to RM3.3 billion in 2010. Hence, its market share was 0.2% for registration grade G5 in that year.

**Table 5: Number and Value of Construction Projects by Registration Grades in 2010**

Registration Grades	Number of Projects	Project Value (RM million)	Share of Project Value by Registration Grade (%)
G7	3,065	57,053.6	75.5
G6	658	3,254.5	4.3
G5	985	3,306.3	4.4
G4	703	1,481.5	1.9
G3	727	1,374.0	1.8
G2	66	154.5	0.2
G1	42	123.4	0.2
Foreign Contractors	98	8,862.6	11.7
Total	6,344	75,610.4	100.0

Source: CIDB

## 7. INDUSTRY OVERVIEW (cont'd)

# infobusiness

In the UAE and India, the CIDB reported that the value of projects undertaken by Malaysian construction companies between 2006 and 2010 amounted to RM9,641.8 million and RM7,490.1 million, respectively. Sunway was awarded construction contracts worth RM2,502.8 million in the UAE and RM131.8 million in India in this period. Hence, Sunway's market share in the UAE and India amounted to 25.9% and 1.8%, respectively, for the period between 2006 and 2010.

**Table 6: Market Share of Sunway in the Construction Industries in the UAE and India (%), 2006-2010**

Countries	Value of Projects Undertaken by Malaysian Contractors	Value of Construction Projects Undertaken by Sunway	Market Share (%)
UAE	RM9,641.8 million	RM2,502.8 million	25.9
India	RM7,490.1 million	RM131.8 million	1.8

Source: CIDB, Management of Sunway

There is an estimated 5,000 active property development companies in Malaysia. Based on the latest statistics from the Valuation and Property Services Department, the residential, commercial and industrial property segments recorded transactions of RM50.7 billion, RM23.8 billion and RM9.8 billion, respectively, in Malaysia in 2010. Hence, the property market is very huge, in terms of the value of transactions.

**Table 7: Selected Property Transactions in Malaysia (RM Million), 2010**

Segment	Federal Territory of Kuala Lumpur and Selangor	Penang	Perak	Malaysia
Residential	30,572.6	4,834.0	2,239.7	50,654.2
Commercial (office and retail)	13,945.4	1,463.4	1,286.3	23,840.3
Industrial	5,286.9	656.6	425.4	9,829.8

Source: Valuation and Property Services Department

Sunway managed to capture a market share of 2.1% in the residential property market segment in the Federal Territory of Kuala Lumpur and Selangor in 2010. On the national level, Sunway recorded a market share of 1.4% for the residential property market segment in 2010.

## 7. INDUSTRY OVERVIEW (cont'd)

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Meanwhile, for the commercial property segment, Sunway registered a market share of 4.2% in Penang in 2010. At the national level, it registered a market share of 1.2% for the commercial property segment. Lastly, in the case of the industrial property market segment, Sunway recorded a market share of 0.01% at the national level in 2010.

**Table 8: Property Transactions of Sunway in the Various Property Market Segments in Malaysia (RM Million), 2010**

Segment	Federal Territory of Kuala Lumpur and Selangor	Penang	Perak	Malaysia
Residential	634	43	20	698
Commercial (office and retail)	226	62	0	289
Industrial	N. A.	N. A.	1	1

*Note:*

*N. A. = Not applicable*

*Source: Management of Sunway*

**Table 9: Market Share of Sunway in the Various Property Market Segments in Malaysia (%), 2010**

Segment	Federal Territory of Kuala Lumpur and Selangor	Penang	Perak	Malaysia
Residential	2.1	0.9	0.9	1.4
Commercial (office and retail)	1.6	4.2	N. A.	1.2
Industrial	N. A.	N. A.	0.2	0.01

*Note:*

*N. A. = Not applicable*

*Source: Infobusiness*

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## 1.10 LEGISLATIONS, INCENTIVES AND POLICIES

### 1.10.1 Legislations

The construction industry is subject to many different types of domestic regulations. They include controls on land use, building regulations and technical requirements, building codes, building permits and inspection, registration of proprietors, sub-contractors and professionals and environmental regulations. Such measures are applied not only at the national level, but also very frequently at the local authority level. Standards may be established by either the government or private sector associations. Many of these measures are intended to ensure the safety of the objects constructed and the construction workers, to implement urban and land use planning, to protect the health and safety of workers and users and for environmental protection purposes. These regulations and standards are implemented in the public interest.

In 1981, Malaysian government established Pusat Khidmat Kontraktor ("PKK") to centralise the registration of contractors that bid for government projects. Registration in the private sector was not strictly regulated. In July 1994, the government enacted the Construction Industry Development Board Act 1994; commonly known as Act 520 and subsequently, the Construction Industry Development Board ("CIDB") was established in December 1994. It became the main regulatory agency for the construction industry and was tasked with registering contractors. Since 1995, all local and foreign contractors are required to register with the CIDB before undertaking any construction work in Malaysia. Only contractors bidding for government projects are required by the Ministry of Finance and Public Works Department to register with the PKK, whereas all contractors, regardless of their job scope in either the public or private sector, requires mandatory registration with CIDB as provided for under the Construction Industry Development Board Act 1994.



## 7. INDUSTRY OVERVIEW (cont'd)

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Local contractors are defined as locally incorporated firms with a minimum of 70% local equity ownership. In any case, the local contractors can form a joint venture with contractors from the non-ASEAN countries and still be considered as local contractors in bidding for a project in Malaysia, provided they hold a minimum of 70% local equity ownership. In the case of joint ventures with contractors from the ASEAN countries, the local contractors must have a minimum of 49% local equity ownership, to be considered as local contractors. The local contractors can be classified into seven (7) grades of registration, depending on their financials, experience and human resource capability. This grading encourages contractors to improve on their performances, as the attainment of each successive grade requires them to demonstrate a minimum standard. Hence, contractors can apply for higher grades based on their progressive record.

**Table 10: Number of Contractors by Grades Registered with CIDB in 2010**

Registration Grades	Lending Capacity (RM)	Paid-Up Capital / Net Capital Worth (RM)	Number of Contractors
G7	No limit	750,000	4,533
G6	Not exceeding 10 million	500,000	1,507
G5	Not exceeding 5 million	250,000	3,962
G4	Not exceeding 3 million	150,000	2,766
G3	Not exceeding 1 million	50,000	10,761
G2	Not exceeding 500,000	25,000	8,077
G1	Not exceeding 200,000	5,000	32,987
Total	-	-	64,593

Source: CIDB

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Environmental issues are becoming an area of concern in the construction industry. An environmental impact assessment (“EIA”) is a study to identify, predict, evaluate and communicate information about the impacts of a proposed project on the environment and to detail out the mitigating measures prior to project approval and implementation. The EIA is essentially a planning mechanism for preventing environmental problems due to the implementation of a proposed project. It ensures that potential problems are foreseen and addressed at an early stage i.e. during project planning and design. Thus, this will avoid costly mistakes in project implementation, either because of the environmental damages that are likely to arise during project implementation, or because of modifications that may be required subsequently in order to ensure that the proposed plans are environmentally acceptable.

In Malaysia, an EIA is required under section 34A, Environmental Quality Act, 1974 (Appendix 1), which specifies the legal requirements in respect of the EIA for prescribed activities. The section requires the project proponent of a prescribed activity to submit an EIA report to the Director General of Environmental Quality, before approval for the proposed activity is granted by the relevant approving authority. The EIA report must be in accordance with the guidelines issued by the Department of Environment and contains an assessment of the impact of the prescribed activity on the environment; and detail the proposed measures that shall be instituted to prevent, reduce or control adverse impacts on the environment. Besides specified construction activities, an EIA is also needed for property development covering an area of 50 hectares or more.

The property market is governed by a host of legislations such as the Construction Industry Development Board Act 1994, the Housing Development (Control and Licensing) Act 1966, Housing Development (Control and Licensing) Regulations 1989 and Housing Developers (Housing Development Account) Regulations 1991. These Acts are responsible for regulating and improving the industry by means of providing consultancy, quality accreditation, research and development, promoting usage of high technology as well as manpower training services.

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The government regulations and controls in the property market are principally in the broad sense to achieve the aspirations of the National Economic Policy of equitable distribution of income and the ownership of homes by the population in general, through the provisions of suitable housing as well as to control and protect individual customers by setting minimum standards to the property market.

## 1.10.2 Incentives

The build then sell ("BTS") concept is a relatively new concept introduced by the government where property development companies have to complete a housing project completely before selling it to buyers. This is as opposed to the current conventional concept of sell then build ("STB"). Although property development companies are encouraged to adopt the BTS concept, they have the option to continue with the conventional STB method.

There are currently two variants of BTS - the complete BTS 0:100 and partial BTS 10:90. The complete BTS is where the property development company only sells the house when it is fully completed with a certificate of completion and compliance ("CCC"). There will be no down payments or progress payments involved on the part of the buyers. While in the partial BTS, the property development company can sell house units before completion. Under this 10:90 concept, buyers will make a 10% down payment when making house bookings by signing sale and purchase agreements and settle the remaining 90% when the house is ready.

The benefits of this concept are that the rights and responsibilities of the buyers and property development companies will be stated clearly, while banks and other financial institutions are able to fund projects as there is proof of a sale transaction. Property development companies will be encouraged to adopt the BTS approach through the provision of additional incentives such as shortening the approval processes for land and building plans, as well as exemption of deposit payments for licensing housing developments.

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The government is promoting the usage of industrialised building system (“IBS”) whereby contractors are exempted from the CIDB’s levy when the IBS is employed for more than 50% of their developments. The Malaysian Industrial Development Authority (“MIDA”) is providing an incentive whereby construction companies which incur expenses on the purchases of moulds used in the production of IBS components are eligible for accelerated capital allowances for a period of three (3) years. The IBS is a construction process that utilises techniques, products, components, or building systems which involve prefabricated components and on-site installation. From the structural classification, there are five (5) IBS main groups identified as being used in the country, and they are as follows:

- Pre-cast concrete framing, panel and block systems;
- Steel framework systems;
- Steel framing systems;
- Prefabricated timber framing systems; and
- Block work systems.

Overall, the decision to go for IBS or traditional building methods would depend on the project design, size of project and ground conditions. The high initial cost is often a deterrent to using the IBS. To start with, a contractor would need to invest in raw building materials as well as a plant to work on these materials.

### 1.10.3 Policies

The private finance initiative (“PFI”) approach is emphasised in the construction industry. It must be seen in the context of the government’s broader policy priorities of energising the private sector as the engine of national economic growth and, at the same time, improving public delivery and services. The introduction of PFI provides the government with options going beyond the existing modes of implementation, which thus far has mainly focused on either privatisation or conventional government funded projects.

## 7. INDUSTRY OVERVIEW (cont'd)

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PFI refers to the transfer to the private sector the responsibility to finance and manage a package of capital investment and services, including the construction, management, maintenance, refurbishment and replacement of public sector assets such as buildings, infrastructure, equipment and other facilities, which creates a stand-alone business. The private sector will create the assets and deliver a service to the public sector client. In return, the private sector will receive payment in the form of lease rental charges, which commensurate with the levels, quality and timeliness of the service provision throughout the concession period. The structure of the lease rental payment for PFI projects will guarantee a total return to the concessionaire's capital investment expenditures, including financing cost repayment and profit to investment. The asset and facilities will be transferred to the public sector upon expiry of the concession period.

The current national housing policy obliges property development companies to allocate 30% of the units in housing projects of a specific size to low cost houses. They are defined as houses priced less than RM42,000. The property development companies are expected to cross-subsidise these low-cost houses from the medium and high costs houses in their projects. This poses a challenge when the development involves prime land, as the property development companies are unable to achieve the socio-economic objectives of providing affordable housing to the lower income group.

The Strata Title Act and related bills were amended in December 2006, to enable a faster and more transparent approval process for strata titles, as well as to provide clearer oversight of property managers on the management of funds collected and disbursed. Amendments were also made to the Housing Development Act, whereby the Certificate of Fitness for Occupation, previously given by the local authorities, was replaced with CCC. The CCC will be issued by architects, thus facilitating early occupation of buildings.

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## 1.11 DEMAND AND SUPPLY CONDITIONS

As the supplier of physical infrastructures, the construction industry is intimately related to the process of industrialisation and urbanisation. The output of the construction industry is a response to the demand for new investments, and as such, a determinant of growth and economic development. The essential elements of a healthy, functioning economy, such as educational institutions, government offices, tourist attractions, transportation infrastructure, housing, commercial properties, and industrial properties need to be built and maintained by the construction industry. Apart from expanding economic infrastructure such as highways, dams, airports and commercial centres, opportunities abound in constructing social infrastructure such as schools, housing and public space.

The construction industry has strong multiplier effects due to its extensive linkages with the other sectors of the economy, particularly the non-metallic mineral products industries (glass and glass products, cement and concrete products, and ceramics), iron and steel industry (long products) and the financial services industry (banking and insurance). Others include property management companies, real estate companies and legal firms. The construction sector has widespread linkages to an estimated 140 business activities in the country. During the past decade, the construction sector consistently accounted for between 2.7% and 3.4% of the national GDP. The government plans to increase this figure to approximately 5% by 2015. This is also in line with the global construction industry which accounts for around 5% of the world's GDP, presently.

The construction industry generally comprises a large pool of local contractors. The distribution of contractors is heavily skewed towards the lower grades with contractors grade G3 and below (contract value less than RM1 million) representing 80.3% of the total registered contractors.

## 7. INDUSTRY OVERVIEW (cont'd)

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The number of contractors classified under G7 accounted for a mere 7.0% of the total registered contractors. However, they represent the big players in the construction industry, with huge assets and are able to mobilise both the heavy equipment and human capital to undertake big jobs. Most of their human capital is multi-skilled in nature, being able to be transferred from one construction project to another if there is such a requirement. They are also in the forefront of technological advances and innovation, assisting the country to move into the realm of industrialisation in the construction industry. This is a critical necessity as infrastructure facilities become more sophisticated as a result of the demands placed on them by the end-users. In addition, they also appoint sub-contractors further down the value chain once a big project comes in, assisting to disseminate the ripple or economic multiplier effects of a construction project throughout the economy. Hence, most of the stakeholders' attention in the country is mainly focused on this group of contractors.

**Table 11: Local Contractors Registered with the CIDB in 2010**

Grade	Number of Contractors	Share (%)
G7	4,533	7.0
G6	1,507	2.3
G5	3,962	6.1
G4	2,766	4.3
G3	10,761	16.7
G2	8,077	12.5
G1	32,987	51.1
Total	64,593	100.0

Source: CIDB

## 7. INDUSTRY OVERVIEW (cont'd)

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The growth of the construction industry is strongly correlated with the economy's performance. It generally moves in tandem with the economy, whereby strong economic growth would expand private investment, which is an indispensable factor in the sector's growth ingredient. The government's macroeconomic policy is also crucial to the construction industry, given its role as a major component of originator of demands. Due to its high multiplier effects, propping up the construction industry had been used in the past as a strategic measure to pump prime the economy. The major focus is to stimulate economic growth via higher public spending, that will eventually benefit various other industries that are inherently link to the former. Hence, demand in the construction industry is measured by the number of projects and project value awarded in the country.

**Table 12: Number and Value of Projects Awarded in Malaysia**

Year	Number of Projects	Project Value (RM Million)	Local Contractors (RM Million)		Foreign Contractors (RM Million)	
			Government	Private	Government	Private
2006	5,854	60,926.9	21,377.2	35,592.1	1,077.8	2,879.9
2007	7,358	93,294.2	44,775.3	42,592.7	3,475.3	2,450.9
2008	6,327	81,131.9	33,146.9	42,931.8	2,227.1	2,826.3
2009	6,898	74,057.9	32,344.9	38,532.5	1,313.9	1,866.5
2010	6,344	75,610.4	18,239.7	48,507.9	316.2	8,546.4

Source: CIDB

The two (2) economic stimulus packages, introduced in November 2008 and March 2009 amounting to RM67 billion has prevented the economy from sliding into a deeper recession during the global financial crisis. The better-than-expected property market performance in 2010 was supported by several measures introduced in Budget 2010, which complemented the measures in the economic stimulus packages.



## 7. INDUSTRY OVERVIEW (cont'd)

# infobusiness

The growth of the property market is strongly correlated with country's economic performance. It generally moves in tandem with the economy, whereby strong economic growth would expand private investment, which is an indispensable factor in the market's growth ingredient. Throughout Malaysia's history, the property market tends to outpace overall economic growth in the boom times but is susceptible to a larger contraction and remains considerably longer in recession during the economic cycle.

The property market is very much dictated by demand and supply with novices, speculators and property development companies increasingly being responsible for price hikes due to the attraction of the possibility of making capital gains. This is also compounded by the rising prices of diesel, wages and building materials, in line with the global inflationary trend. The growing middle class population is expected to create high demand for housing between RM250,000 and RM500,000, particularly in strategic urban locations. The demand for these houses is also attributable to the demand shift from the low-income house owners to purchase higher-cost houses in line with rising disposable income. Housing is a basic need and this goes beyond simply the need for shelter. The objective of the Malaysian housing policy is to provide all Malaysians of all income groups, especially the lower income group, decent homes at affordable prices.

It has been noticed that any bull run in the stock market would immediately translate into booming activities in the property market, as many investors parked their earnings in less risky assets like properties. Hence, there is a positive correlation between the Malaysian equity and property markets. Any liquidity which makes its way into the equity market will subsequently spill over into the property market.

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Property cycles are an inherent feature of the property market. The reasons for the existence of the property cycles are due to the fact that while demand for properties grows smoothly, supply tends to grow in quantum leaps. In return, this leads to periodic shortage and oversupply. This is because it takes many years to get a piece of land, draw up plans, get the necessary approvals, obtain financing and finally complete construction for any property project. Due to the long gestation periods and fleeting opportunities, property development companies must often rush into decisions that bind them to set courses in which they irreversibly commit large amounts of resources to projects. Therefore, they might run into the risk of market conditions changing dramatically several years down the road. With globalisation, business and economic effects are transmitted even faster through the economy, compared to the last decade. Hence, the timing of the launching of new projects in the market is a decisive factor, particularly properties in strategically located areas.

Property development cycles inevitably change the industry structure. New property development companies enter during upswings while existing companies expand. Some property development companies may take over others as a quick means to add to their land banks. On the other hand, downswings may lead to exits, failures and / or decreasing size while surviving property development companies may take over land and other assets of companies undergoing failures. On the firm level, some property development companies maintain small organisations by relying on subcontracting to alter the scale of production without having to continually hire and dismiss staff during the various phases of development. However, this must be balanced against the need to build up organisational expertise to deal in specific sub-segments and to control the quality of products delivered. It may also be difficult to engage sub-contractors during upswings.

## 7. INDUSTRY OVERVIEW (cont'd)

# infobusiness

The sustainability of the property market is dependent on the economics of supply and demand. If demand exceeds supply, prices will go up, but once prices catch up, price correction will set in and the cycle will move into a lower gear. It all depends on the number of industry players churning out such homes, the popularity of such schemes and their locations and interests for such projects at a given point in time. In the property market, it is necessary to consider effective demand. The demand for property can only become effective if those desiring properties can afford them. In return, this is a function of the income levels and disposable incomes.

**Table 13: Performance of the Property Market in Malaysia by Segment based on Transacted Value (in RM million), 2006-2010**

Property Segment	2006	2007	2008	2009	2010
	<i>In RM million</i>				
Residential	29,446.9	36,490.6	41,303.9	41,848.4	50,654.2
Commercial	11,520.1	16,350.8	16,615.9	16,388.9	23,840.3
Industrial	6,037.3	7,080.2	7,897.4	6,833.3	9,829.8
Agricultural	6,213.7	6,910.2	8,512.1	8,340.4	11,377.8
Development Land	8,307.8	10,302.1	14,009.5	7,588.2	11,611.2
Others	73.2	9.3	2.9	15.5	126.3
Total	61,598.9	77,143.1	88,341.8	81,014.7	107,439.6

*Source: Valuation and Property Services Department*

The main factors taken into consideration by property buyers in both the primary and secondary markets, whether for occupation, investment or speculation, are the rates of return and capital appreciation. Generally, the risk rise with the rates of return, and on this basis, it appears that the conservative returns on traditional housing also make it the least risky investment.

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The primary market refers to the property units newly built by property development companies and then handed over directly to the first purchaser. The primary market appeals to investors as well as those buying for occupation, including first-time house buyers. In a rising property market, purchasers buying in the primary market are most likely to enjoy good capital appreciation on the property, sometimes even before its completion. More often than not, properties sold by property development companies are a lot cheaper compared with similar types of properties available on the secondary market, thus making them a favourite among those looking for affordable homes, be they new house buyers or property speculators. Capital appreciation is what most property speculators look for, thus it comes as no surprise that they too, are among those who prefer properties in the primary market.

The biggest advantage of buying properties in the primary market is that buyers are assured of owning a brand new home. They are attracted to the fact that they have the first choice of owning and occupying the property, which comes with the standard 18-month defect liability period. It entitles the owner to get the property development company to rectify any defects in the housing unit. Properties in the primary market also appeal to young house buyers who are looking for modern facilities. New projects are said to be much better in terms of quality, design, layout and overall project planning and implementation. This is especially true if buyers are looking for unique features in a property.

In contrast, properties in the secondary market are usually sold by those who bought them from a property development company or from another owner. They are often sold by individual owners or through their appointed real estate agents. There is also a selected group of investors who prefer to invest in completed properties in the secondary market, believing that such properties offer good investment returns. These investors buy secondary or completed properties in prime locations, renovate and furnish the units to increase their market values before selling them to make a profit.

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Some buyers of the secondary market have a preference for a particular property type and location not available in the primary market. There are also other buyers who choose to purchase or invest in secondary market properties because they wish to upgrade by moving to a bigger home in a better location. The secondary market has been enjoying steady growth mainly due to the economic growth of the country, which has resulted in higher per capita income. Once people secure better income, they are inclined to upgrade, moving to more established locations or better addresses.

## 1.12 INDUSTRY RELIANCE AND VULNERABILITY TO IMPORTS

The construction industry and property market have strong multiplier effects in the economy, due to their extensive linkages with the other manufacturing industries, particularly the non-metallic mineral products industries (glass and glass products, cement and concrete products, and ceramics) and iron and steel industry (long products). Building materials such as long steel bars and billets, aluminium frames, glass products, electrical cables and wires, granite, marble, wood panels, tiles, sand bricks, clay bricks, plasters, concrete roof tiles, reinforced concrete piles, concrete culverts and ready-mixed concrete are manufactured domestically. They are also available on the international markets as these building materials are common products. However, due to the higher cost factor of imported building materials and the price-sensitive nature of end-users and building owners, most of the building materials are sourced domestically.

## 1.13 PROSPECTS AND OUTLOOK OF THE INDUSTRY

The future of the construction industry very much depends on both the economic and social environment that surrounds it. The future structure of the industry is unlikely to be that much different from the present one: a high number of small and medium-sized contractors will carry out small and local projects, while a smaller number of large, partly multinational companies will undertake the larger projects. Under the 10MP, it is expected that the construction sector will grow at 3.7% per annum. Fifty-two high impact projects worth RM63 billion had been identified.

# infobusiness

With around 60% of the national population below the age of 30 years old, the country is anticipated to experience a significant household transformation that will further expand the demand for properties. Urban migration will also accelerate the demand for residential properties, especially those sited in the major cities. Based on fundamentals, there is always a demand for residential properties, be it first-time buyers looking to set up home, families wanting to upgrade, rise in the number of families, people relocating to the urban areas in search of jobs or foreigners buying for investment. Factors such as proximity to good infrastructure such as LRTs and highways, a strategic location and reasonable mortgage rates will assist to contribute to a project's success in a particular locality. Property development companies have to stress on branding, product differentiation and marketing ingenuity to distinguish them in a fairly overcrowded market in certain property segments.

Increasingly, property development projects in Malaysia have taken on mega proportions which require detailed planning and a huge investment outlay. They cover large tracts of land for comprehensive facilities. Demand for landed property has not abated, with terrace houses maintaining their traditional popularity. Most Malaysians, it seems, find the lure of traditional landed property irresistible, and hence, this is one segment of the property market which has stood the test of time.

Sunway has the branding and track record to ensure its continued success in the property market in the future. It is strategically located in the administrative and financial centre of the country, the Klang Valley. The progress of Kuala Lumpur into an exemplary world class city and the Klang Valley as a vibrant property powerhouse continue to set the pace in the property market. In addition, there is a growing market for higher end properties in the high-impact new economic regions and corridors nationwide. Hence, there are opportunities as well in the other fast growing regions of the country.

**8. VALUATION CERTIFICATES**

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*(Prepared for inclusion in this Prospectus)*

**Valuation Certificates from Knight Frank (Proprietor: Ooi & Zaharin Sdn Bhd)**

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



**Sunway City Berhad**  
 Level 3, Menara Sunway  
 Jalan Lagoon Timur, Bandar Sunway  
 46150 Petaling Jaya  
 Selangor Darul Ehsan

Date: **02 AUG 2011**

Reference No.: V/11/0030(A) to (M) & V/PG/11/050(A) to (E)

Dear Sir,

## EXECUTIVE SUMMARY OF VALUATION CERTIFICATE OF PROPERTIES BELONGING TO SUNWAY CITY BERHAD

We were instructed by Sunway City Berhad ("SunCity") to conduct a Valuation of the Subject Properties and details of the Valuation are contained in our respective Valuation Reports dated 11<sup>th</sup> March 2011.

This Valuation Certificate is prepared for inclusion in the Prospectus of Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) ("Sunway") in relation to the proposed listing exercise of Sunway on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Valuation was prepared in conformity with the Asset Valuation Guidelines issued by the Securities Commission and the Malaysian Valuation Standards published by the Board of Valuers, Appraisers and Estate Agents.

The basis of Valuation adopted is the **Market Value** which is defined as "the estimated amount for which a property should exchange on the date of Valuation between a willing seller and a willing buyer in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

For the purpose of this valuation, we have adopted the **Comparison, Investment and / or Residual** Methods of Valuation. The Comparison Method of Valuation will be adopted for property which comprises vacant development land with no submissions have been made as yet to secure development approvals from the relevant authorities whilst in valuing ongoing developments which are under construction, the primary method adopted will be the Residual Method of Valuation. In cases where, development approvals are obtained but no contract was awarded for the construction of the development as yet, we have adopted the Market Value as derived from the Comparison Method of Valuation supported by the Market Value derived from the Residual Method. However, for completed and income generating property, we have generally adopted the Investment Method of Valuation as the most reliable and appropriate method of valuation in our final opinion of Market Value of the Subject Property.

Brief details of the methodology adopted are defined overleaf.



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



## i) Comparison Method

This approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, a property being valued (Subject Property) is compared with sales of similar properties that have been transacted in the open market. Listings and offerings may also be considered.

In arriving at the Market Value of development lands without development approvals, we have considered the Comparison Method of Valuation as the primary and most reliable and appropriate method of valuation after having noted sufficient comparable properties in the locality and after having considered that in absence of definite, detailed and approved development plans, the Residual Method is very much a theoretical methodology where the finer details of the hypothetical end product and estimated construction costs are much more difficult to determine with precision. Merely relying on master planning, proposed developments, zoning or other planning controls are theoretical in nature as the Residual Method reliability depends on the confidence placed on the Gross Development Value and Gross Development Cost computations.

Without proper detailed development plans, the Residual Method require so many assumptions and estimations regarding the hypothetical improvements that the end-result is very much speculative and subjective.

Henceforth, in valuing vacant development lands with development approvals obtained without contracts awarded for the construction of the development as yet, we have adopted the Market Value as derived from the Comparison Method of Valuation supported by the Market Value derived from the Residual Method.

## ii) Investment Method

This approach considers income and expense data relating to the Subject Property being valued and estimates value through a capitalization process. Capitalization relates income (usually a net income figure) and a defined value type by converting an income amount into a value estimate. This process may consider direct relationships (known as *capitalization rates*), *yield* or *discount rates* (reflecting measures of return on investment), or both. In general, the principle of substitution holds that the income stream which produces the highest return commensurate with a given level of risk leads to the most probable value figure.

In undertaking our assessment of value under the capitalisation approach, we have generally adopted the current passing rental in their existing tenancy as a means of deriving the income and value for the Subject Property. Our assessment of the market rent of the Subject Property under the reversionary term is based on the historical passing rental of the Subject Property and rental evidences of other comparable properties in the surrounding vicinity.

Under the reversionary term, we have generally allocated 5% of the gross annual rental for voids, vacancy periods between rent reviews, which include the rent free and fitting out periods.

## iii) Residual Method

This approach is based on the premise that the price which a purchaser can pay for a property is the surplus after he has met out the proceeds from the sale of the finished development his full cost of development and profit.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



In arriving at the Gross Development Value, we have used the Comparison Method. This approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, a property being valued (Subject Property) is compared with sales of similar properties that have been transacted in the open market. Listings and offerings may also be considered.

In arriving at the Gross Development Cost, we have made reference and adopted the total awarded contract sum provided to us by the Client to be fair representation after taking into consideration of the industry average costs. In cases where no contract was awarded for the construction of the development as yet, we have taken into account and adopted the industry average costing as derived from analysis of other awarded contracts of similar projects and average building costs of similar type of properties published in the Construction Cost Handbook issued by Messrs Davis Langdon & Seah (Malaysia) Sdn. Bhd.

In general, we have adopted 100% take-up rate within the project development period for on-going proposed development is reasonable after having taken into consideration of the current market performance of the respective developments, the total number of components and unit and product features being offered.

We have adopted an anticipated development period of 1 - 3 years for on-going development projects which has been pre-sold as reasonable after taking into consideration of the remaining unsold units of the respective development projects and anticipated period of 2 - 3 years as fair representation of industry practice for developments which have not been launched / sold depending on type of development.

A discount rate of 8.00% is adopted throughout all on-going properties under valuation. Present value (discount rate) adopted is defined as the value on a given date of a future payment or series of future payments, discounted to adequately reflect and adjust for both risk and time value of money. In accordance to the Malaysian Valuation Standards, the discount rate used in the valuation should be market derived.

Overall, we have adopted 15% of gross development value as developer's profit to be fair after having taking into consideration the nature and risk involved by a developer in a specific project development.

Summary of the Subject Properties are as attached below and overleaf.

No.	Identification of Property	Market Value
1	Reference No. : V/11/0030(A)/osf	RM53,000,000
	Legal Description : Lot Nos. 17, 41, 42, 38 and 39 (now known as Lot 62 and 63 respectively), all within Section 45, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.	
	Type of Property : Five (5) contiguous parcels of vacant development land.	
2	Reference No. : V/11/0030(B)/jon	RM128,000,000
	Legal Description : Lot Nos. 25164 (formerly PT 22324), 18336 (formerly PT 4025), 7144 (formerly PT 4026), PT 4023, 1696 and 1697, all within Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan.	
	Type of Property : Six (6) contiguous parcels of vacant development land.	

## 8. VALUATION CERTIFICATES (cont'd)

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No.	Identification of Property	Market Value
3	Reference No. : V/11/0030(C)(i)/nmk	RM86,000,000
	Legal Description : Lot No. PT 371, Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : An on-going mixed commercial development known as Sunway Nexus.	
4	Reference No. : V/11/0030(C)(ii)/nmk	RM40,000,000
	Legal Description : Lot No. 54662, Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : An on-going gated and guarded residential development known as Sunway Rymba Hills, comprising 80 units of stratified 3-storey detached house (zero lot) together with a club house and recreational facilities.	
5	Reference No. : V/11/0030(D)/ltk	RM35,500,000
	Legal Description : Lot No. 58486, Locality of Bt 2 Jln Damansara, Mukim and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.	
	Type of Property : A parcel of residential development land with benefit of planning approval.	
6	Reference No. : V/11/0030(E)(i)/nmk	RM148,000,000
	Legal Description : Lot Nos. PT 372 to PT 376 (inclusive), all within Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : Five (5) contiguous parcels of vacant commercial land.	
7	Reference No. : V/11/0030(E)(ii)/nmk	Lot PT 876 : RM7,700,000 Lot PT 958 : RM1,700,000
	Legal Description : Lot Nos. PT 876 and PT 958, both within Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : Two (2) parcels of vacant commercial land designated for Petrol Station and Food Court use respectively.	
8	Reference No. : V/11/0030(F)/ltk	RM258,000,000
	Legal Description : Lot No. 57450, Mukim and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.	
	Type of Property : An on-going 228-unit condominium development known as Sunway Vivaldi Mont' Kiara.	

## 8. VALUATION CERTIFICATES (cont'd)

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No.	Identification of Property	Market Value
9	Reference No. : V/11/0030(G)/cth	RM637,900,000
	Legal Description : Lot Nos. PT 885, PT 887, PT 892, 62631, 62634, 62635, 62637 to 62640 (inclusive), 62646, 62649, 62651, 62654, 65656, 62658 and 62663 and proposed re-alienation of state land, all located within Bandar Sunway, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : Sunway South Quay; an exclusive on-going lakeside development consisting of completed, unsold and on-going developments as well as vacant commercial and residential development lands.	
10	Reference No. : V/11/0030(H)/nmk	RM88,000,000
	Legal Description : Lot Nos. 30086 and 30087, both within Mukim of Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.	
	Type of Property : Two (2) parcels of vacant development land with the benefit of planning approval for the proposed development of Sunway Melawati, a stratified guarded and gated residential development comprising 57 units of three-storey terraced houses, 50 units of three-storey semi-detached houses, 88 units of three-storey zero end detached houses and a double-storey clubhouse.	
11	Reference No. : V/11/0030(I)/gct	RM154,000,000
	Legal Description : Lot Nos. 62644 (formerly known as Lot No. PT 923) and PT 895, both within Town of Sunway, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : Two contiguous parcels of residential development land, with main building works in progress (Phase 1), approved for the development of 4 blocks of apartment buildings comprising 552 units, a club house and a multi-purpose hall together with other supporting facilities.	
12	Reference No. : V/11/0030(J)/gct	RM55,000,000
	Legal Description : Parent Lot No. 61771 held under Strata Title Nos. PN11816/M3/2/125, Parcel No. 125, Storey No. 2, Building No. M3 to PN11816/M3/25/248, Parcel No. 248, Storey No. 25, Building No. M3 (inclusive) together with 308 Accessory Parcels, all within Town of Sunway, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : A block of 28-storey apartment building (en-bloc) identified as Block B comprising 124 stratified apartment units together with 308 accessory parcels.	

## 8. VALUATION CERTIFICATES (cont'd)

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No.	Identification of Property	Market Value
13	Reference No. : <b>V/11/0030(K)/osf</b>	<b>RM200,000,000</b>
	Legal Description : Lot Nos. 62630 (formerly Lot No. PT 907) and PT 894 (now known as Lot No. 62224), both within Town of Sunway, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : A university campus accommodating six blocks of academic buildings identified as Blocks 2, 3, 5, 6A, 7 and 9, a maintenance building together with other ancillary buildings.	
14	Reference No. : <b>V/11/0030(L)/cgc</b>	<b>RM153,000,000</b>
	Legal Description : Lot Nos. PT 28 and PT 1904, both within Bandar Sunway, District of Petaling, Selangor Darul Ehsan.	
	Type of Property : A college campus accommodating a 5-storey academic building (South Building), a 7-storey academic building (North Building), a newly completed 3-storey academic building (East Building) and four blocks of 5-storey walk-up hostel apartments together with other ancillary buildings.	
15	Reference No. : <b>V/11/0030(M)/cth</b>	<b>RM117,360,000</b>
	Legal Description : Completed, unsold and on-going developments as well as vacant development lands, all located within Sunway City Ipoh, all held under Mukim of Hulu Kinta, District of Kinta, Perak Darul Ridzuan.	
	Type of Property : Sunway City Ipoh; a master planned on-going township development consisting of completed, unsold and on-going developments as well as vacant development lands.	
16	Reference No. : <b>V/PG/11/050(A)/ymk</b>	<b>RM16,900,000</b>
	Legal Description : Lot Nos. 5646 to 5648 (inclusive), all within Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang.	
	Type of Property : An on-going commercial development known as Sunway Perdana comprising 49 units of three-storey of shopoffice, 1 unit of 1-storey futsal centre (4 courts) and 1 unit of 1-storey badminton centre (6 courts).	
17	Reference No. : <b>V/PG/11/050(B)(i)&amp;(ii)/ymk</b>	<b>Lot No. 5493 : RM13,600,000</b>  <b>Lot Nos. 5781 to 5783 : RM8,700,000</b>
	Legal Description : Lot No. 5493 held under Title No. Pajakan Negeri 1814 and Lot Nos. 5781 to 5783 held under Title Nos. Pajakan Negeri 2546 to 2548 respectively, all within Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang.	
	Type of Property : Four (4) lots of vacant development land.	

## 8. VALUATION CERTIFICATES (cont'd)

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No.	Identification of Property	Market Value
18	Reference No. : <b>V/PG/11/050(C)/lak</b>	<b>RM25,000,000</b>
	Legal Description : Lot 16833, Mukim 12, Daerah Barat Daya, Pulau Pinang.	
	Type of Property : An on-going residential development known as Sunway Merica comprising 86 units of 3-storey terraced house and 12 units of 3-storey semi-detached house.	
19	Reference No. : <b>V/PG/11/050(D)/ci</b>	<b>RM11,000,000</b>
	Legal Description : Lot Nos. 736, 945, 946 & 947, all within Mukim 11, Daerah Barat Daya, Pulau Pinang.	
	Type of Property : An on-going residential development known as Sunway Aspera, consisting of 76 units of 2-storey terraced house and 9 units of 3-storey terraced house.	
20	Reference No. : <b>V/PG/11/050(E)/vt</b>	<b>RM48,400,000</b>
	Legal Description : Lot No. 337, 1472, 1473, 1475, 1476, 1477, 1478, 1479, 1480, 1512, 1515, 1517, all within Mukim 12, Daerah Barat Daya, Pulau Pinang.	
	Type of Property : Twelve (12) contiguous parcels of vacant development land.	
<b>GRAND TOTAL</b>		<b>RM2,286,760,000</b>

For and on behalf of  
**KNIGHT FRANK**

**Ooi YEW HOCK**  
Registered Valuer, V-273  
FISM, MRICS

Date: 11<sup>th</sup> March 2011

For and on behalf of  
**KNIGHT FRANK**

**TAY TAM**  
Registered Valuer, V-219  
FISM

Date: 11<sup>th</sup> March 2011

## Notes:

- Property No. (1) – (15) are undertaken by Knight Frank Malaysia Head Office, Mr. Ooi Yew Hock and peer reviewed by Mr. Chong Teck Seng (Registered Valuer, V-331).
- Property No. (16) – (20) are undertaken by Knight Frank Penang, Mr. Tay Tam and peer reviewed by Knight Frank Head Office, Mr. Chong Teck Seng (Registered Valuer, V-331).

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot Nos. 17, 41, 42, 38 and 39 (now known as Lot 62 and 63 respectively)  
All within Section 45, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Reference No. : V/11/0030(A)/osf



## 1.0 VALUATION CERTIFICATE

## 1.1 IDENTIFICATION OF PROPERTY

**Type of Property** Five (5) contiguous parcels of vacant development land.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

## Summary of Title Particulars

Lot Nos. :	Lot Nos. 17, 41, 42, 38 and 39 (now known as Lot 62 and 63 respectively), all within Section 45, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.
Total Land Area :	3,812.788 square metres [after compulsory acquisition (Borang K)].
Tenure :	Interest in perpetuity, in respect of all titles.
Registered Proprietor:	Lavender Acres Sdn. Bhd (a wholly-owned subsidiary of Sunway City Berhad), in respect of all titles.
Category of Land Use:	Not stated.

## 1.2 PROPERTY DESCRIPTION

**Property Description / Location** The subject site forms an irregular shaped parcel of land with a combined land area of 3,812.788 square metres. The Subject Property is strategically located next to the exit points of the Ampang-Kuala Lumpur Elevated Highway (AKLEH) onto Jalan Ampang.

At the date of our inspection, we note that the subject site is currently being used as a surfaced car park area.

**Planning Approval** The Subject Property has been granted a conditional approval for the development of a 35-storey office tower together with an increase in permissible plot ratio of 1:5.2 to 1:11, subject to terms and conditions stipulated therein vide a Development Order dated 19<sup>th</sup> July 2010, issued by the Kuala Lumpur City Hall.

## 1.3 MARKET VALUE

**Date of Valuation** 7<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the **Comparison and Residual** Methods of Valuation.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank



Lot Nos. 17, 41, 42, 38 and 39 (now known as Lot 62 and 63 respectively)  
All within Section 45, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Reference No. : V/11/0030(A)/osf

**Reconciliation of Values**

Method of Valuation	Derivation of Values
Comparison Method	RM53,000,000
Residual Method	RM48,000,000

**Market Value**

RM53,000,000.

Sales Comparison and Analysis			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	Lot No. PT 1 Section 44 held under Title No. HS(D) 95, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot No. 288 Section 57 held under Title No. Geran 18344, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot No. 129 Section 44 held under Title No. Geran 6853, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
<b>Locality</b>	Along Jalan Cendana, Off Jalan Sultan Ismail	Along Jalan Raja Chulan	Along Jalan Cendana, Off Jalan Sultan Ismail
<b>Tenure</b>	Leasehold Interest for a term of 99 years, expiring on 26 <sup>th</sup> May 2073	Interest in perpetuity	Interest in perpetuity
<b>Land Area (Square Feet)</b>	32,669	20,323	87,801 [After compulsory acquisition (Borang K)]
<b>Consideration</b>	RM35,937,000	RM28,000,000	RM84,000,000
<b>Date</b>	11 <sup>th</sup> May 2010	10 <sup>th</sup> June 2010	24 <sup>th</sup> August 2009
<b>Property Type</b>	A parcel of vacant development land	A parcel of vacant development land	A parcel of vacant development land
<b>Planning</b>	Zoned for commercial use with a plot ratio of 1:8	Zoned for commercial with a plot ratio of 1:7	Zoned for commercial with a plot ratio of 1:8
<b>Analysis</b>	<b>RM1,100 psf</b>	<b>RM1,378 psf</b>	<b>RM975 psf</b>
<b>Adjustments</b>	Upward adjustments are made for prevailing market condition/time lapse, infrastructure availability, planning approval (DO/Building Plans Approval) and tenure.  Downward adjustments are made for subject property adjoining onto Ampang Elevated Highway and LRT Line.	Upward adjustments are made for prevailing market condition/time lapse, infrastructure availability and planning approval (DO/Building Plans Approval).  Downward adjustments are made for location and subject property adjoining onto Ampang Elevated Highway and LRT Line.	Upward adjustments are made for prevailing market condition/time lapse, infrastructure availability, planning approval (DO/Building Plans Approval) and purchase consideration.  Downward adjustments are made for subject property adjoining onto LRT Line.
<b>Effective Value</b>	<b>Adjusted</b> <b>RM1,328 psf</b>	<b>RM1,374 psf</b>	<b>RM1,265 psf</b>

**Valuation Rational**

From the adjusted values, we note that the values derived range between RM1,265 per square foot to RM1,374 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 1 (Lot No. PT1) and Comparable No. 3 (Lot No. 129) as they have significant similarities as the Subject Property after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM1,300.00 per square foot in our Valuation as a fair representation.



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. 17, 41, 42, 38 and 39 (now known as Lot 62 and 63 respectively)  
All within Section 45, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Reference No. : V/11/0030(A)/osf



## Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

Summary of Parameters	
Gross Development Value	RM315,884,800 (Note 1)
Gross Development Cost	RM255,398,375
Preliminaries & Infrastructure	RM19.24 psf / Total Land Area
Building Construction Cost	RM508.47 psf / Net Lettable Area
Developer's Profit	15% of GDV
Development Period	3 years
Discount Rate	8%

### Note 1: Gross Development Value (GDV)

In arriving at the Gross Development Value, we have adopted RM1,000 per square foot to be fair representation after having making the necessary adjustments for similar properties that are sold within the surrounding vicinity. Selected comparable sales of en-bloc purpose-built office building adopted in arriving at the GDV are Sunway Tower (RM639 psf), The Icon @ Tun Razak (East Wing) (RM814 psf) and Kenanga International (RM695 psf).

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank



Lot Nos. 25164, 18336, 7144, PT 4023, 1696 and 1697,  
Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan

Reference No. V/11/0030(B)/jon

## 2.0 VALUATION CERTIFICATE

## 2.1 IDENTIFICATION OF PROPERTY

<b>Type of Property</b>	Six (6) contiguous parcels of vacant development land.
<b>Title Particulars</b>	The following table outlines the title particulars of the Subject Property.

## Summary of Title Particulars

Lot Nos. :	Lot Nos. 25164 (formerly PT 22324), 18336 (formerly PT 4025), 7144 (formerly PT 4026), PT 4023, 1696 and 1697 respectively, all within Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan.
Land Area :	2,073,369 square metres (207.34 hectares).
Registered Proprietors :	Sunway Semenyih Sdn. Bhd (A subsidiary of Sunway City Berhad), in respect of Lot Nos. 25164, 18336, 7144, 1696 and 1697.  Ultimate Delight Sdn. Bhd (now known as Sunway Semenyih Sdn Bhd), in respect of Lot No. PT 4023.
Category Of Land Use:	'Not Stated' in respect of Lot Nos. 7144, 1696, 1697 and PT 4023. 'Pertanian' (Agriculture) in respect of Lot No. 18336. 'Bangunan' (Building) in respect of Lot No. 25164.

## 2.2 PROPERTY DESCRIPTION

**Property Description / Location** Lot Nos. 25164, 18336 and 7144 measuring 1,622,509 square metres form part of the existing Sunway Semenyih development (collectively identified as Parcel A) whilst Lot Nos. PT 4023, 1696 and 1697 measuring 450,860 square metres consist of three adjacent parcels of development land (collectively identified as Parcel B).

Collectively, the subject site forms an irregular shaped parcel of land with a combined title land area of 2,073,369 square metres (207.34 hectares). The terrain of the site is generally undulating and the site boundaries are not demarcated with any form of fencing. Sunway Semenyih is located off the Kajang – Semenyih trunk road, travelling to / from the Kajang and Semenyih town centres.

Bandar Sunway Semenyih, originally a plantation, has been transformed into a well-planned integrated township development spanning over 700 acres with facilities and amenities already in place. It was first launched in November 2000.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank



Lot Nos. 25164, 18336, 7144, PT 4023, 1696 and 1697,  
Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan

Reference No. V/11/0030(B)/jon

**Planning Approval**

Lot Nos. 25164, 18336 and 7144 are located within an area designated for residential use whilst Lot Nos. PT 4023, 1696 and 1697 are designated for agriculture use.

Pursuant to an official letter issued by the Kajang Municipal Council dated 28<sup>th</sup> June 2010, we note that the approved master layout plan has been granted approval for an extension period of one (1) year subject to terms and conditions stated therein.

**2.3 MARKET VALUE**

**Date of Valuation** 11<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the **Comparison Method** of Valuation for Parcels A, B, 2B and 3 and **Residual Method** of Valuation for Parcel A.

**Reconciliation of Values**

Method of Valuation	Derivation of Values
Comparison Method	RM128,000,000
Residual Method	RM127,000,000

**Market Value** RM128,000,000.

Sales Comparison and Analysis (Lot Nos. 18336, 25164 and 7144, forming part of Sunway Semenyih) (Parcel A)			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	Title No. Geran 48712, Lot No. 1331, Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Title No. Geran 54284, Lot No. 967, Mukim of Beranang, District of Ulu Langat, Selangor Darul Ehsan	Title No. HS(D) 79638, Lot No. PT 23728, Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan
<b>Locality</b>	Taman Tasik Semenyih	Taman Pelangi Semenyih	Off Jalan Broga
<b>Tenure</b>	Freehold	Freehold	Freehold
<b>Consideration</b>	RM4,188,975	RM31,954,200	RM11,773,000
<b>Date</b>	27 <sup>th</sup> October 2009	27 <sup>th</sup> March 2009	10 <sup>th</sup> June 2009
<b>Property Type</b>	A parcel of vacant development land	A parcel of vacant development land	A parcel of vacant development land
<b>Planning</b>	Zoned for residential use	Zoned for residential use	Zoned for residential use
<b>Analysis</b>	<b>RM4.02 psf</b>	<b>RM4.36 psf</b>	<b>RM4.02 psf</b>
<b>Adjustments</b>	Upward adjustments are made for prevailing market condition, infrastructure availability, location, accessibility and planning approval  Downward adjustments are made for shape/size, terrain and others (transmission line)	Upward adjustments are made for prevailing market condition, infrastructure availability and location  Downward adjustments are made for category of land use, shape/size, terrain and others (transmission line)	Upward adjustments are made for prevailing market condition, infrastructure availability, location, accessibility and planning approval  Downward adjustments are made for shape/size terrain and others (transmission line)
<b>Effective Adjusted Value</b>	<b>RM6.51 psf</b>	<b>RM6.11 psf</b>	<b>RM6.75 psf</b>

**Valuation Rational** From the adjusted values, we note that the values derived range between RM6.11 per square foot to RM6.75 per square foot. In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 2 because they have significant similarities as the Subject Property after making the necessary adjustments. Having regards to the foregoing, we have adopted the analysed value of about RM6.11 per square foot in our Valuation as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot Nos. 25164, 18336, 7144, PT 4023, 1696 and 1697,  
Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan

Reference No. V/11/0030(B)/jon



Sales Comparison and Analysis (Lot Nos. PT 4023, 1696 and 1697) (Parcel B)			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	Title No. Geran 48712, Lot No. 1331, Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Title No. Geran 54284, Lot No. 967, Mukim of Beranang, District of Ulu Langat, Selangor Darul Ehsan	Title No. HS(D) 79638, Lot No. PT 23728, Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan
<b>Locality</b>	Taman Tasik Semenyih	Taman Pelangi Semenyih	Off Jalan Broga
<b>Tenure</b>	Freehold	Freehold	Freehold
<b>Consideration</b>	RM4,188,975	RM31,954,200	RM11,773,000
<b>Date</b>	27 <sup>th</sup> October 2009	27 <sup>th</sup> March 2009	10 <sup>th</sup> June 2009
<b>Planning</b>	Zoned for residential use	Zoned for agriculture use	Zoned for residential use
<b>Property Type</b>	A parcel of vacant development land	A parcel of vacant development land	A parcel of vacant development land
<b>Analysis</b>	<b>RM4.02 psf</b>	<b>RM4.36 psf</b>	<b>RM4.02 psf</b>
<b>Adjustments</b>	Upward adjustments are made for prevailing market condition and location  Downward adjustments are made for shape/size, zoning /density and terrain	Upward adjustments are made for prevailing market condition and location  Downward adjustments are made for category of land use, infrastructure availability, zoning/density, terrain, accessibility and planning approval	Upward adjustments are made for prevailing market condition and location  Downward adjustments are made for shape/size, zoning/density and terrain
<b>Effective Adjusted Value</b>	<b>RM4.27 psf</b>	<b>RM4.27 psf</b>	<b>RM5.34 psf</b>

**Valuation Rational**

From the adjusted values, we note that the values derived range between RM4.27 per square foot to RM5.34 per square foot. In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 2 because it has significant similarities as the Subject Property after making the necessary adjustments. Having regards to the foregoing, we have adopted the analysed value of about RM4.27 per square foot in our Valuation as a fair representation.

In arriving the value for the additional two parcels of development land (Phase 1 – Parcel 2B which forms part of Lot 7144 and Parcel 3 of part Lot 18336) being proposed for future development, we have adopted the Comparison Method. In reconciling our opinion of value, we have adopted the based analysed value (RM4.27 psf) of Parcel B as a comparable.

Parcel 2B	We have adopted an analysed value of RM5.30 psf after having made upward adjustments for location within our development, zoning, size, benefit of master approval and a downward adjustment for terrain.
Parcel 3	We have adopted an analysed value of RM6.00 psf after having made upward adjustments for terrain, zoning, size and benefit of planning approval.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



Lot Nos. 25164, 18336, 7144, PT 4023, 1696 and 1697,  
Mukim of Semenyih, District of Ulu Langat, Selangor Darul Ehsan

Reference No. V/11/0030(B)/jon

## Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

### Summary of Parameters (forms part of Lot Nos. 25164, 18336 and 7144 with a land area of 284.53 acres) (Parcel A)

Gross Development Value	RM694,269,598.00 (Note 1)
Gross Development Cost	RM580,642,603.00.
Preliminaries & Infrastructure	RM3.00 psf / Land Area Approved for Development
Building Construction Cost	Average RM95.48 psf / Total Gross Built-up Area
Developer's Profit	15% of GDV
Development Period	5 years.
Discount Rate	8.00%.

### Note 1: Gross Development Value (GDV) (Parcel A)

In arriving at the Gross Development Value, we have adopted the following selling prices after having taking into consideration of similar properties that are being sold within the immediate and surrounding areas. Selected comparable sales adopted in arriving at the GDV are double-storey terraced houses (from RM230,000 to RM275,000), double-storey semi-detached houses (from RM410,000 to RM420,000) and double-storey detached houses (from RM450,000 to RM480,000).

### Summary of Gross Development Value (GDV) (Parcel A)

Description	No. of Units	Total Amount	Analysis (per unit)
Double-storey bungalows (Detached / Link Zero-lot)	355	RM694,269,598	RM 750,000 to RM 1,000,000 per unit
Double-storey cluster and semi-detached houses	210		RM 450,000 and RM 550,000 per unit
Double-storey link / terraced houses	791		RM 250,000 to RM 380,000 per unit
Low-medium and medium cost apartments	826		RM 72,000 and RM 100,000 per unit

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



Pekan Lot No. PT 371  
Pekan Baru Sungai Buloh, District Of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(C)(i)/nmk

## 3.0 VALUATION CERTIFICATE

### 3.1 IDENTIFICATION OF PROPERTY

#### Type of Property

An on-going mixed commercial development known as Sunway Nexis, comprising:-

- i) Block A - A block of 3-storey building accommodating twelve (12) retail / office lots;
- ii) Block B - A block of 3-storey building accommodating fifteen (15) retail / office lots;
- iii) Block C (113 units) - A 13-storey office building and a facilities floor sited atop a 3-storey building accommodating nine (9) retail / office lots;
- iv) Block D (156 units) - A 20-storey SoHo building and a facilities floor sited atop a 3-storey building accommodating thirteen (13) units retail / office lots;
- v) Together with two levels of basement car park.

#### Title Particulars

The following table outlines the title particulars of the Subject Property.

#### Summary of Title Particulars

Lot No.	: Lot No. PT 371, Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan.
Land Area	: 23,568 square metres.
Tenure	: Leasehold interest for a term of 99 years, expiring on 23 <sup>rd</sup> November 2100.
Registered Proprietor*	: Perbadanan Kemajuan Negeri Selangor.
Category Of Land Use	: 'Bangunan'.

#### Notes :

\* Perbadanan Kemajuan Negeri Selangor (PKNS) and Sunway City Berhad (SCB) signed a Shareholder Agreement and a Sale and Purchase Agreement. The shareholder agreement sets up Sunway Damansara with stake of 60% by SCB and 40% by PKNS.

The Sale and Purchase Agreement is for the sale of 345 acres of land from PKNS to Sunway Damansara Sdn Bhd (SDSB) and PKNS granted Power of Attorney to SDSB for development of the aforesaid land.

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## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Pekan Lot No. PT 371  
Pekan Baru Sungai Buloh, District Of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(C)(i)/nmk

## 3.2 PROPERTY DESCRIPTION

**Property Description / Location** Sunway Nexis is an on-going mixed commercial development located within PJU 5 of Kota Damansara.

Brief development details are tabulated as follows:-

Type	Built-Up Area (sq metre)	Total Units	Developer's Selling Price**	Take Up Rate	Total Sales Revenue / Progressive Payment Billed	Stage of Completion
Nexis Shoppe	From 386 to 1,652	49	From RM4,660,000 to RM25,730,000	53%	RM148,428,389 / RM32,960,000	80.66%
Nexis Biz Suite	From 86 to 143	113	From RM710,000,000 to RM1,130,000	14%	RM12,302,164 / RM1,568,000	
Nexis Flexi Suite*	Proposed average 92 sq metres	156	Proposed RM806 per sq. feet	-	-	

\* We were informed by our client that the details of the Nexis Flexi Suite are yet to be finalized.

\*\* Developer's selling price is subject to promotional & bumiputra discounts.

### Planning Approval

The Subject Property is designated for commercial use and has been granted planning approval vide the photocopy of the Planning Approval Letters dated 4<sup>th</sup> October 2010 and 30<sup>th</sup> November 2010, both issued by the Petaling Jaya Municipal Council.

Subsequent to the above approval, we note that an application has been made by Fourmate Design to revise the original Planning Approval to the current as built development components.

As of the date of valuation, we were made to understand by the client that the revised building plans have been submitted and pending for approval from the Petaling Jaya Municipal Council. Our valuation is on the assumption that the revised building plans submitted will be approved by Petaling Jaya Municipal Council and other relevant authorities.

## 3.3 MARKET VALUE

**Date of Valuation** 7<sup>th</sup> February 2011.

**Valuation Methodology** In valuing on-going developments which are under construction, the primary method is the **Residual Method** and as such, we have only adopted the Market Value as derived from the Residual Method of Valuation.

**Market Value** RM86,000,000.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Pekan Lot No. PT 371  
Pekan Baru Sungai Buloh, District Of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(C)(i)/nmk

## Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

Summary of Parameters (All Based on Remaining Value / Cost)	
Total Gross Development Value	RM456,124,174 (Note 1)
Gross Development Cost (including Developer's Profit)	RM339,115,199 (remaining)
Preliminaries & Infrastructure	RM167.28 psf / Total Land Area
Main Building Works	Average RM144.60 psf / Total Gross Built-up Area
Developer's Profit	15% of GDV
Development Period	Approximately 4 years
Discount Rate	8.00%

### Note 1: Gross Development Value (GDV)

In arriving at the Gross Development Value, we have adopted an average sales price of RM1,000.00 psf for Nexis Biz Shoppe, RM600.00 psf for Nexis Biz Suite and RM700.00 psf for Nexis Flexi Suite to be fair representation after taking into consideration the similar properties that are being sold within the immediate and surrounding areas.

Selected comparable sales of stratified retail shop/office lot are Sunway Giza (from RM671 psf to RM733 psf), The Cascades @ Kota Damansara (from RM561 psf to RM833 psf), Neo Damansara (RM384 psf), Jaya One (RM405 psf), 32 Square (RM365 psf) and The Strand Garden Office @ Encorp Strand (from RM600 psf to RM750 psf).

Whilst selected comparable sales of service suite/SoHo units/service apartment are The Tropics Designer Suites (from RM593 psf to RM597 psf), Ritze Perdana (RM548 psf) and The Cascades @ Kota Damansara (from RM580 psf to RM650 psf).

Launch date of Sunway Nexis Shoppe and Sunway Nexis Biz Suite was in October 2010 and November 2010 respectively.



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot No. 54662 (formerly held under Lot No. PT 12207)  
Pekan Baru Sungai Buloh, District of Petaing  
Selangor Darul Ehsan

Reference No. : V/11/0030(C)(ii)/nmk



## 4.0 VALUATION CERTIFICATE

### 4.1 IDENTIFICATION OF PROPERTY

**Type of Property** An on-going gated and guarded residential development known as Sunway Rymba Hills, comprising 80 units of stratified 3-storey detached houses (zero lot) together with a club house and recreational facilities.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

#### Summary of Title Particulars

Lot No.	:	Lot No. 54662 (formerly held under Lot No. PT 12207), Pekan Baru Sungai Buloh, District of Petaing, Selangor Darul Ehsan.
Land Area	:	79,809 square metres.
Tenure	:	Leasehold interest for a term of 99 years, expiring on 5 <sup>th</sup> June 2105.
Registered Proprietor*	:	Perbadanan Kemajuan Negeri Selangor.
Category Of Land Use	:	'Bangunan'.

#### Notes :

\* Perbadanan Kemajuan Negeri Selangor (PKNS) and Sunway City Berhad (SCB) signed a Shareholder Agreement and a Sale and Purchase Agreement. The shareholder agreement sets up Sunway Damansara with stake of 60% by SCB and 40% by PKNS.

The Sale and Purchase Agreement is for the sale of 345 acres of land from PKNS to Sunway Damansara Sdn Bhd (SDSB) and PKNS granted Power of Attorney to SDSB for development of the aforesaid land.

### 4.2 PROPERTY DESCRIPTION

**Property Description / Location** Sunway Rymba Hills is an on-going gated and guarded residential development, located within Sunway Damansara, Seksyen 12 of Kota Damansara.

Brief development details are tabulated as follows:-

Type	Land Area (sq metre)	Built-Up Area (sq metre)		Total Units	Developer's Selling Price*	Take Up Rate	Total Sales Revenue / Progressive Payment Billed	Stage of Completion
		Gross	Net					
Type A (with lift)	From 393.30 to 559.40	420.76	328.43	14	From RM3,890,000 to RM5,023,050	62.50%	RM148,517,740 / RM48,326,783	20.71%
Type B	From 376.40 to 467.40	419.83	316.76	18	From RM3,350,000 to RM4,318,500			
Type C	From 342.80 to 395.70	432.00	337.35	37	From RM3,050,000 to RM3,960,450			
Type D (with lift)	From 392.90 to 413.70	412.68	336.64	11	From RM3,982,000 to RM4,549,500			

\* Developer's selling price is subject to promotional & bumiputra discounts.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



Lot No. 54662 (formerly held under Lot No. PT 12207)  
Pekan Baru Sungai Buloh, District of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(C)(ii)/nmk

## Planning Approval

The Subject Property is designated for residential use with a permissible density of 20 persons per acre and further granted a planning approval and building plan approval vide the approval letters dated 7<sup>th</sup> October 2008 and 31<sup>st</sup> October 2008, both issued by the Petaling Jaya Municipal Council.

## 4.3 MARKET VALUE

### Date of Valuation

7<sup>th</sup> February 2011.

### Valuation Methodology

In valuing on-going developments which are under construction, the primary method is the **Residual Method** and as such, we have only adopted the Market Value as derived from the Residual Method of Valuation.

### Market Value

RM40,000,000.

### Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

#### Summary of Parameters (All Based on Remaining Value / Cost)

Gross Development Value	RM194,488,570 (Note 1)
Gross Development Cost (including Developer's Profit)	RM145,086,955 (remaining)
Preliminaries & Infrastructure	RM20.06 psf / Total Land Area
Main Building Works	RM268.64 psf / Total Gross Built-up Area
Developer's Profit	15% of GDV
Development Period	Approximately 2½ years (Note 2)
Discount Rate	8.00%

#### Note 1: Gross Development Value (GDV)

In arriving at the Gross Development Value, we have adopted an average selling / sales price of RM878 per square feet to be fair representation after taking into consideration the similar properties that are being sold within the immediate and surrounding areas. Selected comparable sales are Kiara Hills (2-storey stratified detached house selling from RM887 psf to RM903 psf), Villa Mont' Kiara (3-storey stratified detached house selling from RM1,042 psf) and Aman Kiara (2.5-storey stratified detached house selling from RM1,116 psf).

Launch date of Sunway Rymba Hills was in May 2010.

#### Note 2: Development Period

We note that the development of the subject property has commenced. Hence, we have adopted a development period of 2½ years in our valuation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot No. 58486, Locality of Bt 2 Jalan Damansara  
Mukim and District of Kuala Lumpur  
Wilayah Persekutuan Kuala Lumpur

Reference No.: V/11/0030(D)/Itk



## 5.0 VALUATION CERTIFICATE

### 5.1 IDENTIFICATION OF PROPERTY

**Type of Property** A parcel of residential development land with benefit of planning approval.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

#### Summary of Title Particulars

Lot No. :	Lot No. 58486, Locality of Bt 2 Jln Damansara, Mukim and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.
Land Area :	12,778 square metres.
Tenure :	Interest in perpetuity.
Registered Proprietor:	Sunway Damansara Sdn Bhd (A subsidiary of Sunway City Berhad).
Category Of Land Use:	'Bangunan'.

### 5.2 PROPERTY DESCRIPTION

**Property Description / Location** The subject site is a corner plot, near rectangular in shape and having a land area of 12,778 square metres (137,541 square feet). The Subject Property is located within an exclusive and established residential enclave known as Taman Duta.

At the date of our inspection, we note that the subject site accommodates 5 dilapidated three-storey detached houses. However, the highest and best use of the Subject Property is as a parcel of residential redevelopment site.

**Planning Approval** We note that the Subject Property is located within an area zoned for residential use with a permissible density of 10 persons per acre.

The Subject Property has been granted a conditional approval for the demolition of the existing 5 units of three-storey detached houses and redevelopment of a guarded residential development comprising 8 stratified units of 3-storey detached houses of which each accommodates a basement level and a swimming pool vide a Development Order issued by Kuala Lumpur City Hall dated 25<sup>th</sup> September 2008.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot No. 58486, Locality of Bt 2 Jalan Damansara  
Mukim and District of Kuala Lumpur  
Wilayah Persekutuan Kuala Lumpur



Reference No.: V/11/0030(D)/Itk

## 5.3 MARKET VALUE

**Date of Valuation** 8<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the **Comparison Method** of Valuation. We have considered the Comparison Method as the principal approach in our valuation.

**Market Value** RM35,500,000.

Sales Comparison and Analysis			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	Lot Nos. 9989 and 9990 and Lot No. 139, Section 71, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot Nos. 4802 and 4803 both within Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot No. 63, Section 71, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
<b>Locality</b>	Bukit Tunku	Bukit Tunku	Bukit Tunku
<b>Tenure</b>	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
<b>Consideration</b>	RM23,163,037.00	RM16,357,605.34	RM9,023,448.00
<b>Date</b>	2 <sup>nd</sup> April 2010	5 <sup>th</sup> August 2009	12 <sup>th</sup> June 2008
<b>Property Type</b>	3 adjoining parcels of residential development land	2 adjoining parcels of residential development land	A parcel of residential development land
<b>Planning</b>	Residential, 10 persons per acre	Residential, 10 persons per acre	Residential, 10 persons per acre
<b>Analysis</b>	<b>RM280 psf</b>	<b>RM224 psf</b>	<b>RM240 psf</b>
<b>Adjustments</b>	Upward adjustments are made for the time lapse, shape and accessibility.  Downward adjustments are made for the differences in land size, terrain and location.	Upward adjustments are made for the time lapse, shape and terrain.  Downward adjustments are made for differences in land size, location and view.	Upward adjustments are made for the time lapse shape and location.  Downward adjustments are made for differences in land size, terrain and view.
<b>Effective Adjusted Value</b>	<b>RM265 psf</b>	<b>RM258 psf</b>	<b>RM274 psf</b>

### Valuation Rational

From the adjusted values, we note that the values derived range between RM258.00 per square foot to RM274.00 per square foot. In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 2 as it has significant similarities as the Subject Property after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM258.00 per square foot in our Valuation as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot Nos. PT 372 to PT 376 (inclusive)  
All within Pekan Baru Sungai Buloh, District Of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(E)(i)/nmk



## 6.0 VALUATION CERTIFICATE

## 6.1 IDENTIFICATION OF PROPERTY

**Type of Property** Five (5) contiguous parcels of vacant commercial land.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

Summary of Title Particulars	
Lot Nos.	: Lot Nos. PT 372 to PT 376 (inclusive), all within Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan.
Total Land Area	: 5.7376 hectares.
Tenure	: Leasehold interest for a term of 99 years, expiring on 23 <sup>rd</sup> November 2100, in respect of all the titles.
Registered Proprietor*	: Perbadanan Kemajuan Negeri Selangor, in respect of all the titles.
Category Of Land Use	: 'Bangunan'.

**Notes :**

\* Perbadanan Kemajuan Negeri Selangor (PKNS) and Sunway City Berhad (SCB) signed a Shareholder Agreement and a Sale and Purchase Agreement. The shareholder agreement sets up Sunway Damansara with stake of 60% by SCB and 40% by PKNS.

The Sale and Purchase Agreement is for the sale of 345 acres of land from PKNS to Sunway Damansara Sdn Bhd (SDSB) and PKNS granted Power of Attorney to SDSB for development of the aforesaid land.

## 6.2 PROPERTY DESCRIPTION

**Property Description / Location** The subject property is located within PJU 5 of Kota Damansara.

Collectively, the subject site is regular in shape with a total land area of 5.7376 hectares. The site is generally flat in terrain and lies higher than the frontage reserved road and Jalan PJU 5/1. The site boundaries are not demarcated by any form of fencing with the exception of the northern site boundary of PT 372 which is demarcated by metal hoardings.

At the date of our inspection, we note that the subject site is generally covered with light undergrowth.

At the date of inspection, we note that an existing Sales Gallery was constructed on PT 376. The highest and best use of the subject site is as a parcel of commercial redevelopment site and as such we have excluded the value of the building erected thereon.

**Planning Approval** The Subject Property is designated for commercial use with a permissible plot ratio of 1:3.9.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. PT 372 to PT 376 (inclusive)  
All within Pekan Baru Sungai Buloh, District Of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(E)(i)/hmk



## 6.3 MARKET VALUE

<b>Date of Valuation</b>	7 <sup>th</sup> February 2011.
<b>Valuation Methodology</b>	For the purpose of this valuation, we have adopted the <b>Comparison Method</b> of Valuation as the principal approach in our Valuation.
<b>Market Value</b>	RM148,000,000

Sales Comparison and Analysis			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	Lot Nos. PT 44016 and PT 44017 held under Title Nos. HSD 222400 and HSD 222401 both within Mukim of Sungai Buluh, District of Petaling, Selangor Darul Ehsan	Title No. HSD 237769 Lot No. PT 9793 Pekan Baru Sungai Buloh District of Petaling Selangor Darul Ehsan	Title No. HSD 112757 Lot No. PT 1425 Mukim Sungai Buluh District of Petaling Selangor Darul Ehsan
<b>Locality</b>	Bandar Damansara Perdana	Kota Damansara	Fronting onto Jalan PJU 1A/20 Ara Damansara
<b>Tenure</b>	Leasehold Interest	Leasehold Interest	Interest in perpetuity
<b>Land Area (Square Feet)</b>	1,159,774.	204,903.	209,443.
<b>Consideration</b>	RM240,000,000.	RM40,979,282.	RM34,556,940.
<b>Date</b>	29 <sup>th</sup> December 2009	10 <sup>th</sup> December 2009	10 <sup>th</sup> November 2009
<b>Property Type</b>	Two parcels of vacant commercial land	A parcel of vacant commercial land	A parcel of vacant commercial land
<b>Planning</b>	Commercial	Commercial	Commercial
<b>Analysis</b>	<b>RM207 psf</b>	<b>RM200 psf</b>	<b>RM165 psf</b>
<b>Adjustments</b>	Upward adjustments are made for prevailing market condition, shape and land area.  Downward adjustment are made for location and exposure.	Upward adjustments are made for prevailing market condition and exposure.	Upward adjustments are made for prevailing market condition, location, integrated development and exposure.  Downward adjustment is made for tenure.
<b>Effective Adjusted Value</b>	<b>RM239 psf</b>	<b>RM231 psf</b>	<b>RM227 psf</b>

### Valuation Rational

From the adjusted values, we note that the values derived range between RM227 per square foot to RM239 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 2 as it is significant similarities as the Subject Property after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM230 per square foot for the intermediate lot (PT 372 to PT 375) and RM276 per square foot for the corner lot (PT 376, after 20% upward adjustment) in our Valuation as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. PT 876 and PT 958  
Both within Pekan Baru Sungai Buloh, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(E)(ii)/nmk

## 7.0 VALUATION CERTIFICATE

### 7.1 IDENTIFICATION OF PROPERTY

**Type of Property** Two (2) parcels of vacant commercial land designated for Petrol Station and Food Court use respectively.

**Title Particulars**

The following table outlines the title particulars of the Subject Properties.

#### Summary of Title Particulars

Lot Nos.	: Lot Nos. PT 876 and PT 958, both within Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan.
Total Land Area	: 6,015.80 square metres.
Tenure	: Leasehold interest for a term of 99 years, expiring on 5 <sup>th</sup> June 2105, in respect of both titles.
Registered Proprietor*	: Perbadanan Kemajuan Negeri Selangor, in respect of both titles.
Category Of Land Use	: 'Bangunan'.

**Notes :**

\* Perbadanan Kemajuan Negeri Selangor (PKNS) and Sunway City Berhad (SCB) signed a Shareholder Agreement and a Sale and Purchase Agreement. The shareholder agreement sets up Sunway Damansara with stake of 60% by SCB and 40% by PKNS.

The Sale and Purchase Agreement is for the sale of 345 acres of land from PKNS to Sunway Damansara Sdn Bhd (SDSB) and PKNS granted Power of Attorney to SDSB for development of the aforesaid land.

### 7.2 PROPERTY DESCRIPTION

**Property Description / Location** The subject properties are located within Sunway Damansara, Seksyen 12 of Kota Damansara. Sunway Damansara.

Lot PT 876 faces east and enjoys a direct frontage measuring about 173.03 metres onto Jalan PJU 3/31 and a return frontage measuring about 24.59 metres onto Jalan PJU 3/38. The subject site is generally flat in terrain and lies slightly higher than the frontage metalled road, Jalan PJU 3/31.

The site boundaries are not demarcated by any form of fencing with the exception of the south and south-western site boundaries which are demarcated by plastered brickwalls fencing.

At the date of our inspection, we note that the subject site is generally covered with light undergrowth.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank



Lot Nos. PT 876 and PT 958  
Both within Pekan Baru Sungai Buloh, District of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(E)(ii)/nmk

**Property Description / Location (Cont'd)** Lot PT 958 faces north and enjoys a direct frontage of about 19.81 metres onto the frontage metalled road, Jalan PJU 3/39 with a splayed north-eastern corner and a return frontage of about 49.80 metres onto Jalan PJU 3/38.

The subject site is generally flat in terrain and lies slightly higher than the frontage metalled road, Jalan PJU 3/38. The site boundaries are not demarcated by any form of fencing with the exception of the south-eastern site boundary which is demarcated by a plastered brickwall.

At the date of our inspection, we note that the subject site is generally overgrown with thick vegetation and trees.

**Planning Approval** In accordance to the Approved Master Pre-Computation Plan of Section 12 Pusat Bandar Sungai Buloh dated 24<sup>th</sup> December 1996, we note that Lot PT 876 and PT 958 are designated for Petrol Station and Food Court use respectively.

## 7.3 MARKET VALUE

**Date of Valuation** 7<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the **Comparison Method** of Valuation as the principal approach in our Valuation.

<b>Market Value</b>	PT 876	-	RM7,700,000.
	PT 958	-	RM1,700,000.

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## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. PT 876 and PT 958  
Both within Pekan Baru Sungai Buloh, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(E)(ii)/nmk

Sales Comparison and Analysis – Lot PT 876 (Vacant Commercial Land Designated for Petrol Station Use)			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	Lot Nos. 37196 & 37197 both within Bandar Sri Damansara District of Petaling Selangor Darul Ehsan	Lot No. PT 1773 Mukim and District of Petaling Selangor Darul Ehsan	Lot No. PT 78876 Mukim and District of Petaling Selangor Darul Ehsan
<b>Locality</b>	Sited along Persiaran Perdana, Bandar Sri Damansara, Selangor	Sited along Jalan Petaling Utama 7 (Jalan PJS 1/50) Taman Petaling Utama Selangor Darul Ehsan	Sited within Puchong Gateway, Puchong Selangor
<b>Tenure</b>	Interest in Perpetuity	Leasehold Interest	Leasehold Interest
<b>Land Area (square metre)</b>	3,449	4,144	5,721
<b>Consideration</b>	RM7,722,000	RM5,263,508	RM7,287,320
<b>Date</b>	23 <sup>rd</sup> June 2009	18 <sup>th</sup> June 2008	5 <sup>th</sup> March 2008
<b>Property Type</b>	A parcel of vacant commercial land designated for petrol station use	A parcel of vacant commercial land designated for petrol station use	A parcel of vacant commercial land designated for petrol station use
<b>Planning</b>	Commercial	Commercial	Commercial
<b>Analysis</b>	RM208 psf	RM118 psf	RM118 psf
<b>Adjustments</b>	Upward adjustments are made for prevailing market condition.  Downward adjustment is made for location, tenure and traffic flow.	Upward adjustments are made for prevailing market condition and location.	Upward adjustments are made for prevailing market condition and location.
<b>Effective Adjusted Value</b>	RM153 psf	RM149 psf	RM150 psf

## Valuation Rational

From the adjusted values, we note that the values derived range between RM149 per square foot to RM153 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 1 (Lot Nos. Lot Nos. 37196 & 37197) as it has significant similarities as the Subject Properties after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM153 per square foot in our Valuation as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. PT 876 and PT 958  
Both within Pekan Baru Sungai Buloh, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(E)(ii)/nmk

Sales Comparison and Analysis – LOT PT 958 (Vacant Commercial Land Designated for Food Court Use)			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	Lot No. 62224 Bandar Petaling Jaya District of Petaling Selangor Darul Ehsan	Lot No. PT 4065 Mukim of Damansara District of Petaling Selangor Darul Ehsan	Lot No. PT 11094 Mukim of Damansara District of Petaling Selangor Darul Ehsan
<b>Locality</b>	SS 6 Petaling Jaya Selangor Darul Ehsan	Sited along Jalan SS 6/1 SS 6 Petaling Jaya Selangor Darul Ehsan	Sited along Jalan Persiaran Perdagangan Bandar Sri Damansara
<b>Tenure</b>	Interest in Perpetuity	Interest in Perpetuity	Interest in Perpetuity
<b>Land Area (Square Feet)</b>	70,183.	21,798.	20,294.
<b>Consideration</b>	RM12,897,720.	RM4,307,670.	RM3,044,100.
<b>Date</b>	29 <sup>th</sup> May 2009	12 <sup>th</sup> August 2008	29 <sup>th</sup> July 2008
<b>Property Type</b>	A parcel of vacant commercial land	A parcel of vacant commercial land	A parcel of vacant commercial land
<b>Planning</b>	Commercial	Commercial	Commercial
<b>Analysis</b>	RM184 psf	RM198 psf	RM150 psf
<b>Adjustments</b>	Upward adjustments are made for prevailing market condition and land size.  Downward adjustment is made for location, tenure and Planning Approval / Benefit.	Upward adjustments are made for prevailing market condition.  Downward adjustment is made for location, tenure and Planning Approval / Benefit.	Upward adjustments are made for prevailing market condition.  Downward adjustment is made for location, tenure and Planning Approval / Benefit.
<b>Effective Adjusted Value</b>	RM127 psf	RM124 psf	RM113 psf

## Valuation Rational

From the adjusted values, we note that the values derived range between RM113 per square foot to RM127 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 2 (Lot No. PT 4065) and Comparable No. 3 (Lot No. PT 11094) as they have significant similarities as the Subject Properties after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM120 per square foot in our Valuation as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot No. 57450  
Mukim and District of Kuala Lumpur  
Wilayah Persekutuan Kuala Lumpur

Reference No. : V/11/0030(F)/ltk



## 8.0 VALUATION CERTIFICATE

## 8.1 IDENTIFICATION OF PROPERTY

**Type of Property** An ongoing 228-unit condominium development known as Sunway Vivaldi Mont' Kiara.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

## Summary of Title Particulars

Lot Nos.	: Lot No. 57450, Mukim and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.
Land Area	: 31,200 square metres.
Tenure	: Interest in perpetuity.
Registered Proprietor	: Sunway D'Mont Kiara Sdn Bhd (A subsidiary of Sunway City Berhad).
Category Of Land Use	: 'Bangunan'.

## 8.2 PROPERTY DESCRIPTION

**Property Description / Location**

Sunway Vivaldi Mont' Kiara is an ongoing 228-unit condominium development located along Jalan 19/70A, Taman Sri Hartamas, Kuala Lumpur.

Brief development details are tabulated as follows:-

Type	Net Saleable Area Per Unit (Square Feet)	Total Units	Developer's Selling Price*	Take Up Rate	Total Sales Revenue / Progress Payment Billed	Stage of Completion
A/A1/A2	3,466 to 4,198	54	RM2,640,715 to RM3,853,000 (RM762 psf to RM955 psf)	30.70%	RM195,946,528 / RM139,024,932	71.48%
B/B1/B2/B3	3,660 to 5,748	54	RM2,400,000 to RM4,613,000 (RM656 psf to RM944 psf)			
C/C1/C2	3,983 to 4,047	54	RM3,235,000 to RM3,743,116 (RM812 psf to RM940 psf)			
D/D1	2,573	54	RM2,098,550 to RM2,652,000 (RM816 psf to RM1,031 psf)			
Penthouse A and B	9,085 to 9,946	6	RM7,437,000 to RM8,668,750 (RM819 psf to RM872 psf)			
Sky Villa	5,490	6	RM4,603,000 to RM4,717,000 (RM838 psf to RM859 psf)			

\* Developer's selling price is subject to promotional & bumiputra discounts.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot No. 57450  
Mukim and District of Kuala Lumpur  
Wilayah Persekutuan Kuala Lumpur

Reference No. : V/11/0030(F)/ltk

## Planning Approval

The Subject Property is designated for residential use and was granted a conditional development order and building plan approval vide the approval letters dated 24<sup>th</sup> February 2011 and 21<sup>st</sup> October 2010 respectively, both issued by the Kuala Lumpur City Hall.



## 8.3 MARKET VALUE

**Date of Valuation** 8<sup>th</sup> February 2011.

**Valuation Methodology** In valuing ongoing developments which are under construction, the primary method is the **Residual Method** and as such, we have only adopted the Market Value as derived from the Residual Method of Valuation.

**Market Value** RM258,000,000.

**Residual Method of Valuation** The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

Summary of Parameters (All Based on Remaining Value / Cost)	
Gross Development Value	RM450,354,196 (Note 1)
Gross Development Cost	RM308,667,805
Piling and Substructure	RM130.96 psf / Land Area
Building Construction Cost	Average RM314.21 psf / Net Saleable Area (Contract)
Developer's Profit	15% of GDV
Development Period	Approximately 0.75 years (Note 2)
Discount Rate	8.00%

### Note 1: Gross Development Value (GDV)

In arriving at the Gross Development Value, we have adopted an average selling / sales price of RM682 per square foot to be fair representation after taking into consideration the similar properties that are being sold within the immediate and surrounding areas. Selected comparable sales of condominium adopted in arriving at the GDV are 10 Mont' Kiara (from RM584 psf to RM660 psf), Hijauan Kiara (from RM619 psf to RM635 psf), Kiaramas Ayuria (from RM534 psf to RM558 psf), Tiffani Kiara (from RM542 psf to RM571 psf), Kiaraville (from RM483 psf to RM602 psf) and Mont'Kiara Banyan (from RM513 psf to RM575psf).

Launch date of Sunway Vivaldi was in April 2008.

### Note 2: Development Period

We note that the development of the subject property is nearing completion. Hence, we have adopted a development period of 0.75 years in our valuation.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(G)/cth

## 9.0 VALUATION CERTIFICATE

## 9.1 IDENTIFICATION OF PROPERTY

<b>Property Identification</b>	Completed, unsold and on-going developments as well as vacant development lands, all located within Sunway South Quay, Bandar Sunway, Selangor Darul Ehsan.		
<b>Type of Property</b>	Sunway South Quay is an exclusive on-going lakeside development consisting of 49 units completed and unsold stratified detached homes, an on-going development known as A'marine as well as 13 vacant commercial and residential development lands encompassing over a total land area of about 356,822 square metres. Sunway South Quay forms part of a 324-hectare (800-acre) "Resort-within-a-City" integrated tourism development, the Sunway Integrated Resort City.		
<b>Title Particulars</b>	Lot Nos:	Lot Nos. PT 885, PT 887, PT 892, 62631, 62634, 62635, 62637 to 62640 (inclusive), 62646, 62649, 62651, 62654, 65656, 62658 and 62663, all held under Bandar Sunway, District of Petaling, Selangor Darul Ehsan.	
	Registered Proprietors:	Sunway Lagoon Sdn Bhd (A wholly-owned subsidiary of Sunway City Berhad), Sunway City Berhad & Sunway South Quay Sdn Bhd (A subsidiary of Sunway City Berhad).	
	Tenure:	Leasehold interests expiring on 5 <sup>th</sup> July 2104, 2 <sup>nd</sup> April 2106 & 15 <sup>th</sup> May 2106.	
	Category of Land Use:	Building.	

## 9.2 PROPERTY DESCRIPTION

<b>Property Description / Location</b>	Sunway South Quay is strategically located within the established Bandar Sunway and is easily accessible through 6 major highways, namely KESAS Highway, Lebuhraya Damansara Puchong (LDP), New Pantai Expressway (NPE), Federal Highway, NKVE and ELITE Highways.
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## 9.2.1 Completed and Unsold Properties

- A. 49 units of completed and unsold 2 to 3-storey stratified detached houses sited on Parent Lot No. 62651 (formerly PT 916) known as Bayrocks (Launched in 2007)

Type	No. of Units	Built Up Area (sm)	Brief Description	Planning
Aquara (2-storey)	2	619	Bayrocks is a lakefront development consisting of 77 units of 2 to 3-storey stratified detached homes or better known as garden waterfront villas. Each and every unit has its own plunge pool and unobstructed view of the Sunway South Quay lake. The development is also complemented by its own clubhouse facilities. Bayrocks is located at the middle portion of Sunway South Quay and it is accessible directly from the main access road of Sunway South Quay which is linked to Jalan PJS 9/1.	Bayrocks have been issued with two Certificates of Fitness for Occupation by Majlis Perbandaran Subang Jaya dated 21 <sup>st</sup> September 2010 and 9 <sup>th</sup> November 2010.
Bayuna (3-storey)	19	619, 628 & 645		
Currentia (2-storey)	20	619		
Dalluria (3-storey)	8	601		
<b>Total</b>	<b>49</b>	<b>30,366</b>		

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(G)/cth



## 9.2.2 Properties Under Construction

### B. 242 units of condominium under construction known as A'marine sited on Lot No. 62663 (formerly PT 917) also known as RC3

Lot No.	Land Area (sm)	Property Specifications	Planning
62663 (formerly PT 917)	13,958	No. of Units: 242 Total GFA (sm): 44,656.35 Net Saleable Area (sm): 37,060.30 Standard built up (sm): 132.5 – 263.5 No. of car parks: 534 bays No. of blocks: 2 (A and B)	RC3 has been granted planning permission and building plan approvals by Majlis Perbandaran Subang Jaya vide letters dated 9 <sup>th</sup> June 2010 and 22 <sup>nd</sup> September 2010.

The site is regular in shape and generally flat in terrain. As at the date of inspection, we note that piling and substructure works on the site are in progress. The main buildings will be constructed of reinforced concrete frame with bricks infill rendered externally and plastered internally. The ceilings within the units are generally of cement plaster whilst the floor finishes are generally of ceramic tiles. Launch date was in October 2010 with a sales rate of about 72%.

Developer's Selling Price	Take Up Rate	Total Sales Revenue / Progressive Payment Billed	Stage of Completion
About RM585 psf	71.90%	RM213,914,528 / RM33,345,000	0.08%

## 9.2.3 Residential and Commercial Development Lands

Lot No.	Land Area (sm)	Property Type & Brief Description	Planning
<b>C. A parcel of residential development land</b>			
62639 (formerly PT 915) RC1	26,883	This site is a corner parcel of residential development land, near trapezoidal in shape, generally flat in terrain and lies at about the same level as the main access road.	*Approved for residential development with a density of 70 units per acre.
<b>D. A parcel of residential development land</b>			
62640 (formerly PT 914)	26,711	RC2 comprises two parcels of residential and commercial lands, forms a corner plot and is regular in shape and generally flat in terrain.	RC2 has been granted planning permission approval for 3 blocks of condominium (472 units) together with a 3-storey basement car park along with other facilities and amenities therein vide a planning approval letter dated 10 <sup>th</sup> January 2011.
PT 855 Collectively RC2	809		

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(G)/cth



Lot No.	Land Area (sm)	Property Type & Brief Description		Planning
E. A parcel of residential development land approved for condominium development known as LaCosta				
Lot No. 62658 (formerly PT 919) RC5	21,813	RC5 is irregular in shape, generally flat in terrain and lies higher than the access road.	RC5 has been granted planning permission and building plan approvals by Majlis Perbandaran Subang Jaya vide letters dated 6 <sup>th</sup> November 2008 and 24 <sup>th</sup> January 2011.	
F. A parcel of residential development land				*Approved for residential development with a density of 70 units per acre.
Lot No. 62656 (formerly PT 920) RC6	14,218	This site is rectangular in shape. It fronts onto and lies below the internal paved access road with some of the rear (northern) portion of the site sloping down towards the lake.		
G. A parcel of residential development land				
Lot No. 62654 (formerly PT 921) RC7	11,734	This site is fairly irregular in shape that curves along the paved access road. It fronts onto and lies below the internal paved access road with some of the rear (northern) portion of the site sloping down towards the lake.		
H. A parcel of residential development land				
Part of Lot No. 62631 (formerly PT 908) RC9	23,148	This site is irregular in shape. Lot No. 62631 has a title land area of 26,981 square metres. However, based on the latest approved master layout plan for Sunway South Quay, RC9 is proposed for condominium development with a total land area of 23,148 square metres.		
I. A parcel of commercial development land				
Lot No. 62637 (formerly PT 912) CP3	23,447	The site is rectangular in shape and fronts onto Jalan Lagoon Selatan with some of the rear (south western) portion of the site sloping down towards the lake.		
J. Vacant commercial development land				*Approved for commercial development with a plot ratio of 1:4.
62634, 62635, 62649, part of 62631 and state land (formerly PT 909, PT 910, PT 911, part of 908 respectively) CP1	53,378	This site is formed by combination of four lots and proposed re-alienation of state land. When combined, it is irregular in shape, with some portions having flat terrain with the exception of the rear (southern) portion which slopes down towards the lake.		

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(G)/cth

Lot No.	Land Area (sm)	Property Type & Brief Description	Planning
<b>K. A parcel of commercial development land</b>			
Lot No. 62638 (formerly PT 913) CP4	17,113	This is a corner plot and rectangular in shape. It fronts onto Jalan Lagoon Selatan with a return frontage onto Jalan PJS 9/1. The site is generally flat in terrain and is partially cleared.	*Approved for commercial development with a plot ratio of 1:4.
<b>L. A parcel of commercial development land</b>			
PT 892 and water tank reserve PU2	25,333	This is an end plot and rectangular in shape. It has a title land area of 23,028 square metres. The site is proposed for amalgamation with the site of water tank reserve and the combined area will be about 25,333 square metres. The site has a direct frontage onto Jalan Lagoon Selatan and next to a service road and a monsoon drain on the western and eastern (side) boundaries respectively.	**Pembangunan Akan Datang"  (Commercial land reserved for future development)
<b>M. A parcel of commercial development land currently accommodating a sales gallery</b>			
PT 887 (A'marine & LaCosta Sales Gallery)	6,394	This is a corner plot and is irregular in shape. The front portion is generally flat, located above the internal road level.	Designated for commercial development as expressly stipulated in the title document.
<b>N. A parcel of commercial development land</b>			
Lot No. 62646 (Formerly PT 922)	4,368	This is a corner plot and rectangular in shape. It fronts onto the internal paved access road and is partially flat at its middle and eastern portions with steep terrain at its western site boundary.	*Reserved for open space and sewerage treatment plant (STP)
<b>Total Land Area</b>		269,307 square metres (excluding parent lot of Bayrocks)	
		356,822 square metres (including parent lot of Bayrocks)	

**\*Master Planning Approval**

The amended master layout plan for Sunway South Quay had been approved by the Majlis Perbandaran Subang Jaya dated 9<sup>th</sup> June 2010.



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(G)/cth

**Date of Valuation** 9<sup>th</sup> February 2011.

## Valuation Methodology

In arriving at our opinion of the Market Value of the undeveloped parcels, we have used the Comparison Method. We have also used the Residual Method as a check in valuing the undeveloped parcels. In valuing on-going developments which are under construction, the primary method is the Residual Method. In arriving at the Gross Development Value under the Residual Method, we have used the Comparison Method.

We have identified and analyzed the recent transactions of commercial and residential land sales in the vicinity of Sunway South Quay as well as recent Bayrocks transactions and have summarized the details and our approach in the following tables.

**Market Value** RM637,900,000.

## 9.3.1 Completed and Unsold Properties

- A. 49 units of completed and unsold 2 to 3-storey stratified detached houses sited on Parent Lot No. 62651 (formerly PT 916) known as Bayrocks

Sales Comparison and Analysis of Bayrocks Stratified Detached House Sales in Sunway South Quay			
	Comparable 1	Comparable 2	Comparable 3
<b>Location</b>	No. 22, Type Currentia, Bayrocks, Sunway South Quay	No. 27, Type Bayuna, Bayrocks, Sunway South Quay	No. 40, Type Aquara, Bayrocks, Sunway South Quay
<b>Tenure</b>	Leasehold expiring on 15 <sup>th</sup> May 2106	Leasehold expiring on 15 <sup>th</sup> May 2106	Leasehold expiring on 15 <sup>th</sup> May 2106
<b>Type of Property</b>	2-storey stratified detached house	3-storey stratified detached house	2-storey stratified detached house
<b>Land Area</b>	832 square metres	797 square metres	1,054 square metres
<b>Built Up</b>	619 square metres	628 square metres	619 square metres
<b>Consideration</b>	RM5,514,550	RM5,439,250	RM6,716,000
<b>Date</b>	30 <sup>th</sup> June 2010	18 <sup>th</sup> November 2010	28 <sup>th</sup> August 2009
<b>Analysis (over built up area)</b>	RM8,908.80 psm (RM828 psf)	RM8,661.23 psm (RM805 psf)	RM10,849.75 psm (RM1,008 psf)
<b>Adjustments</b>	General upwards adjustments have been made for extra land and corner/end lot premium. General downward adjustments are made for en bloc discount, saleability and other rebates.		
<b>Effective Adjusted Base Values</b>	RM580 – RM900 psf		

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(G)/cth

## 9.3.2 Properties Under Construction

### Residual Method of Valuation

B. 242 units of condominium under construction known as A'marine sited on Lot No. 62663 (formerly PT 917) also known as RC3

#### Summary of Parameters

Gross Development Value	RM534 to RM543 psf over total saleable area (Note 1)
Gross Development Cost	RM155,817,899
Localized Infra & Earthworks	RM10 psf over total land area
Main Building Works	RM282 psf over total saleable area (contract)
Developer's Profit	15% of GDV
Development Period	2.5 years (Note 2)
Discount Rate	8%

#### Note 1: Gross Development Value (GDV)

We note that the transacted and asking prices of condominiums in Sunway South Quay and the surrounding vicinity range from RM420 psf to RM640 psf.

#### Note 2: Development Period

We have adopted a development period of 2.5 years taking into consideration that piling and substructure works have commenced.

In using the Residual Method of Valuation as a check in valuing the undeveloped parcels, we have adopted the following parameters:-

Parcel (Property)	RC1 (C)	RC2 (D)	RC5 (E)	RC6 (F)	RC7 (G)	RC9 (H)	PU2 (L)
Gross Development Value	RM560	RM560	RM560	RM550	RM540	RM510	RM550
Localized Infra & Earthworks	RM30	RM30	RM35	RM50	RM50	RM45	RM20
Main Building Works (Over saleable area)	RM282	RM284	RM286	RM290	RM288	RM275	RM279
Developer's Profit	15% of GDV						
Development Period	3 years						
Discount Rate	8%						

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(G)/cth

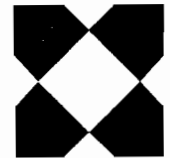
## 9.3.3 Residential and Commercial Development Lands

Sales comparison and analysis of residential & commercial development land sales in the vicinity of Sunway South Quay for comparison with residential development lands (Properties C – H)			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	PT 6856 (Lot No. 37799), HSD 96905, District of Petaling, Selangor Darul Ehsan	Lot No. 64681, PN 17395, Pekan Penaga, District of Petaling, Selangor Darul Ehsan	PT 13361, HSM 12798, District of Petaling, Wilayah Persekutuan Kuala Lumpur
<b>Location</b>	Off Jalan Sri Jati, Off Jalan Puchong	Off Jalan PJS 9/1, Bandar Sunway	Along Jalan Senang Ria, OUG
<b>Tenure</b>	Freehold	Leasehold expiring 21st March 2093	Freehold
<b>Type of Land</b>	A vacant parcel of residential land approved for condominium development known as Residence 8 (308 units, 136 units per acre)	A vacant parcel of commercial land	A corner residential land with an on-going luxury condominium development (earthworks) known as Serenia Condominium (465 units, 72 units per acre)
<b>Land Area</b>	9,150 square metres	38,155 square metres	26,060 square metres
<b>Consideration</b>	RM15,000,000	RM56,000,000	RM38,000,000
<b>Date</b>	11 <sup>th</sup> February 2010	23 <sup>rd</sup> November 2009	14 <sup>th</sup> August 2009
<b>Analysis</b>	RM152 psf	RM136 psf	RM135 psf
<b>Planning</b>	Development order and building plan approved for development of Residence 8 consisting of 308 condominium units with selling price ranging from RM385,000 to RM600,000. The site is an end lot, located in an internal area, with some light undergrowth.	Consideration is free from all liens, charges, encumbrances together with vacant possession and an express condition that the land will be used for the development of commercial building with plot ratio of 4.	Development order for 465 units of condominium with density of 72 units per acre or approved plot ratio of 3. The site is a corner lot fronting Jalan Senang Ria with a return frontage onto Jalan Selesa Ria 7 and slopes down towards the rear.
<b>Adjustments</b>	General upward adjustments are made for time, location, micro location, accessibility, integrated development and shape. General downward adjustments are made for size, terrain and planning provision.	General upward adjustments are made for time, integrated development, size and shape. General downward adjustments are made for terrain and planning provision.	General upward adjustments are made for time, location, accessibility, integrated development, micro location, shape and size. General downward adjustments are made for tenure and terrain.
<b>Effective Adjusted Values for various residential lands in Sunway South Quay</b>	RM112 – RM168 psf	RM127 – RM165 psf	RM134 – RM179 psf

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan



Reference No. : V/11/0030(G)/cth

Sales comparison and analysis of commercial development land sales in the vicinity of Sunway South Quay for comparison with commercial development lands (Properties I – M)			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	PT 70 & PT 71, HSD 199317 & HSD 199318 respectively, Town of Petaling Jaya, District of Petaling, Selangor Darul Ehsan	Lot Nos. 32, 51175 and PT 1312, PN 9495, 9500 and HSD 259957 respectively, Town of Sunway, District of Petaling, Selangor Darul Ehsan	Lot No. 64681, PN 17395, Pekan Penaga, District of Petaling, Selangor Darul Ehsan
<b>Location</b>	A vacant parcel of commercial land currently used as a car park	Transaction excludes the building, namely Sunway Pyramid Shopping Mall erected upon the lands, on the basis as a vacant commercial land	Off Jalan PJS 9/1, Bandar Sunway
<b>Tenure</b>	Leasehold expiring on 7th April 2103	Leasehold expiring 1st April 2097	Leasehold expiring 21st March 2093
<b>Type of Land</b>	A plot of commercial land	A plot of commercial land	A vacant parcel of commercial land
<b>Land Area</b>	38,850 square metres	19,406 square metres	38,155 square metres
<b>Consideration</b>	RM61,720,547.95	RM41,774,000	RM56,000,000
<b>Date</b>	27 <sup>th</sup> July 2010	7 <sup>th</sup> May 2010	23 <sup>rd</sup> November 2009
<b>Analysis</b>	<b>RM148 psf</b>	<b>RM200 psf</b>	<b>RM136 psf</b>
<b>Planning</b>	Site is zoned for limited commercial. It is located in an internal area with small road frontage onto Jalan 51A/223. Northern boundary abuts onto elevated Putra LRT line and TNB transmission line.	Despite being a related party transfer, we have included the sale as part of our analysis because we are of the opinion that the consideration is within the range of transacted commercial lands in the vicinity.	Consideration is free from all liens, charges, encumbrances together with vacant possession and an express condition that the land will be used for the development of commercial building with plot ratio of 4.
<b>Adjustments</b>	General upward adjustments are made for time, micro location, accessibility, integrated development, shape and size.  General downward adjustments are made for location and terrain.	General upward adjustments are made for time and shape.  General downward adjustments are made for location, accessibility, size and terrain.	General upward adjustments are made for time, micro location, integrated development, shape and size.  General downward adjustments are made for terrain.
<b>Effective Adjusted Values for various commercial lands in Sunway South Quay</b>	<b>RM147 – RM201 psf</b>	<b>RM105 – RM178 psf</b>	<b>RM135 – RM187 psf</b>

## Valuation Rational

In reconciling our opinion of Market Value for commercial and residential development lands, we have placed greater emphasis on Lot No. 64681 (Comparable No. 3 for commercial lands comparison and Comparable No. 2 for residential lands comparison) as they are located within the same Bandar Sunway locality and have significant similarities with the properties under valuation after making the necessary adjustments.

Having regard to the foregoing, we have adopted the analysed value of about RM135 to RM187 per square foot for commercial development lands and RM127 to RM165 per square foot for residential development lands in our Valuation as a fair representation.

8. VALUATION CERTIFICATES (*cont'd*)**Knight Frank**

Sunway South Quay  
Bandar Sunway, District of Petaling  
Selangor Darul Ehsan

Reference No. : V/11/0030(G)/cth

**10.0 VALUATION CERTIFICATE****10.1 IDENTIFICATION OF PROPERTY****Type of Property**

Two (2) parcels of vacant development land with the benefit of planning approval for the development of Sunway Melawati, a stratified guarded and gated residential development comprising 57 units of three-storey terraced houses, 50 units of three-storey semi-detached houses, 88 units of three-storey zero end detached houses and a double-storey clubhouse.

**Title Particulars**

The following table outlines the title particulars of the Subject Property.

**Summary of Title Particulars**

Lot Nos.	Lot Nos. 30086 and 30087, both within Mukim of Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.
Land Area :	228,490 square metres (22.85 hectares).
Registered Proprietor :	Sunway Melawati Sdn. Bhd (A wholly-owned subsidiary of Sunway City Berhad), in respect of both titles.
Category Of Land Use:	'Bangunan', in respect of both titles.

**10.2 PROPERTY DESCRIPTION****Property Description / Location**

Sunway Melawati is located about 10 kilometres due north-east of the Kuala Lumpur city centre and fronts onto the Middle Ring Road II (MRR II), travelling to / from Gombak towards Ampang.

Lot Nos. 30086 and 30087 are regular shaped parcels of land with title land areas of 183,900 and 44,590 square metres respectively. The terrain of the site slope upwards from the MRR II towards the north-eastern site boundary. Part of the south-eastern site boundary is demarcated by chain link fencing whilst other site boundaries are not demarcated with any form of fencing.

The subject site is currently overgrown with trees and vegetation.

**Planning Approval**

The Subject Property is designated for residential use and was granted a Development Order by the Kuala Lumpur City Hall dated 24<sup>th</sup> January 2011.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. 30086 and 30087, Mukim of Setapak  
Mukim of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Reference No. V/11/0030(H)/nmk



## 10.3 MARKET VALUE

**Date of Valuation** 8<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the Comparison and Residual Methods of Valuation.

### Reconciliation of Values

Method of Valuation	Derivation of Values
Comparison Method	RM88,000,000
Residual Method	RM85,000,000

**Market Value** RM88,000,000.

Sales Comparison and Analysis				
	Comparable 1	Comparable 2	Comparable 3	Comparable 4
<b>Identification</b>	Lot Nos. 5113 and PT 1157, Mukim of Ulu Kelang, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot No. 15283 Seksyen 2, Bandar Ulu Kelang, District of Gombak, Selangor Darul Ehsan	Lot No. 322, Mukim of Ulu Kelang, District of Gombak, Selangor Darul Ehsan	Lot Nos. 584, 585 and 599, Mukim of Ulu Kelang, District of Gombak, Selangor Darul Ehsan
<b>Locality</b>	Taman Setiawangsa	Taman Melawati	Bukit Antarabangsa	Taman Melawati
<b>Tenure</b>	Leasehold Interest	Leasehold Interest	Freehold	Freehold
<b>Consideration</b>	RM69,584,486	RM72,000,000	RM26,457,473	RM23,081,494
<b>Date</b>	19 <sup>th</sup> November 2010	10 <sup>th</sup> August 2010	27 <sup>th</sup> July 2009	3 <sup>rd</sup> July 2007
<b>Planning</b>	Residential use	Residential use	Residential use	Residential use
<b>Property Type</b>	Two parcels of vacant development land	A parcel of vacant development land	A parcel of vacant development land	Three parcels of vacant development land
<b>Analysis</b>	RM48.01 psf	RM71.93 psf	RM53.00 psf	RM36.00 psf
<b>Adjustments</b>	Upward adjustments are made for planning approval and tenure  Downward adjustments are made for shape/size, infrastructure availability, terrain and location	Upward adjustments are made for prevailing market condition and tenure  Downward adjustments are made for shape/size, terrain and location	Upward adjustments are made for prevailing market condition and planning approval  Downward adjustments are made for shape/size, terrain and location	Upward adjustments are made for prevailing market condition and planning approval  Downward adjustments are made for shape/size, terrain and location
<b>Effective Adjusted Value</b>	RM36.01 psf	RM41.52 psf	RM36.44 psf	RM35.10 psf

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. 30086 and 30087, Mukim of Setapak  
Mukim of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Reference No. V/11/0030(H)/nmk



## Valuation Rational

From the adjusted values, we note that the values derived range between RM35.10 per square foot to RM41.52 per square foot. In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 3 as it has significant similarities as the Subject Property after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM36.00 per square foot in our Valuation as a fair representation.

## Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

Summary of Parameters	
Gross Development Value	RM 545,704,427 (Note 1)
Gross Development Cost	RM 438,606,105.
Preliminaries & Infrastructure	RM45.71 psf / Total Land Area
Building Construction Cost	Average RM223.06 psf / Total Gross Built-up Area
Developer's Profit	15% of GDV
Development Period	3 years.
Discount Rate	8.00%.

### Note 1: Gross Development Value (GDV)

In arriving at the Gross Development Value, we have adopted the developer's selling price, which in our opinion is a fair representation after taking into consideration the similar properties that are being sold within the immediate and surrounding areas. Selected comparables sales adopted in arriving at the GDV are 20 Trees (3-storey terraced house sold at RM1,800,000), Kemensah Mewah (2.5-storey semi-detached house selling from RM1,850,000 to RM2,100,000) and 20 Trees West (4-storey detached house sold at RM3,736,000).

Summary of Gross Development Value (GDV)			
Description	No. of Units	Total Amount	Analysis (per unit)
Three-storey terraced houses	57	RM 545,704,427	RM 1,614,796 and RM 1,638, 906 per unit
Three-storey semi-detached houses	50		RM 2,435,578 and RM 2,585,958 per unit
Three-storey bungalows	88		RM 3,405,389 to RM 5,141,091 per unit

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot Nos. 30086 and 30087, Mukim of Setapak  
Mukim of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Reference No. V/11/0030(H)/nmk



## 11.0 VALUATION CERTIFICATE

## 11.1 IDENTIFICATION OF PROPERTY

**Type of Property** Two contiguous parcels of residential development land with main building works in progress (Phase 1), approved for the development of 4 blocks of apartment buildings comprising of 552 units, a club house and a multi-purpose hall together with other supporting facilities.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

## Summary of Title Particulars

**Lot Nos. :** Lot Nos. 62644 (formerly known as PT 923) and PT 895, both within Town of Sunway, District of Petaling, Selangor Darul Ehsan.

**Total Land Area :** 31,792 square metres.

**Tenure :** Leasehold interest for a term of 99 years, expiring on 2<sup>nd</sup> April and 15<sup>th</sup> May 2106.

**Registered Proprietor :** Lot No. 62644: Sunway Lagoon Sdn. Bhd (A wholly-owned subsidiary of Sunway City Berhad).  
Lot No. PT 895 Sunway City Berhad (as stakeholder for Sunway South Quay Sdn. Bhd.).

**Category of Land Use:** 'Bangunan' (Building).

## 11.2 PROPERTY DESCRIPTION

**Property Description / Location** The subject property is purposed built used as Monash University campus. The subject property is located within Sunway South Quay. Development for Phase 1 is currently on-going whilst Phase 2 is currently vacant.

Phase 1	Type	Units	Size Per Unit (sm)	Total Net Floor Area (sm)	Stage of Completion
Block A (21-Storey)	A1	248	172	42,656	51.22% (as at 10 <sup>th</sup> January 2011)
	A2	4	172	688	
Block B (8-Storey Duplex)	B1	21	175	3,675	
	B2	2	174	348	
	Type B1 with Garden Terrace	5	200	1,000	
Total		280		48,367	

Phase 2	Type	Units	Size Per Unit (sm)	Total Net Floor Area (sm)
Block C (8-Storey Duplex)	B1	72	175	12,600
Block D (20-Storey)	A1 & A2	200	172	34,400
Total		272		47,000



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. 62644 (formerly known as PT 923) and PT 895  
Both within Town of Sunway, District of Petaling, Selangor Darul Ehsan

Reference No. : V/11/0030(I)/gct



## Planning

The Subject Property is designated for residential use.

Vide a photocopy of the Approval Letter issued by Majlis Perbandaran Subang Jaya, dated 15<sup>th</sup> April 2008, we note that the proposed building plans has been approved subject to terms and conditions as stated therein. Subsequently, vide a photocopy of the letter issued by Majlis Perbandaran Subang Jaya, dated 30<sup>th</sup> August 2010, we note that the amendment of the approved building plans has been approved as per the following:-

	Block	Storey	Units	Car Park (Storey)
Phase 1	Block A, Apartment Building	21	Type A: 248 units Type A2: 4 units	2
	Block B, Duplex Apartment Building	8	Type B1: 26 units Type B2: 2 units	2
Phase 2	Block C, Duplex Apartment Building	8	Type B1: 72 units	2
	Block D, Apartment Building	20	Type A1: 196 units Type A2: 4 units	3

Part of the 2-storey car park of Block C, two units of TNB substation, a guard house, a clubhouse, a multi-purpose hall, 2 units of shop, cafeteria, a gymnasium, a study room and a swimming pool.

## 11.3 MARKET VALUE

### Date of Valuation

9<sup>th</sup> February 2011.

### Valuation Methodology

In valuing developments which are under construction, the primary method is the **Residual Method** and as such, we have only adopted the Market Value as derived from the Residual Method of Valuation.

### Market Value

RM154,000,000.

### Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

Summary of Parameters	Phase 1	Phase 2
Gross Development Value	RM223,576,475 (Note 1)	RM217,538,621 (Note 1)
Gross Development Cost		
Preliminaries & Infrastructure	RM14.10 psf / Total Saleable Area	RM22.30 psf / Total Saleable Area
Building Construction Cost	RM245.05 psf / Total Saleable Area	RM241.15 psf / Total Saleable Area
Developer's Profit	15% of GDV	15% of GDV
Development Period	1 year (Note 2)	3 years
Discount Rate	8%	8%

### Note 1: Gross Development Value

In arriving at the Gross Development Value, we have adopted **RM430 psf** (on en-bloc basis) to be fair representation after taking into consideration the similar properties that are being sold within the immediate and surrounding schemes. Selected comparables sales of en-bloc hostel/condominium building adopted in arriving at the GDV are HELP Residence (21-storey hostel building sold at RM329psf), Covillea Bukit Jalil (2 blocks of 20-storey building sold at RM403psf) and Nautica Condominium (249 apartment units sold at RM396psf).

### Note 2: Development Period

We note that the development of the subject property is nearing completion. Hence, we have adopted a development period of 1 year in our valuation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Block B, Sun-U Residence, Jalan PJS 11/26, Bandar Sunway  
46150 Petaling Jaya, Selangor darul Ehsan.

Reference No. : V/11/0030(J)/gct



## 12.0 VALUATION CERTIFICATE

### 12.1 IDENTIFICATION OF PROPERTY

<b>Name and Address</b>	Block B, Sun-U Residence, Jalan PJS 11/26, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan.
<b>Type of Property</b>	A block of 28-storey apartment building (en-bloc) identified as Block B comprising of 124 stratified apartment units together with 308 accessory parcels.
<b>Title Particulars</b>	The following table outlines the title particulars of the Subject Property.

#### Summary of Title Particulars – Block B, Sun-U Residence

Lot No.:	Parent Lot No. 61771 held under Strata Title Nos. PN11816/M3/2/125, Parcel No. 125, Storey No. 2, Building No. M3 to PN11816/M3/25/248, Parcel No. 248, Storey No. 25, Building No. M3 (inclusive) together with 308 Accessory Parcels, all within Town of Sunway, District of Petaling, Selangor Darul Ehsan.
Tenure:	Leasehold interest for a term of 99 years, expiring on 1 <sup>st</sup> April 2097 (remaining unexpired term of about 86 years).
Total Share Unit:	2,151 / 4,403
Registered Proprietor :	Sunway Residence Sdn. Bhd (A wholly-owned subsidiary of Sunway City Berhad).
Strata Floor Area :	Total Parcel Area (Block B): 17,271 square metres. Accessory Parcel Area : 3,696 square metres.

### 12.2 PROPERTY DESCRIPTION

<b>Property Description / Location</b>	Block B of Sun-U Residence is located within Bandar Sunway.
<b>Total Accessory Parcels</b>	308 accessory parcels.
<b>Planning Approvals</b>	The Subject Property is located within an area designated for residential use and issued with Certificate of Fitness for Occupation by the Subang Jaya Municipal Council dated 8 <sup>th</sup> January 2002.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



Block B, Sun-U Residence, JalanPJS 11/26, Bandar Sunway  
46150 Petaling Jaya, Selangor darul Ehsan.

Reference No. : V/11/0030(J)/gct

## Property Performance

The following table outlines the historical operating performance of the Subject Property as extracted from the unaudited management accounts as provided by the Client.

Historical Operating Performance			
	Six Months Ended 31 <sup>st</sup> December 2008	2009	2010
Total Outgoings*	RM173,492.99	RM190,095.44	RM195,842.88
Total Gross Rental	RM1,444,800.00	RM2,889,600.00	RM2,889,600.00

Source: Sunway Residence Berhad

\*Note: Excluding monthly service charge and sinking fund (payable to Management Corporation).

## Tenancy Profile

The Subject Property is leased to Sunway Education Group Sdn. Bhd. for a period of 3 years with an option to renew thereafter for a further 3 years, commencing from 1<sup>st</sup> January 2011 and expiring on 31<sup>st</sup> December 2013 at a monthly rental of RM352,923.10.

## 12.3 MARKET VALUE

### Date of Valuation

8<sup>th</sup> February 2011.

### Valuation Methodology

For the purpose of this valuation, we have adopted the Comparison and Investment Methods of Valuation.

### Reconciliation of Values

Method of Valuation	Derivation of Values
Comparison Method	RM55,000,000
Investment Method	RM55,000,000

### Market Value

RM55,000,000.

Sales Comparison and Analysis of Apartment Buildings in Kuala Lumpur and Selangor			
	Comparable 1	Comparable 2	Comparable 3
Property	HELP Residence	Covillea Bukit Jalil	Nautica Condominium
Location	Damansara Heights	Bukit Jalil	Bandar Sunway
Tenure	Interest in perpetuity.	Interest in perpetuity.	Leasehold Interest
Built-Up Area(sf)	151,955	372,438	431,766
Consideration	RM50,000,000	RM150,000,000	RM171,000,000
Date	28 <sup>th</sup> December 2009	20 <sup>th</sup> October 2008	27 <sup>th</sup> December 2007
Source	Bursa Securities	Bursa Securities	News, The Star Newspaper dated 9th January 2008
Analysis	RM329psf	RM403 psf	RM396 psf
Adjustments	Upward adjustment is made for title, subject property is issued with strata title.  Downward adjustment is made for location / accessibility, tenure and building condition	Upward adjustment is made for time and size.  Downward adjustment is made for facilities / services, tenure and building condition.	Upward adjustment is made for time and size.  Downward adjustment is made for facilities / services and building condition.
Effective Value	Adjusted RM308 psf	RM310 psf	RM296 psf

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Block B, Sun-U Residence, JalanPJS 11/26, Bandar Sunway  
46150 Petaling Jaya, Selangor darul Ehsan.



Reference No. : V/11/0030(J)/gct

## Valuation Rational

From the adjusted values, we note that the values derived range between RM296 per square foot to RM310 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 3 (Nautica Condominium) as it has significant similarities to the Subject Property after making the necessary adjustments for time, size, facilities & services and building condition.

Having regards to the foregoing, we have adopted the analysed value of about RM296.00 per square foot in our Valuation as a fair representation.

## Investment Method of Valuation

### Rental Rate

In undertaking our assessment of value under the capitalisation approach, we have adopted the current passing rental of the existing tenancy as a means of deriving the income and value for the Subject Property.

	Current Term	Reversion
Monthly Gross Rental	RM353,217	RM368,384

Our assessment of the market rental of the Subject Property under the reversionary term is based on the current asking rental of other apartment buildings in the surrounding vicinity. From our analysis, the adjusted derived rental rate ranged from RM1.89psf to RM2.12psf after making necessary adjustment for location / accessibility, furnishes, en-bloc, building condition and negotiation.

	Current Term	Reversion	Note
Outgoings	RM0.40psf	RM0.41psf	Adopted RM0.40psf and RM0.41psf per month for current term and reversion respectively to be fair representation.
Yield	6%	6%	The yields (after adjustments) of individual en-block apartment buildings in Klang Valley are between 5.85% to 6.8%. Adopted 6% for current and reversion to be fair representation.
Voids and Vacancy	5%	5%	Allocated 5% of the gross annual rental for voids, vacancy periods between rent reviews.
Present Value	6%	6%	Adopted 6% for discounting the future income into the present level under the reversionary period.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Monash University  
Jalan Lagoon Selatan (Jalan PJS 11/26)  
46150 Bandar Sunway, Selangor Darul Ehsan

Reference No. : V/11/0030(K)/osf



## 13.0 VALUATION CERTIFICATE

### 13.1 IDENTIFICATION OF PROPERTY

**Name and Address** Monash University, Jalan Lagoon Selatan (Jalan PJS 11/26), 46150 Bandar Sunway, Selangor Darul Ehsan.

**Type of Property** A university campus accommodating six blocks of academic buildings identified as Blocks 2, 3, 5, 6A, 7 and 9, a maintenance building together with other ancillary buildings.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

#### Summary of Title Particulars, Monash University

Lot Nos. :	Lot Nos. 62630 (formerly Lot No. PT 907) and PT 894 (now known as Lot No. 62224), both within Town of Sunway, District of Petaling, Selangor Darul Ehsan.	
Total Land Area :	48,382 square metres (520,780 square feet).	
Tenure :	Leasehold interest for a term of 99 years, expiring 15 <sup>th</sup> May 2106 and 2 <sup>nd</sup> April 2106.	
Registered Proprietors :	Lot 62630	: Sunway Lagoon Sdn Bhd (A wholly-owned subsidiary of Sunway City Berhad).
	PT 894	: Sunway City Berhad.
Category Of Land Use:	Building.	

### 13.2 PROPERTY DESCRIPTION

**Property Description / Location** Monash University is a university campus located within Bandar Sunway.

**Lettable Area** 70,843.96 square metres (762,558 square feet).

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Monash University  
Jalan Lagoon Selatan (Jalan PJS 11/26)  
46150 Bandar Sunway, Selangor Darul Ehsan

Reference No. : V/11/0030(K)/osf

**Nos. of Car Park** 16 bays + 734 bays (as per the Car Park Agreement dated 1<sup>st</sup> September 2007).

However, we were given to understand by the Client that the aforesaid agreement has since lapsed and negotiation on the renewal lease terms and conditions are in process. Subsequent to the above, we were further informed by the Client that sufficient car park will be provided in the event that the aforesaid agreement is terminated.

Premised to the foregoing, our Valuation is on the basis that sufficient car parking bays will be provided throughout the remaining unexpired term of the lease.

## Planning Approvals

The Subject Property is designated for commercial use. The buildings are issued with two Certificates of Fitness for Occupation by the Subang Jaya Municipal Council dated 16th February 2007 and 25th April 2007 respectively.

## Property Performance

The following table outlines the historical operating performance of the Subject Property as extracted from the unaudited management accounts as provided by the Client.

Historical Operating Performance			
	Six Months Ended 31 <sup>st</sup> Dec 2008	FYE 31 <sup>st</sup> Dec 2009	FYE 31 <sup>st</sup> Dec 2010
Total Outgoings	RM128,744.92	RM310,981.26	RM294,392.45
Total Gross Rental	RM7,074,000.00	RM14,619,600.00	RM14,855,400.00

Source: Sunway Platinum Success Sdn Bhd

Note: The above outgoings are excluding quit rent payments.

## Tenancy Profile

The Subject Property is currently tenanted to Monash University Sunway Campus Malaysia for a period of 3 years commencing from 1<sup>st</sup> May 2010 to 30<sup>th</sup> April 2013 at a monthly rental tabulated as follows:-

1. Period 1<sup>st</sup> May 2010 to 30<sup>th</sup> April 2011: RM1,237,950.00
2. Period 1<sup>st</sup> May 2011 to 30<sup>th</sup> April 2013: RM1,299,850.00

## 13.3 MARKET VALUE

**Date of Valuation** 8<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the Investment and Comparison Methods of Valuation.

## Reconciliation of Values

Method of Valuation	Derivation of Values
Investment Method	RM200,000,000
Comparison Method	RM202,000,000

**Market Value** RM200,000,000.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Monash University  
Jalan Lagoon Selatan (Jalan PJS 11/26)  
46150 Bandar Sunway, Selangor Darul Ehsan



Reference No. : V/11/0030(K)/osf

## Investment Method of Valuation

	Average Gross Rental (Monthly)	Outgoings (Note 1)	Yield (Note 2)	Void (Note 3)	Present Value (Note 4)
Year 1	RM1,237,950.00	RM0.10 psf	7.00%	-	-
Year 2-3	RM1,299,850.00				7.00%
Reversion	RM1,372,604.00	RM0.11 psf	7.25%	5.00%	7.25%

Note 1: Analysis from the unaudited management accounts and information furnished by Client

Note 2: Analysis from existing yields of institutional buildings in Klang Valley

Note 3: Vacancy periods between rent reviews

Note 4: Discounting the future income into the present level

Sales Comparison and Analysis of Institutional Buildings in Selangor				
	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property	Universiti Tunku Abdul Rahman	SEGi University College	Mas Academy	SEGi Collage – Subang Jaya Campus
Location	Lot PT 21144, Jalan Sungai Long, Bandar Sungai Long, Cheras	Lot No. 9, Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara	No. 2, Jalan SS 7/13, Kelana Jaya	Lot 13, Persiaran Kewajipan, USJ 1, Subang Jaya
Tenure	Freehold interest	Leasehold interest	Freehold interest	Freehold interest
Gross Floor Area(sf)	200,000	574,000	686,355	280,572
Consideration	RM30,000,000	RM145,000,000	RM145,000,000	RM52,500,000
Date	24 <sup>th</sup> March 2009	6 <sup>th</sup> September 2007	9 <sup>th</sup> March 2007	26 <sup>th</sup> February 2007
Analysis	RM150 psf	RM253 psf	RM211 psf	RM187 psf
Adjustments	Upward adjustments are made for time lapse/prevailing market condition, location, building age, building condition/quality/design and others (subject comparable was transacted together with the adjoining commercial land)  Downward adjustments are made for tenure, size and risk relating to car park availability.	Upward adjustments are made for location and building condition/quality/design.  Downward adjustments are made for building age and risk relating to car park availability.	Upward adjustments are made for time lapse/prevailing market condition, location, building age and building condition/quality/design.  Downward adjustments are made for tenure and risk relating to car park availability.	Upward adjustments are made for time lapse/prevailing market condition, location, building condition/quality/design and others (subject comparable is on strata basis and without full campus facilities)  Downward adjustments are made for tenure, building age, size and risk relating to car park availability.
Effective Value	Adjusted			
	RM225 psf	RM265 psf	RM267 psf	RM237 psf

### Valuation Rational

From the adjusted values, we note that the values derived range between RM225 per square foot to RM267 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 2 (SEGi College located at Kota Damansara) and Comparable No. 3 (Mas Academy located at Kelana Jaya) as they have significant similarities as the Subject Property after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM265.00 per square foot in our Valuation as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

**Knight Frank**

Sunway University College  
Jalan Universiti, Bandar Sunway  
46150 Petaling Jaya, Selangor Darul Ehsan

Reference No. : V/11/0030(L)/cgc

**14.0 VALUATION CERTIFICATE****14.1 IDENTIFICATION OF PROPERTY**

<b>Name and Address</b>	Sunway University College, Jalan Universiti, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan.
<b>Type of Property</b>	A college campus accommodating a 5-storey academic building (South Building), a 7-storey academic building (North Building), a newly completed 3-storey academic building (East Building) and four blocks of 5-storey walk-up hostel apartments together with other ancillary buildings.
<b>Title Particulars</b>	The following table outlines the title particulars of the Subject Property.

**Summary of Title Particulars, Sunway University College**

Lot Nos. :	Lot Nos. PT 28 and PT 1904 held under Title Nos. HS(D) 118332 and HS(D)118325 respectively, both within Town of Sunway, District of Petaling, Selangor Darul Ehsan.
Land Area :	50,313.7914 square metres (541,573 square feet).
Tenure :	Leasehold interests for a term of 99 years, expiring on 1 <sup>st</sup> April 2097, in respect of both titles.
Registered Proprietor :	Stellar Destiny Sdn. Bhd (A wholly-owned subsidiary of Sunway City Berhad), in respect of both titles.
Category Of Land Use:	'Bangunan'.

**14.2 PROPERTY DESCRIPTION****Property Description / Location**

Sunway University College is a college campus located within Bandar Sunway.

At the date of inspection, we note that the roof top of the 5-storey academic building (South Building) together with the 7-storey academic building (North Building) have been renovated to accommodate additional academic staff rooms and offices, lecture rooms, theatre and seminar / meeting room. We are given to understand by the Client that no application was submitted for the above changes. As such, we have excluded the abovementioned renovations in our valuation.

Subsequent to the above, we further note that additional ancillary buildings were to be erected on site. At the date of inspection, we note that the construction of the proposed double-storey building located adjacent to the South Building was near completion whilst the remaining two (2) proposed ancillary buildings are at early stages of construction (earthwork). For the purpose of this Report and Valuation, we have excluded the abovementioned buildings in our valuation.



## 8. VALUATION CERTIFICATES (cont'd)

**Knight Frank**

Sunway University College  
Jalan Universiti, Bandar Sunway  
46150 Petaling Jaya, Selangor Darul Ehsan

Reference No. : V/11/0030(L)/cgc



**Lettable Area** 65,457.35 square metres (704,577 square feet).

**Note:**

After having taking into consideration of the differences in lettable area of the subject property as stated in the Tenancy Agreement dated 23<sup>rd</sup> June 2008 measuring 615,983 square feet and our client's computation of measurement of about 704,541 square feet, in which the Client were unable to reconcile, we have adopted our own measurements (on gross floor area) of approximately 704,577 square feet (inclusive of South Building, North Building, Hostel Apartments and the newly completed East Building measuring about 24,078 square feet but excluding non-permissible areas mentioned earlier) in our computation of value.

**Nos. of Car Park** 590 bays.

**Planning Approvals** The Subject Property is located within an area designated for institutional use. The buildings are issued with three Certificates of Fitness for Occupation by the Petaling Jaya City Council dated 6<sup>th</sup> April 1993 and 14<sup>th</sup> December 1996. and a Certificate of Completion and Compliance by Subang Jaya Municipal Council dated 3<sup>rd</sup> December 2009.

**Property Performance** The following table outlines the historical operating performance of the Subject Property as extracted from the unaudited management accounts together with an extract ledger report as provided by the Client.

<b>Historical Operating Performance</b>			
	<b>1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2008</b>	<b>1<sup>st</sup> January 2009 to 31<sup>st</sup> December 2009</b>	<b>1<sup>st</sup> January 2010 to 31<sup>st</sup> December 2010</b>
Total Outgoings	RM918,308.64	RM508,407.15	RM439,792.28
Total Gross Rental	RM11,900,791.80	RM11,900,791.80	RM11,900,791.80

Source: Stellar Destiny Sdn. Bhd.

**Note:**

- The higher recorded outgoings for the Year 2008 was due to refurbishment of plumbing and sanitary system.
- The above outgoings include assessment and quit rent charges levied against PT 1905 (adjacent to Subject Property – not under valuation).

**Tenancy Profile** The subject property is currently tenanted to Sunway College Sdn. Bhd. for a period of 3 years commencing on 1<sup>st</sup> January 2011 and expiring on 31<sup>st</sup> December 2013 at a monthly rental of RM906,308.00 per month with a further fixed option of 3 years commencing on 1<sup>st</sup> January 2014 and expiring on 31<sup>st</sup> December 2016 subject to an increment of 5% in rental from the previous term.

**14.3 MARKET VALUE**

**Date of Valuation** 9<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the Investment and Comparison Methods of Valuation.

**Reconciliation of Values**

<b>Method of Valuation</b>	<b>Derivation of Values</b>
Investment Method	RM153,000,000
Comparison Method	RM155,000,000

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway University College  
Jalan Universiti, Bandar Sunway  
46150 Petaling Jaya, Selangor Darul Ehsan

Reference No. : V/11/0030(L)/cgc

**Market Value** RM153,000,000.

## Investment Method of Valuation

	Average Gross Rental (Monthly)	Outgoings (Note 1)	Yield (Note 2)	Void (Note 3)	Present Value (Note 4)
Year 1-3	RM906,308.00	RM0.11 psf	6.50%	-	-
Year 4-6	RM951,623.40	RM0.12 psf	6.75%	-	6.75%
Reversion	RM1,056,866.00	RM0.13 psf	7.00%	5.00%	7.00%

Note 1: Analysis from unaudited management accounts together with an extract ledger reports

Note 2: Analysis from existing yields of institutional buildings in Klang Valley

Note 3: Vacancy periods between rent reviews

Note 4: Discounting the future income into the present level

Sales Comparison and Analysis of Institutional Buildings in Kuala Lumpur and Selangor				
	Comparable 1	Comparable 2	Comparable 3	Comparable 4
<b>Property</b>	Universiti Tunku Abdul Rahman	SEGi University College	Mas Academy	SEGi Collage – Subang Jaya Campus
<b>Location</b>	Lot PT 21144, Jalan Sungai Long, Bandar Sungai Long, Cheras	Lot No. 9, Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara	No. 2, Jalan SS 7/13, Kelana Jaya	Lot 13, Persiaran Kewajipan, USJ 1, Subang Jaya
<b>Tenure</b>	Freehold Interest	Leasehold Interest	Freehold Interest	Freehold Interest
<b>Gross Floor Area(sf)</b>	200,000	574,000	686,355	280,572
<b>Consideration</b>	RM30,000,000	RM145,000,000	RM145,000,000	RM52,500,000
<b>Date</b>	24 <sup>th</sup> March 2009	6 <sup>th</sup> September 2007	9 <sup>th</sup> March 2007	26 <sup>th</sup> February 2007
<b>Analysis</b>	RM150 psf	RM253 psf	RM211 psf	RM187 psf
<b>Adjustments</b>	Upward adjustments are made for time lapse / prevailing market condition, location and others (subject comparable was transacted together with the adjoining commercial land).  Downward adjustments are made for tenure, building age/condition/quality and size.	Upward adjustment is made for location.  Downward adjustment is made for building age/condition/quality.	Upward adjustment is made for time lapse / prevailing market condition and location.  Downward adjustments are made for tenure and building age/condition/quality.	Upward adjustments are made for time lapse / prevailing market condition, location and on strata basis.  Downward adjustments are made for tenure, building age/condition/quality and size.
<b>Effective Value</b>	RM198 psf	RM227 psf	RM221 psf	RM216 psf

## Valuation Rational

From the adjusted values, we note that the values derived range between RM198 per square foot to RM227 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 3 (Mas Academy at Kelana Jaya) as it has significant similarities as the Subject Property after making the necessary adjustments.

Having regards to the foregoing, we have adopted the analysed value of about RM220.00 per square foot in our Valuation as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway City Ipoh  
Mukim of Hulu Kinta, District of Kinta  
Perak Darul Ridzuan

Reference No. : V/11/0030(M)/cth



## 15.0 VALUATION CERTIFICATE

### 15.1 IDENTIFICATION OF PROPERTY

<b>Property Identification</b>	Completed, unsold and on-going developments as well as vacant development lands, all located within Sunway City Ipoh, Perak Darul Ridzuan.		
<b>Type of Property</b>	Sunway City Ipoh is currently under various stages of development consisting of completed, unsold and on-going developments as well as vacant development lands.		
<b>Title Particulars</b>	Lot Nos.	Lot No. 303250 and 323 other lots, all held under Mukim of Hulu Kinta, District of Kinta, Perak Darul Ridzuan.	
	Registered Proprietors:	Sunway City (Ipoh) Sdn Bhd (A wholly owned subsidiary of Sunway City Berhad) and Tambun Hot Springs Sdn Bhd [now known as Sunway City (Ipoh) Sdn Bhd].	
	Tenure:	Leasehold interests expiring on 27 <sup>th</sup> October 2097, 28 <sup>th</sup> October 2097, 11 <sup>th</sup> July 2102, 29 <sup>th</sup> June 2103, 6 <sup>th</sup> July 2103, 10 <sup>th</sup> August 2103, 7 <sup>th</sup> September 2103, 17 <sup>th</sup> April 2107, 16 <sup>th</sup> July 2107 and 10 <sup>th</sup> December 2108.	
	Category of Land Use:	Industrial, building and agricultural.	

### 15.2 PROPERTY DESCRIPTION

<b>General Property Description / Location</b>	A master planned on-going township development set amidst the scenic surroundings of Tambun Hot Springs and limestone hills consisting of commercial, industrial, residential, recreational components and vacant development lands known as Sunway City Ipoh encompassing about 1,004 acres, located along and off Jalan Tambun – Tg Rambutan and sited about 12 kilometres due north east of the Ipoh city centre and 4 kilometres due south of Tanjung Rambutan.
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Component	Square Metres	Acres	Ratio
Completed & unsold developments	6,235	1.541	0.15%
On-going developments	54,566	13.483	1.34%
Reserved for limestone hills, open area, landscape and facilities	1,260,591	311.499	31.02%
Development lands	2,741,313	677.393	67.48%
<b>Total land area:</b>	<b>4,062,705</b>	<b>1,003.916</b>	<b>100%</b>

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway City Ipoh  
Mukim of Hulu Kinta, District of Kinta  
Perak Darul Ridzuan

Reference No. : V/11/0030(M)/cth



## 15.2.1 Completed and Unsold Properties

### A. 10 units of completed and unsold 1 1/2-storey terraced factories

Lot No.	Location	Land Size (sm)	Description	Planning
303301 – 303303 (PT 144667 – PT 133669) 303305 (PT 144671) 303295 – 303296 (PT 144661 – PT 144662) 303327 – 303330 (PT 144693 – PT 144696)	All located along Jalan SCI 1/12 and SCI 1/11	127 - 151	The 1 1/2-storey terraced factories consist of intermediate lots and are generally constructed of reinforced concrete frame with bricks infill rendered externally and plastered internally supporting a timber pitched roof laid over with concrete roofing tiles. The ceilings and flooring are generally of cement plaster and cement screed. General built up area ranges from 148.64 square metres to 205.32 square metres.	The factories have been issued with a Certificate of Fitness for Occupation by Majlis Bandaraya Ipoh dated 12 <sup>th</sup> March 2007.

### B. 7 units of completed and unsold 2 to 3-storey terraced shop-offices

Lot No.	Land Size (sm)	Description	Planning
303198 (PT 144564) 303249 (PT 144615) 303206 (PT 144572) 303211 (PT 144577) 303230 (PT 144596) 303232 (PT 144598) 331210	130 - 263	The shop-offices consist of corner and intermediate lots and are generally constructed of reinforced concrete frame with bricks infill rendered externally and plastered internally supporting a timber pitched roof laid over with concrete roofing tiles. General built up area ranges from 257.99 square metres to 587.80 square metres. These shop-offices are located along Jalan SCI 1/3, SCI 1/13 and Persiaran SCI 2/1.	The shop-offices have been issued with a Certificate of Fitness for Occupation by Majlis Bandaraya Ipoh dated 5 <sup>th</sup> June 2001

## 15.2.2 Completed Property

### C. McDonald's drive through restaurant

Lot No.	Land Size (sm)	Description / Location	Planning
303521 (PT 144887)	3,602	The site is a corner and triangular shaped petrol station land with dual frontages onto Jalan Tambun – Tg Rambutan. The building is generally constructed of reinforced concrete frame with bricks infill rendered externally and plastered internally supporting a reinforced concrete flat roof. The ceilings and floor finishes are generally finished with cement plaster and ceramic tiles respectively. The gross built up area of the building is about 442.31 square metres.	The drive through restaurant has been issued a Certificate of Completion and Compliance by the Lembaga Arkitek Malaysia dated 27 <sup>th</sup> May 2010. The application to change the express condition to "bangunan pemiagaan (sebuah bangunan restoran makan segera McDonald's pandu lalu" had been submitted.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Sunway City Ipoh  
Mukim of Hulu Kinta, District of Kinta  
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## 15.2.3 Properties Under Construction

**D. 19 parcels of subdivided shop-office plots and a parcel of car park land currently with on-going works for a 4-storey hotel known as the Lost World Hotel & Vacation Club**

Lot No.	Land Size (sm)	Property Specifications	Planning
PT 232819 - PT 232837	2,660.5	No. of Rooms: 154 Total GFA: 10,693.88 square metres	Planning approval granted by Majlis Bandaraya Ipoh to convert the 19 parcels of subdivided shop-office plots to a 4-storey hotel and serviced suites vide letters dated 28 <sup>th</sup> October 2009 and 4 <sup>th</sup> October 2010. The building plans have been approved by Majlis Bandaraya Ipoh vide a letter dated 5 <sup>th</sup> January 2011. Amalgamation of lands have also been approved by the same dated 19 <sup>th</sup> January 2010.
PT 232874	1,664.60	Average room size: 36.33 square metres No. of car parks: 159 bays	
<b>Total</b>	<b>4,325.10</b>		

## Property Description

## On-Going Construction Works

Total Awarded Contract RM24,646,496

Total Value of Workdone  
(as at 22<sup>nd</sup> December 2010) RM6,050,418

Remaining Sum RM18,596,078

Stage of Completion 24.5%

The buildings are generally constructed of reinforced concrete frame with bricks infill rendered externally and plastered internally supporting a reinforced concrete flat roof. The facade of the building will carry the similar "Lost World" theme as seen on the Lost World of Tambun Theme Park. The ceilings and floor finishes are generally finished with cement plaster and ceramic tiles respectively.

**E. 28 units of double-storey terraced houses under construction known as Garden Terrace, 2 units of back to back detached houses under construction and a detached house (Garden Villas)**

Lot No.	Land Size (sm)	Built Up Area (sm)	Planning
PT 232838 – PT 232865	3,275.10	6,024.30	Planning permission and building plan approvals had been granted by Majlis Bandaraya Ipoh vide letters dated 8 <sup>th</sup> May 2007 and 23 <sup>rd</sup> December 2008.
PT 232867	325.60	264.87	
PT 232868	332.10	264.87	
PT 232866	617.10	277.78	
<b>Total</b>	<b>4,549.9</b>	<b>6,831.82</b>	<b>Property Description</b>

## Sales Status

## Take Up Rate

Sold 27 units of terraced houses  
(Launch Date: 14<sup>th</sup> November 2009) 96%

Sold 2 units of back to back detached houses  
and 1 unit of proposed detached house unsold  
(Launch Date: 14<sup>th</sup> November 2009) 67%

The 28 units of double-storey terraced houses fronting onto Jalan SCI 3/12 with land area of 153 square metres (intermediate units), 223 square metres (end units) and 439.30 square metres (corner unit). The built up area of the terraced houses are 198.53 square metres (intermediate and end units) and 265.52 square metres (corner unit).

## Total Sales Revenue / Progressive Payment Billed

RM10,323,811 / RM3,400,169

## On-Going Construction Works

Total Awarded Contract RM7,900,000

Total Value of Workdone (as at 19<sup>th</sup>  
January 2011) RM2,105,479

Stage of Completion 26.70%

The buildings are generally constructed of reinforced concrete frame with bricks infill rendered externally and plastered internally supporting a timber pitched roof. Generally, the ceilings and floor finishes will be of cement plaster and ceramic tiles respectively.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Sunway City Ipoh  
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**F. 220 units of townhouses under construction known as MontBleu Residence**

Parent Lot No.	Land Size (sm)	Total Built Up Area (sm)	Planning
PT 198580	44,538.92	41,516.69	Planning permission and building plan approvals had been granted by Majlis Bandaraya Ipoh vide letters dated 10 <sup>th</sup> August 2009 and 29 <sup>th</sup> January 2010.
			Property Description
Sales Status		Take Up Rate	The MontBleu Residence development consists of 220 townhouses to be built on 14 blocks of 3-storey buildings. The site is almost rectangular in shape having a frontage onto an internal metalled road, Persiaran Lagun Sunway.
Sold 47 of 84 units (Launch Date: 9 <sup>th</sup> September 2010)		56%	
Total Sales Revenue / Progressive Payment Billed			The built up area of the townhouses ranges from 175.56 square metres (lower units) to 254.74 square metres (upper units). The ceilings will be generally of cement plaster and ceiling boards and the floor finishes will be of porcelain tiles, laminated timber, homogeneous tiles and cement screed.
RM89,353,096 / RM4,089,700			
On-Going Construction Works			
Total Awarded Contract		RM2,312,582	The buildings will be generally constructed of reinforced
Total Value of Workdone (as at 30 <sup>th</sup> December 2010)		RM1,638,216	
Stage of Completion		0%	

**G. 2 units of detached houses under construction and 3 parcels of vacant detached house plots (Lakeside Villas Phase 7C)**

Lot No.	Location	Total Land Size (sm)	Total Built Up Area (sm)	Planning
PT 195252 – PT 195254, PT 195255 & PT 195256	Jalan SCI 5/7 and SCI 5/5	3,180.3	1,507.64	Planning permission and building plan approvals had been granted by Majlis Bandaraya Ipoh vide letters bearing dated 16 <sup>th</sup> May 2006 and 5 <sup>th</sup> August 2009.
				Property Description
Sales Status		Take Up Rate		Generally, all five parcels of lands are irregular in shape and flat in terrain and located on the same level with the surrounding area.
Sold 2 of 5 units (Launch Date: 29 <sup>th</sup> July 2009)		40%		
Total Sales Revenue / Progressive Payment Billed				
RM1,477,755 / RM740,688				
On-Going Construction Works				
Total Awarded Contract for 2 sold units			RM739,178	The buildings will be generally constructed of reinforced concrete frame with bricks infill rendered externally and plastered internally supporting a timber pitched roof. Generally, the ceilings and floor finishes will be of cement plaster and ceramic tiles respectively.
Total Value of Workdone for 2 sold units (as at 24 <sup>th</sup> September 2010)			RM199,367	
Stage of Completion			27%	

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

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**15.2.4 Vacant Commercial / Industrial / Residential / Development Lands**

Lot No.	Land Area (sm)	Property Type & Brief Description	Planning
<b>H. <u>36 parcels of subdivided vacant semi-detached factory plots</u></b>			Designated for industrial development as expressly stipulated in the title documents.
303250 to 303285 (Formerly PT 144616 to 144651)	15,858	These 36 subdivided parcels are located along Jalan SCI 1/2, 1/15 and 1/16. They are generally flat, partially cleared and lie at the same level with the surrounding area.	
<b>I. <u>99 parcels of subdivided vacant terraced factory plots</u></b>			Designated for food court and bazaar as expressly stipulated in the title document.
Lot Nos. 303375 to 303473 (Formerly PT 144741 to 144839)	16,842	These 99 subdivided parcels of terraced factory plots are located along Jalan SCI 1/7, 1/8, 1/9 and 1/10. They are generally flat, cleared and lie at the same level with the surrounding area.	
<b>J. <u>Vacant commercial land for food court and bazaar</u></b>			Designated for petrol station as expressly stipulated in the title document.
Lot No. 303522 (Formerly PT 144888)	2,132	This vacant commercial land fronts onto Jalan SCI 1/10 and located in between existing terraced factories. It is rectangular in shape and located at the same level with the frontage road.	
<b>K. <u>Vacant petrol station land</u></b>			*Proposed for college development as per approved master layout plan.
Lot No. 303520 (Formerly PT 144886)	2,309	This vacant commercial land sited along the main road, Jalan Tambun – Tg Rambutan. It is almost rectangular in shape. The front portion of the site fronts onto the main road and at the same level with the exception of the middle portion which is generally below road level.	
<b>L. <u>Vacant development land proposed for college</u></b>			Planning approval application for the Phase 2 (extension) of the existing luxurious Banjaran Hotspings Retreat have been submitted by ICEP Planners Sdn Bhd on behalf of Sunway City (Ipoh) Sdn Bhd vide a letter dated 30 <sup>th</sup> September 2007
Lot No. 303541 (Formerly PT 146132)	39,011	This development land is sited next to the MontBleu Residence development. It is rectangular in shape, generally flat, partially cleared and lies at the same level with the surrounding area.	
<b>M. <u>Development land proposed for Banjaran Hotspings Retreat Phase 2</u></b>			Planning approval application for the Phase 2 (extension) of the existing luxurious Banjaran Hotspings Retreat have been submitted by ICEP Planners Sdn Bhd on behalf of Sunway City (Ipoh) Sdn Bhd vide a letter dated 30 <sup>th</sup> September 2007
PT 220408	123,402	This development land is located on the second layer from the main road, Jalan Tambun – Tg Rambutan.  The site is generally flat at the front (western) portion and hilly at the rear (eastern) portion and has an irregular shape. The site has a small pond located on the western section, partially cleared with some area planted with durian trees and covered with heavy undergrowth. The rear (eastern) site boundary is bounded by limestone hills whilst the front (western) site boundary abuts onto a TNB transmission line.	

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

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Lot No.	Land Area (sm)	Property Type & Brief Description	Planning
<b><u>N. Two parcels of commercial land currently used for Extreme Park Phase 1 &amp; 2</u></b>			
PT 220403 (Extreme Park)	48,086	PT 220403 is a corner plot, irregular shape and is partially fronting onto the main road, Jalan Tambun – Tg Rambutan. The site abuts onto a TNB power station on the eastern boundary and a Petronas petrol station on the north western site boundary. The site accommodates futsal courts, badminton courts, paintball area and a driving range.	The Extreme Park is issued with Certificates of Fitness for Occupation by the Majlis Bandaraya Ipoh dated 13 <sup>th</sup> January 2010.
PT 220407 (Extreme Park Phase 2)	16,551	PT 220407 is an internal lot which is located at the rear portion of PT 220403. It is almost trapezoidal in shape, generally flat with some portions cleared. It is currently being used for extreme sports which include a go kart circuit and 4x4 wheel ATV trail.	
<b><u>O. Three development land proposed for Hilltop Homes</u></b>			
PT 220273	1,158,472	These three development lands are proposed for Hilltop Homes consisting of horticulture and homestead villas with density of 2 – 4 units per acre. These lots are hilly, partially cleared and elevated above the surrounding area.	*Proposed for homestead and horticulture development with density of 2 – 4 units per acre as per approved master layout plan.
PT 220274	558,270		
PT 220275	427,238		
<b><u>P. Development land proposed for detached house plots</u></b>			
PT 220405	127,702	The site is irregular in shape, hilly and elevated above the surrounding area.	*Proposed for 111 detached house plots with a density of about 3.5 units per acre as per approved master layout plan.
<b><u>Q. A parcel of land proposed for homestead development</u></b>			
PT 220396	35,551	This development land is proposed for homestead development and sited next to a lake. It is irregular in shape, generally flat, partially cleared and lies at the same level with the surrounding area.	*Proposed for homestead development as per approved master layout plan.
<b><u>R. Vacant development land proposed for serviced apartments</u></b>			
Lot No. 303538 (Formerly PT 146129)	56,279	This is a corner plot, trapezoidal in shape and fronts directly onto the main road, Jalan Tambun – Tg Rambutan with a return frontage onto an internal road, Persiaran Lembah Perpaduan. The site abuts onto a TNB transmission line and a drain reserve on the south eastern boundary. It has a special reserve for public facility of about 17,199.14 square metres.	*Proposed for serviced apartment development as per approved master layout plan.



## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Sunway City Ipoh  
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Lot No.	Land Area (sm)	Property Type & Brief Description	Planning
<b>S. <u>Development land proposed for Lost World Mall Phase 2</u></b>			
PT 220410	37,921	<p>The site is irregular in shape, generally flat and lies at the same level with the surrounding area.</p> <p>The western (front) portion of the site partially fronts onto the main road, Jalan Tambun – Tg Rambutan with the rest adjoining the TNB transmission line. The eastern (rear) portion of the site abuts onto the existing luxurious Banjaran Hotsprings Retreat.</p>	*Proposed for extension of Lost World Mall as per approved master layout plan.
<b>T. <u>65 parcels of subdivided vacant shop-office plots, three parcels of commercial car park lands and two vacant parcels of commercial lands proposed for Lost World Mall &amp; Serviced Apartments</u></b>			
PT 220414 – PT 220478 (shop-office plots)	11,601.70	<p>The combined site forms an almost rectangular shape, fronts onto the main road, Jalan Tambun – Tg Rambutan and it is located next to the Lost World of Tambun Theme Park. The eastern portion abuts onto a limestone hill whilst the northern site boundary adjoins an internal service road leading to the luxurious Banjaran Hotsprings Retreat. We have adopted the net land area of about 74,551.84 square metres.</p>	Planning permission approval had been granted by Majlis Bandaraya Ipoh vide a letter dated 13 <sup>th</sup> June 2006. Subsequently, the application to amend the approved planning permission has been submitted on 1 <sup>st</sup> December 2010.
PT 220479	24,273.14		
PT 220480	33,666.20		
PT 220481 – PT 220483 (Commercial car park lands)	5,010.80		
<b>U. <u>16 parcels of subdivided detached house plots (Lakeside Bungalows)</u></b>			
PT 220319 – PT 220334	16,308.40	<p>These 16 parcels are located in Lakeside Villas development and it has a direct frontage onto an internal service road, Jalan SCI 5/9 on the southern section and a lake on the northern section.</p>	<p>Building plan approval has been approved by Majlis Bandaraya Ipoh vide its letter dated 11<sup>th</sup> June 2010.</p>

**\*Master Planning Approval**

The master layout plan for Sunway City Ipoh had been approved in 1995 and amended in 1997 as per approval letter dated 15<sup>th</sup> July 1997.

**15.3 MARKET VALUE**

**Date of Valuation** 10<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the **Comparison, Investment and Residual Methods** of Valuation.

**Market Value** RM117,360,000.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway City Ipoh  
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## 15.3.1 Completed and Unsold Properties

We have solely relied on the Comparison Method of Valuation for completed and unsold properties. Recent transactions of terraced factories and shop-offices located within Sunway City Ipoh are summarized in the tables below.

### A. 10 units of completed and unsold 1 1/2-storey terraced factories

Sales Comparison and Analysis of 1 1/2-Storey Terraced Factory Sales in Ipoh			
	Comparable 1	Comparable 2	Comparable 3
<b>Address</b>	11, Jln SCI 1/11, Sunway City Ipoh	34, Jln SCI 1/11, Sunway City Ipoh	24, Jln SCI 1/11, Sunway City Ipoh
<b>Type of Property</b>	1 1/2-storey terraced factory	1 1/2-storey terraced factory	1 1/2-storey terraced factory
<b>Tenure</b>	Leasehold	Leasehold	Leasehold
<b>Land Area</b>	151 square metres	151 square metres	151 square metres
<b>Built Up</b>	205.32 square metres	205.32 square metres	205.32 square metres
<b>Consideration</b>	RM205,000	RM185,000	RM180,000
<b>Date</b>	24 <sup>th</sup> February 2010	21 <sup>st</sup> October 2009	2 <sup>nd</sup> April 2009
<b>Analysis (over built up)</b>	RM1,357.62 psm / RM126 psf	RM901.03 psm / RM84 psf	RM876.68 psm / RM81 psf
<b>Adjustments</b>	General adjustments have been made to reflect the time, micro location, type and size of the subject property.		
<b>Effective Adjusted Values (over built up)</b>	RM93 psf	RM92 psf	RM86 psf
<b>Valuation Rational</b>	We have adopted Comparable 2 as the most appropriate comparable as a base in our valuation of the 10 units of terraced factories taking into its consideration of being in the same locality, property type and size.		

### B. 7 units of completed and unsold 2 to 3-storey terraced shop-offices

Sales Comparison and Analysis of 2 to 3-Storey Shop-Office Sales in Ipoh			
	Comparable 1	Comparable 2	Comparable 3
<b>Address</b>	32 & 32a, Prsn SCI 2, Sunway City Ipoh	2, Jalan SCI 1/13, Sunway City Ipoh	31 & 31a, Prsn SCI 2/2, Sunway City Ipoh
<b>Type of Property</b>	2-storey terraced shop-office	3-storey corner terraced shop-office	2-storey terraced shop-office
<b>Tenure</b>	Leasehold	Leasehold	Leasehold
<b>Land Area</b>	153 square metres	211 square metres	153 square metres
<b>Built Up</b>	247.7 square metres	587.77 square metres	270.11
<b>Consideration</b>	RM350,000	RM632,722	RM260,000
<b>Date</b>	21 <sup>st</sup> August 2009	16 <sup>th</sup> February 2009	29 <sup>h</sup> May 2008
<b>Analysis (over built up)</b>	RM1,413.00 psm / RM131 psf	RM1,076.48 psm / RM100 psf	RM962.57 psm / RM89 psf
<b>Adjustments</b>	General adjustments have been made to reflect the time, condition, micro location and size of the subject property.		
<b>Effective Adjusted Values (over built up)</b>	RM117 psf	RM95 psf	RM92 psf
<b>Valuation Rational</b>	We have adopted Comparable 2 as the most appropriate comparable as a base in our valuation of the 7 units of shop-offices taking into its consideration of being in the same locality, property type and size.		

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

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## 15.3.2 Completed Property

### C. McDonald's Drive Through Restaurant

For the valuation of McDonald's drive through restaurant, we have adopted the Investment Method of Valuation and relied solely on the method to arrive at the market value. Summary of parameters of the investment method are tabulated below.

	Average Gross Rental (Monthly)	Outgoings (Note 1)	Yield (Note 2)	Void	Present Value (Note 3)
<b>First 3 Years</b> (1 <sup>st</sup> June 2010 – 31 <sup>st</sup> May 2013)	RM10,000, RM11,000 & RM12,000 each	RM2,400 per month / RM0.50 psf over built up	6.00% - 8.25%	-	6.50%
<b>Subsequent 9 terms of 3 years each</b> (1 <sup>st</sup> June 2013 – 31 <sup>st</sup> May 2040)	Increase of 6% after Year 3 for all subsequent terms	Increase of 5% after Year 3 for all subsequent terms			
<b>Reversion</b>	RM19,044 per month / RM4 psf over built up	RM4,000 per month / RM0.84 psf over built up	6.50%	5.00%	6.50%

#### Note 1: Outgoings

Outgoings consist of quit rent (actual), assessment and general maintenance of the land (estimated) as noted in the tenancy agreement which is payable by the landlord. Based on our estimation, we note that the outgoings payable by landlord amounts to about RM2,400 per month / RM0.50 psf over built up area. Upon reversion we have adopted a rate of RM0.84 psf over built up area.

#### Note 2: Yield

From our yield analysis, we have noted that the estimated yield of commercial land in Ipoh is about 4.1% whilst the yield of double-storey shop-offices is in the region of about 5.5% – 6.5% depending on the location, tenure, building condition and etc.

#### Note 3: Present Value

A discount rate of 6.50% is adopted for discounting the future income into the present value for both future terms and reversionary term.

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## 8. VALUATION CERTIFICATES (cont'd)

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## 15.3.3 Properties Under Construction

We have solely relied on the Residual Method of Valuation for properties under construction and we have summarized our approach and parameters in the following tables.

### D. 19 parcels of subdivided shop-office plots and a parcel of car park land currently with on-going works for a 4-storey hotel known as the Lost World Hotel & Vacation Club

Summary of Parameters	
Gross Development Value (GDV)	RM37,000,000 / RM240,000 per room (Note 1)
Gross Development Cost (GDC)	RM27,671,802
Infrastructure & Main Building Works	RM214 psf / RM160,000 per room (contract)
Developer's Profit	15% of GDV
Development Period	Approximately 1 year
Discount Rate	8%

#### Note 1: Gross Development Value (GDV)

We note that the transacted Impiana Casuarina Hotel in Ipoh analysed to about RM232,000 per room. Therefore, we have adopted a rate of RM240,000 per room for the subject property after taking into consideration the condition, operator, facilities, location, tenure and design of the subject property.

#### Note 2: Development Period

We have adopted a development period of 1 year taking into consideration that the development will be completed within the period.

### E. 28 units of double-storey terraced houses Under construction known as Garden Terrace, 2 units of back to back detached houses under construction and a detached house (Garden Villas)

Summary of Parameters	
Gross Development Value (GDV)	About RM300,000 per unit for terraced houses and RM611,000 per unit for back to back detached houses (Note 1)
Gross Development Cost (GDC)	RM7,911,017
Infrastructure & Main Building Works	RM107 psf of total built up area (contract)
Developer's Profit	15% of GDV
Development Period	Approximately 2 years
Discount Rate	8%

#### Note 1: Gross Development Value (GDV)

We have adopted the selling prices of the properties after taking into consideration the take up rate.

#### Note 2: Development Period

We have adopted a development period of 2 years after taking into consideration that the main building works are already on-going site.

## 8. VALUATION CERTIFICATES (cont'd)

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**F. 220 units of townhouses Under construction known as MontBleu Residence**

<b>Summary of Parameters</b>	
Gross Development Value (GDV)	RM83,396,011 (Note 1)
Gross Development Cost (GDC)	RM72,291,436
Preliminaries & Infrastructure	RM5 psf over total land area
Main Building Works	RM103 psf over total built up area (estimated)
Developer's Profit	15% of GDV
Development Period	Approximately 3 years
Discount Rate	8%

**Note 1: Gross Development Value (GDV)**

We have adopted the selling prices of the properties after taking into consideration the take up rate.

**G. 2 units of detached houses Under construction and 3 parcels of vacant detached house plots (Lakeside Villas Phase 7C)**

<b>Summary of Parameters</b>	
Gross Development Value	About RM738,000 per unit
Gross Development Cost (GDC)	RM777,992
Preliminaries & Infrastructure	RM2 psf over total land area
Main Building Works	RM113 psf over total built up area (contract)
Developer's Profit	15% of GDV
Development Period	Approximately 1 year
Discount Rate	8%

**Note 1: Gross Development Value (GDV)**

We have adopted the selling prices of the properties after taking into consideration the take up rate.

**Note 2: Development Period**

We have adopted a development period of 1 year after taking into consideration that the main building works are already on-going.

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## 8. VALUATION CERTIFICATES (cont'd)

**Knight Frank**

Sunway City Ipoh  
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Reference No. : V/11/0030(M)/cth

**15.3.4 Vacant Commercial / Industrial / Residential / Development Lands**

**Properties H & I – 36 parcels of subdivided vacant semi-detached factory plots and 99 parcels of subdivided vacant terraced factory plots**

Due to a dearth of semi-detached and terraced factory plots transactions within the same area, we have carried out the valuation of Properties H & I by using the Residual Method of Valuation.

**Summary of Parameters**

Gross Development Value	RM37,290,110 (Note 1)
Gross Development Cost (GDC)	RM31,513,007
Preliminaries & Infrastructure	RM3 psf over total land area
Main Building Works	RM60 psf over total built up area
Developer's Profit	15% of GDV
Development Period	Approximately 2 years
Discount Rate	8%

**Note 1: Gross Development Value (GDV)**

We have analysed the recently transacted prices of terraced and semi-detached factories sales in Sunway City Ipoh to arrive at our opinion of GDV.

**Note 2: Development Period**

We are of the opinion that the development can be completed within 2 years.

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## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway City Ipoh  
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Reference No. : V/11/0030(M)/cth

## Properties J – U

We have identified and analyzed the recent transactions of commercial, residential, agricultural and development land sales in the vicinity of Sunway City Ipoh and have summarized the details and our approach in the following tables.

Sales Comparison and Analysis of Commercial Land Sales in Ipoh			
	Comparable 1	Comparable 2	Comparable 3
<b>Identification</b>	PT 187019, HSD 116778, Mukim of Hulu Kinta, District of Kinta, Perak	Lot No. 212154, PM 149631, Mukim of Hulu Kinta, District of Kinta, Perak	Lot No. 46710, G 62506, Mukim of Hulu Kinta, District of Kinta, Perak
<b>Location</b>	Off Batu 8 Jalan Tambun - Tg Rambutan, fronting Jalan Perpaduan and return frontage onto Persiaran Perpaduan 6	Off Jalan Tambun - Tg Rambutan, south of Sunway City Ipoh	No. 2, Cecil Rae Drive, Taman Canning, Ipoh
<b>Tenure</b>	Leasehold expiring on 3 Feb 2102	Leasehold 99 years	Freehold
<b>Type of Land</b>	A plot of commercial land	Caltex Petrol Station	Caltex Petrol Station
<b>Land Area</b>	1,444.4 square metres	2,246 square metres	1,444 square metres
<b>Consideration</b>	RM2,000,000	RM1,200,000	RM1,000,000
<b>Date</b>	22 <sup>nd</sup> June 2009	7 <sup>th</sup> October 2009	12 <sup>th</sup> October 2009
<b>Analysis</b>	RM28 psf	RM25 psf	RM52 psf
<b>Planning</b>	Commercial: Pusat Perniagaan	Petrol Station	Petrol Station
<b>Adjustments</b>	General upward adjustments have been made to reflect the location of Sunway City Ipoh and its master planned township development, time, size, tenure, terrain, shape and etc.		

Sales Comparison and Analysis of Commercial & Development Land Sales in Ipoh				
	Comparable 4	Comparable 5	Comparable 6	Comparable 7
<b>Identification</b>	Lot Nos. 305553 – 305555, PN 19634 – 19636, Mukim of Hulu Kinta, District of Kinta, Perak together with 2 parcels of state lands sited in between	PT 228836, HSD 185176, Mukim of Hulu Kinta, District of Kinta, Perak	PT 190100 - 190105, HSD 162542 - 162456, Mukim of Hulu Kinta, District of Kinta, Perak	Lot No. 392203, PN 343148 (formerly PT 226083, HSD 180352), Mukim of Hulu Kinta, District of Kinta, Perak
<b>Location</b>	Off Jalan Pasir Puteh, fronting onto internal Medan Stesen 18/5, Ipoh	Off Batu 7 Jalan Tambun - Tg Rambutan, Ipoh	Off Batu 6 Jalan Tambun - Tg Rambutan, Ipoh	Off Ipoh – Lumut Highway, Ipoh
<b>Tenure</b>	Freehold	Leasehold expiring 19 <sup>th</sup> August 2108	Freehold	Leasehold expiring 23 <sup>rd</sup> November 2107
<b>Type of Land</b>	3 parcels of commercial land and state lands	A residential land	5 parcels of development land	Residential development land
<b>Land Area</b>	70,011 square metres	55,142 square metres	25,579 square metres	167,400 square metres
<b>Consideration</b>	RM27,129,168	RM12,500,000	RM4,300,000	RM12,000,000
<b>Date</b>	28 <sup>th</sup> June 2010	21 <sup>st</sup> December 2009	1 <sup>st</sup> July 2009	30 <sup>th</sup> March 2010
<b>Analysis</b>	RM36 psf	RM21 psf	RM16 psf	RM6.66 psf
<b>Planning</b>	Approved for a block of 4-storey shopping complex with plot ratio of 3	Approved for condominium development known as The Haven (485 units)	Zoned for residential development	Approved for residential development
<b>Adjustments</b>	General downward adjustments have been made to reflect the location of Sunway City Ipoh and its master planned township development, time, size, tenure, planning, terrain, shape and etc.			

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Sunway City Ipoh  
Mukim of Hulu Kinta, District of Kinta  
Perak Darul Ridzuan  
Reference No. : V/11/0030(M)/cth



Sales Comparison and Analysis of Detached House Land & Development Land Sales in Ipoh			
	Comparable 8	Comparable 9	Comparable 10
<b>Identification</b>	Lot No. 173799, PN 93651, Mukim of Hulu Kinta, District of Kinta, Perak	Lot No. 20982, G 35539, Mukim of Hulu Kinta, District of Kinta, Perak	228275, PN 137607, Mukim of Hulu Kinta, District of Kinta, Perak
<b>Location</b>	Lot 173799, Hala Bercham Selatan	Located in Tambun Heights	Laluan Tambun Indah 3, Tmn Puncak Tambun Indah
<b>Tenure</b>	Leasehold expiring on 27th June 2089	Freehold	Leasehold expiring on 28th May 2095
<b>Type of Land</b>	Residential plot	A vacant parcel of development land	Vacant bungalow land
<b>Land Area</b>	920 square metres	4,020 square metres	848 square metres
<b>Consideration</b>	RM376,306	RM1,082,466	RM273,840
<b>Date</b>	17 <sup>th</sup> May 2010	26 <sup>th</sup> June 2009	30 <sup>th</sup> March 2010
<b>Analysis</b>	RM38 psf	RM25 psf	RM30 psf
<b>Planning</b>	For detached house development	Zoned for residential	For detached house development
<b>Adjustments</b>	General adjustments have been made to reflect the time, size, terrain, shape and etc of the subject property.		

Sales Comparison and Analysis of Agriculture Land Sales in Ipoh			
	Comparable 11	Comparable 12	Comparable 13
<b>Identification</b>	PT 20528 & 20529, HSD 173233 & 173234, Mukim of Sg Raya, District of Kinta, Perak	PT 20531, HSD 173233 & 173234, Mukim of Sg Raya, District of Kinta, Perak	Lot No. 14547, G 23228, Mukim of Hulu Kinta, District of Kinta, Perak
<b>Location</b>	Off Jalan Gopeng - Simpang Pulai, Ipoh	Off Jalan Gopeng - Simpang Pulai, Ipoh	Off Jln Tg Rambutan - Chemor
<b>Tenure</b>	Leasehold expiring on 29th June 2068	Leasehold expiring on 29th June 2068	Freehold
<b>Type of Land</b>	Agriculture land	Agriculture land	A parcel of agriculture land
<b>Land Area</b>	217,855 square metres	197,796 square metres	789,423 square metres
<b>Consideration</b>	RM2,153,600	RM1,955,200	RM7,665,308
<b>Date</b>	29 <sup>th</sup> March 2010	22 <sup>nd</sup> December 2009	28 <sup>th</sup> June 2008
<b>Analysis</b>	RM0.92 psf	RM0.92 psf	RM0.95 psf
<b>Planning</b>	Agricultural: Oil Palm	Agricultural: Oil Palm	Agricultural: Rubber
<b>Adjustments</b>	General downward adjustments have been made to reflect the time, size, terrain, shape, usable area, planning and etc of the subject property.		

Sales Comparison and Analysis of Development Land Sales in Ipoh			
	Comparable 14	Comparable 15	Comparable 16
<b>Identification</b>	Lot No. 45667, G 50154, Mukim of Hulu Kinta, District of Kinta, Perak	Lot No. 129043, PM 12908, Mukim of Hulu Kinta, District of Kinta, Perak	PT 228836, HSD 185176, Mukim of Hulu Kinta, District of Kinta, Perak
<b>Location</b>	Off Jalan Pasir Puteh - pengkalan, in Taman Lapangan	Off Jalan Tambun / Ampang	Off Jalan Tambun - Tg Rambutan Batu 7, Ipoh
<b>Tenure</b>	Freehold	Leasehold expiring on 4th May 2043	Leasehold expiring 19th August 2108
<b>Type of Land</b>	An agricultural land	A parcel of development land	An agricultural land with a lake and limestone hill
<b>Land Area</b>	50,001 square metres	20,450 square metres	55,142 square metres
<b>Consideration</b>	RM2,676,188	RM1,010,230	RM1,935,000
<b>Date</b>	12 <sup>th</sup> August 2009	1 <sup>st</sup> September 2009	21 <sup>st</sup> September 2007
<b>Analysis</b>	RM4.97 psf	RM4.60 psf	RM3.42 psf
<b>Planning</b>	Zoned for residential with density of 1 – 20 units per acre	Zoned for agricultural	Zoned for residential
<b>Adjustments</b>	General adjustments have been made to reflect the location of Sunway City Ipoh and its master planned township development, time, size, tenure, planning, terrain, shape, time and etc.		



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Sunway City Ipoh  
Mukim of Hulu Kinta, District of Kinta  
Perak Darul Ridzuan



Reference No. : V/11/0030(M)/cth

Valuation Rational	Property	Comparables Used	Effective Adjusted Values
	J	1, 2 & 9	RM20 – RM30 psf Adopted Comparable 1 (RM29 psf)
	K	1, 2 & 3	RM25 – RM39 psf Adopted Comparable 1 (RM35 psf)
	L	14, 15 & 16	RM5 – RM6 psf Adopted Comparable 3 (RM5 psf)
	M	5, 6 & 7	RM8 – RM11 psf Adopted Comparable 5 (RM11 psf)
	N	4, 5 & 6	RM14 – RM20 psf Adopted Comparable 6 (RM16 psf)
	O (PT 270273)	11, 12 & 13	RM0.55 – RM0.60 psf Adopted Comparable 13 (RM0.60 psf)
	O (PT 270274)	11, 12 & 13	RM0.58 – RM0.89 psf Adopted Comparable 13 (RM0.89 psf)
	O (PT 270275)	11, 12 & 13	RM0.73 – RM0.89 psf Adopted Comparable 11 (RM0.73 psf)
	P	11, 12 & 13	RM1.06 – RM1.19 psf Adopted Comparable 12 (RM1.11 psf)
	Q	14, 15 & 16	RM4 – RM6 psf Adopted Comparable 16 (RM4 psf)
	R	1, 5 & 6	RM15 – RM19 psf Adopted Comparable 5 (RM19 psf)
	S	1, 5 & 6	RM15 – RM17 psf Adopted Comparable 5 (RM17 psf)
	T	4, 5 & 6	RM18 – RM24 psf Adopted Comparable 4 (RM22 psf)
	U	8, 9 & 10	RM34 – RM44 psf Adopted Comparable 8 (RM44 psf)

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot Nos. 5646 to 5648, all within Mukim 1  
Daerah Seberang Perai Tengah, Pulau Pinang

Reference No. : V/PG/11/050(A)/ymk



## 16.0 VALUATION CERTIFICATE

## 16.1 IDENTIFICATION OF PROPERTY

**Type of Property** An on-going commercial development known as Sunway Perdana comprising 49 units of three-storey shopoffice, 1 unit of 1-storey futsal centre (4 courts) and 1 unit of 1-storey badminton centre (6 courts).

**Title Particulars** The following table outlines the title particulars of the Subject Property.

## Summary of Title Particulars

Lot Nos.	: 5646 to 5648, all within Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang.
Total Land Area	: 34,443 square metres.
Tenure	: Leasehold interest for a term of 99 years, expiring on 21 <sup>st</sup> October 2092, in respect of all titles.
Registered Proprietor	: Lot 5646 – Bandar Sunway (Penang) Sdn. Bhd. Lot 5647 – Sejati Pesona Sdn. Bhd. Lot 5648 – Associated Circle Sdn. Bhd. (All Registered Proprietors stated above are wholly-owned subsidiary of Sunway City Berhad).
Category Of Land Use	: "Bangunan", in respect of all titles.

## 16.2 PROPERTY DESCRIPTION

**Property Description / Location** Sunway Perdana is an on-going commercial development located within Pusat Bandar Seberang Jaya (Bandar Sunway).

Brief development details are tabulated as follows:-

Block	Land Area / GFA (typical unit)	Units	Developer's Selling Price*	Take up rate	Total Sales Revenue / Progressive payment billed	Stage of Completion
A	1,658 sq. feet / 4,877 sq. feet	12	RM1,157,900 to RM1,989,000	76%	RM50,079,004 / RM12,745,025	13.36%
B		11	RM1,126,900 to RM1,970,000			
C		11	RM1,257,000 to RM2,044,000			
D		12	RM1,080,000 to RM1,870,000			
E		3	RM1,459,000 to RM1,582,000			

\*Developer's selling price is subject to promotional and bumiputra discounts

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. 5646 to 5648, all within Mukim 1  
Daerah Seberang Perai Tengah, Pulau Pinang

Reference No. : V/PG/11/050(A)/ymk



## Planning Approval

The Subject Property is designated for Commercial Buildings, Sport Center and Parking area, and also Medical Center use as expressly stipulated in the title document.

The subject property was granted a planning approval and building plan approval for the development vide the approval letters dated 16<sup>th</sup> April 2010 and 15th October 2010 respectively, both issued by the Seberang Perai Municipal Council.

## 16.3 MARKET VALUE

### Date of Valuation

9<sup>th</sup> February 2011.

### Valuation Methodology

In valuing on-going developments which are under construction, the primary method is the **Residual Method** and as such, we have only adopted the Market Value as derived from the Residual Method of Valuation.

### Market Value

RM16,900,000

### Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

#### Summary of Parameters (All Based on Remaining Value / Cost)

Gross Development Value	RM59,067,692 (Note 1)
Gross Development Cost	RM40,067,618
Preliminaries & Infrastructure	RM1.42 psf / Total Land Area
Building Construction Cost	RM79.51psf / total gross built-up area (excluding construction cost of sports centre)
Developer's Profit	15% of GDV
Development Period	Approximately 1½ years (Note 2)
Discount Rate	8.00%

#### Note 1: Gross Development Value (GDV)

In arriving at the Gross Development Value for the unsold shopoffice units, we have adopted a sale price of RM1,250,000 per unit to be fair representation after taking into consideration similar properties that are being sold within the immediate vicinity and surrounding schemes where three-storey terraced shopoffices and four-storey terraced shopoffices have been transacted at RM1,140,000 per unit and RM2,800,000 to RM2,850,000 per unit respectively.

Launch date of Sunway Perdana was in July 2010.

#### Note 2: Development Period

We note that the development of the subject property has already commenced. Hence, we have adopted a development period of 1.5 years in our valuation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

Lot Nos. 5646 to 5648, all within Mukim 1  
Daerah Seberang Perai Tengah, Pulau Pinang

Reference No. : V/PG/11/050(A)/ymk



## Residual Method of Valuation (Cont'd)

Similarly, the GDV for the sports centre which is made up of four futsal courts and six badminton courts is based on the following:-

Current market rentals of futsal courts range from RM60 to RM90 per hour whilst rentals for badminton courts range from RM7 to RM12 per hour in Seberang Perai.

For the investment method of valuation of the sports centre, we have adopted the following rentals:-

(a) Courts	(b) Business hour	(c) No. of hours	(d) Rental per hour (RM)	(e) Estimated court occupancy	Estimated Annual Gross Income (RM)
Futsal x 4	9 am to 6 pm	9	60	25%	197,100*
	6 pm to 2 am	8	100	50%	584,000*
Badminton x 6	9 am to 6 pm	9	8	17%	26,280*
	6 pm to 2 am	8	12	83%	175,200*
Total					982,580

\*Column (a) x (c) x (d) x (e) x 365 days

Summary of Parameters	
Annual Gross Income	RM982,580
Outgoings	30%
Yield	10.00%

We do not have any evidences of historical outgoings for futsal and also badminton centers. Therefore, we have to rely on the average industrial outgoings at 15% to 20% and we have estimated the current outgoings at 30%.

The resultant net income is capitalized using a yield of 10% over the remaining period of the lease to arrive at the value of the sports centre.

There are no yield evidences on futsal and badminton centers as well. Therefore, we have to depend on industrial properties as a guide. The average yields for industrial properties are in the region of 7% to 8%. We have adopted a slightly higher figure to reflect the risks/uncertainties.

## 8. VALUATION CERTIFICATES (cont'd)

**Knight Frank**

Lot Nos. 5493, 5781 to 5793, all within Mukim 1  
Daerah Seberang Perai Tengah, Pulau Pinang

Reference No. : V/PG/11/050(B)(i)&(ii)/ymk

**17.0 VALUATION CERTIFICATE****17.1 IDENTIFICATION OF PROPERTY**

**Type of Property** Four lots of vacant development land.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

Summary of Title Particulars	
Lot Nos. :	5493, 5781 to 5783, all within Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang.
Total Land Area :	21,776 square metres.
Tenure :	Leasehold interest for a term of 99 years, expiring on 21 <sup>st</sup> October 2092 (remaining unexpired term of about 81 years), in respect of all titles.
Registered Proprietor :	Lot 5493 – Prime Delight Sdn. Bhd. Lot 5781 to 5783 – Alliance Parade Sdn. Bhd. (All Registered Proprietors stated above are wholly-owned subsidiary of Sunway City Berhad).
Category of Land Use :	Bangunan (Building), in respect of all titles.

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## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot Nos. 5493, 5781 to 5793, all within Mukim 1  
Daerah Seberang Perai Tengah, Pulau Pinang

Reference No. : V/PG/11/050(B)(i)&(ii)/ymk



## 17.2 PROPERTY DESCRIPTION

**Property Description /  
Location**

Lot 5493

The site is regular in shape with a surveyed land area of 13,306 square metres (144,225 square feet). The subject property is strategically located within the prime commercial precinct of Pusat Bandar Seberang Jaya (Bandar Sunway) which is located on the southern side of the Butterworth – Kulim Expressway.

The site is currently used as a temporary car and motorcycle parking area by Sunway Carnival Shopping Mall.

Lots 5781 to 5783

The site is regular in shape with a combined surveyed land area of 8,470 square metres (91,170 square feet). The subject property is strategically located within the prime commercial precinct of Pusat Bandar Seberang Jaya (Bandar Sunway) which is located off the southern side of the Butterworth – Kulim Expressway.

The site is currently used as a temporary car parking area by Sunway Hotel.

**Planning Approval**

Lot 5493

The Subject Property is designated for Hotel use as expressly stipulated in the title document.

Lots 5781 to 5783

The Subject Property is designated for rumah kedai / pejabat use as expressly stipulated in the title document.

## 17.3 MARKET VALUE

**Date of Valuation**

9<sup>th</sup> February 2011.

**Valuation Methodology**

For the purpose of this valuation, we have adopted the **Comparison** Method of Valuation.

**Market Value**

Lot 5493 – RM13,600,000.  
Lot 5781 to 5783 – RM8,700,000

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank

Lot Nos. 5493, 5781 to 5793, all within Mukim 1  
Daerah Seberang Perai Tengah, Pulau Pinang

Reference No. : V/PG/11/050(B)(i)&(ii)/ymk



Sales Comparison and Analysis					
	Comparable 1	Comparable 2		Comparable 3	
<b>Identification</b>	PT 3862, Mukim 1, Seberang Perai Tengah, Pulau Pinang	Lot Nos. 522 & 1399, Mukim 6, Seberang Perai Tengah, Pulau Pinang		Lot Nos. 386 and 387, Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang	
<b>Locality</b>	Bandar Sunway	Bandar Seberang Jaya		Butterworth	
<b>Tenure</b>	Leasehold Interest 99 years expiring on 16 <sup>th</sup> April 2095	Interest-in-perpetuity		Interest-in-perpetuity	
<b>Land Area (square feet)</b>	87,126	27,400		18,840	
<b>Consideration</b>	RM6,972,000	RM2,328,915		RM1,601,400	
<b>Date</b>	31/12/2008	23/06/2009		03/09/2009	
<b>Planning</b>	Pembangunan Sediada	Pembangunan Sediada		Pembangunan Sediada	
<b>Property Type</b>	A parcel of development land	Two parcels of development land		Two parcels of development land	
<b>Analysis</b>	RM80.02 psf	RM85 psf		RM85 psf	
<b>Adjustments</b>	<p><u>For Lots 5493 &amp; 5781 to 5783</u> Upward adjustments have been made for the improved market condition and also for the fact that the subject property is in a better location and it has three frontages.</p> <p><u>For Lot 5493 only</u> A downward adjustment has been made due to the fact that the comparable is smaller in land area</p>	<p><u>For Lots 5493 &amp; 5781 to 5783</u> Upward adjustments have been made for the improved market condition and also for the fact that the subject property is in a better location and it has three frontages</p> <p>Downward adjustments have been made due to the fact that the comparable is smaller in land area and it is a freehold property</p>		<p><u>For Lots 5493 &amp; 5781 to 5783</u> Upward adjustments have been made for the improved market condition and also for the fact that the subject property is in a better location and it has three frontages</p> <p>Downward adjustments have been made due to the fact that the comparable is smaller in land area and it is a freehold property</p>	
<b>Effective Adjusted Value</b>	For Lots 5493 & 5781 to 5783 – RM96.83 psf	For Lot 5493 – RM98.17 psf	For Lots 5781 to 5783 – RM102.63 psf	For Lot 5493 – RM89.25 psf	For Lots 5781 to 5783 – RM93.71 psf

**Valuation Rational**

From the adjusted values, we note that the values derived range from RM89.25 per square foot to RM98.17 per square foot for Lot 5493 whilst for Lots 5781 to 5783 they range from RM93.71 per square foot to RM102.63 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable No. 1 as it has significant similarities with the Subject Property after making the necessary adjustments for differences in market condition, location, frontages and size.

Having regards to the foregoing, we have rounded the analysed figure RM96.83 and adopted RM95.00 per square foot in our Valuation as a fair representation for both Lot 5493 and Lots 5781 to 5783.

8. VALUATION CERTIFICATES (*cont'd*)**Knight Frank**

An on-going residential development known as Sunway Merica  
held under Lot 16833, Mukim 12  
Daerah Barat Daya, Pulau Pinang

Reference No. : V/PG/11/050(C)/lak

**18.0 VALUATION CERTIFICATE****18.1 IDENTIFICATION OF PROPERTY**

**Type of Property** An on-going residential development known as Sunway Merica comprising 86 units of 3-storey terraced house and 12 units of 3-storey semi-detached house.

**Title Particulars** The following table outlines the title particulars of the Subject Property.

**Summary of Title Particulars**

Lot No. :	Lot 16833, Mukim 12, Daerah Barat Daya, Pulau Pinang.
Land Area :	3.174 hectares (7.84 acres).
Tenure :	Interest-in-perpetuity.
Registered Proprietor :	Sunway Grand Sdn. Bhd (A wholly-owned subsidiary of Sunway City Berhad).
Category Of Land Use:	Nil.

We were given to understand by the client that the above title has been surrendered for sub-division purposes and the individual titles have yet to be issued.

**18.2 PROPERTY DESCRIPTION**

**Property Description / Location** Sunway Merica is an on-going low density residential development sited off the north-eastern side of Jalan Dato Ismail Hashim, within the locality of Sungai Ara.

It is being constructed in two phases. Phase 1 comprises 4 blocks of terraced house (Blocks B to E) whilst Phase 2 comprises a block of semi-detached house (Block A) and 3 blocks of terraced house (Blocks F to H).

Brief development details are tabulated as overleaf:-



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

An on-going residential development known as Sunway Merica  
held under Lot 16833, Mukim 12  
Daerah Barat Daya, Pulau Pinang



Reference No. : V/PG/11/050(C)/lak

Type / Dimension	Block No.	No of Units	Land Area (sq feet)		Built-Up Area (sq feet)		Developer's Selling Price	Take Up Rate	Total Sales Revenue / Progress Payment Billed
			From	To	Gross	Net			
3-storey terraced (20'x70')	B, C, F to H	59	1,399	4,080	2,715/ 2,778	2,303	RM860,400 to RM1,466,000	27.91%	RM20,306,648 / RM11,787,808
3-storey terraced (22'x70')	D, E	27	1,539	4,263	3,021/ 3,098	2,528	RM912,500 to RM1,540,500		
3-storey semi-detached (35.8'x75')	A	12	2,691	3,627	3,973	3,062	RM1,455,000 to RM1,712,000	N/A	

\*Developer's selling price is subject to promotional & bumiputra discounts.

\*The take up rate for the semi-detached houses is not applicable as they have not been launched yet.

\*The stage of construction for Phase 1 and Phase 2 is about 74.11% and 14.20% respectively.

## Planning Approval

The Subject Property is designated for residential use.

The subject property was granted planning approval and building plan approval vide the approval letters dated 19<sup>th</sup> March 2009 and 12<sup>th</sup> June 2009 respectively, both issued by Majlis Perbandaran Pulau Pinang.

## 18.3 MARKET VALUE

### Date of Valuation

9<sup>th</sup> February 2011.

### Valuation Methodology

In valuing on-going developments which are under construction, the primary method is the **Residual Method** and as such, we have only adopted the Market Value as derived from the Residual Method of Valuation.

### Market Value

RM25,000,000.

### Residual Method of Valuation

The overleaf table outlines the salient valuation assumptions adopted in undertaking our assessment:-

## 8. VALUATION CERTIFICATES (cont'd)

**Knight Frank**

An on-going residential development known as Sunway Merica  
held under Lot 16833, Mukim 12  
Daerah Barat Daya, Pulau Pinang

Reference No. : V/PG/11/050(C)/lak



Summary of Parameters (All Based on Remaining Value / Cost)	
Gross Development Value	RM75,377,455 (Note 1)
Gross Development Cost	RM46,270,177
Preliminaries & Infrastructure	RM17.41 psf / Land Area
Building Construction Cost	RM126.92 psf / total gross built-up area
Developer's Profit	15% of GDV
Development Period	Approximately 2 years (Note 2)
Discount Rate	8.00%

**Note 1: Gross Development Value (GDV)**

In arriving at the Gross Development Value, we have adopted the developer's selling price, which in our opinion is a fair representation after taking into consideration similar properties that are being sold within the immediate and surrounding areas. Selected comparable sales adopted in arriving at the GDV are Setia Greens (3-storey terraced house and 3-storey semi-detached house selling from RM898,880 and RM1,600,000 respectively), Casuarina, Setia Pearl Island (3-storey terraced house, 1,300sf selling from RM871,914), Setia Pearl Island (3-storey terraced house, 1,400sf sold at RM730,000) and Jupiter 1, The Isle of Conifer, Setia Peral Island (3-storey semi-detached house selling from RM1,440,880).

Launch date of Sunway Merica was in November 2009 and May 2010 respectively.

**Note 2: Development Period**

We note that the development of the subject property has already commenced. Hence, we have adopted a development period of 1.5 years in our valuation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

An on-going residential development known as Sunway Aspera held under Lot Nos. 736,945,946 & 947 all within Mukim 11, Daerah Barat Daya, Pulau Pinang

Reference No. : V/PG/11/050(D)/ci



## 19.0 VALUATION CERTIFICATE

### 19.1 IDENTIFICATION OF PROPERTY

**Type of Property**

An on-going residential development known as Sunway Aspera, consisting of 76 units of 2-storey terraced house and 9 units of 3-storey terraced house.

**Title Particulars**

The following table outlines the title particulars of the Subject Property.

**Summary of Title Particulars**

Lot Nos. :	736, 945, 946 & 947, all within Mukim 11, Daerah Barat Daya, Pulau Pinang.
Total Land Area :	2.527 hectares (6.244 acres).
Tenure :	Interest-in-perpetuity.
Registered Proprietor :	Sunway Grand Sdn. Bhd (A wholly-owned subsidiary of Sunway City Berhad).
Category Of Land Use:	Nil.

We were given to understand by the client that above titles have been surrendered for re-alienation purposes and the individual titles have yet to be issued.

### 19.2 PROPERTY DESCRIPTION

**Property Description / Location**

Sunway Aspera is an on-going residential development located within Sungai Batu, at the south-western coast of Penang island.

Brief development details are tabulated as follows:-

Type / Dimension	No of Units	Land Area (sq feet)	Built-Up Area (sq feet)		Developer's Selling Price	Take Up Rate	Total Sales Revenue / Progress Payment Billed	Stage of Completion
			Gross	Net				
2 storey terraced (20' x 65')	32	1,302 - 3,014	2,044	1,725	RM525,000 to RM788,000	50.59%	RM22,899,870 / RM7,793,013	32%
2 storey terraced (20' x 60')	44	1,206 - 2,862	1,847	1,531	RM495,000 to RM726,000			
3 storey terraced (22' x 70')	9	1,539 - 2,745	2,718	2,426	RM736,000 to RM899,000			

\* Developer's selling price is subject to promotional & bumiputra discounts.

8. VALUATION CERTIFICATES (*cont'd*)

# Knight Frank

An on-going residential development known as Sunway Aspera held under Lot Nos. 736,945,946 & 947 all within Mukim 11, Daerah Barat Daya, Pulau Pinang

Reference No. : V/PG/11/050(D)/ci



## Planning Approval

The Subject Property is designated for residential use.

The subject property was granted planning approval and building plan approval vide the approval letters dated 26<sup>th</sup> February 2009 and 29<sup>th</sup> May 2009 respectively, both issued by Majlis Perbandaran Pulau Pinang.

## 19.3 MARKET VALUE

### Date of Valuation

10<sup>th</sup> February 2011.

### Valuation Methodology

In valuing on-going developments which are under construction, the primary method is the **Residual Method** and as such, we have only adopted the Market Value as derived from the Residual Method of Valuation.

### Market Value

RM11,000,000.

### Residual Method of Valuation

The following table outlines the salient valuation assumptions adopted in undertaking our assessment:-

Summary of Parameters (All Based on Remaining Value / Cost)	
Gross Development Value	RM39,688,677 (Note 1)
Gross Development Cost	RM27,221,732
Preliminaries & Infrastructure	RM6.12 psf / Total Land Area
Building Construction Cost	RM122.30 psf / Total Gross Built-Up
Developer's Profit	15% of GDV
Development Period	Approximately 1.5 years (Note 2)
Discount Rate	8.00%

### Note 1: Gross Development Value (GDV)

In arriving at the Gross Development Value, we have adopted the developer's selling price, which in our opinion is a fair representation after taking into consideration the similar properties that are being sold within the immediate and surrounding areas. Selected comparable sales adopted in arriving at the GDV are Taman Prestige (2-storey terraced house sold at RM588,000), Vanilla Bay (2-storey terraced house sold at RM435,000), TK Residence (2-storey terraced house selling from RM590,000), Sentral Greens (3-storey terraced house sold at RM873,000), Setia Pearl Island (3-storey terraced house sold at RM730,000) and Casuarina, The Isle of Conifer, Setia Pearl Island (3-storey terraced house selling from RM871,914).

Launch date of Sunway Aspera was in February 2010 and March 2010 respectively.

### Note 2: Development Period

We note that the development of the subject property has already commenced. Hence, we have adopted a development period of 1.5 years in our valuation.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank



Lot Nos. 337, 1472, 1473, 1475, 1476, 1477, 1478, 1479, 1480, 1512, 1515 & 1517  
All within Mukim 12, Daerah Barat Daya, Pulau Pinang

Reference No. : V/PG/11/050(E)/vt

## 20.0 VALUATION CERTIFICATE

## 20.1 IDENTIFICATION OF PROPERTY

<b>Type of Property</b>	Twelve (12) contiguous parcels of vacant development land.
<b>Title Particulars</b>	The following table outlines the title particulars of the Subject Property.

## Summary of Title Particulars

Lot Nos.	: Lot Nos. 337, 1472, 1473, 1475, 1476, 1477, 1478, 1479, 1480, 1512, 1515 & 1517, all within Mukim 12, Daerah Barat Daya, Pulau Pinang.
Total Land Area	93,568.84 square metres.
Tenure	: Interest-in-perpetuity, in respect of all titles.
Registered Proprietor	: Sunway Grand Sdn. Bhd (a wholly-owned subsidiary of Sunway City Berhad), In respect of all titles.
Category Of Land Use	: <u>Lot Nos. 1472, 1473, 1476, 1479, 1480, 1512 &amp; 1517 :</u> 'Tiada'.  <u>Lot Nos. 337, 1475, 1477, 1478 &amp; 1515 :</u> 'Bangunan'.

## 20.2 PROPERTY DESCRIPTION

**Property Description / Location** The subject property is an on-going residential development located off Jalan Permatang Damar Laut, at the south-eastern flank of Penang island.

Sunway Cassia is an on-going landed residential development located off Jalan Permatang Damar Laut. It will be developed in several phases. Phase 1 has been approved with planning permission and upon completion, it will comprise 33 units of 3-storey terraced houses. Application for planning permission for the subsequent phases has been submitted by the client and is still under consideration.

**Planning Approval** The subject property is located within an area designated for residential use except for Lot Nos. 1479 and 1480 which are still under agriculture zoning.

Part of the subject property (Parcel B) has been approved for a residential development comprising 33 units of 3-storey terraced houses by Majlis Perbandaran Pulau Pinang vide:-

- i) Planning Permission Approval dated 26<sup>th</sup> May 2010.
- ii) Building Plan Approval dated 13<sup>th</sup> December 2010.

## 8. VALUATION CERTIFICATES (cont'd)

## Knight Frank



Lot Nos. 337, 1472, 1473, 1475, 1476, 1477, 1478, 1479, 1480, 1512, 1515 & 1517  
All within Mukim 12, Daerah Barat Daya, Pulau Pinang

Reference No. : V/PG/11/050(E)/vt

## 20.3 MARKET VALUE

**Date of Valuation** 9<sup>th</sup> February 2011.

**Valuation Methodology** For the purpose of this valuation, we have adopted the **Comparison Method** of Valuation as the principal approach in our Valuation.

**Market Value** RM48,400,000.

Sales Comparison and Analysis					
	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
<b>Identification</b>	Lot Nos. 1473, 1478, 1515, 1517, 1476 & 337 held under Title Nos. GM 893, GM 898, GM 710, GM 711, GM 896 & GM 545 respectively, all within Mukim 12, Daerah Barat Daya, Pulau Pinang	Lot Nos. 5784, 690, 1046, 1348, 10493, 423, 1048, 1022, 1023 & 1779 held under Title Nos. GRN 29011, GM 468, GM 773, GM 1178, GRN 67629, GM 1063, GM 774, GM 770, GM 39 & GRN 44624, all within Mukim 12, Daerah Barat Daya, Pulau Pinang	Lot Nos. 359, 362 & 553 held under Title Nos. GM 617, GM 503 & GM 537 respectively, all within Mukim 11, Daerah Barat Daya, Pulau Pinang	Lot No. 463 held under Title No. 1102, Mukim 12, Daerah Barat Daya, Pulau Pinang	Lot Nos. 570 & 808 & PT 806 held under Title Nos. GM 475, GM 466 & HS(M) 635 respectively, all within Mukim 11, Daerah Barat Daya, Pulau Pinang
<b>Locality / Location</b>	Off Jalan Permatang Damar Laut	Jalan Batu Maung & Off Jalan Permatang Damar Laut	Jalan Permatang Damar Laut	Lebuh Batu Maung 2	Jalan Permatang Damar Laut
<b>Tenure</b>	Interest-in-perpetuity (in respect of all titles)	Interest-in-perpetuity (in respect of all titles)	Interest-in-perpetuity (in respect of all titles)	Interest-in-perpetuity (in respect of all titles)	Interest-in-perpetuity (in respect of all titles)
<b>Consideration</b>	RM22,082,568	RM127,750,000	RM8,004,720	RM13,000,000	RM8,268,904
<b>Date</b>	3 <sup>rd</sup> October 2007	13 <sup>th</sup> June 2007	13 <sup>th</sup> July 2010	15 <sup>th</sup> July 2009	24 <sup>th</sup> December 2009
<b>Planning</b>	"Perumahan Am"	"Perumahan Am"	"Perumahan Am"	"Perumahan Am"	"Perumahan Am"
<b>Property Type</b>	Six contiguous parcels of development land	Ten parcels of development land	Three contiguous parcels of development land	A parcel of development land	Three parcels of development land
<b>Analysis</b>	RM33.00 psf	RM45.61 psf	RM60.00 psf	RM71.59 psf	RM57.00 psf
<b>Adjustments</b>	Upward adjustment is made for title because Lots 337, 1478 & 1515 are Non First Grade titles.  Downward adjustment is made for size as the comparable has a smaller land area.	Downward adjustments are made for location, zoning & feature as the comparable is located within a more established area, fronts onto sea (part of Lot 5784) & about 1/3 of the land is zoned "Pelancong Am", respectively.  Downward adjustments are also made for shape and size as the comparable site is rectangular in shape and smaller in size.	Upward adjustment is made for location as the comparable is located within a less established area, surrounded by "kampong" houses.  Downward adjustments are made for size and density as the comparable has a smaller land area and higher permissible density.	Downward adjustment is made for location as the comparable is located within a more established area.  Downward adjustments are also made for shape and size as the comparable site is rectangular in shape and smaller in size.	Upward adjustment is made for location as the comparable is located within a less established area, surrounded by "kampong" houses.  Downward adjustments are made for size and density as the comparable has a smaller land area and higher permissible density.
<b>Effective Adjusted Value</b>	RM45.67 psf	RM47.90 psf	RM48.00 psf	RM50.11 psf	RM45.60 psf

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



Lot Nos. 337, 1472, 1473, 1475, 1476, 1477, 1478, 1479, 1480, 1512, 1515 & 1517  
All within Mukim 12, Daerah Barat Daya, Pulau Pinang

Reference No. : V/PG/11/050(E)/vt

## Valuation Rational

From the adjusted values, we note that the values derived range between RM45.60 per square foot to RM50.11 per square foot.

In reconciling our opinion of Market Value, we have placed greater emphasis on Comparable Nos. 1 to 3 as they have significant similarities with the Subject Property after making the necessary adjustments.

Having regards to the foregoing, we have adopted the following values for the various parcels:

### 1) Parcel A:

This parcel is made of Lot Nos. 337, 1475, 1477, 1478 & 1512 and parts of Lot Nos. 1472, 1473, 1476, 1515 & 1517. It has a total land area of 699,405 square feet. For this parcel of land, we have adopted a value of RM48.00 per square foot as a fair representation.

### 2) Parcel B:

This parcel is made up of parts of Lot Nos. 1472, 1473, 1476, 1515 & 1517. It has a total land area of 161,591 square feet. This parcel has approved building plans and planning permission for the development of Sunway Cassia Phase 1 (33 units of 3-storey terraced house). For this parcel of land, we have adopted the value of RM52.80 per square foot as a fair representation.

### 3) Parcel C:

This parcel is made up of Lot Nos. 1479 & 1480. It is still under agricultural zoning. It has a total land area of 146,171 square feet. For this parcel of land, we have adopted the value of RM43.20 per square foot as a fair representation.

## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank



## GENERAL PRINCIPLES ADOPTED AND LIMITING CONDITIONS IN THE PREPARATION OF VALUATION REPORTS

These are the general principles and limiting conditions upon which our Valuation Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

### 1) MALAYSIAN VALUATION STANDARDS

The Valuation Report is carried out in accordance with the Manual of Valuation Standards published by the Board of Valuers, Appraisers and Estate Agents.

Where applicable, we have also made reference to other established valuation manuals and standards such as the International Valuation Standards (IVS) and the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

### 2) CONFIDENTIALITY

Our Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other party. Accordingly, our Valuation Report is to be relied on by the client and no other party. No responsibility is accepted to any other party and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which it will appear. We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of our Valuation Report, whether in part or in whole.

### 3) USE OF REPORT

The opinion of value expressed in this Report is addressed to the client only and shall be used for the purpose stated or intended in this Report only. We are not responsible for any consequences arising from the Valuation Report being relied upon by any other party whatsoever or for any information therein being quoted out of context. You may not otherwise reproduce, distribute, transmit, post or disclose the content of the Report without our prior written consent.

### 4) SOURCE OF INFORMATION

Where it is stated in the Report that information has been supplied by the sources listed, this information is believed to be reliable and no responsibility is accepted should it prove not to be so nor warranty of any kind, be it express or implied, is intended. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities. This Report has been prepared on the basis that full disclosure of all information and facts which may affect the Valuation have been made known to ourselves and we cannot accept any liability or responsibility in any event, unless such full disclosure has been made to us.

### 5) LEGAL TITLE

Whenever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office.

### 6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the Structure Plan, Local Plan and Development Plans published by the relevant Authority. Whilst we may make verbal enquiries, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers or other professional advisors.

Our Valuation is prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Fitness for Occupation by the competent authority.



## 8. VALUATION CERTIFICATES (cont'd)

# Knight Frank

**7) LEASES AND TENANCIES**

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

**8) DEVELOPMENT AGREEMENTS**

Unless otherwise stated, no allowances are made in our valuation for any joint venture agreement, development right agreement or other similar contracts.

**9) MEASUREMENTS**

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Institution of Surveyors, Malaysia.

**10) SITE SURVEYS**

We have not conducted any boundary checks; however, we assume that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

**11) STRUCTURAL SURVEYS**

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance in respect of any rot, termite or pest infestation or other hidden defects.

**12) SITE CONDITIONS**

We do not carry out investigations on the property or neighbouring land (including the past and present uses) in order to determine the suitability of the ground conditions (including contamination or potential for contamination) and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our Valuation is on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

**13) DELETERIOUS OR HAZARDOUS MATERIALS**

No investigation has been carried out to determine whether or not any deleterious or hazardous materials have been used in the construction of the property, or has since been incorporated and we are therefore unable to account or report for such in the Report.

**14) DISEASES AND INFESTATIONS**

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any test to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Report.

**15) OUTSTANDING DEBTS**

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

**16) TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS**

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoing.

**17) ATTENDANCE**

The instruction and the valuation assignment does not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory bodies in connection with the Valuation unless agreed when the instruction is given.

8. VALUATION CERTIFICATES (*cont'd*)

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Valuation Certificates from CH Williams Talhar & Wong Sdn Bhd

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong****C H Williams Talhar & Wong Sdn Bhd** (18149-U)Juruukur Berkanun  
Chartered SurveyorsPerunding Harta Antarabangsa  
International Property Consultants

30-01, 30<sup>th</sup> Floor  
Menara Multi-Purpose  
@ CapSquare  
8 Jalan Munshi Abdullah  
P O Box 12157  
50100 Kuala Lumpur  
Malaysia  
T : 03-2616 8888  
F : 03-2616 8899  
E : kuala Lumpur@wtw.com.my  
Website: www.wtw.com.my

**Report and Valuation**

Our Ref: WTW/01/V/000286/2011/HKH

Date : 02 AUG 2011

**SUNWAY HOLDING BERHAD**

Level 17, Menara Sunway  
Jalan Lagoon Perdana  
Bandar Sunway  
46150 Petaling Jaya  
Selangor

Dear Sirs

**CERTIFICATE OF VALUATION OF SEVEN (7) PROPERTIES BELONGING TO SUNWAY HOLDINGS BERHAD**

We refer to your instructions to carry out a formal valuation on the above-mentioned properties in providing our opinion of Market Value of the properties as at 31 December 2010 for the purpose of submission to the Securities Commission, Malaysia in relation to the proposed listing exercise of Sunway on the Main Market of Bursa Malaysia Securities Berhad.

We have prepared and provided this Valuation Certificate which outlines key factors that have been considered in arriving at our opinion of Market Value and reflects all information known by us and based on present market conditions for the inclusion in the Prospectus of Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) ("Sunway") in relation to the listing exercise of Sunway on the Main Market of Bursa Malaysia Securities Berhad.

The basis of the valuation is Market Value which is defined by the International Valuation Standards (IVS) and the Malaysian Valuation Standards (MVS) to be "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 valuation has been prepared in accordance with the requirements as set out in the Asset Valuation Guidelines issued by the Securities Commission, Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia with the necessary professional responsibility and due diligence.

The valuations for the properties have been carried out by using appropriate methods of valuation such as Comparison Method, Residual Method and Investment Method vide our respective Valuation Reports under Reference Nos. as listed in the following schedule. This Valuation Certificate should be read in conjunction with the full valuation reports prepared by C H Williams Talhar & Wong for submission to the Securities Commission which detailed the basis under which the valuations have been prepared.

Kuala Lumpur Petaling Jaya Penang Johor Bahru Kuantan Malacca Ipoh Alor Star Kota Bharu Butterworth Batu Pahat Kuala Terengganu Seremban  
Kota Kinabalu Sandakan Tawau Lahad Datu Labuan Keningau Kuching Miri Sibul Bintulu Brunei

Established since 1960



V(1)0010

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

Our Ref: WTW/01/V/000286/2011/HKH

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## 1.0 SUMMARY OF VALUE

No	Property Details	Market Value
<b>On-going Housing Developments</b>		
1	<b><u>Sunway Alam Suria</u></b> The on-going residential development known as Sunway Alam Suria, Seksyen U10, Shah Alam, Selangor (Our Ref : WTW/01/V/000286A/11/ONG/wk)	RM61,600,000/-
2	<b><u>Sunway Rydgeway</u></b> An on-going gated community residential development known as Sunway Rydgeway, Ulu Kelang, Selangor (Our Ref : WTW/02/V/000491A/11/CTT)	RM37,000,000/-
<b>Vacant Development Land / Vacant Agricultural Land with Development Potential</b>		
3	<b><u>PT 11894, Lot 21, Section 19 and Lot 14256, Section 19</u></b> Three (3) parcels of contiguous building title housing development land located within Taman Bukit Putra, Rawang, Selangor (Our Ref : WTW/01/V/000286B/11/ONG/wk)	RM60,000,000/-
4	<b><u>Lot Nos. 1352, 1355, 1401, 1404, 1405, 1410, 1412, 1413, 1684 and PT 52261</u></b> Ten (10) parcels of agricultural lands with development potential located off SILK Highway, Cheras, Selangor (Our Ref : WTW/02/V/000491/11/CTT)	RM42,000,000/-
<b>Commercial Buildings</b>		
5	<b><u>Wisma Sunwaymas</u></b> 12 units of office suites measuring approximately 14,636 square metres together with 400 car parking bays located within Wisma Sunwaymas, Section 9, Shah Alam, Selangor (Our Ref : WTW/01/V/000286C/11/LAI/wk)	RM44,000,000/-
6	<b><u>Subang Square</u></b> 28 office units within Corporate Tower, 6 office units within Business Park, 3 retail units within Shopping Gallery together with 760 car parking bays located within Subang Square, SS15 Subang Jaya, Selangor (Our Ref : WTW/01/V/000286D/11/LAI/wk)	RM33,320,000/-
7	<b><u>Sunway PJ@51A</u></b> 6 units of strata showrooms located at the ground, first and second floors together with 449 car parking bays located within PJ51A, SS 9A, Petaling Jaya, Selangor (Our Ref : WTW/02/V/000491B/11/PZT)	RM41,000,000/-
<b>TOTAL MARKET VALUE</b>		<b>RM318,920,000/-</b>

## 2.0 METHODS OF VALUATION

We have adopted the following Methods of Valuation:-

- Comparison Method for Vacant Development Land, Vacant Agricultural Land with Development Potential, Completed and Unsold Units and Commercial Buildings
- Residual Method for On-going Housing Developments
- Investment Method for Commercial Buildings.

Comparison Method	The Comparison Method entails analysing recent transactions and asking prices of similar properties in and around the locality for comparison purposes with adjustments made for differences in location, terrain, size and shape of land, age and condition of building(s), tenure, title restrictions if any and other relevant characteristics to arrive at the market value.
Residual Method	Under the Residual Method, consideration is given to the gross development value of the project and deducting therefrom the estimated costs of development including preliminaries, development and statutory charges, construction costs and professional fees, financing charges and developer's profit and resultant amount deferred over a period of time for the completion of the project
Investment Method	The Investment Method entails determining the net annual income by deducting the annual outgoings from the gross annual income, and capitalising the net income by a suitable rate of return consistent with the type and quality of investment to arrive at the market value.

Brief identification of property, general description and market value of each property are stated in the following pages:-

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

Our Ref: WTW/01/V/000286A/11/ONG/wk

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## 3.0 VALUATION CERTIFICATE FOR PROPERTIES BELONGING TO SUNWAY HOLDINGS BERHAD



## 3.1.1 – PROPERTY IDENTIFICATION / GENERAL DESCRIPTION

Sunway Alam Suria, Shah Alam is an ongoing housing development which sits on 100 acres of leasehold land. It is located within the locality of Section U10, 40170 Shah Alam, Selangor.

The subject property comprises 441-parcels of sub-divided residential lots held under leasehold 99-years expiring from 19/03/2016 to 05/04/2106. The category of land use for the subject property is 'Bangunan Kediaman' and the registered owner is USAHASEWA SDN BHD.

Brief description of the subject property is as follows:-

Phases	Lot Nos	Status	Type	No of Units	Standard Land Area for Intermediate Lot
Phase 1A	PT 19155	Completed - Unsold Unit	Double Storey Terraced House	1	1,432 square feet
Phase 2A	PT 19137	Completed - Unsold Unit	Double Storey Clustered House	1	1,948 square feet
Phase 1Biii	PT 19353 - PT 19394 (Inclusive)	Ongoing Development	Double Storey Terraced House	42	1,432 square feet
Phase 2B	PT 18928 - PT 18939 (Inclusive), PT 18976 - PT 19007 (Inclusive), PT 19044 - PT 19071 (Inclusive), PT 19108 - PT 19135 (Inclusive)	Ongoing Development	Double Storey Clustered House	100	1,948 square feet
Phase 1C	PT 19395 - PT 19539 (Inclusive)	Future Development	Vacant Plot - Double Storey Terraced House	145	1,432 square feet
Phase 2C	PT 19548 - PT 19691 (Inclusive)	Future Development	Vacant Plot - Double Storey Clustered House	144	1,948 square feet
Phase 3	PT 19540 - PT 19547 (Inclusive)	Future Development	Vacant Plot - Double Storey Semi-Detached House	8	4,499 square feet
<b>Total</b>				<b>441</b>	

Summary of the previous launching and completion of the phases are as follows:-

Phases	Type	No of Units	Launching	Completion
Phase 1A	Double Storey Terraced House	134	2004	2006
Phase 2A	Double Storey Clustered House	144	2006	2008
Phase 1Biii	Double Storey Terraced House	65	2006	2009

Based on the Sales Status Report as at 3 January 2011 and Billing and Collection Summary Report as at 3 January 2011, the sales status of Phase 1Biii and 2B and the total sales and amount billed to date of the subject development are as follows:-

Phases	Type	No of Unit Sold	No of Unsold Unit	Total	Total Sales	Amount Billed To date
Phase 1Biii	Double Storey Terraced House	28	14	42	RM11,671,000/-	RM1,704,200.00
Phase 2B	Double Storey Clustered House	81	19	100	RM42,937,890/-	RM19,180,288.50
<b>Total</b>		<b>109</b>	<b>33</b>	<b>142</b>	<b>RM54,608,890/-</b>	<b>RM20,884,488.50</b>

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

Our Ref: WTW/01/V/000286A/11/ONG/wk

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**3.1.1 – PROPERTY IDENTIFICATION / GENERAL DESCRIPTION (Cont'd)**

As at 31 December 2010, the Progress Payment and Certified Amount as provided to us by the client are as follows:-

Type	Contract Sum (Inclusive of Variation Order)	Payment Certified as at 31 December 2010
<b>Phase 1Biii - Double Storey Terraced House</b>		
Contractors	RM8,581,053/-	RM479,747/-
Consultants	RM454,682/-	RM256,128/-
<b>Total</b>	<b>RM9,035,736/-</b>	<b>RM735,875/-</b>
<b>Phase 2B - Double Storey Clustered House</b>		
Contractors	RM21,526,637/-	RM15,042,997/-
Consultants	RM682,426/-	RM343,061/-
<b>Total</b>	<b>RM22,209,063/-</b>	<b>RM15,386,058/-</b>

**3.1.2 – PLANNING PROVISIONS**

The subject property is designated for residential use as per the Express Condition in the document of title.

**3.1.3 – VALUE CONSIDERATION**

We have adopted the following Method of Valuation:-

- i) Comparison Method for completed and unsold units;
- ii) Residual Method for ongoing development; and
- iii) Residual Method and Comparison Method for vacant and undeveloped plots

**i) Phase 1A - Completed and unsold unit of double storey terraced house**

In arriving at the market value of the subject property based on Comparison Method, we have considered the recent transactions of double storey terraced houses within the subject development and new launches of double storey terraced houses within the Sunway Alam Suria, Bandar Nusarhu and Denai Alam Shah Alam which ranging from RM383,000/- to RM554,000/- for similar property with a land area ranging from 1,400 sf to 1,985 sf.

We have also noted that the developer's selling price has increased substantially from RM383,000/- per unit in August 2010 to RM446,000/- per unit in January 2011. The average price is at RM400,000/- per unit.

As the subject scheme is an ongoing development with partly completion and lack of secondary transactions, we have adopted the Market Value of the completed and unsold intermediate unit of double storey terraced house is at **RM400,000/-**.

**ii) Phase 2A - Completed and unsold unit of double storey clustered house**

In arriving at the market value of the subject property based on Comparison Method, we have considered the recent transactions of double storey clustered houses with a land area of 1,948 sf within Sunway Alam Suria itself which ranging from RM473,000/- to RM582,000/-.

There are no double storey clustered houses developments within the surrounding locality. Based on the developer's selling price of similar development from February to December 2010, it is noted that the selling price has increased substantially from RM473,000/- per unit in February 2010 to RM582,000/- per unit in December 2010. The average price is at RM500,000/- per unit.

As the subject scheme is an ongoing development with partly completion and lack of secondary transactions, we have adopted the Market Value of the completed and unsold intermediate unit of double storey clustered house is at **RM500,000/-**.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



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## 3.1.3 –VALUE CONSIDERATION (Cont'd)

iii) Phase 1Biii - Ongoing double storey terraced house

In arriving at the market value of Phase 1Biii, Residual Method has been considered by taking into consideration of the total unit sold, amount billed and amount certified for the construction work done.

**Residual Method**(a) Gross Development Value (GDV)

We have adopted the total Gross Development Value (GDV) at RM16,632,489/- (after allowing bumiputera discount and the amount billed) as tabulated as below:-

Status	No of Units	Total Selling Price	Amount Billed / Bumiputera Discount	Balance amount / Total Selling Price after Allowing Bumiputera Discount	Justification
<b>42 units of Double Storey Terraced House</b>					
Sold	28	RM11,671,000/-	RM1,704,200/-	RM9,966,800/-	Based on our analysis of the transacted prices and developer's selling prices of similar houses within the subject scheme which ranging from RM383,000/- to RM446,000/- per unit as well as developers' selling prices in Bandar Nusa Rhu and Denai Alam at RM469,800/- (1,400 sf) and RM554,000/- (1,985 sf) respectively. Hence, we have adopted RM410,000/- per unit for intermediate lot.
Unsold	14	RM6,907,450/-	RM241,761/-	RM6,665,689/-	
<b>Total</b>	<b>42</b>	<b>RM18,578,450/-</b>	<b>RM1,945,961/-</b>	<b>RM16,632,489/-</b>	

(b) Gross Development Cost (GDC)

The subject property is an ongoing development with preliminary works done i.e. part of the contract sum have been paid or partially paid with Gross Development Cost (GDC) amounting to RM12,303,503/-.

The major items of the GDC are summarised as follows:-

Items	Rate Adopted	Justification
Building and Infrastructure Cost	RM197,143/- per unit	Analysed from the contract as provided to us which is in line with the industry standard.
Developer's Profit	15.0% of GDV	Based on our survey and enquiries with developers revealed that developer's profit of 15.0% of GDV is reasonable for a housing development.
Development Period	2 years	Subject phase is a small phase consisting of 42 units of double storey terraced houses. As at 31 December 2010, it has recorded that 67% has been sold and the subject scheme is under construction. Therefore, we have adopted an estimated the remaining development period of 2 years in our valuation
Discount Rate	8.5% per annum	In tandem with finance rate based our enquiries with financial institutions

Based on Residual Method, market value for Phase 1Biii is at **RM3,700,000/-**.

iv) Phase 2B - Ongoing double storey clustered house

In arriving at the market value of Phase 2B, Residual Method has been considered by taking into consideration of the total unit sold, amount billed and amount certified for the construction work done.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



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## 3.1.3 –VALUE CONSIDERATION (Cont'd)

**Residual Method**(a) Gross Development Value (GDV)

We have adopted the total Gross Development Value (GDV) at RM33,993,867/- (after allowing bumiputera discount and the amount billed) as tabulated as below:-

Status	No of Units	Total Selling Price	Amount Billed / Bumiputra Discount	Balance amount / Total Selling Price after Allowing Bumiputra Discount	Justification
<b>100 units of Double Storey Clustered House</b>					
Sold	81	RM42,937,890/-	RM19,180,229/-	RM23,757,661/-	Based on our analysis of the transacted prices and developer's selling prices of similar intermediate unit double storey clustered houses within the subject scheme which ranging from RM434,890/- to RM582,000/- per unit. Hence, we have adopted RM510,000/- per unit for intermediate lot.
Unsold	19	RM10,751,128/-	RM514,922/-	RM10,236,206/-	
<b>Total</b>	<b>100</b>	<b>RM53,689,018/-</b>	<b>RM19,695,151/-</b>	<b>RM33,993,867/-</b>	

(b) Gross Development Cost (GDC)

The subject property is an ongoing development with preliminary works done i.e. part of the contract sum have been paid or partially paid with Gross Development Cost (GDC) amounting to RM14,087,140/-.

The major items of the GDC are summarised as follows:-

Items	Rate Adopted	Justification
Building and Infrastructure Cost	RM214,957/- per unit	Analysed from the contract as provided to us which is in line with the industry standard
Developer's Profit	15.0% of GDV	Based on our survey and enquiries with developers revealed that developer's profit of 15.0% of GDV is reasonable for a housing development.
Development Period	1 year	Subject phase consist of 100 units of double storey clustered houses. As at 31 December 2010, it has recorded that 87% has been sold and the subject phase is in advance stage of construction. Therefore, we have adopted an estimated the remaining development period of 1 year in our valuation
Discount Rate	8.5% per annum	In tandem with finance rate based our enquiries with financial institutions

Based on Residual Method, market value for Phase 2B is at RM18,000,000/-.

v) **Phase 1C - Future development (Vacant terraced lots)**

In arriving at the market value of Phase 1C, Residual Method and Comparison Method have been adopted.

**1. Residual Method**(a) Gross Development Value (GDV)

Item	Rate Adopted	Justification
Double storey terraced houses	RM410,000/-	Selling price of the future phase's launched double storey terraced houses is derived based on our analysis of the developer's selling prices of similar intermediate unit houses within the subject scheme, ranging from RM383,000/- to RM446,000/- per unit as well as developer's launched price at Bandar Nusa Rhu and Denai Alam at RM469,800/- (1,400 sf) and RM554,000/- (1,985 sf) respectively



## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



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## 3.1.3 -VALUE CONSIDERATION (Cont'd)

v) **Phase 1C - Future development (Vacant terraced lots) (Cont'd)**(b) **Gross Development Cost (GDC)**

The Gross Development Cost (GDC) is estimated at RM39,306,981/- and the major items of the GDC are summarised as follows:-

Items	Rate Adopted	Justification
Building Cost	RM85.00 per square foot	Based on our survey and enquiries with developers revealed that building cost adopted is in line with the industry standard
Infrastructure Cost	RM25,000/- per unit	Based on our survey and enquiries with developers revealed that infrastructure cost adopted is in line with the industry standard
Developer's Profit	15.0% of GDV	Based on our survey and enquiries with developers revealed that developer's profit of 15.0% of GDV is reasonable for a housing development.
Development Period	3.5 years	Subject phase consist of 145 units of double storey terraced houses. Estimation of development period is about 3.5 years. As there are unsold units available for ongoing scheme. This phase will be launched ½ year later
Discount Rate	8.5% per annum	In tandem with finance rate based our enquiries with financial institutions

Based on Residual Method, market value for Phase 1C is at RM17,000,000/-.

2. **Comparison Method**

As a check, Comparison Method has been adopted. It is noted that there are no recent recorded transactions of terraced plots within the surrounding locality. Therefore, we have considered development lands within larger locality to derive at the market value. The analysis is as follows:-

Details	Comparable 1	Comparable 2	Comparable 3
Lot No	PT 129227	Lot 1909	Lot 15786
Location	Kota Bayuemas	Off Jalan Bukit Kemuning	Rawang
Type	Agricultural Land with Development Potential	Agricultural Land with Development Potential	Residential Land
Tenure	Freehold	Freehold	Freehold
Land Area	56.570 acres	4.468 acres	22.158 acres
Date	30/12/2009	30/12/2009	09/08/2010
Consideration	RM41,989,661/-	RM4,282,732/-	RM17,373,580/-
Adjustments	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor - Improved market condition</li> <li>Size - Subject property with smaller size</li> <li>Land Use - Comparable with agricultural title</li> <li>Others - Comparable is without subdivided title and major infrastructure work</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Location - Subject property is located at better location</li> <li>Tenure - Subject property is held under freehold title document</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor - Improved market condition</li> <li>Land Use - Comparable with agricultural title</li> <li>Others - Comparable is without subdivided title and major infrastructure work</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Location - Subject property is located at better location</li> <li>Size - Subject property with bigger size</li> <li>Tenure - Subject property is held under freehold title document</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor - Improved market condition</li> <li>Location - Comparable is situated within outskirts area</li> <li>Others - Comparable is without subdivided title and major infrastructure work</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Accessibility - Comparable located near to North-South Highway</li> <li>Tenure - Subject property is held under freehold title document</li> </ul>
Adjusted Land Value	RM23.26 psf	RM23.11 psf	RM22.14 psf

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

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**3.1.3 –VALUE CONSIDERATION (Cont'd)****v) Phase 1C - Future development (Vacant terraced lots) (Cont'd)**

The recorded evidences have been analysed taking into consideration of various factors such as time, location, exposure / visibility / accessibility, size, tenure and status of land use to arrive at the adjusted land value ranging from RM22.14 to RM23.26 per square foot.

We have adopted Comparables 1 as the most appropriate comparable as it is the latest comparable. Therefore, we have adopted RM23.00 per square foot in our valuation.

The estimated gross land area for this phase is 16.26 acres. Hence the Market Value based on Comparison Method is RM16,000,000/-.

**Reconciliation of Value**

We have valued the subject property based on the above mentioned Residual Method and Comparison Methods of Valuation. The values derived are as follows:-

Residual Method	Comparison Method
RM17,000,000/-	RM16,000,000/-

We are of the opinion that the Residual Method is the most appropriate method of valuation as the subject property is with the benefit of Development Order, subdivided and issued with individual title (terrace plots), as well as earthwork and major infrastructure works have been completed and ready for development. Hence, the Market Value for this phase is **RM17,000,000/-**.

**vi) Phase 2C and 3 - Future development (Vacant clustered and semi-detached lots)**

In arriving at the market value of Phase 2C and 3, Residual Method and Comparison Method have been adopted.

**1. Residual Method****(a) Gross Development Value (GDV)**

Item	Rate Adopted	Justification
Double storey clustered houses	RM510,000/-	Selling price of the future phase's launched double storey clustered houses is derived based on our analysis of the developer's selling prices of similar intermediate unit double storey clustered houses within the subject scheme, ranging from RM434,890/- to RM582,000/- per unit

**(b) Gross Development Cost (GDC)**

The Gross Development Cost (GDC) is estimated at **RM52,504,290/-** and the major items of the GDC are summarised as follows:-

Items	Rate Adopted	Justification
Building Cost	RM120.00 per square foot	Based on our survey and enquiries with developers revealed that building cost adopted is in line with the industry standard
Infrastructure Cost	RM30,000/- per unit to RM40,000 per unit	Based on our survey and enquiries with developers revealed that infrastructure cost adopted at RM30,000/- and RM40,000/- per unit for clustered and semi-detached houses is in line with the industry standard
Developer's Profit	15.0% of GDV	Based on our survey and enquiries with developers revealed that developer's profit of 15.0% of GDV is reasonable for a housing development.
Development Period	4.0 years	Subject phase comprises 144 units and 8 units of clustered and semi-detached houses. Estimation of development period is 4.0 years. As there are two ongoing phases, this phase will be launched one year later
Discount Rate	8.5% per annum	In tandem with finance rate based our enquiries with financial institutions

Based on Residual Method, the total market value for Phase 2C and 3 is at RM22,000,000/-.

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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**3.1.3 -VALUE CONSIDERATION (Cont'd)****vi) Phase 2C and 3 - Future development (Vacant clustered and semi-detached lots) (Cont'd)****2. Comparison Method**

We have adopted the same comparables of development lands as per Phase 1C.

The analyzed land value for Phase 1C (vacant terraced plots) is at RM23.00 per square foot.

Downward adjustment has been considered for density and adjusted land value for (vacant clustered / semi-detached plots) is at RM21.00 per square foot.

The estimated gross land area for this phase is 26.05 acres. Hence the Market Value based on Comparison Method is RM24,000,000/-.

**Reconciliation of Value**

We have valued the subject property based on the above mentioned Residual Method and Comparison Methods of Valuation. The values derived are as follows:-

Residual Method	Comparison Method
RM22,000,000/-	RM24,000,000/-

We are of the opinion that the Residual Method is the most appropriate method of valuation as the subject property is with the benefit of Development Order, subdivided and issued with individual title (clustered / semi-detached plots), as well as earthwork and major infrastructure works have been completed and ready for development. Hence, the Market Value for this phase is **RM22,000,000/-**.

**3.1.4 -VALUATION**

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 December 2010 with permission to transfer, lease or charge and free from all encumbrances is as follows:-

Phase	Lot No	Market Value
Phase 1A	PT 19155	RM400,000/-
Phase 2A	PT 19137	RM500,000/-
Phase 1Biii	PT 19353 - PT 19394 (Inclusive)	RM3,700,000/-
Phase 2B	PT 18928 - PT 18939 (Inclusive), PT 18976 - PT 19007 (Inclusive), PT 19044 - PT 19071 (Inclusive) and PT 19108 - PT 19135 (Inclusive)	RM18,000,000/-
Phase 1C	PT 19395 - PT 19539 (Inclusive)	RM17,000,000/-
Phase 2C and 3	PT 19548 - PT 19691 (Inclusive) and PT 19540 - PT 19547 (Inclusive)	RM22,000,000/-
<b>Total</b>		<b>RM61,600,000/-</b>

The total market value for Sunway Alam Suria is **RM61,600,000/- (Ringgit Malaysia : Sixty One Million and Six Hundred Thousand Only).**

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

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**3.2** **SUNWAY RYDGEGWAY**  
 Our Ref: WTW/02/V/000491A/11/CTT  
 Location: Sunway Rydgement, sited off Jalan 15, Majawati Heights, Ulu Kelang, Selangor

**3.2.1 - PROPERTY IDENTIFICATION / GENERAL DESCRIPTION**

**Subject Property** : On-going gated community residential development known as Sunway Rydgement

**Title Details** : PT 18140, Locality of Kampong Klang Gates Baru, Mukim of Ulu Kelang, District of Gombak, Selangor

**Land Area** : 49,818 square metres (536,236 square feet / 12.31 acres)

**Tenure** : Leasehold 99 years expiring 1 April 2108  
(unexpired terms of approximately 97 years and 4 months)

**Category of Land Use** : Building

**Registered Owner** : SUNWAY GREENVIEW SDN BHD

Site

The site is a L-shape parcel of land and has a titled land area of 49,818 square metres (536,236 square feet / 12.31 acres). It has a frontage of approximately 135.725 metres onto an unnamed metalled road. The land is generally undulating in terrain and lies slightly above the unnamed metalled road.

At the time our inspection, we noted that the temporary access to the subject property was via neighbouring lots. We further observed that the subject property is at advance stage of construction.

Proposed Development

The subject property is proposed to be developed with 40 units of zero lot bungalows and 30 units of semi detached houses which is currently undergoing construction works.

Based on the Sales Status Report as at 3 January 2011 and Billing and Collection Summary Report as at 31 December 2010, the sale status of the subject property and the the total sales and amount billed to date are as follows:

Type	Standard Land Area (sq. m.)	No. of Units	No. of Units Sold	No. of Units Unsold	Total Sales	Amount Billed To date
Zero Lot Bungalows	431	40	24	16	RM75,811,000.00	RM42,988,050.00
Semi Detached	334	30	30	-	RM57,950,000.00	RM43,462,500.00
<b>Total</b>		<b>70</b>	<b>54</b>	<b>16</b>	<b>RM133,761,000.00</b>	<b>RM86,450,550.00</b>

As at 31 December 2010, the Progress Payment and Certified Amount as provided to us by the client are as follows:-

Type	Contract Sum (Inclusive of Variation Order)	Payment Certified as at 31 December 2010
Contractors	RM88,646,081.61	RM52,652,008.34
Consultants	RM4,850,474.45	RM3,313,181.04
<b>Total</b>	<b>RM93,496,556.06</b>	<b>RM55,965,189.38</b>

**3.2.2 - PLANNING PROVISIONS**

The subject property is designated for residential use as per the Express Condition in the document of title.

The subject property has been granted with planning permission by Majlis Perbandaran Ampang Jaya on 9 September 2008. The proposed building plans for the zero lot bungalows and semi detached houses have been approved by Majlis Perbandaran Ampang Jaya.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



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## 3.2.3 – VALUE CONSIDERATION

We have only adopted one (1) method of valuation i.e. Residual Method in arriving at our valuation as the subject property is an on-going housing scheme.

In view of the above, we are in the opinion that the Residual Method is the most appropriate method of valuation to arrive at the market value of the property taking into consideration of the total unit sold, amount billed and amount certified for the construction work done.

**Residual Method**

Parameters adopted in the valuation are as follows:-

(a) Gross Development Value (GDV)

We have adopted the total Gross Development Value (GDV) at **RM99,983,790.00** (after allowing bumiputera discount) as tabulated as below:-

Status	No of Units	Total Selling Price	Amount Certified / Bumiputra Discount	Balance amount/Total Selling Price after allowing bumiputra discount	Justification
i. 40 units of Zero Lot Bungalow					
Sold	24	RM75,811,000.00	RM42,988,050.00	RM32,822,950.00	Based on our analysis of the transacted prices and the developer's selling prices of the similar units within the localities i.e. Amber Hills, Nadayu Melawati and 20 Trees West which ranging between RM3,400,000/- to RM6,680,000/- We are of the view that the proposed selling prices of the subject scheme range from RM2,952,000/- to RM4,007,000/- are generally fair and reasonable.
Unsold	16	RM56,638,000.00	RM3,964,660.00	RM52,673,340.00	
ii. 30 units of Semi Detached House					
Sold	30	RM57,950,000.00	RM43,462,500.00	RM14,487,500.00	All units sold
Grand Total	70			RM99,983,790.00	

(b) Gross Development Cost (GDC)

The Gross Development Cost (GDC) is estimated at **RM59,856,026.61** The subject property is an ongoing development with preliminary works done i.e. part of the contract sum have been paid or partially paid which breakdown as follows:-

Items	Rate to Adopted	Justification
Building Cost	RM 207 per square foot	Based on the contract amount provided which is in line with the high end zero lot bungalow and semi detached cost.
Infrastructure	RM88,476 per unit	Based on the contract amount provided which is in line with the industry standard for high end properties
Developer's Profit	15% of GDV	Based on our survey and enquiries with developers revealed that developer's profit of 15% of GDV is reasonable for a housing development.
Development Period	1 year	The subject development is a small housing development consisting of 40 units Zero Lot Bungalows and 30 units of Semi Detached House. As at 31 December 2010, about 60% of the zero lot bungalow and 100% of the semi detached house have been sold and the subject property is in advance stage of construction. Therefore, we have adopted an estimated remaining development period of 1 year in our valuation
Discount Rate	8.5% per annum	In tandem with finance rate based our enquiries with financial institutions

**8. VALUATION CERTIFICATES (cont'd)****C H Williams Talhar & Wong**

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**3.2.4 –VALUATION**

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 December 2010 **ON THE BASIS AND PROVISIO AS STATED AS FOLLOWS:-**

- i) **THE SUBJECT PROPERTY IS AN ON-GOING PROJECT;**
- ii) **THE VALUATION IS BASED ON THE APPROVED LAYOUT PLAN PREPARED BY ICEP PLANNERS SDN. BHD. BEARING PLAN NO. 0709L4 APPROVED FOR GATED COMMUNITY DEVELOPMENT BY MAJLIS PERBANDARAN AMPANG JAYA BEARING REFERENCE NO. (44)DLM MPAJ 11/2/2/185 DATED 9 SEPTEMBER 2008;**

with permission to transfer, lease, charge and free from all encumbrances at **RM37,000,000/- (Ringgit Malaysia : Thirty Seven Million Only).**

The market value for Sunway Rydgeway is **RM37,000,000/- (Ringgit Malaysia : Thirty Seven Million Only).**

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

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3.3 PT 11894, LOT 21, SECTION 19 AND LOT 14256, SECTION 19  
 Our Ref: WTW/01/V/000286B/11/ONG/wk  
 Location: Taman Bukit Putra, Rawang, Selangor

**3.3.1 –PROPERTY IDENTIFICATION / GENERAL DESCRIPTION**

Subject property : Three (3) parcels of contiguous housing development land

Title Details / Land Area	Lot No.	Net Land Area*	Registered Proprietor
	PT 11894	38.5054 hectares (95.1488 acres)	SUNWAY RAWANG HEIGHTS SDN BHD
	Lot 21, Section 19	4.0061 hectares (9.8993 acres)	SUNWAY RAWANG HEIGHTS SDN BHD
	Lot 14256, Section 19	23.9060 hectares (59.0729 acres)	SUNWAY KANCHING HEIGHTS SDN BHD
	<b>Total</b>	<b>66.4175 hectares (164.1210 acres)</b>	

Mukim of Rawang / Town of Rawang, District of Gombak, Selangor

Note\*: Net Land Area after deducting area acquired by government

Tenure : Leasehold 99 years expiring from 16 March 2094 to 16 July 2094

Category of  
Land Use : Building

The subject property is located within the locality of Taman Bukit Putra, Rawang, Selangor. The lands are generally irregular in shape and hilly in terrain.

At the time of our inspection, the subject property was vacant. We noted that part of Lot 14256 has been cleared.

We also noted that there is quarry harvesting by Sunway Quarry Industries Sdn Bhd at part of Lot 14256. The monthly tribute received by Sunway Kanching Heights Sdn Bhd from the quarry operator was about RM30,000/- per month. However, the said agreement has expired and is subject to renewal. We have excluded the quarry harvesting as the tribute received is insignificant to reflect its market value. Thus, we have valued Lot 14256 based on development land basis.

**3.3.2 –PLANNING PROVISIONS**

The subject property is designated for housing / residential building developments as per the Express Condition in the document of title. It has obtained approval for housing development in 2004. However, the approval has been lapsed.

**3.3.3 – VALUE CONSIDERATION**

We have adopted the Comparison Method as the only one (1) method of valuation as the subject property's Planning Approval has lapsed. Further, the approved layout plan has been affected by the compulsory land acquisition, hence, we have not considered the Residual Method in our valuation.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



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## 3.3.3 – VALUE CONSIDERATION (Cont'd)

**Comparison Method**

The recent recorded transactions of comparable of vacant development lands within the vicinity have been considered. The analysis of the comparables is as follows:

Details	Comparable 1	Comparable 2	Comparable 3
Lot No / Location	Lot 15786, Mukim of Rawang, District of Gombak, Selangor	Lot 1885, 1886 & 1888, Mukim of Rawang, District of Gombak, Selangor	Lot 1349 (Lot 25032), Mukim of Rawang, District of Gombak, Selangor
Location	Jalan Rawang - Batu Arang	Kuang	Jalan Rawang - Batu Arang
Type	Residential land	Residential land	Agricultural land with development potential
Tenure	Freehold	Freehold	Freehold
Land Area	965,199 sq. ft 22.158 acres	2,360,975 sq. ft 54.201 acres	2,048,191 sq. ft 47.020 acres
Date	09/08/2010	17/02/2011	07/04/2005
Consideration	RM17,373,580/-	RM21,000,000/-	RM15,337,766/-
Analysis	RM18.00 psf	RM8.89 psf	RM7.49 psf
Adjustments	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor - Improved market condition.</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>General location - Comparable has a better location.</li> <li>Size - Subject property has a bigger size.</li> <li>Terrain - Terrain for subject property is hilly.</li> <li>Tenure - Comparable is held under freehold title.</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Location - Comparable is located at inferior location.</li> <li>Accessibility - Subject property is with better accessibility.</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Size - Subject property has a bigger land area.</li> <li>Shape - Comparable is regular in shaped.</li> <li>Terrain - Terrain for subject property is hilly.</li> <li>Tenure - Comparable is held under freehold title.</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor - Improved market condition.</li> <li>Land Use - Comparable is held under agricultural title.</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>General location - Comparable has a better location.</li> <li>Size- Subject property has a bigger size.</li> <li>Terrain - Terrain for subject property is hilly.</li> <li>Tenure - Comparable is held under freehold title.</li> </ul>
Adjusted Land Value	RM8.30 psf	RM8.45 psf	RM10.48 psf

The recorded evidences have been analysed taking into consideration of various factors such as time, location, exposure / visibility / accessibility, size, shape, terrain, tenure and status of land use to arrive at the adjusted land value ranging from RM8.30 per square foot to RM10.48 per square foot. Therefore, we have adopted the average of the best comparables (Comparables 1 and 2) at RM8.40 per square foot.

## 3.3.4 – VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 December 2010 with permission to transfer, lease or charge and free from all encumbrances at RM60,000,000/- (Ringgit Malaysia : Sixty Million Only).

The market value for PT 11894, Lot 21, Section 19 and Lot 14256, Section 19 is RM60,000,000/- (Ringgit Malaysia : Sixty Million Only).



## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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3.4 LOT NOS 1352, 1355, 1401, 1404, 1405, 1410, 1412, 1413, 1684 AND PT 52261  
 Our Ref: WTW/02/V/000491/11/CTT  
 Location: Off Silk Highway, 43000 Cheras, Selangor

## 3.4.1 – PROPERTY IDENTIFICATION / GENERAL DESCRIPTION

Subject Property : Ten (10) parcels of agricultural lands with development potential

Title Details / Land Area	Lot No / PT	Net Land Area
	Lot Nos. 1352, 1355, 1401, 1404, 1405, 1410, 1412, 1413, 1684 and PT 52261	2,680,212.30 sf (61.5291 ac or 24.90 ha)
	All within Mukim of Ceras/Cheras, District of Hulu Langat / Ulu Langat, Selangor	

Tenure : Term in perpetuity

Category of Land Use : Agriculture / Nil

Registered Owner(s) : Lot 1355, 1401, 1404, 1405, 1410, 1412, 1684 and PT 52261  
 SUNWAY TERMUNING SDN BHD

Lot 1413  
 TERMUNING DEVELOPMENT SDN BHD

Lot 1352 \*  
 KEW KWEE FONG @ HEW KWEE FONG – ¼ SHARE  
 LEONG AH YONG – ½ SHARE  
 NYOH KUNG @ LEONG NYOH FONG – ¼ SHARE

**Note \***

*By a Sale and Purchase Agreement dated 21 December 2009, SUNWAY TERMUNING SDN BHD had purchased the undivided ½ share of the property.*

The subject property is sited off the eastern side of SILK Highway, Cheras. The lands are generally regular in shape. The terrains are generally undulating to hilly.

## 3.4.2 – PLANNING PROVISIONS

Our verbal enquiries with the Planning Department of Majlis Perbandaran Kajang revealed that the subject property is zoned for "Residential" use.

+The proposed layout plan of the subject property together with seven neighbouring lots i.e. Lot Nos. 1316, 1402, 1403, 1406, 1408, 1409 and 1683 for a residential development was approved by Majlis Perbandaran Kajang on 28 July 2008. However, the said approval has been lapsed.

## 3.4.3 – VALUE CONSIDERATION

We have adopted the Comparison Method as the only one method of valuation. The subject property consists of ten (10) parcels of vacant agricultural lands with development potential which is scattered around. Since the approved layout plan has lapsed. Hence, we have not considered Residual Method in our valuation.

The recent recorded transactions of comparable of vacant agricultural lands with development potential within the vicinity have been considered. The analysis of the comparables are as follows:

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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## 3.4.3 –VALUE CONSIDERATION (Cont'd)

## Comparison Method

Details	Comparable 1	Comparable 2	Comparable 3
Lot No / Location	Lot 1499, to the south-east of Bandar Sg Long	Lot 1377, between Bandar Sg Long and Bdr Mahkota Cheras	Lot Nos. 3069, 3070 & 3074, between Bandar Sg Long and Bdr Mahkota Cheras
Type	Vacant agricultural land with development potential	Vacant agricultural land with development potential	Three (3) parcels of vacant agricultural lands with development potential
Tenure	Freehold	Freehold	Freehold
Land Area	163,611 sq. ft. 3.7560 acres	201,468 sq. ft. 4.6251 acres	713,838 sq ft 16.3875 acres
Date	28/04/10	23/08/10	12/07/10
Consideration	RM4,573,800/-	RM8,461,731/-	RM27,126,084/-
Analysis	RM27.96 psf	RM42.00 psf	RM38.00 psf
Adjustments	<p><u>Upward</u></p> <ul style="list-style-type: none"> <li>Layout Approval – Subject property with layout approval but lapsed</li> </ul> <p><u>Downward</u></p> <ul style="list-style-type: none"> <li>Location - Comparable is located near to Bandar Sungai Long</li> <li>Accessibility Comparable is with access from Jalan Sg Long 15</li> <li>Land Use / Zoning – Comparable is zone for enterprise</li> </ul>	<p><u>Upward</u></p> <ul style="list-style-type: none"> <li>Layout Approval – Subject property with layout approval but lapsed</li> </ul> <p><u>Downward</u></p> <ul style="list-style-type: none"> <li>Location - Comparable is located between Bandar Mahkota Cheras and Bandar Sungai Long</li> <li>Accessibility Comparable is accessible via Jalan Permaisuri 10/6, Jalan Permaisuri 1/6 and Permaisuri 5/6</li> </ul>	<p><u>Upward</u></p> <ul style="list-style-type: none"> <li>Layout Approval – Subject property with layout approval but lapsed</li> <li>Size – Comparable land area is bigger</li> </ul> <p><u>Downward</u></p> <ul style="list-style-type: none"> <li>Location - Comparable is located between Bandar Mahkota Cheras and Bandar Sungai Long</li> <li>Accessibility Comparable is accessible via Jalan Permaisuri 10/6 and Persiaran Sg Long 7A</li> </ul>
Adjusted Value	RM18.87 psf	RM21.00 psf	RM20.90 psf
Say	RM19.00 psf	RM21.00 psf	RM21.00 psf

The recorded evidences have been analysed taking into consideration of various factors such as time, location, accessibility, shape, terrain, land use / zoning, land size, tenure and layout approval to arrive at the adjusted land value ranging from RM18.90 per square foot to RM21.00 per square foot. We have adopted Comparable 1 as the most appropriate comparable in view of the similarities on shape and terrain with the subject property. Therefore, we have adopted RM19.00 per square foot as the base value. We have adopted the adjusted land values from RM 14.50 per square foot to RM24.00 per square foot after taking into consideration the relevant adjustments.

## 3.4.4 –VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 December 2010 **ON THE BASIS AND PROVISIO AS FOLLOW:**

**AS INSTRUCTED, WE ARE VALUING THE UNDIVIDED ½ SHARE INTEREST OF LOT 1352, MUKIM OF CHERAS, DISTRICT OF ULU LANGAT, SELANGOR**

free from all encumbrances at **RM42,000,000/- (Ringgit Malaysia : Forty Two Million Only).**

The market value for Lot Nos. 1352, 1355, 1401, 1404, 1405, 1410, 1412, 1413, 1684 and PT 52261 is **RM42,000,000/- (Ringgit Malaysia : Forty Two Million Only).**

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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**3.5 PART OF WISMA SUNWAYMAS**  
 Our Ref: WTW/01/V/000286C/11/LAI/wk  
 Location: Lot 1, Jalan Tengku Ampuan Zabedah C9/C, Section 9, 40100 Shah Alam, Selangor

**3.5.1 – PROPERTY IDENTIFICATION / GENERAL DESCRIPTION**

**Subject Property :** 12 units of office suites measuring approximately 14,636 square metres together with 400 car parking bays within a 19-storey office building comprising 12-levels of office (inclusive of 1-level of mezzanine floor) and 6-levels of split-level car park together with a basement car park.

**Parent Title Details :** Lot 517 Section 9, Town of Shah Alam, District of Petaling, Selangor

**Individual Lot Nos and Surveyed Floor Area :** i) Office Suites

Building No. / Storey No. / Parcel No.	Surveyed Floor Area (sq. metres)
M1/1/3, M1/N1/4, M1/N1/5, M1/8/7, M1/9/8, M1/10/9, M1/11/10, M1/12/11, M1/13/12, M1/14/13, M1/15/14, M1/16/15	14,636 (157,540 sf)

ii) Car Park

Building No. / Storey No. / Parcel No.	Surveyed Floor Area (sq. metres)
M1/B1/1, M1/2/6	11,468 (123,440 sf)

**Tenure of Parent Title :** Leasehold 99 years expiring on 29 August 2094  
(Unexpired terms of approximately 84 years)

**Category of Land Use :** Building

**Registered Owner :** PERBADANAN KEMAJUAN NEGERI SELANGOR

**Beneficial Owner :** MASALAM SDN BHD\*

**Occupancy :** About 94.84%

**Condition of Building :** Fairly Good

**Age of Building :** About 13 years old  
 The subject building has been issued with a Certificate of Fitness for Occupation (CFO) by Majlis Perbandaran Shah Alam dated 21 November 1997

**\*Note:-**

Masalam Sdn Bhd is currently known as SunwayMas Sdn Bhd.

**3.5.2 – PLANNING PROVISIONS**

The subject property is designated for commercial building use as per the Express Condition in the document of titles.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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## 3.5.3 – VALUE CONSIDERATION

The subject property is valued using the Investment Method and as a check, we have adopted the Comparison Method.

1. *Investment Method*a. *Office Suites*

Gross Monthly Rental		
	<b>Current Term</b>	<b>Reversion</b>
	RM2.30 psf to RM3.30 psf	10% increment with maximum rental at RM2.70 psf
	Current Term – Based on current contractual rental Reversion – Based on current concluded / asking rental of similar office buildings in the localities	
Outgoings		
	<b>Current Term</b>	<b>Reversion</b>
	RM1.00 psf	RM1.05 psf
	The average monthly outgoing of the subject property is at RM0.97 per square foot.	
Voids	We have adopted 5.0% void for rent-free period and risk of vacancy and uncertainty.	
Yield		
	<b>Current Term</b>	<b>Reversion</b>
	7.00%	7.25%
	Based on our analysis of the recently transacted commercial office buildings, the yields are ranging from 5.96% to 7.17%, subject to location, building specifications and size of the buildings.	

b. *Car Park*

The monthly rental for reserved car park and floating car park within the subject building is at RM168/- and RM85/- per bay respectively. We have adopted a monthly rental at RM115/- per bay in our valuation after considering the monthly rental of car park within similar office buildings in the locality.

For outgoings, we have adopted 10% for the normal car park and 30% for the mechanical car park. We have adopted the capitalisation rate of 7.00% in line with the capitalisation rate adopted for the office building valuation.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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## 3.5.3 – VALUE CONSIDERATION (Cont'd)

## 2. Comparison Method

## a. Office Suites

In arriving at the market value of the subject property based on Comparison Method, we have considered transactions of similar properties within Klang Valley as follows:-

Details	Comparable 1	Comparable 2	Comparable 3
Source	Bursa Malaysia	Bursa Malaysia	Bursa Malaysia
Building Name	Phase 3 Block C Oasis Ara Damansara	Wisma Glomac 3, Kompleks Kelana Centre Point	Bangunan Lityan, Paremba Square
Location	Ara Damansara	Kelana Jaya	Saujana Resort
Net Lettable Area	8,667.20 sq. m. 93,293 sq. ft.	9,833.33 sq. m. 105,854 sq. ft.	5,693.01 sq. m. 61,279 sq. ft.
Date	25 May 2010	11 February 2009	30 October 2008
Consideration	RM39,096,540/-	RM50,000,000/-	RM18,113,178
Vendor	Sime Darby Brunsfield Development Sdn Bhd	Kelana Centre Point Sdn Bhd	Lityan Management Sdn Bhd
Purchaser	KUB Malaysia Berhad	Perbadanan Nasional Berhad	Lembaga Tabung Haji
Analysis	<b>RM419 psf</b> (exclusive of car park)	<b>RM310 psf</b> (exclusive of car park)	<b>RM296 psf</b> (exclusive of car park)
Adjustments	<u>Upward</u> <ul style="list-style-type: none"> <li>Air-condition system</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Location</li> <li>Tenure</li> <li>Age of Building</li> <li>Size</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor</li> <li>Air-condition system</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Location</li> <li>Size</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Tenure</li> <li>Size</li> </ul>
Adjusted Value	<b>RM251 psf</b>	<b>RM293 psf</b>	<b>RM276 psf</b>

From the analysis, the values range from RM251/- to RM293/- per square foot.

Having regard to the foregoing, we have adopted RM250/- per square foot (excluding car park) based on the Comparable 1 as it is the latest recorded sale transaction.

## b. Car Park

As there are no direct comparison for car park, we have adopted the investment method for car park valuation which derived at RM15,000/- per bay for normal car park and RM10,000/- per bay for the mechanical car park.

## Reconciliation of Value

Investment Method	Comparison Method
RM44,000,000/-	RM45,000,000/-

We have adopted the market value derived from Investment Method of Valuation as a fair representation of the market value of the subject property in view of the fact that the subject property is an income generating property.

## 3.5.4 – VALUATION

Taking into consideration of the above factors, we therefore assess the market value of the subject property as at 31 December 2010 with permission to transfer, lease, charge and free from all encumbrances at **RM44,000,000/- (Ringgit Malaysia : Forty Four Million Only)**.

The market value of subject property forming part of Wisma Sunwaymas is **RM44,000,000/- (Ringgit Malaysia : Forty Four Million Only)**.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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**3.6 PART OF SUBANG SQUARE**  
Our Ref: WTW/01/V/000286D/11/LAI/wk  
Location: Jalan SS15/4G, 47500 Subang Jaya, Selangor

**3.6.1 – PROPERTY IDENTIFICATION / GENERAL DESCRIPTION**

**Subject Property :** 28 office units within Corporate Tower, 6 office units within Business Park, 3 retail units within Shopping Gallery together with 760 car parking bays within a 14-storey Corporate Tower, 18 blocks of 5-storey shop offices and 2 blocks of 7-storey shopoffices known as Business Park and the 2-storey Shopping Gallery together with the 3 level basement carpark

**Parent Title Details :** Lot 62002, Town of Subang Jaya, District of Petaling, Selangor

**Parcel No., Storey No., Building No., and Floor Area**

Parcel No. As Per Certified Plan	Level	Storey No.	Floor Area / Lettable Area (sq. metres)	
			As Per Certified Plan	As per Tenancy Schedule
Corporate Tower, Subang Square				
5, 57, 77, 78, 96, 98, 109, 114, 116, 117, 126, 127, 128, 129, 130, 134, 135, 137, 138, 142, 143, 146, 147, 148, 151, 152, 153, 164	2 to 14	1 <sup>st</sup> Floor to 13 <sup>th</sup> Floor	3,866 (41,613 sf)	3,704 (39,869 sf)
Business Park, Subang Square				
313, 334, 323, 324, 335, 337	4 to 7	3 <sup>rd</sup> Floor to 6 <sup>th</sup> Floor	1,735 (18,675 sf)	1,733 (18,654 sf)
Shopping Gallery, Subang Square				
251, 257, 261	2	1 <sup>st</sup> Floor	111 (1,195 sf)	111 (1,195 sf)

**Tenure of Parent Title :** Term in perpetuity

**Category of Land Use :** Building

**Registered Owner :** PERBADANAN PENGURUSAN SUBANG SQUIRE

**Beneficial Owner :** MUHIBBAH PERMAI SDN BHD\*

Occupancy	Type	Occupancy Rate
	Corporate Tower	79.04%
	Business Park	54.90%
	Shopping Gallery	100%

**Condition of the Buildings :** Fairly good

Age of the Buildings	Type	Age
	Corporate Tower	About 7 years old
	Business Park and Shopping Gallery	About 10 years old

The 5 to 7-storey office (Block B1 and Block B2) together with the 2-storey shopping gallery and 3-storey basement car park has been issued with a Certificate of Fitness for Occupation (CFO) by Majlis Perbandaran Subang Jaya 6 dated 27 April 2000.

The 14-storey Corporate Tower has been issued with a Certificate of Fitness for Occupation (CFO) by Majlis Perbandaran Subang Jaya dated 14 August 2003.

**Note\***

Muhibbah Permai Sdn Bhd is a subsidiary of Sunway Construction Berhad.

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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## 3.6.2 – PLANNING PROVISIONS

The subject property is designated for commercial building use as per the Express Condition in the document of parent title.

## 3.6.3 – VALUE CONSIDERATION

The subject property is valued using the Comparison Method and as a check, we have adopted the Investment Method.

## 1. Comparison Method

In arriving at the market values of the subject property based on Comparison Method, we have considered transactions of similar properties within the Subang Square, SS 15 Subang Jaya, Selangor as follows:

## a. Corporate Tower

We have adopted Unit CT-06-10 as a base value. The subject unit is an intermediate unit located on the 6<sup>th</sup> Floor of Corporate Tower, Subang Jaya with floor area of 88 square metres (947 square feet).

The analysis of the comparables are as follows:-

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	JPPH	JPPH	JPPH	JPPH
Unit No.	CT-10-12	CT-06-18	CT-11-00	CT-06-17
Location	Corporate Tower, Subang Square	Corporate Tower, Subang Square	Corporate Tower, Subang Square	Corporate Tower, Subang Square
Net Lettable Area	138.33 sq. m. 1,489 sq. ft.	43.66 sq. m. 470 sq. ft.	1,378.92 sq. m. 14,843 sq. ft.	43.66 sq. m. 470 sq. ft.
Date	08 Jul 2010	19 Apr 2010	28 Jan 2010	19 Nov 2009
Consideration	RM580,000/-	RM150,000/-	RM5,195,050/-	RM155,000/-
Vendor	Newsman Travel Sdn Bhd	Heng Teck Boun +1	Muhibbah Permai Sdn Bhd	Tho Lai Foong +1
Purchaser	Essen-Haus Sdn Bhd	Chan Yong Chong +1	Alfa International College Sdn Bhd	Wee Shee Na +1
Analysis	RM390 psf	RM319 psf	RM350 psf	RM330 psf
Adjustments	Upward • Size Downward • Level • Corner allowance	Upward • Nil Downward • Size	Upward • Size Downward • Floor	Upward • Nil Downward • Size
Adjusted Value	RM329 psf	RM311 psf	RM350 psf	RM322 psf

From the above analysis, the values range from RM311/- to RM350/- per square foot. We have also considered the latest committed sales of the subject property in Year 2011 as provided which is ranging from RM320/- to RM350/- per square foot in our valuation. Having regard to the foregoing, we have adopted the base value at RM310/- per square foot based on the Comparable 2 as it is the most suitable property.

## b. Business Park

We have adopted Unit E-02-03 as a base value. The subject unit is an intermediate unit located on the 3<sup>rd</sup> Floor of Business Park, Subang Jaya with floor area of 184 square metres (1,981 square feet).

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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## 3.6.3- VALUE CONSIDERATION (Cont'd)

b. Business Park

Details	Comparable 1	Comparable 2
Source	JPPH	JPPH
Unit No.	W-06-03	W-10-03
Location	Business Park, Subang Square	Business Park, Subang Square
Net Lettable Area	184.41 sq. m. 1,985 sq. ft.	393.91 sq. m. 4,240 sq. ft.
Date	5 May 2010	31 Dec 2009
Consideration	RM590,000/-	RM1,025,000/-
Vendor	Coating Malaysia Sdn Bhd	Eastern Pretech (M) Sdn Bhd
Purchaser	Lim Soo Han +1	AK & AK Holdings Sdn Bhd
Analysis	RM297 psf	RM242 psf
Adjustments	Upward • Nil Downward • Nil	Upward • Size Downward • Corner
Adjusted Value	RM297psf	RM266 psf

From the above analysis, the values range from RM266 to RM297 per square foot.

We have also considered the latest committed sales of the subject property in Year 2011 as provided which is ranging from RM234 per square foot to RM280 per square foot in our valuation. Having regard to the foregoing, we have adopted RM270 per square foot based on the Comparable 2 as it is the most suitable comparable.

c. Shopping Gallery:

We have adopted Unit SG-10-01 as a base value. The subject unit is an intermediate unit located on the 1<sup>st</sup> Floor of Shopping Gallery, Subang Jaya with floor area of 28 square metres (301 square feet).

Details	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	JPPH	JPPH	JPPH	JPPH
Unit No.	SG-27-1	SG-02-0	SG-21-0	SG-G-13A
Location	Shopping Gallery, Subang Square	Shopping Gallery, Subang Square	Shopping Gallery, Subang Square	Shopping Gallery, Subang Square
Net Lettable Area	27.96 sq. m. 301 sq. ft.	31.21 sq. m. 336 sq. ft.	57.69 sq. m. 621 sq. ft.	31.96 sq. m. 344 sq. ft.
Date	28 Jan 2009	13 Apr 2010	17 Mar 2010	22 Dec 2009
Consideration	RM80,000/-	RM230,000/-	RM280,000/-	RM170,000/-
Vendor	Majlis Perbandaran Petaling Jaya	Chua Say Hock +1	Koo Chee Leong +1	Soo Hoo Kok Phui
Purchaser	Tan Kwee Yong	Ang Li Lean +1	Kok Yat Foong +1	Chee Mee Len
Analysis	RM266 psf	RM685 psf	RM451 psf	RM494 psf
Adjustments	Upward • Nil Downward • Nil	Upward • Nil Downward • Level • Corner	Upward • Size Downward • Level	Upward • Nil Downward • Level
Adjusted Value	RM266 psf	RM274 psf	RM248 psf	RM247 psf

From the above analysis, the values range from RM247 to RM278 per square foot. Having regard to the foregoing, we have adopted RM270 per square foot based on the Comparable 1 as it is the most suitable comparable.

d. Car Park:

As there are no direct comparison for car park, we have adopted the investment method for car park valuation which derived at RM18,950/- per bay.



## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

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## 3.6.3- VALUE CONSIDERATION (Cont'd)

## 2. Investment Method

Gross Monthly Rental	Type	Current Term	Reversion
	Corporate Tower	RM2.20 psf to RM2.50 psf	5% increment with max rental at RM2.50 psf
	Business Park	RM1.30 psf to RM1.50 psf	5% increment with max rental at RM1.50 psf
	Shopping Gallery	RM2.00 psf to RM2.20 psf	5% increment with max rental at RM2.30psf
	Current Term – Based on current contractual rental Reversion – Based on current concluded / asking rentals within the subject property		
Outgoings	Type	Current Term	Reversion
	Corporate Tower	RM0.60 psf	5% increment from current term
	Business Park	RM0.40 psf	5% increment from current term
	Shopping Gallery	RM0.90 psf	5% increment from current term
	Current Term - Based on the existing outgoings		
Voids	Existing occupancy ranging from 79.04% to 100% as at date of valuation. We have adopted a 10% void to reflect rent free periods and risk of vacancy due to change in tenants.		
Yields	Type	Current Term	Reversion
	Corporate Tower	6.00%	6.25%
	Business Park	5.50%	5.75%
	Shopping Gallery	5.50%	5.75%
	Based on our analysis of the recently transacted office suites within Subang Square, the yields for Corporate Tower and Business Park are ranging from 5.85% to 5.95% and 4.44% to 5.46%, respectively.		

Car Park

Based on the past 3 years income which is analysed at approximately RM129 per bay and the outgoings at 16%.

As such, we adopted an average income of RM120 per bay and capitalisation rate of 6.00% in line with the capitalisation rate adopted for the Corporate Tower valuation.

Reconciliation of Value

Comparison Method	Investment Method
RM33,320,000/-	RM30,700,000/-

We have adopted the market value derived from Comparison Method of Valuation as a fair representation of the market value of the subject property in view of the fact that the subject property is meant for sale and not to keep for investment. Furthermore, some of the units have committed sale.

## 3.6.4- VALUATION

Taking into consideration of the above factors, we therefore assess the market value of the subject property as at 31 December 2010 and free from all encumbrances at **RM33,320,000/- (Ringgit Malaysia : Thirty Three Million Three Hundred And Twenty Thousand Only).**

The market value of subject property forming part of Subang Square is **RM33,320,000/- (Ringgit Malaysia : Thirty Three Million Three Hundred And Twenty Thousand Only).**

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

Our Ref: WTW/01/V/000286/2011/HKH

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3.7 PART OF SUNWAY PJ@51A  
 Our Ref: WTW/02A/000491B/1/VP2  
 Location: Jalan SS 9A, Seksyen SS 9A, 47300 Petaling Jaya, Selangor

**3.7.1 – PROPERTY IDENTIFICATION / GENERAL DESCRIPTION**

Subject Property	: 6 units of strata showrooms at the ground, first and second floors together with 449 car parking bays
Parent Title Details	: Lot Nos. PT 5139 and PT 5140, Seksyen 40, Town of Petaling Jaya, District of Petaling, Selangor
Tenure of Parent Titles	: Leasehold 99 years expiring on 1 July 2109 (unexpired terms of approximately 98 years and 6 months)
Category of Land Use	: Building
Registered Owner	: TAIPAN FOCUS SDN BHD
Total Floor Area	: 47,320 square feet
Occupancy	: Newly completed and vacant
Condition of the Building	: Good
Age of Building	: As at the date of our inspection, the subject building was newly completed and vacant. It is pending issuance of Certificate of Completion and Compliance (CCC) by relevant consultants

**3.7.2 – PLANNING PROVISIONS**

The subject property is designated for commercial building use as per the Express Condition in the document of title.

**3.7.3 – VALUE CONSIDERATION**

The subject property is valued using the Investment Method and as a check, we have adopted the Comparison Method of Valuation

**1. Investment Method**

Gross Rental	Monthly	Rental adopted ranging from RM3.60 psf to RM6.15 psf		
Outgoings		RM0.50 psf (excluding air-conditioning services to the tenanted area). This is in line with the market rates.		
Voids		<b>Ground Floor</b>	<b>First Floor</b>	<b>Second Floor</b>
		5%	10%	15%
		We have adopted 5% for ground floor, 10% for first floor and 15% for second floor void to reflect risk of vacancy due to the difference in level		
Yields		We have adopted the yield of 7% for the showroom which is in line with the market rates.		

## 8. VALUATION CERTIFICATES (cont'd)

## C H Williams Talhar &amp; Wong



C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

Our Ref: WTW/01/V/000286/2011/HKH

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## 3.7.3 – VALUE CONSIDERATION (Cont'd)

Car Park

Based on our analysis, the gross monthly car park incomes are analysed in the range of RM120 to RM181 per bay per month. We have adopted the gross monthly income at RM180 per bay in view of shortage of car parking bays in the vicinity with a 10% outgoings. 10% void is adopted in view of the subject property is a new development.

**2. Comparison Method**

As for Comparison Method, recent recorded transactions of comparable properties within the vicinity have been considered.

Details	Comparable 1	Comparable 2	Comparable 3
Building Name	Block H, Ground floor, Sunway PJ@51A	Block A, Ground floor, Sunway PJ@51A	Jaya One
Location	Jalan SS 9A, Seksyen SS 9A, 47300 Petaling Jaya	Jalan SS 9A, Seksyen SS 9A, 47300 Petaling Jaya	Jalan University
Type	Ground floor retail space	Ground floor retail space	Ground floor retail space
Tenure	Leasehold 99 years expiring on 1 July 2109	Leasehold 99 years expiring on 1 July 2109	Freehold
Floor Area	2,379 sq. ft	1,518 sq. ft	1,744 sq. ft
Date	30/10/09	30/09/10	16/04/10
Consideration	RM1,912,888/-	RM1,573,290/-	RM1,880,000/-
Analysis	RM804 psf	RM1,037 psf	RM1,078 psf
Adjustments	<u>Upward</u> <ul style="list-style-type: none"> <li>Time factor- Better market condition</li> <li>Visibility/exposure- Subject property has better visibility from Federal Highway</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Size - subject property has a bigger floor area</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Visibility/Exposure- Subject property has better visibility from Federal Highway.</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Size - subject property has a bigger floor area</li> </ul>	<u>Upward</u> <ul style="list-style-type: none"> <li>Visibility/Exposure- Subject property has better visibility from Federal Highway</li> </ul> <u>Downward</u> <ul style="list-style-type: none"> <li>Location/Accessibility - subject property has a poorer accessibility</li> <li>Size - subject property has a bigger Floor area</li> <li>Tenure- Subject property is a leasehold property while comparable is a freehold property</li> </ul>
Adjusted Value	RM823 psf	RM985 psf	RM879 psf

The above sale evidences have been analysed on the time factor, tenure, location/accessibility, visibility/exposure, age/condition of the building, Design/prestige of building, size and other relevant characteristics to arrive at the market value.

The adjusted values range from RM823 psf to RM985 psf. Having considered the above, we have adopted RM825psf based on the best comparable i.e. Comparable 1 due to the similarities in the location, tenure, design and age. We have adopted the adjusted value ranging from RM495 psf to RM846 psf

As there are lack of transaction of car parks, we have adopted the car park value at approximately RM24,000 per bay based on the investment method.

## 8. VALUATION CERTIFICATES (cont'd)

**C H Williams Talhar & Wong**

C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

Our Ref: WTW/01/V/000286/2011/HKH

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**3.7.3 – VALUE CONSIDERATION (Cont'd)****Reconciliation of Value**

We have valued the subject property based on the above mentioned Investment Method and Comparison Method of Valuation. The values derived are as follows:-

Investment Method	Comparison Method
RM41,000,000/-	RM41,000,000/-

We are of the opinion that the Investment Method of Valuation is the most appropriate method of valuation, as the subject property is a commercial property with investment potential.

**3.7.4 – VALUATION**

Taking into consideration of the above factors, we therefore assess the market value of the subject property as at 31 December 2010 **ON THE BASIS/ASSUMPTIONS AND PROVISIO AS STATED AS FOLLOWS:-**

- (i) **THE SUBJECT PROPERTY HAS BEEN CONSTRUCTED/COMPLETED IN ACCORDANCE WITH THE APPROVED BUILDING PLANS PREPARED BY AKIPRAKTIS BEARING PLAN NO. SEL/848/06, APPROVED BY MAJLIS BANDARAYA PETALING JAYA BEARING REFERENCE NO. MBPJ/120100/T/P10/752/2007 DATED 9 DECEMBER 2010 AND ISSUED WITH A CERTIFICATE OF COMPLETION AND COMPLIANCE BY THE RELEVANT CONSULTANTS.**

- (ii) **THE FLOOR AREAS OF THE SUBJECT PROPERTY ARE AS FOLLOWS:-**

Block	Floor	Floor Area
Block M	Ground	7,379 square feet
	First	8,058 square feet
	Second	8,058 square feet
Block L	Ground	7,417 square feet
	First	8,204 square feet
	Second	8,204 square feet
<b>Total</b>		<b>47,320 square feet</b>

- (iii) **THE SUBJECT PROPERTY HAS 449 CAR PARKING BAYS.**

with permission to transfer, lease and charge and free from all encumbrances at **RM41,000,000/- (Ringgit Malaysia : Forty One Million Only).**

The market value of subject property forming part of Sunway PJ@51A is **RM41,000,000/- (Ringgit Malaysia : Forty One Million Only).**

## 8. VALUATION CERTIFICATES (cont'd)

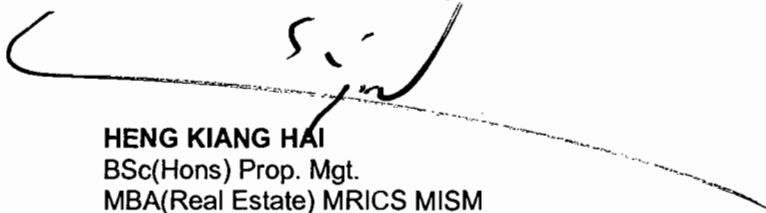
**C H Williams Talhar & Wong**

C H Williams Talhar &amp; Wong Sdn Bhd (18149-U)

Our Ref: WTW/01/V/000286/2011/HKH  
Page 27**4.0 VALUATION**

In our opinion, the total market value of the subject properties as at 31 December 2010 with permission to transfer, lease, charge and free from all encumbrances is **RM318,920,000/- (Ringgit Malaysia : Three Eighteen Million Nine Hundred and Twenty Thousand Only)**

Yours faithfully  
for and on behalf of  
**C H Williams Talhar & Wong Sdn Bhd**



**HENG KIANG HAI**  
BSc(Hons) Prop. Mgt.  
MBA(Real Estate) MRICS MISM  
Registered Valuer (V-486).



8. VALUATION CERTIFICATES (*cont'd*)

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Valuation Certificates from City Valuers & Consultants Sdn Bhd

## 8. VALUATION CERTIFICATES (cont'd)



# CITY VALUERS

& CONSULTANTS SDN.BHD.

Date : 02 AUG 2011

Our Ref : V/SEL/0110-0119/2011

Sunway City Berhad  
Level 3, Menara Sunway  
Jalan Lagun Timur, Bandar Sunway  
46150 Petaling Jaya  
Selangor Darul Ehsan.

Dear Sirs,

## **VALUATION CERTIFICATE PROPERTIES BELONGING TO SUNWAY CITY BERHAD**

### **Term of Reference**

This Valuation Certificate together with the Reports and Valuations is prepared on the instruction of Sunway City Berhad ('SunCity') for submission to the Securities Commission, Malaysia and for the inclusion in the Prospectus of Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) ('Sunway') in relation to the listing exercise of Sunway on the Main Market of Bursa Malaysia Securities Berhad.

### **Valuation Standards Compliance**

Our valuation is prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission, Malaysia, and the Malaysian Valuation Standards (MVS) issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

### **Date of Valuation**

The relevant date of valuation of the subject properties is 17<sup>th</sup> February 2011.

### **Basis of Valuation**

'Market Value' in line with the Asset Valuation Guidelines of the Securities Commission, Malaysia.

### **Definition of Market Value**

**Market Value** is defined as the estimated amount for which an asset 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.

### **Methods of Valuation**

We have adopted the following three methods of valuation and the methods are described as follows:

- a. *Direct Comparison Method* – entails determining the market value of the property by enlisting sale evidences of similar properties and making adjustments thereof to allow for value-based differences due to factors such as location, size, shape and terrain of the land, legal and planning conditions affecting the property, uses of surrounding properties and other special market factors prevailing at the time of the sale/valuation

co no: 98373-K  
reg no: VE (1) 0015

Headquarters:  
39 & 41, 2nd Floor,  
Jalan Telawi Tiga,  
Bangsar Baru,  
59100 Kuala Lumpur.

tel: 03 2282 9000  
fax: 03 2282 9898

Kuching Branch:  
tel: 082 23 7746  
fax: 082 23 9746

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## 8. VALUATION CERTIFICATES (cont'd)

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**CITY VALUERS**  
 & CONSULTANTS SDN.BHD.

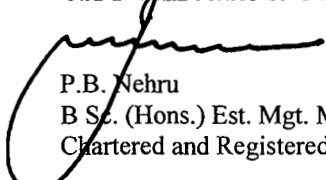
- b. *Investment Method* – entails determining the market value of the property by capitalizing the fair present market rent by a market derived rate of return or yield. The market value derived by the Investment Method is the present worth of all the future stream of net income flows that can be generated by ownership of the property.
- c. *Cost Method* – entails determining the market value of the building based on the cost of reconstructing a similar building and making adjustments for factors such as cost of finance, professional fees, profit, market demand and depreciation for the building in its existing condition, design and age.

**The Subject Properties**

The properties involved in this valuation exercise are located within Bandar Sunway except for the unit within The Highway Centre which is located at Section 51, Petaling Jaya. Brief descriptions of the subject properties and their market values are as follows:

No.	Description of the property	Market Value (RM)
1	A double storey food court building at Jalan PJS 11/20 in Bandar Sunway known as Medan Selera.	5,500,000
2	A single storey food court building at Jalan PJS 9/5 in Bandar Sunway known as Selera Sunway	2,300,000
3	340 units of low medium cost apartments located within six blocks of 5-storey walk-up buildings at Jalan PJS 7/16A in Bandar Sunway known as Sunway Villa Staff Apartments	22,100,000
4	A duplex condominium unit identified as Unit No. B-10-2, Palmville Resort Condominium, Jalan Lagoon Timur, Bandar Sunway	650,000
5	Twenty (20) strata units of townhouses at Tiara Bandar Sunway, PJS 9, Bandar Sunway	4,200,000
6	Two adjoining single storey warehouses with a double storey office annex and lean-to-extensions at Jalan PJS 11/1, Bandar Sunway.	8,000,000
7	Two condominium units identified as Unit Nos. A-09-04, Block A and B-06-05, Block B, Sunway Lagoonview Resort Condominium, Jalan Universiti, Bandar Sunway	860,000
8	12 condominium units located within the Sunway Lagoonview Resort Condominium and 15 condominium units located within the Sun-U Residence. Both developments are located off Jalan Lagoon Selatan in Bandar Sunway.	11,780,000
9	6 condominium units located within the Sunway Lagoonview Resort Condominium and 20 condominium units located within Sun-U Residence. Both developments are located off Jalan Lagoon Selatan in Bandar Sunway.	11,310,000
10	A strata industrial unit situated on the top floor of a 5-level flatted industrial complex known as The Highway Centre at Jalan 51/205, Section 51, Petaling Jaya	400,000
<b>Total</b>		<b>67,100,000.00</b>
<b>(Ringgit: Sixty Seven Million and One Hundred Thousand only)</b>		

Yours faithfully,  
**CITY VALUERS & CONSULTANTS SDN BHD**



P.B. Nehru  
 B.Sc. (Hons.) Est. Mgt. MRICS MIS (M)  
 Chartered and Registered Valuer – V189



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## 8. VALUATION CERTIFICATES (cont'd)



**CITY VALUERS**  
& CONSULTANTS SDN.BHD.

<b>(1) Medan Selera – Food Court at PJS 11</b>	
Our Ref. No.	V/SEL/0110/2011
Identification	Lot P.T. 1706, Bandar Sunway, Daerah Petaling, Selangor (Medan Selera, Jalan PJS 11/20, Bandar Sunway, 46150 Subang Jaya, Selangor)
Description of the property	The property is a 21,740 square feet (2,019.646 square metres) commercial plot erected upon with a double storey food court building located at Jalan PJS 11/20 in Bandar Sunway, Selangor Darul Ehsan. The main food court building has a gross floor area of 21,000 square feet (1,951 square metres). There is also a small ancillary building adjoining the main food court which has a gross floor area of 850 square feet (78.97 square metres).  Construction of the property was completed and issued with the Certificate of Fitness For Occupation on 2 <sup>nd</sup> July 1994. The property is in a good state of repair and condition.
Title particulars	The property is held under a leasehold tenure of 99 years expiring on 1 <sup>st</sup> April 2097. The Category of Land Use and Express Condition are stated as “Bangunan” and ‘Bangunan Perniagaan’ respectively. The registered owner is Sunway City Berhad.
Methods of Valuation	a) Investment Method b) Cost Method

a) Investment Method of Valuation

Gross monthly rental	<p>Rental Income from subject property</p> <table><tr><th></th><th>Term</th><th>Monthly Rental (RM)</th><th>Ave. Monthly Rent psf</th></tr><tr><td>First Term</td><td>1 Nov 2007 – 31 Oct 2010</td><td>RM45,000</td><td>RM2.14</td></tr><tr><td>1<sup>st</sup> Further Term</td><td>1 Nov 2010 – 31 Oct 2013</td><td>RM52,000</td><td>RM2.48</td></tr><tr><td>2<sup>nd</sup> Further Term</td><td>1 Nov 2013 – 31 Oct 2016</td><td>RM60,000</td><td>RM2.86</td></tr></table> <p>We have adopted the rent payable in the current tenancy agreement as the fair market rental value.</p>		Term	Monthly Rental (RM)	Ave. Monthly Rent psf	First Term	1 Nov 2007 – 31 Oct 2010	RM45,000	RM2.14	1 <sup>st</sup> Further Term	1 Nov 2010 – 31 Oct 2013	RM52,000	RM2.48	2 <sup>nd</sup> Further Term	1 Nov 2013 – 31 Oct 2016	RM60,000	RM2.86
	Term	Monthly Rental (RM)	Ave. Monthly Rent psf														
First Term	1 Nov 2007 – 31 Oct 2010	RM45,000	RM2.14														
1 <sup>st</sup> Further Term	1 Nov 2010 – 31 Oct 2013	RM52,000	RM2.48														
2 <sup>nd</sup> Further Term	1 Nov 2013 – 31 Oct 2016	RM60,000	RM2.86														
Outgoings	<table><tr><td>Average outgoings (2008 – 2010)</td><td>RM83,385.12</td></tr><tr><td>Cost of Outgoings as a % of Annual Rent</td><td>13.36%</td></tr><tr><td>Cost of Outgoings adopted</td><td>15%</td></tr></table>	Average outgoings (2008 – 2010)	RM83,385.12	Cost of Outgoings as a % of Annual Rent	13.36%	Cost of Outgoings adopted	15%										
Average outgoings (2008 – 2010)	RM83,385.12																
Cost of Outgoings as a % of Annual Rent	13.36%																
Cost of Outgoings adopted	15%																
Voids	The property is let to a single tenant. The average occupancy rate over the last three years is 100%.																
Yields	Based on analysis of recent transactions of commercial properties in Bandar Sunway/Subang Jaya, we have adopted 8% for the term and 9% for the reversion.																
Indicative Market Value	RM5,889,447.00																



**8. VALUATION CERTIFICATES (cont'd)****CITY VALUERS**

&amp; CONSULTANTS SDN.BHD.

**b) Cost Method of Valuation**

Land Value	The land value is derived based on the transactions below with relevant adjustments.					
Comparable No.	1	2	3	4	5	6
Lot & Title No.	PT 12, HSD Pajakan 120172	Lot 12 Sek. 40, Pajakan Negeri 79040	Lot 48759, Geran 218094	PT 1494, HSD 90190	Lot 62224, Geran 257262	Lot 44020, PM 42
Bdr/Mukim/Pekan	Bdr Petaling Jaya Selatan	Bdr Petaling Jaya	Pekan Subang Jaya	Mukim Damansara	Bdr Petaling Jaya	Mukim Damansara
Location	Within Pusat Bandar Kg Medan, off NPE.	Situated within PJU 1A locality, off NKVE.	Jln USJ 16/2F, Subang Jaya	Jln USJ 18/7, Subang Jaya	Jln SS 6/2, Kelana Jaya	Jln PJS 8/9, Petaling Jaya
Date	30/06/10	05/05/10	17/11/09	30/06/09	29/05/09	14/05/09
Tenure	Leasehold	Leasehold	Freehold	Freehold	Freehold	Leasehold
Land area (sf)	74,940	112,946	17,997	17,886	67,813	13,810
Category of land use	Bangunan	Pertanian	Bangunan	Bangunan	Bangunan	Bangunan
Consideration (RM)	9,142,622	8,249,000	1,400,000	1,019,559	12,879,720	1,900,000
Value analysed (RM psf)	122	73	78	57	183.52	138
Adjustment factors	Time, size, tenure, planning, title category, access and location					
Adjusted value (RM psf)	122	113.15	97.50	94.05	137.64	138.00
Market value of land (RM psf)	Based on the average, we have adopted RM115 per sq. ft.					

Building Value	The building value is derived from current construction costs with relevant adjustments. Market Value based on current construction cost after adjustments is RM120 per sq. ft.
Indicative Market Value of Land and Building	RM5,312,420.00

**Reconciliation of Value**

Given the above indicative market values by the two methods of valuation, we are of the considered opinion that the Market Value of the subject property is fairly stated at **RM5,500,000.00**.



## 8. VALUATION CERTIFICATES (cont'd)



<b>(2) Selera Sunway – Food Court at PJS 9</b>	
Our Ref. No.	V/SEL/0111/2011
Identification	Lot P.T. 1406, Bandar Sunway, Daerah Petaling, Selangor (Selera Sunway, Jalan PJS 9/5, Bandar Sunway, 46150 Subang Jaya, Selangor)
Description of the property	The property is a 16,137 square feet (1,499.1273 square metres) commercial plot erected upon with a single storey food court building located at Jalan PJS 9/5 in Bandar Sunway, Selangor Darul Ehsan. The main food court building has a gross floor area of 6,308 square feet (586 square metres). There are also two small ancillary buildings adjacent to the main food court which have a combined gross floor area of 348 square feet (32.33 square metres).  Construction of the property was completed and issued with the Certificate of Fitness For Occupation on 22 <sup>nd</sup> November 1995. The property is in a good state of repair and condition.
Title particulars	The property is held under a leasehold tenure of 99 years expiring on 1 <sup>st</sup> April 2097. The Category of Land Use and Express Condition are stated as “Bangunan” and ‘Bangunan Perniagaan’ respectively. The registered owner is Sunway City Berhad.
Methods of Valuation	a) Investment Method b) Cost Method

**a) Investment Method of Valuation**

Gross monthly rental	Rental Income from subject property			
		Term	Monthly Rental (RM)	Ave. Monthly Rent psf
	1 <sup>st</sup> year	1 Nov 2009 – 31 Oct 2010	RM18,000	RM2.85
	2 <sup>nd</sup> year	1 Nov 2010 – 31 Oct 2011	RM19,000	RM3.01
	3 <sup>rd</sup> year	1 Nov 2011 – 31 Oct 2012	RM20,000	RM3.17
	We have adopted the rent payable in the current tenancy as the fair market rental value.			
Outgoings	Average outgoing (2008 – 2010)			RM30,710.85
	Cost of Outgoings as a % of Annual Rent			13.47%
	Cost of Outgoings adopted			15%
Voids	This property is let to a single tenant. The average occupancy rate over the last three years is 100%.			
Yields	Based on analysis of recent transactions of commercial properties in Bandar Sunway/Subang Jaya, we have adopted 7% for the term and 8% for the reversion.			
Indicative Market Value	RM2,364,835.00			



**8. VALUATION CERTIFICATES (cont'd)****CITY VALUERS**

&amp; CONSULTANTS SDN.BHD.

**b) Cost Method of Valuation**

Land Value	The land value is derived based on the transactions below with relevant adjustments.					
Comparable No.	1	2	3	4	5	6
Lot & Title No.	PT 12, HSD Pajakan 120172	Lot 12 Sek. 40, Pajakan Negeri 79040	Lot 48759, Geran 218094	PT 1494, HSD 90190	Lot 62224, Geran 257262	Lot 44020, PM 42
Bdr/Mukim/Pekan	Bdr Petaling Jaya Selatan	Bdr Petaling Jaya	Pekan Subang Jaya	Mukim Damansara	Bdr Petaling Jaya	Mukim Damansara
Location	Within Pusat Bandar Kg Medan, off NPE.	Situated within PJU 1A locality, off NKVE.	Jln USJ 16/2F, Subang Jaya	Jln USJ 18/7, Subang Jaya	Jln SS 6/2, Kelana Jaya	Jln PJS 8/9, Petaling Jaya
Date	30/06/10	05/05/10	17/11/09	30/06/09	29/05/09	14/05/09
Tenure	Leasehold	Leasehold	Freehold	Freehold	Freehold	Leasehold
Land area (sf)	74,940	112,946	17,997	17,886	67,813	13,810
Category of land use	Bangunan	Pertanian	Bangunan	Bangunan	Bangunan	Bangunan
Consideration (RM)	9,142,622	8,249,000	1,400,000	1,019,559	12,879,720	1,900,000
Value analysed (RM psf)	122	73	78	57	183.52	138
Adjustment factors	Time, size, tenure, planning, title category, access and location					
Adjusted value (RM psf)	97.60	98.55	89.70	82.65	119.29	124.20
Market value of Land (RM psf)	Based on the average, we have adopted RM100 per sq. ft.					

Building Value	The building value is derived from current construction costs with relevant adjustments. Market value based on current construction cost after adjustments is RM100 per sq. ft
Indicative Market Value of Land and Building	RM2,317,673.00

**Reconciliation of Value**

Given the above indicative market values by the two methods of valuation, we are of the considered opinion that the Market Value of the subject property is fairly stated at **RM2,300,000.00**.



## 8. VALUATION CERTIFICATES (cont'd)

**CITY VALUERS**

&amp; CONSULTANTS SDN.BHD.

<b>(3) Sunway Villa Staff Apartments</b>																																												
Our Ref. No.	V/SEL/0112/2011																																											
Identification	Lot 37563 Mukim Damansara and Lots 49359 and 49360, Mukim Petaling, Daerah Petaling, Selangor. (Sunway Villa Staff Apartments, at Jalan PJS 7/16A, Bandar Sunway, 46150 Petaling Jaya, Selangor)																																											
Description of the property	<p>340 units of low medium cost apartments located within six (6) blocks of 5-storey walk-up buildings. Details of the floor areas of are as follows:</p> <table border="1"> <thead> <tr> <th>Block</th><th>No. of Units</th><th>No. of Units per floor</th><th>Floor area / Unit (sq. ft.)</th><th>Total Floor Area (sq. ft.)</th></tr> </thead> <tbody> <tr> <td>A</td><td>80</td><td>16</td><td>630</td><td>50,400</td></tr> <tr> <td>B</td><td>60</td><td>12</td><td>630</td><td>37,800</td></tr> <tr> <td>C</td><td>40</td><td>8</td><td>630</td><td>25,200</td></tr> <tr> <td>D</td><td>60</td><td>12</td><td>630</td><td>37,800</td></tr> <tr> <td>E</td><td>60</td><td>12</td><td>630</td><td>37,800</td></tr> <tr> <td>F</td><td>40</td><td>8</td><td>630</td><td>25,200</td></tr> <tr> <td><b>Total</b></td><td><b>340</b></td><td><b>-</b></td><td><b>-</b></td><td><b>214,200</b></td></tr> </tbody> </table> <p>Approximately 100 units (30 units each in Block D and E, and 40 units in Block F) overlook a sewerage treatment plant (STP) and high tension cables and pylons.</p> <p>Construction of the property was completed and issued with the Certificate of Fitness For Occupation on 15<sup>th</sup> February 1996. All the units are generally in a good state of repair and condition.</p>				Block	No. of Units	No. of Units per floor	Floor area / Unit (sq. ft.)	Total Floor Area (sq. ft.)	A	80	16	630	50,400	B	60	12	630	37,800	C	40	8	630	25,200	D	60	12	630	37,800	E	60	12	630	37,800	F	40	8	630	25,200	<b>Total</b>	<b>340</b>	<b>-</b>	<b>-</b>	<b>214,200</b>
Block	No. of Units	No. of Units per floor	Floor area / Unit (sq. ft.)	Total Floor Area (sq. ft.)																																								
A	80	16	630	50,400																																								
B	60	12	630	37,800																																								
C	40	8	630	25,200																																								
D	60	12	630	37,800																																								
E	60	12	630	37,800																																								
F	40	8	630	25,200																																								
<b>Total</b>	<b>340</b>	<b>-</b>	<b>-</b>	<b>214,200</b>																																								
Title particulars	<p>The property is held under three separate leasehold parent titles i.e. Lot 37563, Lot 49359 and Lot 49360. The titles confer 99-years leasehold tenures. The lease for Lot 37563 expires on 11<sup>th</sup> April 2093 whilst the lease for Lot 49359 and Lot 49360 expire on 1<sup>st</sup> December 2097. The category land use is 'Bangunan' whilst the express condition is 'Rumah Pangsa'. The registered owner of Lot 37563 is Sunway City Berhad whilst for Lots 49359 and 49360 are owned by Bandar Sunway Sdn Bhd. Lot 37563 is unencumbered whilst Lots 49359 and 49360 have Lien holder's caveat entered by United Overseas Bank (Malaysia) Berhad dated 3<sup>rd</sup> August 1999 vide presentation No. 25705/1999 Jil.56 Fol.85.</p> <p>Application for strata titles has not been made as all the units are owned by Sunway City Berhad as an investment property and are not intended for sale on strata basis.</p>																																											
Methods of Valuation	<p>a) Direct Comparison Method</p> <p>b) Investment Method</p>																																											



**8. VALUATION CERTIFICATES (cont'd)****a) Comparison Method of Valuation**

Comparable No.	1	2	3	4	5
Description	Unit 6-2-312, Jln PJS 6/3B	Unit 1-01-215, Jln PJS 6/3B	2-4-505, Jln PJS 6/4E	2-G-116, Jln PJS 6/4E	6-3-412, Jln PJS 6/3B
Type	Low cost Flat	Low cost Flat	Low cost Flat	Low cost Flat	Low cost Flat
Floor level	2nd	1st	4th	G	3rd
Date	May 2010	May 2010	Mar 2010	Dec 2009	Dec 2009
Tenure	Freehold	Freehold	Freehold	Freehold	Freehold
Floor area (sf)	609	609	609	600	609
Consideration (RM/psf)	107	120	107	108	99
Adjustment for factors	Time, tenure, management, security, car park facility, strata titles, amenities and facilities				
Adjusted value (RM/psf)	104	117	104	104	97
Adjusted value (per unit)	65,520	73,710	65,520	65,520	61,110

Indicative Market Value : RM22,110,000.00 (or RM65,029 per unit)

**b) Investment Method of Valuation**

Gross monthly rental			
		No. units	%
	Tenanted with rent	301	88.5
	Tenanted with no rent	24	7.1
	Vacant	15	4.4
	Total	340	
	The total monthly rent received from the 301 paying tenants is RM164,132 which analyses to about RM550 per unit per month which is in line with the present market rent. We are thus adopting this as the full rental value.		
Outgoings	We were informed by the client that there is presently no assessment charges for the subject units.  The outgoings for 2008 to 2010 were analysed to RM0.11, RM0.11 and RM0.10 per sq. ft. respectively. We are adopting RM0.12 per sq. ft. for the purpose of this valuation.		
Voids	The above rent of RM164,132 received from the 301 paying tenants reflects a void allowance.		
Yields	Based on published data and our analysis of transactions of apartments in Bandar Sunway and its vicinity, we are adopting 7% to capitalize the income.		
Indicative Market Value	RM22,591,615.00 (or RM66,446 per unit)		

**Reconciliation of Value**

Given the respective indicative market values by the two methods of valuation and giving greater weightage to the Direct Comparison Method of Valuation, we are of the considered opinion that the Market Value of the subject property is fairly stated at **RM22,100,000.00** (Ringgit: Twenty Two Million and One Hundred Thousand only).



**8. VALUATION CERTIFICATES (cont'd)**

<b>(4) Unit No. B-10-2, Palmville Resort Condominium</b>	
Our Ref. No.	V/SEL/0113/2011
Identification	Unit No. B-10-02, Block B, Palmville Resort Condominium, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor
Description of the property	A duplex condominium with a main floor area of 199 sq. metres (2,142 sq. ft.) situated on level 10 of a 10-storey condominium building. The unit also comes with two (2) accessory car parking bays.  Construction of the property was completed in 1997 and issued with the Certificate of Fitness For Occupation by Majlis Perbandaran Petaling Jaya.
Title particulars	Strata title No. PN 11814/M1-B/10/183 which comes with two car parking bays identified as accessory parcel Nos. A385 and A386. It has a 99-year leasehold tenure expiring on 1 <sup>st</sup> April 2097 and is currently owned by Sunway City Berhad.
Methods of Valuation	a) Direct Comparison Method b) Investment Method

**a) Comparison Method of Valuation**

We have selected 6 comparable sales of typical units in Palmville Resort Condominium which indicate a price range of between RM283 per sq. ft. to RM364 per sq. ft. or an average of RM322 per sq. ft. The two sales of units within Block B are the best comparables:

Comparable No.	5	6
Description	Unit No. B-3-8	Unit No. B-6-9
Floor level	3	6
Date	27/10/2009	19/08/2009
Floor area (sf)	1,410	1,410
Value analysed (RM psf)	291	301
Adjustment for factors	Add for top floor location	

Indicative Market Value : RM652,000.00 (or RM304 per sq. ft.)

**b) Investment Method of Valuation**

Gross monthly rental	The property is fetching a gross monthly rent of RM1.63 per sq. ft. which in our opinion correctly reflects the current market rent.
Outgoings	Based on the actual outgoings for the year 2009 and 2010 at RM0.49 per sq. ft. and RM0.57 per sq. ft. respectively, we are adopting RM0.57 per sq. ft. as the cost of outgoings for the valuation of the subject property.
Yields	Typical net yield for units in Palmville is about 4.34%. We are adopting the net yield of 4.3% for the valuation of the subject property.
Indicative Market Value	RM589,189.00 (or RM275 per sq. ft.)

**Reconciliation of Value**

We are of the opinion that greater weightage should be given to the Direct Comparison Method of Valuation. We are thus adopting value of **RM650,000.00** (or RM303 per sq. ft.) as the Market Value of the subject property.



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## 8. VALUATION CERTIFICATES (cont'd)



(5) Twenty (20) Strata Units of Townhouses at Tiara Bandar Sunway, PJS 9, Bandar Sunway																
Our Ref. No.	V/SEL/0114/2011															
Identification	Lot 62003 to Lot 62012, Bandar Sunway, Daerah Petaling, Selangor.															
Description of the property	<p><b>Twenty (20) strata units of townhouses</b> located along Jalan PJS 9/1G within a ‘gated &amp; guarded’ residential neighbourhood known as ‘Tiara Bandar Sunway’ in PJS 9, Bandar Sunway, Selangor. The units come in two sizes as follows:-</p> <table><tr><th>Type</th><th>Main floor area (s.f.)</th><th>Accessory Parcel Area (s.f.)</th><th>Number of units</th></tr><tr><td>Lower level units</td><td>882</td><td>452</td><td>10</td></tr><tr><td>Upper level units</td><td>915</td><td>323</td><td>10</td></tr></table> <p>Construction of the property was completed and issued with the Certificate of Fitness For Occupation on 25<sup>th</sup> February 2005. All the 20 units are in a good state of repair and condition.</p>				Type	Main floor area (s.f.)	Accessory Parcel Area (s.f.)	Number of units	Lower level units	882	452	10	Upper level units	915	323	10
Type	Main floor area (s.f.)	Accessory Parcel Area (s.f.)	Number of units													
Lower level units	882	452	10													
Upper level units	915	323	10													
Title particulars	<p>All the subject 20 units of townhouses are owned by Sunway Lagoon Sdn Bhd, a subsidiary of Sunway City Berhad and have been issued with 20 individual strata titles.</p> <p>The respective titles confer a leasehold tenure of 99 years expiring on 14<sup>th</sup> November 2096.</p>															
Occupancy	As per the date of valuation, 16 of the 20 units are presently tenanted. Average occupancy rate over the last three years was between 80% to 90%.															
Methods of Valuation	a) Direct Comparison Method b) Investment Method															

a) Comparison Method of Valuation

Comparable No.	1	2	3	4	5
Description	No. 35, Jalan PJS 9/14	No. 10, Jalan PJS 9/20	No. 22, Jalan PJS 9/18	No. 23, Jalan PJS 9/24	No. 55, Jalan PJS 9/10
Type	2-storey terrace	2-storey terrace	2-storey terrace	2-storey terrace	2-storey terrace
Date	11/08/10	01/06/10	03/05/10	02/04/10	01/02/10
Tenure	Freehold	Freehold	Freehold	Freehold	Freehold
Unexpired lease term	82 yrs	84 yrs	82 yrs	84 yrs	82 yrs
Land area (sf)	1,680	1,680	1,680	1,680	1,680
Floor area (sf)	1,657	1,720	1,657	1,721	1,531
Consideration (RM)	500,000	460,000	400,000	430,000	392,000
Price/floor area (RM psf)	301	267	241	250	256
Adjustment for factors	Small floor area, townhouse concept, and gated and guarded scheme				
Adjusted value (RM psf)	271	240	217	225	230
Adjusted value (per unit)	Based on the above, we have adopted RM244 per sq. ft. (RM215,208 per unit) for the lower units and RM235 per sq. ft. (RM215,025 per unit) for the upper units.				

Indicative Market Value : RM4,300,000.00 (or RM215,000 per unit)





## 8. VALUATION CERTIFICATES (cont'd)

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**b) Investment Method of Valuation**

Gross monthly rental	The current rental ranges from RM1,600 to RM1,800 per unit per month as fully furnished units. The rent for the new tenancies is RM1,800 of which the rent for the furniture is RM750. Thus the current rent for the properties is RM1,050 per unit or RM1.15 per sq. ft. for the upper units and RM1.20 per sq. ft. for the lower units.
Outgoings	The actual recorded outgoings is RM0.20 per sq. ft. per month for the year 2010 and RM0.17 per sq. ft. per month for the year 2009. We are adopting RM0.20 per sq. ft. per month or RM180 per month per unit as the cost of outgoings in the valuation of the subject properties.
Yields	Based on our analysis of transactions of 2-storey terrace houses in comparable locations, we are adopting a net yield of 4% for the valuation of the subject properties.
Indicative Market Value	RM4,200,000.00 (or RM210,000 per unit)

**Reconciliation of Value**

Giving greater weightage to the Investment Method of Valuation as the variables used relate directly to the subject property, we are adopting the value of **RM4,200,000.00** (or RM210,000 per unit) as the Market Value of the subject property.



## 8. VALUATION CERTIFICATES (cont'd)



<b>(6) Two adjoining Single Storey Warehouses at PJS 11</b>	
Our Ref. No.	V/SEL/0115/2011
Identification	Lot P.T. 1490, Bandar Sunway, Daerah Petaling, Selangor (No. 1, Jalan PJS 11/1, Bandar Sunway, 46150 Subang Jaya, Selangor)
Description of the property	<p>The property is a 66,954 square feet (6,220.0266 square metres) detached industrial plot erected upon with two (2) adjoining single storey warehouses with a double storey office annex and lean-to-extensions located at Jalan PJS 11/1 in PJS 11, Bandar Sunway, Selangor.</p> <p>The total floor area of the subject property (Warehouse I, Warehouse II, Office Annex, Guard House and Pump House) is 35,003 square feet. We do not accord any value to the lean-to-extensions as these structures do not have the relevant Local Authority approvals.</p> <p>The Certificate of Fitness for Occupation for the property was issued on 14<sup>th</sup> April 2008. The subject property is in good state of repair and condition.</p>
Title particulars	The subject property is held under a leasehold tenure of 99 years expiring on 28 <sup>th</sup> December 2096. The Category of Land Use and the Express Condition are stated as 'Perusahaan'. The registered owner is Sunway City Berhad.
Methods of Valuation	a) Cost Method for the building and Comparison Method for the land b) Investment Method

**a) Cost Method of Valuation for building and Comparison Method for the land**

Land Value	The land value is derived based on the transactions below with relevant adjustments.
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Comparable No.	2	6	7	8	9
Lot & Title No.	Lot 3007, GM 764	PT 11743, HSM 7004	Lot 61711, PM 59	Lot 549, GM 189	PT 6206, HSM 29644
Mukim	Petaling	Damansara	Damansara	Damansara	Petaling
District	Petaling	Petaling	Petaling	Petaling	Petaling
Location	PJS 7 locality	Sungai Penaga locality	Sungai Penaga locality	Sungai Penaga locality	PJS 5 locality
Date	22/04/10	21/12/09	16/06/09	12/02/09	15/01/08
Tenure	Freehold	Leasehold	Leasehold	Freehold	Freehold
Land area (sq. ft.)	29,913	98,059	264,975	130,814	24,779
Category of land use	Bangunan Perusahaan	Bangunan Perusahaan	Bangunan Perusahaan	Bangunan Perusahaan	Bangunan Perusahaan
Consideration (RM)	3,500,000	6,000,000	15,136,702	8,895,556	2,829,829
Value analysed (RM/psf)	117	61	57	68	114
Adjustment factors	Time, size, tenure, planning, title category, access and location				
Adjusted value (RM/psf)	105.30	79.30	82.65	88.40	102.60
Market value of Land (RM/psf)	Based on the average, we have adopted RM90.00 per sq. ft.				

Building Value	The building value is derived from current construction costs with relevant adjustments. Market value based on current construction cost after adjustments is RM73 per sq. ft.
Indicative Market Value of Land and Building	RM8,555,527.00



## 8. VALUATION CERTIFICATES (cont'd)

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**b) Investment Method of Valuation**

Gross monthly rental	<p>The rent received is RM35,016 per month or RM1.00 per sq. ft. per month.</p> <p>Our analysis of the rents fetched by several comparable industrial / office properties indicate current market rents to be in the region of RM1.86 to RM2.22 per sq. ft.</p> <p>We have adopted the fair market rental value to be RM1.50 per sq. ft. per month.</p>
Outgoings	<p>The outgoings for 2009 and 2010 were analysed at RM0.21 per sq. ft. per month. We are thus adopting RM0.21 per sq. ft. per month as the fair cost of outgoings.</p>
Yields	<p>The average net yield fetched by the comparable industrial properties is 7.025% for freehold properties and 5.96% for leasehold properties with an unexpired term of 54 to 56 years. The midpoint of these two yields is 6.4925%.</p> <p>We have adopted 6.5% as the fair net yield of the subject property given its 85 years unexpired term.</p>
Indicative Market Value	RM7,906,840.00

**Reconciliation of Value**

Taking into consideration the salient features of the subject property and giving due weightage to both methods of valuation, we are of the opinion that the fair market value of the subject property is **RM8,000,000.00**.



## 8. VALUATION CERTIFICATES (cont'd)



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<b>(7) Two condominium units identified as Nos. A-09-04, Block A and B-06-05, Block B, Sunway Lagoonview Resort Condominium</b>																									
Our Ref. No.	V/SEL/0116/2011																								
Identification	Unit Nos. A-09-04, Block A and B-06-05, Block B, Sunway Lagoonview Resort Condominium, Jalan University, Bandar Sunway, 46150 Subang Jaya, Selangor																								
Description of the property	The property comprises 2 units of condominiums located within Blocks A and B of Sunway Lagoonview Resort Condominium. Sunway Lagoonview Resort Condominium is located at Jalan Universiti in Bandar Sunway, Selangor. Construction of the property was completed and issued with the Certificate of Fitness for Occupation on 6 <sup>th</sup> August 2001. Both units are in a good state of repair and condition.																								
Title particulars	<p>The property is designated for residential purpose. The subject 2 condominium units are owned by Sunway City Bhd and have been issued with individual strata titles as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Unit No.</th><th rowspan="2">Strata Title No.</th><th rowspan="2">Accessory Parcel</th><th rowspan="2">Unit Share/Total Share Units</th><th colspan="2">Surveyed Floor Area</th></tr> <tr> <th>sq.m.</th><th>sq. ft.</th></tr> </thead> <tbody> <tr> <td>A-09-04</td><td>PN 11815/M1-A/9/55</td><td>A367, A368</td><td>153/42,849</td><td>129</td><td>1,389</td></tr> <tr> <td>B-06-05</td><td>PN 11815/M1-B/6/160</td><td>A468, A475</td><td>153/42,849</td><td>129</td><td>1,389</td></tr> </tbody> </table> <p>The titles confer a 99-year leasehold tenure expiring on 1<sup>st</sup> April 2097. Both the titles are free from encumbrances.</p>					Unit No.	Strata Title No.	Accessory Parcel	Unit Share/Total Share Units	Surveyed Floor Area		sq.m.	sq. ft.	A-09-04	PN 11815/M1-A/9/55	A367, A368	153/42,849	129	1,389	B-06-05	PN 11815/M1-B/6/160	A468, A475	153/42,849	129	1,389
Unit No.	Strata Title No.	Accessory Parcel	Unit Share/Total Share Units	Surveyed Floor Area																					
				sq.m.	sq. ft.																				
A-09-04	PN 11815/M1-A/9/55	A367, A368	153/42,849	129	1,389																				
B-06-05	PN 11815/M1-B/6/160	A468, A475	153/42,849	129	1,389																				
Methods of Valuation	a) Direct Comparison Method b) Investment Method																								

**a) Direct Comparison Method of Valuation**Sales of similar units in Sunway Lagoonview Resort Condominium

Comparable No.	1	2	3	4
Unit No.	A-06-05	A-08-02	A-19-04	B-21-04
Date	27/04/10	26/11/09	15/09/09	19/05/09
Floor Area (s.f.)	1,389	1,389	1,389	1,389
Consideration (RM)	400,000	450,000	450,000	430,000
Value analysed (RM psf)	288	324	324	309
Adjustment	No adjustment given as there appears to be no clear distinction for units with different floor area and floor level.			
Market value (RM psf)	Based on the average, we have adopted RM311 per sq. ft.			

**Indicative Market Value**

No.	Unit Nos.	Floor area (sq. feet)	Price psf.	Capital Value	Market Value (say)
1.	A-09-04	1,389	RM311	RM431,837	RM430,000
2.	B-06-05	1,389	RM311	RM431,837	RM430,000
<b>Total</b>					<b>RM860,000</b>



## 8. VALUATION CERTIFICATES (cont'd)



CITY VALUERS

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b) Investment Method of Valuation

Gross monthly rental	<p>The subject 2 condominium units are presently rented out at RM2,641 per unit per month (RM1.90 per sq. ft.) for each condominium unit.</p> <p>Comparable gross market rents are in the range of RM1.61 per sq. ft. to RM2.31 per sq. ft. per month.</p> <p>Term – Based on the passing rent Reversion – Based on the market rental value of RM2.10 per sq. ft.</p>
Outgoings	<p>The cost of outgoings is about RM0.36 per sq. ft. per month and RM0.40 per sq. ft. per month for the years 2009 and 2010.</p> <p>Our analysis of several other similar condominium units indicates that the outgoings range from RM0.16 per sq. ft. to RM0.30 per sq. ft. We are adopting the average of RM0.25 per sq. ft. as the fair cost of outgoings.</p>
Yields	Based on our analysis of the yields of comparable developments, the net yields are ranging from 4.02% to 6.62%. We have therefore adopted 6% for the term and 6.25% for the reversion.
Indicative Market Value	RM880,000.00

Reconciliation of Value

Since there is ample open market evidence of direct comparisons we are of the considered opinion that the Market Value of the subject units is **RM860,000.00**.



## 8. VALUATION CERTIFICATES (cont'd)

**CITY VALUERS**

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<b>(8) 12 condominium units located within Sunway Lagoonview Resort Condominium, and 15 condominium units located within Sun-U Residence.</b>	
Our Ref. No.	V/SEL/0117/2011
Description of the property	The property comprises 12 units of condominiums located within Blocks A and B of Sunway Lagoonview Resort Condominium and 15 units of condominiums located within Block A of SUN-U Residence. Both these developments are located off Jalan Lagoon Selatan in Bandar Sunway, Selangor Darul Ehsan. Construction of the property was completed and issued with the Certificate of Fitness for Occupation on 8 <sup>th</sup> January 2002 and 6 <sup>th</sup> August 2001 to the subject units in SUN-U Residence and Sunway Lagoonview Resort Condominium respectively. All the 27 units are in a good state of repair and condition.
Title particulars	<p>The subject property is designated for residential purpose.</p> <p><u>Sunway Lagoonview Resort Condominium</u> The 12 units of condominiums are owned by Spring Ambience Sdn Bhd and have been issued with individual strata titles. The units are located from the 1<sup>st</sup> to the 22<sup>nd</sup> floors of Block A and the 3<sup>rd</sup> to the 21<sup>st</sup> floors of Block B. The floor areas for all the condominium units are 1,389 sq. ft. except for unit A-07-06, which has a floor area of 1,539 sq. ft.</p> <p><u>SUN-U Residence</u> The 15 units of condominiums are owned by Spring Ambience Sdn Bhd except for unit A-11-01 and A-13-05, which were purchased from individual owners. The ownership transfers of these two units have been filed at the Pejabat Tanah dan Galian Selangor and are pending registration at the land office. All the condominium units have been issued with individual strata titles. The subject units are located from the 5<sup>th</sup> to the 20<sup>th</sup> floors of Block A. The floor areas for the condominium units range from 1,432 sq. ft. to 1,550 sq. ft.</p> <p>The titles confer a 99-year leasehold tenure expiring on 1<sup>st</sup> April 2097. All the titles are free from encumbrances.</p>
Methods of Valuation	<p>a) Direct Comparison Method</p> <p>b) Investment Method</p>



## 8. VALUATION CERTIFICATES (cont'd)

**CITY VALUERS**

&amp; CONSULTANTS SDN.BHD.

**a) Direct Comparison Method of Valuation**Sunway Lagoonview Resort Condominium

Comparable No.	1	2	3	4
Unit No.	A-06-05	A-08-02	A-19-04	B-21-04
Date	27/04/10	26/11/09	15/09/09	19/05/09
Floor Area (s.f.)	1,389	1,389	1,389	1,389
Consideration (RM)	400,000	450,000	450,000	430,000
Value analysed (RM psf)	288	324	324	309
Adjustment	No adjustment given as there appears to be no clear distinction for units with different floor area and floor level.			
Market value (RM psf)	Based on the average, we have adopted RM311 per sq. ft.			

Sun-U Residence

Comparable No.	1	2	3	4
Unit No.	A-21-03	A-23-3A	A-12-3A	A-10-03
Date	17/12/09	08/10/09	08/10/09	19/09/09
Floor Area (s.f.)	1,432	1,475	1,475	1,432
Consideration (RM)	435,000	465,000	450,000	400,000
Value analysed (RM psf)	304	315	305	280
Adjustment	No adjustment given as there appears to be no clear distinction for units with different floor area and floor level.			
Market value (RM psf)	Based on the average, we have adopted RM301 per sq. ft.			

Indicative Market Value	<u>12 condominium units within Sunway Lagoonview Resort Condominium</u> 11 units at RM430,000 each (RM311 psf)      RM4,730,000 1 unit at RM480,000 (RM311 psf) <u>RM 480,000</u> Total      RM5,210,000  <u>15 condominium units within SUN-U Residence</u> 6 units at RM430,000 each (RM301 psf)      RM2,580,000 8 units at RM440,000 each (RM301 psf)      RM3,520,000 1 unit at RM470,000 (RM301 pssf) <u>RM 470,000</u> Total      RM6,570,000  <b>Grand Total</b> <b><u>RM11,780,000</u></b>
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## 8. VALUATION CERTIFICATES (cont'd)

**b) Investment Method of Valuation**

Gross monthly rental	<p>The subject 27 condominium units are presently rented out at a total rent of RM61,085.00 a month at the rental range of RM2,400 to RM2,800 per unit per month (RM1.56 to RM2.01 per sq. ft.) for the Sunway Lagoonview Resort Condominiums and RM1,900 to RM2,759 per unit per month (RM1.23 to RM1.90 per sq. ft.) for the SUN-U Residence condominiums.</p> <p>Comparable gross market rents are in the range of RM1.61 per sq. ft. to RM2.31 per sq. ft. per month.</p> <p>Term – Based on the passing rents Reversion – Based on the market rental value of RM2.10 per square foot</p>
Outgoings	<p>The cost of outgoings is about RM0.30 per sq. ft. per month and RM0.19 per sq. ft. per month for the years 2009 and 2010.</p> <p>Our analysis of several other condominium units within both developments indicates that the outgoings range from RM0.16 per sq. ft. to RM0.40 per sq. ft. We are adopting the average of RM0.25 per sq. ft. as the fair cost of outgoings.</p>
Yields	Based on our analysis of the yields of comparable developments, the net yields are ranging from 4.02% to 6.62%. We have therefore adopted 6% for the term and 6.25% for the reversion.
Indicative Market Value	RM11,240,000.00

**Reconciliation of Value**

Since there is ample open market evidence of direct comparisons we are of the considered opinion that the Market Value of the subject units is **RM11,780,000.00**.





## 8. VALUATION CERTIFICATES (cont'd)



CITY VALUERS

&amp; CONSULTANTS SDN.BHD.

<b>(9) 6 condominium units located within Sunway Lagoonview Resort Condominium, and 20 condominium units located within Sun-U Residence.</b>	
Our Ref. No.	V/SEL/0118/2011
Description of the property	The property comprises 6 units of condominiums located within Blocks A and B of Sunway Lagoonview Resort Condominium and 20 units of condominiums located within Block A of SUN-U Residence. Both these developments are located off Jalan Lagoon Selatan in Bandar Sunway, Selangor Darul Ehsan. Construction of the property was completed and issued with the Certificate of Fitness for Occupation on 8 <sup>th</sup> January 2002 and 6 <sup>th</sup> August 2001 to the subject units in SUN-U Residence and Sunway Lagoonview Resort Condominium respectively. All the 26 units are in a good state of repair and condition.
Title particulars	<p>The subject property is designated for residential purpose.</p> <p><u>Sunway Lagoonview Resort Condominium</u> The 6 units of condominiums are owned by Worldclass Symphony Sdn Bhd except for unit A-15-02, which was purchased from the owner. The ownership transfer of the unit has been filed at the Pejabat Tanah dan Galian Selangor and is pending for registration at the land office. All the units have been issued with individual strata titles. The subject units are located on the 14<sup>th</sup> and the 15<sup>th</sup> floors of Block A and from the 2<sup>nd</sup> to the 22<sup>nd</sup> floors of Block B. The floor areas for all the condominium units is 1,389 sq. ft.</p> <p><u>SUN-U Residence</u> All the 20 units of condominiums are owned by Worldclass Symphony Sdn Bhd except for units A-06-06, A-08-01, A-10-03, A-11-02, A-12-03, A-21-03, A-23A-01 and A-23A-02, which were purchased from individual owners. The ownership transfers of these eight units have been filed at the Pejabat Tanah dan Galian Selangor and are pending for registration at the land office. All the condominium units have been issued with individual strata titles. The subject units are located from the 6<sup>th</sup> to the 24<sup>th</sup> floors of Block A. The floor areas for the condominium units range from 1,432 sq. ft. to 1,550 sq. ft.</p> <p>The titles confer a 99-year leasehold tenure expiring on 1<sup>st</sup> April 2097. All the titles are free from encumbrances.</p>
Methods of Valuation	<p>a) Direct Comparison Method</p> <p>b) Investment Method</p>



## 8. VALUATION CERTIFICATES (cont'd)

a) Direct Comparison Method of ValuationSunway Lagoonview Resort Condominium

Comparable No.	1	2	3	4
Unit No.	A-06-05	A-08-02	A-19-04	B-21-04
Date	27/04/10	26/11/09	15/09/09	19/05/09
Floor Area (s.f.)	1,389	1,389	1,389	1,389
Consideration (RM)	400,000	450,000	450,000	430,000
Value analysed (RM psf)	288	324	324	309
Adjustment	No adjustment given as there appears to be no clear distinction for units with different floor area and floor level.			
Market value (RM psf)	Based on the average, we have adopted RM311 per sq. ft.			

Sun-U Residence

Comparable No.	1	2	3	4
Unit No.	A-21-03	A-23-3A	A-12-3A	A-10-03
Date	17/12/09	08/10/09	08/10/09	19/09/09
Floor Area (s.f.)	1,432	1,475	1,475	1,432
Consideration (RM)	435,000	465,000	450,000	400,000
Value analysed (RM psf)	304	315	305	280
Adjustment	No adjustment given as there appears to be no clear distinction for units with different floor area and floor level.			
Market value (RM psf)	Based on the average, we have adopted RM301 per sq. ft.			

Indicative Market Value	<u>6 condominium units in Sunway Lagoonview Resort Condominium</u>	
	6 units at RM430,000 each (RM311 psf)	<u>RM2,580,000</u>
	Total	RM2,580,000
	<u>20 condominium units in SUN-U Residence</u>	
	10 units at RM430,000 each (RM301 psf)	RM4,300,000
	9 units at RM440,000 each (RM301 psf)	RM3,960,000
	1 unit at RM470,000 (RM301 psf)	<u>RM 470,000</u>
	Total	RM8,730,000
	<b>Grand Total</b>	<b><u>RM11,310,000</u></b>



## 8. VALUATION CERTIFICATES (cont'd)



CITY VALUERS

&amp; CONSULTANTS SDN.BHD.

**b) Investment Method of Valuation**

Gross monthly rental	<p>The subject 26 condominium units are presently rented out at a total rent of RM64,469.00 a month at the rental range of RM2,400 to RM2,800 per unit per month (RM1.73 to RM2.02 per sq. ft.) for the Sunway Lagoonview Resort Condominiums and RM1,900 to RM2,797 per unit per month (RM1.23 to RM1.90 per sq. ft.) for the SUN-U Residence condominiums.</p> <p>Comparable gross market rents are in the range of RM1.61 per sq. ft. to RM2.31 per sq. ft. per month.</p> <p>Term – Based on the passing rents Reversion – Based on the market rental value of RM2.10 per square foot</p>
Outgoings	<p>The cost of outgoings is about RM0.20 per sq. ft. per month and RM0.16 per sq. ft. per month for the years 2009 and 2010.</p> <p>Our analysis of several other condominium units within both developments indicates that the outgoings range from RM0.19 per sq. ft. to RM0.40 per sq. ft. We are adopting the average of RM0.25 per sq. ft. as the fair cost of outgoings.</p>
Yields	Based on our analysis of the yields of comparable developments, the net yields are ranging from 4.02% to 6.62%. We have therefore adopted 6% for the term and 6.25% for the reversion.
Indicative Market Value	RM11,200,000.00

**Reconciliation of Value**

Since there is ample open market evidence of direct comparisons we are of the considered opinion that the Market Value of the subject units is **RM11,310,000.00**.



## 8. VALUATION CERTIFICATES (cont'd)



<b>(10) A strata industrial unit situated on the top floor of a 5-level flatted industrial complex known as The Highway Centre at Section 51/205, Section 51, Petaling Jaya</b>	
Our Ref. No.	V/SEL/0119/2011
Identification	PN 6890/M1/5/140, Lot 93 Sek. 20, Bandar Petaling Jaya, Daerah Petaling, Selangor (Unit No. 35/3, The Highway Centre, Jalan 51/205, Section 51, 46050 Petaling Jaya, Selangor)
Description of the property	<p>The property is a strata industrial unit situated on the top floor of a 5-level flatted industrial complex known as The Highway Centre located at Jalan 51/205 within Section 51, Petaling Jaya, Selangor.</p> <p>It has a surveyed floor area of 239 square metres (2,573 square feet) as stated in the Strata Title Survey Plan No. PA (B) 61497-05.</p> <p>The Highway Centre development was issued with several Certificates of Fitness for Occupation for their different phases including the subject phase of the development. The property is in a fair state of repair and condition.</p>
Title particulars	The subject unit is held on a strata title PN 6890/M1/5/140. The strata title confers a leasehold tenure for a period of 99 years expiring on 24 <sup>th</sup> October 2067. The Category of Land Use and Express Condition in the parent title are 'Perusahaan' respectively. The registered owner of the subject unit is Sunway City Berhad.
Methods of Valuation	a) Direct Comparison Method b) Investment Method

**a) Direct Comparison Method of Valuation**

Comparable No.	1	2	4	6
Unit No.	Lot 3007, GM 764	PT 11743, HSM 7004	Lot 61711, PM 59	Lot 549, GM 189
Date	21/12/09	06/03/09	10/10/08	21/04/08
Floor Area (sq. ft.)	1,205.57	2,314.26	1,248.62	1,205.57
Consideration (RM)	240,000	310,000	250,000	230,000
Value Analysed (RM psf)	199.08	133.95	200.22	190.78

Indicative Market Value	Based on the best three evidence of sales within The Highway Centre with relevant adjustments, the market value of the subject property analyses to RM157.00 per sq. ft. or RM404,861.00.
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**8. VALUATION CERTIFICATES (cont'd)****b) Investment Method of Valuation**

Gross monthly rental	<p>The property is presently vacant and unoccupied.</p> <p>Comparable gross market rents are in the range of RM0.78 per sq. ft. to RM1.315 per sq. ft. currently. The average of the most comparable units is about RM1.12 per sq. ft. per month.</p> <p>We have thus adopted RM1.12 per sq. ft. per month as the fair market rental for the subject property.</p>
Outgoings	<p>The cost of outgoings to the landlord analyses to RM0.280, RM0.284 and RM0.285 per sq. ft. per month for the years 2008, 2009 and 2010 respectively.</p>
Yields	<p>Analysis of the transacted units and their gross rentals indicate a gross market yield range of 4.20% for the Highway Centre, 7.8% for PJ Industrial Park and 7.61% for KL Industrial Park.</p> <p>We have adopted 6.54% as the fair gross yield of the subject property.</p>
Indicative Market Value	RM370,708.00

**Reconciliation of Value**

Giving greater weightage to the value derived via the Direct Comparison Method as there are ample direct sales evidence, we are of the opinion that the Market Value of the subject property is **RM400,000.00**.



## 9. FINANCIAL INFORMATION

### 9.1 Historical financial information

We have prepared the proforma consolidated financial results for illustrative purposes only, for the year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, after making adjustments that were considered necessary based on the results of SunCity and SunH and on the assumption that we have been in existence throughout the years/period. The proforma consolidated financial results have been prepared on the basis set out in the notes in Section 9.5 of this Prospectus, using financial statements prepared in accordance with Financial Reporting Standards in Malaysia and in a manner consistent with both the format of our financial statements and accounting policies.

The audited financial statements of Sunway were not subject to any audit qualification for the period from 10 November 2010, being the date of incorporation, until 31 December 2010. The audited consolidated financial statements of SunCity and SunH for the year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010 may be obtained or downloaded from Bursa Securities' website [www.bursamalaysia.com](http://www.bursamalaysia.com). The audited consolidated financial statements of SunCity and SunH were not subject to any audit qualification for the year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010.

You should read the financial information that we have presented below together with the notes, assumptions and basis of preparation included in the Reporting Accountants' Letter on the proforma consolidated financial information as set out in Section 9.5 of this Prospectus.

	Year ended 30 June 2008	18-month period ended 31 December 2009 *	Year ended 31 December 2010
	RM'000		
<b>Income statement data:</b>			
Revenue	2,939,828	4,150,355	3,134,474
Cost of sales	(1,897,835)	(2,659,045)	(2,076,424)
Gross profit	1,041,993	1,491,310	1,058,050
Other operating income	405,318	838,456	300,390
Administrative expenses	(330,428)	(545,666)	(407,411)
Selling, distribution and marketing expenses	(84,200)	(157,888)	(112,494)
Other operating expenses	(190,112)	(321,762)	(246,393)
Operating profit	842,571	1,304,450	592,142
Finance income	16,928	18,846	26,963
Finance costs	(123,290)	(164,308)	(101,170)
Share of results of associates	13,848	28,860	73,152
Share of results of jointly controlled entities	9,132	101,577	126,180
PBT	759,189	1,289,425	717,267
Taxation	(201,990)	(308,478)	280,216
PAT	557,199	980,947	997,483
PAT attributable to:			
Equity holders	358,723	643,494	688,248
Minority interest	198,476	337,453	309,235
	557,199	980,947	997,483
<b>Other selected financial data:</b>			
Depreciation	76,274	146,481	78,178
Amortisation	1,207	2,473	1,813
EBITDA <sup>(1)</sup>	943,032	1,583,841	871,465
Gross profit margin (%) <sup>(2)</sup>	35.4	35.9	33.8
PBT margin (%) <sup>(3)</sup>	25.8	31.1	22.9
PAT margin (%) <sup>(4)</sup>	19.0	23.6	31.8

## 9. FINANCIAL INFORMATION (cont'd)

	Year ended 30 June 2008	18-month period ended 31 December * 2009	Year ended 31 December 2010
	RM'000		
Gross EPS (sen) <sup>(5)</sup>			
-Basic	58.7	99.8	55.5
-Fully diluted	49.0	83.1	46.3
Net EPS (sen) <sup>(6)</sup>			
-Basic	27.8	49.7	53.3
-Fully diluted	23.1	41.4	44.4

**Notes:**

- (1) EBITDA represents earnings before finance cost, taxation, depreciation and amortisation. The table below sets forth a reconciliation of our PAT to EBITDA:

	Year ended 30 June 2008	18-month period ended 31 December * 2009	Year ended 31 December 2010
	RM'000		
EBITDA:			
PAT	557,199	980,947	997,483
Taxation	201,990	308,478	(280,216)
PBT	759,189	1,289,425	717,267
Finance costs	123,290	164,308	101,170
Finance income	(16,928)	(18,846)	(26,963)
Depreciation	76,274	146,481	78,178
Amortisation	1,207	2,473	1,813
	943,032	1,583,841	871,465

EBITDA, as well as the related ratios presented in this Prospectus are supplemental measures of our performance and liquidity and are not required by, or represented in accordance with, Financial Reporting Standards in Malaysia. Furthermore, EBITDA is not a measure of our financial performance or liquidity under Financial Reporting Standards in Malaysia and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with Financial Reporting Standards in Malaysia or as an alternative to cash flow from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison between companies using such a term may not be possible.

- (2) Computed based on the gross profit over total revenue of our Group.
- (3) Computed based on the PBT over total revenue of our Group.
- (4) Computed based on the PAT over total revenue of our Group.
- (5) Basic gross EPS is computed based on the PBT over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion. Fully diluted gross EPS is computed based on the PBT over 1,551,006,004 Shares, which is our enlarged number of shares issued as at the date of this Prospectus after Completion and assuming full exercise of our Warrants.
- (6) Basic net EPS is computed based on the PAT attributable to equity holders over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion. Fully diluted net EPS is computed based on the PAT attributable to equity holders over 1,551,006,004 Shares, which is our enlarged number of shares issued as at the date of this Prospectus after Completion and assuming full exercise of our Warrants.
- \* The financial year end was changed from 30 June to 31 December.

## 9. FINANCIAL INFORMATION (cont'd)

The preparation of the proforma financial statements above have not taken into consideration the following standards and interpretations that have been issued but not yet effective as at the LPD. The standards and interpretations in mention are:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to FRS 132 Classification of Rights Issues	1 March 2010
FRS 1 First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 Business Combinations (Revised)	1 July 2010
Amendments to FRS 2 Share-based Payment	1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 127 Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 138 Intangible Assets	1 July 2010
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1 Additional Exemptions for First-Time Adopters	1 January 2011
Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 7 Improving Disclosures about Financial Instruments	1 January 2011
IC Interpretation 4 Determining Whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 18 Transfer of Assets from Customers	1 January 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 January 2011
Improvements to FRSs (2010) issued in November 2010	1 January 2011
Amendments to IC Interpretation 14 Prepayments of a Minimum Funding Requirement	1 July 2011
FRS 124 Related Party Disclosures	1 January 2012
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012



## 9. FINANCIAL INFORMATION (cont'd)

Except for the changes in accounting policies arising from the adoption of FRS 3 Business Combinations (Revised), Amendments to FRS 127 Consolidated and Separate Financial Statements and IC Interpretation 15 Agreements for the Construction of Real Estate, as well as the new disclosures required under the Amendments to FRS 7 Improving Disclosures about Financial Instruments, our directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3, the amendments to FRS 127 and IC Interpretation 15 are described below.

(a) Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests. The standards may be early adopted. However, the Group does not intend to early adopt.

(b) IC Interpretation 15 Agreements for the Construction of Real Estate

This interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111 Construction Contracts or FRS 118 Revenue.

We currently recognise revenue arising from property development projects using the stage of completion method. Upon the adoption of IC interpretation 15, we may be required to change our accounting policy to recognise such revenues at completion, or upon or after delivery. We are in the process of making an assessment of the impact of this implementation.

In addition, there are proposals for legislative changes to be made to the Housing Development (Control and Licensing) Act 1966 ("HDA"). However, as these proposals are still being drafted and being discussed by all stakeholders, we are uncertain whether how such amendments when passed, will affect Sunway and the housing development industry as a whole. Therefore, the financial impact of the proposed changes to the HDA (if any) cannot be reasonably estimated yet.

## 9. FINANCIAL INFORMATION *(cont'd)*

### 9.2 Management's discussion and analysis of financial condition and results of operations

We set out below the discussion and analysis of our performance on a proforma basis for the year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010.

Our proforma consolidated financial statements as at and for the year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010 have been prepared on the basis set out in the notes in Section 9.5 of this Prospectus, using financial statements prepared in accordance with Financial Reporting Standards in Malaysia and in a manner consistent with both the format of our financial statements and accounting policies.

#### 9.2.1 Introduction

Our Company was set up as a special purpose company to facilitate the Acquisition. Upon the completion of the Acquisition, our main businesses consist of property and construction. Other businesses include quarry and building materials, trading and manufacturing, and hospitality, leisure and healthcare. We also have presence in foreign countries such as Singapore, Abu Dhabi, China, India, Cambodia, Vietnam, Trinidad and Tobago and Australia.

Moving forward, we plan to leverage on the strengths of our enlarged group to spearhead our next phase of growth, both locally and internationally, for the benefit of all shareholders.

#### 9.2.2 Factors affecting our financial condition and results of operations

Our financial condition and results of operations are expected to be affected by a number of external factors, which may not be within our control including the following:

##### (i) Demand and supply

Our results are generally affected by supply and demand for property business and construction business, standards of living, disposable income levels and demographics, in addition to fiscal and monetary measures by the government. These factors will generally affect the timing of property launches, the market demand for the property launches, the prices of properties launched, the time schedule of construction projects, the costs of property and construction activities, and eventually our property business and construction business. Further details of the demand and supply for our property business and construction business are set out in Section 7 of this Prospectus.

##### (ii) Increase in costs of operations of our businesses

Any increase in raw material prices, labour and sub-contractor costs, overheads, energy costs and other cost of operations may result in lower margins, culminating in a need to increase prices of our products and services. Any material increase in the aforesaid costs will have an adverse impact on our profit margins in the event we are unable to pass on the additional costs by increasing the prices of our products and services.

## 9. FINANCIAL INFORMATION (*cont'd*)

### (iii) Our ability to secure tenants/lessees

We derive rental income from renting our commercial properties which mainly include Sunway Giza Shopping Mall, Monash University Sunway Campus, Sunway University and Wisma SunwayMas. Our rental income would be affected by lower occupancy rate and non-renewal of existing tenancy agreements due to unfavourable economic condition.

Inability of tenants to pay the rental during difficult times will also result in the provisions or write-offs of debt which will affect our cash flow and profitability.

We also receive income distribution from our investment in the units of Sunway REIT. Sunway REIT's financial capability to make distributions will depend significantly on its ability to continuously lease properties to tenants on economically favourable terms, to retain its existing major tenants and/or to secure new tenants.

### (iv) Unforeseen delays in the completion of a project

The timely completion of property and construction projects is dependent on many external factors such as obtaining the necessary approvals on a timely basis, sourcing and securing quality construction materials in adequate amounts on favourable credit terms and the satisfactory performance of the contractors appointed to complete the projects. Any delay in the completion of our projects may result in claims for liquidated and ascertained damages by our customers, thus affecting our cash flow, profitability and reputation.

### (v) Inherent risks in the construction industry

Among the risks relating to our construction business are shortages of construction materials and skilled workers, non-availability and inefficiency of equipment, price increase in construction materials, labour disputes, the non-performance or unsatisfactory performance of contractors, inclement weather, natural disasters, accidents, failure or postponement of the issuance or grant of licences, permits and approvals, non-compliance of designs to local standards and unforeseen engineering or environmental problems. Construction delays, loss of revenue and cost over-runs are likely to result from such events, which could in turn materially and adversely affect the operations and financial performance of our construction business.

### (vi) Changes in political, economic, market and regulatory considerations

Like all other business entities, we could be adversely affected by changes in the political, economic and regulatory conditions in Malaysia and the countries in which we operate in. These uncertainties include changes in political leadership, risks of war and riots, expropriation, nationalisation, changes in interest rates, methods of taxation and currency exchange policy rules. In addition, countries could change their interpretation of existing laws, policies and regulations. For example, the property business will be sensitive to, amongst others, interest rate movements, consumer sentiment, regulation and taxation changes or the gradual tightening of credit conditions.

## 9. FINANCIAL INFORMATION (cont'd)

In terms of economic risks, our business operations and financial performance may be affected by a downturn in the Malaysian or global economy. The property, construction and construction-related industries are most likely to be affected by an economic downturn. The recent global financial crisis, the recent European sovereign debt crisis, recent political upheavals in the Middle East and general weakness of the global economy have increased the uncertainties involving the global economy and may continue to affect the key markets in Asia which our Group operates in. Any future decline of the Malaysian and the global economy could materially affect the financial condition or results of operations of our Group.

### (vii) Foreign exchange fluctuations

We have operations in various countries and as such are exposed to the volatility of various currencies we transact with. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposures. Any fluctuations in the foreign exchange rate may have a material and adverse effect on our financial performance.

### 9.2.3 Results by businesses

The following table sets forth our revenue and operating profit by businesses:

	Year ended 30 June		18-month period ended		Year ended 31	
	2008		31 December		December	
			2009		2010	
	(RM'000, except percentages)					
<b>Revenue</b>						
Property	1,035,331	35.2%	1,128,255	27.2%	874,699	27.9%
Construction	961,780	32.7%	1,373,173	33.1%	1,094,905	34.9%
Others						
- Quarry and building materials	452,823	15.4%	608,458	14.7%	321,231	10.3%
- Trading and manufacturing	427,262	14.5%	668,178	16.1%	530,753	16.9%
- Hospitality, leisure and healthcare	377,032	12.8%	656,879	15.8%	495,573	15.8%
- Others <sup>(1)</sup>	65,899	2.3%	60,484	1.4%	44,598	1.4%
Elimination	(380,299)	(12.9)%	(345,072)	(8.3)%	(227,285)	(7.2)%
<b>Total revenue</b>	<b>2,939,828</b>	<b>100.0%</b>	<b>4,150,355</b>	<b>100.0%</b>	<b>3,134,474</b>	<b>100.0%</b>
<b>Operating profit</b>						
Property	623,154	74.0%	1,099,489	84.3%	206,540	34.9%
Construction	16,674	2.0%	56,804	4.3%	93,045	15.7%
Others						
- Quarry and building materials	71,752	8.5%	37,862	2.9%	(4,122)	(0.7)%
- Trading and manufacturing	35,335	4.2%	38,468	3.0%	37,764	6.4%
- Hospitality, leisure and healthcare	86,187	10.2%	83,111	6.4%	264,292	44.6%
- Others <sup>(2)</sup>	9,469	1.1%	(11,284)	(0.9)%	(5,377)	(0.9)%
<b>Total operating profit</b>	<b>842,571</b>	<b>100.0%</b>	<b>1,304,450</b>	<b>100.0%</b>	<b>592,142</b>	<b>100.0%</b>

#### Notes:

- (1) Our other businesses are mainly investment holding, financial services, management services and insurance.
- (2) The operating losses were mainly due to administrative expenses incurred from our investment holding activities including staff costs, travelling expenses, maintenance and repairs, insurance payable and utilities expenses.

## 9. FINANCIAL INFORMATION (cont'd)

## 9.2.4 Results by geographical segment

The following table sets forth our revenue and operating profit by geographical segments:

	Year ended 30 June		18-month period ended		Year ended 31	
	2008		31 December		December	
			2009		2010	
	(RM'000, except percentages)					
Revenue						
Malaysia	2,472,276	84.1%	3,220,791	77.6%	2,198,250	70.1%
Overseas						
- Singapore	260,390	8.9%	384,304	9.3%	325,671	10.4%
- Hong Kong	2,394	0.1%	9,347	0.2%	2,280	0.1%
- Cambodia	12,080	0.4%	19,134	0.5%	11,480	0.4%
- Vietnam	74,514	2.5%	70,160	1.7%	28,447	0.9%
- China	44,253	1.5%	112,824	2.7%	190,168	6.1%
- India	216,845	7.4%	274,357	6.6%	106,682	3.4%
- Trinidad & Tobago	56,002	1.9%	51,551	1.2%	24,244	0.8%
- Australia	-	-	62,131	1.5%	60,981	1.9%
- Abu Dhabi	-	-	11,912	0.3%	192,465	6.1%
- Others	39,529	1.3%	50,174	1.2%	60,719	1.9%
Elimination	(238,455)	(8.1)%	(116,330)	(2.8)%	(66,913)	(2.1)%
Total revenue	2,939,828	100.0%	4,150,355	100.0%	3,134,474	100.0%
Operating profit <sup>(1)</sup>						
Malaysia	794,662	94.3%	1,276,404	97.9%	484,501	81.8%
Overseas						
- Singapore	67,078	8.0%	47,633	3.7%	87,541	14.8%
- Hong Kong	(2,583)	(0.3)%	(4,501)	(0.4)%	1,934	0.3%
- Cambodia	(1,510)	(0.2)%	4,151	0.3%	651	0.1%
- Vietnam	(3,439)	(0.4)%	(7,787)	(0.6)%	(8,495)	(1.4)%
- China	(1,895)	(0.2)%	5,920	0.5%	12,622	2.1%
- India	(12,119)	(1.4)%	(3,165)	(0.2)%	933	0.2%
- Trinidad & Tobago	(5,288)	(0.6)%	(13,401)	(1.0)%	(17,625)	(3.0)%
- Australia	1,797	0.2%	(4,160)	(0.3)%	1,953	0.3%
- Abu Dhabi	-	-	(2,224)	(0.2)%	18,763	3.2%
- Others	5,868	0.6%	5,580	0.3%	9,364	1.6%
Total operating profit	842,571	100.0%	1,304,450	100.0%	592,142	100.0%

**Notes:**

\* Negligible.

(1) The operating losses (where applicable) from the overseas operations for the years/period under review were mainly due to the following:

- |           |   |   |
|-----------|---|---|
| Hong Kong | - | from management services activities where revenue generated was insufficient to cover operating costs;                          |
| Cambodia  | - | from the hotel operations resulting mainly from unrealised foreign exchange translation from the devaluation of Cambodian Riel; |
| Vietnam   | - | from quarry operations resulting from unrealised foreign exchange translation from the devaluation of Vietnamese Dong;          |
| China     | - | from property activities where it was in its infancy stage;   |
|           | - | from the building materials activities where it was in its infancy stage;   |
| India     | - | from construction activities due to increase in costs of materials and project delays;  |

## 9. FINANCIAL INFORMATION (cont'd)

Trinidad & Tobago	<ul style="list-style-type: none"> <li>- from construction activities where a project had delays due to a combination of factors which include: <ul style="list-style-type: none"> <li>(i) delayed payment by our client which led to suspension of work / reduced work rate by subcontractors;</li> <li>(ii) delays by other contractors appointed by our client which led to consequential delays of our work;</li> <li>(iii) unforeseen weather and ground conditions;</li> <li>(iv) delays by authorities to grant approvals;</li> <li>(v) disruptions due to delays in resolving design issues of the building; and</li> <li>(vi) additional work/stop work instructions requested by client .</li> </ul> </li> </ul> <p><i>In view of the above factors, we have applied for an extension of time ("EOT") from the client for the completion of the above project. However, as of LPD, the EOT has yet to be granted. As a prudent measure, we have provided for the necessary late claims that may arise. Should an EOT be granted by the client subsequently, there is the possibility of write backs of provisions made;</i></p>
Abu Dhabi	<ul style="list-style-type: none"> <li>- from construction activities where preliminary expenses were incurred in preparation for commencement of the construction project;</li> </ul>
Australia	<ul style="list-style-type: none"> <li>- from property activities where it was in its infancy stage; and</li> <li>- from a newly acquired trading subsidiary, Totalrubber Ltd in year 2009. It has started to generate profit in year 2010.</li> </ul>

### 9.2.5 Components of income

Our sources of income consist of revenue, share of results of associates and share of results of jointly controlled entities and other operating income. Our main businesses consist of property and construction. Our other businesses include quarry and building materials, trading and manufacturing, and hospitality, leisure and healthcare.

Property and construction businesses were the major contributors to our revenue, which in aggregate contributed approximately 67.9%, 60.3% and 62.8% in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Majority of our revenue was generated from local market, i.e., approximately 84.1%, 77.6% and 70.1% in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively. We have presence in countries such as Singapore, Abu Dhabi, China, India, Cambodia, Vietnam, Trinidad and Tobago and Australia. The Singapore market remained as the second largest contributor to our revenue, i.e., approximately 8.9%, 9.3% and 10.4% in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Our share of results of associates and share of results of jointly controlled entities are dependent on the results of operations of our associates and jointly controlled entities. Details of associates and jointly controlled entities are set out in Section 10 of this Prospectus.

Other operating income mainly consists of fair value adjustments of investment properties, interest income, rental income and gain on disposal of property, plant and equipment.

## 9. FINANCIAL INFORMATION (cont'd)

Further details on income generated from relevant businesses are discussed below:

### *Property*

Our property business contributed approximately 35.2%, 27.2% and 27.9% to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Our property business generates income from residential, industrial and commercial properties, including high-end bungalows. We have developed Bandar Sunway, an 800 acres integrated resort township situated in Klang Valley, Selangor in Malaysia. Bandar Sunway is further complemented by the ongoing development of Sunway South Quay, a lakeside mixed-use development project which spreads across 123 acres of land comprising luxury lakeside bungalows, high-end condominiums, serviced apartments, boutique shops, retail outlets, shop offices and suites.

We own 36.7% in Sunway REIT which is managed by our wholly-owned subsidiary, Sunway REIT Management Sdn Bhd. Sunway REIT owns a portfolio of retail and commercial properties such as Sunway Resort Hotel & Spa, Pyramid Tower Hotel, Sunway Pyramid Shopping Mall, Sunway Carnival Shopping Mall, Sunway Hotel Seberang Jaya, SunCity Ipoh Hypermarket, Menara Sunway and Sunway Tower. Other than distribution income from Sunway REIT, we also receive management fees from Sunway REIT.

We also develop, own, and/or manage retail and commercial properties, namely Monash University Sunway Campus, Sunway University and Sunway Residence in Bandar Sunway as well as Sunway Giza Shopping Mall in Kota Damansara, Selangor.

Some of the major local real estate developments in which we are involved in are as follows:

- (i) Sunway Sunway South Quay, a lakeside mixed-use development project which spreads across 123 acres of land comprising luxury lakeside bungalows, high-end condominiums, serviced apartments, boutique shops, retail outlets, shop offices and suites;
- (ii) Sunway Damansara in Kota Damansara, Selangor, an integrated township comprising residential, commercial and industrial development;
- (iii) Sunway Palazzio in Sri Hartamas, Kuala Lumpur, a luxury condominium project;
- (iv) Sunway Rydgeway in Taman Melawati, Selangor, a stratified landed development comprising zero lot bungalows and semi-detached homes;
- (v) Sunway SPK 3 Harmoni in Sunway SPK Damansara, Kuala Lumpur, a garden townhouse development; and
- (vi) Sunway PJ@51a in Petaling Jaya, Selangor, an integrated commercial park comprising office suites, retail outlets and showrooms.

## 9. FINANCIAL INFORMATION (cont'd)

Some of the major overseas real estate developments in which we are involved in are as follows:

- (i) City View @ Boon Keng and The Peak @ Toa Payoh, public housing projects in Singapore;
- (ii) development project which comprises medium to high-end apartments and specialty shops in Jiangyin, China; and
- (iii) industrial land development project in Sydney, Australia.

### **Construction**

Our construction business contributed approximately 32.7%, 33.1% and 34.9% to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Our construction business is an integrated solution provider in the construction industry which offers turnkey, design and build capabilities with award-winning recognition in the fields of building construction, civil engineering, infrastructure, mechanical and electrical engineering, machinery and site equipment rental, precast, foundation and piling, and stone materials.

On the local front, our ongoing projects include the construction of 2 high rise government office buildings in Precinct 4, Putrajaya, a hotel and an office building in Precinct 1, Putrajaya, expansion of the UiTM campus, extension of the Impiana Hotel, Kuala Lumpur and Sunway Velocity.

Some of the major overseas construction projects in which we are involved in are as follows:

- (i) Rihan Heights, a project involving the construction of residential towers, podium, townhouses, a clubhouse and car park lots in Abu Dhabi; and
- (ii) supply of precast concrete products to public housing projects by HDB and for our property developments in Singapore.

### **Others – Quarry and building materials**

Our quarry and building materials businesses contributed approximately 15.4%, 14.7% and 10.3% to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

We generated income from producing and supplying crushed rock aggregates and asphalt. We provide a comprehensive range of aggregates to meet the demand from the building and construction industries. We operate 7 quarries and 7 asphalt plants strategically located throughout Peninsular Malaysia. We also operate quarries in Trinidad and Tobago and Vietnam.

We manufacture and sell pavers, pipes and spun piles. We provide pavement and flooring solutions from our manufacturing plants in Batang Kali in Selangor, Senai in Johor and Nibong Tebal in Penang. We have ventured into China by setting up 2 pavers manufacturing plants in Shanghai and Dongguan and a spun pile manufacturing plant in Zhuhai, China.



## 9. FINANCIAL INFORMATION (cont'd)

### ***Others - Trading and manufacturing***

Our trading and manufacturing businesses contributed approximately 14.5%, 16.1% and 16.9% to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Our trading and distribution network is located in Malaysia, Singapore, Thailand, Indonesia, China, Australia and India. We presently carry our own brands "Sunflex" and "Totalrubber" for hoses and fittings, and "Suntrak" for heavy equipment parts. In addition, we are the distributor for global brand names such as Furukawa, Airman, SANY and Lonking for heavy equipment, TREK and FP Diesel for heavy equipment parts as well as Finn Power, SSP, DNP, Tipsa and Copperstate for hoses and fittings.

We manufacture track links and other heavy equipment parts via Sunway Daechang Forging (Anhui) Co. Ltd, a joint venture with DCF Trek Co. Ltd of Korea, and manufacture hydraulic couplings and fittings via another joint venture company, Sunway Xin Long (Anhui) Hydraulic Co. Ltd. Both operations are located in Anhui, China.

### ***Others – Hospitality, leisure and healthcare***

Our hospitality, leisure and healthcare businesses contributed approximately 12.8%, 15.8% and 15.8% to our revenue in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Our hospitality business mainly generated income from Sunway Resort Hotel & Spa, Pyramid Tower Hotel and Sunway Hotel Seberang Jaya. Subsequent to the completion of the disposal of these hotels to Sunway REIT on 8 July 2010, we are the lessee to Sunway REIT and continue to be the hotel operator of these hotels.

Our leisure business mainly generated income from Sunway Lagoon. We also own The Lost World of Tambun, a theme park located in Perak.

Our healthcare business mainly generated income from Sunway Medical Centre, which offers a comprehensive range of medical services, and includes facilities and medical technologies for outpatient and inpatient specialty care, health and wellness programme, and 24-hour emergency services.

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## 9. FINANCIAL INFORMATION (cont'd)

### 9.2.6 Components of operating costs

The following table sets forth the principal components of our operating costs and such costs expressed as a percentage of total operating costs:

	Year ended 30 June 2008		18-month period ended 31 December 2009		Year ended 31 December 2010	
			(RM'000, except percentages)			
Property	518,159	20.7%	445,384	12.1%	438,151	15.4%
Construction	718,605	28.7%	1,056,558	28.7%	828,106	29.1%
Others						
- Quarry and building materials	367,747	14.7%	480,825	13.0%	259,410	9.1%
- Trading and manufacturing	343,741	13.7%	510,325	13.9%	405,806	14.3%
- Hospitality, leisure and healthcare	150,789	6.0%	227,416	6.2%	180,622	6.4%
- Other costs	37,249	1.5%	54,867	1.5%	31,243	1.1%
Elimination	(238,455)	(9.5)%	(116,330)	(3.2)%	(66,913)	(2.4)%
<b>Total cost of sales</b>	<b>1,897,835</b>	<b>75.8%</b>	<b>2,659,045</b>	<b>72.2%</b>	<b>2,076,424</b>	<b>73.0%</b>
Administrative expenses	330,428	13.2%	545,666	14.8%	407,411	14.3%
Selling, distribution and marketing expenses	84,200	3.4%	157,888	4.3%	112,494	4.0%
Other operating expenses	190,112	7.6%	321,762	8.7%	246,393	8.7%
<b>Total operating costs</b>	<b>2,502,575</b>	<b>100.0%</b>	<b>3,684,361</b>	<b>100.0%</b>	<b>2,842,722</b>	<b>100.0%</b>

Our operating costs consist of cost of sales, administrative expenses, selling, distribution and marketing expenses and other operating expenses.

Further details of our operating costs are discussed below:

#### **Cost of sales**

Cost of sales accounted for approximately 75.8%, 72.2% and 73.0% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively. Our cost of sales consisted of the following:

- (i) cost of sales in relation to our property business, which mainly consisted of property development cost, cost of land sold and cost of property stocks sold, and accounted for approximately 20.7%, 12.1% and 15.4% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively;
- (ii) construction contract cost in relation to our construction business, which mainly consisted of costs incurred for our construction business, and accounted for approximately 28.7%, 28.7% and 29.1% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively;

## 9. FINANCIAL INFORMATION (cont'd)

- (iii) cost of sales in relation to our quarry and building materials businesses, accounted for approximately 14.7%, 13.0% and 9.1% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively;
- (iv) cost of sales in relation to our trading and manufacturing businesses, accounted for approximately 13.7%, 13.9% and 14.3% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively; and
- (v) cost of sales in relation to our hospitality, leisure and healthcare businesses, which mainly consisted of cost of hotel operation including lease payments to Sunway REIT with effect from 8 July 2010, cost of theme park operation and cost of healthcare operation, and accounted for approximately 6.0%, 6.2% and 6.4% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

### **Administrative expenses**

Administrative expenses accounted for approximately 13.2%, 14.8% and 14.3% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Administrative expenses mainly consisted of staff-related expenses for the management and administrative team, depreciation/maintenance/repairs of assets, utilities and audit fees.

### **Selling, distribution and marketing expenses**

Selling, distribution and marketing expenses accounted for approximately 3.4%, 4.3% and 4.0% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Selling, distribution and marketing expenses mainly consisted of advertisement, sales incentive expenses and showroom office expenses.

### **Other operating expenses**

Other operating expenses accounted for approximately 7.6%, 8.7% and 8.7% of our total operating costs in year ended 30 June 2008, 18-month period ended 31 December 2009 and year ended 31 December 2010, respectively.

Other operating expenses mainly consisted of realised and unrealised foreign exchange translation losses, provision for doubtful debts, provision for stock obsolescence and amortisation.

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## 9. FINANCIAL INFORMATION (cont'd)

### 9.2.7 Results of operations

#### (i) 18-month period ended 31 December 2009 compared to year ended 30 June 2008

##### Revenue

Our Group recorded revenue of RM2,939.8 million and RM4,150.4 million for the year ended 30 June 2008 and the 18-month period ended 31 December 2009, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, revenue decreased by approximately 5.9%. The decrease in revenue was mainly due to the following:

- (i) decrease in revenue from our property business. On an annualised basis of the results of 18-month period ended 31 December 2009, revenue from property business decreased by approximately 27.4%. This was mainly due to lower property sales from high-end properties which was partially mitigated by higher revenue from Sunway Pyramid Shopping Mall;
- (ii) decrease in revenue from our construction business. On an annualised basis of the results of 18-month period ended 31 December 2009, revenue from the construction business decreased slightly by approximately 4.8%. This was mainly due to a new project, Rihan Heights, being undertaken by our jointly controlled entity where the results were equity accounted and not consolidated; and
- (iii) decrease in revenue from our quarry and building materials businesses. On an annualised basis of the results of 18-month period ended 31 December 2009, revenue from quarry and building materials businesses decreased by approximately 10.4%. This was mainly due to lower demand for quarry products both in Malaysia and Vietnam resulted from the contraction of the construction sector, and the end of an export contract to supply stones to Singapore in early 2009.

Notwithstanding the above, the reduction in revenue was partly mitigated by increase in revenue from our hospitality, leisure and healthcare businesses. On an annualised basis of the results of 18-month period ended 31 December 2009, revenue from our hospitality, leisure and healthcare businesses increased by approximately 16.2%, mainly due to better occupancy rates and average room rates towards the second half of 2009, and higher number of visitors and group functions from corporate clients at Sunway Lagoon.

##### Cost of sales

Our Group recorded cost of sales of RM1,897.8 million and RM2,659.0 million for the year ended 30 June 2008 and the 18-month period ended 31 December 2009. On an annualised basis of the results of 18-month period ended 31 December 2009, cost of sales decreased slightly by approximately 6.6%. The decrease was in line with the decrease in our revenue.

**9. FINANCIAL INFORMATION (cont'd)**

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**Gross profit and gross profit margin**

Gross profit recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM1,042.0 million and RM1,491.3 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, gross profit decreased marginally by approximately 4.6%, which was in line with the movement of revenue and cost of sales. Gross profit margin however, increased marginally to 35.9% for the 18-month period ended 31 December 2009 from 35.4% for the year ended 30 June 2008.

**Other operating income**

Other operating income recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM405.3 million and RM838.5 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, other operating income increased by approximately 37.9%. The significant increase was mainly due to a fair value gain in respect of investment properties of our Group of RM734.0 million recognised for the 18-month period ended 31 December 2009.

**Administrative expenses**

Administrative expenses recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM330.4 million and RM545.7 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, administrative expenses increased by approximately 10.1%, mainly due to increase in administrative costs on bank facilities, increase in depreciation costs and higher staff costs on the back of an expansion of Sunway Medical Centre.

**Selling, marketing and distribution costs**

Selling, marketing and distribution costs recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM84.2 million and RM157.9 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, selling, marketing and distribution costs increased by approximately 25.0%, mainly due to higher distribution costs of our trading and manufacturing operations in China and Indonesia as we expanded our branch network during that period into new cities, and the acquisition of a trading subsidiary in Australia.

**Other operating expenses**

Other operating expenses recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM190.1 million and RM321.8 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, operating expenses increased by approximately 12.8%. The increase in operating expenses was mainly due to higher operating activities in Sunway Pyramid (which was subsequently sold to Sunway REIT on 8 July 2010) and the expansion of Sunway Medical Centre.

## 9. FINANCIAL INFORMATION (*cont'd*)

### Operating profit

As a result of foregoing factors, our operating profit recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM842.6 million and RM1,304.5 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, our operating profit increased by approximately 3.2%.

### Finance income

Our finance income recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM16.9 million and RM18.8 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, finance income reduced by approximately 25.8%, mainly due to decrease of effective interest rate of deposits with financial institutions.

### Finance costs

Our finance cost recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM123.3 million and RM164.3 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, finance cost reduced by approximately 11.2%, mainly due to reduction in effective interest rates of borrowings.

### Share of results of associates

Our share of profit of associates recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM13.8 million and RM28.9 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, it increased by approximately 38.9%, mainly due to increased activity in our associates.

### Share of results of jointly controlled entities

Our share of profit of jointly controlled entities recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM9.1 million and RM101.6 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, share of profit from our jointly controlled entities increased significantly by approximately 641.6%. The increase was mainly contributed by City View @ Boon Keng public housing project in Singapore, the development of 2 and 2½ storey link houses in Sunway SPK Damansara and the Rihan Heights construction project in Abu Dhabi.

### PBT and PBT margin

As a result of the abovementioned factors, PBT recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM759.2 million and RM1,289.4 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, PBT increased by approximately 13.2%.

PBT margin increased to 31.1% for the 18-month period ended 31 December 2009 from 25.8% for the year ended 30 June 2008, mainly due to higher recognition of fair value gain in respect of investment properties of our Group of RM734.0 million for the 18-month period ended 31 December 2009 compared to RM316.1 million for the year ended 30 June 2008.

## 9. FINANCIAL INFORMATION (cont'd)

### Taxation

Taxation recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM202.0 million and RM308.5 million, respectively. Taxation expense of RM308.5 million for the 18-month period ended 31 December 2009 included RM183.5 million of deferred taxation expense related to fair value adjustment of investment properties.

There was a marginal decrease in the effective tax rate from 26.6% in the year ended 30 June 2008 to 23.9% in the 18-month period ended 31 December 2009, mainly due to the reduction in the statutory tax rate in Malaysia and lower tax rate or tax free on profit generated from other countries where we operate.

### PAT and PAT margin

As a result of the abovementioned factors, PAT recorded for the year ended 30 June 2008 and the 18-month period ended 31 December 2009 were RM557.2 million and RM980.9 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, PAT increased by approximately 17.4%.

PAT margin increased to 23.6% for the 18-month period ended 31 December 2009 from 19.0% for the year ended 30 June 2008, mainly due to an increase in PBT margin and higher provision for taxation for the year ended 30 June 2008.

## (ii) Year ended 31 December 2010 compared to 18-month period ended 31 December 2009

### Revenue

Our Group recorded revenue of RM4,150.4 million and RM3,134.5 million for the 18-month period ended 31 December 2009 and the year ended 31 December 2010, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, revenue increased by approximately 13.3% in the year ended 31 December 2010. The increase in revenue was mainly due to the following:

- (i) increase in revenue from our construction business of approximately 19.6%, mainly contributed by higher revenue recorded from our precast operations in Singapore as well as revenue from our mechanical and engineering project in Abu Dhabi;
- (ii) increase in revenue from our trading and manufacturing businesses of approximately 19.2%, mainly contributed by the expansion of our trading business into more cities in Indonesia and improved performance of our Australian and Singaporean operations; and
- (iii) increase in revenue from our hospitality, leisure and healthcare businesses of approximately 13.2%, mainly due to higher occupancy rates and average room rates towards the second half of 2009, higher number of visitors and increase in entrance fees to Sunway Lagoon, and expansion of capacity of Sunway Medical Centre from 207 beds to 335 beds.

## 9. FINANCIAL INFORMATION (cont'd)

### Cost of sales

Our Group recorded cost of sales of RM2,659.0 million and RM2,076.4 million for the 18-month period ended 31 December 2009 and the year ended 31 December 2010, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, cost of sales increased by approximately 17.1% in the year ended 31 December 2010. The increase was in tandem with the increase of our revenue for the period under review.

### Gross profit and gross profit margin

Gross profit recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM1,491.3 million and RM1,058.1 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, gross profit increased by approximately 6.4% in the year ended 31 December 2010. The increase was in line with the movement of revenue and cost of sales. Gross profit margin however, decreased marginally to 33.8% for the year ended 31 December 2010 from 35.9% for the 18-month period ended 31 December 2009, mainly due to decrease in gross profit margin for the property business in year ended 31 December 2010 as we no longer receive rental income from properties that had been disposed to Sunway REIT.

### Other operating income

Other operating income recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM838.5 million and RM300.4 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, other operating income decreased by approximately 46.3% in the year ended 31 December 2010. The decrease was mainly due to a one-off fair value gain in respect of investment properties of our Group of RM734.0 million recognised in the previous 18-month period ended 31 December 2009 compared to a one-off net gain on disposal of properties to Sunway REIT of RM135.8 million in the year ended 31 December 2010.

### Administrative expenses

Administrative expenses recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM545.7 million and RM407.4 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, administrative expenses increased by approximately 12.0% in the year ended 31 December 2010, mainly due to higher staff costs.

### Selling, marketing and distribution costs

Selling, marketing and distribution costs recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM157.9 million and RM112.5 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, selling, marketing and distribution costs increased marginally by approximately 6.9% in the year ended 31 December 2010, in tandem with the increase in revenue.



## 9. FINANCIAL INFORMATION (cont'd)

### Other operating expenses

Other operating expenses recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM321.8 million and RM246.4 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, other operating expenses increased by approximately 14.9% in the year ended 31 December 2010, mainly due to unrealised foreign exchange loss, provision for stock obsolescence and fair value loss during that period.

### Operating profit

As a result of foregoing factors, our operating profit recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM1,304.5 million and RM592.1 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, operating profit decreased by approximately 31.9% in the year ended 31 December 2010, which was mainly due to higher other operating income resulting from a one-off fair value gain in respect of investment properties of our Group of RM734.0 million recognised in the previous 18-month period ended 31 December 2009 compared to a one-off net gain on disposal of properties to Sunway REIT of RM135.8 million in the year ended 31 December 2010.

### Finance income

Our finance income recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM18.8 million and RM27.0 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, finance income increased significantly by approximately 114.6% in the year ended 31 December 2010, mainly due to increase of deposits placed with financial institutions.

### Finance costs

Our finance cost recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM164.3 million and RM101.2 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, finance costs decreased by approximately 7.6% in the year ended 31 December 2010, mainly due to reduction in effective interest rates of borrowings and repayment of borrowings with the proceeds from the disposal of properties to Sunway REIT.

### Share of results of associates

Our share of profit of associates recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM28.9 million and RM73.2 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, share of results of associates increased significantly by approximately 280.2% in the year ended 31 December 2010. The increase was mainly due to share of profit in Sunway REIT, which recognised a large one-off fair value gain.

## 9. FINANCIAL INFORMATION (cont'd)

### Share of results of jointly controlled entities

Our share of profit of jointly controlled entities recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM101.6 million and RM126.2 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, share of results of jointly controlled entities increased significantly by approximately 86.3% in the year ended 31 December 2010. The increase was mainly contributed by the City View @ Boon Keng and The Peak @ Toa Payoh public housing projects in Singapore and Rihan Heights construction project in Abu Dhabi.

### PBT and PBT margin

As a result of the abovementioned factors, PBT recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM1,289.4 million and RM717.3 million, respectively. On an annualised basis of the results of 18-month period ended 31 December 2009, PBT decreased by approximately 16.6% in the year ended 31 December 2010, which was mainly contributed by the decrease in other operating income.

PBT margin decreased to 22.9% for the year ended 31 December 2010 from 31.1% for the 18-month period ended 31 December 2009 mainly due to the decrease in other operating income.

### Taxation

Taxation recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM308.5 million and tax credit of RM280.2 million, respectively.

The effective tax rate recorded in the 18-month period ended 31 December 2009 was 23.9%. The tax credit of RM280.2 million recorded in the year ended 31 December 2010 was mainly due to reversal of deferred tax liability provided for in prior periods amounting to approximately RM371.9 million pursuant to the sale of certain properties to Sunway REIT.

### PAT and PAT margin

As a result of the abovementioned factors, PAT recorded for the 18-month period ended 31 December 2009 and the year ended 31 December 2010 were RM980.9 million and RM997.5 million, respectively.

PAT margin increased to 31.8% for the year ended 31 December 2010 from 23.6% for the 18-month period ended 31 December 2009, mainly due to the reversal of deferred tax provision as a result of the sale of properties to Sunway REIT in the year ended 31 December 2010.

## 9. FINANCIAL INFORMATION (cont'd)

### 9.2.8 Liquidity and capital resources

Our principal source of liquidity is through internal cash generated from operations, borrowings and trade credit from suppliers. We have also from time to time raised financing via issuance of equity and debt offerings. Our ability to rely on these sources of funding could be affected by our results of operations and financial position and by the conditions in the financial markets.

#### (i) Working capital

As at 31 December 2010, we had cash and cash equivalents of RM856.2 million and total borrowings of RM2,331.8 million. Our working capital, calculated as current assets minus current liabilities, was RM1,057.6 million as at 31 December 2010.

We finance our working capital mainly through cash generated from operations, trade credits from suppliers and credit lines. After taking into consideration of our existing level of cash and cash equivalents, funding requirements for our committed capital expenditure, expected funds to be generated from cash flow from operations, as well as our existing level of cash and cash equivalents and credit sources, our Board is of the opinion that we will have adequate working capital for at least 12 months from the date of this Prospectus.

#### (ii) Cash flows

The following table sets forth our consolidated cash flow statements for the year ended 31 December 2010:

	Year ended 31 December 2010
	RM'000
Net cash flow generated from operating activities	461,734
Net cash flow generated from investing activities	2,034,995
Net cash flow used in financing activities	(2,265,856)
Net increase in cash and cash equivalents	230,873
Effect of exchange rate changes	(16,275)
Cash and cash equivalents at the beginning of the year	641,595
Cash and cash equivalents at the end of the year	856,193

Our Board is of the opinion that, subject to any applicable law, licence, conditions, and contractual obligations, including restrictions in our financial contracts, there are no other legal, financial or economic restrictions on the ability of our subsidiaries to transfer funds to our Company in the form of cash dividends, loans or advances to meet the cash obligations of our Company.

#### Net cash flow from operating activities

Net cash flow generated from operating activities for the year ended 31 December 2010 was RM461.7 million.

The net cash flow generated from operating activities in the year ended 31 December 2010 was mainly generated from our operating activities in our property business, construction business and other businesses.

## 9. FINANCIAL INFORMATION (cont'd)

**Net cash flow from investing activities**

The net cash inflow generated from investing activities for the year ended 31 December 2010 was RM2,035.0 million.

The net cash inflow from investing activities in the year ended 31 December 2010 was mainly contributed by proceeds from the disposal of our interests in 8 properties, namely Sunway Pyramid Shopping Mall, Sunway Resort Hotel & Spa, Pyramid Tower Hotel, Menara Sunway, Sunway Carnival Shopping Mall, Sunway Hotel Seberang Jaya, Suncity Ipoh Hypermarket and Sunway Tower to Sunway REIT, amounting to approximately RM2,576.5 million (net of amount invested in Sunway REIT units).

**Net cash flow from financing activities**

Net cash outflow used in financing activities for the year ended 31 December 2010 was RM2,265.9 million.

The net cash outflow used in financing activities in the year ended 31 December 2010 was mainly due to net repayment of bank and other borrowings as well as payment of dividends to minority shareholders of subsidiaries of approximately RM857.8 million and approximately RM939.7 million, respectively.

**(iii) Borrowings**

Our total outstanding borrowings as at 31 December 2010 on the assumption that we have been in existence as at 31 December 2010, all of which are interest-bearing, are as follows:

	Total RM'000
<b>Borrowings</b>	
<b>Short-term borrowings</b>	
Guaranteed:	
- Secured	-
- Unsecured	-
Unguaranteed:	
- Secured	393,430
- Unsecured	112,024
	<u>505,454</u>
<b>Long-term borrowings</b>	
Guaranteed	
- Secured	-
- Unsecured	85,000
Unguaranteed:	
- Secured	1,486,664
- Unsecured	254,671
	<u>1,826,335</u>
<b>Total borrowings</b>	<u>2,331,789</u>
<b>Gross gearing ratio (times) <sup>(1)</sup></b>	0.9
<b>Net gearing ratio (times) <sup>(2)</sup></b>	0.6

**Notes:**

(1) Total borrowings over shareholders' fund.

(2) Total borrowings less deposits, cash and bank balances over shareholders' fund.

## 9. FINANCIAL INFORMATION (cont'd)

The table below sets forth our outstanding borrowings by currency in which they are denominated as at 31 December 2010.

	Year ended 31 December 2010
<b>Borrowings</b>	<b>RM'000</b>
RM	1,440,612
TTD	12,946
SGD	33,285
RMB	62,107
AUD	2,570
USD	779,524
YEN	745
<b>Total borrowings</b>	<b>2,331,789</b>

We obtained our borrowings from various financial institutions. Our borrowings are mainly arranged for the purposes of working capital, acquisition and/or development of investment properties, acquisition of land for development, plant and machinery, equipment, furniture and fittings to support the operations of our various businesses.

Our secured borrowings are secured by either single security or combination of securities, freehold and leasehold land, buildings, plant and machinery as well as fixed and floating charges on our assets.

We have not defaulted on payments of interest and/or principal sums on any of borrowings throughout the year ended 31 December 2010 and up to the LPD.

We have not breached any terms and conditions or covenants associated with the credit arrangements or borrowings which can materially affect our financial position and results or business operations, or the investment by our holders of securities.

The maturity profile of our borrowings as at 31 December 2010 are as follows:

	Year ended 31 December 2010
<b>Borrowings</b>	<b>RM'000</b>
Within 1 year	505,454
1 to 5 years	1,634,838
More than 5 years	191,497
<b>Total borrowings</b>	<b>2,331,789</b>

The interest rate profile of our borrowings as at 31 December 2010 are as follows:

	Year ended 31 December 2010
<b>Borrowings</b>	<b>RM'000</b>
Fixed rate instruments	272,516
Floating rate instruments	2,059,273
<b>Total borrowings</b>	<b>2,331,789</b>

## 9. FINANCIAL INFORMATION (cont'd)

### 9.2.9 Material capital expenditure and divestitures

In line with the increase in the scale of our operations, we invested a total of RM234.4 million during the year ended 31 December 2010.

We funded the capital expenditure mainly through a combination of borrowings and internally generated funds.

The following table sets out our material capital expenditure for the years/period indicated:

	Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010
	(RM'000)		
Freehold land	85	19,504	3
Leasehold land	3,585	717	-
Buildings	10,762	46,563	38,442
Renovations	544	1,291	1,594
Plant and machinery	47,090	72,711	50,845
Motor vehicles	4,396	4,497	7,362
Equipment, furniture and fittings	40,722	57,189	50,140
Capital work in progress	239,026	72,214	15,361
Biological assets	512	237	78
Investment properties	262,958	46,202	69,041
Quarry development expenditures	432	3,660	1,534
<b>Total capital expenditure</b>	<b>610,112</b>	<b>324,785</b>	<b>234,400</b>

For the year ended 30 June 2008, we incurred the following material capital expenditures:

- (i) the additional investments and capital work in progress in properties, mainly Sunway Tower, Sunway Pyramid Shopping Mall, Sunway Medical Centre, Sunway Resort Hotel & Spa and Sunway Carnival Shopping Mall;
- (ii) the purchase of various plants and machinery for our local and overseas construction business, crusher plant for our quarry business in Malaysia and Trinidad and Tobago, and construction of our spun pile plant in Zhuhai, China, which is a manufacturing plant for our trading and manufacturing businesses in Anhui, China; and
- (iii) the addition of equipment, furniture and fittings, and medical equipment for our hospitality, leisure and healthcare businesses.

For the 18-month period ended 31 December 2009, we incurred the following material capital expenditure:

- (i) the additional investments and capital work in progress in properties, mainly Sunway Medical Centre, Sunway Tower, Sunway Lagoonview Resort Condominium, Sunway Residence and Sunway Resort Hotel & Spa;
- (ii) the purchase of various plants and machinery for our local and overseas construction business, clay mine and machinery for our clay pipes manufacturing business as well as plants and machinery for our quarry business in Trinidad and Tobago; and
- (iii) the addition of medical equipment for our healthcare businesses.

## 9. FINANCIAL INFORMATION (cont'd)

For the year ended 31 December 2010, we incurred the following material capital expenditure:

- (i) the additional investment in a residential block next to Monash University Sunway Campus and the opening of the Banjaran Hotsprings Retreat;
- (ii) the purchase of various plants and machinery for our local and overseas construction business, and investment in a new office and warehouse for our trading arm in Singapore; and
- (iii) the addition of equipment, furniture and fittings, and medical equipment for our hospitality, leisure and healthcare businesses.

Save for the following, we do not have any material capital expenditure between 1 January 2011 and the LPD:

- (i) the additional investment of approximately RM23.0 million in a residential block next to Monash University Sunway Campus and in Wisma SunwayMas;
- (ii) approximately RM5.3 million in the setup of a new batching asphalt plant in Kajang; and
- (iii) approximately RM18.5 million in the purchase of plant, equipment, fixtures and fittings for our construction, trading, manufacturing, leisure, hospitality and healthcare businesses.

We do not have any material divestiture throughout the years/period under review, save for the disposal of our interests in 8 properties, namely Sunway Pyramid Shopping Mall, Sunway Resort Hotel & Spa, Pyramid Tower Hotel, Menara Sunway, Sunway Carnival Shopping Mall, Sunway Hotel Seberang Jaya, SunCity Ipoh Hypermarket and Sunway Tower to Sunway REIT for a total consideration of approximately RM3,456.8 million, which was completed on 8 July 2010.

Save as disclosed below, we do not have immediate material plans to construct, expand or improve our facilities:

- (i) development of a shopping mall at Sunway Velocity with gross floor area of approximately 1.4 million sq. ft.. The estimated amount to be invested will be RM580 million and we have incurred RM0.9 million as at 30 June 2011. The development started in 2011 and is estimated to be completed in 2015; and
- (ii) development of Sunway Pinnacle, a 25-storey mixed-use commercial building with office and car parks. The estimated amount to be invested will be RM346.0 million and RM29.0 million has been spent as at 30 June 2011. The development started in 2010 and is estimated to be completed in 2013.

We fund the abovementioned planned capital expenditure mainly through a combination of borrowings and internally generated funds.

**9. FINANCIAL INFORMATION (cont'd)****9.2.10 Material commitments**

As at the LPD, the material commitments approved and not provided are as follows:

<b>Material commitments</b>	<b>RM'000</b>
Property, plant and equipment and investment properties	
- Approved and contracted for	57,425
- Approved and not contracted for	91,242
Non-cancellable operating leases approved and contracted for:	
- Not later than 1 year	60,259
- Later than 1 year and not later than 5 years	166,312
- Later than 5 years	164,724
<b>Total material commitments</b>	<b>539,962</b>

Our future capital expenditure with respect to property, plant and equipment relates mainly to planned capital expenditure for construction business whilst investment properties relates mainly to planned capital expenditure for property investment.

Non-cancellable operating leases are mainly in respect of leasing of land and factories in Singapore and Australia, and leasing of hotels from Sunway REIT.

We expect to fund material commitments primarily through a combination of borrowings and internally generated funds.

**9.2.11 Contingent liabilities and material litigation**

Save as disclosed below, as at the LPD, our Directors are not aware of any contingent liabilities which, upon becoming enforceable, may have a material impact on our profit or net assets.

<b>Contingent liabilities</b>	<b>RM'000</b>
Guarantees given to third parties in respect of contracts and trade performance	2,081,685
<b>Total contingent liabilities</b>	<b>2,081,685</b>

Save as disclosed in Section 15 of this Prospectus, neither our Company nor our subsidiaries are involved in any litigation or arbitration, either as plaintiff or defendant, which may have a material adverse effect on the business or financial position of our Group, and our Directors are not aware of any legal proceeding, pending or threatened, or of any fact likely to give rise to any legal proceeding which may have a material adverse effect on the business or financial position of our Group.

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## 9. FINANCIAL INFORMATION (cont'd)

### 9.2.12 Key financial ratios

The following table sets forth certain key financial ratios based on our proforma consolidated financial statements:

	Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010
Trade receivables turnover days <sup>(1)</sup>	105	92	86
Trade payables turnover days <sup>(2)</sup>	142	154	146
Inventory turnover days <sup>(3)</sup>	66	73	53
Current ratio (times) <sup>(4)</sup>	2.4	1.2	1.5
Gross gearing ratio (times) <sup>(5)</sup>	2.3	1.6	0.9
Net gearing ratio (times) <sup>(6)</sup>	1.8	1.3	0.6

**Notes:**

- (1) Trade receivables after allowances for doubtful debts, over revenue.
- (2) Trade payables over total costs of sales.
- (3) Inventory over total costs of sales.
- (4) Current assets over current liabilities.
- (5) Total borrowings over shareholders' fund.
- (6) Total borrowings less deposits, cash and bank balances over shareholders' fund.

#### Trade receivables turnover days

Trade receivables turnover days decreased from 105 days for the year ended 30 June 2008 to 86 days for the year ended 31 December 2010. The improvement was mainly due to improved collection from trade debtors.

#### Trade payables turnover days

Trade payables turnover days increased from 142 days for the year ended 30 June 2008 to 154 days for the 18-month period ended 31 December 2009. The slight increase of trade payables turnover days was mainly due to higher amounts owing to trade creditors arising from the increase in construction order book in 2009.

Trade payables turnover days decreased from 154 days for the 18-month period ended 31 December 2009 to 146 days for the year ended 31 December 2010. This was mainly due to prompt payment of trade payables on the back of better cash flow resulting from improved collection from trade debtors.

#### Inventory turnover days

Inventory turnover days increased from 66 days for the year ended 30 June 2008 to 73 days for the 18-month period ended 31 December 2009. The increase of inventory turnover days was mainly due to an increase in inventory level as a result of our new acquisition of a trading subsidiary in Australia.

Inventory turnover days decreased from 73 days for the 18-month period ended 31 December 2009 to 53 days for the year ended 31 December 2010. This was mainly due to improved inventory management across our various divisions and a reclassification of a commercial property from inventory to investment property as our Group intends to retain the said property for investment purposes.

## 9. FINANCIAL INFORMATION (cont'd)

### Current ratio

Current ratio decreased from 2.4 times for the year ended 30 June 2008 to 1.2 times for the 18-month period ended 31 December 2009. This was mainly contributed by higher current assets recorded in year ended 30 June 2008, due to the classification of the aggregate carrying amount of approximately RM2,535.0 million to current assets in anticipation of an initial public offering of a real estate investment trust during the period under review. Subsequently in 18-month period ended 31 December 2009, the said carrying amount was re-classified to non-current asset due to the termination of the said proposal during the 18-month period ended 31 December 2009.

Current ratio for the year ended 31 December 2010 and the 18-month period ended 31 December 2009 remained constantly at 1.5 times and 1.2 times, respectively.

### Gearing ratio

Gross gearing ratio decreased from 2.3 times for the year ended 30 June 2008 to 0.9 times for the year ended 31 December 2010. Net gearing ratio decreased from 1.8 times for the year ended 30 June 2008 to 0.6 times for the year ended 31 December 2010. The improvement was mainly contributed by increased shareholders' fund.

### Aging analysis

#### Trade receivables

The aging analysis for trade receivables (after provision for doubtful debts) as at 31 December 2010 is as follows:

	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	Total
	(RM'000)					
Property	116,109	5,016	8,445	8,115	14,461	152,146
Construction	226,424	14,131	7,832	8,338	63,878	320,603
Quarry and building materials	40,009	14,598	9,719	5,794	16,338	86,458
Trading and manufacturing	34,410	31,388	17,392	10,012	7,410	100,612
Hospitality, leisure and healthcare	27,209	12,987	6,792	2,443	10,458	59,889
Others	7,744	263	113	125	13,572	21,817
<b>Total</b>	<b>451,905</b>	<b>78,383</b>	<b>50,293</b>	<b>34,827</b>	<b>126,117</b>	<b>741,525</b>

Our credit terms range from 30 days to 120 days and different credit terms are granted to the customers in different businesses, where the analysis of them are set out below.

#### Property:

	Within credit term 0 - 30 days	< ----- Exceeding credit term ----- > 31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	Total
	(RM'000)					
Property	116,109	5,016	8,445	8,115	14,461	152,146

## 9. FINANCIAL INFORMATION (cont'd)

The normal credit terms of our property business are within 30 days. Approximately RM36.0 million out of a total of RM152.1 million trade receivables as at 31 December 2010 have exceeded our normal credit terms, mainly due to delays in payment pending the loan release for a few purchasers of our high-end properties which has a high selling price per unit. A longer loan processing period is typically experienced for larger loan amounts. Adequate provision has been made for doubtful debts based on our historical experience and the balance of the trade receivables from our property business is expected to be recoverable in full. In addition, vacant possession of property assets would not be delivered to these trade debtors until full amounts are recovered from them.

*Construction:*

	< ----- Within credit term ----- >			Exceeding credit term		Total
	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	
	(RM'000)					
Construction	226,424	14,131	7,832	8,338	63,878	320,603

The normal credit terms of our construction business is within 90 days. Approximately RM72.2 million out of a total of RM320.6 million trade receivables as at 31 December 2010 have exceeded our normal credit terms. It is a standard practice in the construction industry for customers to retain a portion of the certified contract sum of the project until the end of the defect liability periods. Such defect liability periods could vary from 12 months to 24 months. In addition, prior to the granting of any credit terms, our customers in the construction business are normally assessed based on their credit risk profile and reputation and approved on a case-by-case basis. We believe that adequate provision has been made for doubtful debts based on our historical experience. We also expect to fully recover the trade receivables (after provision for doubtful debts) from our construction business that have exceeded our normal credit terms.

*Quarry and building materials:*

	< ----- Within credit term ----- >				Exceeding credit term	Total
	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	
	(RM'000)					
Quarry and building materials	40,009	14,598	9,719	5,794	16,338	86,458

The normal credit terms of our quarry and building materials business are within 120 days. Approximately RM16.3 million out of a total of RM86.5 million trade receivables as at 31 December 2010 have exceeded our normal credit terms, mainly due to delays in payment by some of the customers of our overseas operations. In addition, prior to the granting of any credit terms, our customers in the quarry and building materials business are normally assessed based on their credit risk profile and reputation and approved on a case-by-case basis. Such credit assessments have enabled us to grant a vast range of credit terms to our customers in our quarry and building materials business. We believe that adequate provision has been made for doubtful debts based on our historical experience. We also expect to fully recover the trade receivables (after provision for doubtful debts) from our quarry and building materials business that have exceeded our normal credit terms.

## 9. FINANCIAL INFORMATION (cont'd)

*Trading and manufacturing:*

	< ----- Within credit term ----- >				Exceeding credit term	Total
	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	
	(RM'000)					
Trading and manufacturing	34,410	31,388	17,392	10,012	7,410	100,612

The normal credit terms of our trading and manufacturing business are within 120 days. Approximately RM7.4 million out of a total of RM100.6 million trade receivables as at 31 December 2010 have exceeded our normal credit terms, mainly due to slower payment by some of our customers. In addition, prior to the granting of any credit terms, our customers in the trading and manufacturing business are normally assessed based on their credit risk profile and reputation and approved on a case-by-case basis. Such credit assessments have enabled us to grant a vast range of credit terms to our customers in our trading and manufacturing business. We believe that adequate provision has been made for doubtful debts based on our historical experience. We also expect to fully recover the trade receivables (after provision for doubtful debts) from our trading and manufacturing business that have exceeded our normal credit terms.

*Hospitality, leisure and healthcare:*

	Within credit term	< ----- Exceeding credit term ----- >				Total
	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	
	(RM'000)					
Hospitality, leisure and healthcare	27,137	12,987	6,792	2,443	10,458	59,889

The normal credit terms of our hospitality, leisure and healthcare business is within 30 days. Approximately RM32.8 million out of a total of RM60.0 million trade receivables as at 31 December 2010 have exceeded our normal credit terms. This was mainly attributable to the amount owed by insurance companies to our healthcare business as assessments by insurers on medical and hospitalisation claims submitted by the insured involve a lengthy process. We believe that adequate provision has been made for doubtful debts based on our historical experience. We also expect to fully recover the trade receivables (after provision for doubtful debts) from our hospitality, leisure and healthcare business that have exceeded our normal credit terms.

*Others:*

	< ----- Within credit term ----- >					Exceeding credit term	Total
	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	Over 120 days	
	(RM'000)						
Others	7,744	263	113	125	9,570 <sup>(1)</sup>	4,002	21,817

**Note:**

(1) Long term industrial hire purchase and leasing customers granted with normal credit terms of over 120 days.

## 9. FINANCIAL INFORMATION (cont'd)

Our other businesses are mainly investment holding, financial services, management services and insurance, with normal credit terms within 120 days. Approximately RM4.0 million out of a total of RM21.8 million trade receivables as at 31 December 2010 have exceeded our normal credit terms. This was mainly attributable to our industrial hire purchase, leasing and term loan customers. We have completed the restructuring of the repayment terms for these customers in early 2011. We believe that adequate provision has been made for doubtful debts based on our historical experience. We also expect to fully recover the trade receivables (after provision for doubtful debts) from our other businesses that have exceeded our normal credit terms.

### *Trade payables*

The aging analysis for trade payables as at 31 December 2010 is as follow:

	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	Total
	(RM'000)					
Trade payables	663,185	34,789	18,553	11,624	103,270	831,421

Our property, hospitality, leisure and healthcare businesses' normal credit terms as granted by our creditors are within 30 days. Our construction, quarry and building materials, trading and manufacturing businesses' normal credit terms as granted by our creditors are within 120 days. Approximately RM112.0 million out of a total of RM831.4 million trade payables as at 31 December 2010 have exceeded the normal credit terms granted by our creditors, mainly due to sums payable to our contractors but are retained during the defect liability period. We have good relationships with our suppliers and there are no significant matters in dispute with respect to the trade payables as at the LPD.

### 9.2.13 Financial risk management objectives and policies

#### **Treasury policies and objectives**

Our financial risk management policy seeks to ensure that adequate financial resources are available for the development of our businesses whilst managing our interest rate risks (both fair value and cash flow), foreign currency risk, liquidity risk and credit risk. Our Board reviews and agrees policies for managing each of these risks and they are summarised below:

#### **(i) Foreign currency risk management**

We are not significantly exposed to foreign currency risk as a majority of our Group's transactions, assets and liabilities are denominated in RM except for foreign currency risk arising from countries in which certain foreign subsidiaries operate. Foreign currency exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

We maintain a natural hedge, whenever possible, by borrowing in the currency of the country in which our property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from our investments.

Material foreign currency transaction exposures are hedged, mainly with derivative financial instruments such as forward foreign exchange contracts.

## 9. FINANCIAL INFORMATION (*cont'd*)

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### (ii) Credit risk management

Our credit risk is primarily attributable to trade receivables. We trade only with recognised and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subjected to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and our exposure to bad debts is not significant. Since we trade only with recognised and creditworthy third parties, there is no requirement for collateral.

The credit risk of our other financial assets, which comprise cash and cash equivalents and tax recoverable, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

We do not have any significant exposure to any individual customer or counterparty nor do we have any major concentration of credit risk related to any financial assets. For property development, credit risk is minimal as vacant possessions will only be handled over when the sum owing is fully settled.

### (iii) Interest rate risk management

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that value of a financial instrument will fluctuate due to changes in market interest rates. As we have no significant interest-bearing financial assets, our income and operating cash flows are substantially independent of changes in market interest rates. Our interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits.

Our interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose our Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose our Group to fair value interest rate risk. We manage our interest rate exposure by monitoring a mix of fixed and floating rate borrowings.

We also entered into interest rate swap contracts to hedge the floating rate interest payable on our long term borrowings. We have entered into interest rate swap contracts to hedge the floating rate interest payable on our long term borrowings. The contracts entitle us to pay interest at fixed rates on notional principal amounts and oblige us to receive interest at floating rates on the same amounts. Under the swaps, we agree with the other parties to exchange, the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

### (iv) Liquidity and cash flow risk

We manage our debt maturity profile, operating cash flows and the availability of funding to ensure that our refinancing, repayment and funding needs are met. As part of our overall liquidity management, we maintain sufficient levels of cash or cash convertible investments to meet our working capital requirements. In addition, we strive to maintain available banking facilities at a reasonable level to our overall debt position. As far as possible, we raise committed funding from both capital markets and financial institutions and balances our portfolio with some short term funding so as to achieve overall cost effectiveness.

## 9. FINANCIAL INFORMATION (*cont'd*)

### 9.2.14 Inflation

Our Group is of the view that the current inflation does not have a material impact on our business, financial condition or results of our operation. However, any increase in future inflation rate may adversely affect our Group's operations and performance insofar we are unable to pass on the higher cost to our customers for goods and services provided by our Group.

### 9.2.15 Seasonality

Generally, we are not affected by seasonal demand conditions except for our hospitality and leisure businesses which are subject to seasonal demand conditions such as school holidays and summer holidays, both locally and internationally. Our hospitality and leisure businesses generally experience high occupancy rates from June to August each year from the increased number of visitors from the Middle East and Asia Pacific. June to August are the annual summer holidays months experienced by the Middle East and Asia Pacific residents. Our hospitality and leisure businesses also enjoy higher occupancy rates and revenues in November and December each year due to higher level of holidaymakers with their children going on vacation due to the school holidays in Malaysia.

### 9.2.16 Government, economic, fiscal and monetary policies

The relevant risks relating to government, economic, fiscal and monetary policies which may materially affect our operations are set out in Section 5 of this Prospectus. Save for the risks disclosed in Section 5 of this Prospectus and to the best of our knowledge, there is no government, economic, fiscal, monetary policies or factors that have a material impact on our profitability and financial position.

### 9.2.17 Prospects

As at 31 December 2010, to the best of our Directors' knowledge and belief, our operations have not been and are not expected to be affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had or that we reasonable expect to have, a material favourable or unfavourable impact on our financial performance, position, operations and liquidity and capital resources other than those disclosed in Sections 5, 6, 7 and 9.2 of this Prospectus;
- (ii) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our historical financial statements not indicative of the future financial performance and position, save for those that have been disclosed Section 6 of this Prospectus;
- (iii) material commitments for capital expenditure, save for those that have been disclosed Section 9.2.11 of this Prospectus;
- (iv) unusual, infrequent events or transactions or any significant economic changes that have materially affected our financial performance, positions and operations save as disclosed in Sections 5 and 9.2 of this Prospectus.

Subject to the factors described in this section, our Directors expect the results of our Group's operations for the year ending 31 December 2011 to be sustainable.

## 9. FINANCIAL INFORMATION (cont'd)

### 9.3 Capitalisation and indebtedness

The following information should be read in conjunction with the Reporting Accountants' letter on proforma consolidated financial information as set out in Section 9.5 of this Prospectus.

The table below sets out our cash and cash equivalents as well as capitalisation and indebtedness after making adjustments that were considered necessary based on the results of SunH and SunCity and on the assumption that we have been in existence throughout the years/period. Therefore, the proforma financial information below does not represent our Group's actual capitalisation and indebtedness as at 31 December 2010 and is provided for information purposes only. Save for RM85.0 million long-term borrowing guaranteed by a bank, our total indebtedness is not guaranteed by any third party.

	<u>As at 31 December 2010</u>
	<u>(RM'000)</u>
Cash and bank balances	<u>868,539</u>
<b>Indebtedness</b>	
<b>Short-term borrowings</b>	
Guaranteed:	
- Secured	-
- Unsecured	-
Unguaranteed:	
- Secured	393,430
- Unsecured	112,024
Total short-term borrowings	<u>505,454</u>
<b>Long-term borrowings</b>	
Guaranteed:	
- Secured	-
- Unsecured	85,000
Unguaranteed:	
- Secured	1,486,664
- Unsecured	254,671
Total long-term borrowings	<u>1,826,335</u>
<b>Total indebtedness</b>	<b>2,331,789</b>
<b>Total shareholders' equity / capitalisation</b>	<b>2,595,834</b>
<b>Total capitalisation and indebtedness</b>	<b><u>4,927,623</u></b>

### 9.4 Dividend policy

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to shareholders' approval. We intend to pay dividends to our shareholders in the future. However, such payments will depend upon a number of factors, including our earnings, capital requirements, general financial condition, our distributable reserves and other factors considered relevant by our Board. As we are a holding company, our income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions that we receive from our subsidiaries. The payment of dividends or other distributions by our subsidiaries will depend upon their operating results, financial conditions, capital expenditure plans and other factors that their respective boards of directors deem relevant. Dividends may only be paid out of distributable reserves. In addition, covenants in the loan agreements, if any, for our subsidiaries may limit their ability to declare or pay cash dividends.



**9. FINANCIAL INFORMATION (cont'd)**

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We currently do not have a formal dividend policy as we intend to adopt a policy of active capital management. The form, frequency and amount of future dividends on our Shares will depend on our earnings and financial position, our results of operations, our capital needs, our plans for expansion and other factors as our Directors may deem appropriate.

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## 9. FINANCIAL INFORMATION (cont'd)

### 9.5 Reporting Accountants' letter on the proforma consolidated financial information

*(Prepared for inclusion in this Prospectus)*



**ERNST & YOUNG**

**Ernst & Young**

AF : 0039  
3rd Floor, Wisma Bukit Mata Kuching  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia

Tel: +6082 243 233  
Fax: +6082 421 287  
www.ey.com

(Prepared for inclusion in the Prospectus of Sunway Berhad to be dated 18 August 2011 ("Prospectus"))

1 August 2011

The Board Directors  
Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd)  
Level 16 Menara Sunway  
Jalan Lagoon Timur  
Bandar Sunway  
46150 Petaling Jaya

Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) ("Sunway" or "the Company")

Pro forma financial information

Acquisitions by Sunway of the entire business and undertaking, including all the assets and liabilities, of Sunway City Berhad ("SunCity") and Sunway Holdings Berhad ("SunH") ("Acquisitions")

We report on the accompanying pro forma financial information of Sunway and its proposed subsidiaries ("Sunway Group" or "the Group") as set out in the Section 9 of the Prospectus of the Company to be dated 18 August 2011, which has been prepared on the basis described in accompanying notes, for illustrative purposes only.

## 9. FINANCIAL INFORMATION (cont'd)



The Acquisitions entails the following transactions:

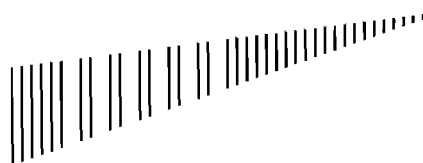
- (i) acquisition by Sunway of the entire business and undertaking, including all the assets and liabilities, of SunCity, for a consideration of approximately RM2,597.09 million ("SunCity Consideration"), which is to be satisfied via the issuance of approximately 742.03 million new shares of RM1.00 each in Sunway ("Sunway Shares") at an issue price of RM2.80 each and cash of approximately RM519.42 million; and
- (ii) acquisition by Sunway of the entire business and undertaking, including all the assets and liabilities, of SunH, for a consideration of approximately RM1,926.68 million ("SunH Consideration"), which is to be satisfied via the issuance of approximately 550.48 million new Sunway Shares at an issue price of RM2.80 each and cash of approximately RM385.34 million.

Pursuant to the Acquisitions, a total of 1,292,505,002 Sunway Shares will be issued as part of the SunCity Consideration and SunH Consideration with the remainder of the SunCity Consideration and SunH Consideration being satisfied in cash. A total of 258,501,000 warrants of Sunway ("Sunway Warrants") will be issued for free on the basis of 1 Sunway Warrant for every 5 Sunway Shares issued as part of the SunCity Consideration and SunH Consideration.

This letter is required by and is given for the purpose of complying with the Prospectus Guidelines - Equity and Debt issued by the Securities Commission ("the Guidelines") and for no other purpose.

**9. FINANCIAL INFORMATION (cont'd)**

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**ERNST & YOUNG****Responsibilities**

It is solely the responsibility of the Board of Directors of Sunway to prepare the pro forma financial information in accordance with the Guidelines.

It is our responsibility to form an opinion, as required by the Guidelines as to the proper compilation of the pro forma financial information, and to report our opinion to you.

In providing this opinion, we are not responsible in updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

**Basis of opinion**

We conducted our work in accordance with Malaysian Approved Standard on Assurance, ISAE 3000 - Assurance Engagements Other Than Audits or Reviews of Historical Information. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the pro forma financial information with the directors of Sunway.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the pro forma financial information have been properly prepared on the basis stated using financial statements prepared in accordance with Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies adopted by SunCity and SunH, which policies are those adopted by Sunway. Our work also involves assessing whether each material adjustment made to the information used in the preparation of the pro forma financial information is appropriate for the purposes of preparing the pro forma financial information.

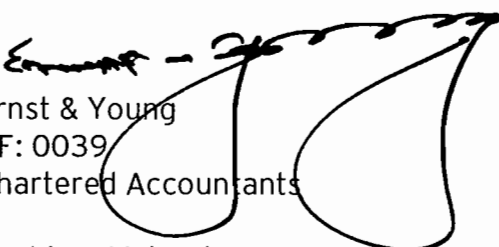
## 9. FINANCIAL INFORMATION (cont'd)

**ERNST & YOUNG****Opinion**

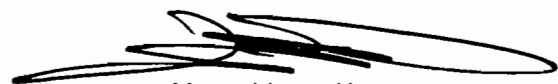
In our opinion,

- (a) the pro forma financial information which have been prepared by the directors of Sunway have been properly prepared on the basis stated using the financial statements prepared in accordance with the Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies adopted by SunCity and SunH, which policies are those adopted by Sunway; and
- (b) each material adjustment made to the information used in the preparation of the pro forma financial information is appropriate for the purposes of preparing the pro forma financial information.

Yours faithfully



Ernst & Young  
AF: 0039  
Chartered Accountants  
Kuching, Malaysia



Yong Voon Kar  
Chartered Accountant  
1769/04/12(J/PH)

## 9. FINANCIAL INFORMATION (cont'd)

## Sunway Berhad

Pro forma consolidated statements of financial position as at 31 December 2010

	Audited balance sheet of Sunway Berhad 31 December 2010	Pro forma adjustment	Pro forma 1 Drawdown of borrowings	Pro forma adjustment 2	Pro forma 2 Acquisitions of Sunc and SunH	Pro forma adjustment 3	Pro forma 3 Listing expenses
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets</b>							
<b>Non-current assets</b>							
Property, plant and equipment	-	-	-	968,702	968,702	-	968,702
Biological assets	-	-	-	461	461	-	461
Investment properties	-	-	-	716,669	716,669	-	716,669
Rock reserves	-	-	-	9,314	9,314	-	9,314
Interest in associates	-	-	-	987,896	987,896	-	987,896
Other investments	-	-	-	12,647	12,647	-	12,647
Interest in jointly controlled entities	-	-	-	395,319	395,319	-	395,319
Loan to jointly controlled entities	-	-	-	-	-	-	-
Receivables	-	-	-	19,669	19,669	-	19,669
Land held for property development	-	-	-	533,187	533,187	-	533,187
Goodwill	-	-	-	330,095	330,095	-	330,095
Deferred tax assets	-	-	-	40,194	40,194	-	40,194
Derivative assets	-	-	-	-	-	-	-
<b>Total non-current assets</b>	-	-	-	-	4,014,153	-	4,014,153
<b>Current assets</b>							
Property development costs	-	-	-	630,778	630,778	-	630,778
Inventories and completed development properties	-	-	-	301,545	301,545	-	301,545
Tax recoverable	-	-	-	54,566	54,566	-	54,566
Receivables	-	-	-	1,142,911	1,142,911	-	1,142,911
Deposits, cash and bank balances	6	912,254	912,260	(36,221)	876,039	(7,500)	868,539
Derivative assets	-	-	-	12,484	12,484	-	12,484
<b>Total current assets</b>	6	-	912,260	-	3,018,323	-	3,010,823
<b>Total assets</b>	6	-	912,260	-	7,032,476	-	7,024,976
<b>Equity and liabilities</b>							
<b>Equity attributable to equity holders of the Company</b>							
Share capital	*	-	*	1,292,505	1,292,505	-	1,292,505
Share premium	-	-	-	2,326,509	2,326,509	-	2,326,509
Capital reserve	-	-	-	109,312	109,312	-	109,312
Capital redemption reserve	-	-	-	203	203	-	203
Negative merger reserve	-	-	-	(1,190,200)	(1,190,200)	-	(1,190,200)
Foreign currency reserve	-	-	-	(8,002)	(8,002)	-	(8,002)
Fair value reserve	-	-	-	49,967	49,967	-	49,967
Statutory reserve	-	-	-	618	618	-	618
Revaluation reserve	-	-	-	22,501	22,501	-	22,501
Accumulated losses	(79)	-	(79)	-	(79)	(7,500)	(7,579)
<b>Shareholders' equity</b>	(79)	-	(79)	-	2,603,334	-	2,595,834
Minority interest	-	-	-	385,837	385,837	-	385,837
<b>Total equity</b>	(79)	-	(79)	-	2,989,171	-	2,981,671
<b>Current liabilities</b>							
Payables	85	-	85	1,379,773	1,379,858	-	1,379,858
Borrowings	-	-	-	505,454	505,454	-	505,454
Current tax liabilities	-	-	-	67,605	67,605	-	67,605
Derivative liabilities	-	-	-	279	279	-	279
<b>Total current liabilities</b>	85	-	85	-	1,953,196	-	1,953,196
<b>Non current liabilities</b>							
Borrowings	-	912,254	912,254	914,081	1,826,335	-	1,826,335
Long term liabilities	-	-	-	180,895	180,895	-	180,895
Derivative liabilities	-	-	-	1,754	1,754	-	1,754
Deferred tax liabilities	-	-	-	81,125	81,125	-	81,125
<b>Total non current liabilities</b>	-	-	912,254	-	2,090,109	-	2,090,109
<b>Total liabilities</b>	85	-	912,339	-	4,043,305	-	4,043,305
<b>Total equity and liabilities</b>	6	-	912,260	-	7,032,476	-	7,024,976
<b>Net assets attributable to equity holders of the Company ("NA") (RM '000)</b>	*	-	*	-	2,603,334	-	2,595,834
Number of ordinary shares ('000)	#	-	#	-	1,292,505	-	1,292,505
NA per ordinary shares (RM)	#	-	#	-	2.01	-	2.01

\* RM2

# negligible

ERNST &amp; YOUNG (AF: 0039)

Chartered Accountants, Kuala Lumpur  
For identification purposes only

## 9. FINANCIAL INFORMATION (cont'd)

**Sunway Berhad****Pro forma consolidated income statements**

	Year ended 30 June 2008	18 month ended 31 December 2009	Year ended 31 December 2010
	RM'000	RM'000	RM'000
Revenue	2,939,828	4,150,355	3,134,474
Cost of sales	(1,897,835)	(2,659,045)	(2,076,424)
Gross profit	1,041,993	1,491,310	1,058,050
Other operating income	405,318	838,456	300,390
Administrative expenses	(330,428)	(545,666)	(407,411)
Selling and marketing expenses	(44,358)	(64,015)	(50,483)
Distribution costs	(39,842)	(93,873)	(62,011)
Other operating expenses	(190,112)	(321,762)	(246,393)
Profit from operations	842,571	1,304,450	592,142
Finance income	16,928	18,846	26,963
Finance costs	(123,290)	(164,308)	(101,170)
Share of results of associates	13,848	28,860	73,152
Share of results of jointly controlled entities	9,132	101,577	126,180
Profit before taxation	759,189	1,289,425	717,267
Taxation	(201,990)	(308,478)	280,216
Profit after taxation	557,199	980,947	997,483
Profit after taxation attributable to:			
Equity holders	358,723	643,494	688,248
Minority interest	198,476	337,453	309,235
	557,199	980,947	997,483

**Sunway Berhad****Pro forma consolidated statement of cash flows**

	Year ended 31 December 2010
	RM'000
Net cash flow generated from operating activities	461,734
Net cash flow generated from investing activities	2,034,995
Net cash flow used in financing activities	(2,265,856)
Net increase in cash and cash equivalents	230,873
Effect of exchange rate changes	(16,275)
Cash and cash equivalents at the beginning of the period	641,595
Cash and cash equivalents at the end of the period	856,193
Cash and cash equivalents comprise the followings:	
(a) Deposits, cash and bank balances	868,539
(b) Bank overdrafts	(12,346)
	856,193

**ERNST & YOUNG** (AF: 0039)Chartered Accountants, Kuala Lumpur  
For identification purposes only

## 9. FINANCIAL INFORMATION (cont'd)

**Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd)  
Notes to the pro forma financial information****Abbreviations**

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:

Sunway	Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd)
Sunway Group	Sunway and its proposed subsidiaries
SunCity	Sunway City Berhad
SunH	Sunway Holdings Berhad
Acquisitions	Acquisitions by Sunway of the entire business and undertaking including all the assets and liabilities of SunCity and SunH
Sunway Shares	Ordinary shares of RM1 each of Sunway
Sunway Warrants	Warrants of Sunway
SunCity Shares	Ordinary shares of RM1 each of SunCity
SunCity ESOS Options	Employees' share option scheme of SunCity
SunCity Warrants	Warrants of SunCity
SunH Shares	Ordinary shares of RM1 each of SunH
SunH ESOS Options	Employees' share option scheme of SunH
SunH Warrants	Warrants of SunH



## 9. FINANCIAL INFORMATION (cont'd)

**Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd)  
Notes to the pro forma financial information (Contd.)****Introductions**

Sunway will acquire the entire business and undertaking, including all the assets and liabilities, of SunCity at an aggregate purchase consideration ("SunCity Consideration"):

- (a) equivalent to RM5.10 per SunCity Share multiplied by the total outstanding SunCity Shares on 27 July 2011;
- (b) equivalent to the Black-Scholes valuation based on RM5.10 per SunCity Share and calculated by applying all the relevant variables as at 22 November 2010 for the options issued under SunCity ESOS Options, multiplied by the total outstanding number of SunCity ESOS Options issued (for every issue of the SunCity ESOS Options, batched by their respective conversion prices). The Black-Scholes values for the SunCity ESOS Options range from RM0.96 to RM4.10 per SunCity ESOS Option (subject to the respective conversion price of the options); and
- (c) equivalent to the Black-Scholes valuation based on RM5.10 per SunCity Share and calculated by applying all the relevant variables as at 22 November 2010, being RM1.29 SunCity Warrants, multiplied by the total outstanding number of SunCity Warrants in issue.

Sunway will acquire the entire business and undertaking, including all the assets and liabilities of SunH, at an aggregate purchase consideration ("SunH Consideration"):

- (a) equivalent to RM2.60 per ordinary SunH Share (less treasury shares, if any) multiplied by the total outstanding SunH Shares on 27 July 2011;
- (b) equivalent to the Black-Scholes valuation based on RM2.60 per SunH Share and calculated by applying all the relevant variables as at 22 November 2010 for the options issued under SunH ESOS Options, multiplied by the total outstanding number of SunH ESOS Options issued (for every issue of the SunH ESOS Options, batched by their respective conversion prices). The Black-Scholes values for the SunH ESOS Options range from RM0.98 to RM1.67 per SunH ESOS Option (subject to the respective conversion price of the options); and
- (c) equivalent to the Black-Scholes valuation based on RM2.60 per SunH Share and calculated by applying all the relevant variables as at 22 November 2010, being RM1.50 per SunH Warrants, multiplied by the total outstanding number of SunH Warrants in issue.

Pursuant to the Acquisitions, a total of 1,292,505,002 Sunway Shares will be issued as part of the SunCity Consideration and SunH Consideration with the remainder of the SunCity Consideration and SunH Consideration being satisfied in cash. A total of 258,501,000 Sunway Warrants will be issued for free on the basis of 1 Sunway Warrant for every 5 Sunway Shares issued as part of the SunCity Consideration and SunH Consideration.

**9. FINANCIAL INFORMATION (cont'd)****Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd)  
Notes to the pro forma financial information (Contd.)****Basis of Preparation**

The pro forma financial information consists of the following:

- (a) The pro forma consolidated income statements of Sunway for the financial year/periods ended 30 June 2008, 31 December 2009 and 31 December 2010;
- (b) The pro forma consolidated statements of financial position of Sunway as at 31 December 2010; and
- (c) The pro forma consolidated statement of cash flows of Sunway for the financial year ended 31 December 2010.

The above pro forma financial information have been prepared on the basis stated below using the financial statements of Sunway, SunCity and SunH prepared in accordance with the Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies adopted by SunCity and SunH, which policies are those adopted by Sunway.

For the purposes of the pro forma consolidated income statements for the financial year/periods ended 30 June 2008, 31 December 2009 and 31 December 2010 and the pro forma consolidated statement of cash flows for the financial year ended 31 December 2010, the Sunway Group is assumed to have been in existence throughout the periods under review.

The pro forma consolidated statements of financial position as at 31 December 2010 are prepared for illustrative purposes only to show the effects of the Acquisitions, as described below, with the assumption that these transactions were completed on 31 December 2010.

## 9. FINANCIAL INFORMATION (cont'd)

### Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) Notes to the pro forma financial information (Contd.)

#### 1. Pro forma 1 – Draw down of borrowings

Pro forma 1 incorporates the effects of the draw down of borrowings by Sunway. The total cash draw down of approximately RM912.25 million is to be used for part settlement of the SunCity Consideration and SunH Consideration.

#### 2. Pro forma 2 – Acquisition

Pro forma 2 includes the effects of Pro forma 1 and the following:

- (i) acquisition by Sunway of the entire business and undertaking, including all the assets and liabilities, of SunCity, for a consideration of approximately RM2,597.09 million, which is to be satisfied via the issuance of approximately 742.03 million new Sunway Shares at an issue price of RM2.80 each and cash of approximately RM519.42 million; and
- (ii) acquisition by Sunway of the entire business and undertaking, including all the assets and liabilities, of SunH, for a consideration of approximately RM1,926.68 million, which is to be satisfied via the issuance of approximately 550.48 million new Sunway Shares at an issue price of RM2.80 each and cash of approximately RM385.34 million.

The combination of Sunway, SunCity and SunH is accounted for under the pooling of interest method.

The SunCity Consideration and SunH Consideration are computed based on outstanding SunCity Shares, SunCity ESOS Options, SunCity Warrants, SunH Shares, SunH ESOS Options and SunH Warrants as at 27 July 2011.

## 9. FINANCIAL INFORMATION (cont'd)

Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd)  
Notes to the pro forma financial information (Contd.)

## 3. Pro forma 3 – Listing expenses

Pro forma 3 includes the effects of Pro forma 2 and the listing expenses as described below.

	RM '000
Estimated listing expenses	
- Professional fees <sup>(1)</sup>	5,000
- Fees to authorities pursuant to the listing scheme	1,000
- Other fees and expenses <sup>(2)</sup>	800
- Miscellaneous expenses and contingencies	700
	7,500

**Notes:**

<sup>(1)</sup> Includes fees for among others, the Joint Principal Advisers, Legal Adviser and the Reporting Accountants.

<sup>(2)</sup> Includes finance costs, printing, advertisement and public relations related expenses.

## 10. INFORMATION ON OUR GROUP

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### 10.1 History and background

#### 10.1.1 Sunway Berhad

We were set up as a special purpose company to facilitate the acquisition of SunCity Business and SunH Business. Upon the Completion, the businesses of SunCity Business and SunH Business will be merged under the enlarged Sunway Group.

We were incorporated in Malaysia under the Act on 10 November 2010 as a private limited company under the name of Alpha Sunrise Sdn Bhd. On 23 November 2010, we changed our name to Sunway Sdn Bhd. On 30 November 2010, we were converted into a public limited company and assumed our present name. The enlarged Sunway Group will consist of 2 main businesses, namely, property and construction. Other business divisions include quarry and building materials, trading and manufacturing, and hospitality, leisure and healthcare.

#### 10.1.2 History and background of SunCity and SunH

##### (i) SunCity's history and business

SunCity was incorporated as a private limited company in Malaysia on 13 July 1982 as Sri Jasa Sdn Bhd and subsequently changed its name to Sri Jasa Development Corporation Sdn Bhd on 1 December 1986 and Bandar Sunway Sdn Bhd on 25 July 1987. It was converted to a public limited company on 24 July 1995 and assumed its present name, Sunway City Berhad on 2 April 1996. SunCity's successful listing on the Main Market of Bursa Securities on 8 July 1996 is a testament to its solid business management and aspiration to evolve even further as an integrated real estate conglomerate. There are 5 main business divisions within the SunCity Group prior to the Acquisition, namely property development division, property investment division, hospitality division, leisure division and healthcare division. A description of the businesses above is set out in Section 6.1 of this Prospectus.

##### (ii) SunH's history and business

SunH was incorporated as a private limited company under the Act on 26 January 1978 as Sungei Way Holdings Sdn Bhd. It was converted to a public limited company on 13 December 1983 and was officially listed on the Main Market of Bursa Securities as Sungei Way Holdings Berhad on 16 February 1984. SunH subsequently changed its name to Sunway Holdings Incorporated Berhad on 13 December 1999 and assumed its present name of Sunway Holdings Berhad on 3 December 2007.

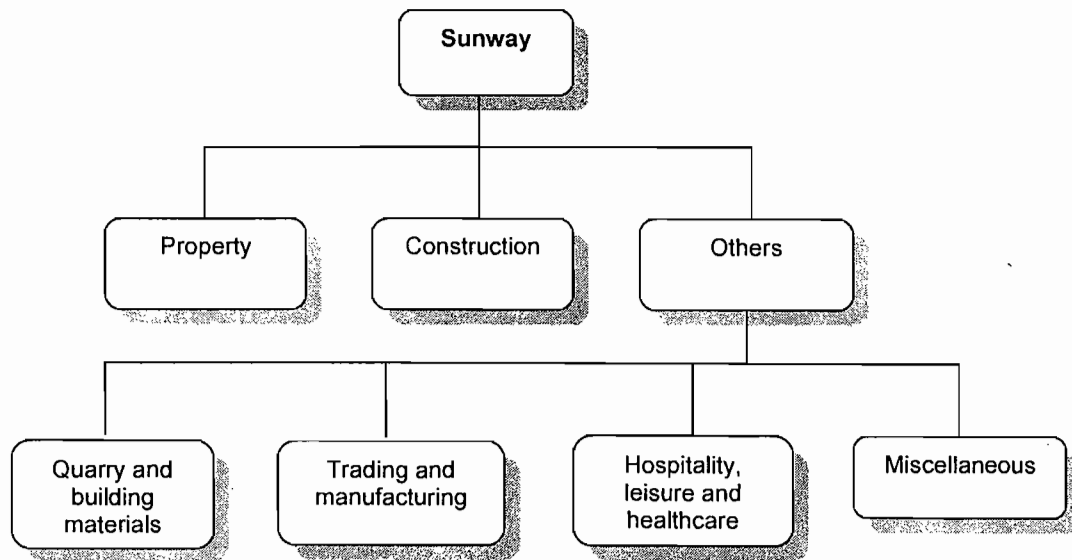
Whilst SunH started as a tin-mining and quarrying company, SunH grew to become an investment holding company, with subsidiaries involved in the core businesses of construction, property development, quarrying, trading, manufacturing and building materials with a growing presence in various countries prior to the Acquisition. A description of the businesses above is set out in Section 6.1 of this Prospectus.

**10. INFORMATION ON OUR GROUP (cont'd)**

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**10.1.3 Group structure**

As at the date of this Prospectus, our Group structure is as follows:



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## 10. INFORMATION ON OUR GROUP (cont'd)

## Property

- Sunway Damansara Sdn Bhd
- Sunway D'Mont Kiara Sdn Bhd
- Sunway Semenyih Sdn Bhd
- Sunway Monterez Sdn Bhd
- Sunway City (Ipoh) Sdn Bhd
- Sunway Rahman Putra Sdn Bhd
- Sunway City (Penang) Sdn Bhd
- Sunway Kinrara Sdn Bhd
- Sunway Tunas Sdn Bhd
- Sunway Townhouse Sdn Bhd
- Sunway Crest Sdn Bhd
- Sunway South Quay Sdn Bhd
- Sunway Bukit Gambier Sdn Bhd
- Sunway Grand Sdn Bhd
- Sunway City Properties Sdn Bhd
- Sunway Melawati Sdn Bhd
- Sunway City India Private Limited #
- Sunway Cana City Development Ltd \*#
- Sunway SPK Homes Sdn Bhd \*
- Sunway Opus International Private Limited \*#
- Sunway Platinum Success Sdn Bhd
- Sunway Residence Sdn Bhd
- Kinta Sunway Resort Sdn Bhd
- Sunway PFM Sdn Bhd (formerly known as Menara Sunway Sdn Bhd)
- Sunway Destiny Sdn Bhd (formerly known as Stellar Destiny Sdn Bhd)
- Sunway Monash-U Residence Sdn Bhd
- SunwayMas Sdn Bhd
- Sunway Termuning Sdn Bhd
- Sunway Rydgeway Sdn Bhd (formerly known as Sunway Greenview Sdn Bhd)
- Sunway Rawang Heights Sdn Bhd
- Sunway Kanching Heights Sdn Bhd
- Sunway Bangi Sdn Bhd
- Muhibbah Permai Sdn Bhd
- Sunway Developments Pte Ltd #
- Hoi Hup Sunway Development Pte Ltd \*#
- Hoi Hup Sunway J.V. Pte Ltd \*#
- Hoi Hup Sunway Property Pte Ltd \*#
- Area Star Sdn Bhd
- Sunway Facility Management Sdn Bhd
- Sunway IFM Sdn Bhd
- Rich Worldclass Sdn Bhd
- Sunway Symphony Sdn Bhd (formerly known as Worldclass Symphony Sdn Bhd)
- Sunway Pinnacle Sdn Bhd (formerly known as Quest Affinity Sdn Bhd)
- Sunway Ambience Sdn Bhd (formerly known as Spring Ambience Sdn Bhd)
- Sunway Parking Management Sdn Bhd
- Sunway Bintang Sdn Bhd (formerly known as Prime Delight Sdn Bhd)
- Pena Enterprise Sdn Bhd
- Frontier Acres Sdn Bhd
- Ekuiti Meranti (M) Sdn Bhd
- Sunway Guanghao Real Estate (Jiangyin) Co. Ltd \* #
- Sunway MAK International Private Limited \* #
- Shahawan (M) Sdn Bhd
- Sunway Land Pte Ltd #
- Mujurmas Sdn Bhd
- Pembangunan Risjaya Sdn Bhd
- Eaglefield Sdn Bhd
- Sunway PJ51A Sdn Bhd (formerly known as Sungei Way Resources Sdn Bhd)
- Hoi Hup Sunway Miltonia Pte Ltd \*#
- Hoi Hup Sunway Tampines Pte Ltd \*#
- Sunway City (JB) Sdn Bhd (formerly known as Asli Budimas Sdn Bhd)
- Salient Century Sdn Bhd
- Analisa Kekal Sdn Bhd
- Bintutara Sdn Bhd
- Sunway REIT \*
- Sunway REIT Management Sdn Bhd
- Sunway Tower 1 Sdn Bhd
- Hartford Lane Pty Ltd #
- Sunway Australia Unit Trust #
- Sunway Top Magnitude Sdn Bhd (formerly known as Top Magnitude Sdn Bhd)
- Sunway Giza Parking Sdn Bhd (formerly known as Seruan Istilah Sdn Bhd)
- Sunway Giza Mall Sdn Bhd (formerly known as Cahaya Jejaka Sdn Bhd)
- Virgo Rhythm Sdn Bhd
- Daksina Harta Sdn Bhd
- Hoi Hup Sunway Yuan Ching Pte Ltd \* #

## 10. INFORMATION ON OUR GROUP (cont'd)

## Construction

- Sunway Construction Sdn Bhd
- Sunway Engineering Sdn Bhd
- Sunway Machinery Sdn Bhd
- Sunway Construction India Pte Ltd #
- Sunway Construction Caribbean Ltd #
- Sunway Builders Sdn Bhd
- Sunway Innopave Sdn Bhd
- Sunway Concrete Products (S) Pte Ltd #
- Sunway Geotechnics (M) Sdn Bhd
- Sunway Creative Stones Sdn Bhd
- Sunway Creative Stones (Xiamen) Co. Ltd #
- Sunway Geotechnics (S) Pte Ltd #
- Sunway GD Foundation Engineering Co. Ltd #
- Shanghai Xinhetai Construction Ltd #
- Shanghai Sunway Geotechnics Engineering Co. Ltd #
- PT Sunway Construction Engineering #
- Sunway GD Foundation Engineering Technical Advisory (Shanghai) Co. Ltd #
- Splendid Era Sdn Bhd
- Sunway GD Piling Sdn Bhd
- Sunway SK Sdn Bhd

## Quarry and building materials

- Sunway Quarry Industries Sdn Bhd
- Sunway Hatay Construction & Building Materials J.V. Co. Ltd #
- Sungei Way Ocean Joint Venture Ltd #
- Sunway Quarry (Kuala Kangsar) Sdn Bhd (formerly known as Kualiti Klasik Sdn Bhd)
- Sunway Quarry (Melaka) Sdn Bhd (formerly known as Ansa Teknik Holdings Sdn Bhd)
- Sunway Quarry Industries (Caribbean) Limited #
- Sunway Quarry Industries (Taiping) Sdn Bhd (formerly known as Taiping Kuari Sdn Bhd)
- Sunway Paving Solutions Sdn Bhd
- Sunway Keramo Sdn Bhd
- Sunway Pipeplus Technology Sdn Bhd
- Sunway Building Materials (Shanghai) Co. Ltd #
- Sunway Building Materials (Dongguan) Co. Ltd #
- Sunway Spun Pile (Zhuhai) Co. Ltd #
- Sunway Cavity Wall Panel Sdn Bhd
- Sunway Cavity Wall Panel (S) Pte Ltd #
- Sunway Dimension Stones Sdn Bhd
- Sunway Quarry Industries (Melaka) Sdn Bhd (formerly known as Ansa Teknik (Melaka) Sdn Bhd)
- Sunway Holdings (Vietnam) Sdn Bhd



## 10. INFORMATION ON OUR GROUP (cont'd)

Trading and  
manufacturing

- Sunway Marketing Sdn Bhd
- Sunway Marketing (S) Pte Ltd #
- Sunway Enterprise (1988) Sdn Bhd
- Sunway Hydraulic Industries Sdn Bhd
- Sunway Xin Long (Anhui) Hydraulic Co. Ltd #
- Sunway Trading (Shanghai) Pte Ltd #
- Sunway Daechang Forging (Anhui) Co. Ltd #
- PT Sunway Trek Masindo #
- Sunway Marketing (Thailand) Ltd #
- Totalrubber Ltd #
- Pacific Flow Technology Pty Ltd #
- Total Rubber Services Franchising Pty Ltd #
- Sunway Marketing (East Malaysia) Sdn Bhd
- Sunway Hose Centre Sdn Bhd
- Buildtrend B.S.G. (M) Sdn Bhd \*
- Sunway Supply Chain Enterprise Sdn Bhd
- Sunway Precast Industries Sdn Bhd
- Sunway Pharma Sdn Bhd
- PT Sunway Flowtech #
- Sunway International Trading (Tianjin) Pte Ltd #
- Sunway Opus International Trading Private Limited #
- Sunway Architectural Products Sdn Bhd
- Reptolink Sdn Bhd

Hospitality, leisure  
and healthcare

- Sunway Hospitality Holdings Limited #
- Sunway Resort Hotel Sdn Bhd
- Sunway Hotel (Penang) Sdn Bhd
- Sunway Hotel (Seberang Jaya) Sdn Bhd
- Sunway Hotel Phnom Penh Ltd #
- Sunway Lagoon Sdn Bhd
- Sunway Travel Sdn Bhd
- Sunway Lagoon Club Berhad
- Sunway International Vacation Club Berhad
- Sunway Healthy Lifestyle Sdn Bhd
- Sunway Lagoon Water Park Sdn Bhd
- Sunway Leisure Services Sdn Bhd
- Pyramid Bowl Sdn Bhd \*
- Sunway Medical Centre Berhad
- SunMed@Home Sdn Bhd
- SunMed Clinics Sdn Bhd
- Sunway Hotel Hanoi Liability Limited Company with one member #
- Sunway Leisure Sdn Bhd (formerly known as Mega Capacity Sdn Bhd)
- Sunway Shopping Centre Management Private Limited #
- Allson International Hotels & Resorts (B.V.I.) Limited #
- Allson International Management Limited #
- Sunway International Hotels & Resorts Sdn Bhd
- Allson International Hotels & Resorts Sdn Bhd
- Sunway Lost World Hotel Sdn Bhd (formerly known as Linear Plus Sdn Bhd)
- Sydney Theme Park Pty Limited #
- Sunway Putra Hotel Sdn Bhd (formerly known as Wisdom Achievers Sdn Bhd)

## 10. INFORMATION ON OUR GROUP (cont'd)

## Miscellaneous

- Sunway Global Limited #
- Sunway Management Sdn Bhd
- Sunway Shared Services Centre Sdn Bhd
- Sunway BPO Sdn Bhd
- Sunway Leasing Sdn Bhd
- SWL Nominees (Tempatan) Sdn Bhd
- Sunway Elite Sdn Bhd
- Sunway Credit Sdn Bhd
- Sunway Risk Management Sdn Bhd
- Sunway Integrated Outsourcing Sdn Bhd
- Sunway Captive Insurance Ltd
- Gopeng Berhad ^\*
- Peluang Klasik (M) Sdn Bhd
- Konsep Objektif (M) Sdn Bhd
- Sunway Pyramid Sdn Bhd
- Emerald Tycoon Sdn Bhd
- Sunway Treasury Sdn Bhd (formerly known as Sunway Monorail Sdn Bhd)
- Sunway Real Estate (China) Limited #
- Pembinaan Objektif (M) Sdn Bhd
- Sunway Medical Holdings Sdn Bhd
- SunCity SSC Sdn Bhd
- Sunway City (Cambodia) Sdn Bhd
- Sunway City (S'pore) Pte. Ltd.#
- Sunway FitOut Sdn Bhd
- Sunway Homes (MM2H) Sdn Bhd
- Sunway Loyalty Card Sdn Bhd (formerly known as Loyal Connection Sdn Bhd)
- SunCity Vietnam Sdn Bhd
- Warisan Kerjasama Sdn Bhd
- Fame Parade Sdn Bhd
- Era Primision Sdn Bhd
- Commercial Parade Sdn Bhd
- Sunway Carnival Sdn Bhd
- Sejati Pesona Sdn Bhd
- Associated Circle Sdn Bhd
- Alliance Parade Sdn Bhd
- Sunway Wildlife Sdn Bhd ~
- Eastern Glory Enterprises Limited #
- Sunway Lagoon Management Sdn Bhd ~
- Hochimex Nominee Company Limited #
- Sunway Gamma Knife Centre (Malaysia) Sdn Bhd
- Sunway City Cambodia Limited #
- Objektif Ekuiti (M) Sdn Bhd
- Lagoon Fantasy Sdn Bhd
- Semangat Kancil (M) Sdn Bhd
- Ganda Antik Sdn Bhd
- Sunway Hotel Services (Ipoh) Sdn Bhd
- Imbasan Intisari Sdn Bhd
- Tidal Elegance Sdn Bhd
- Park Symphony Sdn Bhd
- Pan Unicreation Sdn Bhd
- Winning Excellence Sdn Bhd
- Laudable Generations Sdn Bhd
- Contemporary Deal Sdn Bhd
- Contemporary Factor Sdn Bhd
- Petikan Tropika Sdn Bhd
- Sumber Dorongan Sdn Bhd
- Anggaran Salju Sdn Bhd
- Bisikan Seni Sdn Bhd
- Emerald Freight Sdn Bhd
- MSW Parking Sdn Bhd
- Sunway Parking Services Sdn Bhd
- Logic Square Sdn Bhd
- International Theme Park Pty Ltd #
- Aktif - Sunway Sdn Bhd \*
- Sunway Velocity Mall Sdn Bhd (formerly known as Glitter Performance Sdn Bhd) \*
- Sunway Land Sdn Bhd
- Sunway Property (China) Limited #
- Galaxy Avenue Sdn Bhd
- Sunway Orient Sdn Bhd
- Sunway Juarasama Sdn Bhd
- ABS Land & Properties Berhad
- Myanmar Sungei Way Holdings Limited @#
- PT Sunway Quarry Indonesia #
- Amalan Insaf (M) Sdn Bhd
- Sunway M&E Sdn Bhd
- Binajelata (M) Sdn Bhd@

## 10. INFORMATION ON OUR GROUP (cont'd)

## Miscellaneous (cont'd)

- Identiti Jelata (M) Sdn Bhd @
- Sunspan Sdn Bhd
- Target Beam (M) Sdn Bhd @
- Baramatics Sdn Bhd @
- Classvest Realty Sdn Bhd @
- Crosside Realty Sdn Bhd @
- Sunway Industrial Products Sdn Bhd
- Sunway Machineries Services Sdn Bhd
- Sun-Block (Batang Kali) Sdn Bhd
- Sunway IBS Sdn Bhd
- Sunway PMI-Pile Construction Sdn Bhd
- Sunway Smartek Sdn Bhd
- Sunway Land (China) Limited#
- Geneva Dua Sdn Bhd
- PT Sunway Marketing Indonesia #
- Fortuna Gembira Enterpris Sdn Bhd
- Realty Investments (HB) Inc #
- Hang Bai Office Complex JVC #
- Sunway Pipe Inspection and Repair Services Centre Sdn Bhd
- Sun-Block (Senai) Sdn Bhd
- Sun-Block (Beranang) Sdn Bhd
- Heng Ngai Knitting Manufacturer Sdn Bhd
- Sungei Way-Saigon-Pilecon Engineering Company #
- Sungei Way Construction (S) Pte Ltd #
- Varich Industries Sdn Bhd
- Sunway Daechang Forging Investment Limited \*#
- Sunway Marketing (Shanghai) Pte Ltd #
- Coral-White Sdn Bhd ~
- Sunway City Captive Insurance Ltd#
- Sunway Tower 2 Sdn Bhd
- Estonia Enterprises Limited#
- Sunway Interiors Sdn Bhd (formerly known as Sunway-LCL Interior Sdn Bhd)

**Notes:**

- ^ Public listed companies
- # Overseas company
- \* Associated company/jointly controlled entity
- @ In members' voluntary liquidation
- ~ In creditors' voluntary liquidation

## 10. INFORMATION ON OUR GROUP (cont'd)

### 10.1.4 Share capital and changes in share capital

As at the LPD, our authorised share capital is RM10,000,000,000 comprising 10,000,000,000 Shares and our issued and paid-up share capital is RM2 comprising 2 Shares. Upon Completion, our issued and paid-up share capital is RM1,292,505,004 comprising 1,292,505,004 Shares and there are 258,501,000 Warrants. Save for our Warrants and Sunway Global Limited which has granted share options to key employees which are still unexercised, neither our Company nor our subsidiaries have any outstanding warrants, options, convertible securities or uncalled capital.

The changes in our issued and paid-up share capital since our incorporation are as follows:

Date of allotment	No. of shares allotted	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
10.11.2010	2	1.00	Subscribers' shares	2
Date of this Prospectus	1,292,505,002	1.00	Acquisition	1,292,505,004

### 10.2 Subsidiaries, jointly controlled entities and associated companies

As at the date of the LPD, the details of our subsidiaries, jointly controlled entities and associated companies are set out in the table below:

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
<b>Subsidiaries of Sunway</b>					
SunCity	87564-X	13.07.1982 Malaysia	2 (as at the date of this Prospectus)	100	Investment holding
SunH	37465-A	26.01.1978 Malaysia	2 (as at the date of this Prospectus)	100	Investment holding
Bintutara Sdn Bhd	112537-P	04.01.1984 Malaysia	2,818,182	100	Property development and investment holding
Sunway Kinrara Sdn Bhd	159422-A	10.02.1987 Malaysia	250,000	100	Property development
Sunway Hotel (Penang) Sdn Bhd	130380-T	08.11.1984 Malaysia	20,710,361	100	Hotel business
Sunway City (Penang) Sdn Bhd	141336-U	27.06.1985 Malaysia	2,099,347	100	Property development and investment holding
Konsep Objektif (M) Sdn Bhd	324348-V	23.11.1994 Malaysia	69,704	70	Investment holding
Sunway Pyramid Sdn Bhd	261164-X	12.04.1993 Malaysia	136,042,669	52	Dormant

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway City Properties Sdn Bhd	18451-M	07.05.1974 Malaysia	250,000	100	Property development and investment holding
Sunway Lagoon Sdn Bhd	211311-A	18.01.1991 Malaysia	10,000,000	100	Theme park operator
Sunway Resort Hotel Sdn Bhd	182198-M	23.05.1989 Malaysia	20,000,000	100	Hotel business
Sunway Lagoon Club Berhad	185477-W	14.08.1989 Malaysia	2,400,000	84	Recreational facilities club
Sunway Travel Sdn Bhd	158589-D	27.12.1986 Malaysia	1,148,000	100	Travel and tour agent
Sunway Hospitality Holdings Limited	145765	23.03.1995 British Virgin Islands	USD6,548	100	Hotel management
Emerald Tycoon Sdn Bhd	554342-U	25.07.2001 Malaysia	300,000	100	Investment holding
Sunway Treasury Sdn Bhd (formerly known as Sunway Monorail Sdn Bhd)	434005-W	05.06.1997 Malaysia	2	100	Provision of financial services
Sunway Grand Sdn Bhd	66715-X	20.01.1981 Malaysia	700,000	100	Property development
Pembinaan Objektif (M) Sdn Bhd	324342-H	23.11.1994 Malaysia	100	100	Investment holding
Sunway Medical Holdings Sdn Bhd	210146-H	28.12.1990 Malaysia	1,000,003	100	Investment holding
SunCity SSC Sdn Bhd	602138-H	28.12.2002 Malaysia	2	100	Provision of shared services
Sunway City (Cambodia) Sdn Bhd	364790-P	25.10.1995 Malaysia	100	76	Investment holding
Sunway City (Ipoh) Sdn Bhd	219749-M	28.06.1991 Malaysia	28,600,000	65	Property development and investment holding
Sunway Damansara Sdn Bhd	179182-V	28.02.1989 Malaysia	10,250,002	60	Property development and investment holding
Sunway Semenyih Sdn Bhd	395056-T	22.07.1996 Malaysia	10,000,000	70	Property development
Sunway Tunas Sdn Bhd	334419-X	22.02.1995 Malaysia	250,000	100	Property development
Area Star Sdn Bhd	415501-H	02.01.1997 Malaysia	23,506	100	Property development
Sunway City (S'pore) Pte. Ltd.	198204048H	24.09.1982 Singapore	SGD2 SGD14,098,336 (redeemable preference shares) SGD5 (non-convertible redeemable preference shares)	100	Promotion and marketing services and investment holding

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway FitOut Sdn Bhd	456451-P	08.01.1998 Malaysia	2	100	Provision of fit-out management services
Sunway Destiny Sdn Bhd (formerly known as Stellar Destiny Sdn Bhd)	443511-H	18.08.1997 Malaysia	100,001	100	Property investment
Sunway Facility Management Sdn Bhd	443028-K	14.08.1997 Malaysia	1,800	100	Building facilities management
Sunway Leisure Sdn Bhd (formerly known as Mega Capacity Sdn Bhd)	886286-M	14.01.2010 Malaysia	2	100	Ice rink operator and car park management
Sunway City (JB) Sdn Bhd (formerly known as Asli Budimas Sdn Bhd)	896512-M	31.03.2010 Malaysia	795,000	80	Property development
Sunway IFM Sdn Bhd	130231-P	06.11.1984 Malaysia	100	100	Building facilities management
Sunway Melawati Sdn Bhd	606358-V	18.02.2003 Malaysia	749,845	100	Property development
Sunway Bukit Gambier Sdn Bhd	616416-W	27.05.2003 Malaysia	250,000	100	Property development
Sunway PFM Sdn Bhd (formerly known as Menara Sunway Sdn Bhd)	218317-K	06.06.1991 Malaysia	33,480,000	100	Building facilities management
Sunway Crest Sdn Bhd	547439-V	12.05.2001 Malaysia	250,000	100	Property development
Sunway International Vacation Club Berhad	644585-X	05.03.2004 Malaysia	10,000,000	100	Time sharing business
Sunway Tower 2 Sdn Bhd	542070-M	16.03.2001 Malaysia	250,000	100	Dormant
Sunway Platinum Success Sdn Bhd	545957-T	25.04.2001 Malaysia	2	100	Property investment
Sunway Healthy Lifestyle Sdn Bhd	689476-X	26.04.2005 Malaysia	1,000,000	100	Medical tourism
Sunway Residence Sdn Bhd	538641-W	08.02.2001 Malaysia	100,001	100	Property investment
Sunway Leisure Services Sdn Bhd	543257-K	29.03.2001 Malaysia	200,000	100	Provision of transportation services
Rich Worldclass Sdn Bhd	866558-X	30.07.2009 Malaysia	12	100	Property investment
Sunway Homes (MM2H) Sdn Bhd	546411-P	30.04.2001 Malaysia	50,000	100	Dormant
Sunway Tower 1 Sdn Bhd	545935-D	25.04.2001 Malaysia	285,422	100	Property investment

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway Symphony Sdn Bhd (formerly known as Worldclass Symphony Sdn Bhd)	769617-T	16.04.2007 Malaysia	2	100	Property investment
Sunway Loyalty Card Sdn Bhd (formerly known as Loyal Connection Sdn Bhd)	914000-K	03.09.2010 Malaysia	2	100	Loyalty card program
Sunway Pinnacle Sdn Bhd (formerly known as Quest Affinity Sdn Bhd)	895562-K	26.03.2010 Malaysia	500,010	100	Property investment
Sunway Shopping Centre Management Private Limited	1049170	02.06.2006 Hong Kong	HKD1	100	Provision of shopping centre and facilities management services
Sunway City India Private Limited	U70102KA2006FTC041314	27.12.2006 India	INR100,000	99.99	Property development and investment holding
Sunway REIT Management Sdn Bhd	806330-X	14.02.2008 Malaysia	1,000,000	100	Managing and administering real estate investment fund
Sunway Ambience Sdn Bhd (formerly known as Spring Ambience Sdn Bhd)	767918-W	02.04.2007 Malaysia	2	100	Property investment
Sunway Rahman Putra Sdn Bhd	561202-P	10.10.2001 Malaysia	300,000	100	Property development
Sunway Medical Centre Berhad	341855-X	27.04.1995 Malaysia	131,121,845	91	Operator of a medical centre
SunCity Vietnam Sdn Bhd	813007-U	09.04.2008 Malaysia	53	100	Investment holding
Sunway City Captive Insurance Ltd (held in trust by General Captive International Ltd)	LL07120	19.06.2009 Malaysia	USD1	100	Captive insurance
Warisan Kerjasama Sdn Bhd	894742-A	23.03.2010 Malaysia	2	100	Dormant
Sunway Parking Management Sdn Bhd	454068-M	28.11.1997 Malaysia	10,020	100	Property investment
Salient Century Sdn Bhd	883253-V	21.12.2009 Malaysia	2	100	Property investment
Sunway Top Magnitude Sdn Bhd (formerly known as Top Magnitude Sdn Bhd)	926145-W	21.12.2010 Malaysia	2	100	Property Investment
Sunway Putra Hotel Sdn Bhd (formerly known as Wisdom Achievers Sdn Bhd)	938275-T	29.03.2011 Malaysia	2	100	Hotel business
Sejati Pesona Sdn Bhd	237217-H	28.03.1992 Malaysia	2	100	Dormant

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway Construction Sdn Bhd	27175-V	26.04.1976 Malaysia	193,954,000	100	Turnkey, construction related design and build, civil engineering and building works
SunwayMas Sdn Bhd	130027-K	02.11.1984 Malaysia	7,642,120	100	Property and housing development
Sunway Keramo Sdn Bhd	205881-A	09.10.1990 Malaysia	33,000,000	100	Marketing, manufacturing and sale of glazed vitrified clay pipes and other similar related clay products
Sunway Marketing Sdn Bhd	110342-X	21.11.1983 Malaysia	13,100,000	100	Marketing, distribution and sale of construction related products and industrial products
Sunway Marketing (S) Pte Ltd	197501497R	21.08.1975 Singapore	SGD6,000,000	100	Trading in hose and fittings and hose assembly
Sunway Leasing Sdn Bhd	35433-X	17.10.1977 Malaysia	8,500,000	100	Provision of finance through leasing, hire purchase, money lending and share financing
Sunway Risk Management Sdn Bhd	130211-V	06.11.1984 Malaysia	100,000	100	General and life insurance agency providing insurance underwriting and consultancy service
Sunway Management Sdn Bhd	50661-X	18.09.1979 Malaysia	20,000	100	Share registration and secretarial services
Sunway Land Sdn Bhd	123532-K	19.07.1984 Malaysia	600,000	100	Investment holding
Sunway Holdings (Vietnam) Sdn Bhd	85174-D	24.05.1982 Malaysia	710,002	100	Investment holding
Reptolink Sdn Bhd	432747-P	26.05.1997 Malaysia	2	100	Investment holding
Sunway Property (China) Limited	221429	15.07.1988 Hong Kong	HKD1,000	99	Dormant
Shahawan (M) Sdn Bhd	454336-K	02.12.1997 Malaysia	1,000	100	Property investment
Galaxy Avenue Sdn Bhd	434068-K	05.06.1997 Malaysia	2	100	Dormant
Sunway Orient Sdn Bhd	345649-U	07.06.1995 Malaysia	100	100	Dormant
Sunway BPO Sdn Bhd	559031-P	17.09.2001 Malaysia	2	100	Provision of financial, accounting and information technology services



## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway Shared Services Centre Sdn Bhd	603026-A	09.01.2003 Malaysia	2	100	Provision of financial, accounting and information technology services
Sunway Supply Chain Enterprise Sdn Bhd	395751-M	26.07.1996 Malaysia	2	100	General traders dealing in timber, plywood, metal products, information and communication technology equipment, general plant and machineries and other general merchandise
Sunway Juarasama Sdn Bhd	111886-A	21.12.1983 Malaysia	12,000,000	100	Dormant
ABS Land & Properties Berhad #	622908-T	25.07.2003 Malaysia	2	-	Dormant
# We have adopted IC interpretation 112 "Consolidation Special Purpose Entities" ("IC112"), which led to the consolidation of ABS Land & Properties Berhad, an entity which is in substance controlled by us.					
Sunway Quarry Industries Sdn Bhd	110401-A	22.11.1983 Malaysia	9,000,000	100	Manufacturing and supplying of premix, quarry operations to carry out contract works for civil projects
Sunway Pipeplus Technology Sdn Bhd	411837-T	29.11.1996 Malaysia	2,710,000	100	Production of concrete pipes
Sunway Paving Solutions Sdn Bhd	77490-W	02.11.1981 Malaysia	38,381,000	100	Manufacturing and marketing of concrete pavers, hollow concrete blocks and eurotiles, undertake contracts for paving works and the hiring of heavy machinery
Sunway Quarry (Kuala Kangsar) Sdn Bhd (formerly known as Kualiti Klasik Sdn Bhd)	221592-V	24.07.1991 Malaysia	120,000	100	To sell or otherwise deal in stones, aggregates, premix or other construction related products
Sunway Quarry (Melaka) Sdn Bhd (formerly known as Ansa Teknik Holdings Sdn Bhd)	98513-M	10.03.1983 Malaysia	7,490,000	100	Investment holding
Sunway Quarry Industries (Caribbean) Limited	S5291(95)	27.09.2007 Trinidad and Tobago	USD2,000,000	100	Manufacturing and quarry operations to carry out contract works for civil projects
Sunway Integrated Outsourcing Sdn Bhd	414012-T	17.12.1996 Malaysia	8,000	100	Provision of business process outsourcing, knowledge process outsourcing and information technology outsourcing services

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Myanmar Sungei Way Holdings Limited	-	21.03.1997 Myanmar	K1,000,000	99.9	In members' voluntary liquidation
PT Sunway Quarry Indonesia	-	04.07.2008 Indonesia	USD500,000	95	Dormant
Amalan Insaf (M) Sdn Bhd	325217-T	29.11.1994 Malaysia	1,000	83	Dormant
Sunway Global Limited	832729	07.02.2003 Hong Kong	HKD281,810,477	77	Investment holding and provision of management services
Sunway Real Estate (China) Limited	1244034	04.06.2008 Hong Kong	HKD1,513,346	100	Investment holding
<b>Subsidiaries of Sunway City (Penang) Sdn Bhd</b>					
Fame Parade Sdn Bhd	238148-V	20.04.1992 Malaysia	2	100	Dormant
Era Primision Sdn Bhd	238182-V	21.04.1992 Malaysia	2	100	Dormant
Commercial Parade Sdn Bhd	235996-P	12.03.1992 Malaysia	2	100	Dormant
Sunway Hotel (Seberang Jaya) Sdn Bhd	238606-A	24.04.1992 Malaysia	2,000,000	100	Hotel business
Sunway Carnival Sdn Bhd	238144-X	20.04.1992 Malaysia	100,000	100	Dormant
Sunway Bintang Sdn Bhd (formerly known as Prime Delight Sdn Bhd)	238575-M	24.04.1992 Malaysia	2	100	Property development
Associated Circle Sdn Bhd	238151-V	21.04.1992 Malaysia	2	100	Dormant
Alliance Parade Sdn Bhd	237611-X	14.04.1992 Malaysia	2	100	Dormant
<b>Subsidiary of Konsep Objektif (M) Sdn Bhd</b>					
Sunway Hotel Phnom Penh Limited	INV.239/96E	03.09.1996 Cambodia	USD4,000,000	75	Hotel business
<b>Subsidiary of Sunway City Properties Sdn Bhd</b>					
Pena Enterprise Sdn Bhd	193510-P	15.02.1990 Malaysia	354,601	100	Property development and investment holding
<b>Subsidiaries of Sunway Lagoon Sdn Bhd</b>					
Sunway Wildlife Sdn Bhd	382024-V	01.04.1996 Malaysia	100	100	In creditors' voluntary liquidation

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Eastern Glory Enterprises Limited	IBC No. 206168	18.11.1996 British Virgin Islands	AUD24,521,365	45	Investment holding
Sunway Townhouse Sdn Bhd	444689-T	26.08.1997 Malaysia	265,903	100	Property development
Sunway South Quay Sdn Bhd	636596-T	10.12.2003 Malaysia	250,000	60	Property development
Frontier Acres Sdn Bhd	644961-W	09.03.2004 Malaysia	25,000	100	Property investment
Sunway Lagoon Management Sdn Bhd	366514-X	09.11.1995 Malaysia	1,000,000	100	In creditors' voluntary liquidation
<b>Subsidiaries of SunCity Vietnam Sdn Bhd</b>					
Hochimex Nominee Company Limited	340957	16.01.1992 Hong Kong	HKD1,000,000	100	Investment holding
Sunway Hotel Hanoi Liability Limited Company with one member		09.10.1992 Vietnam	USD5,040,000	100	Hotel business
<b>Subsidiary of Sunway South Quay Sdn Bhd</b>					
Sunway Monash-U Residence Sdn Bhd	843281-X	06.01.2009 Malaysia	300,000	100	Property investment
<b>Subsidiaries of Sunway Hospitality Holdings Ltd</b>					
Allson International Hotels & Resorts (B.V.I) Limited	34506	11.09.1990 British Virgin Islands	USD1	100	Hotel management
Allson International Management Limited	67577	11.08.1992 British Virgin Islands	USD1	100	Hotel management
Sunway International Hotels & Resorts Sdn Bhd	430654-V	09.05.1997 Malaysia	2	100	Hotel management
Allson International Hotels & Resorts Sdn Bhd	785546-K	21.08.2007 Malaysia	2	100	Hotel management
<b>Subsidiary of Emerald Tycoon Sdn Bhd</b>					
Sunway D'Mont Kiara Sdn Bhd	559638-V	21.09.2001 Malaysia	250,000	70	Property development
<b>Subsidiary of Sunway D'Mont Kiara Sdn Bhd</b>					
Ekuiti Meranti (M) Sdn Bhd	328670-X	27.12.1994 Malaysia	1,000	100	Property Investment

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
<b>Subsidiary of Sunway Medical Holdings Sdn Bhd</b>					
Sunway Gamma Knife Centre (Malaysia) Sdn Bhd	512091-U	21.04.2000 Malaysia	2	100	Dormant
<b>Subsidiary of Sunway City (Cambodia) Sdn Bhd</b>					
Sunway City Cambodia Limited	INV.405/97M	16.09.1997 Cambodia	USD500,000	80	Dormant
<b>Subsidiaries of Sunway City (Ipoh) Sdn Bhd</b>					
Kinta Sunway Resort Sdn Bhd	359940-K	16.09.1995 Malaysia	10,000,000	100	Property investment and hotel owner and operator
Objektif Ekuiti (M) Sdn Bhd	346731-H	14.06.1995 Malaysia	2	100	Dormant
Peluang Klasik (M) Sdn Bhd	354479-V	07.08.1995 Malaysia	250,000	100	Dormant
Sunway Lagoon Water Park Sdn Bhd	240342-P	15.05.1992 Malaysia	10,000,000	100	Theme park operator
Lagoon Fantasy Sdn Bhd	207205-K	06.11.1990 Malaysia	2	100	Dormant
Semangat Kancil (M) Sdn Bhd	355988-A	18.08.1995 Malaysia	2	100	Dormant
Ganda Antik Sdn Bhd	347795-M	22.06.1995 Malaysia	2	100	Dormant
Sunway Hotel Services (Ipoh) Sdn Bhd	325648-P	02.12.1994 Malaysia	2	100	Dormant
Sunway Lost World Hotel Sdn Bhd	862578-V	30.06.2009 Malaysia	250,000	100	Hotel business
<b>Subsidiaries of Sunway Damansara Sdn Bhd</b>					
Imbasan Intisari Sdn Bhd	386220-U	06.05.1996 Malaysia	2	100	Dormant
Tidal Elegance Sdn Bhd	387222-K	14.05.1996 Malaysia	2	100	Dormant
Park Symphony Sdn Bhd	387225-D	14.05.1996 Malaysia	2	100	Dormant
Pan Unicreation Sdn Bhd	383756-D	15.04.1996 Malaysia	2	100	Dormant
Winning Excellence Sdn Bhd	371837-M	26.12.1995 Malaysia	2	100	Dormant

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Laudable Generations Sdn Bhd	380875-P	22.03.1996 Malaysia	2	100	Dormant
Contemporary Deal Sdn Bhd	381149-A	25.03.1996 Malaysia	2	100	Dormant
Contemporary Factor Sdn Bhd	381153-P	25.03.1996 Malaysia	2	100	Dormant
Petikan Tropika Sdn Bhd	375840-P	29.01.1996 Malaysia	2	100	Dormant
Sunway Giza Mall Sdn Bhd (formerly known as Cahaya Jejaka Sdn Bhd)	385998-X	04.05.1996 Malaysia	2	100	Property investment
Sunway Giza Parking Sdn Bhd (formerly known as Seruan Istilah Sdn Bhd)	378471-W	02.03.1996 Malaysia	2	100	Property investment
Sumber Dorongan Sdn Bhd	384876-P	23.04.1996 Malaysia	2	100	Dormant
Anggaran Salju Sdn Bhd	380449-V	20.03.1996 Malaysia	2	100	Dormant
Bisikan Seni Sdn Bhd	383132-M	10.04.1996 Malaysia	2	100	Dormant
Emerald Freight Sdn Bhd	385026-M	24.04.1996 Malaysia	2	100	Dormant
Sunway Monterez Sdn Bhd	531944-H	14.11.2000 Malaysia	250,000	100	Property development
<b>Subsidiary of Sunway PFM Sdn Bhd (formerly known as Menara Sunway Sdn Bhd)</b>					
MSW Parking Sdn Bhd	318333-T	03.10.1994 Malaysia	2	100	Dormant
<b>Subsidiary of Sunway IFM Sdn Bhd</b>					
Sunway Parking Services Sdn Bhd	643825-X	28.02.2004 Malaysia	100	100	Car park management
<b>Subsidiary of Pena Enterprise Sdn Bhd</b>					
Logic Square Sdn Bhd	546331-M	27.04.2001 Malaysia	2	100	Dormant
<b>Subsidiaries of Eastern Glory Enterprise Limited</b>					
Estonia Enterprises Limited	IBC No. 206175	18.11.1996 British Virgin Islands	AUD168	100	Dormant

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Hartford Lane Pty Ltd	ACN 077261048	29.01.1997 Australia	AUD12	100	Trustee
International Theme Park Pty Ltd	ACN 078003540	26.03.1997 Australia	AUD21,612,564	100	Investment holding
<b>Subsidiaries of International Theme Park Pty. Ltd.</b>					
Sunway Australia Unit Trust	-	18.02.1997 Australia	AUD3,973,915	100	Unit trust
Sydney Theme Park Pty Limited	ACN 002743455	02.04.1984 Australia	AUD101	100	Theme park licence holder
<b>Subsidiaries of Sunway Medical Centre Berhad</b>					
SunMed@Home Sdn Bhd	635467-K	27.11.2003 Malaysia	350,000	51	Home nursing care and allied healthcare services
SunMed Clinics Sdn Bhd	843658-D	08.01.2009 Malaysia	2	100	Operation of clinics
<b>Subsidiaries of Sunway Construction Sdn Bhd</b>					
Sunway Innopave Sdn Bhd	390417-A	13.06.1996 Malaysia	500,000	100	Construction of civil and building works and provision of project management
Sunway M&E Sdn Bhd	253771-P	09.12.1992 Malaysia	500,000	100	Dormant
Sunway Machinery Sdn Bhd	389253-P	04.06.1996 Malaysia	500,000	100	Renting of machinery and site equipment and undertaking sub-contract work
Binajelata (M) Sdn Bhd	355335-X	15.08.1995 Malaysia	2	100	In members' voluntary liquidation
Identiti Jelata (M) Sdn Bhd	354314-T	07.08.1995 Malaysia	2	100	In members' voluntary liquidation
Sunway Engineering Sdn Bhd	341887-W	27.04.1995 Malaysia	1,016,000	75	Provision of mechanical and engineering works
Sunway Builders Sdn Bhd	285205-T	27.12.1993 Malaysia	1,000,000	100	Construction of building and civil works
Sunway Geotechnics (M) Sdn Bhd	414014-W	17.12.1996 Malaysia	1,159,601	100	Manufacturing and sales of precast micro injection piles, reinforced concrete piles and undertaking of piling contracts and hire of heavy machineries
Sunspan Sdn Bhd	390366-D	13.06.1996 Malaysia	1,000,000	100	Dormant

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Muhibbah Permai Sdn Bhd	216988-V	13.05.1991 Malaysia	160,000	80	Property development
Target Beam (M) Sdn Bhd	355669-H	16.08.1995 Malaysia	2	100	In members' voluntary liquidation
Baramatics Sdn Bhd	484836-T	01.06.1999 Malaysia	2	100	In members' voluntary liquidation
Sunway Interiors Sdn Bhd (formerly known as Sunway-LCL Interior Sdn Bhd)	864610-D	15.07.2009 Malaysia	10,000	100	Dormant
Classvest Realty Sdn Bhd	485145-T	07.06.1999 Malaysia	2	100	In members' voluntary liquidation
Crosside Realty Sdn Bhd	485140-D	07.06.1999 Malaysia	2	100	In members' voluntary liquidation
Sunway Industrial Products Sdn Bhd	442583-M	12.08.1997 Malaysia	222,448	100	Investment holding
Sunway Machineries Services Sdn Bhd	288977-X	03.02.1994 Malaysia	1,500,000	100	Investment holding
Sunway Construction India Pte Ltd	U45203KA2001 PTC029947	31.12.2001 India	INR100,000	98	Construction of civil and building works
Sunway Creative Stones Sdn Bhd	429140-M	28.04.1997 Malaysia	1,000,000	70	Trading of construction materials and general contract work
Sunway GD Piling Sdn Bhd	693303-X	31.05.2005 Malaysia	1,000,000	100	Piling and foundation works
Sunway Construction Caribbean Limited	S4276(95)	19.10.2004 Trinidad and Tobago	TTD23,343,332	100	Construction of civil and building works
Sunway Precast Industries Sdn Bhd	231775-X	04.01.1992 Malaysia	3,063,631	100	Manufacturing precast concrete building components, undertaking of precast concrete building contracts and renting of machinery
Sun-Block (Batang Kali) Sdn Bhd	456798-V	15.01.1998 Malaysia	100	100	Dormant
Sunway IBS Sdn Bhd	622890-M	25.07.2003 Malaysia	10	70	Dormant
<b>Subsidiary of Sunway Industrial Products Sdn Bhd</b>					
Sunway Concrete Products (S) Pte Ltd	199409213Z	16.12.1994 Singapore	SGD12,000,000	100	Manufacturing and sale of precast concrete building components

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
<b>Subsidiaries of Sunway Creative Stones Sdn Bhd</b>					
Sunway Dimension Stones Sdn Bhd	511429-A	17.04.2000 Malaysia	100,000	100	Cutting, profiling and other value-added works on granites, marbles and related natural stones materials
Sunway Creative Stones (Xiamen) Co.Ltd	-	12.03.2007 China	USD200,000	100	Trading of construction materials and general contract works
<b>Subsidiary of Sunway Concrete Products (S) Pte Ltd</b>					
Sunway Developments Pte Ltd	200408542H	08.07.2004 Singapore	SGD2	100	Other investment holding companies and general contractors (building construction including major upgrading works)
<b>Subsidiary of Sunway Developments Pte Ltd</b>					
Sunway Land Pte Ltd	201024425D	16.11.2010 Singapore	SGD1,000,000	100	Real estate developers and building contractor NEC
<b>Subsidiaries of Sunway Machineries Services Sdn Bhd</b>					
Sunway PMI-Pile Construction Sdn Bhd	154079-X	25.06.1986 Malaysia	26,193,040	98	Dormant
Sunway SK Sdn Bhd	416448-A	11.01.1997 Malaysia	237,500	100	Construction of building and civil works
<b>Subsidiary of Sunway Engineering Sdn Bhd</b>					
Sunway Smartek Sdn Bhd	749340-W	03.10.2006 Malaysia	2	100	Dormant
<b>Subsidiary of Sunway Geotechnics (M) Sdn Bhd</b>					
Sunway Geotechnics (S) Pte Ltd	200920733Z	05.11.2009 Singapore	SGD25,000	100	Piling and foundation works
<b>Subsidiaries of SunwayMas Sdn Bhd</b>					
Sunway Bangi Sdn Bhd	215920-W	23.04.1991 Malaysia	250,000	100	Property development
Mujurmas Sdn Bhd	206849-D	26.10.1990 Malaysia	750,000	100	Property development
Pembangunan Risjaya Sdn Bhd	258922-A	04.03.1993 Malaysia	250,000	100	Property development



## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway Rawang Heights Sdn Bhd	157051-K	24.10.1986 Malaysia	4,455,700	100	Property development
Sunway Kanching Heights Sdn Bhd	76395-P	30.09.1981 Malaysia	2,036,050	100	Property development
Eaglefield Sdn Bhd	187153-V	23.09.1989 Malaysia	252,000	100	Property development
Sunway Rydgetway Sdn Bhd (formerly known as Sunway Greenview Sdn Bhd)	771561-H	30.04.2007 Malaysia	5,000,000	80	Property and housing development
Sunway Termuning Sdn Bhd	649129-D	14.04.2004 Malaysia	6,749,931	80	Property and housing development
Virgo Rhythm Sdn Bhd	781253-W	17.07.2007 Malaysia	2	100	Property and housing development
Sunway Land (China) Limited	1390512	11.11.2009 Hong Kong	HKD2	100	Investment holding
Analisa Kekal Sdn Bhd	795327-T	12.11.2007 Malaysia	2	100	Property and housing development
Sunway PJ51A Sdn Bhd (formerly known as Sungei Way Resources Sdn Bhd)	120068-A	21.05.1984 Malaysia	1,500,000	100	Property and housing development
Geneba Dua Sdn Bhd	423383-A	17.03.1997 Malaysia	2	100	Dormant
Daksina Harta Sdn Bhd	915269-T	21.09.2010 Malaysia	2	100	Property investment
<b>Subsidiary of Sunway Quarry Industries Sdn Bhd</b>					
Sunway Quarry Industries (Taiping) Sdn Bhd (formerly known as Taiping Kuari Sdn Bhd)	621882-A	16.07.2003 Malaysia	427,000	100	To undertake quarry operation, manufacturer or supplier of processed or unprocessed stones, rock materials and other similar products for construction and building works
<b>Subsidiaries of Sunway Marketing Sdn Bhd</b>					
Sunway Marketing (East Malaysia) Sdn Bhd	353248-U	31.07.1995 Malaysia	1,000,000	85	Trading in hose and fittings and industrial products
Sunway Hose Centre Sdn Bhd	350617-H	12.07.1995 Malaysia	100,000	85	Trading in hose and fittings and hose assembly
Sunway Architectural Products Sdn Bhd	146551-W	24.10.1985 Malaysia	200,000	85	Trading in architectural and finishing products

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway Opus International Trading Private limited	U51909AP2010 FTC069882	09.08.2010 India	INR10,00,000	60	To undertake business of import, marketing and sale of architectural and finishing products
Sunway Pharma Sdn Bhd	802483-M	11.01.2008 Malaysia	2	100	To carry on the business of wholesale and retail chemists
<b>Subsidiaries of Sunway Marketing (S) Pte Ltd</b>					
PT Sunway Marketing Indonesia	-	07.09.2001 Indonesia	USD100,000	95	Dormant
Sunway Marketing (Shanghai) Pte Ltd	-	26.09.2003 China	USD260,000	100	Dormant
PT Sunway Trek Masindo	-	06.10.2003 Indonesia	USD1,000,000	95	Trading in hose and fittings, hose assembly and heavy equipment parts
Sunway Marketing (Thailand) Ltd	0105533107052	06.09.1990 Thailand	THB105,000,000	99.9	Trading in hose and fittings, hose assembly and heavy equipment parts
Totalrubber Ltd	ABN111032123 53	19.12.2002 Australia	AUD4,418,197	100	Import and distribution of industrial rubber and plastics
PT Sunway Flowtech	-	30.04.2010 Indonesia	USD500,000	95	Trading in hoses and fittings and hose assembly
<b>Subsidiaries of Sunway Leasing Sdn Bhd</b>					
SWL Nominees (Tempatan) Sdn Bhd	388808-U	28.05.1996 Malaysia	2	100	Provision of shares nominee services
Sunway Elite Sdn Bhd	433853-H	04.06.1997 Malaysia	2	100	To coordinate and provide administration of employees' health care benefits and insurance services
Sunway Credit Sdn Bhd	80767-A	05.02.1982 Malaysia	1,000,000	100	Provision of finance through hire purchase
<b>Subsidiary of Sunway Land Sdn Bhd</b>					
Fortuna Gembira Enterpris Sdn Bhd	16634-P	04.12.1973 Malaysia	121,002	100	Investment holding
<b>Subsidiaries of Reptolink Sdn Bhd</b>					
Sunway Enterprise (1988) Sdn Bhd	62711-M	25.09.1980 Malaysia	4,037,500	100	Trading and hiring of heavy machinery and spares

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway Hydraulic Industries Sdn Bhd	103260-H	23.06.1983 Malaysia	1,500,000	100	Manufacturing of couplings and assembly of hydraulic hoses
<b>Subsidiaries of Sunway Holdings (Vietnam) Sdn Bhd</b>					
Sunway Hatay Construction & Building Materials JV Co Ltd	-	11.04.1995 Vietnam	USD5,959,286	86	Quarrying and manufacturing of ready-mixed concrete
Sungei Way Ocean Joint Venture Ltd	-	15.01.1997 Vietnam	USD2,527,776	70	Quarrying and production of building stones
Realty Investments (HB) Inc	-	01.07.1994 Panama	USD20,000	100	Investment holding
<b>Subsidiary of Realty Investments (HB) Inc</b>					
Hang Bai Office Complex JVC	-	17.03.1995 Vietnam	USD3,030,000	74	Dormant
<b>Subsidiary of Sunway Keramo Sdn Bhd</b>					
Sunway Pipe Inspection and Repair Services Centre Sdn Bhd	616149-M	23.05.2003 Malaysia	2	100	Dormant
<b>Subsidiaries of Sunway Paving Solutions Sdn Bhd</b>					
Sun-Block (Senai) Sdn Bhd	32357-U	07.04.1977 Malaysia	2,000,000	100	Dormant
Sun-Block (Beranang) Sdn Bhd	253102-K	20.11.1992 Malaysia	3,850,000	100	Dormant
Sunway Cavity Wall Panel Sdn Bhd	803140-W	17.01.2008 Malaysia	2,510,000	100	Manufacturing and marketing of cavity wall panel
Sunway Cavity Wall Panel (S) Pte Ltd	200801566W	21.01.2008 Singapore	SGD250,000	100	Manufacturing and marketing of cavity wall panel
<b>Subsidiary of Sunway Quarry (Melaka) Sdn Bhd (formerly known as Ansa Teknik Holdings Sdn Bhd)</b>					
Sunway Quarry Industries (Melaka) Sdn Bhd (formerly known as Ansa Teknik (Melaka) Sdn Bhd)	4271-D	05.07.1961 Malaysia	5,700,000	100	Granite quarrying

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
<b>Subsidiary of ABS Land &amp; Properties Berhad</b>					
Coral-White Sdn Bhd	228583-T	09.11.1991 Malaysia	5,000,000	100	In creditors' voluntary liquidation
<b>Subsidiaries of Sunway Global Limited</b>					
Sunway Building Materials (Shanghai) Co Ltd	-	01.08.2005 China	USD2,350,000	100	Manufacturing, sale and marketing of interlocking pavers
Sunway Building Materials (Dongguan) Co Ltd	-	29.07.2005 China	USD4,750,000	100	Manufacturing, sale and marketing of interlocking pavers
Sunway Spun Pile (Zhuhai) Co Ltd	-	13.02.2006 China	RMB75,000,000	80	Design, manufacture and sale of pretensioned spun concrete piles
Sunway GD Foundation Engineering Co Ltd	22950SO	04.11.2005 Macau	MOP31,000,000	60	To carry out foundation and construction works
Sunway Xin Long (Anhui) Hydraulic Co Ltd	-	23.08.2006 China	RMB27,000,000	78	Production and sale of automotive parts, hydraulic pipes, coupling and adapter, production, sale and marketing of building materials, import and export trading
Sunway Trading (Shanghai) Pte Ltd	-	31.08.2006 China	USD600,000	100	Trading and distribution of hose and couplings, machineries, spare parts and related items
Sunway Daechang Forging (Anhui) Co Ltd	-	20.11.2007 China	RMB21,000,000	60	Manufacturing and assembling of undercarriage components, trading, providing design, consultancy services, repair and maintenance
<b>Subsidiary of Sunway Enterprise (1988) Sdn Bhd</b>					
Heng Ngai Knitting Manufacturer Sdn Bhd	47434-H	19.05.1979 Malaysia	29,403	100	Dormant
<b>Subsidiaries of Sunway GD Foundation Engineering Co Ltd</b>					
Shanghai Xinhetai Construction Ltd	-	16.08.2006 China	USD1,800,000	70	To undertake the business of foundation engineering
Splendid Era Sdn Bhd	282012-M	19.11.1993 Malaysia	300,000	100	To carry out foundation and construction works

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Sunway GD Foundation Engineering Technical Advisory (Shanghai) Co Ltd	-	24.11.2008 China	RMB25,940,000	100	Providing technical and consultancy advisory for engineering works and to undertake engineering works through contracting construction projects
PT Sunway Construction Engineering	-	15.04.2008 Indonesia	IDR3,000,000,000	55	To carry out foundation and construction works
<b>Subsidiary of Shanghai Xinhetai Construction Ltd</b>					
Shanghai Sunway Geotechnics Engineering Co Ltd	-	09.05.2008 China	RMB500,000	100	Undertake geotechnic and foundation engineering through contracting construction projects, installation, leasing and renting of machineries and equipment, marketing and distribution of building materials related products
<b>Subsidiaries of Totalrubber Ltd</b>					
Total Rubber Services Franchising Pty Ltd	ABN31007254 248	20.06.1989 Australia	AUD100	100	Franchisor for TOTALRUBBER franchising business
Pacific Flow Technology Pty Ltd	ABN33099928 480	15.03.2002 Australia	AUD100	80	Manufacturing and sales of rubber hose products
<b>Subsidiary of Sunway Risk Management Sdn Bhd</b>					
Sunway Captive Insurance Ltd (Held in trust by General Captive International Ltd)	LL07119	19.06.2009 Malaysia	USD1	100	To carry on business as a Labuan subsidiary rent-a-captive insurer
<b>Subsidiary of Sunway Trading (Shanghai) Pte Ltd</b>					
Sunway International Trading (Tianjin) Pte Ltd	-	06.05.2010 China	RMB1,000,000	100	Trading in hoses and fittings and providing technical consultancy advisory services
<b>Subsidiary of Sunway Real Estate (China) Limited</b>					
Sunway Guanghao Real Estate (Jiangyin) Co. Ltd	-	04.12.2006 China	RMB200,000,000	65	Property development

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
<b>Associate of Sunway</b>					
Sunway Cana City Development Ltd	Co. 6971/04P	18.08.2004 Cambodia	USD6,050,000	49	Property development
Sunway Velocity Mall Sdn Bhd (formerly known as Glitter Performance Sdn Bhd)	767400-H	28.03.2007 Malaysia	2	50	Dormant
Aktif-Sunway Sdn Bhd	391715-P	25.06.1996 Malaysia	10,000,000	20	Ceased operation
Sungei Way-Saigon-Pilecon Engineering Company	-	01.09.1994 Vietnam	USD3,210,420	42	Dormant
Sunway REIT	-	20 May 2010 Malaysia	2,686,898,400 units	37	A real estate investment trust where funds from investors are pooled and invested towards a specified goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth
<b>Associate of Sunway Damansara Sdn Bhd</b>					
Sunway D'Mont Kiara Sdn Bhd	559638-V	21.09.2001 Malaysia	250,000	30	Property development
<b>Associate of Sunway Leisure Sdn Bhd (formerly known as Mega Capacity Sdn Bhd)</b>					
Pyramid Bowl Sdn Bhd	397399-M	09.08.1996 Malaysia	2,036,830	40	Bowling alley operator
<b>Associate of Sunway City (S'pore) Pte Ltd</b>					
Sunway MAK International Private Limited	U45209AP200 7PTC056739	18.12.2007 India	INR190,100,000	26	Property development
<b>Associate of Fortuna Gembira Enterpris Sdn Bhd</b>					
Gopeng Berhad	109465-X	09.11.1983 Malaysia	89,664,491	19	Cultivation of oil palm, investment holding and property development

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
<b>Associate of Sunway Juarasama Sdn Bhd</b>					
Sungei Way Construction (S) Pte Ltd	199409426N	24.12.1994 Singapore	SGD2	50	Dormant
<b>Associate of SunwayMas Sdn Bhd</b>					
Varich Industries Sdn Bhd	251877-T	02.11.1992 Malaysia	2	50	Dormant
<b>Associate of Sunway Marketing Sdn Bhd</b>					
Buildtrend B.S.G. (M) Sdn Bhd	68350-H	13.03.1981 Malaysia	2,500,000	30	Distribution of architectural building products and sanitary wares
<b>Jointly controlled entities of Sunway</b>					
Sunway SPK Homes Sdn Bhd	583958-P	24.06.2002 Malaysia	1,224,558	50	Property development
<b>Jointly controlled entity of Sunway Marketing Sdn Bhd</b>					
Sunway Daechang Forging Investment Limited	1284420	03.11.2008 Hong Kong	HKD10	50	Investment holding
<b>Jointly controlled entity of Sunway City (S'pore) Pte Ltd</b>					
Sunway Opus International Private Limited	U70102AP200 7PTC055084	08.08.2007 India	INR200,000,010	50	Property development
Tianjin Eco-City Sunway Property Development Co Ltd	-	17.12.2010 China	RMB47,250,000	60	Property development
<b>Jointly controlled entity of Sunway Concrete Products (S) Pte Ltd</b>					
Hoi Hup Sunway Development Pte Ltd	200710307C	11.06.2007 Singapore	SGD1,000,000	30	Real estate development
<b>Jointly controlled entities of Sunway Developments Pte Ltd</b>					
Hoi Hup Sunway JV Pte Ltd	200816798G	25.08.2008 Singapore	SGD1,000,000	30	Real estate development
Hoi Hup Sunway Property Pte Ltd	200910390G	09.06.2009 Singapore	SGD1,000,000	30	Real estate activities with own or leased property

## 10. INFORMATION ON OUR GROUP (cont'd)

Name of companies	Company no.	Date and country of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Equity interest held %	Principal activities
Hoi Hup Sunway Miltonia Pte Ltd	201018354D	30.08.2010 Singapore	SGD1,000,000	30	Real estate developer
Hoi Hup Sunway Tampines Pte Ltd	201025725D	03.12.2010 Singapore	SGD1,000,000	30	Real estate developer
Hoi Hup Sunway Yuan Ching Pte Ltd	201101479H	15.01.2011 Singapore	SGD1,000,000	30	Real estate developer
<b>Unincorporated joint venture of Sunway</b>					
SunCity Medallion Joint Venture	-	Unincorporated	-	50	Property development
SunCity Fawaris Joint Venture	-	Unincorporated	-	50	Property development
SunCity SunCon Joint Venture	-	Unincorporated	-	50	Property development
SunCon Central Glass Joint Venture	-	Unincorporated	-	70	Completion of Curtain Walling Works
SunCon-Soma Joint Venture	-	Unincorporated	-	50	Construction
SunGeo-Awangsa Joint Venture	-	Unincorporated	-	51	Piling and sub-structure works
Silver Coast-Sunway Innopave Joint Venture	-	Unincorporated	-	60	Construction works
ISZL Consortium	-	Unincorporated	-	25	Construction
Fableplus Sdn Bhd-Sunway Engineering Sdn Bhd Joint Venture	-	Unincorporated	-	30	Provision of mechanical and engineering works

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## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

### 11.1 Board of Directors

Within the limits set by our Articles, our Board is responsible for our governance and management. To ensure the effective discharge of their functions, our Board endeavours to follow our corporate governance guidelines, which sets out the following responsibilities:

- (i) setting our objectives, goals and strategic plans with a view to maximising shareholders' value.
- (ii) adopting and monitoring progress of our strategies, budgets, plans and policies.
- (iii) overseeing the conduct of our businesses to evaluate whether our businesses are properly managed.
- (iv) identifying our principal risks and ensuring the implementation of appropriate systems to mitigate and manage these risks. Our Board through the Risk Management Committee, sets, where appropriate, objectives, performance targets and policies to manage the key risks faced by us.
- (v) considering our management's recommendations on key issues including acquisitions, divestments, restructuring, funding and significant capital expenditure.
- (vi) human resources planning and development.
- (vii) reviewing the adequacy and integrity of our internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

In accordance with Article 89 of our Articles, we must have at least 2 Directors.

At least 2 of our Directors or one-third (1/3) of our Board, whichever is higher, must also at all times be independent directors. As at the date of this Prospectus, our Board consists of 7 Directors, 3 of whom are independent directors.

In accordance with Article 107 of our Articles, one-third (1/3) of the Directors or, if the number of Directors is not 3 or a multiple of 3, the number nearest to one-third (1/3), shall retire from office at each annual general meeting and such Directors are eligible for re-election. The Directors to retire in each year shall be those who have been longest in office since their last election.

The members of our Board as at the date of this Prospectus are set out below:

Name	Age	Date of appointment	Designation
Tan Sri Jeffrey Cheah	65	22.11.2010	Executive Chairman
Datuk Razman M Hashim	72	17.06.2011	Deputy Executive Chairman
Dato' Chew Chee Kin	66	17.06.2011	President
Sarena Cheah	37	18.11.2010	Executive Director
Lim Swe Guan	57	17.06.2011	Independent Non-Executive Director
Datuk Low Seng Kuan	65	17.06.2011	Independent Non-Executive Director
Wong Chin Mun	67	17.06.2011	Independent Non-Executive Director

Our management and operations are led by Tan Sri Jeffrey Cheah, our Executive Chairman.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

The details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office as at the LPD are as follows:

Director	Date of appointment	Date of expiration of the current term of office	No. of years in office
Tan Sri Jeffrey Cheah	22.11.2010	In accordance with Article 107(1) of our Articles, at the first annual general meeting, all our Directors shall retire from office and at the annual general meeting in every subsequent year, one-third (1/3) of our Directors or if the number is not 3 or a multiple of 3, the number nearest to one-third (1/3) shall retire from office and be eligible for re-election provided always that all our Directors shall retire from office once at least in each 3 years but shall be eligible for re-election.	less than 1 year
Datuk Razman M Hashim	17.06.2011		less than 1 year
Dato' Chew Chee Kin	17.06.2011		less than 1 year
Sarena Cheah	18.11.2010		less than 1 year
Lim Swe Guan	17.06.2011		less than 1 year
Datuk Low Seng Kuan	17.06.2011		less than 1 year
Wong Chin Mun	17.06.2011		less than 1 year

### 11.1.1 Profiles of our Directors

#### (i) Tan Sri Jeffrey Cheah

**Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling**, AO, aged 65, is our Founder and Executive Chairman. He was appointed to our Board on 22 November 2010.

A business graduate of the Victoria University in Melbourne, Australia, Tan Sri Jeffrey Cheah began his career as an accountant at a motor assembly plant in Malaysia. In 1974, he founded and started the Sunway Group.

He has been conferred 8 honorary doctorates by leading universities worldwide. In 2007, Tan Sri Jeffrey Cheah formed his namesake foundation, "Jeffrey Cheah Foundation" and in 2009, he transferred the entire ownership of Sunway Education Group Sdn Bhd together with its subsidiaries to HSBC (Malaysia) Trustee Berhad, which holds in trust for the Jeffrey Cheah Foundation. Sunway Education Group Sdn Bhd comprises, inter alia, Sunway University, Monash University Sunway Campus, Jeffrey Cheah School of Medicine and Health Sciences and Sunway International School. Jeffrey Cheah Foundation, to which Tan Sri Jeffrey Cheah pledged a personal contribution of RM20 million, was officially launched by Dato' Sri Mohd Najib Bin Tun Abdul Razak, the Prime Minister of Malaysia on 18 March 2010 in the presence of the Foundation's Patron, His Royal Highness Sultan of Selangor.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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Tan Sri Jeffrey Cheah is among Malaysia's leading givers who made Forbes Asia's Heroes of Philanthropy list 2009. He is also the Founding Trustee to the Board of Mahathir Science Award Foundation and Razak School of Government.

In 2008, he was appointed Officer of the Order of Australia ("AO") by the then Prime Minister of Australia, Kevin Rudd. AO is one of Australia's most prestigious and highly regarded awards conferred to a non-citizen of Australia. In the same year, Tan Sri Jeffrey Cheah was appointed Chairman of the Malaysia Crime Prevention Foundation's Selangor Chapter by the Minister of Unity, Culture, Arts and Heritage. He is also the Chairman and Co-Founder of Asian Strategy & Leadership Institute.

Other achievements of Tan Sri Jeffrey Cheah are listed below:

- 2007 - the prestigious Monash University School of Medicine and Health Sciences was named after Tan Sri Jeffrey Cheah in appreciation of his immense contribution to Monash University Sunway Campus and Malaysia-Australia bilateral ties
- 2006 - His Royal Highness Sultan of Selangor installed him as the Foundation Chancellor of Sunway University
- 2002 - Deputy President of National Kidney Foundation of Malaysia  
- First non-Malay Honorary Member of Kuala Lumpur Malay Chamber of Commerce
- 1999 - Founding Trustee of Malaysian Liver Foundation
- 1997 - President of Malaysian Hakka Association (until 2004)  
- Council Member of the Financial Reporting Foundation
- 1996 - Appointed by the Minister of Education to the Higher Education Council of Malaysia  
- Appointed Chairman of Malaysian Industry-Government Group for High Technology for Construction and Housing  
- EXCO member of the Malaysian Tourism Action Council
- 1990 - Appointed Director of National Productivity Centre

Other awards bestowed upon Tan Sri Jeffrey Cheah include Property Man of the Year (Malaysia) in 1993, CEO of the Year (Malaysia) in 1996, the Paul Harris Fellow Award in 2002 and Asia's Most Innovative Chinese Entrepreneur Award in 2005.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (*cont'd*)

### (ii) **Datuk Razman M Hashim**

**Datuk Razman M Hashim**, aged 72, is our Deputy Executive Chairman. He was appointed to our Board on 17 June 2011.

After completing his early secondary education in Australia, he studied banking where he became a member of the Australian Institute of Bankers.

Upon his return to Malaysia, he joined Standard Chartered Bank Malaysia Berhad as an officer trainee in 1964. Throughout his 34 years of banking experience in Standard Chartered Bank Malaysia Berhad, he served with the bank's office in London, Europe, Hong Kong and Singapore. In 1994, he was appointed as Executive Director/Deputy Chief Executive of Standard Chartered Bank Malaysia Berhad until his retirement in June 1999.

In the same month in 1999, he was appointed as Chairman of MBF Finance Berhad by Bank Negara Malaysia as its nominee until January 2002 when the finance company was sold to Arab-Malaysian Group. He is also a member of the Australian Institute of Bankers with more than 39 years of experience in the banking industry.

### (iii) **Dato' Chew Chee Kin**

**Dato' Chew Chee Kin**, aged 66, is our President. He was appointed to our Board on 17 June 2011.

In 1974, he graduated with a Bachelor of Economics (Honours) Degree from University of Malaya and he had attended the Program in Management Development at the Harvard Business School in 1980.

He started his career as Trainee Executive in UMW (Malaya) Sdn Bhd in 1974. Prior to joining SunH, he was the General Manager of UMW (Malaya) Sdn Bhd.

He joined SunH in 1981 as Group General Manager (Operations) and he was promoted to Deputy Group Managing Director (Operations) in 1989. In 1995, he was promoted to Managing Director of SunH and then to President of SunH in 1999. He has more than 30 years' experience in general management, quarrying, construction, building materials, trading and manufacturing businesses.

### (iv) **Sarena Cheah**

**Sarena Cheah Yean Tih**, aged 37, is our Executive Director of Strategy & Corporate Development. She was appointed to our Board on 18 November 2010.

She graduated from the University of Western Australia with a Bachelor of Commerce (Accounting & Finance) Degree in 1994. She also obtained a Master Degree in Business Administration from Melbourne Business School ("MBA") in 2001.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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She has been with the Sunway Group since 1995, starting her career in the Corporate Finance and Group Internal Audit divisions. In 2000, she left to pursue her MBA. Upon her return, she joined the education and healthcare divisions as Business Development Manager. In 2003, she rejoined the Corporate Finance division to lead the asset-backed securitisation exercise for SunCity. In 2006, she became the Sales & Marketing General Manager in the Property Development division before holding the position of the Director of Strategic & Corporate Development of SunCity in 2009.

### (v) **Lim Swe Guan**

**Lim Swe Guan**, aged 57, is our Independent Non-Executive Director. He was appointed to our Board on 17 June 2011.

In 1979, he obtained a Bachelor of Science (Estate Management) Second Class Honours Degree from University of Singapore. Later, he obtained a Master of Business Administration from Darden School of Business, University of Virginia, United States of America in 1985. He started his career as Land Officer in Urban Redevelopment Authority of Singapore in 1979.

He was a Director of Jones Lang Wootton Australia from 1989 to 1995 and a Portfolio Manager, Property Division in Suncorp Investment Management in 1995.

He joined GIC Real Estate Pte Ltd in 1997 and he was the Managing Director of GIC Real Estate Pte Ltd, the real estate investment arm of Government of Singapore Investment Corporation Pte Ltd before retiring on 18 February 2011. He is also a Chartered Financial Analyst and a member of the Chartered Financial Analyst Institute. Among his achievements were the gold medals won from the Singapore Institute of Valuers and Singapore Institute of Surveyors.

### (vi) **Datuk Low Seng Kuan**

**Datuk Low Seng Kuan**, aged 65, is our Independent Non-Executive Director. He was appointed to our Board on 17 June 2011.

He graduated from Footscray Institute of Technology (Victoria University) in Business Studies (Accountancy) in 1969 and Royal Melbourne Institute of Technology in Industrial Accountancy in 1971. In 1973, he began his career as an Accountant in Malaysian Sheet Glass Sdn Bhd and was the Managing Director before he retired in March 2010.

He was the president of the Federation of Malaysian Manufacturers in 1996 to 1999 and he is currently the Vice-President. He had served as a member of the National Economic Action Council, National Economic Consultative Council II, Malaysian Industrial Development Authority and the Malaysian Institute of Economic Research.

He is the President of the Transparency International Malaysia, an independent, non-governmental and non-partisan organisation committed to fight against corruption. He is a Chartered Accountant by profession and a member of Malaysian Institute of Accountants.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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## (vii) **Wong Chin Mun**

**Wong Chin Mun**, aged 67, is our Independent Non-Executive Director. He was appointed to our Board on 17 June 2011.

He graduated with a Bachelor of Business (Accounting) Degree and a Bachelor of Business (Secretarial Administration) Degree from Curtin University, Australia in 1972. He had attended the Senior Executives Program at International Management Imede Development at Lausanne, Switzerland in 1982. He also attended JUSE International Program for Total Quality Control for Top Management in Tokyo by Japanese Union of Scientists and Engineers in 1993.

He worked as the Financial Controller/Company Secretary in Yeo Heap Seng Bhd from 1974 to 1975. He then joined Nylex (Malaysia) Berhad ("**Nylex**") as its Financial Controller/Company Secretary in January 1976 and became the first local General Manager/Director of Nylex in 1980. He was promoted to the position of Managing Director in 1985 and left Nylex at the end of June 1994 to found TEC Asia Centre, an international organisation which aims to help chief executive officers manage change and grow their business. He had served on the National Export Council under the Ministry of International Trade & Industry from 1989 to 1992. He also served on the Board of Trustees of the Malaysian Rubber Export Promotion Council from 2000 to 2002.

Currently, he is a council member of Federation of Malaysian Manufacturers and the Chairman of FMM Branding & IPR Committee.

He is a fellow of the Australian Society of Certified Practising Accountants. He is also a certified senior coach and trainer of Vistage International of U.S. and a member of the Malaysian Institute of Accountants.

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# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## 11.1.2 Our Directors' shareholdings

The direct and indirect shareholdings of our Directors as at the LPD and after the Issuance are as follows:

Directors	As at the LPD			After the Issuance <sup>^</sup>		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%		No. of Shares	%	
Tan Sri Jeffrey Cheah	-	-	2 <sup>(1)</sup>	49,702,809	3.85	565,438,878 <sup>(2)</sup>
Datuk Razman M Hashim	-	-	-	602,032	0.05	-
Dato' Chew Chee Kin	-	-	-	2,402,619	0.19	77,142 <sup>(3)</sup>
Sarena Cheah	-	-	2 <sup>(1)</sup>	432,956	0.03	614,607,963 <sup>(4)</sup>
Lim Swe Guan	-	-	-	-	-	-
Datuk Low Seng Kuan	-	-	-	37,170	*	37,170 <sup>(5)</sup>
Wong Chin Mun	-	-	-	59,428	*	-

### Notes:

<sup>^</sup> Computed based on their respective securities holdings in SunCity and/or SunH as at 27 July 2011 (after taking into consideration the conversion of convertible securities in SunCity and/or SunH on 27 July 2011) over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion.

(1) Deemed interest by virtue of Section 6A of the Act held through Active Equity, Timah Dunia and SWCSB.

(2) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Jef-San, Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and children.

(3) Deemed interest by virtue of Section 6A of the Act held through spouse.

(4) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and parent.

(5) Deemed interest by virtue of Section 6A of the Act held through spouse and child.

\* Negligible.

None of our Directors represent any corporate shareholders.

Save for the Warrants, none of our Directors owns, directly or indirectly, any option to purchase any of our Shares.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## 11.1.3 Other principal business activities performed outside our Group and other principal directorships in the past 5 years

Save as disclosed below, none of our Directors has performed any principal business activities outside our Group and/or have other principal directorships at present and in the last 5 years preceding the LPD:

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Tan Sri Jeffrey Cheah	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	23.09.1986	-	Chairman
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	26.05.2004	-	Chairman
	Monash University Sunway Campus Malaysia Sdn Bhd	Provision of tertiary courses	04.03.1998	-	Chairman
	Jeffrey Cheah Foundation	To receive and administer funds for educational purposes	28.12.2007	-	Director/Member
	Progressive Traders	Investment holding	21.08.2006	-	Director/Shareholder
	Sunway-TES Sdn Bhd	Provision of education services and training	18.01.2002	-	Director
	Timah Sini-Sana	Investment holding	21.08.2006	-	Director/Shareholder
	Active Equity	Investment holding	21.08.2006	-	Director/Shareholder
	Sungei Menderang Sdn Bhd	Investment holding	21.08.2006	-	Director/Shareholder
	Ardent Joy Sdn Bhd	Dormant	09.05.2005	-	Director/Shareholder
	Sunway Velocity Mall Sdn Bhd (formerly known as Glitter Performance Sdn Bhd)	Dormant	03.09.2007	-	Director/Shareholder



## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Sunway SPK Homes Sdn Bhd	Property development	08.04.2003	-	Director/Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin	-	-	Shareholder
	Sungei Jaya	Investment holding	-	-	Shareholder
	Timah Dunia	Investment holding	-	-	Shareholder
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	-	-	Shareholder
	ASLI Foundation	To help organisations enhance leadership and strategic capabilities through the exchange of ideas, information and human resources	28.07.2000	-	Director/Member
	Sunway College (KL) Sdn Bhd	Dormant	05.01.2011	-	Director
	Mahathir Science Award Foundation	To bestow on any scientist, institutions or organisations worldwide in recognition of contributions and innovations towards solving problems in the tropics through science and technology	10.11.2010	-	Director
	SWCSB	Property investment and investment holding	22.08.2006	-	Director/Shareholder
	Jef-San	Management services, rental of properties and investment holding	12.11.2009	-	Director/Shareholder

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Active Builder	Investment holding	09.07.1999	-	Director/Shareholder
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	02.08.1993	-	Chairman
	Timah Menderang Sdn Bhd	Investment holding	21.08.2006	-	Director/Shareholder
	Perusahaan Dunia Sdn Bhd	In members' voluntary liquidation	-	-	Shareholder
	Sunway Technology Sdn Bhd	Investment holding	-	-	Shareholder
	Sunway Business Applications Sdn Bhd	Trading in computers and related components and providing after sales services	-	-	Shareholder
	Enterprise Software Applications Sdn Bhd (formerly known as Ebasic Sdn Bhd)	Providing consulting services for selected software products	-	-	Shareholder
	S&I Technology (China) Co. Ltd	Design and development of software for commercial use, system integration, provision of related consultancy services and sale of self-developed products	-	-	Shareholder
	J.D. Edwards (Malaysia) Sdn Bhd	Marketing a broad range of general business software products and providing its after sales service and conducting training programs and courses	-	-	Shareholder

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Sunway E-Systems (M) Sdn Bhd	Provision of information technology consulting services, sales of computer hardware and related products	-	-	Shareholder
	Sunway Computer Services Sdn Bhd	Trading in computers and related components and providing computer services	-	-	Shareholder
	Sunway Digital Wave Sdn Bhd	Sale and marketing of internet/broadband services and related products	-	-	Shareholder
	Sunway Business Systems Sdn Bhd	Information technology services and software products	-	-	Shareholder
	Sunway Systems Sdn Bhd	Trading in computer software and related business and providing after sales services	-	-	Shareholder
	Sunway S&I Systems Sdn Bhd	Trading in computer hardware, software and related components and providing after sales services	-	-	Shareholder
	Sunway MSC Sdn Bhd	Software developers, software consultants and advisors and to provide other computer software services	-	-	Shareholder
	Sunway Technology (Shanghai) Pte Ltd	Software developers, software consultants and advisors and to provide other computer software services	-	-	Shareholder

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Peopleco Sdn Bhd	Provide information technology solutions and trading in computer hardware and software	-	-	Shareholder
	Adasia (M) Sdn Bhd	To carry on the business of advertising consultants and agents	-	-	Shareholder
	JSSE Corporation Sdn Bhd	In members' voluntary liquidation	21.08.2006	-	Director/Shareholder
	Perusahaan Saladin Sdn Bhd	In members' voluntary liquidation	21.08.2006	-	Director/Shareholder
	Perusahaan Wanlian Sdn Bhd	Investment holding and leasing finance	-	-	Shareholder
	Sunway REIT	A real estate investment trust where funds from investors are pooled and invested towards a specific goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth	-	-	Unitholder
	Razak School of Government	Aims to be an international centre for knowledge excellence and to groom high performing, quality and knowledgeable civil servants	07.04.2011	-	Director
	SunReit Capital Berhad (formerly known as Noble Pioneer Sdn Bhd)	Investment holding	-	-	Shareholder

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Datuk Razman M Hashim	Ardent Joy Sdn Bhd	Dormant	09.05.2005	05.03.2009	Director/Shareholder
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	25.06.1997	-	Director
	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	28.08.1995	-	Director
	Monash University Sunway Campus Malaysia Sdn Bhd	Provision of tertiary courses	12.03.1998	-	Director
	Sunway College Ipoh Sdn Bhd	To operate commercial college and institute of higher learning	04.12.2002	-	Director
	Sunway Tes (East Malaysia) Sdn Bhd	To operate a commercial college	23.07.2007	-	Director
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	03.09.2010	-	Director
	Sunway College (KL) Sdn Bhd	Dormant	05.01.2011	-	Director
	HMH Laraz Sdn Bhd	Business of managing cleaning and maintenance contracts covering all aspect of various industries	02.04.1991	03.10.2006	Director
	Barisan Minda Sdn Bhd	Investment holding	15.08.1995	-	Director
	Strategic Alpha Ventures Sdn Bhd	Investment holding	29.12.2000	12.11.2009	Director

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	ASLI Foundation	To help organisations enhance leadership and strategic capabilities through the exchange of ideas, information and human resources	22.02.2001	-	Director
	Jeffrey Cheah Foundation	To receive and administer funds for educational purposes	28.12.2007	-	Director
	Berjaya Land Berhad	Investment holding	03.09.2007	-	Director
	FEAB Properties Sdn Bhd	Properties investment and development; and investment holding	01.04.2009	-	Director
	Selat Makmur Sdn Bhd	Property development and provision of property maintenance and management services	03.09.2007	-	Director
	Absolute Prestige Sdn Bhd	Engage in the business of letting of properties	30.07.2008	12.05.2011	Director
	MAA Holdings Berhad	Investment holding and provision of management services	01.07.2006	-	Director/Shareholder
	Malaysian Assurance Berhad	Underwriting of life insurance business including investment link and annuity business and all classes of general insurance business	01.07.2006	-	Director
	MAA Takaful Berhad	Underwriting of family takaful including investment link business and all classes of general takaful business	15.05.2007	-	Director

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Multi-Purpose Holdings Berhad	Investment holding and provision of management services	07.05.2002	-	Director/Shareholder
	A.A. Anthony Securities Sdn Bhd	Dealing in securities and acting as a stock and share broker	14.04.2005	-	Director
	Ranhill Berhad	Investment holding, provision of management services and provision of engineering, procurement and construction services	25.02.2002	-	Director/Shareholder
	SILK Holdings Berhad	Investment holding	10.06.2002	-	Director
	Sistem Lingkar-an-Lebuhraya Kajang Sdn Bhd	Toll road concession	12.02.1996	-	Director
	Afin Bank Berhad	Banking and financial services	21.05.2002	21.05.2009	Director
	OYL Industries Berhad	Manufacture, sale and distribution of heating, ventilating, air-conditioning and refrigeration equipment and the manufacture and sale of air filtration products and systems	21.08.2003	28.11.2006	Director
	Dekon Holdings Sdn Bhd	Investment holding and provision of management services	-	-	Shareholder
	Dekon Tajul Nursery & Landscaping Sdn Bhd	Landscaping contractors and property investment holding	-	-	Shareholder
	Dekon Sdn Bhd	General construction works	-	-	Shareholder
	Dekon Dynamic Sdn Bhd	Dormant	-	-	Shareholder
	Sanctuary Coast Sdn Bhd	Property Development	-	-	Shareholder

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Dato' Chew Chee Kin	Decortrend Cleaning & Maintenance Services Sdn Bhd	Provision of cleaning and maintenance services	-	-	Shareholder
	Dekon Systems Sdn Bhd	Manufacturing and trading of formwork, supply and installation of formwork for the construction industry	-	-	Shareholder
	Dekon Style Sdn Bhd	Specialist contractor in renovation of commercial projects	-	-	Shareholder
	Sunway Design Sdn Bhd	Interior decorators and contractors	-	-	Shareholder
	Dekon Resources Sdn Bhd	Landscaping works, general construction works, supply and installation of modular house and logistic support for the construction industry	-	-	Shareholder
	Gopeng Berhad	Cultivation of oil palm, investment holding and property development	18.05.1998	-	Director/Shareholder
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects.	02.08.1993	-	Director
	Monash University Sunway Campus Malaysia Sdn Bhd	Provision of tertiary courses	25.05.2009	-	Director
	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	20.09.1989	-	Director



## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Sarena Cheah	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	17.09.2010	-	Director
	Sun Pharmaceutical Sdn Bhd	Importation and distribution of pharmaceutical products	09.05.2008	01.07.2010	Director
	Sunway College (KL) Sdn Bhd	Dormant	05.01.2011	-	Director
	Sungei Way-Saigon- Pilecon Engineering Company	Dormant	24.07.2002	-	Director
	Sunway Computer Services Sdn Bhd	Trading in computers and related components and providing computer services	-	-	Shareholder
	Sunway Systems (S) Pte Ltd	Internet access providers and wholesale of computer accessories	08.07.1993	-	Director
	Progressive Traders	Investment holding	21.08.2006	-	Director/Shareholder
	Sunway-TES Sdn Bhd (Alternate to Tan Sri Jeffrey Cheah)	Provision of education services and training	01.04.2009	-	Alternate Director
	Sunway College Johor Sdn Bhd	To operate commercial college and institute of higher learning	04.07.2005	-	Director
	Sungei Jaya	Investment holding	16.11.1998	-	Director/Shareholder
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd) (Alternate to Tan Sri Jeffrey Cheah)	To provide tertiary courses	01.04.2009	-	Alternate Director

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Sunway International Business & Management Sdn Bhd	Conducting training courses and providing consultancy services	18.07.2002	-	Director
	Timah Sini-Sana	Investment holding	30.10.1998	-	Director/Shareholder
	Tan Sri (Dr) Jeffrey Cheah School of Medicine Sdn Bhd	Providing education, consultancy and training services	05.08.2003	-	Director
	Active Equity	Investment holding	07.04.1997	-	Director/Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin	19.02.2003	-	Director/Shareholder
	Adasia (M) Sdn Bhd	To carry on the business of advertising consultants and agents	20.06.2001	-	Director/Shareholder
	Sungei Menderang Sdn Bhd	Investment holding	16.11.1998	-	Director/Shareholder
	Ardent Joy Sdn Bhd	Dormant	04.03.2009	-	Director/Shareholder
	Timah Dunia	Investment holding	09.12.1997	-	Director/Shareholder
	SWCSB	Property investment and investment holding	05.11.1999	-	Director/Shareholder
	Monash University Sunway Campus Malaysia Sdn Bhd (Alternate to Tan Sri Jeffrey Cheah)	Provision of tertiary courses	25.05.2009	-	Alternate Director
	Jef-San	Management services, rental of properties and investment holding	07.04.1997	-	Director

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	04.08.2010	-	Director/Shareholder
	Active Builder	Investment holding	16.12.1997	-	Director/Shareholder
	Sunway TES (East Malaysia) Sdn Bhd	To operate a commercial college	07.02.2007	-	Director
	Asian Strategy & Leadership Incorporated Sdn Bhd (Alternate to Tan Sri Jeffrey Cheah)	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	01.04.2009	-	Alternate Director
	Sunway Education Group Sdn Bhd (Alternate to Tan Sri Jeffrey Cheah)	To operate commercial college and institute of higher learning	01.04.2009	-	Alternate Director
	Timah Menderang Sdn Bhd	Investment holding	26.06.1997	-	Director/Shareholder
	Sunway College (KL) Sdn Bhd (Alternate to Tan Sri Jeffrey Cheah)	Dormant	05.01.2011	-	Alternate Director
	Sunway Systems Sdn Bhd	Trading in computer software and related business and providing after sales services	15.09.1997	-	Director
	Sunway Velocity Mall Sdn Bhd (formerly known as Glitter Performance Sdn Bhd)	Dormant	03.09.2007	-	Director/Shareholder
	Sunway SPK Homes Sdn Bhd (Alternate to Tan Sri Jeffrey Cheah)	Property development	01.04.2009	-	Alternate Director/Shareholder

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	JSSE Corporation Sdn Bhd	In members' voluntary liquidation	26.08.1998	-	Director/Shareholder
	Perusahaan Dunia Sdn Bhd	In members' voluntary liquidation	18.10.1999	-	Director/Shareholder
	Perusahaan Saladin Sdn Bhd	In members' voluntary liquidation	15.07.1998	-	Director/Shareholder
	Akinet Sdn Bhd	Trading of computer hardware, consultancy and software engineering	-	-	Shareholder
	Akisoft MSC Sdn Bhd	Advisers and consultants to electronic, business and commerce	-	-	Shareholder
	Cyber-Circulation Sdn Bhd	Dormant	-	-	Shareholder
	Etika Tanang Sdn Bhd	Investment holding	14.10.1996	-	Director/Shareholder
	Excelvagent Care Sdn Bhd	Dormant	11.10.1997	-	Director/Shareholder
	Excelvagent Production Sdn Bhd	Dormant	24.10.1996	05.02.2008	Director
	Excelvagent Education Services Sdn Bhd	Dormant	14.10.1996	-	Director/Shareholder
	EMC Global Sdn Bhd	Dormant	22.05.2001	-	Director/Shareholder
	Excelvagent Sdn Bhd	To operate and manage vocal training centre and other related business	15.10.1997	-	Director/Shareholder
	Infra-Melia Sdn Bhd	Trading in general merchandise and rendering support services	14.10.1996	-	Director/Shareholder
	Kaya Erti Sdn Bhd	Investment holding	21.01.1998	-	Director/Shareholder

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
	Sheer First Sdn Bhd	Property investment holding	14.10.1996	-	Director/Shareholder
	Viablewin (M) Sdn Bhd	General trading and investment holding	23.12.1994	-	Director/Shareholder
	Progressive Venture Sdn Bhd	Investment holding, leasing and renting of properties and provision of secretarial/management services	21.04.1997	-	Director/Shareholder
	Bendera Teliti (M) Sdn Bhd	Property and investment holding	23.12.1994	-	Director/Shareholder
	SunReit Capital Berhad (formerly known as Noble Pioneer Sdn Bhd)	Investment holding	21.03.2011	-	Director/Shareholder
Lim Swe Guan	Please refer to Appendix IV for his list of directorships and other corporate representation in businesses/corporations outside our Group. He does not have any share interest in these businesses/corporations.				
Datuk Low Seng Kuan	Pos Malaysia Berhad	Providing postal and its related services which include receiving and dispatching of postal articles, postal financial services, dealing in philatelic products and sale of postage stamps	01.07.1992	-	Director
	Microdata Corporation Sdn Bhd	Providing document imaging services	22.01.1975	-	Director/Shareholder
	Tradenex.com Sdn Bhd	Providing e-commerce services	26.06.2000	-	Director
	Malaysian Sheet Glass Sdn Bhd	Float glass manufacturing	20.01.2004	31.03.2010	Director
	Pilkington Solar Energy Glass Sdn Bhd	Solar glass manufacturing	28.02.2008	31.10.2010	Director
	FMM Institute of Manufacturing	Providing industrial training and education	12.01.1999	-	Director

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Director	Name of company	Principal activities	Date appointed as director	Date resigned as director	Position held
Wong Chin Mun	Federation of Malaysian Manufacturers	Business association	08.10.1986	-	Vice-President
	Logos Institute Berhad	Video production	18.06.2004	-	Director
	Rosettanet Malaysia Berhad	Supplying e-commerce process standards	29.01.2002	11.12.2007	Director
	Khind Holdings Berhad	Investment holding and provision of management services	19.07.2010	-	Director
	Vistage Malaysia Sdn Bhd	Chief executive officers organisation	19.04.1994	-	Chairman/Shareholder
	Vistage Penang Sdn Bhd	Chief executive officers organisation	27.11.1995	-	Chairman/Shareholder
	Vistage Asia Sdn Bhd	Provide value added services to Vistage members	14.02.2001	-	Chairman/Shareholder
	Pembinaan Dayapegas Sdn Bhd	Investment holding and providing management and consultancy services	08.05.1990	-	Director/Shareholder
	MYOB Asia Sdn Bhd	Trading in software and providing consultancy services	15.09.2000	-	Director
	Future Management Group SEA Sdn Bhd	Providing future strategic management consulting services	21.10.2002	-	Director/Shareholder
	Esthetics International Group Berhad	Investment holding	04.02.2004	22.08.2007	Director
	Federation of Malaysian Manufacturers	Business association	08.12.2010	-	Council member
	First Australian Resources N.L	Oil exploration	-	-	Shareholder

**11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)**

The involvement of our Executive Chairman and Executive Directors in other businesses set out above does not preclude them from allocating most of their time to our Group because the daily operations in those businesses are managed by the respective companies' personnel. They only attend meetings of other boards on which they serve and accordingly discharge their principal areas of responsibility as directors of those companies. They have been and have ensured that they would be able to fulfil and discharge their duties and responsibilities effectively as our Directors. As such, our Executive Chairman and Executive Directors' involvements in other businesses and operations outside of our Group are not expected to have any material effect on their contribution to our Group.

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## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (*cont'd*)

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### 11.1.4 Audit Committee

Our Audit Committee was established on 20 July 2011 and its members are appointed by our Board. Our Audit Committee shall comprise not less than 3 members. All members of the Audit Committee must be non-executive Directors, a majority of whom shall be independent Directors. In the event a member of our Audit Committee resigns, dies or for any reason ceases to be a member resulting in non-compliance with the membership of our Audit Committee, our Board must fill the vacancy within 3 months. The terms of office and performance of our Audit Committee and each of its members shall be reviewed by our Board no less than once every 3 years. However, the appointment terminates when a member ceases to be a Director.

Our Audit Committee is authorised to:

- (i) investigate any matter within its terms of reference.
- (ii) have adequate resources required to perform its duties.
- (iii) have full and unrestricted access to information, records and documents relevant to its activities.
- (iv) have direct communication channels with the external and internal auditors.
- (v) engage, consult and obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise it considers necessary.
- (vi) convene meetings with the external auditors, internal auditors or both, excluding the attendance of our other Directors and employees, whenever deemed necessary.

The primary functions and duties of our Audit Committee include the following:

- (i) to review and recommend for our Board's approval, the Internal Audit Charter which defines the independent purpose, authority, scope and responsibility of the internal audit function in our Group.
- (ii) to review the following and report to our Board:
  - (a) with the external auditors:
    - the audit plan and audit report and the extent of assistance rendered by our employees;
    - their evaluation of the system of internal controls;
    - the audit fee and on matter concerning their suitability for nomination, appointment and reappointment and the underlying reasons for resignation or dismissal as auditors;
    - the management letter and management's response; and
    - issues and reservations arising from audits.



# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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- (b) with the internal audit department:
    - the adequacy and relevance of the scope, functions, competency and resources of internal audit function and the necessary authority to carry out its work;
    - the audit plan of work programme and results of internal audit processes including recommendations and actions taken;
    - the extent of cooperation and assistance rendered by our employees; and
    - the appraisal of the performance of the internal audit function including that of the senior staff and any matter concerning their appointment and termination.
  - (c) the quarterly results and year end financial statements prior to the approval by our Board, focusing particularly on:
    - changes and implementation of major accounting policies and practices;
    - significant and unusual issues;
    - going concern assumption; and
    - compliance with accounting standards, regulatory and other legal requirements.
  - (d) the major findings of investigations and management response.
  - (e) the propriety of any related party transaction and conflict of interest situation that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity.
- (iii) to report any breaches of the Main Market LR which have not been satisfactorily resolved, to Bursa Securities.
- (iv) to prepare the Audit Committee Report for inclusion in our Annual Report covering:
  - (a) the composition of our Audit Committee including the name, designation and directorship of the members;
  - (b) the terms of reference of our Audit Committee;
  - (c) the number of meetings held and details of attendance of each member of our Audit Committee;
  - (d) a summary of the activities of our Audit Committee in the discharge of its functions and duties; and
  - (e) a summary of the activities of the internal audit function.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (*cont'd*)

- (v) to review the following for publication in our Annual Report as well as to review the Annual Report and recommend for our Board's approval:
- (a) the disclosure statement of our Board on:
- our applications of the principles set out in Part I of the Malaysian Code on Corporate Governance; and
  - the extent of compliance with the best practices set out in Part II of the Malaysian Code on Corporate Governance, specifying reasons for any area of non-compliance and the alternative measures adopted in such areas.
- (b) the statement on our Board's responsibility for the preparation of our annual audited financial statements.
- (c) the disclosure statement on the state of the internal controls system of our Group.
- (d) other disclosures forming the contents of annual report spelt out in Part A of Appendix 9C of the Main Market LR.

Our Audit Committee currently comprises the following members:

Name	Position	Date of appointment	Directorship
Datuk Low Seng Kuan	Chairman	20.07.2011	Independent Non-Executive Director
Wong Chin Mun	Member	20.07.2011	Independent Non-Executive Director
Lim Swe Guan	Member	20.07.2011	Independent Non-Executive Director

### 11.1.5 Nomination Committee

Our Nomination Committee was established on 20 July 2011 and its members are appointed by our Board. Our Nomination Committee shall comprise not less than 3 members. The majority of its members shall be independent non-executive Directors. The members of our Nomination Committee shall elect a Chairman from among their number who is not our Executive Director. In the event of any vacancy in our Nomination Committee resulting in the number of members being reduced to below 3, our Board shall, within 3 months fill the vacancy.

Our Nomination Committee is entrusted with the task of proposing new nominees for our Board and for assessing existing Directors on an on-going basis. The ultimate decision as to who shall be nominated should be the responsibility of our full Board after considering the recommendations of our Nomination Committee.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

The functions of our Nomination Committee include the following:

- (i) to determine the core competencies and skills required of our Directors to best serve the business and operations of our Group as a whole and the optimum size of our Board to reflect the desired skills and competencies.
- (ii) to review the size of non-executive Directors, our Board balance and determine if additional Directors are required and also to ensure that at least 1/3 of our Board is independent.
- (iii) to recommend to our Board on the appropriate number of Directors to comprise our Board which should fairly reflect the investments of the minority shareholders in our Company, and whether our current Board representation satisfies this requirement.
- (iv) to recommend to our Board, candidates for all directorships to be filled by the shareholders or our Board.
- (v) to consider in making its recommendations, candidates for directorships proposed by any senior management or any of our Director or shareholder.
- (vi) to recommend to our Board, our Directors or officers of our Group to fill the seats on Board Committees.
- (vii) to undertake an annual review of the required mix of skills and experience and other qualities of our Directors, including core competencies which Non-Executive Directors should bring to our Board and to disclose this in the Annual Report.
- (viii) to assist our Board to implement a procedure to be carried out by our Nomination Committee annually for assessing the effectiveness of our Board as a whole, the Committees of our Board and for assessing the contributions and performance of individual Directors and Board Committee members.
- (ix) to introduce such regulations, guidelines and/or procedures to function effectively and fulfill our Nomination Committee's objectives.

Our Nomination Committee currently comprises the following members:

Name	Position	Date of appointment	Directorship
Lim Swe Guan	Chairman	20.07.2011	Independent Non-Executive Director
Wong Chin Mun	Member	20.07.2011	Independent Non-Executive Director
Datuk Low Seng Kuan	Member	20.07.2011	Independent Non-Executive Director

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

### 11.1.6 Remuneration Committee

Our Remuneration Committee was established on 20 July 2011 and its members are appointed by our Board. Our Remuneration Committee shall comprise not less than 3 members. The majority of its members shall be our Non-Executive Directors or any person not having a relationship which, in the opinion of our Board, would interfere with the exercise of independent judgment in carrying out the functions of our Remuneration Committee. The members of our Remuneration Committee shall elect a Chairman from among their number who is not our Executive Director. In the event of any vacancy in our Remuneration Committee resulting in the number of members being reduced to below 3, our Board shall, within 3 months fill the vacancy.

The primary responsibilities of our Remuneration Committee are to ensure that our Executive Directors are fairly rewarded for their individual contributions to our overall performance and the levels of remuneration should be sufficient to attract and retain our Directors to run our Company successfully.

Our Remuneration Committee currently comprises the following members:

Name	Position	Date of appointment	Directorship
Wong Chin Mun	Chairman	20.07.2011	Independent Non-Executive Director
Tan Sri Jeffrey Cheah	Member	20.07.2011	Executive Chairman
Datuk Low Seng Kuan	Member	20.07.2011	Independent Non-Executive Director
Lim Swe Guan	Member	20.07.2011	Independent Non-Executive Director

### 11.1.7 Service contracts with Directors

As at the date of this Prospectus, there are no existing or proposed service contracts entered into between our Directors and us, save for the standard employment contracts containing the normal terms of employment.

### 11.1.8 Remuneration and material benefits-in-kind of our Directors

The aggregate remuneration and benefits-in-kind paid or proposed to be paid to our Directors for services rendered or to be rendered to us in all capacities was approximately RM8.3 million for the year ended 31 December 2010 and is forecasted to be RM11.7 million for the year ending 31 December 2011.

The remuneration of our Directors, which includes Directors' salaries, bonus, fees and allowances as well as other benefits, must be considered and recommended by the Remuneration Committee and subsequently approved by our Board. The payment of our Directors' fees must be further approved and endorsed by our shareholders at a general meeting.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

The remuneration and benefits-in-kind paid or forecasted to be paid to our Directors are as follows:

Directors	Remuneration band of our Directors	
	Year ended 31 December 2010 (RM'000)	For the year ending 31 December 2011 (Forecast) (RM'000)
Tan Sri Jeffrey Cheah	5,150 - 5,200	7,250 - 7,300
Datuk Razman M Hashim	350 - 400	350 - 400
Dato' Chew Chee Kin	2,050 - 2,100	3,100 - 3,150
Sarena Cheah	550 - 600	650 - 700
Lim Swe Guan	50 - 100	50 - 100
Datuk Low Seng Kuan	50 - 100	50 - 100
Wong Chin Mun	50 - 100	50 - 100

## 11.1.9 Amounts or benefits paid or intended to be paid or given to our Promoters, Directors and substantial shareholders

Save as disclosed below, there are no amounts or benefits paid or intended to be paid or given to any of our Promoters, Directors or substantial shareholders within the 2 years preceding the date of this Prospectus.

Promoters/Directors/Substantial shareholders	Amounts or benefits paid or intended to be paid	
	18 month period ended 31 December 2009 (RM'000)	Year ended 31 December 2010 (RM'000)
<b>Promoters/Directors/Substantial shareholders</b>		
Tan Sri Jeffrey Cheah	6,150 - 6,200	5,150 - 5,200
Sarena Cheah	600 - 650	550 - 600
<b>Promoters/Substantial shareholders</b>		
Puan Sri Susan Cheah	1,100 - 1,150	850 - 900
Evan Cheah	450 - 500	450 - 500
SWCSB	-	-
Timah Dunia	-	-
Active Equity	-	-
<b>Promoters</b>		
Active Builder	-	-
Jef-San	-	-
Progressive Traders	-	-
Timah Sini-Sana	-	-
<b>Directors</b>		
Datuk Razman M Hashim	500 - 550	350 - 400
Dato' Chew Chee Kin	2,700 - 2,750	2,050 - 2,100
Lim Swe Guan	50 - 100	50 - 100
Datuk Low Seng Kuan	50 - 100	50 - 100
Wong Chin Mun	50 - 100	50 - 100
<b>Substantial shareholder</b>		
GIC	-	-

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (*cont'd*)

### 11.2 Key management

Our key management consists of experienced personnel and is responsible for our day-to-day management and operations.

Our key management, as at the date of this Prospectus, are set out below:

<b>Name</b>	<b>Nationality</b>	<b>Age</b>	<b>Designation</b>
Dato' Tan Kia Loke	Malaysian	61	Senior Managing Director, Construction & Quarry Divisions
Kwan Foh Kwai	Malaysian	59	Managing Director, Construction Division
Ngian Siew Siong	Malaysian	59	Managing Director, International Property Development Division
Dato' Ngeow Voon Yean	Malaysian	59	Managing Director, Property Investment Division
Ho Hon Sang	Malaysian	51	Managing Director, Property Development Division
Lee Weng Keng	Malaysian	64	Executive Director, Healthcare Division
Chong Chang Choong	Malaysian	53	Chief Financial Officer
Tan Poh Chan	Malaysian	51	Deputy Chief Financial Officer
Ng Lai Ping	Malaysian	42	Deputy Chief Financial Officer
Sarena Cheah	Malaysian	37	Executive Director, Strategy & Corporate Development
Yap Chin Leong	Malaysian	55	Executive Director, Corporate Services

#### 11.2.1 Profiles of our key management

##### (i) Dato' Tan Kia Loke

**Dato' Tan Kia Loke**, aged 61, is our Senior Managing Director of Construction & Quarry Divisions.

He attained a Bachelor of Science (Hon) Degree in Civil Engineering from University of Strathclyde, United Kingdom in 1977.

In 1971, he started his career as a technical assistant in the Drainage & Irrigation Department, Malaysia. He then worked as a Design Engineer in Esa Perunding from 1978 to 1981 prior to joining Sunway Construction Sdn Bhd in 1981 as a Project Manager to spearhead the formation of the construction arm within the SunH Group.

He is a registered professional engineer with the Board of Engineers, Malaysia, a fellow of the Institute of Engineers, Malaysia and Honorary Advisor of the Master Builders Association of Malaysia. He was awarded Chief Executive Officer of the Year 2006 by the Malaysian Construction Industry Excellence Awards. He has more than 30 years' experience in the construction industry.

He is currently a Board member of the Construction Industry Development Board and The Malaysian Property Incorporated, a government company formed to promote the marketing of Malaysian properties overseas.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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### (ii) Kwan Foh Kwai

**Kwan Foh Kwai**, aged 59, is our Managing Director of Construction Division.

He graduated with a Bachelor of Engineering (Civil) (Honours) Degree from University Malaya in 1977.

He began his career as a contract engineer in 1977 with the Department of Public Works, Ministry of Works for 3 years and was attached to the East-West Highway project. In 1980, he moved to Promet Construction Sdn Bhd as its Site Manager. Following this, he joined Alam Baru Sdn Bhd, a Class "A" Contractor, as General Manager in 1984. He joined Taisei Corporation of Japan from 1986 to 1996 and his last position held was General Manager of Taisei (Malaysia) Sdn Bhd.

On 1 October 1996, he joined Sunway Construction Berhad as an Executive Director. In June 2001, he was promoted to Managing Director of Sunway Construction Berhad, which was delisted from Bursa Securities and converted to a private limited company.

He is the President of the Master Builders Association of Malaysia for 2010 to 2012. He is also a Member of the Institute of Engineers Malaysia. He has over 34 years of extensive experience working in the construction industry, both in the public and private sectors.

### (iii) Ngian Siew Siong

**Ngian Siew Siong**, aged 59, is our Managing Director of International Property Development Division.

He attained a Bachelor of Science Degree (Honours) in Civil Engineering from University of Leeds, United Kingdom in 1976.

In 1976, he started his career with the Malaysian Government as a design engineer with the Department of Irrigation and Drainage. In 1979, he was the Regional Operations Manager of MBF Holdings Bhd before joining SunCity. He joined SunCity in 1985 as a Project Manager and held various senior posts before being promoted to Executive Director in January 1996. Subsequently, he was promoted to Deputy Managing Director and Managing Director – Property Development on 1 October 2001 and 26 August 2004 respectively. He was redesignated as Managing Director – Property Development, International on 19 March 2010. In his role as managing director, he has made many positive contributions to enhance the growth and profitability of SunCity which helped reinforced the confidence of customers and shareholders.

He has also been appointed as the Chairman of Real Estate and Housing Developers' Association Selangor branch for the 2010 – 2012 term.

He has more than 30 years of experience in the property development industry.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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### (iv) **Dato' Ngeow Voon Yean**

**Dato' Ngeow Voon Yean**, aged 59, is our Managing Director of Property Investment Division.

In 1977, he obtained a Bachelor of Commerce Degree majoring in Business Studies and Economics from University of Auckland, New Zealand.

He began his career in 1977 with Landmarks Holdings Bhd, the developer owner of Sungei Wang Plaza, Regent Hotel. In 1988, he joined Metroplex Holdings Sdn Bhd, the developer of The Mall in 1988. In 1989, he moved to Singapore to join Marina Centre Holdings Pte Ltd, the developer and manager of Marina Square, a mixed-use waterfront development comprising 3 international class hotels, shopping mall and offices. He joined Suntec City Development Pte Ltd as part of the pioneering team in the development of one of Singapore's largest private mixed-use projects comprising an international convention and exhibition centre, shopping mall and 5 office towers in 1993. Currently, he manages the investment portfolio of SunCity which includes retail, commercial, hospitality, leisure and other asset management components.

He has more than 29 years of working experience in property development and investment, and management industry. He was the founder President of the Shopping and Highrise Buildings Association in both Malaysia and Singapore. He has wide experience in the development and management of mixed-use developments. He is a council member of the Malaysian Association of Hotel Owners and an Honorary Adviser to the Malaysian Association for Shopping and Highrise Complex Management.

### (v) **Ho Hon Sang**

**Ho Hon Sang**, aged 51, is our Managing Director of Property Development Division.

He obtained a Bachelor of Engineering (Honours) from University of Malaya, Malaysia in 1984.

In 1984, he started his professional career as an engineer with Esa Jurutera Perunding Sdn Bhd and he was involved in the North South Highway project. He joined United Engineers Malaysia Berhad Group of Companies from 1988 until 1994 before joining SunCity as an Assistant General Manager. He was then appointed as the Unit Profit Centre Manager and also a Board Member of Sunway Damansara Sdn Bhd, a 60% owned subsidiary of SunCity, in 1995. Subsequently, he was promoted to Chief Operating Officer – Property Development in 2005.

He has been a member of the Institution of Engineers, Malaysia since 1988 and the Board of Engineers, Malaysia since 1989. He has more than 15 years of experience in the property development industry.



# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## (vi) Lee Weng Keng

**Lee Weng Keng**, aged 64, is our Executive Director of Healthcare Division.

He graduated with a Bachelor of Economics (Honours) Degree from University of Malaya in 1974. He obtained his Masters in Business Administration from Cranfield University, United Kingdom in 1990.

In 1974, he started his career as a secondary school teacher in Sekolah Tunku Abdul Rahman, Ipoh, and subsequently gained experience in material and logistic management in UMW Corporation Sdn Bhd in 1975 before joining Texas Instruments (M) Sdn Bhd in 1977 to 1994 where he further enhanced his experience and management skills in logistic, production, operations and general business administration. He was the General Manager (M&C Operations) in Texas Instruments (M) Sdn Bhd before joining SunH.

He joined SunH as General Manager (Operations) in 1994 and was appointed Senior General Manager in 1997. He successfully achieved the turnaround of Sunway Keramo Sdn Bhd, a vitrified clay pipes business subsidiary of SunH and built it into a high quality and profitable company.

Over the years as director, he has provided the leadership for developing the business of Sunway Education Group Sdn Bhd. He was appointed Head of Sunway Group Education and Healthcare Division in 2005 and joined the Board of Directors in Sunway Medical Centre Berhad the same year.

## (vii) Chong Chang Choong

**Chong Chang Choong**, aged 53, is our Chief Financial Officer.

He graduated with a Bachelor of Arts (Honours) in Economics and Accounting from the University of Newcastle Upon Tyne, England in 1979.

In 1980, he started his career as an Article Clerk in Robson Rhodes, a chartered accountant firm in London. He returned to Malaysia in 1984 and was a Corporate Banking Officer with Bumiputera Merchant Bankers Bhd. Subsequently, he held various positions in different financial institutions, including John Hancock Life Insurance Berhad and DMG K&N Kenanga Berhad. His last position prior to joining Sunway was the General Manager - Investments of Public Mutual Berhad from 1995 to 2004. Under his guidance, Public Mutual Berhad won numerous fund management awards.

He joined SunCity as the Director of Group Corporate Affairs on 1 December 2010 and he is responsible for overseeing the corporate finance and treasury functions.

He was a member of the Institute of Chartered Accountant in England and Wales and has more than 20 years of experience in banking, stockbroking, corporate finance and portfolio fund management.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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## (viii) Tan Poh Chan

**Tan Poh Chan**, aged 51, is our Deputy Chief Financial Officer.

She attained a Bachelor of Accounting (Honours) from University of Malaya in 1984.

She has started her career at Ernst & Young in 1984. After 5 years in Ernst & Young where she was exposed to audit, taxation and financial advisory, she joined SunCity as an accountant. During her tenure, she played a key role in the expansion of SunCity from property development to property investment, leisure and hospitality, as well as the listing of SunCity in 1996 on the Main Market of Bursa Securities (formerly known as Main Board of Kuala Lumpur Stock Exchange). In 1999, she was promoted to General Manager - finance and was transferred to Sunway Construction Berhad which was taken private 5 years later by SunH, its holding company.

She was the Chief Financial Officer of the construction division of SunH since 2007 until she was appointed as the Chief Financial Officer of SunCity on 1 April 2008.

She is a member of the Malaysian Institute of Accountants and has more than 26 years of experience in financial management.

## (ix) Ng Lai Ping

**Ng Lai Ping**, aged 42, is our Deputy Chief Financial Officer.

In 1993, she started her career as Audit Assistant in Ernst & Young. Prior to joining the Sunway Group, she was the Senior Manager in the Assurance and Advisory Business Services of Ernst & Young, providing advisory, accounting and audit services for Malaysian and international clients principally involved in trading, manufacturing, property development and hospitality services for more than 10 years.

She joined Sunway Infrastructure Berhad in 2004 as Group Financial Controller. Sunway Infrastructure Berhad's principal activity was investment holding and its subsidiary company held a concession to build, operate and transfer the expressway commonly known as the Kajang SILK Highway. She subsequently assumed the role of Chief Financial Officer of Sunway Construction Sdn Bhd after the divestment of Sunway Infrastructure Berhad by SunH in 2008. She was promoted as Chief Financial Officer of SunH in 2009.

She is a fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. She has more than 17 years of experience in auditing, accounting and financial management.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

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(x) Please refer to Section 11.1.1 above for profile of **Sarena Cheah**.

(xi) **Yap Chin Leong**

**Yap Chin Leong**, aged 55, is our Executive Director of Corporate Services.

He attained a Bachelor of Science Degree in Mechanical Engineering from University of Leeds in 1978 and a Masters in Management from Imperial College, London in 1979.

In 1979, he started his career as a Remittance Officer in Hong Kong & Shanghai Bank and left in 1982 to join Sunway Group.

In Sunway Group, he started his career in the Corporate Planning Division. In that Division, he served as the Profit Centre Manager for the concrete, quarry and piling businesses of SunH from 1989, 1994 and 1999 respectively. During his tenure at the concrete company, Sun-Mix Concrete Sdn Bhd, he also served as Chairman of the National Ready-mixed Concrete Association of Malaysia. Under his helm, Sun-Mix Concrete Sdn Bhd became the first in the ready-mixed industry to obtain ISO 9002 certification.

His vast experience enabled him to lead the Human Resources function for Sunway Group, which earned 6th place for the Asia Pacific Region Top Companies for Leaders 2007 global survey (conducted by Hewitt Associates in collaboration with Fortune magazine and the RBL Group). He has been invited to speak at various conferences and seminars on topics relating to human resources, talent management and development and succession planning.

He has more than 28 years of experience with Sunway Group covering the areas of corporate planning, finance, information technology and human resources.

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# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## 11.2.2 Our key management's shareholding

The shareholdings of our key management as at the LPD and after the Issuance are as follows:

Key management	As at the LPD			After the Issuance <sup>^</sup>		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%		No. of Shares	%	
Dato' Tan Kia Loke	-	-	-	1,667,962	0.13	-
Kwan Foh Kwai	-	-	-	714,124	0.06	400,141 <sup>(1)</sup>
Ngian Siew Siong	-	-	-	50,059	*	63,260 <sup>(1)</sup>
Dato' Ngeow Voon Yean	-	-	-	473,999	0.04	-
Ho Hon Sang	-	-	-	-	-	-
Lee Weng Keng	-	-	-	-	-	-
Chong Chang Choong	-	-	-	126,428	0.01	-
Tan Poh Chan	-	-	-	206,142	0.02	350,013 <sup>(1)</sup>
Ng Lai Ping	-	-	-	-	-	-
Sarena Cheah	-	-	2 <sup>(2)</sup>	432,956	0.03	614,607,963 <sup>(3)</sup>
Yap Chin Leong	-	-	-	371,428	0.03	4,422 <sup>(1)</sup>

### Notes:

<sup>^</sup> Computed based on their respective securities holdings in SunCity and/or SunH as at 27 July 2011 (after taking into consideration the conversion of convertible securities in SunCity and/or SunH on 27 July 2011) over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion.

(1) Deemed interest by virtue of Section 6A of the Act held through spouse.

(2) Deemed interest by virtue of Section 6A of the Act held through Active Equity, Timah Dunia and SWCSB.

(3) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and parent. Negligible.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## 11.2.3 Service contracts of our key management

As at the date of this Prospectus, there are no existing or proposed service contracts between our key management personnel and us save for the standard employment contracts containing the normal terms of employment.

## 11.2.4 Involvement of our key management in other businesses/corporations

Save as disclosed below, none of our key management is involved in other businesses or corporations.

Key management	Name of company	Principal activities	Position held
Dato' Tan Kia Loke	TKL Enterprise Sdn Bhd	Investment holding	Director/Shareholder
	Malaysian South-South Corporation Berhad	Investment	Director
Ngian Siew Siong	Sungei Way-Saigon Pilecon Engineering Company	Dormant	Director
	Sunway SPK Homes Sdn Bhd	Property development	Director
	Usamaju Sdn Bhd (In members' voluntary winding-up)	Dormant	Director
	Sunway Opus International Private Limited	Property development	Director
	Sunway MAK International Private Limited	Property development	Director
	Sunway Cana City Development Limited	Property development	Director
Dato' Ngeow Voon Yean	Pyramid Bowl Sdn Bhd	Bowling alley operator	Director
	Sunway Velocity Mall Sdn Bhd (formerly known as Glitter Performance Sdn Bhd)	Dormant	Director
Ho Hon Sang	Aktif-Sunway Sdn Bhd	Dormant	Director
	Sunway Opus International Private Limited	Property development	Director
	Sunway MAK International Private Limited	Property development	Director

11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Key management	Name of company	Principal activities	Position held
Tan Poh Chan	Sunway Velocity Mall Sdn Bhd (formerly known as Glitter Performance Sdn Bhd)	Dormant	Director
	Sunway Cana City Development Limited	Property development	Director

The involvement of our key management in other businesses set out above does not preclude them from allocating most of their time to our Group because the daily operations in those businesses are managed by the respective companies' personnel. They only attend meetings of other boards on which they serve and accordingly discharge their principal areas of responsibility as directors of those companies. They have been and have ensured that they would be able to fulfil and discharge their duties and responsibilities effectively as our key management. As such, our key management's involvements in other businesses and operations outside of our Group are not expected to have any material effect on their contribution to our Group.

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## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (*cont'd*)

### 11.3 Promoters

#### 11.3.1 Promoters

Our Promoters are Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah, Evan Cheah, SWCSB, Timah Dunia, Active Equity, Active Builder, Jef-San, Progressive Traders and Timah Sini-Sana. Promoters are defined by the Equity Guidelines to include a controlling shareholder, a person connected with a controlling shareholder and an Executive Director who is our substantial shareholder.

The profile of Tan Sri Jeffrey Cheah, who is also our Director and substantial shareholder, is set out in Section 11.1.1 above. The profile of Sarena Cheah, who is also our Director, substantial shareholder and key management, is set out in Section 11.1.1 above. The information on our other Promoters, being Puan Sri Susan Cheah, Evan Cheah, SWCSB, Timah Dunia, Active Equity, Active Builder, Jef-San, Progressive Traders and Timah Sini-Sana are as follows:

##### (i) **Puan Sri Susan Cheah**

**Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng**, aged 67, is our substantial shareholder and Promoter.

In 1970, she graduated with Bachelor Degree in Commerce from Victoria University, Australia. She started her career in Sunway Group in 1974.

She holds professional qualifications of Chartered Accountant from Malaysian Institute of Accountants, Fellow Certified Practising Accountant, Fellow Company Certified Secretary from Malaysian Association of Company Secretaries and Fellow Professional National Accountant from National Institute of Accountants. On 21 February 2004, she was conferred with an Honorary Doctorate Degree by Victoria University, Australia. In 2005, she received The Paul Harris Fellowship Award from Rotary International and Asia HRD Congress Award (contribution to the society). In 2009, she received The Outstanding Women Award from Federation of Hokkien Association. In 2010, she was honoured with the prestigious "Most Outstanding ASEAN Women of Achievement Award 2010" from Malaysia Women's Career Building Association by the Prime Minister's wife, YBhg Datin Paduka Seri Rosmah Mansor.

She is actively involved in various associations holding the following positions:

1. President of the Wanita Federation of Hakka Association of Malaysia;
2. Director of Malaysian Australian Foundation;
3. Committee member of National Association of Women Entrepreneurs of Malaysia;
4. Honorary President of Malaysia Women's Career Building Association;
5. President of Pure Love True Family Malaysia for World Peace; and
6. Adviser of Women for World Peace Malaysia.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## (ii) Evan Cheah

**Evan Cheah Yean Shin**, aged 32, is our substantial shareholder and Promoter.

In 2001, he obtained a Bachelors Degree in Commerce and a Bachelors Degree in Business Systems from Monash University. In the same year, he started his career in the corporate finance division of Sunway Group.

He is currently the Chief Executive Officer, China of SunH Group. He is responsible for the China Corporate Office as well as the development of new business opportunities in China for SunH Group.

In the past 10 years, he has assumed positions in the trading, construction and group finance divisions of SunH with roles in investment analysis and due diligence, corporate finance, management accounting and group procurement. He is a Chartered Financial Analyst Charterholder, a Certified Practising Accountant and a member of the Malaysian Institute of Accountants.

## (iii) SWCSB

SWCSB is our Promoter and substantial shareholder. It was incorporated as a private company in Malaysia under the Act on 9 April 1974. The authorised share capital of SWCSB is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each, of which RM10,000,000, comprising 10,000,000 ordinary shares of RM1.00 each are issued and paid-up.

The principal activities of SWCSB are property investment and investment holding.

As at the LPD, the substantial shareholders of SWCSB and their respective shareholdings are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Jef-San	1,285,715	12.86	-	-
Progressive Traders	1,400,000	14.00	-	-
Sungei Jaya	1,142,857	11.43	-	-
Sungei Menderang Sdn Bhd	1,314,286	13.14	-	-
Timah Dunia	2,000,000	20.00	-	-
Timah Menderang Sdn Bhd	1,428,571	14.29	-	-
Active Builder	1,428,571	14.29	-	-
Active Equity	-	-	7,285,714 <sup>(1)</sup>	72.86 <sup>(1)</sup>
Tan Sri Jeffrey Cheah	-	-	10,000,000 <sup>(2)</sup>	100 <sup>(2)</sup>
Puan Sri Susan Cheah	-	-	10,000,000 <sup>(3)</sup>	100 <sup>(3)</sup>
Sarena Cheah	-	-	10,000,000 <sup>(4)</sup>	100 <sup>(4)</sup>
Evan Cheah	-	-	10,000,000 <sup>(5)</sup>	100 <sup>(5)</sup>



# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## Notes:

- (1) Deemed interest by virtue of Section 6A of the Act held through Progressive Traders, Sungei Jaya, Sungei Menderang Sdn Bhd, Timah Dunia and Timah Menderang Sdn Bhd.
- (2) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Jef-San, Progressive Traders, Sungei Jaya, Sungei Menderang Sdn Bhd, Timah Dunia and Timah Menderang Sdn Bhd.
- (3) Deemed interest by virtue of Section 6A of the Act held through Jef-San and by virtue of her spouse's and daughter's interests in Active Builder, Progressive Traders, Sungei Jaya, Sungei Menderang Sdn Bhd, Timah Dunia and Timah Menderang Sdn Bhd as well as her son's interests in Progressive Traders, Sungei Jaya, Sungei Menderang Sdn Bhd, Timah Dunia and Timah Menderang Sdn Bhd.
- (4) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Progressive Traders, Sungei Jaya, Sungei Menderang Sdn Bhd, Timah Dunia and Timah Menderang Sdn Bhd and by virtue of her parents' interests in Jef-San.
- (5) Deemed interest by virtue of Section 6A of the Act through Progressive Traders, Sungei Jaya, Sungei Menderang Sdn Bhd, Timah Dunia and Timah Menderang Sdn Bhd and by virtue of his parents' interests in Jef-San as well as his father's interest in Active Builder.

## (iv) Timah Dunia

Timah Dunia is our Promoter and substantial shareholder. It was incorporated as a private company in Malaysia under the Act on 2 April 1980. The authorised share capital of Timah Dunia is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, of which RM500,000, comprising 500,000 ordinary shares of RM1.00 each are issued and paid-up.

The principal activity of Timah Dunia is investment holding.

As at the LPD, the substantial shareholders of Timah Dunia and their respective shareholdings are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Active Equity	500,000	100	-	-
Tan Sri Jeffrey Cheah	-	-	500,000 <sup>(1)</sup>	100 <sup>(1)</sup>
Sarena Cheah	-	-	500,000 <sup>(1)</sup>	100 <sup>(1)</sup>
Evan Cheah	-	-	500,000 <sup>(1)</sup>	100 <sup>(1)</sup>

## Note:

- (1) Deemed interest by virtue of Section 6A of the Act held through Active Equity.

## (v) Active Equity

Active Equity is our Promoter and substantial shareholder. It was incorporated as a private company in Malaysia under the Act on 5 November 1982. The authorised share capital of Active Equity is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM127,500, comprising 127,500 ordinary shares of RM1.00 each are issued and paid-up.

The principal activity of Active Equity is investment holding.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

As at the LPD, the substantial shareholders of Active Equity and their respective shareholdings are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Tan Sri Jeffrey Cheah	102,000	80	25,500 <sup>(1)</sup>	20 <sup>(1)</sup>
Sarena Cheah	12,750	10	102,000 <sup>(2)</sup>	80 <sup>(2)</sup>
Evan Cheah	12,750	10	102,000 <sup>(2)</sup>	80 <sup>(2)</sup>

**Notes:**

(1) Deemed interest by virtue of Section 6A of the Act held through children.

(2) Deemed interest by virtue of Section 6A of the Act held through parent.

## (vi) Active Builder

Active Builder is our Promoter and shareholder. It was incorporated as a private company in Malaysia under the Act on 16 December 1983. The authorised share capital of Active Builder is RM3,000,000 comprising 3,000,000 ordinary shares of RM1.00 each, of which RM1,198,602, comprising 1,198,602 ordinary shares of RM1.00 each are issued and paid-up.

The principal activity of Active Builder is investment holding.

As at the LPD, the substantial shareholders of Active Builder and their respective shareholdings are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Tan Sri Jeffrey Cheah	1,198,600	99.99	2 <sup>(1)</sup>	0.01 <sup>(1)</sup>
Sarena Cheah	2	0.01	1,198,600 <sup>(2)</sup>	99.99 <sup>(2)</sup>

**Notes:**

(1) Deemed interest by virtue of Section 6A of the Act held through child.

(2) Deemed interest by virtue of Section 6A of the Act held through parent.

## (vii) Jef-San

Jef-San is our Promoter and shareholder. It was incorporated as a private company in Malaysia under the Act on 11 July 1975. The authorised share capital of Jef-San is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM100,000, comprising 100,000 ordinary shares of RM1.00 each are issued and paid-up.

The principal activities of Jef-San are management services, rental of properties and investment holding.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

As at the LPD, the substantial shareholders of Jef-San and their respective shareholdings are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Tan Sri Jeffrey Cheah	60,000	60	40,000 <sup>(1)</sup>	40 <sup>(1)</sup>
Puan Sri Susan Cheah	40,000	40	60,000 <sup>(1)</sup>	60 <sup>(1)</sup>

**Note:**

(1) Deemed interest by virtue of Section 6A of the Act held through spouse.

## (viii) Progressive Traders

Progressive Traders is our Promoter and shareholder. It was incorporated as a private company in Malaysia under the Act on 22 July 1980. The authorised share capital of Progressive Traders is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM1,000,000, comprising 1,000,000 ordinary shares of RM1.00 each are issued and paid-up.

The principal activity of Progressive Traders is investment holding.

As at the LPD, the substantial shareholders of Progressive Traders and their respective shareholdings are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Active Equity	1,000,000	100	-	-
Tan Sri Jeffrey Cheah	-	-	1,000,000 <sup>(1)</sup>	100 <sup>(1)</sup>
Sarena Cheah	-	-	1,000,000 <sup>(1)</sup>	100 <sup>(1)</sup>
Evan Cheah	-	-	1,000,000 <sup>(1)</sup>	100 <sup>(1)</sup>

**Note:**

(1) Deemed interest by virtue of Section 6A of the Act held through Active Equity.

## (ix) Timah Sini-Sana

Timah Sini-Sana is our Promoter and shareholder. It was incorporated as a private company in Malaysia under the Act on 4 January 1980. The authorised share capital of Timah Sini-Sana is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM100,000, comprising 100,000 ordinary shares of RM1.00 each are issued and paid-up.

The principal activity of Timah Sini-Sana is investment holding.

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

As at the LPD, the substantial shareholders of Timah Sini-Sana and their respective shareholdings are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
SWCSB	100,000	100	-	-
Timah Dunia	-	-	100,000 <sup>(1)</sup>	100 <sup>(1)</sup>
Active Equity	-	-	100,000 <sup>(2)</sup>	100 <sup>(2)</sup>
Tan Sri Jeffrey Cheah	-	-	100,000 <sup>(3)</sup>	100 <sup>(3)</sup>
Sarena Cheah	-	-	100,000 <sup>(3)</sup>	100 <sup>(3)</sup>
Evan Cheah	-	-	100,000 <sup>(3)</sup>	100 <sup>(3)</sup>

**Notes:**

(1) Deemed interest by virtue of Section 6A of the Act held through SWCSB.

(2) Deemed interest by virtue of Section 6A of the Act held through Timah Dunia and SWCSB.

(3) Deemed interest by virtue of Section 6A of the Act held through Active Equity.

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## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## 11.3.2 Our Promoters' shareholdings

The shareholdings of Tan Sri Jeffrey Cheah, as at the LPD and after the Issuance are set out in Section 11.1.2 of this Prospectus. The shareholdings of our other Promoters, namely, Puan Sri Susan Cheah, Sarena Cheah, Evan Cheah, SWCSB, Timah Dunia, Active Equity, Active Builder, Jef-San, Progressive Traders and Timah Sini-Sana are as follows:

	As at the LPD			After the Issuance ^				
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Puan Sri Susan Cheah	-	-	2 <sup>(1)</sup>	100.00 <sup>(1)</sup>	-	-	615,141,687 <sup>(2)</sup>	47.59 <sup>(2)</sup>
Sarena Cheah	-	-	2 <sup>(3)</sup>	100.00 <sup>(3)</sup>	432,956	0.03	614,607,963 <sup>(4)</sup>	47.55 <sup>(4)</sup>
Evan Cheah	-	-	2 <sup>(3)</sup>	100.00 <sup>(3)</sup>	100,768	0.01	614,607,963 <sup>(5)</sup>	47.55 <sup>(5)</sup>
SWCSB	2	100.00	-	-	497,478,165	38.49	7,596,681 <sup>(6)</sup>	0.59 <sup>(6)</sup>
Timah Dunia	-	-	2 <sup>(7)</sup>	100.00 <sup>(7)</sup>	-	-	505,074,846 <sup>(8)</sup>	39.08 <sup>(8)</sup>
Active Equity	-	-	2 <sup>(9)</sup>	100.00 <sup>(9)</sup>	6,960,118	0.54	516,671,502 <sup>(10)</sup>	39.97 <sup>(10)</sup>
Active Builder	-	-	-	-	18,249,155	1.41	-	-
Jef-San	-	-	-	-	23,024,379	1.78	-	-
Progressive Traders	-	-	-	-	11,596,656	0.90	-	-
Timah Sini-Sana	-	-	-	-	7,596,681	0.59	-	-

## Notes:

<sup>^</sup> Computed based on their respective securities holdings in SunCity and/or SunH as at 27 July 2011 (after taking into consideration the conversion of convertible securities in SunCity and/or SunH on 27 July 2011) over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion.

(1) Deemed interest by virtue of Section 6A of the Act held through Jef-San, SWCSB, Timah Sini-Sana, spouse and children.

(2) Deemed interest by virtue of Section 6A of the Act held through Active Equity, Timah Dunia and SWCSB.

(3) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and parent.

(4) Deemed interest by virtue of Section 6A of the Act held through Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and parent.

(5) Deemed interest by virtue of Section 6A of the Act held through Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and parent.

(6) Deemed interest by virtue of Section 6A of the Act held through Timah Sini-Sana.

(7) Deemed interest by virtue of Section 6A of the Act held through SWCSB.

(8) Deemed interest by virtue of Section 6A of the Act held through Timah Dunia and Timah Sini-Sana.

(9) Deemed interest by virtue of Section 6A of the Act held through Timah Dunia and SWCSB.

(10) Deemed interest by virtue of Section 6A of the Act held through Progressive Traders, Timah Dunia, SWCSB and Timah Sini-Sana.

**11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)**

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**11.4 Substantial shareholders****11.4.1 Substantial shareholders**

Our current substantial shareholders are Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah, Evan Cheah, SWCSB, Timah Dunia, Active Equity and GIC.

The profile of Tan Sri Jeffrey Cheah who is also our Director and Promoter, is set out in Section 11.1.1 above. The profile of Sarena Cheah, who is also our Director, Promoter and key management, is set out in Section 11.1.1 above. The profiles of Puan Sri Susan Cheah, Evan Cheah, SWCSB, Timah Dunia and Active Equity, who are also our Promoters, are set out in Section 11.3.1 of this Prospectus.

The information on our other substantial shareholder, namely GIC, is as follows:

**(i) GIC**

Government of Singapore Investment Corporation Pte Ltd is our substantial shareholder. GIC was incorporated in 1981 under the Singapore Companies Act and is wholly owned by the Government of Singapore. GIC is responsible to preserve and enhance Singapore's foreign reserves. Its portfolio includes investments in public equities, private equity, fixed income, real estate, infrastructure, marketable alternatives and natural resources. Its headquarters is in Singapore with offices in South Korea, United Kingdom, United States, Japan, India and China.

(Source: [www.gic.com.sg](http://www.gic.com.sg))

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# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## 11.4.2 Substantial shareholders' shareholdings

The shareholdings of Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah, Evan Cheah, SWCSB, Timah Dunia and Active Equity as at the LPD and after the Issuance are set out in Section 11.3.2 of this Prospectus. The shareholdings of our other substantial shareholder, namely GIC, as at the LPD and after the Issuance are set out as follows:

	As at the LPD			After the Issuance ^		
	Direct	Indirect		Direct	Indirect	
	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares
GIC	-	-	-	157,999,999	12.22	-

Note:

^ Computed based on its securities holdings in SunCity as at 27 July 2011 (after taking into consideration the conversion of convertible securities in SunCity on 27 July 2011) over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion.

Save as set out in Sections 11.1.2, 11.2.2 and 11.4.2 of this Prospectus, we are not aware of any other person who directly or indirectly, jointly or severally, exercises control over us.

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# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

## 11.5 Changes in the Promoters' and substantial shareholders' shareholdings in our Company since incorporation up to the Issuance

The changes in the shareholdings of our Promoters and substantial shareholders since incorporation up to the Issuance are set out below. There have been no changes in their shareholdings from the Issuance to the Listing.

Promoters and substantial shareholders	As at incorporation on 10 November 2010				After the Issuance ^			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Zatizam binti Zahari	1	50.00	-	-	-	-	-	-
Zalifah binti Kadis	1	50.00	-	-	-	-	-	-
Tan Sri Jeffrey Cheah	-	-	-	-	49,702,809	3.85	565,438,878 <sup>(1)</sup>	43.75 <sup>(1)</sup>
Puan Sri Susan Cheah	-	-	-	-	-	-	615,141,687 <sup>(2)</sup>	47.59 <sup>(2)</sup>
Sarena Cheah	-	-	-	-	432,956	0.03	614,607,963 <sup>(3)</sup>	47.55 <sup>(3)</sup>
Evan Cheah	-	-	-	-	100,768	0.01	614,607,963 <sup>(4)</sup>	47.55 <sup>(4)</sup>
SWCSB	-	-	-	-	497,478,165	38.49	7,596,681 <sup>(5)</sup>	0.59 <sup>(5)</sup>
Timah Dunia	-	-	-	-	-	-	505,074,846 <sup>(6)</sup>	39.08 <sup>(6)</sup>
Active Equity	-	-	-	-	6,960,118	0.54	516,671,502 <sup>(7)</sup>	39.97 <sup>(7)</sup>
GIC	-	-	-	-	157,999,999	12.22	-	-
Active Builder	-	-	-	-	18,249,155	1.41	-	-
Jef-San	-	-	-	-	23,024,379	1.78	-	-
Progressive Traders	-	-	-	-	11,596,656	0.90	-	-
Timah Sini-Sana	-	-	-	-	7,596,681	0.59	-	-



11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTERS AND SUBSTANTIAL SHAREHOLDERS (cont'd)

Notes:

- ^ Computed based on their respective securities holdings in SunCity and/or SunH as at 27 July 2011 (after taking into consideration the conversion of convertible securities in SunCity and/or SunH on 27 July 2011) over 1,292,505,004 Shares, which is our enlarged number of shares issued after Completion.
- (1) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Jef-San, Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and children.
- (2) Deemed interest by virtue of Section 6A of the Act held through Jef-San, SWCSB, Timah Sini-Sana, spouse and children.
- (3) Deemed interest by virtue of Section 6A of the Act held through Active Builder, Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and parent.
- (4) Deemed interest by virtue of Section 6A of the Act held through Active Equity, Timah Dunia, Progressive Traders, SWCSB, Timah Sini-Sana and parent.
- (5) Deemed interest by virtue of Section 6A of the Act held through Timah Sini-Sana.
- (6) Deemed interest by virtue of Section 6A of the Act held through SWCSB and Timah Sini-Sana.
- (7) Deemed interest by virtue of Section 6A of the Act held through Progressive Traders, Timah Dunia, SWCSB and Timah Sini-Sana.

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# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (cont'd)

## 11.6 Relationships or associations between our Directors, key management, substantial shareholders and Promoters

Save as disclosed below, there are no family relationships or associations between our Directors, key management, substantial shareholders and Promoters:

Name	Relationship/Association
Tan Sri Jeffrey Cheah	Tan Sri Jeffrey Cheah, our Director, substantial shareholder and Promoter, is the father to Sarena Cheah and Evan Cheah, who are both our Promoters and substantial shareholders.
Puan Sri Susan Cheah	Puan Sri Susan Cheah, our substantial shareholder and Promoter, is the spouse of Tan Sri Jeffrey Cheah. She is the mother to Sarena Cheah and Evan Cheah, who are both our Promoters and substantial shareholders.
Sarena Cheah	Sarena Cheah, our Director, substantial shareholder, Promoter and key management, is the child of Tan Sri Jeffrey Cheah and Puan Sri Susan Cheah. She is the sister to Evan Cheah, who is our substantial shareholder and Promoter.
Evan Cheah	Evan Cheah, our substantial shareholder and Promoter, is the child of Tan Sri Jeffrey Cheah and Puan Sri Susan Cheah. He is the brother to Sarena Cheah, who is our Director, substantial shareholder, Promoter and key management.
SWCSB	A company controlled or owned by Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah and Evan Cheah.
Timah Dunia	A company controlled or owned by Tan Sri Jeffrey Cheah, Sarena Cheah and Evan Cheah.
Active Equity	A company controlled or owned by Tan Sri Jeffrey Cheah, Sarena Cheah and Evan Cheah.
Active Builder	A company controlled or owned by Tan Sri Jeffrey Cheah and Sarena Cheah.
Jef-San	A company controlled or owned by Tan Sri Jeffrey Cheah and Puan Sri Susan Cheah.
Progressive Traders	A company controlled or owned by Active Equity, which is in turn controlled or owned by Tan Sri Jeffrey Cheah, Sarena Cheah and Evan Cheah.
Timah Sini-Sana	A company controlled or owned by SWCSB, which is in turn controlled or owned by Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah and Evan Cheah.

## 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (*cont'd*)

### 11.7 Declaration by our Directors, key management and Promoters

As at the LPD, none of our Directors, key management or Promoters is or has been involved in the following events (whether in or outside Malaysia):

- (i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a Director or key personnel;
- (ii) disqualified from acting as a director of any corporation or from taking part, directly or indirectly, in the management of any corporation;
- (iii) charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) any judgment was entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (v) the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity.

### 11.8 Employees

Our total workforce for the past 3 financial years/period ended 31 December 2010 and as at the LPD is as follows:

Business divisions	Year ended 30 June 2008	18 month period ended 31 December 2009	Year ended 31 December 2010
Property	750	1,040	1,503
Construction	1,043	1,213	995
Others	5,184	5,530	4,939
<b>Total</b>	<b>6,977</b>	<b>7,783</b>	<b>7,437</b>

Our number of employees has decreased by 4.4%, mainly due to the disposal of a subsidiary, Sun Pharmaceutical Sdn Bhd, which had been trading in pharmaceutical products, the completion of construction projects overseas and the outsourcing of our ready mixed concrete business in Vietnam and certain low value jobs at our Malaysian building materials manufacturing plants to sub-contractors.

As at the LPD, the total number of our employees broken down by their job scope, years in service and whether they are employed as a full time or contractual staff are as follows:

Category of employees	No. of employees			Total
	Less than 1 year	1 to 5 years	More than 5 years	
Management and professional	145	282	430	857
Engineer and executive	522	914	493	1,929
Supervisory	87	243	419	749
Technician and Research and Development	87	160	144	391
Administration and clerical	266	407	223	896
General Workers	680	1,280	655	2,651
<b>Total</b>	<b>1,787</b>	<b>3,286</b>	<b>2,364</b>	<b>7,437</b>

# 11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (cont'd)

Category of employees	No. of employees		
	Contractual	Non-Contractual	Total
Management and professional	86	771	857
Engineer and executive	112	1,817	1,929
Supervisory	106	643	749
Technician and Research and Development	36	355	391
Administration and clerical	151	745	896
General Workers	964	1,651	2,651
<b>Total</b>	<b>1,455</b>	<b>5,982</b>	<b>7,437</b>

As at the LPD, we have employees in the following countries:

Country	No. of employees
Malaysia	5,359
China	1,009
Vietnam	391
Singapore	133
India	23
Cambodia	156
Abu Dhabi	149
Indonesia	99
Thailand	46
Australia	72
<b>Total</b>	<b>7,437</b>

Based on the table above, 24.0% of the employees have less than a year's tenure with our Group. 44.2% of our employees have been with our Group for an average of between 1 and 5 years, while 31.8% of our employees have more than 5 years of service with us. Non-contractual employees form 80.4% of our total workforce with the remaining 19.6% being contractual employees.

We have implemented an integrated human capital organisational development ("OD") approach which encompasses the identification (external and internal), development and retention of our competent human capital. We integrated OD approach which encompasses performance management, talent management, succession planning and, learning and development. Strong leadership in our organisation is pivotal to drive the human capital development approach.

One of our core values is "excellence". The Managing for Excellence ("MFE") process i.e. a homegrown performance management process sets the platform for driving excellence in the performance of all our employees. Using MFE, performance expectations are agreed and our managers are responsible to move the performance bar continuously, thereby ensuring standards are raised to move us forward. The performance management is the core of many other human capital management processes as the derived performance rating of an employee is used for reward and recognition, promotion, talent development, succession planning, etc. Throughout the year, our managers are trained to provide coaching and feedback to engage our employees to deliver their best.

**11. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (cont'd)**

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We recognise that our employees across our Group are talents of many facets. By reviewing our employees' leadership and performance contribution, we have a more focused approach in managing the different types of talent in the organisation. The annual talent review assists us in having a better perspective of our bench strength by individual business units, functional areas, and etc. Since its implementation in 2009, our leadership views this exercise seriously and urges our managers to review the talents as rigorously as how they would review their business performance and results. Talents of greater potential are identified to be developed to assume greater roles and this facilitates the succession planning across our Group. The readiness of the talents to assume greater role are determined to help manage the risk mitigation as part and parcel of management responsibility to ensure business continuity if and when the unlikelihood occurs. There is a structured process in place for succession planning across our Group which is conducted along with our annual talent review.

Sizeable investments are put in to develop our employees in areas of technical, soft and leadership skills. Development of human capital is not done just through training but through a blended learning approach which include learning by doing, reading, coaching, mentoring, etc. In line with the nation call to cultivate a reading habit, our Human Resource Centre aims to do the same by offering books, CDs, DVDs and magazines of various subjects to our employees.

Other blended development approaches to name a few are project management, cross-functional taskforce, short term assignment and job rotation. Our diversified businesses offer wholesome development opportunities to our employees. One recent initiative taken by us was to partner with Sunway University and Lancaster University Management School, to design and deliver locally a management programme for our managers to hone their management skills.

The mentoring programme on the other hand, is targeted at high potential and identified successors. These groups of employees are put through a regime of training and development programmes to equip them with essential skills for future management and leadership positions. Our Mentoring Programme complimented with executive coaching are some of those offerings targeted at these groups of employee to develop them further through transfer of tacit knowledge and experience by our more experienced senior management team members and external coaches.

Our management enjoys good working relationships with our employees and none of our employees belong to any unions. As at the LPD, we have not been involved in any material industrial disputes which have materially adversely affected our operations.

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## 12. APPROVALS AND CONDITIONS

### 12.1 Approvals and conditions

The shareholders of SunCity and SunH have, at their EGMs held on 15 June 2011 respectively approved the disposal of the SunCity Business, the disposal of the SunH Business, the Capital Reduction and Repayment and the ESOS Termination. The holders of the SunCity warrants and the SunH warrants have at their respective Warrant holders meetings held on 15 June 2011 respectively approved their respective Warrant Scheme. All the ESOS Options Holders have granted their written consents to the ESOS Termination.

In addition, the relevant authorities or bodies have given their approval for the Acquisition, the Capital Reduction, the Warrant Scheme, our Issuance and our Listing which are subject to the conditions set out below and the status of compliance with these conditions are also set out below as follows:

#### (i) SC

- (a) The SC has, in its letter dated 16 May 2011, approved the Acquisition resulting in a significant change in business directions or policy of both SunCity and SunH, under Section 212(2)(f) of the CMSA, the distribution by SunCity and SunH of its assets other than cash, under Section 212(2)(e) of the CMSA, transfer of the listing status from either SunCity or SunH to Sunway and the issuance of shares by SunCity and SunH to us, according to the terms set out in the said letter and subject to compliance with the following conditions:

Details of conditions imposed	Status of compliance
(a) CIMB, RHB Investment Bank, Sunway and the Target Companies should fully comply with the requirements of the Equity Guidelines and Prospectus Guidelines – Equity and Debt pertaining to the implementation of the proposal; and	Noted.
(b) CIMB, RHB Investment Bank and Sunway to obtain the SC's approval for the Bumiputera equity in Sunway under the Equity Requirement For Public Companies	Approval obtained from the SC vide its letter dated 17 June 2011, as detailed under item (b) below.

Our Promoters are not subject to a moratorium on their respective shareholding and warrantholding in our Company.

- (b) The SC has, in its letter dated 17 June 2011, approved our resulting equity structure on our Listing under the Equity Requirements For Public Companies, subject to the following conditions:

Details of conditions imposed	Status of compliance
(a) Sunway to top up its Bumiputera equity interest by 6.68% to 12.5% of its new enlarged issued and paid-up share capital to Bumiputera investors approved by the Ministry of International Trade and Industry within one (1) year after the issuance of Sunway's audited results following the completion of the Acquisition and Listing.	Noted. Sunway had on 19 July 2011 submitted an application to waive the requirement to increase its Bumiputera equity interest by 6.68% to 12.5% of its new enlarged issued and paid-up share capital.

12. APPROVALS AND CONDITIONS (*cont'd*)

- (c) The SC, has via its letter dated 9 March 2011, approved our request for waivers from complying with certain requirements of the Prospectus Guidelines, as set out below:

Reference to the Prospectus Guidelines	Details of waivers and conditions of approval	Status of compliance and reference
Paragraphs 12.02, 12.10, 12.15 and 12.16 of the Prospectus – Equity and Debt	Approved, subject to:	
(a) Relief from disclosure of historical financial information of SunCity and SunH, and proforma financial information of Sunway for the financial year ended 30 June 2007 in the registrable prospectus to be submitted with the application; and	(a) The draft audited financial statements for the financial year ended 31 December as well as the Management's discussion and analysis on the said statements are submitted to the SC before the SC makes a decision on the proposal;	Complied. The final audited financial statements and the Management's discussion and analysis on the said statements were submitted to the SC on 6 May 2011.
(b) Relief from disclosure of interim audited financial statements of SunCity and SunH in the registrable prospectus to be submitted together with the application.	(b) The final audited financial statements and the updated prospectus based on the said statements should be submitted two weeks prior to the confirmation of registration of the prospectus; and	
Sunway proposes to prepare the proforma financial information in the registrable prospectus at the point of submission of the application to the SC based on:	(c) Material deviations, if any, between the draft financial statements and the final audited financial statements are highlighted and clarified to the SC.	
(a) The audited financial statements for the financial year ended 30 June 2008 and 18-month financial period ended 31 December 2009; and		
(b) The unaudited management results for the 9-month financial period ended 30 September for the purposes of review of the application by the SC.		

## 12. APPROVALS AND CONDITIONS (cont'd)

Reference to the Prospectus Guidelines	Details of waivers and conditions of approval	Status of compliance and reference
<p>Paragraphs 12.02, 12.05, 12.10, 12.11 and 12.12 of the Prospectus Guidelines – Equity and Debt</p> <p>Relief from disclosing interim audited financial statements in the printed prospectus.</p> <p>Sunway proposes to disclose the respective interim unaudited (Latest quarterly) financial results of SunCity and SunH as an appendix in the printed prospectus</p>	<p>Approved.</p>	<p>The latest quarterly results for the 3-month period ended 31 March 2011 of SunCity and SunH are disclosed in Appendices II and III of this Prospectus respectively.</p>
<p>Chapter 13 of the Prospectus Guidelines – Equity and Debt</p> <p>Relief from preparing an accountants' report</p>	<p>Approved, subject to the annual reports (for the past three financial years) in respect of SunCity and SunH are attached to the prospectus in a CD-Rom format or to state where such information may be obtained or downloadable.</p>	<p>Complied, as disclosed in Section 9.1 of this Prospectus.</p>
<p>Paragraphs 8.01(a) to (d) of the Prospectus Guidelines – Equity and Debt</p> <p>Relief from disclosing the required information under the above paragraphs in respect of all subsidiary and associated companies, except for:</p> <p>(a) Date and place of incorporation;</p> <p>(b) Registration number;</p> <p>(c) Principal activities;</p> <p>(d) Percentage of interest to be held by Sunway;</p> <p>(e) Authorised, issued and paid-up capital; and</p> <p>(f) List of subsidiaries and associated companies of the subsidiary/ associated company.</p>	<p>Approved.</p>	<p>Complied, as disclosed in Section 10.2 of this Prospectus.</p>



## 12. APPROVALS AND CONDITIONS (cont'd)

Reference to the Prospectus Guidelines	Details of waivers and conditions of approval	Status of compliance and reference
<p>Paragraph 11.01 of the Prospectus Guidelines – Equity and Debt</p> <p>Relief from disclosing the information on all related party transactions for the past three full financial years.</p> <p>Sunway proposes to disclose the information on all recurrent related party transactions for the past three full financials, assuming the Sunway Group has already existed for the past years under review.</p>	Approved.	Complied, as disclosed in Section 14.1.2 of this Prospectus.
<p>Paragraph 11.03(a) of the Prospectus Guidelines – Equity and Debt</p> <p>Relief from disclosing direct and indirect interests of a substantial shareholder (i.e. GIC) in:</p> <p>(a) Other businesses and corporations carrying on a similar trade as the corporation/group; and</p> <p>(b) Other businesses and corporations which are the customers or suppliers of the corporation/group.</p>	Approved.	Not applicable.
<p>Paragraphs 8.01(g) to 8.02(k) and (l) of the Prospectus Guidelines – Equity and Debt</p> <p>Relief from disclosing the required business information under the above paragraphs.</p>	Approved, subject to disclosure on the key licences, permits, brand names, patents and franchises which are material to the Sunway Group in the prospectus.	Complied, as disclosed in Section 6.8.3 of this Prospectus.

## 12. APPROVALS AND CONDITIONS (cont'd)

Reference to the Prospectus Guidelines	Details of waivers and conditions of approval	Status of compliance and reference
Chapter 9 and Paragraph 9.06(b) of the Prospectus Guidelines – Equity and Debt	Approved.	Complied, as disclosed in Section 11.1 of this Prospectus.
Relief from disclosing the finalised details of the board of directors as well as the audit, remuneration and nomination committees at the point of submission of the application to the SC.		
Sunway proposes to disclose details of the proposed directors and the proposed committees in the registrable prospectus at the point of submission. Sunway further undertakes to formalise the appointments of the directors and the committees' members prior to the registration of the final prospectus.		
Paragraphs 1.10 (b) to (k) of the Prospectus Guidelines – Equity and Debt	Approved.	Not applicable.
Paragraphs 1.10 of the Prospectus Guidelines – Equity and Debt		
Relief from:		
(a) Preparing and issuing a prospectus and various experts' report in Bahasa Malaysia; and		
(b) Publishing a summary advertisement in a Bahasa Malaysia newspaper.		

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## 12. APPROVALS AND CONDITIONS (*cont'd*)

- (d) As at the LPD, SunCity had equity interests in two (2) unlisted public companies namely Sunway Medical Centre Berhad and Sunway Lagoon Club Berhad, and a listed real estate investment trust, Sunway REIT (collectively, the "**Affected Entities**"). At Completion we acquired all voting shares/units in the Affected Entities held by SunCity under the terms of the Sale of Business Agreement with SunCity. The Sunway REIT units acquired by us pursuant to the Acquisition will be held by us directly and/or indirectly via our wholly-owned subsidiary to be identified ("**REIT Holdco**"). When the Sale of Business Agreement became unconditional, we and persons acting in concert with us ("**PAC**") would have been required to make a mandatory general offer to acquire all the remaining voting shares/units of each of the Affected Entities pursuant to Section 216(2) of the CMSA but for the exemptions stated below granted by the SC.

The SC, via its letter dated 23 June 2011, has granted our PAC and us exemptions under paragraph 21.1 of Practice Note 9 of the Code from having to undertake the mandatory take-over offers for all the remaining shares/units in the Affected Entities not already owned and/or to be owned by us and our PAC following the Sale of Business Agreement with SunCity becoming unconditional in accordance with its terms, subject to the following conditions:

Details of conditions imposed	Status of compliance
(a) REIT Holdco remaining a 100% wholly-owned subsidiary of Sunway; and	Noted and to be complied.
(b) CIMB, RHB Investment Bank and us are required to inform the SC upon the completion of the Acquisition and the Listing.	Noted and to be complied.

### (ii) MITI

Pursuant to manufacturing licences issued by the MITI to a few of our subsidiaries, an application to MITI through the Malaysian Industrial Development Authority ("**MIDA**") has been submitted for its approval for the proposed disposal of SunH's subsidiaries with manufacturing licences issued by MITI to us. The approval of MITI has been obtained via MIDA's letter dated 27 May 2011, subject to the following condition:

Details of conditions imposed	Status of compliance
(a) The said subsidiaries are given an extension of time of two (2) years until 13 November 2012 to comply with the equity requirements under their respective manufacturing licenses.	Noted and to be complied.

### (iii) Bursa Securities

Bursa Securities had, in its letter dated 9 August 2011, approved our admission to the Official List and our Listing.

**12. APPROVALS AND CONDITIONS (cont'd)**

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**(iv) High Court of Malaya**

The High Court of Malaya had on 11 July 2011, granted the orders confirming the SunH Capital Reduction and Repayment, the SunCity Capital Reduction and Repayment and the Warrant Scheme of SunCity pursuant to the Act.

**(v) Bank Negara Malaysia**

The Controller of Foreign Exchange, Bank Negara Malaysia has, in its letter dated 23 February 2011, approved the issuance of our Warrants to the Entitled Holders who are non-residents for exchange control purposes pursuant to the Capital Reduction and Repayment, Warrant Scheme and ESOS Termination.

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## 13. DIRECTORS' REPORT

*(Prepared for inclusion in this Prospectus)***SUNWAY BERHAD****(Formerly known as ALPHA SUNRISE SDN BHD)**

(Company No. 921551-D)

Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan

Tel No: 603-5639 8889

Fax No: 603-5639 9507

Date: 10 AUG 2011

**Registered Office:**Level 16, Menara Sunway  
Jalan Lagoon Timur  
Bandar Sunway  
46150 Petaling Jaya  
Selangor Darul Ehsan

The Shareholders

**SUNWAY BERHAD** (formerly known as Alpha Sunrise Sdn Bhd)

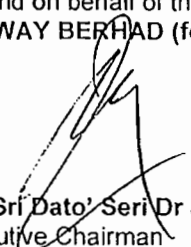
Dear Sir/Madam

On behalf of the Directors of Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) ("Sunway"), I wish to report that, after due inquiries in relation to Sunway and its subsidiaries ("Group") during the period between 31 December 2010 (being the date to which the last audited financial statements of our Group have been made up) and the date herein (being a date not earlier than 14 days before the issue of this Prospectus):

- (a) the business of our Group has, in the opinion of the Directors, been satisfactorily maintained;
- (b) no circumstances have arisen subsequent to the last audited financial statements of the Group, which have adversely affected the trading or the value of the assets of our Group;
- (c) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) save as disclosed in this Prospectus, there are no contingent liabilities by reason of any guarantees or indemnities given by our Group;
- (e) there have been, since the last audited financial statements of our Group, no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in respect of any borrowings; and
- (f) save as disclosed in this Prospectus, there have been, since the last audited financial statements of our Group, no material changes in the published reserves or any unusual factors affecting the profits of our Group.

Yours faithfully

For and on behalf of the Board of Directors of

**SUNWAY BERHAD** (formerly known as Alpha Sunrise Sdn Bhd)
  
 Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO  
 Executive Chairman

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS

### 14.1 Related party transactions

Under the Main Market LR that are applicable to companies listed on the Main Market, a **“related party transaction”** is a transaction entered into by a listed company or its subsidiaries that involves the interests, direct or indirect, of a related party. A **“related party”** of a listed company is:

- (i) a director; or
- (ii) a major shareholder who has an interest or interests in one or more voting shares in a corporation and the nominal amount of those shares or the aggregate of the nominal amounts of those shares, is:
  - (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or
  - (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation,

and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director or chief executive officer or a major shareholder of the listed company or its subsidiaries or holding company.

Further, a related party includes a person connected with such director or major shareholder as defined under the Main Market LR.

As set out in Section 12.1(i)(d) of this Prospectus, we have been exempted from having to disclose all related party transactions of SunCity and SunH. Therefore, disclosures below are only in respect of our non-recurrent related party transactions that we have entered into since our incorporation, and recurrent related party transactions, as defined under the Main Market LR.

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## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

## 14.1.1 Non-recurrent related party transactions

Save as disclosed below, there are no existing or potential non-recurrent related party transactions since our incorporation up to the date of this Prospectus.

Our Directors confirmed that the non-recurrent related party transactions set out below were carried out on an arm's length basis and on commercial terms which are not more favourable to the related parties than those generally available to third parties.

Transacting parties	Nature of relationship	Nature of transaction	Transaction value (RM'000)
Sunway and SunCity	Tan Sri Jeffrey Cheah is a Director and major shareholder of SunCity. Sarena Cheah is a major shareholder of SunCity.	Acquisition of SunCity Business pursuant to a Sale of Business Agreement dated 18 January 2011	2,597,091.2
	Tan Sri Jeffrey Cheah and Sarena Cheah are Directors and major shareholders of Sunway.		
Sunway and SunH	Tan Sri Jeffrey Cheah is a Director and major shareholder of SunH. Sarena Cheah and Evan Cheah are major shareholders of SunH.	Acquisition of SunH Business pursuant to a Sale of Business Agreement dated 18 January 2011	1,926,676.3
	Tan Sri Jeffrey Cheah and Sarena Cheah are Directors and major shareholders of Sunway.		

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**14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)****14.1.2 Recurrent related party transactions**

Our Group has entered into transactions that are of a revenue or trading nature with related parties, which are necessary for our day-to-day operations ("**Recurrent Transactions**").

The past Recurrent Transactions were carried out on an arm's length basis and on commercial terms which were not more favourable to the related parties than those generally available to third parties and which were also not detrimental to our minority shareholders. Our Directors also confirmed based on the procedures set out in Section 14.3 of this Prospectus that such future Recurrent Transactions will be carried out on an arm's length basis and on commercial terms which are not more favourable to the related parties than those generally available to third parties and which will not be detrimental to our minority shareholders.

We will make disclosures in our annual report of the aggregate value of transactions conducted based on the nature of Recurrent Transactions made, the names of the related parties involved and their relationship with our Company during the financial year and in the annual reports for subsequent financial years.

Save as disclosed below, there are no other Recurrent Transactions or potential Recurrent Transactions that we have entered into in respect of which rights and obligations are subsisting and/or proposed for the year ended 30 June 2008, 18-month period ended 31 December 2009, year ended 31 December 2010 and period from the day of our Listing to the next annual general meeting (to be held in June 2012).

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## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	
<b>Purchases from</b>						
Jef-San	Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah and Evan Cheah are Directors of Jef-San. Tan Sri Jeffrey Cheah and Puan Sri Susan Cheah are major shareholders of Jef-San.	<ul style="list-style-type: none"><li>Rental of premises.</li></ul>	-	-	-	1,000
Applicable for transactions between Perbadanan Kemajuan Negeri Selangor, its subsidiaries and associated companies, and: <ul style="list-style-type: none"><li>Sunway Damansara Sdn Bhd ("SDSB") or its subsidiaries</li><li>Sunway D'Mont Kiara Sdn Bhd</li><li>any new subsidiaries/ associated companies to be incorporated or acquired by SDSB in future</li></ul>	Tan Sri Jeffrey Cheah and Sarena Cheah are Directors and major shareholders of Sunway as well as Directors in several subsidiaries of Sunway. Puan Sri Susan Cheah and Evan Cheah are Directors in several subsidiaries of Sunway and major shareholders of Sunway.	<ul style="list-style-type: none"><li>Perbadanan Kemajuan Negeri Selangor is a major shareholder with 40% direct interest in SDSB, which is a 60%-owned subsidiary of Sunway. Perbadanan Kemajuan Negeri Selangor also has 30% deemed interest in Sunway D'Mont Kiara Sdn Bhd, which is an associated company of SDSB.</li><li>Construction and related services* and building materials.</li><li>Acquisition of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li></ul>	3,753	6,088	6,000	#
			-	-	-	##

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	
Adasia (M) Sdn Bhd ("Adasia")	Tan Sri Jeffrey Cheah has deemed interest in Adasia via corporations where he has more than 15% shareholding. Puan Sri Susan Cheah has deemed interest in Adasia by virtue of her deemed interest as well as her spouse's and children's deemed interests in Adasia. Sarena Cheah and Evan Cheah are Directors of Adasia and they have deemed interests in Adasia by virtue of their deemed interests as well as their parents' deemed interest in Adasia.	<ul style="list-style-type: none"> <li>Advertising and related services.</li> </ul>	1,944	2,373	4,179	8,000
Sunway Technology Sdn Bhd, its subsidiaries and associated companies ("Sunway Group")	<p>Tan Sri Jeffrey Cheah and Sarena Cheah are Directors and major shareholders of Sunway as well as Directors in several subsidiaries of Sunway. Puan Sri Susan Cheah and Evan Cheah are Directors in several subsidiaries of Sunway and major shareholders of Sunway.</p> <p>Puan Sri Susan Cheah, Sarena Cheah and Evan Cheah are Directors of Sunway Technology Group. Tan Sri Jeffrey Cheah is a major shareholder of Sunway Technology Group. Puan Sri Susan Cheah has deemed interest in Sunway Technology Group via a corporation where she has more than 15% shareholding and by virtue of her spouse's interest in Sunway Technology Group.</p>	<ul style="list-style-type: none"> <li>Computer products, software support, maintenance and consultancy services for information technology software and hardware.</li> </ul>	1,909	2,047	1,228	8,500
Akitek Akiprima Sdn Bhd ("AASB")	<p>Tan Sri Jeffrey Cheah and Sarena Cheah are Directors and major shareholders of Sunway as well as Directors in several subsidiaries of Sunway. Puan Sri Susan Cheah and Evan Cheah are Directors in several subsidiaries of Sunway and major shareholders of Sunway.</p> <p>Cheah Teik Jin, the brother of Puan Sri Susan Cheah, is a Director and major shareholder of AASB.</p> <p>Puan Sri Susan Cheah is a Director in several subsidiaries of Sunway and major shareholder of Sunway.</p>	<ul style="list-style-type: none"> <li>Architectural and related services/products.</li> </ul>	1,012	1,055	40	#

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	RM'000
Dekon Holdings Sdn Bhd, its subsidiaries and associated companies ("Dekon Holdings Group")	Datuk Razman M Hashim is a major shareholder of Dekon Holdings Group.	• Construction and related services*.	112,830	194,168	135,191	#
		• Landscaping and related services.	9,518	4,983	2,475	10,000
	Datuk Razman M Hashim is a Director and shareholder of Sunway as well as Director in several subsidiaries of Sunway.	• Interior decorations and related services, and renovation works.	23,245	18,434	7,652	25,000
		• Procurement of cleaning, maintenance and other related services.	-	-	522	5,000
Sunway REIT	Sunway is a major unitholder of Sunway REIT. Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah, Evan Cheah, SWCSB, Timah Dunia, Active Equity and GIC, being major shareholders of Sunway, also have deemed interests in Sunway REIT via Sunway.	• Leasing/rental of properties in respect of: - Sunway Pyramid Shopping Mall; - Sunway Carnival Shopping Mall; - Menara Sunway and accommodation for security staff; - Sunway Tower; - Putra Place.	-	-	795 286 730 - - -	5,000 2,000 5,000 1,000 100,000
		• Rental and management of car parks and related services.	-	-	3,632	15,000
		• Leasing/rental of properties in respect of Menara Sunway, Sunway Tower and such other new properties which may be owned by Sunway REIT.	-	-	1,875	10,000

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	RM'000
Applicable for transactions between Sunway's subsidiaries and their respective joint venture partners (including subsidiaries of the joint venture partners)	The joint venture partners of Sunway's subsidiaries, which include inter alia, Wuhu Xin Long Machinery Co. Ltd, Biaxis (M) Sdn Bhd, DCF Trek Co. Ltd, Kumpulan Soilmas Sdn Bhd, Rongyao Investment Development Co. Ltd, Mr Yu De Mao, Mr Khor Seng Yan, Mr Chang Kim Long, Goldman Sachs Strategic Investments (Asia) LLC and Opus Developers and Builders Private Limited are major shareholders in some of the subsidiaries of Sunway.	• Construction, foundation and related services*.	-	-	-	#
		• Mechanical engineering and related services.	-	-	-	#
		• Building and raw materials, interlocking pavers, pretensioned spun concrete piles and related products, machineries, spare parts and related products.	-	-	-	#
		• Property development activities.	-	-	-	#
		• Management and related services.	-	-	-	100
		• Distribution, marketing, sales and after sales services of construction/automation equipment for the integration of electronic devices used for residential purposes.	-	-	-	100
		• Project management and related services.	-	-	-	#
		• Rental of office equipment, motor vehicles, plant and machineries and other related services.	-	-	-	100

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010		
			RM'000	RM'000	RM'000	RM'000	
<b>Sales To</b>							
Applicable for transactions between Sunway or its subsidiaries and Sunway Pyramid Sdn Bhd ("SPSB") or any new subsidiaries/associated companies to be incorporated or acquired by SPSB in future	GIC is a major shareholder of Sunway and has 48% deemed interest in SPSB by virtue of Section 6A of the Act. SPSB is a 52%-owned subsidiary of Sunway.	• Rental of premises/properties.	50	309	112	5,000	
		• Recreational club and theme park facilities, time sharing and medical tourism services.	6	221	79	300	
		• Hotel and related services.	135	119	155	1,000	
		• Ticketing and tour related services.	11	179	192	300	
		• Medical services.	3	26	13	600	
		• Financial related services, information technology network, internet, lotus notes and other related services.	119	1,089	382	1,200	
		• Property management and related services.	-	30	-	500	
		• Security and related services.	-	-	-	300	
		• Sales of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.	-	-	-	##	

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	
Jef-San	Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah and Evan Cheah are Directors of Jef-San. Tan Sri Jeffrey Cheah and Puan Sri Susan Cheah are major shareholders of Jef-San.	• Recreational club and theme park facilities, time sharing and medical tourism services.	-	-	-	50
		• Hotel and related services.	-	-	-	50
		• Ticketing and tour related services.	-	-	-	50
		• Medical services.	6	18	4	50
		• Security and related services.	-	-	-	50
		• Property management and related services.	-	-	-	50
		• Insurance products and related services.	-	-	-	20
		• Secretarial and management services.	1	1	1	10
		• Financial and information technology related services.	-	2	1	10

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	
Applicable for transactions between Perbadanan Kemajuan Negeri Selangor, its subsidiaries and associated companies, and: <ul style="list-style-type: none"> <li>Sunway Damansara Sdn Bhd ("SDSB") or its subsidiaries</li> <li>Sunway D'Mont Kiara Sdn Bhd</li> <li>any new subsidiaries/associated companies to be incorporated or acquired by SDSB in future</li> </ul>	Perbadanan Kemajuan Negeri Selangor is a major shareholder with 40% direct interest in SDSB, which is a 60%-owned subsidiary of Sunway. Perbadanan Kemajuan Negeri Selangor also has 30% deemed interest in Sunway D'Mont Kiara Sdn Bhd, which is an associated company of SDSB.	<ul style="list-style-type: none"> <li>Property management and related services.</li> <li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li> </ul>	-	-	-	50
Applicable for transactions between Kuwait Finance House (Malaysia) Berhad and Sunway South Quay Sdn Bhd ("SSQ") or its subsidiary(ies) or any new associated companies to be incorporated or acquired by SSQ in future	Kuwait Finance House (Malaysia) Berhad is a major shareholder with 20% direct interest in SSQ, which is a 60%-owned subsidiary of Sunway.	<ul style="list-style-type: none"> <li>Property management and related services.</li> <li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li> </ul>	-	-	-	50
Applicable for transactions between Employees Provident Fund Board of Malaysia and SSQ or its subsidiary(ies) or any new associated companies to be incorporated or acquired by	Employees Provident Fund Board of Malaysia is a major shareholder with 20% direct interest in SSQ, which is a 60%-owned subsidiary of Sunway.	<ul style="list-style-type: none"> <li>Property management and related services.</li> </ul>	-	-	-	50

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010		
			RM'000	RM'000	RM'000		RM'000
SSQ in future		<ul style="list-style-type: none"> <li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li> </ul>	-	-	-		##
Adasia	Tan Sri Jeffrey Cheah has deemed interest in Adasia via corporations where he has more than 15% shareholding. Puan Sri Susan Cheah has deemed interest in Adasia by virtue of her deemed interest as well as her spouse's and children's deemed interests in Adasia. Sarena Cheah and Evan Cheah are Directors of Adasia and they have deemed interests in Adasia by virtue of their deemed interests as well as their parents' deemed interest in Adasia.	<ul style="list-style-type: none"> <li>Rental of premises/properties.</li> <li>Recreational club and theme park facilities, time sharing and medical tourism services.</li> <li>Hotel and related services.</li> </ul>	101	167	79		100
		<ul style="list-style-type: none"> <li>Recreational club and theme park facilities, time sharing and medical tourism services.</li> </ul>	1	3	2		50
		<ul style="list-style-type: none"> <li>Hotel and related services.</li> </ul>	-	-	-		50
	Tan Sri Jeffrey Cheah and Sarena Cheah are Directors and major shareholders of Sunway as well as Directors in several subsidiaries of Sunway. Puan Sri Susan Cheah and Evan Cheah are Directors in several subsidiaries of Sunway and major shareholders of Sunway.	<ul style="list-style-type: none"> <li>Ticketing and tour related services.</li> <li>Medical services.</li> <li>Security and related services.</li> </ul>	-	-	-		50
		<ul style="list-style-type: none"> <li>Medical services.</li> </ul>	2	1	2		50
		<ul style="list-style-type: none"> <li>Security and related services.</li> </ul>	-	-	-		50
		<ul style="list-style-type: none"> <li>Property management and related services.</li> </ul>	2	12	12		50
		<ul style="list-style-type: none"> <li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li> </ul>	-	-	-		##



## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010		
			RM'000	RM'000	RM'000	RM'000	
Infra-Melia Sdn Bhd	Puan Sri Susan Cheah and Sarena Cheah are Directors and major shareholders of Infra-Melia Sdn Bhd.  Sarena Cheah is a Director and major shareholder of Sunway as well as Director in several subsidiaries of Sunway. Puan Sri Susan Cheah is a Director in several subsidiaries of Sunway and major shareholder of Sunway.	• Insurance products and related services.	2	5	3	200	
		• Rental of office equipment, motor vehicles and other related services.	-	-	-	300	
		• Secretarial and management services.	1	1	1	8	
		• Financial and information technology related services.	9	4	2	20	
		• Rental of premises/properties.	-	-	-	50	
		• Recreational club and theme park facilities, time sharing and medical tourism services.	-	-	4	50	
		• Hotel and related services.	-	-	-	50	
		• Ticketing and tour related services.	-	-	-	50	
		• Medical services.	-	-	-	50	
		• Property management and related services.	-	-	-	50	
	• Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.	-	-	-	##		

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	
Sunway Technology Group	Puan Sri Susan Cheah, Sarena Cheah and Evan Cheah are Directors of Sunway Technology Group. Tan Sri Jeffrey Cheah is a major shareholder of Sunway Technology Group. Puan Sri Susan Cheah has deemed interest in Sunway Technology Group via a corporation where she has more than 15% shareholding and by virtue of her spouse's interest in Sunway Technology Group.  Tan Sri Jeffrey Cheah and Sarena Cheah are Directors and major shareholders of Sunway as well as Directors in several subsidiaries of Sunway. Puan Sri Susan Cheah and Evan Cheah are Directors in several subsidiaries of Sunway and major shareholders of Sunway.	<ul style="list-style-type: none"><li>• Rental of premises/properties.</li></ul>	378	488	185	500
		<ul style="list-style-type: none"><li>• Recreational club and theme park facilities, time sharing and medical tourism services.</li></ul>	-	2	3	50
		<ul style="list-style-type: none"><li>• Hotel and related services.</li></ul>	18	55	35	100
		<ul style="list-style-type: none"><li>• Ticketing and tour related services.</li></ul>	34	87	62	100
		<ul style="list-style-type: none"><li>• Medical services.</li></ul>	11	19	22	50
		<ul style="list-style-type: none"><li>• Information technology network, internet, lotus notes and related services.</li></ul>	-	-	-	50
		<ul style="list-style-type: none"><li>• Security and related services.</li></ul>	-	-	-	100
		<ul style="list-style-type: none"><li>• Property management and related services.</li></ul>	68	90	36	100
		<ul style="list-style-type: none"><li>• Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li></ul>	-	-	-	##
		<ul style="list-style-type: none"><li>• Computer products, software support, maintenance and consultancy services for information technology software and hardware.</li></ul>	-	-	-	1,000

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010		
			RM'000	RM'000	RM'000	RM'000	
GIC, its subsidiaries and associated companies	GIC is a major shareholder of Sunway.	<ul style="list-style-type: none"><li>• Secretarial and management services.</li></ul>	5	14	9	20	
		<ul style="list-style-type: none"><li>• Insurance products and related services.</li></ul>	12	43	31	200	
		<ul style="list-style-type: none"><li>• Rental of office equipment, motor vehicles and other related services.</li></ul>	18	-	-	1,000	
		<ul style="list-style-type: none"><li>• Financial and information technology related services.</li></ul>	330	468	304	800	
		<ul style="list-style-type: none"><li>• Trade mark license fee.</li></ul>	-	-	-	50	
		<ul style="list-style-type: none"><li>• Recreational club and theme park facilities, time sharing and medical tourism services.</li></ul>	-	-	-	50	
		<ul style="list-style-type: none"><li>• Hotel and related services.</li></ul>	-	-	-	50	
		<ul style="list-style-type: none"><li>• Ticketing and tour related services.</li></ul>	-	-	-	50	
		<ul style="list-style-type: none"><li>• Medical services.</li></ul>	-	-	-	50	
		<ul style="list-style-type: none"><li>• Property management and related services.</li></ul>	-	-	-	50	

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)	RM'000	RM'000	RM'000	##
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010					
Dekon Holdings Group	Datuk Razman M Hashim is a major shareholder of Dekon Holdings Group.  Datuk Razman M Hashim is a Director and shareholder of Sunway as well as Director in several subsidiaries of Sunway.	<ul style="list-style-type: none"><li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li></ul>	-	-	-	-	-	-	-	##
		<ul style="list-style-type: none"><li>Rental of premises/properties.</li></ul>	657	865	446	500				
		<ul style="list-style-type: none"><li>Recreational club and theme park facilities, time sharing and medical tourism services.</li></ul>	2	6	152	500				
		<ul style="list-style-type: none"><li>Hotel and related services.</li></ul>	125	110	5	200				
		<ul style="list-style-type: none"><li>Ticketing and tour related services.</li></ul>	24	40	9	100				
		<ul style="list-style-type: none"><li>Medical services.</li></ul>	31	29	31	100				
		<ul style="list-style-type: none"><li>Information technology network, internet, lotus notes and related services.</li></ul>	-	26	-	50				
		<ul style="list-style-type: none"><li>Security and related services.</li></ul>	-	-	-	50				
		<ul style="list-style-type: none"><li>Property management and related services.</li></ul>	109	175	165	200				
		<ul style="list-style-type: none"><li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li></ul>	-	-	16	##				

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	
Directors and major shareholders of Sunway and its subsidiaries and persons connected with them		<ul style="list-style-type: none"><li>Recreational club and theme park facilities, time sharing and medical tourism services.</li></ul>	-	-	-	500
		<ul style="list-style-type: none"><li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li></ul>	-	-	-	##
Sunway REIT	Sunway is a major unitholder of Sunway REIT. Tan Sri Jeffrey Cheah, Puan Sri Susan Cheah, Sarena Cheah, Evan Cheah, SWCSB, Timah Dunia, Active Equity and GIC, being major shareholders of Sunway, also have deemed interests in Sunway REIT via Sunway.	<ul style="list-style-type: none"><li>Rental of office equipment, motor vehicles, plant and machineries and other related services.</li></ul>	-	-	-	5,000
		<ul style="list-style-type: none"><li>Management and related services.</li></ul>	-	-	4,749	25,000
		<ul style="list-style-type: none"><li>Internal audit and related services.</li></ul>	-	-	-	1,000
		<ul style="list-style-type: none"><li>Property management and related services.</li></ul>	-	-	5,664	20,000
		<ul style="list-style-type: none"><li>Sale of development properties and land or land-based properties provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Main Market LR.</li></ul>	-	-	-	##
		<ul style="list-style-type: none"><li>Unit registration, secretarial and related services.</li></ul>	-	-	-	1,000
		<ul style="list-style-type: none"><li>Management and related services.</li></ul>	-	-	12	1,000

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	RM'000
Applicable for transactions between Sunway's subsidiaries and their respective joint venture partners (including subsidiaries of the joint venture partners)	The joint venture partners of Sunway's subsidiaries, which include inter alia Wuhu Xin Long Machinery Co. Ltd, Biaxis (M) Sdn Bhd, DCF Trek Co. Ltd, Kumpulan Soilmas Sdn Bhd, Rongyao Investment Development Co. Ltd, Mr Yu De Mao, Mr Khor Seng Yan, Mr Chang Kim Long, Goldman Sachs Strategic Investments (Asia) LLC and Opus Developers and Builders Private Limited are major shareholders in some of the subsidiaries of Sunway.	• Insurance products and related services.	-	-	2	1,000
		• Trade mark license fee.	-	-	-	500
		• Construction and related services* and mechanical engineering and related services.	-	-	-	#
		• Building materials, spare parts and other related construction materials and services.	-	-	6	#
		• Rental and purchase of spare parts and construction machineries.	-	-	-	#
		• Rental of office equipment, motor vehicles, plant and machineries and other related services.	-	-	-	1,000
		• Construction, foundation and related services*.	-	-	-	#
		• Mechanical engineering and related services.	-	-	-	#
		• Building and raw materials, interlocking pavers, pretensioned spun concrete piles and related products, machineries, spare parts and related products.	-	-	-	#
		• Property development activities.	-	-	-	#

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			Estimated value from the day of Listing to the next annual general meeting (to be held in June 2012)
			Year ended 30 June 2008	18-month period ended 31 December 2009	Year ended 31 December 2010	
			RM'000	RM'000	RM'000	
<b>Provision Of Financial Assistance</b>	<ul style="list-style-type: none"><li>• Sunway Technology Group</li><li>• Jef-San</li><li>• Adasia</li><li>• AASB</li><li>• Sunway REIT</li></ul>	<ul style="list-style-type: none"><li>• Management and related services.</li></ul>	-	-	-	100
		<ul style="list-style-type: none"><li>• Distribution, marketing, sales and after sales services of construction/automation equipment for the integration of electronic devices used for residential purposes.</li></ul>	-	-	-	10,000
		<ul style="list-style-type: none"><li>• Project management and related services.</li></ul>	-	-	-	#
		<ul style="list-style-type: none"><li>• Rental of office equipment, motor vehicles, plant and machineries and other related services.</li></ul>	-	-	-	100
Provision of leasing, factoring and hire purchase facilities, share financing, share margin financing or such other similar business that may be determined by Bursa Securities			-	-	-	10,000
			-	-	-	1,000
			-	-	-	3,000
			-	-	-	1,000
			-	-	-	10,000

14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Notes:

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The estimated value of the transactions cannot be determined as the transactions are on project-by-project basis.  
The estimated value of this category of transaction cannot be ascertained given the various types of properties with prices which vary from project to project. However, in accordance with Paragraph 3.3(a) of Practice Note 12 of the Main Market LR, the transaction value cannot exceed 10% of any one of the percentage ratios.  
Include inter alia, construction of civil and building works, contracting in mechanical, electrical and engineering works, prefabricated construction of building and civil works, precast concrete building contracts and piling contracts.

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**14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)**

**14.1.3 Transactions entered into that are unusual in their nature or conditions**

Save as disclosed in Section 14 of this Prospectus, our Directors have confirmed that to the best of their knowledge and belief, we have not entered into any transactions which are unusual in their nature or conditions, involving goods, services, tangible or intangible assets in respect of the past 3 financial years/period under review.

**14.1.4 Outstanding loans and guarantees**

Our Directors have confirmed that to the best of their knowledge and belief, there are no outstanding loans (including guarantees of any kind), made by us, or any of our parent or subsidiaries to or for the benefit of our related parties for the past 3 financial years/period under review.

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**14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)****14.2 Conflict of interests****14.2.1 Our Directors' and substantial shareholders' interest, directorships and/or shareholdings in other businesses and corporations carrying on a similar trade as us**

Save as disclosed below, none of our Directors or substantial shareholders has any interest, direct or indirect, directorship and/or shareholdings in other businesses or corporations carrying on a similar trade as us.

Director/ substantial shareholder	Company	Principal activities	Position held
<b>Director and substantial shareholder</b>			
Tan Sri Jeffrey Cheah	Progressive Traders	Investment holding	Director/Shareholder
	Timah Sini-Sana	Investment holding	Director/Shareholder
	Active Equity	Investment holding	Director/Shareholder
	Sungei Menderang Sdn Bhd	Investment holding	Director/Shareholder
	Sunway SPK Homes Sdn Bhd	Property development	Director/Shareholder
	SWCSB	Property investment and investment holding	Director/Shareholder
	Jef-San	Management services, rental of properties and investment holding	Director/Shareholder
	Active Builder	Investment holding	Director/Shareholder
	Timah Menderang Sdn Bhd	Investment holding	Director/Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin	Shareholder
	Sungei Jaya	Investment holding	Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Timah Dunia	Investment holding	Shareholder
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	Shareholder
	Perusahaan Wanlian Sdn Bhd	Investment holding and leasing finance	Shareholder
	Sunway REIT	A real estate investment trust where funds from investors are pooled and invested towards a specific goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth	Unitholder
	SunReit Capital Berhad (formerly known as Noble Pioneer Sdn Bhd)	Investment holding	Shareholder
	Sunway Technology Sdn Bhd	Investment holding	Shareholder
<b>Directors</b> Datuk Razman M Hashim	Barisan Minda Sdn Bhd	Investment holding	Director
	Berjaya Land Berhad	Investment holding	Director
	FEAB Properties Sdn Bhd	Properties investment and development; and investment holding	Director
	Selat Makmur Sdn Bhd	Property development and provision of property maintenance and management services	Director
	MAA Holdings Berhad	Investment holding and provision of management services	Director/Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Malaysian Assurance Alliance Berhad	Underwriting of life insurance business including investment link and annuity business and all classes of general insurance business	Director
	Multi-Purpose Holdings Berhad	Investment holding and provision of management services	Director/Shareholder
	Ranhill Berhad	Investment holding, provision of management services and provision of engineering, procurement and construction services	Director/Shareholder
	Dekon Holdings Sdn Bhd	Investment holding and provision of management services	Shareholder
	Dekon Tajul Nursery & Landscaping Sdn Bhd	Landscaping contractors and property investment holding	Shareholder
	Dekon Sdn Bhd	General construction works	Shareholder
	Sanctuary Coast Sdn Bhd	Property development	Shareholder
	Dekon Style Sdn Bhd	Specialist contractor in renovation of commercial projects	Shareholder
	SILK Holdings Berhad	Investment holding	Director
	Dekon Resources Sdn Bhd	Landscaping works, general construction works, supply and installation of modular house and logistic support for the construction industry	Shareholder
	Sunway Design Sdn Bhd	Interior decorators and contractors	Shareholder
Dato' Chew Chee Kin	Gopeng Berhad	Cultivation of oil palm, investment holding and property development	Director/Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
Wong Chin Mun	Khind Holdings Berhad	Investment holding and management services	Director
Director and substantial shareholder Sarena Cheah	Pembinaan Dayapegas Sdn Bhd	Investment holding and providing management and consultancy services	Director/Shareholder
	Active Builder	Investment holding	Director/Shareholder
	Active Equity	Investment holding	Director/Shareholder
	Jef-San	Management services, rental of properties and investment holding	Director
	Progressive Traders	Investment holding	Director/Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin.	Director/Shareholder
	Sungei Jaya	Investment holding	Director/Shareholder
	Sungei Menderang Sdn Bhd	Investment holding	Director/Shareholder
	SWCSB	Property investment and investment holding	Director/Shareholder
	Timah Dunia	Investment holding	Director/Shareholder
Sungei Way Properties Sdn Bhd	Timah Menderang Sdn Bhd	Investment holding	Director/Shareholder
	Timah Sini-Sana	Investment holding	Director/Shareholder
		Property investment, property and project management and letting of property	Director/Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Sunway SPK Homes Sdn Bhd	Property development	Alternate Director/Shareholder
	Kaya Erti Sdn Bhd	Investment holding	Director/Shareholder
	Sheer First Sdn Bhd	Property investment holding	Director/Shareholder
	Viablewin (M) Sdn Bhd	General trading and investment holding	Director/Shareholder
	Progressive Venture Sdn Bhd	Investment holding, leasing and renting of properties and provision of secretarial/management services	Director/Shareholder
	Bendera Teliti (M) Sdn Bhd	Property investment holding	Director/Shareholder
	Sunway REIT	A real estate investment trust where funds from investors are pooled and invested towards a specific goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth	Unitholder
	SunReit Capital Berhad (formerly known as Noble Pioneer Sdn Bhd)	Investment holding	Director/Shareholder
	Jef-San	Management services, rental of properties and investment holding	Director/Shareholder
	Timah Dunia	Investment holding	Director
Substantial shareholders Puan Sri Susan Cheah	SWCSB	Property investment and investment holding	Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Timah Sini-Sana	Investment holding	Shareholder
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin	Shareholder
	Sunway REIT	A real estate investment trust where funds from investors are pooled and invested towards a specific goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth	Unitholder
	Etika Tanang Sdn Bhd	Investment holding	Director/Shareholder
	Sunway Technology Sdn Bhd	Investment holding	Shareholder
	Aman Handal Sdn Bhd	Investment holding	Shareholder
	Cheah Choon Gan Holdings Sdn Bhd	Investment holding	Director
	ETAT Sdn Bhd	Property letting and investment holding	Shareholder
	Perusahaan Wanlian Sdn Bhd	Investment holding and leasing finance	Shareholder
	Akidev Sdn Bhd	Investment holding	Shareholder
	Primaraya Sdn Bhd	Investment holding	Director/Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
Evan Cheah	Kaya Erti Sdn Bhd	Investment holding	Director/Shareholder
	Sheer First Sdn Bhd	Property investment holding	Director/Shareholder
	Viablewin (M) Sdn Bhd	General trading and investment holding	Director/Shareholder
	Progressive Venture Sdn Bhd	Investment holding, leasing and renting of properties and provision of secretarial/management services	Director/Shareholder
	Bendera Teliti (M) Sdn Bhd	Property and investment holding	Director/Shareholder
	Active Builder	Investment holding	Director
	Active Equity	Investment holding	Director/Shareholder
	Jef-San	Management services, rental of properties and investment holding	Director
	Progressive Traders	Investment holding	Director/Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin.	Director/Shareholder
	Sungei Jaya	Investment holding	Director/Shareholder
	Sungei Menderang Sdn Bhd	Investment holding	Director/Shareholder
	SWCSB	Property investment and investment holding	Director/Shareholder
	Timah Dunia	Investment holding	Director/Shareholder
	Timah Menderang Sdn Bhd	Investment holding	Director/Shareholder



## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Timah Sini-Sana	Investment holding	Director/Shareholder
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	Director/Shareholder
	Progressive Venture Sdn Bhd	Investment holding, leasing and renting of properties and provision of secretarial/management services	Shareholder
	S&I Systems (Thailand) Limited	Investment holding	Director/Shareholder
SWCSB	Timah Sini-Sana	Investment holding	Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin.	Shareholder
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	Shareholder
Timah Dunia	SWCSB	Property investment and investment holding	Shareholder
	Timah Menderang Sdn Bhd	Investment holding	Shareholder
	Timah Sini-Sana	Investment holding	Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin	Shareholder
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	Shareholder
Active Equity	Progressive Traders	Investment holding	Shareholder
	Sungei Jaya	Investment holding	Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Sungei Menderang Sdn Bhd	Investment holding	Shareholder
	Timah Dunia	Investment holding	Shareholder
	SWCSB	Property investment and investment holding	Shareholder
	Timah Menderang Sdn Bhd	Investment holding	Shareholder
	Timah Sini-Sana	Investment holding	Shareholder
	PRK Builders Sdn Bhd	Contract works for civil and housing projects, manufacturing and trading of cabin	Shareholder
	Sungei Way Properties Sdn Bhd	Property investment, property and project management and letting of property	Shareholder

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#### 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

##### 14.2.2 Our Directors' and substantial shareholders' directorships and/or shareholdings in our customers or suppliers

Save as disclosed below, none of our Directors or substantial shareholders has any directorship and/or interest, direct or indirect, in other businesses or corporations which are our customers or suppliers:

Director/ substantial shareholder	Company	Principal activities	Position held
<b>Director and substantial shareholder</b> Tan Sri Jeffrey Cheah	Sunway Technology Sdn Bhd	Investment holding	Shareholder
	Sunway Business Applications Sdn Bhd	Trading in computers and related components and providing after sales services	Shareholder
	Enterprise Software Applications Sdn Bhd (formerly known as Ebasic Sdn Bhd)	Providing consulting services for selected software products	Shareholder
	S&I Technology (China) Co. Ltd	Design and development of software for commercial use, system integration, provision of related consultancy services and sale of self-developed products	Shareholder
	J.D. Edwards (Malaysia) Sdn Bhd	Marketing a broad range of general business software products and providing its after sales service and conducting training programs and courses	Shareholder
	Sunway E-Systems (M) Sdn Bhd	Provision of information technology consulting services, sales of computer hardware and related products	Shareholder
	Sunway Computer Services Sdn Bhd	Trading in computers and related components and providing computer services	Shareholder
	Sunway Digital Wave Sdn Bhd	Sale and marketing of internet/ broadband services and related products	Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Sunway Business Systems Sdn Bhd	Information technology services and software products	Shareholder
	Sunway Systems Sdn Bhd	Trading in computer software and related business and providing after sales services	Shareholder
	Sunway S&I Systems Sdn Bhd	Trading in computer hardware, software and related components and providing after sales services	Shareholder
	Sunway MSC Sdn Bhd	Software developers, software consultants and advisors and to provide other computer software services	Shareholder
	Sunway Technology (Shanghai) Pte Ltd	Software developers, software consultants and advisors and to provide other computer software services	Shareholder
	Peopleco Sdn Bhd	Provide information technology solutions and trading in computer hardware and software	Shareholder
	Adasia (M) Sdn Bhd	To carry on the business of advertising consultants and agents	Shareholder
	Jef-San	Management services, rental of properties and investment holding	Director/Shareholder
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	Chairman
	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	Chairman

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	Chairman
	Monash University Malaysia Sdn Bhd	Provision of tertiary courses	Chairman
	Sunway-TES Sdn Bhd	Provision of education services and training	Director
	Sunway REIT	A real estate investment trust where funds from investors are pooled and invested towards a specific goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth	Unitholder
<b>Directors</b> Datuk Razman M Hashim	Dekon Holdings Sdn Bhd	Investment holding and provision of management services	Shareholder
	Dekon Tajul Nursery & Landscaping Sdn Bhd	Landscaping contractors and property investment holding	Shareholder
	Dekon Sdn Bhd	General construction works	Shareholder
	Sanctuary Coast Sdn Bhd	Property development	Shareholder
	Decortrend Cleaning & Maintenance Services Sdn Bhd	Provision of cleaning and maintenance services	Shareholder
	Dekon Systems Sdn Bhd	Manufacturing and trading of formwork, supply and installation of formwork for the construction industry	Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Dekon Style Sdn Bhd	Specialist contractor in renovation of commercial projects	Shareholder
	Dekon Resources Sdn Bhd	Landscaping works, general construction works, supply and installation of modular house and logistic support for the construction industry	Shareholder
	Sunway Design Sdn Bhd	Interior decorators and contractors	Shareholder
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	Director
	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	Director
	Monash University Sunway Campus Malaysia Sdn Bhd	Provision of tertiary courses	Director
	Sunway College Ipoh Sdn Bhd	To operate commercial college and institute of higher learning	Director
	Sunway TES (East Malaysia) Sdn Bhd	To operate a commercial college	Director
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	Director
	Malaysian Assurance Alliance Berhad	Underwriting of life insurance business including investment link and annuity business and all classes of general insurance business	Director

**14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)**

Director/ substantial shareholder	Company	Principal activities	Position held
Dato' Chew Chee Kin	Sunway Computer Services Sdn Bhd	Trading in computers and related components and providing computer services	Shareholder
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	Director
	Monash University Sunway Campus Malaysia Sdn Bhd	Provision of tertiary courses	Director
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	Director
	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	Director
Wong Chin Mun	Vistage Malaysia Sdn Bhd	Chief executive officers organisation	Chairman/Shareholder
Director and substantial shareholder Sarena Cheah	Infra-Melia Sdn Bhd	Trading in general merchandise and rendering support services	Director/Shareholder
	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	Alternate Director
	Monash University Sunway Campus Malaysia Sdn Bhd	Provision of tertiary courses	Alternate Director
	Sunway International Business & Management Sdn Bhd	Conducting training courses and providing consultancy services	Director
	Sunway TES (East Malaysia) Sdn Bhd	To operate a commercial college	Director

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Sunway-TES Sdn Bhd	Provision of education services and training	Alternate Director
	Sunway College Johor Sdn Bhd	To operate commercial college and institute of higher learning	Director
	Tan Sri (Dr) Jeffrey Cheah School of Medicine Sdn Bhd	Providing education, consultancy and training services	Director
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	Alternate Director
	Sunway REIT	A real estate investment trust where funds from investors are pooled and invested towards a specific goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth	Unitholder
	Adasia (M) Sdn Bhd	To carry on the business of advertising consultants and agents	Director/Shareholder
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	Alternate Director
	Jef-San	Management services, rental of properties and investment holding	Director
	Sunway Systems Sdn Bhd	Trading in computer software and related business and providing after sales services	Director



## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
<b>Substantial shareholders</b> Puan Sri Susan Cheah	EMC Global Sdn Bhd	Dormant	Director/Shareholder
	Infra-Melia Sdn Bhd	Trading in general merchandise and rendering support services	Director/Shareholder
	Sunway Education Group Sdn Bhd	To operate commercial college and institute of higher learning	Director
	Sunway International Business & Management Sdn Bhd	Conducting training courses and providing consultancy services	Director
	Sunway-TES Sdn Bhd	Provision of education services and training	Director
	Tan Sri (Dr) Jeffrey Cheah School of Medicine Sdn Bhd	Providing education, consultancy and training services	Director
	Sunway University Sdn Bhd (formerly known as Sunway University College Sdn Bhd)	To provide tertiary courses	Director
	Sunway REIT	A real estate investment trust where funds from investors are pooled and invested towards a specific goal as set out in the investment objective of the fund, to provide unitholders with an exposure to a diverse portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth	Unitholder
	Adasia (M) Sdn Bhd	To carry on the business of advertising consultants and agents	Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	Asian Strategy & Leadership Incorporated Sdn Bhd	To provide consultancy and to organise and conduct symposia, conferences, seminars and such other like activities in commerce and related inter-disciplinary subjects	Director
	Jef-San	Management services, rental of properties and investment holding	Director/Shareholder
	Sunway Technology Sdn Bhd	Investment holding	Shareholder
	Sunway Business Applications Sdn Bhd	Trading in computers and related components and providing after sales services	Shareholder
	Enterprise Software Applications Sdn Bhd (formerly known as Ebasic Sdn Bhd)	Providing consulting services for selected software products	Shareholder
	S&I Technology (China) Co. Ltd	Design and development of software for commercial use, system integration, provision of related consultancy services and sale of self developed products	Shareholder
	J.D. Edwards (Malaysia) Sdn Bhd	Marketing a broad range of general business software products and providing its after sales service and conducting training programs and courses	Shareholder
	Sunway E-Systems (M) Sdn Bhd	Provision of information technology consulting services, sales of computer hardware and related products	Shareholder
	Sunway Computer Services Sdn Bhd	Trading in computers and related components and providing computer services	Shareholder

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
Evan Cheah	Sunway Digital Wave Sdn Bhd	Sale and marketing of internet/ broadband services and related products	Shareholder
	Sunway Business Systems Sdn Bhd	Information technology services and software products	Shareholder
	Sunway Systems Sdn Bhd	Trading in computer software and related business and providing after sales services	Director/Shareholder
	Sunway S&I Systems Sdn Bhd	Trading in computer hardware, software and related components and providing after sales services	Shareholder
	Sunway MSC Sdn Bhd	Software developers, software consultants and advisors and to provide other computer software services	Shareholder
	Sunway Technology (Shanghai) Pte Ltd	Software developers, software consultants and advisors and to provide other computer software services	Shareholder
	Peopleco Sdn Bhd	Provide information technology solutions and trading in computer hardware and software	Shareholder
	EMC Global Sdn Bhd	Dormant	Director/Shareholder
	Adasia (M) Sdn Bhd	To carry on the business of advertising consultants and agents	Director/Shareholder
	Jef-San	Management services, rental of properties and investment holding	Director

## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

Director/ substantial shareholder	Company	Principal activities	Position held
	S&I Technology (China) Co. Ltd	Design and development of software for commercial use, system integration, provision of related consultancy services and sale of self-developed products	Director
	Sunway E-Systems (M) Sdn Bhd	Provision of information technology consulting services, sales of computer hardware and related products	Director/Shareholder
	Sunway Digital Wave Sdn Bhd	Sale and marketing of internet/ broadband services and related products	Director
	Sunway S&I Systems Sdn Bhd	Trading in computer hardware, software and related components and providing after sales services	Director
	Sunway MSC Sdn Bhd	Software developers, software consultants and advisors and to provide other computer software services	Director
	Shanghai Sunway Financial Training Co. Ltd	To provide educational services and training	Director
	Sunway E-Systems (S) Pte Ltd	Marketing, installing and supporting integrated manufacturing, accounting and production control systems for the manufacturing industries	Director/Shareholder
	Sunway E-Systems (Thailand) Limited	Importer and distributor of computer hardware and software and provider of technical and maintenance services	Director/Shareholder
	S&I Systems (Thailand) Limited	Investment holding	Director/Shareholder
	EMC Global Sdn Bhd	Dormant	Shareholder

**14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)**

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14.2.3 The interests of our Directors and/or substantial shareholders in these other businesses and corporations as set out in Sections 14.2.1 and 14.2.2 of this Prospectus, would not give rise to a situation of conflict of interest with our Group as most of these companies are mainly involved in investment holding and/or small-scale or immaterial businesses relative to our businesses. The involvement of our Directors in other businesses set out above does not preclude them from allocating most of their time to our Group because the daily operations in those businesses are managed by the respective companies' personnel. They only attend meetings of other boards on which they serve and accordingly discharge their principal areas of responsibility as directors of those companies. They have been and have ensured that they would be able to fulfil and discharge their duties and responsibilities effectively as our Directors.

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**14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)****14.3 Monitoring and oversight of related party transactions and conflict of interest**

Related party transactions, by their very nature, involve a conflict of interest between the related parties and us with whom we entered into such transactions with. Any related party transaction or conflict of interest situation involving us (including any future related party transaction and conflict of interest situation) must be reviewed by our Audit Committee which will report such transaction or conflict to our Board for their further action. If any related party transaction involves any of:

- (i) our Directors and persons connected/related to them; and/or
- (ii) our substantial shareholders and persons connected/related to them,

then:

- (i) the relevant Director and persons connected/related to that Director; and/or
- (ii) the relevant substantial shareholder and persons connected/related to that substantial shareholder,

are required to abstain from deliberation and/or voting at the relevant Board meeting and general meeting in deciding on the related party transaction.

Further, our Audit Committee has the following responsibilities in relation to the monitoring of related party transactions and conflict of interests:

- (i) review the propriety of any related party transaction and conflict of interest situation that may arise within our Company or our Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (ii) review the adequacy, appropriateness and compliance of the procedures established to monitor recurrent related party transactions;
- (iii) review all related party transactions entered into by our Company and our Group during the Audit Committee's quarterly meeting in order to ensure that the related party transactions were entered into on an arm's length basis and on normal commercial terms; and
- (iv) review and approve the circular to our shareholders in respect of the proposed shareholders' mandate for recurrent related party transactions and the statements by the Audit Committee in respect of the proposed shareholders' mandate for recurrent related party transactions.

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## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)

### 14.4 Declaration by advisers on conflict of interests

#### 14.4.1 Declaration by CIMB

CIMB is not aware of any circumstances that exist or are likely to give rise to a possible conflict of interest situation in relation to its capacity as the Joint Principal Advisers for our Listing.

CIMB is the Joint Principal Adviser for our Listing. CIMB is also the Adviser to SunCity and SunH for the preparation of all submissions of SunCity and SunH to the regulatory authorities, where required, and the circular to shareholders and explanatory statement to warrant holders of SunCity, and circular to shareholders and circular to warrant holders of SunH in relation to the Acquisition, the Capital Reduction and Repayment, the Warrant Scheme and the ESOS Termination. Goldman Sachs (Malaysia) Sdn Bhd and OSK Investment Bank Berhad have been appointed as the Independent Advisers to advise non-interested directors and non-interested shareholders of SunCity and SunH on the Acquisition, respectively.

CIMB, its related and associated companies (the "CIMB Group") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for Sunway and/or its affiliates, in addition to the role involved in the Acquisition, the Capital Reduction and Repayment, the Warrant Scheme and the ESOS Termination. In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with Sunway and/or its affiliates, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of Sunway and/or its affiliates. This is a result of the businesses of CIMB Group generally acting independently of each other and accordingly there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of Sunway.

The CIMB Group has, in the ordinary course of their banking business, granted credit facilities to Sunway, SunCity Group and SunH Group.

CIMB is of the view that the aforementioned extension of credit facilities does not result in conflict of interest situations as the credit facilities are not material when compared to the audited total assets of CIMB Group as at 31 December 2010. Further more, the extension of credit facilities arose in the ordinary course of business of the CIMB Group in view of CIMB Group's extensive participation in the Malaysian banking industry.

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## 14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (*cont'd*)

### 14.4.2 Declaration by RHB Investment Bank

RHB Investment Bank is not aware of any circumstances that exist or are likely to give rise to a possible conflict of interest situation in relation to its capacity as the Joint Principal Advisers for our Listing.

RHB Investment Bank is the Joint Principal Adviser for our Listing. RHB Investment Bank is also the Adviser to SunCity and SunH for the preparation of all submissions of SunCity and SunH to the regulatory authorities, where required, and the circular to shareholders and explanatory statement to warrant holders of SunCity, and circular to shareholders and circular to warrant holders of SunH in relation to the Acquisition, the Capital Reduction and Repayment, the Warrant Scheme and the ESOS Termination. Goldman Sachs (Malaysia) Sdn Bhd and OSK Investment Bank Berhad have been appointed as the Independent Advisers to advise non-interested directors and non-interested shareholders of SunCity and SunH on the Acquisition, respectively.

RHB Investment Bank and/or its related companies ("RHB Group") form a diversified financial group and may extend credit facilities or engage in private banking, commercial banking and investment banking transaction including, *inter-alia* brokerage, securities trading, asset and funds management and credit transaction service businesses in its ordinary course of business with Sunway and its persons acting in concert. Furthermore, any member of the RHB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with Sunway and/or its affiliates, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of Sunway and/or its affiliates. This is the result of the businesses of RHB Group generally acting independently of each other which may generate situations where parts of the RHB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of Sunway.

RHB Bank Berhad, a company related to RHB Investment Bank, has extended a credit facility to Sunway ("New Credit Facility") for the purposes of financing part of the cash consideration for the Acquisition. Further, RHB Bank Berhad and its subsidiary have also extended credit facilities to the SunCity group (including Sunway REIT) and SunH Group.

Based on RHB Bank Berhad's latest available consolidated audited financial statements (as at 31 December 2010), RHB Bank Berhad and its subsidiary's maximum potential exposure to the SunCity group (including Sunway REIT) is not material compared to RHB Bank Berhad's consolidated total loan, advances and financing. Therefore, RHB Investment Bank is of the view that there is no conflict of interest in its capacity as a Joint Principal Adviser in relation to the Acquisition, the Capital Reduction and Repayment, the Warrant Scheme and the ESOS Termination. Furthermore, the extension of credit facilities arose in the ordinary course of business of the RHB Group in view of RHB Group's extensive participation in the Malaysian banking industry.

### 14.4.3 Declaration by Kadir Andri & Partners

Kadir Andri & Partners confirms that there is no conflict of interest in its capacity as the solicitor and due diligence solicitor of Sunway for our Listing.



**14. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS (cont'd)**

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**14.4.4 Declaration by Mah-Kamariyah & Philip Koh**

Mah-Kamariyah & Philip Koh confirms that there is no conflict of interest in its capacity as the solicitor and due diligence solicitor of SunCity and SunH for our Listing.

**14.4.5 Declaration by Infobusiness Research & Consulting Sdn Bhd**

Infobusiness Research & Consulting Sdn Bhd confirms that there is no conflict of interest in its capacity as the independent market research consultant for our Listing.

**14.4.6 Declaration by Ernst & Young**

Ernst & Young confirms that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants for our Company for our Listing.

**14.4.7 Declaration by Knight Frank (Proprietor: Ooi & Zaharin Sdn Bhd)**

Knight Frank (Proprietor: Ooi & Zaharin Sdn Bhd) confirms that there is no conflict of interest in its capacity as the independent property valuer for our Listing.

**14.4.8 Declaration by City Valuers & Consultants Sdn Bhd**

City Valuers & Consultants Sdn Bhd confirms that there is no conflict of interest in its capacity as the independent property valuer for our Listing.

**14.4.9 Declaration by C H Williams Talhar & Wong Sdn Bhd**

C H Williams Talhar & Wong Sdn Bhd confirms that there is no conflict of interest in its capacity as the independent property valuer for our Listing.

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## 15. ADDITIONAL INFORMATION

### 15.1 Share capital

- (i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 12 months after the date of the issue of this Prospectus.
- (ii) Save for our Warrants, no person has been or is entitled to be given an option to subscribe for any of our Company's shares, stocks or debentures and we do not have and we have not agreed conditionally or unconditionally to put any of our share capital under any option.
- (iii) There is currently no other scheme involving our employees and Directors in our capital.
- (iv) Save as disclosed in this Prospectus, and save as provided under the Articles of Association and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in any of us or our subsidiaries or upon the declaration or payment of any dividend or distribution thereon.

### 15.2 Extracts of Articles of Association

The following provisions are extracted from our Company's Articles of Association in respect of the transfer of our securities and changes in share capital and variation of class rights (which are no less stringent than those required by law). The words and expressions appearing in the following provisions shall bear the same meanings used in our Company's Articles of Association unless the context otherwise requires.

#### (i) Transfer of Securities

##### **Article 27**

*The transfers of any Deposited Securities or class of Deposited Securities in the Company shall be by way of book entry by Bursa Depository in accordance with the Rules and notwithstanding Sections 103 and 104 of the Act, but subject to Section 107C(2) of the Act and any exemptions that may be made from compliance with Section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Deposited Securities.*

#### (ii) Remuneration of the Directors

##### **Article 96**

*The fees of the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Directors who shall hold office or part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office Provided Always that:*

- (a) *fees payable to non-executive Directors shall be by way of a fixed sum and not by a commission on or percentage of profits or turnover;*

**15. ADDITIONAL INFORMATION (cont'd)**

- (b) salaries payable to executive Directors may not include a commission on or percentage of turnover;
- (c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and
- (d) save as expressly set out in these Articles, any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

**(iii) Voting and Borrowing Powers of the Directors****Article 100**

*The Directors may exercise all the powers of the Company to borrow or raise money for the purpose of the Company's or any of its related company's business on such terms as they think fit and may secure the repayment of the same by mortgage or charge upon the whole or any part of the Company's or subsidiaries' undertaking, property (both present and future) and uncalled or unissued capital and may issue bonds, debentures and other securities whether charged upon the whole or part of the assets of the Company or otherwise.*

**Article 120(1)(a)**

*Subject to and save as otherwise provided in the Act, a Director shall not participate in any discussion and shall not vote in regard to any contract or proposed contract or arrangement in which he is directly or indirectly interested nor any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that other company or as a holder of shares or other securities in that other company, and if he shall do so, his vote shall not be counted.*

**(iv) Changes in capital and variation of class rights****Article 16**

*If at any time the share capital of the Company is divided into shares may be varied different classes of shares, the repayment of such rights and privileges attached to each class may subject to the provisions of the Act be varied, modified, commuted, dealt with, affected or abrogated with the sanction of a special resolution, which shall be carried only with the approval of not less than three-fourths (3/4) of the nominal amount of issued shares of each class and passed at a separate general meeting of the holders of the shares of that class but not otherwise. To every such separate general meeting, the provisions of these Articles relating to general meetings of the Company and to the proceedings thereat shall mutatis mutandis apply but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) in nominal amount of the issued shares of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any two (2) holders of shares of the class present in person or by proxy shall be a quorum). Provided however that in the event of the necessary majority not having been obtained in the manner aforesaid, consent in writing may be secured from Members holding at least three-fourths (3/4) of the issued shares of the class and such consent if obtained within two (2) months from the date of the general meeting shall have the force and validity of a special resolution duly carried by a vote in person or by proxy.*

**15. ADDITIONAL INFORMATION (cont'd)**

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**Article 49**

The Company in general meeting may from time to time by ordinary resolution, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its share capital by the creation and issue of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the Company by the resolution authorising such increase directs.

**Article 50(1)**

Subject to the Listing Requirements and any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued be offered to such persons as at the date of offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or convertible Securities to which they are stated in the Record of Depositors as being entitled to. Such offer shall be made by notice specifying the number of shares or convertible Securities offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or convertible Securities offered, the Directors may, subject to these Articles, dispose of the same in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or convertible Securities which (by reason of the ratio which the new shares or convertible Securities bear to shares or convertible Securities held by persons entitled to an offer of new shares or convertible Securities) cannot, in the opinion of the Directors, be conveniently offered under this Article.

**Article 50(2)**

Subject to the Listing Requirements and notwithstanding the existence of a resolution pursuant to Section 132D of the Act, the Company shall not issue any shares or convertible Securities if the nominal value of those shares or convertible Securities, when aggregated with the nominal value of any such shares or convertible Securities issued during the preceding twelve (12) months, exceeds ten percent (10%) of the nominal value of the issued and paid-up capital of the Company, except where the shares or convertible Securities are issued with the prior approval of the Members in general meeting of the precise terms and conditions of the issue. Provided that in working out the number of shares or convertible Securities that may issued by the Company, if the Security is a convertible Security, each such Security is counted as the maximum number of shares into which it can be converted or exercised. Provided further that except in the case of an issue of Securities on a pro rata basis to Members, no shares or other convertible Securities shall be issued to a Director, Major Shareholder or person connected with any Director or Major Shareholder unless the Members in general meeting have approved of the specific allotment to be made to such aforesaid person, such approval to be obtained in accordance with the Listing Requirements.

**15. ADDITIONAL INFORMATION (cont'd)****Article 53**

*The Company may by ordinary resolution:*

- (a) *Consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;*
- (b) *Cancel any shares which at the date of the passing of the resolution have not been taken, or agreed to be taken by any person or which have been forfeited and diminish the amount of its capital by the amount of shares so cancelled;*
- (c) *Subdivide shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association or these Articles (subject nevertheless to the provisions of the Act), and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; or*
- (d) *subject to the Act, convert any class of shares into any other class of shares.*

**Article 54**

*Subject to the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any incident authorised, and consent required by law and/or confirmation by the Court.*

**15.3 Limitation on the right to hold securities and/or exercise voting rights**

As our Shares and Warrants are proposed for quotation on the Official List, such Shares and Warrants must be prescribed as securities required to be deposited with Bursa Depository.

Dealing in securities deposited with Bursa Depository may only be effected by a person having a securities account with Bursa Depository ("**Depositor**") by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the ROD maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

A Depositor whose name appears in the ROD maintained by Bursa Depository in respect of our Warrants shall be deemed to be our Warrant holder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Warrants as constituted under the Deed Poll.

## 15. ADDITIONAL INFORMATION (*cont'd*)

### 15.4 Material litigation

Save as disclosed below, we are not engaged in any material litigation, whether as plaintiff or defendant, and our Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect our financial or business position:

- (i) On 9 May 2008, Yap Yee Ping and Ng Kam Hung ("**Plaintiffs**") had filed a counterclaim action at the High Court of Malaya against Affin Bank Berhad ("**Affin**") and SunwayMas Sdn Bhd ("**SunwayMas**"), as the second defendant. Thereafter, the Plaintiffs have served a Statement of Defence and Counterclaim ("**Counterclaim**") on SunwayMas.

The Counterclaim arose from a suit filed by Affin against, the Plaintiffs for, *inter alia*, payment of an amount of approximately RM27.7 million and/or any other amount to Affin. The Plaintiffs are seeking, *inter-alia*, certain declarations and also an order that SunwayMas indemnifies the Plaintiffs for all claims brought against them by Affin in relation a tripartite agreement executed amongst Ripchi Property Services Sdn Bhd (formerly known as Cindai Unggul Sdn Bhd) ("**Employer**"), SunwayMas and BSN Commercial Bank Bhd (now vested in Affin) on 2 May 2000. SunwayMas was then appointed as a project manager to revive, manage and coordinate the development and construction of the Employer on a piece of land in the Mukim of Pulai, District of Johor Bahru, Johor.

SunwayMas defended this Counterclaim. On the advice of SunwayMas' solicitors, an order to strike out the case was submitted followed by a statement of defence on 4 December 2008. At a hearing fixed on 5 February 2010, the Counterclaim was struck out with costs and decision was ruled in SunwayMas' favour.

The Employer filed an appeal against the decision on 2 March 2010 and it is now pending the Court to fix a date for the hearing of the appeal.

- (ii) The solicitors of Sunway Construction Sdn Bhd ("**SunCon**"), our wholly owned subsidiary, had on 4 September 2008, been served with a Statement of Claim by Shristi Infrastructure Development Corporation Ltd ("**Shristi**").

Pursuant to an agreement entered into between SunCon and the National Highway Authority of India for the rehabilitation and upgrading of NH-25 to a 4-lane configuration in the state of Uttar Pradesh being a part of the East-West Corridor project, SunCon has entered into a work order for a portion of the project with Shristi. The total value of the work order was to the tune of INR1,34,37,91,938.00 (equivalent to approximately RM90.68 million based on the exchange rate of RM6.7479:INR100 as at the LPD). Shristi had in accordance with the work order provided two bank guarantees to SunCon.

However, Shristi failed, refused and/or neglected to carry out its obligations with due diligence under the work order. As a result, SunCon was compelled to terminate the contract by a letter dated 16 June 2007 and also invoked the bank guarantees given by Shristi. SunCon has recovered a sum of INR11,72,97,625.28 (equivalent to approximately RM7.92 million based on the exchange rate of RM6.7479:INR100 as at the LPD) from the encashment of the bank guarantees.

## 15. ADDITIONAL INFORMATION (cont'd)

Shristi filed an application in the Supreme Court of India for the appointment of an arbitrator to arbitrate on the disputes between the parties. The arbitrator has entered upon the reference to arbitration and Shristi has filed its claim statement claiming a sum of INR89,14,55,047.83 (equivalent to approximately RM60.15 million based on the exchange rate of RM6.7479: INR100 as at the LPD) under various heads of claim. In response to Shristi's claim, SunCon has filed its counterclaim for a sum of INR78,13,94,628.61 (equivalent to approximately RM52.73 million based on the exchange rate of RM6.7479: INR100 as at the LPD) and its reply to the statement of claim by Shristi.

Arguments on the matter are still being heard by the arbitrators and several evidential hearings have been fixed and heard since the matter was first referred to arbitration.

The arbitrator has fixed 15, 16 and 20 September 2011 for the continuation of the cross-examination of Shristi's witnesses.

The counsel for SunCon is of the view that it is difficult at this stage to opine on the probable outcome of the proceeding. A lot will depend on the nature of evidence which the parties may produce. However, it seems that most of the contentions/claims raised by Shristi are frivolous and unsubstantiated.

### 15.5 Material contracts

Save as disclosed below, we have not entered into any material contracts, not being contracts entered into in the ordinary course of business, which have been entered into by our Group during the 2 years preceding the date of this Prospectus:

- (i) Deed poll dated 28 June 2011 constituting the Warrants.
- (ii) Equity Joint Venture Agreement dated 27 May 2011 entered into between Sunway Global Limited, a 76.93% owned subsidiary of SunH and DCF Trek Co. Ltd. for the purpose of forming a joint venture company called Sunway Daechang Forging (Changshu) Co Ltd ("**Sunway Daechang JV Co**") to undertake (i) manufacturing and assembly of undercarriage components of track links, track rollers, sprockets, idlers, track shoes, pin and bushing; (ii) import, export, stocking and distribution of the range of the aforesaid products; and (iii) providing design, consultancy services, repair and maintenance of undercarriage groups. The shareholdings of Sunway Global Limited and DCF Trek Co. Ltd. in the Sunway Daechang JV Co are 60% and 40% respectively.
- (iii) Joint Venture Agreement dated 3 March 2011 ("**Yuan Ching JVA**") entered into between Hoi Hup Realty Pte. Ltd. ("**Hoi Hup Realty**"), Sunway Developments Pte. Ltd. ("**Sunway Developments**"), a wholly-owned subsidiary of Sunway Construction Sdn. Bhd. which in turn is a wholly-owned subsidiary of SunH, and S C Wong Holdings Pte. Ltd. ("**S C Wong**") for the purpose of forming a joint venture company called Hoi Hup Sunway Yuan Ching Pte Ltd ("**Yuan Ching JV Co**") to enter into agreements with Housing and Development Board of Singapore ("**HDB Singapore**") in relation to the design, construction, completion and development of a 99 years leasehold public housing development under design, build and sell scheme at Yuan Ching Road, Singapore ("**Yuan Ching Project**") and to record their respective rights and obligations in connection with the preparation of the joint tender bid and the execution and performance of the Yuan Ching Project after the acceptance of the bid. The Yuan Ching JVA was entered into between the parties following the acceptance by HDB Singapore of the tender bid jointly prepared and submitted by the parties to HDB Singapore for the Yuan Ching Project. The shareholdings of Hoi Hup Realty, Sunway Developments and S C Wong in the Yuan Ching JV Co are 51%, 30% and 19% respectively.

## 15. ADDITIONAL INFORMATION (cont'd)

- (iv) Sale of Business Agreement dated 18 January 2011 between our Company and SunCity in respect of the Acquisition.
- (v) Sale of Business Agreement dated 18 January 2011 between our Company and SunH in respect of the Acquisition.
- (vi) Joint Venture Agreement dated 19 January 2011 ("**Tampines JVA**") entered into between Hoi Hup, Sunway Developments and S C Wong for the purpose of forming a joint venture company called Hoi Hup Sunway Tampines Pte Ltd ("**Tampines JV Co**") to enter into agreements with the HDB Singapore in relation to a 99 years leasehold condominium housing development project on Land Parcel Tampines E9 at Tampines Avenue 8, Singapore ("**Tampines Project**") and to record their respective rights and obligations in connection with the preparation of the joint tender bid and the execution and performance of the Tampines Project after the acceptance of the bid. The Tampines JVA was entered into between the parties following the acceptance by HDB Singapore of the tender bid jointly prepared and submitted by the parties to HDB Singapore for the Tampines Project. The shareholdings of Hoi Hup Realty, Sunway Developments and S C Wong in the Tampines JV Co are 51%, 30% and 19% respectively.
- (vii) Trust Deed dated 26 October 2010 entered into between SunH, as the Issuer and CIMB Trustee Berhad, as the Trustee, in relation to the issuance of Commercial Papers ("**CP**") and/or Medium Term Notes ("**MTN**") under a CP/MTN Programme of up to RM500.0 million in nominal value.
- (viii) Equity Joint Venture Contract dated 26 October 2010 entered into between Sunway City (S'pore) Pte. Ltd., our wholly owned subsidiary, and Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd. to establish a Sino foreign equity joint venture enterprise, namely Tianjin Eco-City Sunway Property Development Co., Ltd., to develop 27.96 hectares (approximately 69 acres) of land located in Tianjin, People's Republic of China, known as "Sino-Singapore Tianjin Eco-City" for the development in phases of residential and commercial projects.
- (ix) Joint Venture Agreement dated 30 September 2010 ("**Yishun JVA**") entered into between Hoi Hup Realty, Sunway Developments and Hoi Hup J.V. Development Pte Ltd ("**Hoi Hup JV**") for the purpose of forming a joint venture company called Hoi Hup Sunway Miltonia Pte Ltd ("**Yishun JV Co**") to enter into agreements with HDB Singapore in relation to a 99 years leasehold condominium housing development project on the Land Parcel Yishun S5b at Miltonia Close, Singapore ("**Yishun Project**") and record their respective rights and obligations in connection with the preparation of the joint tender bid and the execution and performance of the Yishun Project after the acceptance of the bid. The Tampines JVA was entered into between the parties following the acceptance by HDB Singapore of the tender bid jointly prepared and submitted by the parties to HDB Singapore for the Yishun Project. The shareholdings of Hoi Hup Realty, Sunway Developments and Hoi Hup JV in the Yishun JV Co are 60%, 30% and 10% respectively.



## 15. ADDITIONAL INFORMATION (cont'd)

- (x) Joint Venture Agreement dated 24 September 2010 entered into between SunwayMas, our wholly-owned subsidiary, and Dasa Tourist Complex (Private) Limited ("**Dasa Tourist**") to undertake a mixed development comprising at least 318,000 sq ft of net saleable areas of residential units and 60,000 sq ft of net saleable areas of commercial units in Colombo city in the Democratic Socialist Republic of Sri Lanka ("**Proposed Development**") via a joint venture company ("**Sri Lanka JV Co**"). The shareholdings of SunwayMas and Dasa Tourist in the Sri Lanka JV Co are 65% and 35% respectively. The Proposed Development is located on a plot of prime freehold land in the premium mixed-use zone of Bambalapitiya in District Colombo 4. The estimated gross development value of the Proposed Development is approximately USD80 million (equivalent to approximately RM250 million). The parties have however on 17 June 2011 entered into a Deed of Mutual Termination to mutually terminate the Joint Venture Agreement.
- (xi) 2 Share Sale and Purchase Agreements dated 2 September 2010, entered into between SunCity and 2 minority shareholders of Sunway Lagoon Sdn Bhd, namely Dato' Lim Say Chong and Oh Kim Sun, for the purpose of acquisition of their respective shareholdings in Sunway Lagoon Sdn Bhd which represent a total of 45% equity interest in Sunway Lagoon Sdn Bhd, for a total cash consideration of RM128,571,428.60.
- (xii) Malaysian Placement Agreement dated 24 June 2010 entered into between SunCity, Sunway REIT Management Sdn Bhd ("**REIT Manager**"), Sunway Carnival Sdn Bhd, OSK Trustees Berhad ("**the Trustee**"), RHB Investment Bank, Credit Suisse Securities (Malaysia) Sdn Bhd ("**Credit Suisse Malaysia**"), and the Malaysian placement managers, which collectively are RHB Investment Bank, Credit Suisse Malaysia, CIMB and Maybank Investment Bank Berhad, in respect of the offer and placement of 1,654,969,300 undivided rights or interests in Sunway REIT ("**Units**") offered under the institutional offering to institutional and selected investors in Malaysia.
- (xiii) International Placement Agreement dated 24 June 2010 entered into between SunCity, the REIT Manager, the Trustee, RHB Investment Bank, Credit Suisse (Singapore) Limited ("**Credit Suisse Singapore**"), and the international placement managers, which collectively are RHB Investment Bank, Credit Suisse Singapore, CIMB, the Hongkong and Shanghai Banking Corporation Limited and J. P. Morgan Securities Ltd in respect of the offer and placement of 1,654,969,300 Units offered under the institutional offering to institutional and selected investors outside Malaysia and outside the US in reliance upon Regulation S under the US Securities Act of 1933.
- (xiv) Securities Lending Agreement dated 24 June 2010 entered into between SunCity, RHB Investment Bank and Sunway Carnival Sdn Bhd pursuant to which SunCity shall from time to time upon receipt of a borrowing request from RHB Investment Bank, lend such number of Units as set out in the borrowing request from RHB Investment Bank.
- (xv) The Cornerstone Agreement entered into between SunCity, the REIT Manager, Credit Suisse Singapore and GIC pursuant to the which GIC agreed to acquire an aggregate number of 134,005,615 Sunway REIT units, at the lower of the institutional price and RM0.98 per unit. The REIT Manager, SunCity, RHB Investment Bank, Credit Suisse Singapore and/or one or more of Credit Suisse Malaysia, Maybank Investment Bank Berhad and CIMB have also entered into individual Cornerstone Agreements with the Employees' Provident Fund, Permodalan Nasional Berhad and Great Eastern Life Assurance (Malaysia) Berhad for the acquisition of 242,000,000 Sunway REIT units at a price not exceeding RM0.98 per unit.

## 15. ADDITIONAL INFORMATION (cont'd)

- (xvi) Underwriting Agreement dated 27 May 2010 entered into between SunCity, the REIT Manager, the Trustee, RHB Investment Bank (as coordinator) and RHB Investment Bank, CIMB and Maybank Investment Bank Berhad (as joint underwriters), to severally but not jointly underwrite the offering of 134,005,600 Units, subject to clawback and reallocation, to the Malaysian public.
- (xvii) Sale and Purchase Agreements all dated 26 May 2010 entered into between the following subsidiaries of SunCity and the Trustee (on behalf of Sunway REIT) for the purpose of disposing their respective interests in the following properties:
- (a) Sunway Pyramid Sdn Bhd in respect of Sunway Pyramid Shopping Mall erected on 5 pieces of land held under (i) PN 17414, Lot No. 62059; (ii) PN 9495, Lot No. 32; (iii) PN 9500, Lot No. 51175; (iv) H.S.(D) 233143, PT No. 891; and (v) H.S.(D) 259957, PT No. 1312, all in the Town of Sunway, District of Petaling, State of Selangor;
  - (b) Sunway Resort Hotel Sdn Bhd in respect of Sunway Resort Hotel & Spa erected on 2 pieces of land held under (i) PN 9492 Lot 35; and (ii) PN 9498 Lot 51173, both in the Town of Sunway, District of Petaling, State of Selangor;
  - (c) Sunway Resort Hotel Sdn Bhd in respect of Pyramid Tower Hotel erected on the land held under PN 17415/M1/1/1, Parcel No. 1, Floor No. 1, Building No. M1 together with accessory parcel Nos. A1 to A547 (inclusive), Lot No. 62060, Town of Sunway, District of Petaling, State of Selangor;
  - (d) Menara Sunway Sdn Bhd in respect of Menara Sunway erected on the land held under PN 17105, Lot No. 61760, Town of Sunway, District of Petaling, State of Selangor;
  - (e) Sunway Carnival Sdn Bhd in respect of Sunway Carnival Shopping Mall erected on 3 pieces of lands held under (i) PN 1816, Lot No. 5497; (ii) PN 1817, Lot No. 5498; and (iii) PN 1818, Lot No. 5499, all in the Mukim of 01, District of Seberang Perai Tengah, State of Pulau Pinang;
  - (f) Sunway Hotel (Seberang Jaya) Sdn Bhd in respect of Sunway Hotel Seberang Jaya erected on the land held under PN 2602, Lot No. 5785, Mukim 01, District of Seberang Perai Tengah, State of Pulau Pinang;
  - (g) Peluang Klasik (M) Sdn Bhd in respect of SunCity Ipoh Hypermarket erected on the land held under PN 258216, Lot No. 331232 (formerly known as H.S.(D) 92972, PT No. 171440), Mukim of Hulu Kinta, District of Kinta, State of Perak; and
  - (h) Sunway Tower 2 Sdn Bhd in respect of Sunway Tower erected on the land held under Geran No. 45110, Lot No. 55 Seksyen 0045, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur

to Sunway REIT for a total disposal consideration of RM3,729,000,000, satisfied by the issuance of 1,025,143,000 Units and the balance in cash, which is based on the market values of the aforesaid properties as appraised by Knight Frank (Proprietor: Ooi & Zaharin Sdn Bhd), subject to the price adjustment mechanism pursuant to which the total disposal consideration was revised to RM3,457,000,000. The Sale and Purchase Agreements were completed on 8 July 2010;

## 15. ADDITIONAL INFORMATION (cont'd)

(xviii) Lease Agreements dated 26 May 2010:

- (a) entered into between the Trustee (on behalf of Sunway REIT), the REIT Manager and Sunway Hotel (Seberang Jaya) Sdn Bhd for a 10-year lease by Sunway Hotel (Seberang Jaya) Sdn Bhd of Sunway Hotel Seberang Jaya from Sunway REIT; and
- (b) entered into between the Trustee (on behalf of Sunway REIT), the REIT Manager and Sunway Resort Hotel Sdn Bhd for a 10-year lease by Sunway Resort Hotel Sdn Bhd of Sunway Resort Hotel & Spa and Pyramid Tower Hotel from Sunway REIT.

(xix) Trust Deed dated 20 May 2010 (as amended and supplemented on 10 June 2010) entered into between the REIT Manager and the Trustee for the constitution of Sunway REIT and the roles and responsibilities of the Trustee and the REIT Manager.

(xx) Supplemental Agreement dated 16 December 2009 entered into between Sunway Lagoon Sdn Bhd, Kuwait Finance House (Malaysia) Berhad, Employees Provident Fund Board and Sunway South Quay Sdn Bhd, a 60% subsidiary company of SunCity, in respect of a Musyarakah Shareholders' Agreement dated 22 November 2005, for the purpose of recording the agreement of the parties to inject additional Musyarakah capital amounting in aggregate to RM48 million in the respective agreed capital proportions of the parties and to on-lend the aggregate proceeds of the subscription of the additional Musyarakah capital by the parties to Sunway Monash-U Residence Sdn Bhd, a wholly-owned subsidiary of Sunway South Quay Sdn Bhd, for the purposes of construction of a hostel.

(xxi) Sunway Developments had on 7 December 2009 subscribed for 300,000 ordinary shares of SGD1 each, representing 30% of the total issued and paid-up share capital of Hoi Hup Sunway Property Pte Ltd ("HHSP"), for a total consideration of SGD300,000 (equivalent to approximately RM732,000.00).

HHSP had entered into a Sale and Purchase Agreement with Lee Tat Development Pte Ltd on 25 September 2009 to acquire a parcel of freehold land measuring 19,264.70 square metres situated at Lot 1606C MK 28 and Lot 5898K MK 28, Jalan Senang, Singapore for a total consideration of SGD158 million (equivalent to approximately RM385.52 million).

Together with the execution of the subscription of shares in HHSP, Sunway Developments had on 22 December 2009 entered into a Joint Venture Agreement with Hoi Hup Realty on the setting up of HHSP and to regulate their relationship as shareholders of HHSP. The shareholdings of Sunway Developments and Hoi Hup Realty in HHSP are 30% and 70% respectively.

(xxii) Supplemental Agreement dated 30 July 2009 (as amended and revised by an Amending Agreement dated 19 August 2010) entered into between Sunway City India Private Limited ("SCIPL"), a wholly-owned subsidiary of SunCity, Opus Developers & Builders Private Limited ("Opus"), Opus Developers & Builders ("Firm"), Sunway Opus International Private Limited ("Sunway Opus JV Co") and various individual landowners of all that piece of land located at Survey Nos. 154, 155, 162 & 164 Ameenpur Village, Patancheru Mandal, Medak District, Hyderabad, Andhra Pradesh, India ("Landowners"), for the purpose of amending certain clauses contained in (i) a Joint Development Agreement entered into between the Landowners and the Firm on 29 March 2007; and (ii) a Development Agreement cum General Power of Attorney entered into between SCIPL, the Landowners, the Firm, Opus and Sunway Opus JV Co on 16 August 2007.

**15. ADDITIONAL INFORMATION (cont'd)**

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**15.6 Public take-overs**

During the last financial year ended 31 December 2010 and the subsequent period up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our securities; and
- (ii) public take-over offers by our Company in respect of other corporations' securities.

**15.7 Consents**

Our Joint Principal Advisers, the Solicitor and Due Diligence Solicitor for Sunway, the Solicitor and Due Diligence Solicitor for SunCity and SunH, the Company Secretaries, the Share Registrar, the Principal Bankers, the Independent Market Researcher and the Independent Registered Valuers have, before the issue of this Prospectus, given and have not subsequently withdrawn their written consents for the inclusion in this Prospectus of their names in the manner and form in which such names appear in this Prospectus.

Our Auditors and Reporting Accountants have, before the issue of this Prospectus, given and not subsequently withdrawn their written consents for the inclusion in this Prospectus of their names and Reporting Accountants' Letter on our proforma consolidated financial information in the manner and form in which they are contained in this Prospectus.

**15.8 Documents available for inspection**

Copies of the following documents may be inspected at our registered office during office hours for a period of 12 months from the date of this Prospectus:

- (i) Our Memorandum and Articles;
- (ii) Our material contracts referred to in Section 15.5 of this Prospectus;
- (iii) Our Reporting Accountants' letter on the proforma consolidated financial information as referred to in Section 9.5 of this Prospectus;
- (iv) The Directors' Report as referred to in Section 13 of this Prospectus;
- (v) Our Independent Market Research Report titled "The Construction Industry and Property Market in Malaysia" and Executive Summary of the Independent Market Research Report as referred to in Section 7 of this Prospectus;
- (vi) Our Deed Poll;
- (vii) The cause papers for material litigation referred to in Section 15.4 of this Prospectus;
- (viii) The letters of consent referred to in Section 15.7 of this Prospectus; and
- (ix) The audited financial statements of SunCity and SunH for the last 3 financial years/period ended 30 June 2008, 31 December 2009 and 31 December 2010.

**15. ADDITIONAL INFORMATION (cont'd)**

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**15.9 Responsibility statements**

Our Directors and Promoters have reviewed and approved this Prospectus and they collectively and individually accept full responsibility for the accuracy and correctness of the information given in this Prospectus and confirm that, after making all reasonable enquiries and, to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in this Prospectus false or misleading.

CIMB and RHB Investment Bank, as Joint Principal Advisers for the Issuance acknowledge that, based on all available information and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts on the Issuance.

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## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES

The tables below list down the details of our real estate as at the LPD. The real estate with market values shown are those material real estate held for property development/property investment for which valuations have been carried out in accordance with the SC's Asset Valuation Guidelines. Please also refer to Section 8 of this Prospectus for the respective valuation certificates. In addition, where valuations have been carried out, the valuation surplus or deficit has not been incorporated in the proforma consolidated financial information for the financial year ended 31 December 2010.

### Property, plant and equipment

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered Owner	Existing use / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
PN 17415/M1/21/225, Lot 62060 PN 17415/M1/21/226, Lot 62060 Bandar Sunway Daerah Petaling Selangor	1,898 / (1,550)	Sunway Resort Hotel Sdn Bhd (Beneficial owner: SunCity)	Resort Suites (2 units)	6	Leasehold expiring 21.02.2102	1,085	-	-
PN 12457 Lot 38158 PN 12548 Lot 43 Bandar Sunway Daerah Petaling Selangor	4,075 / (38,741)	SunCity (Land)  Sunway Lagoon Club Berhad (Building) <sup>(1)</sup>	Sunway Lagoon Club	16	Leasehold expiring 01.04.2097	41  9748	-	-
PT 1311 HS(D) 259956 (formerly known as PN 9490 Lot 34) PN 9493 Lot 37 PT 15753 HS(D) 98453 Bandar Sunway Daerah Petaling Selangor	58,850 / (728,236)	SunCity (Land)  Sunway Lagoon Sdn Bhd (Building)	Sunway Lagoon Theme Park, Amphitheatre, Wavepool & Elephant Walk	17	Leasehold expiring 01.04.2097 & 19.06.2094	389  85,415	-	-
Lot 45 PN 12550 (formerly known as PT 37 HS(D) 118341) Lot 3816 PN 12549 (formerly known as PT 1489 HS(D) 118318) Bandar Sunway Daerah Petaling Selangor	4,496 / (755,940)	SunCity (Beneficial owner: Sunway Medical Centre Berhad) <sup>(2)</sup>	Sunway Medical Centre  Sunway Medical Centre	10  2	Leasehold expiring 01.04.2097	12,571  147,612	-	Pledged to HSBC Bank Malaysia Berhad ("HSBC")

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered Owner	Existing use / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
12 strata titles held under PN 11816 Lot 61771 Bandar Sunway Daerah Petaling Selangor	2.980 / (129,809)	SunCity (Beneficial owner: Sunway Residence Sdn Bhd)	Sun U Residence Block C (12 units)	6	Leasehold expiring 01.01.2097	6,500	-	-
PT 199440 HS(D) 134496, Jalan Tambun MK Ulu Kinta Daerah Kinta Perak Darul Ridzuan	39.820	Sunway City (Ipoh) Sdn Bhd <sup>(3)</sup>	Lost World of Tambun	6	Leasehold expiring 03.08.2103	38,673	-	Pledged to Bank Pembangunan Malaysia ("BPM")
36 strata titles held under PN17415 PT62060 Bandar Sunway Daerah Petaling Selangor	1.898 / (18,463)	Sunway International Vacation Club Berhad	Resort Suites (36 units)	6	Leasehold expiring 21.02.2102	6,167	-	-
PT 302 HS(D)15354 Daerah Port Dickson Negeri Sembilan.	10,000 / (6,456)	Tokoh Maya Sdn Bhd (Beneficial owner: Sunway International Vacation Club Berhad)	Legend Water Chalets (8 units Service suites and 2 units Chalets)	4	Freehold	2,061	-	Pledged to Public Bank Berhad ("PBB")
Geran No 63519, Lot 2220 Section 12 Town of Georgetown North East District, Pulau Pinang	0.631 / (220,097)	Sunway Hotel (Penang) Sdn Bhd	Sunway Hotel Georgetown	17	Freehold	60,007	-	Pledged to syndicated lender (OCBC Bank (Malaysia) Berhad, HSBC ("OCBC"), Malayan Banking Berhad ("MBB") and RHB Bank Berhad ("RHB"))

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered Owner	Existing use / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
PT 370 HS (D) 145185 Pekan Baru Sungai Buloh District of Petaling Selangor Darul Ehsan	(250,745)	Perbadanan Kemajuan Negeri Selangor ("PKNS") (Beneficial Owner: Sunway Damansara Sdn Bhd) <sup>(a)</sup>	Sunway Giza Carpark	1	Leasehold expiring 23.11.2100	4,788	-	-
PT220409 HS (D) 174259 Mukim Hulu Kinta Daerah Kinta, Perak Darul Ridzuan	16.19	Kinta Sunway Resort Sdn Bhd	The Banjaran Hotsprings	1	Leasehold expiring 06.07.2107	73,387	-	Pledged to BPM
No. 1, Street 92, Sangkat Wat, Phnom Penh, Cambodia	0.989 / (125,313)	Sunway Hotel Phnom Penh Ltd	Sunway Hotel Phnom Penh	12	Leasehold expiring 28.04.2066	17,523	-	-
19 Pham Dinh Ho, Hanoi, Vietnam	0.216 / (105,918)	Sunway Hotel Hanoi Liability Limited Company with One Member	Sunway Hotel Hanoi	12	Leasehold 14.09.2027	12,030	-	-
No. 6, 8 & 10, Jalan SR 4/19 Serdang Raya 43300 Sri Kembangan Selangor Darul Ehsan	12,600	Sunway Hydraulic Industries Sdn Bhd	Factory building	25	99 years leasehold expiring 13.10.2086	821	-	-
(H.S.(M) 10559, P.T. 6847, H.S.(M) 10560, P.T. 6846, H.S.(M) 10561, P.T. 6845, Mukim Petaling, Daerah Petaling, Negeri Selangor)								
Geran 52386, Lot 6489 & Geran 52387, Lot 6490, Mukim Kapar Daerah Klang, Negeri Selangor	439,956	Sunway Keramo Sdn Bhd	Factory building	18	Freehold	15,050	-	Pledged to MBB



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered Owner	Existing use / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
H.S.(D) 5492, P.T. No.5602, Pekan Batang Berjuntai, Daerah Kuala Selangor, Negeri Selangor	4,399,560	Sunway Keramo Sdn Bhd	Claymine	-	Freehold	9,656	-	Pledged to United Overseas Bank (Malaysia) Berhad ("UOB")
19 Senoko South Road Singapore 758708	85,282	Sunway Marketing (S) Pte Ltd	Warehouse	17	30+30 years leasehold expiring 30.11.2053	9,050	-	Pledged to Oversea-Chinese Banking Corporation Limited ("OCBCL")
11 Gul ST.4 Singapore 629240	23,594	Sunway Marketing (S) Pte Ltd	Warehouse	30	30+30 years leasehold expiring 01.08.2040	6,774	-	Pledged to OCBCL
H.S.(D) 822, Lot 2788, H.S.(D) 830, Lot 2796 & H.S.(D) 831, Lot 2797, Mukim 7, Daerah Seberang Perai Selatan, Negeri Pulau Pinang	257,309	Sunway Paving Solutions Sdn Bhd	Industrial land and building	14	Freehold	5,403	-	-
Geran 227724, Lot 10071, Mukim of Batang Kali, Daerah Ulu Selangor, Negeri Selangor	1,916,640	Sunway Paving Solutions Sdn Bhd	Industrial land and building	12	Freehold	27,158	-	-
H.S.(D) 128842, P.T.D. 8781, Mukim Senai-Kulai, Daerah Johor Bahru, Negeri Johor	283,140	Sun-Block (Senai) Sdn Bhd (Beneficial owner: Sunway Paving Solutions Sdn Bhd) <sup>(5)</sup>	Industrial land and building	21	Leasehold 60 years expiring 20.06.2043	7,658	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered Owner	Existing use / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
No. 1 Xu Zhen Industrial Area, Wuhu, Anhui, 241306, China	340,118	Sunway Xin Long (Anhui) Hydraulic Co. Ltd. <sup>(6)</sup>	Industrial land and building	4	Land use right 50 years expiring 30.04.2059	7,353	-	Pledged to Standard Chartered Bank (China) Limited ("StanChart")
Xu Zhen Industrial Area, Wuhu, Anhui, 241306, China	79,599	Sunway Daechang Forging (Anhui) Co. Ltd.	Industrial land and building	2	Land use right 25 years expiring 21.02.2025	2,430	-	-
Xin Gang Zone, Bai Jiao Science Technology Industrial Park, Dou Men District, Zhuhai City, Guangdong Province, China	901,649	Sunway Spun Pile (Zhuhai) Co. Ltd. <sup>(7)</sup>	Industrial land and building	5	Land use right 50 years expiring 18.04.2056	23,132	-	Pledged to StanChart
Chajiao Industrial Park, Yuanzhou District, Zhongtang Town, Dongguan City, Guangdong Province, China	57,216	Sunway Building Materials (Dongguan) Co. Ltd.	Building (factory, office, hostel)	5	Land use right 20 years expiring 30.06.2025	5,036	-	-
Nui Dinh Quarter, Kim Dinh Ward, Ba Ria Town, Ba Ria Vung Tau Province Vietnam	7,378	Sungei Way Ocean JV Co. Ltd. <sup>(8)</sup>	Office container and structures	13	Land use rights leasehold expiring 01.08.2020	236	-	-
Komplek Pergudangan Avian 3 in 1 Blok D-06 Jl. Arengka 11, Pekanbaru - Riau 28292 Indonesia	5,940	PT Sunway Trek Masindo <sup>(9)</sup>	Warehouse	5	Leasehold 35 years expiring in 2035	386	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered Owner	Existing use / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Jalan Kosambi Timur, No. 47 Komplek Pergudangan Sentra Kosambi, Blok H1 No. A Kosambi Timur, Dadap Tangerang 15211 Indonesia	24,070	PT Sunway Trek Masindo <sup>(9)</sup>	Warehouse	7	Leasehold 35 years expiring in 2037	649	-	-
Lot 656, Jalan Subang 1, Off Persiaran Subang 47600 Subang Jaya Selangor	26,749	Sunway Enterprise (1988) Sdn Bhd	Workshop cum office	6	Freehold	852	-	-
17C, Bala, Hadong, Hatay Province, Vietnam	43,056	Sunway Hatay Construction & Building Materials JV Co. Ltd. <sup>(10)</sup>	Batching plant	20	Leasehold 45 years expiring 04.10.2039	29	-	-
Hoa Thach Commune, Xuan Mai, Hatay Province, Vietnam	5,274,316	Sunway Hatay Construction & Building Materials JV Co. Ltd. <sup>(10)</sup>	Quarry land	-	Leasehold 45 years land use rights expiring 04.10.2039	32	-	-
Nui Dinh Quarter, Kim Dinh Ward, Ba Ria Town, Ba Ria Vung Tau Province Vietnam	4,563,898	Sungei Way Ocean JV Co. Ltd. <sup>(8)</sup>	Quarry land	-	Leasehold land use rights expiring 01.08.2020	298	-	-
Geran 239575 (formerly known as HSD 28616), Lot 15275 (formerly known as PT14345), Mukim Serendah, District of Ulu Selangor, Negeri Selangor.	2,364	Talam Corporation Berhad (Beneficial Owner: Sunway Quarry Industries Sdn Bhd) <sup>(5)</sup>	Single storey terrace house	9	Freehold	80	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered Owner	Existing use / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Lot 9, Jalan TUDM, Kampung Baru Subang 40150 Shah Alam  (H.S.(D) 182796, P.T. No. 7, Pekan Subang, Daerah Petaling, Negeri Selangor)	91,787	Sunway Dimension Stones Sdn Bhd	Factory cum office	8	Leasehold 60 years expiring 15.01.2063	4,939	-	Pledged to Affin Bank Berhad ("Affin")
No. 88, Jalan Setia Kasih 1, Ayer Keroh Heights, Melaka H.S.(M) 91/83, P.T. 384, Mukim Bukit Katil, Tempatan Ayer Keroh, Negeri Melaka	1,539	Sunway Quarry Industries (Melaka) Sdn Bhd (formerly known as Ansa Teknik (Melaka) Sdn Bhd)	Single storey terrace house	25	Leasehold 99 years expiring on 22.08.2082	48	-	-
Lot 1979, Jalan Lenggong Kati, 33500 Sauk, Kuala Kangsar, Perak  H.S.(D) 12269-12271, P.T. 942-944, H.S.(D) KK 6/74, P.T. 1, Mukim Chegar Galah, Daerah Kuala Kangsar, Perak	2,417,897	Sunway Quarry (Kuala Kangsar) Sdn Bhd (formerly known as Kualiti Klasik Sdn Bhd)	Quarry land	-	Freehold	312	-	-
Lembah Beringin Kuala Kubu Bharu 48 (Lot S2/4-135)	1,430	Sunway GD Piling Sdn Bhd	Single storey link house	-	Freehold	98	-	-

## Notes:

1. 84%-owned subsidiary of SunCity.
2. 91%-owned subsidiary of SunCity.
3. 65%-owned subsidiary of SunCity.
4. 60%-owned subsidiary of SunCity.
5. 100%-owned subsidiary of SunH.
6. 78%-owned subsidiary of Sunway Global Limited, which in turn is a 77%-owned subsidiary of SunH.

**APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)**

7. 80%-owned subsidiary of Sunway Global Limited, which in turn is a 77%-owned subsidiary of SunH.
8. 70%-owned subsidiary of Sunway Holdings (Vietnam) Sdn Bhd, which in turn is a 100%-owned subsidiary of SunH.
9. 95%-owned subsidiary of Sunway Marketing (S) Pte Ltd, which in turn is a 100%-owned subsidiary of SunH.
10. 86%-owned subsidiary of Sunway Holdings (Vietnam) Sdn Bhd, which in turn is a 100%-owned subsidiary of SunH.

**Properties for resale:**

Location address / Title Particulars	Land area (acre)	Registered owner	Description / Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Encumbrance	Lettable space (sq ft)	Rental Income or expected rental income per month (RM)
Parcel No. A 06.11, within storey No.06, Kompleks Adorna Diamond, Lot 491 Section 10, Town of Georgetown, North East District, Penang. (Geran 62531 (formerly known as Geran 1853), Lot 862, Seksyen 10, Bandar George Town, Daerah Timor Laut, Negeri Pulau Pinang)	926	Sunway Marketing Sdn Bhd	Light industrial premises	N/A	Freehold	185	-	-	-	-
No. 33-1-30, Prangin Mall Jalan Dr. Lim Chwee Leong 10100 Penang (P.N. 2542 (formerly known as H.S.(D) 11594), Lot 398, P.N. 2543 (formerly known as H.S.(D) 11595), Lot 399, Seksyen 17, Bandar George Town, Daerah Timor Laut, Negeri Pulau Pinang)	405	Sunway Marketing Sdn Bhd	Shoplot	14	Leasehold 99 years expiring 09.06.2096	280	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Description / Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Encumbrance	Lettable space (sq ft)	Occupancy (%)
No. 3-22-1, Desa Bistari (Phase 2), Lintang Pantai Jerjak, 11700 Penang (GM 2498, Lot 9948, Mukim 13, Daerah Timor Laut, Negeri Pulau Pinang)	700	Sunway Marketing Sdn Bhd	Apartment	N/A	Freehold	100	-	-	-	-
Unit 6-8-1, Cloud View Tower, Lorong Jintan 3 Taman Supreme Cheras, 56100 Kuala Lumpur (P.N. 1551/M1/9/32, Lot No. 35895, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan, Wilayah Persekutuan)	1,324	Registered owner: ABS Land & Properties Bhd (Beneficial Owner: Sunway Marketing Sdn Bhd)	Condominium	N/A	Leasehold 99 years expiring on 15.04.2076	230	-	-	-	-
No. 15 Jln Beladau 7 Taman Puteri Wangsa Ulu Tiram (Geran 275913 (formerly known as H.S.(D) 240447, Lot 43744, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor)	1,744	Sunway Juarasama Sdn Bhd	Double storey shophouse	11	Freehold	220	-	-	-	-
P.N. 13248 (formerly known as HS(D) 273869), Lot 67965, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	3,111	Sunway Juarasama Sdn Bhd	Double storey terrace house	7	Leasehold 991 years expiring on 03.09.2911	235	-	-	-	-

**APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)**

Location address / Title Particulars	Land area (acre)	Registered owner	Description / Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings			
								Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM)
P.N. 13253 (formerly known as HS(D) 273874), Lot 67970, Mukim Pulau, Daerah Johor, Negeri Johor	1,679	Sunway Juarasama Sdn Bhd	Double storey terrace house	7	Leasehold 991 years expiring on 03.09.2911	190	-	-	-	-	-
P.N. 13242 (formerly known as HS(D) 273889), Lot 67959, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	1,679	Sunway Juarasama Sdn Bhd	Double storey terrace house	7	Leasehold 991 years expiring on 03.09.2911	190	-	-	-	-	-
HS(D) 354504, PTD 116821, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	1,680	Sunway Juarasama Sdn Bhd	Single storey terrace house	7	Leasehold 991 years expiring on 03.09.2911	130	-	-	-	-	-
HS(D) 354505, PTD 116822, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	1,680	Sunway Juarasama Sdn Bhd	Single storey terrace house	7	Leasehold 991 years expiring on 03.09.2911	130	-	-	-	-	-
HS(D) 354506, PTD 116823, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	1,680	Sunway Juarasama Sdn Bhd	Single storey terrace house	7	Leasehold 991 years expiring on 03.09.2911	130	-	-	-	-	-
HS(D) 354534, PTD 116851, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	1,680	Sunway Juarasama Sdn Bhd	Single storey terrace house	7	Leasehold 991 years expiring on 03.09.2911	130	-	-	-	-	-
H.S.(D) 354507, PTD 116824, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	1,680	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	130	-	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Description / Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings			
								Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM)
H.S.(D) 354524, PTD 116841, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	7,411	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	346	-	-	-	-	
H.S.(D) 354555, PTD 116872, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	4,046	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	305	-	-	-	-	
H.S.(D) 354508, PTD 116825, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	3,218	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	213	-	-	-	-	
H.S.(D) 354517, PTD 116834, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	2,520	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	190	-	-	-	-	
H.S.(D) 354500, PTD 116817, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	2,380	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	172	-	-	-	-	
H.S.(D) 354556, PTD 116873, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	3,197	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	212	-	-	-	-	
H.S.(D) 354488, PTD 116805, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	4,545	Sunway Juarasama Sdn Bhd	Single storey terrace house	6	Leasehold 991 years expiring on 03.09.2911	246	-	-	-	-	



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Description / Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Encumbrance	Lettable space (sq ft)	Occupancy (%)
H.S.(D) 354525, PTD 116842, Mukim Pulai, Daerah Johor Bahru, Negeri Johor	3,460	Sunway Juarasama Sdn Bhd	Single storey terrace house	5	Leasehold 991 years expiring on 03.09.2911	195	-	-	-	-
Menara Duta II, B-13A-4 No. 20 Jalan Dutamas Raya, Segambut Dalam 51200 K.L (Geran Mukim 4941/M1-B/15/170, Lot 53286, Mukim Batu, Wilayah Persekutuan, Kuala Lumpur)	1,442	Radin Makmur Sdn Bhd (Beneficial Owner: Sunway Enterprise (1988) Sdn Bhd)	Condominium	10	Freehold	245	-	1,442	100	1,000
Menara Duta II, B-11-1 No. 20 Jalan Dutamas Raya, Segambut Dalam 51200 K.L (Geran Mukim 4941/M1-B/12/152, Lot 53286, Mukim Batu, Wilayah Persekutuan, Kuala Lumpur)	1,560	Sunway Enterprise (1988) Sdn Bhd	Condominium	10	Freehold	251	-	1,560	100	1,000
B-4-4 Senai Industrial Park Lot PTD 41839 Mukim of Senai-kulai Johor Bahru (H.S.(D) 26913, P.T.D. 41839, Mukim Senai, Daerah Kulajaya, Negeri Johor)	704	Wangsa Idaman Sdn Bhd (Beneficial Owner: Sunway Enterprise (1988) Sdn Bhd)	Medium cost apartment	10	Freehold	50	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Description / Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings			
								Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM)
B-4-5 Senai Industrial Park Lot PTD 41839 Mukim of Senai-kulai Johor Bahru (H.S.(D) 26913, P.T.D. 41839, Mukim Senai, Daerah Kulaijaya, Negeri Johor)	704	Wangsa Idaman Sdn Bhd (Beneficial Owner: Sunway Enterprise (1988) Sdn Bhd)	Medium cost apartment	10	Freehold	50	-	-	-	-	-
No. G-11-25, Pangsapuri Vista Lavender, Persiaran Kinrara Seksyen 3, 47100 Puchong, Selangor.	852	Sunway Quarry Industries Sdn Bhd	Apartment	7	99 Years	105	-	-	-	-	-
No. 12, 28 & 31, Jalan Gemilang 3 and No. 32, Jalan Gemilang 4, Taman Bukit Gemilang, 83100 Skudai, Johor (H.S.(D) 354541, P.T.D. 116858, H.S.(D) 354569, P.T.D. 116886, H.S.(D) 354561, P.T.D. 116878, H.S.(D) 354540, P.T.D 116857, Mukim Pulai, Daerah Johor Bahru, Negeri Johor)	11,333	Sunway Leasing Sdn Bhd	Single storey terrace house	7	Leasehold 991 years expiring 03.09.2911	727	-	-	-	-	-

**APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)**

Location address / Title Particulars	Land area (acre)	Registered owner	Description / Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM)
Unit A-1-2	10.174	Sunway Leasing Sdn Bhd	Office lot	16	Leasehold 99 years expiring 21.10.2092	1,760	-	4,654	50	3,900
Unit A-1-3										
Unit A-1-9										
Unit A-1-10										
Unit A-1-11										
Unit B-G-3										
Unit C-G-5										
Unit C-G-6										
No. 58, Sunway Business Park Jln Todak 4 Pusat Bandar Seberang Jaya Perai 13700 Seberang Jaya Penang										
(P.N. 01821/M1/2/36, P.N. 01821/M1/2/37, P.N. 01821/M1/2/42, P.N. 01821/M1/2/44, P.N. 01821/M1/1/6, P.N. 01821/M1/1/22, P.N. 01821/M1/1/23, P.N. 01821/M1/2/43, Lot 5645, Mukim 1, Daerah Seberang Perai Tengah, Negeri Pulau Pinang)										

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

## Investment properties

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance	Lettable space (sq ft)	Occupancy (%)	Where the real estate consist of	
											buildings	Rental Income or expected rental income per month (RM'000)
124 strata titles held under PN 11816 Lot 6177 Bandar Sunway Daerah Petaling Selangor	5.652 / (185,903)	SunCity (Beneficial owner: Sunway Residence Sdn Bhd)	Sun U Residence Block B (124 units)	6	Leasehold expiring 01.01.2097	54,500	55,000 (08.02.2011)	-	(185,903)	100		353
PT894 HSD(T) 238253 PT907 HSD(T) 238960 Bandar Sunway Daerah Petaling Selangor	11.955 / (762,558)	SunCity (Land) Sunway Lagoon Sdn Bhd (Land)  Sunway Platinum Success Sdn Bhd (Building)	Monash University Campus	4	Leasehold expiring 02.04.2106 & 15.5.2106	31,039	200,000 (08.02.2011)	Pledged to MBB	(762,558)	100		1,238
PT28 HS(D) 118332 PT1904 HS(D) 118325 Bandar Sunway Daerah Petaling Selangor	12.433 / (704,577)	SunCity (Beneficial owner: Sunway Destiny Sdn Bdn (formerly known as Stellar Destiny Sdn Bhd)	SUN U Campus	17	Leasehold expiring 01.04.2097	153,000	153,000 (09.02.2011)	Pledged to syndicated lender (OCBC, HSBC, MBB and RHB)	(704,577)	100		906

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance	Lettable space (sq ft)	Occupancy (%)	Where the real estate consist of buildings	
											Rental Income or expected rental income per month (RM'000)	
PT 1706 HS(D) 118324 Bandar Sunway Daerah Petaling Selangor	0.499 / (21,000)	SunCity	Medan Selera (Food Court)	15	Leasehold expiring 01.04.2097	4,000	5,500 (17.02.2011)	-	(21,000)	100	45	
PT 1406 HS(D) 118322 Bandar Sunway Daerah Petaling Selangor	0.370 / (6,308)	SunCity	Sunway Selera (Food Court)	16	Leasehold expiring 01.04.2097	2,000	2,300 (17.02.2011)	-	(6,308)	100	18	
PM130, Lot 37563 (formerly known as PT 892 HS(M) 7031 PN 8622-23, Lot 49359- 60 Bandar Sunway Daerah Petaling Selangor	4.330 / (214,200)	SunCity	Sunway Villa	14	Leasehold expiring 11.04.2093 & 01.12.2097	22,100	22,100 (17.02.2011)	-	(214,200)	96	165	
Please refer to Note A.												
PN11814/M1-B/10/183 Lot 61769 (B-10-02) Mukim Damansara, Daerah Petaling Selangor	(2,142)	SunCity	Palmville (1 unit)	14	Leasehold expiring 01.04.2097	650	650 (17.02.2011)	-	(2,142)	100	4	

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Lettable space (sq ft)	Occupancy (%)	Rental Income or expected rental income per month (RM'000)
PN 13010-13019 Lot 52003-62012 Bandar Sunway Daerah Petaling Selangor	0.390 / (44,867)	Sunway Lagoon Sdn Bhd (Beneficial owner: Sunway Townhouse Sdn Bhd)	2 Storey Townhouse (20 units)	5	Leasehold expiring 14.11.2096	3,800	4,200 (17.02.2011)	(44,867)	80%	28
PT 1490 HS(D) 115836 Bandar Sunway Daerah Petaling Selangor	1.537 / (32,464)	SunCity	Office Warehouse	4	Leasehold expiring 28.12.2096	7,172	8,000 (17.02.2011)	(32,464)	100	35
PN 11815/M1-A/9/55 Lot 61770 (A-09-04)	(2,777)	SunCity	Lagoonview (2 units)	11	Leasehold expiring 01.04.2097	840	860 (17.02.2011)	(2,777)	100	5
PN 11815/M1-B/6/160 Lot 61770 (B-06-05) Jalan Kolej Bandar Sunway Daerah Petaling Selangor										
Lagoonview Condominium: For details on the land titles, please refer to Note 1.	(37,082)	Sunway Ambience Sdn Bhd (formerly known as Spring Ambience Sdn Bhd)	Lagoonview (12 units)	11	Leasehold expiring 01.04.2097	11,418	11,780 (17.02.2011)	(37,082)	100	61

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
Sun-U Residence (formerly known as Monash Condominium); For details on the land titles, please refer to Note 2.			Sun-U Residence (formerly known as Monash Condominium) (15 units)	10						
Lagoonview condo:- For details on the land titles, please refer to Note 3.	(35,951)	Sunway Symphony Sdn Bhd (formerly known as Worldclass Symphony Sdn Bhd) ("Sunway Symphony")	Lagoonview (6 units)	11	Leasehold expiring 01.04.2097	11,260	11,310 (17.02.2011)	(35,951)	100	64
Sun-U Residence (formerly known as Monash Condominium); For details on the land titles, please refer to Note 4.			Sun-U Residence (formerly known as Monash Condominium) (20 units)	10						
PN 6890/M1/5/140 Lot 93 Seksyen 20 Bandar Petaling Jaya Selangor	6.316 / (2,573)	SunCity	Flatted Industrial Factory (1 unit)	14	Leasehold expiring 24.10.2067	400	400	(2,573)	0	0

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
PT 220479 HS(D) 174449 Jalan Tambun MK Ulu Kinta Daerah Kinta, Perak	0.661 / (21,118)	Sunway City (Ipoh) Sdn Bhd <sup>(6)</sup>	Unique Seafood Restaurant	4	Leasehold expiring 16.07.2107	2,725	2,725 (29.12.2010)	(21,118)	100	15
PT 370 HS (D) 145185 Pekan Baru Sungai Buloh District of Petaling Selangor	(196,054)	PKNS. (Beneficial Owner: Sunway Damansara Sdn Bhd) <sup>(6)</sup>	Sunway Giza Mall	1	Leasehold expiring 23.11.2100	38,000	38,000 (30.11.2010)	(196,054)	97	481
Sun-U Residence (formerly known as Monash Condominium):- A-13-03A (PN11816/M2/13/71)	(1,472)	SunCity (Beneficial owner: Sallent Century Sdn Bhd)	Sun U Residence (formerly known as Monash Condominium) (1 unit)	10	Leasehold expiring 01.04.2097	510 <sup>(7)</sup>	N/A	(1,472)	100	2.7
21 Senoko Drive Singapore 758208	70,611	Sunway Marketing (S) Pte Ltd	Warehouse	29	30 years Leasehold expiring 30.08.2011	-	-	70,611	100	40,827
55 Cairnhill Road #30- 06 Cairnhill Plaza Singapore	2,852	Sunway Marketing (S) Pte Ltd	Apartment	32	Freehold	1,579	-	2,852	-	10,768



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
Geran Mukim 1, Lot 361, Geran Mukim 2, 1257 and Geran Mukim 3, 1259, Mukim 20, Province Wellesley Central, Penang	397,864	Shahawan (M) Sdn Bhd	Quarry land	-	Freehold	3,665	-	330,185	100	38,000
Wisma SunwayMas PN 21876, Lot 517 Lot 1, Jalan Tengku Ampuan Zabadah C 9/C Section 9, 40100 Shah Alam, Selangor Darul Ehsan	153,587	PKNS (Beneficial owner: SunwayMas Sdn Bhd)	Commercial building	3	Leasehold for 99 years expiring on 29.08.2094	44,600	44,000 (31.12.2010)	153,587 and 402 parking bays	97	392,973 (including car park)

## Notes:

- A. SunCity has yet to receive any assessment statements for this property ("Sunway Villa") and as a result, SunCity has not been able to make any payments to date. Following a written correspondence by SunCity to Majlis Perbandaran Subang Jaya ("MPSJ") to seek the status of assessment on Sunway Villa, MPSJ had on 8 July 2009 responded that Sunway Villa had been assessed and that the statement of claim will be issued. However, as of to date, SunCity has yet to receive any statement of claim for the assessment on Sunway Villa. SunCity and/or Sunway undertake to follow up closely with MPSJ on the issuance of the assessment statements of claims in order to make the due payments.
- Land titles are A-01-04 (PN11815/M1/1/4), A-07-06 (PN11815/M1-A/7/45), A-08-04 (PN11815/M1-A/8/49), A-13-04 (PN11815/M1-A/13/79), A-13-05 (PN11815/M1-A/13/80), B-21-03 (PN11815/M1-B/21/251), B-03-04 (PN11815/M1-B/3/143), A-22-03 (PN11815/M1-A/22/128), A-05-05 (PN11815/M1-A/5/32), A-07-05 (PN11815/M1-A/7/44), B-18-04 (PN11815/M1-B/18/232) and B-10-05 (PN11815/M1-B/10/184).
  - Land titles are A-16-03 (PN11816/M2/16/86), A-11-03 (PN11816/M2/11/60), A-10-01 (PN11816/M2/10/50), A-19-05 (PN11816/M2/19/99), A-18-03A (PN11816/M2/18/95), A-11-06 (PN11816/M2/11/57), A-13-02 (PN11816/M2/13/67), A-20-01 (PN11816/M2/20/103), A-12-06 (PN11816/M2/12/63), A-12-02 (PN11816/M2/12/61), A-05-03A (PN11816/M2/5/23), A-05-05 (PN11816/M2/5/22), A-05-01 (PN11816/M2/5/20), A-13-05 (PN11816/M2/13/70) and A-11-01 (PN11816/M2/11/56).
  - Land titles are B-02-04 (PN11815/M1-B/2/137), B-22-03 (PN11815/M1-B/22/256), B-16-03 (PN11815/M1-B/16/221), B-04-04 (PN11815/M1-B/4/149), A-14-02 (PN11815/M1-A/14/83) and A-15-02 (PN11815/M1-A/15/88).

APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

4.

Land titles are A-13A-03 (PN11816/M2/14/76), A-13A-3A (PN11816/M2/14/75), A-10-06 (PN11816/M2/10/51), A-17-05 (PN11816/M2/17/89), A-08-06 (PN11816/M2/8/39), A-07-03 (PN11816/M2/7/36), A-15-03 (PN11816/M2/15/81), A-11-02 (PN11816/M2/11/55) (Currently registered under the name of a third party, pending transfer to Sunway Symphony), A-23A-01 (PN11816/M2/24/120) (Currently registered under the name of SunCity, pending transfer to Sunway Symphony), A-23A-02 (PN11816/M2/24/119) (Currently registered under the name of a third party, pending transfer to Sunway Symphony), A-12-03 (PN11816/M2/12/65), A-06-06 (PN11816/M2/6/27), A-15-02 (PN11816/M2/15/77), A-21-02 (PN11816/M2/21/107), A-10-05 (PN11816/M2/10/52) (Currently registered under the name of SunCity, pending transfer to Sunway Symphony), A-12-03A (PN11816/M2/12/65), A-23A-03A (PN11816/M2/24/121), A-10-03 (PN11816/M2/10/54), A-21-03 (PN11816/M2/21/110) (Currently registered under the name of a third party, pending transfer to Sunway Symphony), A-08-01 (PN11816/M2/8/38).
5.

65%-owned subsidiary of SunCity.
6.

60%-owned subsidiary of SunCity.
7.

Purchase consideration paid pursuant to the sale and purchase agreement dated 1 October 2010.

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## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

## Investment properties acquired subsequent to 31 December 2010 and up to the LPD

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Purchase consideration (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
Sun-U Residence (formerly known as Monash Condominium):- A-06-05 (PN11816/M2/6/28) A-11-05 (PN11816/M2/11/58)	(2,850)	SunCity (Beneficial Owner: Salient Century Sdn Bhd)	Sun U Residence (formerly known as Monash Condominium) (2 units)	10	Leasehold expiring 01.04.2097	480 <sup>(1)</sup> 510 <sup>(2)</sup>	-	-	(2,850)	50%	2.7
Level 18, Wisma SunwayMas PN 21876, Lot 517, Lot 1, Jalan Tengku Ampuan Zabadah C 9/C Section 9, 40100 Shah Alam, Selangor Darul Ehsan	16,630	Daksina Harta Sdn Bhd	Commercial building	3	Leasehold for 99 years expiring on 29.08.2094	3,908 <sup>(3)</sup>	-	-	16,630	-	N/A
PTD 64070-64592 HS(D)151079-151601 Mukim Plentong, District of Johor Bahru, Johor	64.6	Sunway City (JB) Sdn Bhd (formerly known as Asli Budimas Sdn Bhd)	Vacant	-	Freehold	134,528 <sup>(4)</sup>	-	-	-	-	-
Lot PT 391 & 392 Batu 2½ Jalan Cheras Kuala Lumpur	22.6	Fawanis Sdn Bhd (Beneficial Owner: SunCity)	Mixed development under construction	-	Freehold	N/A <sup>(5)</sup>	-	PT 391 pledged to Alliance Bank Malaysia Berhad ("Alliance")  PT 392 pledged to Affin	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre) / (built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Purchase consideration (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
Lot No. 113, Seksyen 1, Bandar Bukit Mertajam, Daerah Seberang Perai Tengah	8.10	Sunway Bintang Sdn Bhd (formerly known as Prime Delight Sdn Bhd)	Vacant	-	Freehold	10,593 <sup>(6)</sup>	-	-	-	-	-
No.12, Lot No. 1094, Mukim 08, Daerah Seberang Perai Tengah, Penang	1.02	Sunway Bintang Sdn Bhd (formerly known as Prime Delight Sdn Bhd)	Vacant	-	Freehold	1,198 <sup>(7)</sup>	-	-	-	-	-
Lot No. 67 GM No.4 Lot No. 68 GM No.5 Lot No.69 GM No.6 Lot No. 70 GM No. 7 Lot No.89 GM No. 10 Lot No.279 GM No. 331 Lot No.611 GM No. 291 Lot No.612 GM No. 292 Lot No. 613 GM No. 324 Lot No.614 GM No. 613 Lot No.657 GM No. 306 Lot No.658 GM No. 307 Mukim 1, Tempai Pulau Betong, Daerah Barat Daya, Penang	19.87	Associated Circle Sdn Bhd	Vacant	-	Freehold	8,656 <sup>(8)</sup>	-	-	-	-	-

**APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)**

**Notes:**

1. Purchase consideration paid pursuant to the sale and purchase agreement dated 27 May 2010.
2. Purchase consideration paid pursuant to the sale and purchase agreement dated 14 December 2010.
3. Purchase consideration paid pursuant to the sale and purchase agreement dated 4 November 2010.
4. Purchase consideration paid pursuant to the sale and purchase agreement dated 28 December 2010.
5. SunCity had on 22 February 2011 entered into an Amending Agreement with Favanis Sdn Bhd to amend the terms and conditions of the Original JV Agreement.
6. Purchase consideration paid pursuant to sale and purchase agreement dated 30 March 2011.
7. Purchase consideration paid pursuant to sale and purchase agreement dated 12 April 2011.
8. Purchase consideration paid pursuant to sale and purchase agreement dated 25 April 2011.

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## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

## Inventories

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings			Rental income or expected rental income per month (RM'000)
								Encumbrance	Lettable space (sq ft)	Occupancy (%)	
Lot 58694 Tempat Sg Teba Geran Mukim 7323 Mukim Batu Negeri Wilayah Persekutuan	0.030 / (1,259)	SunCity	Casa Kiara Condo	4	Freehold	315	-	-	-	-	-
PN 11815 Lot 61770 M1-A/21/123 (A-21-02) M1-B/23/258 (B-23-03) M1-B/23/258 (B-23-04) M1-B/23/257 (B-23-05) M1-B/23/257 (B-23-06) Bandar Sunway Daerah Petaling Selangor	5.134 / (14,587)	SunCity	Lagoonview (5 units)	11	Leasehold expiring 01.04.2097	2,289	-	14,587 (All units are tenanted)	100	25	
PM 1451 Lot 51207 PT 1384 HS(D) 8437 Bandar Sunway Daerah Petaling Selangor	0.098 / (3,620)	SunCity	Residential (2 units)	16-20	Leasehold expiring 11.03.2095 & 30.10.2093	221	-	3,620 (All units are tenanted)	100	2	
PN11814 Lot 61769 M1-C/1/186 (C-01-03) M1-A/1/12 (A-01-01) M1-C/1/185 (C-01-04) Bandar Sunway Daerah Petaling Selangor	6.783 / (4,991)	SunCity	Palmville Condominium (3 units)	14	Leasehold expiring 01.04.2097	644	-	4,991 (All units are tenanted)	100	8	

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Encumbrance	Lettable space (sq ft)	Occupancy (%)
PN 11816 PT61771 M2/25/123 (A-25-01) M2/25/124 (A-25-02) Bandar Sunway Daerah Petaling Selangor	0.044 / (8,747)	SunCity	Sun U Residence Block A (2 units)	8	Leasehold expiring 01.01.2097	1,674	-	8,747 (All units are tenanted)	100	9
PT45 HS(D)118349 Mukim Damansara Daerah Petaling Selangor	0.404 / (22,324)	PKNS (Beneficial Owner: SunCity)	Mentari Business Park (25 units)	5	Leasehold expiring 01.04.2097	5,749	-	7,086 (Only 8 units are tenanted)	100	11
44 strata titles held. Land in Seberang Perai Tengah, Pulau Pinang. For details on the land titles, please refer to Note 1.	0.676 / (38,499)	Era Primission Sdn Bhd	Business Park (44 units)	11	Leasehold expiring 01.10.2092	5,358	-	19,722 (Only 21 units are tenanted)	100	16
17 strata titles held. Land in Jalan Tambun MK Ulu Kinta Daerah Kinta, Perak	0.656 / (53,993)	Sunway City (Ipoh) Sdn Bhd <sup>(3)</sup>	Commercial & Industrial (17 units)	9	Leasehold expiring 27.10.2097	2,664	-	2,006 (only 1 unit is tenanted)	100	1
For details on the land titles, please refer to Note 2.										
PT 2321 HS (M) 2900 PT 2486 HS (M) 3003 PT 2507 HS (M) 3024 Mukim 13, Timur Laut Pulau Pinang	0.435 / (12,159)	Sunway Bukit Gambier Sdn Bhd	Sunway Bukit Gambier (3 units )	1	Freehold	4,928	-	Pledged to Alliance	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
GRN 12523 Lot 013853S Daerah Kinta, Bandar Ipoh, Perak	0.167 / (18,595)	Area Star Sdn Bhd	Shop Offices (1 unit - corner lot)	4	Freehold	1,654	-	-	-	-
PT 369, HS (D) 145184 Mukim Sungai Buloh Daerah Petaling Selangor	2.91 / (126,802)	PKNS (Beneficial Owner: Sunway Damansara Sdn Bhd) <sup>(4)</sup>	Carpark structure	2	Leasehold expiring 23.11.2100	9,950	-	-	-	-
PT 44758 HS(D) 129465 PT 44875 HS(D) 129582 Mukim Cheras Selangor	0.19 / (8,482)	Sunway City Properties Sdn Bhd	2 storey link house (2 units)	4	Freehold	834	-	-	-	-
Lot 25160 No Hakmilik 161578 PT 22382 HS (D) 121783 PT 22395 HS (D) 121796 MK Semenyih Daerah Ulu Langat Selangor	8.857 / (2,043)	Sunway Semenyih Sdn Bhd <sup>(5)</sup>	Shop office (1 unit) Low cost flats (4 units)	6	Freehold	808	-	-	-	-



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
Tower A:	24,275	Atlas Corporation Sdn Bhd	Commercial building	10	Freehold	6,312	-	18,776	67	38,212
Suite A-3-4 * <sup>(a)</sup>		(Beneficial Owner:								
Suite A-5-6 * <sup>(a)</sup>		Sunway Construction Sdn Bhd)								
Suite A-6-6 * <sup>(b)</sup>										
Suite A-19-1(b) * <sup>(a)</sup>										
Tower B:										
Suite B-5-5										
Suite B-13-7 <sup>(b)</sup>										
Suite B-14-3 * <sup>(b)</sup>										
Tower C:										
Suite C-4-4 * <sup>(c)</sup>										
Suite C-7-3										
Suite C-7-6 * <sup>(d)</sup>										
Suite C-16-3 * <sup>(a)</sup>										
Plaza Pantai										
No 5, Jalan 4/83A, Off										
Jalan Pantai Baru,										
59200 Kuala Lumpur										
(H.S.(D) 60799, P.T.										
2510 & 2511, Mukim										
Kuala Lumpur, Daerah										
Kuala Lumpur, Wilayah										
Persekutuan)										

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance	Lettable space (sq ft)	Where the real estate consist of buildings		
										Occupancy (%)	Income or expected rental income per month (RM'000)	Rental
Kasturi Business Plaza, Balakong (P.N. 9776/M1/B1/1, Lot 476, Seksyen 1, Bandar Cheras, Daerah Ulu Langat, Negeri Selangor)	92,755	Sunway Construction Sdn Bhd	Basement car park	2	Leasehold expiring 27.10.2093	-	-	-	-	-	-	-
Cahaya SPK, Shah Alam 7, 9, 11, 13, 23* <sup>(e)</sup> , 25* <sup>(h)</sup> , 27 and 29* <sup>(i)</sup>  Jalan U9/10 (H.S.(D) 74606, P.T. 543, Mukim Bukit Raja, Daerah Petaling, Negeri Selangor)	77,822	Bukit Cahaya Country Resorts Sdn Bhd (Beneficial Owner: Sunway Construction Sdn Bhd)	Bungalow lot	4	Leasehold expiring 14.02.2092	2,893	-	Pledged to Bank Utama (Malaysia) Berhad (as reflected on the title)	-	-	-	-
Tmn Teluk Gedung Indah 33, Jalan Sungai Sama Gagah 21, Taman Teluk Gedung Indah, 42000 Pibh. Klang, Selangor. (H.S.(M) 32468, P.T. 65205, Mukim Klang, Daerah Klang, Negeri Selangor)	1,539	Sunway Construction Sdn Bhd	Double storey link house	3	Leasehold expiring 16.01.2100	180	-	-	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings			
								Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
Desa Karunmas * (a) 13, Jalan Karunmas 11, Taman Desa Karunmas, 43300 Selangor (H.S.(D) 59584, P.T. 44330, Mukim Kajang, Daerah Ulu Langat, Negeri Selangor)	1,300	Sunway Construction Sdn Bhd	Two and a half storey terrace house	-	Leasehold for 99 years expiring on 18.10.2099	161	-	-	-	-	-
Lukut No. PT 1089, Taman Perindustrian Lukut, 71010 Lukut Port Dickson, Seremban (P.N. 17726, Lot 5781, Mukim Jimah, Daerah Port Dickson, Negeri Sembilan)	2,000	Sunway Construction Sdn Bhd	One and half storey link factory	11	Leasehold 99 years expiring 20.09.2093	1	-	-	-	-	-
116820 (No. 32, Jalan Gemilang 5, Taman Bukit Gemilang, 81300 Skudai, Johor)	1,680	Sunway Builders Sdn Bhd	Single storey link house	N/A	Leasehold expiring 03.09.2911	110	-	-	-	-	-
H.S.(D) 354503, P.T.(D) 116820, Mukim Pulai, Daerah Johor Bahru, Negeri Johor											

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings			
								Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
87888 (No. 15, Jalan Gemilang 12, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13208, Lot 67899, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	1,540	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	155	-	-	-	-	-
87894 (No. 1, Jalan Gemilang 12, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13251, Lot 67968, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	3,382	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	220	-	-	-	-	-
87899 (No. 7, Jalan Gemilang 11, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13252, Lot 67969, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	1,680	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	165	-	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Where the real estate consist of buildings			
							Date of valuation / Market value (RM'000)	Encumbrance	Lettable space (sq ft)	Occupancy (%)
87900 (No. 9, Jalan Gemilang 11, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13255, Lot 67972, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	1,680	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	165	-	-	-	-
87903 (No. 15, Jalan Gemilang 11, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13202, Lot 67893, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	1,680	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	165	-	-	-	-
87904 (No. 19, Jalan Gemilang 11, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13256, Lot 67973, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	1,680	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	165	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Encumbrance	Lettable space (sq ft)	Occupancy (%)
87907 (No. 25, Jalan Gemilang 11, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13218, Lot 67935, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	1,680	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	165	-	-	-	-
87944 (No. 20, Jalan Gemilang 9, Taman Bukit Gemilang, 81300 Skudai, Johor) (P.N. 13259, Lot 67976, Mukim Pulau, Daerah Johor Bahru, Negeri Johor)	1,680	Sunway Builders Sdn Bhd	Double storey link house	N/A	Leasehold expiring 03.09.2911	165	-	-	-	-
Subang Square Geran 234503, Lot 62002, Bandar Subang Jaya, Daerah Petaling, Negeri Selangor)	159,114	Majlis Perbandaran Petaling Jaya (Beneficial Owner: Muhibbah Permai Sdn Bhd) <sup>(7)</sup>	Office lot / Shopping gallery / Car park	11	Freehold	29,477	33,320 (31.12.2010)	-	159,114	100
For details on the lots, please refer to Note 6.										164,527

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Encumbrance	Lettable space (sq ft)	Occupancy (%)
PN8639/M1/15/135 P.N. 8639/M2/15/270, Lot 516 Seksyen 9, Bandar Shah Alam Daerah Petaling, Negeri Selangor Sri Kemuncak Condo - 35-14-01 & 36-14-01	15,158	PKNS (Beneficial Owner: SunwayMas Sdn Bhd)	Residential	3	Leasehold for 99 years expiring on 29.08.2094	2,100	-	-	-	-
HS(D)9601 PTD 8755 Mukim Serendah, Daerah Ulu Langat, Negeri Selangor No.43 Jalan Jejarum 2, Section BB9 Bandar Bukit Beruntung, 48300 Rawang	2,000	Sunway Juarasama Sdn Bhd (Beneficial Owner: SunwayMas Sdn Bhd)	Commercial	2	Freehold	60	-	-	-	-
HS(M)2489, PTD 5459 Mukim Rengam, Daerah Kluang, Negeri Johor No. 23 Jalan Berlian 3, Taman Renggam Jaya, 86200 Simpang Rengam Johor	1,540	Sunway Juarasama Sdn Bhd (Beneficial Owner: SunwayMas Sdn Bhd)	Commercial	2	Freehold	90	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings		
								Encumbrance	Lettable space (sq ft)	Occupancy (%)
PN 31319, Lot 35027, Mukim Labu, Daerah Seremban, Negeri Sembilan	1,400	Sunway Juarasama Sdn Bhd (Beneficial Owner: SunwayMas Sdn Bhd)	Commercial	2	Leasehold Expiring 09.10.2093	180	-	-	-	-
No.43 Lorong Mutiara Galla 1/1, Taman Mutiara Galla, Seremban, Negeri Sembilan										
HS(D) 185476, PT 325 & HS(D) 185477, PT 326 Pekan Baru Sg Besi No.30 & 32,Jalan Dagangan SB4/2, Tmn Sungai Besi Indah, 43300 Seri Kembangan	16,601	ABS Land & Properties Bhd (Beneficial Owner: SunwayMas Sdn Bhd)	Commercial	2	Leasehold expiring 28.05.2102	1,800	-	-	-	-
A-05-05, A05-13, A03-02, A05-09, Apartment Suteramas, Jalan Kwang Tung 43000 Kajang (P.N. 22330/M1/6/89, P.N. 22330/M1/6/85, P.N. 22330/M1/6/93, P.N. 22330/M1/6/82, Lot 46625, Bandar Baru Bangi, Daerah Ulu Langat, Negeri Selangor)	2,600	SunwayMas Sdn Bhd	Residential	N/A	Leasehold expiring 08.06.2104	149	-	-	-	-



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)/(built up area) (sq ft)	Registered owner	Existing / Proposed use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Where the real estate consist of buildings			
								Encumbrance	Lettable space (sq ft)	Occupancy (%)	Rental income or expected rental income per month (RM'000)
G-60, Jln SM 3, Taman Sunway Batu Caves	1,330	SunwayMas Sdn Bhd	Commercial	N/A	Leasehold expiring 23.12.2102	293	-	-	-	-	-
B3-4-11, Jalan 12, Taman Rawang Perdana 2 48000 Rawang (Geran 97467/M3/5/343, Lot 2350 Seksyen 19, Bandar Rawang, Daerah Gombak, Negeri Selangor)	646	SunwayMas Sdn Bhd	Residential	N/A	Freehold	35	-	-	-	-	-
No.5, Jalan 2/27 Taman Bukit Rawang Jaya 48000 Rawang, Selangor (Lot 17B, TBRJ Bungalow Land)	9,903	SunwayMas Sdn Bhd	Residential	N/A	Freehold	168	-	-	-	-	-
No. 10, Jalan PJS 7/3A, Bandar Sunway 46150 Petaling Jaya	3,606	SunwayMas Sdn Bhd	Commercial	N/A	Leasehold expiring 25.05.2097	1,950	-	-	-	-	-



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

## Properties under development and land held for development:

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Lot 17 GRN 12371 Lot 38 GRN 27736 Lot 39 GRN 27733 Lot 41 GRN 4488 Lot 42 GRN 9940 Jalan Ampang, Kuala Lumpur Wilayah Persekutuan	0.942	Sunway Tower 1 Sdn Bhd	Vacant	-	Freehold	29,480	53,000 (07.02.2011)	-
Lot 5781-83 PN 2546-48	2.093	Alliance Parade Sdn Bhd	Car Park	-	Leasehold expiring 21.10.2092	4,082	8,700 (09.02.2011)	-
Lot 5493 PN 1814	3.288	Commercial Parade Sdn Bhd	Car Park	-	-	8,593	13,600 (09.02.2011)	-
Lot 5646 PN 1822 Lot 5647 PN 1823 Lot 5648 PN 1824 Mukim 1, Daerah Seberang Perai Tengah Pulau Pinang	3.480 2.540 2.490	Sunway City (Penang) Sdn Bhd Fame Parade Sdn Bhd Era Primission Sdn Bhd	Sunway Perdana Sunway Perdana Sunway Perdana	- - -	-	3,210 5,541 5,424	16,900 (09.02.2011)	-
Land under Sunway City (Ipoh) Sdn Bhd For details on the other land titles, please refer to Note 1.	1,005.05	Sunway City (Ipoh) Sdn Bhd <sup>(3)</sup>	Integrated Development under construction	-	Please refer to Note 1.	20,952	117,360 (10.02.2011)	-
PT 195252-195254 HS (D) 132271-132273 PT 198580 HS (D) 134733 PT 195465 HS (D) 132484					Leasehold expiring 29.06.2103			
Lot 359258 PN 335976 PT 198924 HS (D) 135244 PT 198580 HS(D) 134733					Leasehold expiring 07.09.2103			

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
PT 220273 HS (D) 174265					Leasehold expiring 06.07.2107			
PT 220274-220275 HS (D) 174266-174267								
PT 220319-220334 HS (D) 171523-171538								
PT 220395-220399 HS (D) 171599-171603					Leasehold expiring 17.04.2107			
PT 220403 HS (D) 171632								
PT 220405 HS (D) 171634								
PT 220407 HS (D) 171635								
PT 220408 HS (D) 174258					Leasehold expiring 06.07.2107			
PT 220410 HS (D) 174260								
PT 220411 HS (D) 174261								
PT 220412 HS (D) 174262								
PT 220413 HS (D) 174263								
PT 232838-232868 HS (D) 187094-187124								
PT 232844 HS (D) 187100								
PT 232850 HS (D) 187106								
PT 232858 HS (D) 187114								
PT 232866 HS (D) 187122								
PT 232819-232837 HS (D) 187075-187093					Leasehold expiring 10.12.2108			
PT 232874 HS (D) 187125								
PT 220414-220478 HS(D) 174384-174448					Leasehold expiring 16.07.2107			
PT 220480 HS(D) 174450								
PT 220481-220483 HS(D) 174451-174453								
PT 220479 HS(D) 174449								
PN 232597, Lot 303372								
Mukim Hulu Kinta Daerah Kinta, Perak								

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Lot No 18336 No Hakmilik 92673 Lot No 7144 No Hakmilik 92621 PT 1696-97 HS (D) 39673-74 PT 4023 HS (D) 28648 PT 22324 HS (D) 121725 MK Semenyih Daerah Ulu Langat Selangor	512.34	Sunway Semenyih Sdn Bhd <sup>(4)</sup>	Vacant	-	Freehold	125,149	128,000 (11.02.2011)	-
PN 89791 ( HS(D) 262418), Lot 54662 (formally known as PT 12207 HS(D) 262418) PT 371 HS (D) 145186 MK Sungai Buloh Daerah Petaling Selangor	25.54	PKNS (Beneficial Owner: Sunway Damansara Sdn Bhd) <sup>(5)</sup>	Sunway Rymba Hills and Sunway Nexis (Under Construction)	-	Leasehold expiring 23.11.2100	21,113	40,000 (07.02.2011)  86,000 (07.02.2011)	- - -
Lot 6175 GM 2507 Mukim & Daerah Kuala Lumpur Wilayah Persekutuan	3.16	PKNS (Beneficial Owner Sunway Damansara Sdn Bhd) <sup>(5)</sup>	Vacant (Taman Dutaland)	-	Freehold	28,598	35,500 (08.02.2011)	-
PT 372 HS (D) 145187 MK Sungai Buloh Daerah Petaling Selangor	3.06	PKNS (Beneficial Owner Imbasan Intisari Sdn Bhd) <sup>(6)</sup>	Vacant Planned for Business Park 1 (Parcel 7)	-	Leasehold expiring 22.11.2100	8,017	148,000 (07.02.2011)	-
PT 373 HS (D) 145188 MK Sungai Buloh Daerah Petaling Selangor	2.88	PKNS (Beneficial Owner Tidal Elegance Sdn Bhd) <sup>(6)</sup>	Vacant Planned for Business Park 2 (Parcel 8)	-	Leasehold expiring 22.11.2100	7,530		
PT 374 HS (D) 145189 MK Sungai Buloh Daerah Petaling Selangor	2.69	PKNS (Beneficial Owner Bisikan Seni Sdn Bhd) <sup>(6)</sup>	Vacant Planned for Business Park 3 (Parcel 9)	-	Leasehold expiring 22.11.2100	7,030		

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
PT 375 HS (D) 145190 MK Sungei Buloh Daerah Petaling Selangor	2.49	PKNS (Beneficial Owner Emerald Freight Sdn Bhd) <sup>(e)</sup>	Vacant Planned for Business Park 4 (Parcel 10)	-	Leasehold expiring 22.11.2100	6,532		
PT 376 HS (D) 145191 MK Sungei Buloh Daerah Petaling Selangor	3.03	PKNS (Beneficial Owner Park Symphony Sdn Bhd) <sup>(e)</sup>	Vacant Planned for Business Park 5 (Parcel 11)	-	Leasehold expiring 22.11.2100	7,955		
PT876 HS (D) 231883 MK Sungei Buloh Daerah Petaling Selangor	1.16	PKNS (Beneficial Owner: Winning Excellence Sdn Bhd) <sup>(e)</sup>	Vacant Planned for Petrol Station	-	Leasehold expiring 22.11.2100	828	7,700 (07.02.2011)	-
PT 958 HS(D) 231965 MK Sungei Buloh Daerah Petaling Selangor	0.33	PKNS (Beneficial Owner: Contemporary Factor Sdn Bhd) <sup>(e)</sup>	Vacant Planned for Foodcourt	-	Leasehold expiring 22.11.2100	94	1,700 (07.02.2011)	-
Lot 57450 GRN 51950 in Mukim of Kuala Lumpur	7.7	Sunway D'Mont Kiara Sdn Bhd <sup>(7)</sup>	Residential Development Under Construction	-	Freehold	208,698	258,000 (09.02.2011)	Pledged to PBB
Lot 168333 GM 2535 Mukim 11, Daerah Barat Daya, Pulau Pinang	7.84	Sunway Grand Sdn Bhd	Sunway Merica Residential Development Under Construction	-	Freehold	15,721	25,000 (09.02.2011)	Pledged to PBB
Lot 947 GM No. 251 Lot 736 GM No. 430 Lot 946 GM No. 659 Lot 945 GM No. 250 Mukim 11, Daerah Barat Daya, Pulau Pinang	6.24	Sunway Grand Sdn Bhd	Sunway Aspera Residential Development Under Construction	-	Freehold	9,022	11,000 (10.02.2011)	Pledged to PBB

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Lot 337 GM No. 545 Lot 1472 GM No. 892 Lot 1473 GM No. 893 Lot 1475 GM No. 895 Lot 1476 GM No. 896 Lot 1477 GM No. 897 Lot 1478 GM No. 898 Lot 1479 GM No. 367 Lot 1480 GM No. 899 Lot 1512 GM No. 707 Lot 1515 GM No. 710 Lot 1517 GM No. 711 Mukim 12, Daerah Barat Daya, Pulau Pinang	23.12	Sunway Grand Sdn Bhd	Vacant	-	Freehold	32,647	48,400 (09.02.2011)	Pledged to PBB
GRN.81528 Lot 62634  GRN.81532 Lot 62639 GRN.81539 Lot 62656 GRN.81529 Lot 62635 GRN.81536 Lot 62649 GRN. 81530 Lot 62637 GRN. 81531 Lot 62638 H.S. (D) 238251 PT892 GRN.81533 Lot 62640 H.S. (D) 222682 PT885 H.S. (D) 222684 PT887 GRN. 81527 Lot 62631 GRN.81538 Lot 62654 GRN.81535 Lot 62646 GRN. 81537 Lot 62651 GRN.81541 Lot 62661 GRN.81540 Lot 62658 GRN.81542 Lot 62663 Bandar Sunway, Daerah Petaling, Selangor	88.17	Sunway Lagoon Sdn Bhd (Beneficial Owner: Sunway South Quay Sdn Bhd)	Integrated Development under construction	-	Leasehold expiring 15.07.2104 & 15.05.2106	438,205	637,900 (09.02.2011)	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
GRN. 69599 Lot 30086 GRN. 67367 Lot 30087 Mukim Setapak, Kuala Lumpur	56.473	Sunway Melawati Sdn Bhd	Vacant	-	Freehold	53,568	88,000 (08.12.2011)	Pledged to PBB
PN 81534, Lot 62644 PT 923 HS(D) 238976 PT 895 HS(D) 238254 Bandar Sunway, Daerah Petaling, Selangor	7.690	SunCity Sunway Lagoon Sdn Bhd (Beneficial Owner: Sunway Monash-U Residence Sdn Bhd) <sup>(8)</sup>	Properties under construction	-	Leasehold expiring 15.03.2106 & 02.04.2106	137,343	154,000 (08.12.2011)	Pledged to Maybank Islamic Berhad
Lot 57451 GRN 51951 in Mukim of Kuala Lumpur	23.72	Sunway D'Mont Kiara Sdn Bhd <sup>(7)</sup>	Residential Development Under Construction	-	Freehold	6,682	-	Pledged to PBB
Lot 41 PN9497 Lot 51172 PN 9501 PT 1408 HS(D) 118321 Bandar Sunway Daerah Petaling Selangor	11.144	SunCity	Vacant	-	Leasehold expiring 01.04.2097	793	-	-
Sunway Pinnacle Lot No. 61759 (formerly known as PT638 HS(D) 174431) Along Jalan PJS 9/1 PJS 9, 46150 Bandar Sunway Selangor	1.796	SunCity (Beneficial Owner: Sunway Pinnacle Sdn Bhd (formerly known as Quest Affinity Sdn Bhd)	Sunway Pinnacle (under construction)	-	Leasehold expiring 01.04.2097	15,426	-	-
PT 33491-33494 HS (D) 103054-103057 MK Sungai Buloh Daerah Petaling Selangor	2.10	PKNS (Beneficial Owner: Sunway Damansara Sdn Bhd) <sup>(5)</sup>	Mixed Development under construction	-	Leasehold expiring 13.05.2095	13,768	-	-



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
PT 893 HS(D) 238252 PT 896 HS(D) 238255 PT 897 HS(D) 238256 Bandar Sunway Daerah Petaling Selangor	4.716	SunCity	Vacant	-	Leasehold expiring 02.04.2106	559	-	-
Lot 39019 Geran Mukim 300 Lot 39020 Geran Mukim 299 Tempat Sg Penaga Mukim Damansara Daerah Petaling Selangor	1.99	Rich Worldclass Sdn Bhd	Vacant	-	Freehold	9,535	-	-
Lot 1333 HSD 259881 Mukim Damansara Daerah Petaling Selangor	1.777	Sunway Parking Management Sdn Bhd	Vacant	-	Leasehold expiring 14.03.2090	14,158	-	-
PN 11404 – 11417 Lot 17 -31 Bandar Sunway Daerah Petaling Selangor	2.75	Sunway Lagoon Sdn Bhd (Beneficial owner: Frontier Acres Sdn Bhd)	Vacant	-	Leasehold expiring 14.11.2096	7,187	-	-
Lot 1754 Geran No 35332 Seksyen 12 Daerah Timur Laut Pulau Pinang	0.14	Sunway Hotel (Penang) Sdn Bhd	Vacant	-	Freehold	750	-	-
PT 242980 Lot 32978 Mukim Cheras Selangor	1.60	Sunway City Properties Sdn Bhd	Mixed Development under construction	-	Freehold	4,238	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
PTD No.5728 HS(D) 219690 PTD No.5729 HS(D) 219691 PTD No.5717 HS(D) 219683 Mukim Bukit Raja Daerah Petaling Selangor	5.36	Tenaga Pulau Sdn Bhd (Beneficial owner: Sunway Monterez Sdn Bhd) <sup>(e)</sup>	Vacant	-	Leasehold expiring 13.12.2091	10,807	-	-
PTD No.5500, HS(D) 219458 PTD No.5428, HS(D) 219385 PTD No. 5324, HS(D) 219281 PTD No. 5263, HS(D) 219220 PTD No. 5690-5716, HS(D) 219656-219682 Mukim Bukit Raja Daerah Petaling Selangor Darul Ehsan	46.13	Tenaga Pulau Sdn Bhd (Beneficial owner: Sunway Monterez Sdn Bhd) <sup>(e)</sup>	Residential development 2 storey link house (4 units) and commercial development	-	Leasehold expiring 13.12.2091	3,179	-	-
36 strata title held. Land in Mukim 12 Daerah Barat Daya Pulau Pinang  Please refer to Note 2.	3.43	Sunway Grand Sdn Bhd	Sunway Prima Commercial Development	-	Freehold	10,254	-	-
Lot 2172 GM No. 1037 MK 9 Daerah Barat Daya Pulau Pinang	0.55	Sunway Tunas Sdn Bhd	Vacant	-	Freehold	433	-	-
Lot 14345 GRN 81977 Mukim 12 Daerah Barat Daya Pulau Pinang	81.600	Sunway City (Penang) Sdn Bhd	Vacant	-	Freehold	40,112	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
GM 382, Lot No. 565 Geran 41265, Lot No. 114 Geran 41266, Lot No. 115 Geran 41271, Lot No. 133 Geran 19199, Lot 90 Geran 19200, Lot 95 Geran 41270, Lot 122 Geran 22315, Lot 138 Geran 49131, Lot 1295 Geran 49132, Lot 1296 Section 1, Bandar Bukit Mertajam Daerah Seberang Perai Tengah Pulau Pinang	6.356 2.062 0.794  2.369 0.802 1.100 1.328 1.167 3.253 0.649	Sunway Bintang Sdn Bhd (formerly known as Prime Delight Sdn Bhd)	Vacant	-	Freehold	18,295	-	-
PN 16643 Lot 917 Pekan Penaga, Daerah Petaling, Negeri Selangor	1.78	Sunway Properties Sdn Bhd	Vacant	-	Leasehold expiring 25.05.2097	289	-	-
Lot 509 GM No. 374 Lot 564 GM No. 381 Lot 1093 GM No. 345 Mukim 8 Bandar Bukit Mertajam Daerah Seberang Perai Tengah Pulau Pinang	1.812 3.581 1.862	Sunway Bintang Sdn Bhd (formerly known as Prime Delight Sdn Bhd)	Vacant	-	Freehold	2,131 <sup>(a)</sup> 4,212 <sup>(a)</sup> 2,189 <sup>(10)</sup>	-	-
HSM 14430, PT18140, Mukim Ulu Kelang, Daerah Gombak, Negeri Selangor	536,224	Sunway Greenview Sdn Bhd	Property development	-	Leasehold 99 years expiring on 01.04.2108	36,686	37,000	Pledged to HSBC

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
PN 7363, Lot 14256, Section 19, Town of Rawang, District of Gombak, Selangor Darul Ehsan	2,573.217	Zafarra Corporation Sdn Bhd (Now known as Sunway Kanching Heights Sdn Bhd)	Future property Development	-	99 years leasehold expiring 19.04.2094	23,657	60,000 (31.12.2010)	-
PN 31942 Lot 21, Section 19, Rawang	4,575.893	Usaha Arahmanz Sdn Bhd (Now known as Sunway Rawang Heights Sdn Bhd)	Future property development	-	99 years leasehold expiring on 16.03.2094 and 16.07.2094	36,263	(for HSD 25423, PN 31942, and PN 7363)	-
H.S.(D) 25423, P.T. 11894, Mukim Rawang, Daerah Gombak, Negeri Selangor								
TCC3 & 4 HSD 102880 PT 59323 Mukim Kajang, Daerah Ulu Langat, Selangor	21,249	PKNS (Beneficial Owner: Sunway Bangi Sdn Bhd)	Property development	-	Leasehold expiring 22 Feb 2104	1,865	-	-
TCC8 HSD 102879 PT 59322 Mukim Kajang, Daerah Ulu Langat, Selangor	9,981	PKNS (Beneficial Owner: Sunway Bangi Sdn Bhd)	Future property development	-	Leasehold expiring 22 Feb 2104	117	-	-
Lot 1238, PM31, Mukim Ulu Kelang, Daerah Gombak, Negeri Selangor	103,673	SunwayMas Sdn Bhd	Future property development	-	Leasehold expiring 28 Oct 2068	5,432	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Sunway PJ51A HSD 264397 PT5139 & HSD 264398 PT5140, Seksyen 40, Bandar Petaling Jaya, Selangor	106,907	Taipan Focus Sdn Bhd (Beneficial Owner: SunwayMas Sdn Bhd)	Commercial	-	Leasehold expiring 01.07.2109	19,085	41,000 (31.12.2010)  (This excludes HSD 264398 PT5140 which are office blocks which are 100% sold, pending vacant possession to purchasers)	Pledged to AmBank (Malaysia) Bernad
HSD56148 PT4901 Bandar Selayang, Daerah Gombak, Negeri Selangor (Sapphire)	136,403	SunwayMas Sdn Bhd	Vacant	-	Leasehold expiring 27.11.2104	2,453	-	-
HSD 24585 PT10886, HSD24586 PT10887HSD 24587 PT10888, HSD24588 PT10889 Mukim of Rawang, District Of Gombak State Of Selangor (Block G)	65,340	SunwayMas Sdn Bhd	Property development	-	Freehold	2,100	-	-
EMR 2160, Lot 1361 & 1362, Mukim of Rawang, District of Gombak, State of Selangor	17,424	SunwayMas Sdn Bhd	Vacant	-	Freehold	88	-	-
HSD11222 PT17117 Mukim of Dengkil, District of Sepang, State of Selangor	2,800,995	Fortuna Gembira Enterpris Sdn Bhd (Beneficial Owner: SunwayMas Sdn Bhd)	Vacant	-	Freehold	6,000	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Lot PT3789, H.S (D) 155806, Mukim Bukit Raja, District of Petaling, Selangor Darul Ehsan (Suria land)	4,356,000	Usahasewa Sdn Bhd (Beneficial Owner: Sunway Construction Sdn Bhd)	Property development	4	Leasehold 99 years expiring on 05.11.2100	44,597	61,600 <sup>(11)</sup> (31.12.2010)	-
Geran 28698 Lot 1858 Mukim Serendah District Ulu Selangor ("Serendah Land")	4,356,000	SunwayMas Sdn Bhd	Future property development	-	Freehold	11,967	-	-
Lot 1316-GM 815	190,836	Lee Kin Cheung @ Lew Yew Yin, Lee Mlaw Keow (Beneficial Owner: Sunway Termuning Sdn Bhd) <sup>(13)</sup>	Property development	-	Freehold	48	42,000 <sup>(12)</sup> (31.12.2010)	-
Lot 1352-Geran 25146	208,761	Kew Kwee Fong @ Hew Kwee Fong, Nyoh Kung @ Leong Nyuh Fong, Leong Ah Yeong (Beneficial Owner: Sunway Termuning Sdn Bhd) <sup>(13)</sup>				296	(Valuation was not conducted on Lot 1316 - GM 815, Lot 1402 - GM 475, Lot 1406 - Geran 20685, Lot 1408 - GM 249, Lot 1409 -Geran 27428, Lot 1683 - Geran 52806, as the land is held under a joint venture ("JV") and the titles are registered under the JV partner)	
Lot 1402-GM 475	401,536	Lee Kim Hua @ Lee Kim Hoon, Tan Lian Hok, Tan Lian Hua (Beneficial Owner: Sunway Termuning Sdn Bhd) <sup>(13)</sup>				101		
Lot 1406-Geran 20685	470,971	Hew Then Yong (Beneficial Owner: Sunway Termuning Sdn Bhd) <sup>(13)</sup>				119		

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Location address / Title Particulars	Land area (acre)	Registered owner	Proposed use / Existing use	Age of building (years)	Tenure	Audited net book value as at 31.12.2010 (RM'000)	Date of valuation / Market value (RM'000)	Encumbrance
Lot 1408-GM 249	217,800	Siow Fatt Yaw, Siaw Kwai Leong (Beneficial Owner: Sunway Termuning Sdn Bhd) <sup>(13)</sup>				55		
Lot 1409-Geran 27428	438,301	Kon Fah @ Hew Kon Fah, Kong Yew @ Hew Kuan Sing (Beneficial Owner: Sunway Termuning Sdn Bhd) <sup>(13)</sup>				131		
Lot 1683-Geran 52806	238,212	Tan Ching Leong (Beneficial Owner: Sunway Termuning Sdn Bhd) <sup>(13)</sup>				60		
Lot 1351-Geran 25145 Lot 1355-GM 1078 Lot 1401-GM 583 Lot 1404-GM 1092 Lot 1405-GM 473 Lot 1410-GM 1087 Lot 1412-GM 543 Lot 1413-GM395 Lot 1684-GRN 52807 Mukim Cheras, District Ulu Langat	2,473,467	Sunway Termuning Sdn Bhd <sup>(13)</sup>				24,502		
HSD56151 PT 4904 Bandar Selayang, Daerah Gombak, Negeri Selangor	49,658	SunwayMas Sdn Bhd	Vacant	-	Leasehold expiring 27.11.2104	-	-	-
Land Parcel 796 at Wak Hassan Drive / Wak Hassan Place Singapore	33,496	Sunway Land Pte Ltd	Development land/vacant	-	99 Years	35,654	-	Pledged to OCBCL





## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Further details of the development on the abovementioned properties under development and land held for development:

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Sunway Pinnacle Lot No. 61759 (formerly known as PT638 HS(D) 174431) Along Jalan PJS 9/1 PJS 9, 46150 Bandar Sunway Selangor	Commercial property	346,200	Construction in progress and expected completion in Dec 2013	N/A (will keep for rental income)	Earthworks, Piling & Sub-Structure: 36%	Shareholder's injection and bank borrowings	Building plan approval: 19.08.2008  Extension for building approval: 18.08.2009 (based on original building floor plans)	Rental income RM25.5 mil per annum	Development Order ("DO") approval: 16.05.2008 (based on original building floor plans)
Sunway Monash-U Residences PN 81534, Lot 62644 HS(D) 238976, PT 923 Bandar Sunway, Selangor	Commercial Property	195,820	Completed in June 2011	N/A (will keep for rental income)	Completed in June 2011	Shareholder's injection and bank borrowings	Building plan approval: 15 Apr 2008	Rental income RM18.5 mil per annum	Master DO approval: 14 Aug 2006  Amended Master DO approval: 9 Jun 2010

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
La Costa GRN.81540 Lot 62658 Bandar Sunway, Selangor	Residential property	289,300	Launched in March 2011 and expected completion in Feb 2014	54,691	Earthwork 100% Piling 70%	Internally generated funds and bank borrowings	Building Plan approval: 17.12.2009  Developer's License ("DL") approval: 19.11.2010  Advertisement Permit ("AP") approval: 22.11.2010	109 sold out of 377 units launched (29%)	Master DO approval: 14.08.2006  Amended Master DO approval: 09.06.2010  Original DO approval: 09.09.2008  Amended DO approved: 11.01.2011
A'marine GRN.81542 Lot 62663 Bandar Sunway, Selangor	Residential property	160,594	Construction in progress and expected to completion in March 2013.	53,128	Piling work: 100%  Main building work: 10%	Internally generated funds and bank borrowings	Amended building Plan approval: 22.09.2010  DL approval: 04.06.2008  AP approval: 21.12.2010	177 sold out of 242 units launched (73%)	Master DO approval: 14.08.2006  Amended Master DO approval: 09.06.2010

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Sunway Cassia Lot 1472 GM No. 892 Lot 1473 GM No. 893 Lot 1476 GM No. 896 Lot 1477 GM No. 897 Lot 1515 GM No. 710 Lot 1517 GM No. 711 Mukim 12, Daerah Barat Daya, Penang	Residential property	165,372	Phase 1 launched on 16 Apr 2011 and expected completion in April 2013  Target to launch phase 2 in third quarter 2011	33,767	Phase 1 Earthwork: 100%  Phase 1 MBW : 12%	Internally generated funds and bank borrowings	Phase 1 Building Plan: 14.12.2010  Phase 1 Subdivision Plan: 21.01.2011	-	Phase 1 DO approval: 26.05.2010
Sunway Aspera Lot 947 GM No. 251 Lot 736 GM No. 430 Lot 946 GM No. 659 Lot 945 GM No. 250 Mukim 11, Daerah Barat Daya, Penang	Residential property	37,809	Construction in progress and expected completion in Dec 2011	10,727	Internal & external finishes, Road & drainage works : 80%	Internally generated funds and bank borrowings	Building Plan approval: 29.05.2009  Subdivision approval: 08.09.2009  Phase 1 DL approval: 02.12.2009  Phase 1 AP approval: 11.01.2011 Phase 2 DL approval: 02.12.2009  Phase 2 AP approval: 06.01.2011	2 storey terrace house - 53 sold out off 76 units launched (70%)  3 storey terrace house - 6 units sold out of 9 units launched (67%)	DO approval: 26.02.2009

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Sunway Merica Lot 16833 GM 2535 Mukim 11, Daerah Barat Daya, Penang	Residential property	71,351	Phase 1 & 2 Construction in progress and expected completion in Dec 11 & Nov 12 respectively  Target to launch 3 storey semi-D - March 2011	17,250	Construction Status by phase Phase 1: 75% Phase 2: 35%	Internally generated funds and bank borrowings	Building Plan Approval (Phase 1 and 2): 12.06.2009  Phase 1 DL approval: 11.11.2009  Phase 1 AP approval: 17.01.2011  Phase 2 DL approval: 12.04.2010  Phase 2 AP approval: 12.04.2010	3 storey terrace house - 43 units sold out off 86 units launched (50%).	DO approval: 30.03.2009
Sunway Perdana Lot 5646, PN 1822 Lot 5647, PN 1823 Lot 5648, PN 1824 Daerah Seberang Perai Tengah Pulau Pinang	Commercial property	39,089	Construction in progress and expected completion in Jun 2012	15,654	Overall work done: 43%	Internally generated funds and bank borrowings	Building plan approval 15.10.2010	3 storey shop office - 39 units sold out off 49 units launched (80%)	DO approval: 01.07.2010

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Sunway Vivaldi Lot 57450 GRN 51950 Lot 57451 GRN 51951 in Mukim of Kuala Lumpur	Residential property	491,086	Construction in progress and expected total completion in Aug 11	82,460	Overall work done: 98%	Internally generated funds and borrowings	Building plan approval: 27.07.2007 DL approval: 18.09.2007 AP approval: 09.10.2007	105 units sold out off 228 units launched (46%).	DO approval: 09.11.2006
Sunway Rymba Hills PN 89791 ( HS(D) 262418), Lot 54662 (formally known as PT 12207) MK Sungei Buloh Daerah Petaling Selangor Darul Ehsan	Residential property	163,855	Construction in progress and expected completion in April 2012	74,145	Overall main building works: 46%	Internally generated funds	Building plan approval: 23.10.2008 DL approval: 26.03.2010 AP approval: 19.04.2010	53 units sold out off 80 units launched (66%)	DO approval: 31.10.2008
Sunway Nexis PT 371, HS (D) 145186 MK Sungei Buloh Daerah Petaling Selangor Darul Ehsan	Commercial property	294,087	Commenced in Jan 2011 and expected completion in Dec 2014	173,822	Piling & sub structure works: 28.5%	Internally generated funds	BP submitted on 25.02.2011	Retail: 30 units sold out off 41 units launched (73%) Office: 69 units sold out off 113 units launched (61%)	DO approval: 20.11.2010 (Submitted) Amended DO, pending approval

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum <sup>(1)</sup>	Planning consent obtained and conditions attached (if any)
SunMed Nurse Apartment PT 16643 Lot 917 Mukim Damansara Daerah Petaling Selangor	Commercial property	51,455 <sup>(1)</sup>	Target to commence in Sep 2011 and expected completion in May 2014	NA (will keep for rental income)	-	Shareholder's injection, internally generated funds and bank borrowings	-	Rental income RM3.7mil per annum <sup>(1)</sup>	DO approval: 23.09.2010
Sunway Melawati GRN 69599 Lot 30086 GRN 67367 Lot 30087 Mukim Setapak, Daerah Kuala Lumpur	Residential property	447,397	Target to launch in Sep 2011 and expected to be completed in Aug 2015	112,648	Earthwork 6%	Shareholder's injection, internally generated funds and bank borrowings	BP approval 06.05.2011 Earthwork approval 09.06.2011	-	Master DO approval: 06.07.2010 DO approval: 24.01.2011 BP approval 06.05.2011
Lakeside Villa PT 195252-195254 HS (D) 132271-132273 Mukim Hulu Kinta Daerah Kinta, Perak Darul Ridzuan	Residential property	6,312	Construction in progress and expected completion in Aug 2011 (2 units - Plot 4 and 5), 3 units (Plot 1 to 3 - Build then sell)	3,920	Construction Status by development type: 2 units (Plot 4 and 5) : 80% 3 units (Plot 1 to 3) : 0%	Internally generated funds	Building Plan approval: 06.07.2007 DL approval: 03.06.2009 AP approval: 25.05.2010 Renewal AP approval: 14.04.11	Plot 4 and 5 - 2 unit sold out off 2 units launched (100%) Plot 1 to 3 - 3 units (build then sell)	DO approval: 11.08.2003

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Mont Bleu Townhouse PT 198580 HSD 134733 Mukim Hulu Kinta Daerah Kinta, Perak Darul Ridzuan	Residential property	65,645	Construction in progress and expected completion in Sep 2013	31,011	Reinforced concrete framework in progress for sub phase 1 (21.8%) for phase 2 (20%)  Piling works commenced on sub phase 3 and 4	Internally generated funds	Building Plan approval: 29.01.2010  DL approval: 01.03.2010  AP approval: 19.04.2010	57 units sold out off 98 units launched (58%)	DO approval: 10.08.2009
Garden Villa PT 114826 HS (D) 72837 PT 144829 HS (D) 72840 Mukim Hulu Kinta Daerah Kinta, Perak Darul Ridzuan	Residential property	8,543	Construction in progress and expected completion in Oct 2011 (28 units terrace homes) and mid 2012 for 3 units bungalows	1,590	Construction Status by development type:  Terrace Homes: 70.4%.  Back to Back bungalows: 60%  Bungalow : 20%	Internally generated funds	Building Plan approval: 23.12.08  DL approval: 24.06.2009  AP approval: 10.06.2010  Renewal AP approval: 08.04.11	Terrace Homes: 27 units sold out off 28 units launched (96%)  Back to Back bungalows: 2 units sold out off 2 units launched (100%)  Bungalow: 0 units sold out off 1 unit launched (0%)	DO approval: 08.05.2007

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Sunway Lost World Hotel PT 232819-232837 HS (D) 187075-187093 Mukim Hulu Kinta Daerah Kinta, Perak Darul Ridzuan	Hotel	32,145	Construction in progress and expected completion in Sep 2011 (Block 2) Block 1 (open 18.04.2011)	N/A – own use for hotel operation	Overall work done: 80%	Shareholder's injection, internally generated funds and bank borrowings	Building Plan approval: 08.10.2010	N/A – Own use for hotel operation	DO approval: 28.10.2009
27 Square PTD No. 5690-5716, HS(D) 219656-219682 Mukim Bukit Raja Daerah Petaling Selangor Darul Ehsan	Commercial property	20,156	Construction in progress and expected completion date would be in Nov 2013	4,820	Overall work completed: 18%	Internally generated funds	Building Plan approval: 14.04.2011	11 units sold out of 27 units launched (41%)	DO approval: 12.03.2002
Sunway South Quay-RC2 GRN.81533 Lot 62640 Bandar Sunway, Selangor	Residential property	329,177 <sup>(1)</sup>	Target launch Sep 2011 and target completion completed Aug 2014	54,015 <sup>(1)</sup>	-	Internally generated funds and bank borrowings	Building plan submitted pending Majlis Perbandaran Subang Jaya's approval.	-	Master DO approval: 14.08.2006 Amended Master DO approval: 09.06.2010 DO Approval: 20.12.2010



## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Sunway South Quay-CP3 & CP4 GRN. 81530 Lot 62637 GRN.81531 Lot 62638 Bandar Sunway, Selangor	Commercial property	744,318 <sup>(1)</sup>	Target to launch in Dec 2011 and expected completion in Nov 2014	299,341 <sup>(1)</sup>	-	Internally generated funds and bank borrowings	-	-	Master DO approval: 14.08.2006  Amended Master DO approval: 09.06.2010
SP3 HSD 259881, Lot 1333 Mukim Damansara Daerah Petaling Selangor	Commercial property	278,014 <sup>(1)</sup>	Construction in progress and expected to be completed Dec 2014	N/A (will keep for rental Income)	Substructure work done: 8%	Shareholder's injection, internally generated funds and bank borrowings	Building plan approval on 27.08.2009	Rental Income RM14.5 mil per annum	DO approval: 03.02.2009
Sunway VeloCity-Phase 1A Lot PT 391 & 392 Batu 2½ Jalan Cheras Kuala Lumpur	Mixed development	273,975	Launched in Apr 2011 and expected to be completed in Dec 2014	97,265	Overall work completed: 5%	Shareholder's injection, internally generated funds and bank borrowings	Phase 1A Building plan approval: 29.03.2011	Shops – 9 units sold out of 10 units launched (90%)  Office – 76 units sold out of 103 units launched (74%)	Master DO approval: 25.02.2010

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
HSM 14430, PT18140, Mukim Ulu Kelang, Daerah Gombak, Negeri Selangor	Residential	149,354	February 2009 / March 2012	41,045	75%	Term loan, revolving loan and advances from SunwayMas	Building Plan approval (23.10.2008) Developer License (23.02.2009) Advertising Permit (22.02.2011)	72%	DO approval (09.09.2008)
PN 7363, Lot 14256, Section 19, Town of Rawang, District of Gombak, Selangor Darul Ehsan	Future development	-	-	-	-	-	-	-	-
PN 31942, Lot 21, Section 19, H.S.(D) 25423, P.T. 11894, Mukim Rawang, Daerah Gombak, Negeri Selangor									
TCC3& TCC4 HSD 102880 PT 59323 Mukim Kajang, Daerah Ulu Langat, Selangor	Commercial	TCC3 - 26,438 TCC4 - 42,176	TCC3 November 2008/November 2010 TCC4 October 2010/January 2013	TCC3 - 9,664 TCC4 - 16,285	TCC3 - 100% TCC4 - 25%	Internal funds	TCC3 Building plan approval (29.09.2009) TCC4 Building plan approval still pending for approval	TCC3 - 94% TCC4 - 54%	TCC3 DO approval (22.07.2009) TCC4 DO approval (28.06.2010)

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
TCC8 HSD 102879 PT 59322 Mukim Kajang, Daerah Ulu Langat, Selangor	Commercial (Future development)	39,424	January 2012/December 2013	5,887	-	-	DO and Building Plan still pending for approval	-	-
Lot 1238, PM31, Mukim Ulu Kelang, Daerah Gombak Negeri Selangor	Residential (Future development)	35,841	August 2011/November 2013	9,356	-	-	DO and Building Plan still pending for approval	-	-
Sunway PJ51A HSD 264397 PT5139 & HSD 264398 PT5140, Seksyen 40, Bandar Petaling Jaya, Selangor	Commercial	80,358	August 2007/March 2011	32,331	100%	Term loan and bridging loan	Building Plan Approval (17.05.2007)	70%	DO approval (15.06.2007)
HSD56151, PT4904 Bandar Selayang, Daerah Gombak	Future development	-	-	-	-	-	-	-	-
HSD 24585 PT10886, HSD24586 PT10887HSD 24587 PT10888, HSD24588 PT10889 Mukim of Rawang, District Of Gombak State Of Selangor (Block G)	Future development	-	-	-	-	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
EMR 2160, Lot 1361 & 1362, Mukim of Rawang, District of Gombak, State of Selangor	Future development	-	-	-	-	-	-	-	-
HS(D)11222 PT17117 Mukim of Dengkil, District of Sepang, State of Selangor	Future development	-	-	-	-	-	-	-	-
Geran 28698 Lot 1858 Mukim Serendah, District Ulu Selangor	Future development	-	-	-	-	-	-	-	-
Lot 1316-GM 815 Lot 1352-Geran 25146 Lot 1402-GM 475 Lot 1406-Geran 20685 Lot 1408-GM 249 Lot 1409-Geran 27428 Lot 1683-Geran 52806 Lot 1351-Geran 25145 Lot 1355-GM 1078 Lot 1401-GM 583 Lot 1404-GM 1092 Lot 1405-GM 473 Lot 1410-GM 1087 Lot 1412-GM 543	Future development	-	-	-	-	-	-	-	-

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
Lot 1413-GM395 Lot 1684-GRN 52807 Mukim Cheras, District Ulu Langat									
Lot P.T.3789, H.S (D) 155806, Mukim Bukit Raja, District of Petaling, Selangor Darul Ehsan (Suria land)	Ph1A-2 storey link house	35,235	October 2004/February 2007	64	100%	Internal funds	Developer license obtained (18.08.2004)	99.3%	Land Development Approval (11.04.2001)
	Ph2A-2 storey cluster homes	46,823	November 2005/September 2008	6,722	100%		Developer license obtained (10.10.2005)	99.3%	
	P1B1-2 storey link house	21,053	December 2006/July 2009	(1,871)	100%		Developer license obtained (29.08.2006)	100%	
	P1B3-2 storey link house	13,856	September 2010/March 2012	4,178	55%		Developer license obtained (03.06.2010)	86.4%	
	P2B-2 storey cluster homes	38,464	February 2010/August 2011	13,765	95%		Developer license obtained (12.01.2010)	89.7%	
	P1C-2 storey link house	64,921	June 2011/December 2012	17,222	-		-	-	
	P2C-2 storey cluster homes	69,864	N/A	26,036	-		-	-	
	P3-2 storey semi D	6,323	N/A	310	-		-	-	

## APPENDIX I: BUSINESS LOCATION AND SUMMARY OF LANDED PROPERTIES (cont'd)

Name of project	Type of development	Total development cost (RM'000)	Expected commencement and completion dates of development	Expected profit (RM'000)	Stage or percentage of completion as at LPD	Sources of funds to finance the development cost	Relevant approvals obtained (if any) and date(s) obtained	% of sales or no. of units sold to date/ Expected rental income per annum	Planning consent obtained and conditions attached (if any)
HSD56148 PT4901 Bandar Selayang, Daerah Gombak, Negeri Selangor (Sapphire)	Future development	-	-	-	-	-	-	-	-
Land Parcel 796 at Wak Hassan Drive / Wak Hassan Place Singapore	Residential	70,995	December 2011/December 2013	7,100	-	Internal funds	-	-	-

## Note:

- The building plan and development plan of these developments are currently under review and they are subject to change, hence, the total development cost and expected profit / rental income will change accordingly.

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## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011

SUNWAY CITY BERHAD ( Company No : 87564-X )

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011

THE FIGURES HAVE NOT BEEN AUDITED

DISCONTINUED UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2011	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2010	CURRENT YEAR TO DATE 31/03/2011	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2010
	RM'000	RM'000	RM'000	RM'000
REVENUE	304,717	283,288	304,717	283,288
OPERATING EXPENSES	(262,177)	(201,885)	(262,177)	(201,885)
OTHER OPERATING INCOME	9,164	10,404	9,164	10,404
PROFIT FROM OPERATIONS	51,704	91,807	51,704	91,807
FINANCE COSTS	(8,386)	(17,105)	(8,386)	(17,105)
SHARE OF PROFIT FROM ASSOCIATES	16,127	85	16,127	85
SHARE OF PROFIT FROM JOINTLY CONTROLLED ENTITIES	6,102	12,468	6,102	12,468
PROFIT BEFORE TAX	65,547	87,255	65,547	87,255
INCOME TAX EXPENSE	16,606	301,403	16,606	301,403
PROFIT FOR THE PERIOD	82,153	388,658	82,153	388,658
ATTRIBUTABLE TO:				
- OWNERS OF THE PARENT	61,178	223,286	61,178	223,286
- NON-CONTROLLING INTERESTS	20,975	165,372	20,975	165,372
	82,153	388,658	82,153	388,658
EARNINGS PER SHARE				
(i) BASIC { sen }	13.02	47.51	13.02	47.51
(ii) DILUTED { sen }	13.02	47.51	13.02	47.51

( The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

SUNWAY CITY BERHAD ( Company No : 87564-X )

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011

THE FIGURES HAVE NOT BEEN AUDITED

DISCONTINUED UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2011	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2010	CURRENT YEAR TO DATE 31/03/2011	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2010
	RM'000	RM'000	RM'000	RM'000
PROFIT FOR THE PERIOD	82,153	388,658	82,153	388,658
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATION	(2,873)	862	(2,873)	862
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX	(2,873)	862	(2,873)	862
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	79,280	389,520	79,280	389,520
ATTRIBUTABLE TO:				
- OWNERS OF THE PARENT	59,383	223,458	59,383	223,458
- NON-CONTROLLING INTERESTS	19,897	166,062	19,897	166,062
	79,280	389,520	79,280	389,520

( The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)



## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

SUNWAY CITY BERHAD ( Company No : 87564-X )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011  
 THE FIGURES HAVE NOT BEEN AUDITED

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2011

	AS AT END OF CURRENT QUARTER 31/03/2011	AS AT PRECEDING FINANCIAL PERIOD END 31/12/2010
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	-	-
Biological assets	-	-
Investment properties	-	-
Land held for property development	-	-
Investment in associates	-	-
Investment in jointly controlled entities	-	-
Other investments	-	-
Goodwill	-	-
Deferred tax assets	-	-
	-	-
<b>Current assets</b>		
Properties development costs	-	-
Inventories	-	-
Receivables, deposits & prepayments	-	-
Deposits, bank & cash balances	-	-
Tax recoverable	-	-
Non-current assets held for sale	-	-
	-	-
Assets of disposal group classified as held for sale	4,579,857	4,564,806
<b>TOTAL ASSETS</b>	<b>4,579,857</b>	<b>4,564,806</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Payables, accruals & other current liabilities	-	-
Bank borrowings	-	-
Taxation	-	-
Derivatives	-	-
	-	-
<b>Non-current liabilities</b>		
Long term bank borrowings	-	-
Other long term liabilities	-	-
Deferred taxation	-	-
	-	-
Liabilities of disposal group classified as held for sale	1,656,248	1,710,178
<b>Total liabilities</b>	<b>1,656,248</b>	<b>1,710,178</b>
<b>Equity attributable to Owners of the Parent</b>		
Share capital	470,013	470,012
Warrants	22,995	22,995
Share premium	308,857	308,857
Reserves	1,717,766	1,660,172
Reserve of disposal group classified as held for sale	132,734	134,514
	2,652,365	2,596,550
<b>NON-CONTROLLING INTERESTS</b>	<b>271,244</b>	<b>258,078</b>
<b>Total equity</b>	<b>2,923,609</b>	<b>2,854,628</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,579,857</b>	<b>4,564,806</b>
<b>Net Assets Per Share</b>	<b>5.64</b>	<b>5.53</b>

In view of the acceptance of the offer to acquire all the business and undertaking of the Company including all Assets and Liabilities of the Company by Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) on 14 December 2010, the Group and the Company has adopted the presentation and disclosure pursuant to FRS 5: Non-current Assets (And Disposal Group) Held for Sale. Further details and explanation on the presentation and disclosure are disclosed in Note A14.

( The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

# APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

SUNWAY CITY BERHAD ( Company No : 97564-X )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011  
 THE FIGURES HAVE NOT BEEN AUDITED

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2011

	ATTRIBUTABLE TO OWNERS OF THE PARENT										NON-CONTROLLING INTERESTS	TOTAL EQUITY
	SHARE CAPITAL	WARRANTS	SHARE PREMIUM	SHARE RESERVE	NON-DISTRIBUTABLE RESERVE	CAPITAL RESERVE	EXCHANGE RESERVE	FAIR VALUE RESERVE	DISTRIBUTABLE REVENUE RESERVE	TOTAL		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
PERIOD ENDED 31 MARCH 2010												
At 1 January 2010	469,952	22,995	308,857	3,358	73,940	14,233	26,116	1,235,969	2,155,440	1,007,732	3,163,172	
Total comprehensive income	-	-	-	-	-	172	-	223,286	223,458	166,062	389,520	
Issue of ordinary shares by subsidiary	-	-	-	-	-	-	-	-	-	6,979	6,979	
At 31 March 2010	469,952	22,995	308,857	3,358	73,940	14,405	26,116	1,459,255	2,378,898	1,180,713	3,559,621	
PERIOD ENDED 31 MARCH 2011												
At 1 January 2011	470,012	22,995	308,857	3,358	-	-	-	1,656,814	2,462,036	258,078	2,720,114	
Total comprehensive income	-	-	-	-	-	(1,795)	-	61,178	59,383	19,897	79,280	
Exercise of Employees' Share Option Scheme	1	-	-	-	-	-	-	-	1	-	1	
Dilution of equity interest in subsidiaries	-	-	-	-	-	-	-	(4,028)	(4,028)	(1)	(4,029)	
Effect of FRs 139	-	-	-	-	-	-	-	444	444	(152)	292	
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(6,578)	(6,578)	
Reserve attributable to discontinued operations and reserve classified as held for sale	-	-	-	-	-	1,795	-	-	1,795	-	1,795	
At 31 MARCH 2011	470,013	22,995	308,857	3,358	-	-	-	1,714,408	2,519,631	271,244	2,790,875	

[ The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the Interim Financial statements.]

( The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the Interim financial statements.)

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

SUNWAY CITY BERHAD ( Company No : 87564-X )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011  
 THE FIGURES HAVE NOT BEEN AUDITED

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2011

	FOR THE 3 MONTHS PERIOD ENDED 31/03/2011 RM'000	FOR THE 3 MONTHS PERIOD ENDED 31/03/2010 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from operations	382,739	310,759
Payment to suppliers and contractors	(170,687)	(142,056)
Payment of operating expenses	(215,794)	(90,584)
Interest received	4,320	2,871
Dividend received from associate and jointly controlled entity	19,933	-
Cash generated from operations	20,511	80,990
Taxes paid	(7,078)	(19,503)
Net cash generated from operating activities	13,433	61,487
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant & equipment	1	-
Acquisition of land	(10,678)	-
Acquisition of property, plant & equipment and biological assets	(6,739)	(23,527)
Additional investment in subsidiaries	(10,583)	-
Acquisition and subsequent expenditure of investment properties	(14,409)	-
Investment in associates	(2,375)	-
Repayment from/ (advances to) associates, jointly controlled entity and joint venture partners	130,429	(20,791)
Net cash used in investing activities	85,646	(44,318)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net bank and other borrowings	(22,141)	36,618
Employees' Share Option Scheme	1	-
Advances from/(to) non-controlling interests of subsidiary companies	-	21,604
Interest paid	(5,764)	(21,994)
Redemption of preference share in other investment	10,853	-
Dividend paid to minority shareholders of subsidiaries	-	(7,200)
Net cash used in financing activities	(17,051)	29,028
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	82,028	46,197
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(168)	1,374
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	512,068	430,358
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	593,928	477,929
Cash and cash equivalents at end of financial period comprise the following :		
Deposits, bank & cash balances	595,460	486,176
Bank overdrafts	(1,532)	(8,247)
	593,928	477,929

[ The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.]

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

### NOTES TO FINANCIAL STATEMENTS :

#### A1 Accounting Policies and Basis of Preparation

The interim financial report is unaudited and is prepared in accordance with FRS134 "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2010.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period year 31 December 2010.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 31 December 2010 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Issues Committee ("IC") Interpretations and amendments to FRSs and IC Interpretations that are effective for financial statements effective from 1 January 2011, as disclosed below:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to FRS 132	Classification of Rights Issues
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Improvements to FRSs (2010) issued in November 2010	

The adoption of the above pronouncements does not have significant impact to the Group, except as described below:

#### Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements

The revised FRS 3 introduces a number of changes in the accounting for business combinations. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) to be accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with non-controlling interests.

#### A2 Report of the Auditors

The report of the auditors of preceding annual financial statements was not subject to any qualification.

#### A3 Seasonal or Cyclical Factors

The results for the current quarter under review were not materially affected by seasonal or cyclical factors except for the leisure and hospitality segments which normally peaks during major festive seasons and holidays.

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

### A4 Unusual Items

There were no material unusual items affecting the amounts reported for the current quarter ended 31 March 2011 except for the following:

Current and preceeding year corresponding quarter

	31/03/11 RM'million	31/03/10 RM'million
Profit before tax as reported	65.5	87.3
Reversal of depreciation <sup>1</sup>	(9.1)	0.0
<b>Profit before tax excluding unusual items</b>	<b>56.4</b>	<b>87.3</b>
Profit after tax and non-controlling interests as reported	61.2	223.3
Reversal of depreciation <sup>1</sup>	(9.1)	0.0
Reversal of taxation <sup>2</sup>	(17.2)	(181.4)
<b>Profit after tax and non-controlling interests excluding unusual items</b>	<b>34.9</b>	<b>41.9</b>

During the 1st quarter ended 31 March 2011:-

<sup>1</sup> In compliance with FRS 5: Non-current Assets (And Disposal Group) Held for Sale, a total of RM9.1 million (profit before and after tax and non-controlling interests) in depreciation provided during the quarter at the respective entity level was reversed at the Group level.

<sup>2</sup> The Group reversed RM17.2 million (profit after tax and non-controlling interests) of taxation provided following a successful tax treatment appeal to the Australian Tax Office.

### A5 Changes in Estimates

There were no changes in estimates that have a material effect on the amounts reported for the current quarter ended 31 March 2011.

### A6 Issuances, Cancellations, Repurchases, Resale and Repayments of Debts and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter ended 31 March 2011 except for the issuance of 1,000 new ordinary shares of RM1.00 each for cash pursuant to the Employees' Share Option Scheme at exercise price of RM1.00 per ordinary share on 19 January 2011.

### A7 Dividend Paid

There was no dividend paid during the financial period ended 31 March 2011.

### A8 Segmental Reporting

Segmental results for the financial period ended 31 March 2011 are as follows:

	Property Development (Malaysia) RM'000	Property Development (Overseas) RM'000	Property Investment RM'000	Leisure RM'000	Hospitality RM'000	Healthcare RM'000	REIT RM'000	Eliminations RM'000	Consolidated RM'000
<b>BY BUSINESS SEGMENTS</b>									
<b>REVENUE AND EXPENSES</b>									
Revenue									
External sales	159,771	15	18,799	35,249	50,279	35,956	4,648	-	304,717
Inter-segment sales	-	-	931	-	1,205	19	-	(2,155)	-
<b>Total Revenue</b>	<b>159,771</b>	<b>15</b>	<b>19,730</b>	<b>35,249</b>	<b>51,484</b>	<b>35,975</b>	<b>4,648</b>	<b>(2,155)</b>	<b>304,717</b>
Results									
Operating segment results	26,189	(193)	9,595	5,921	3,576	3,346	3,270	-	51,704
Finance costs	(2,970)	46	(1,720)	(545)	(1,873)	(1,328)	4	-	(8,386)
Share of results of associated companies	(1)	(9)	131	-	-	-	16,006	-	16,127
jointly controlled entities	2,256	3,846	-	-	-	-	-	-	6,102
<b>Profit before taxation</b>	<b>25,474</b>	<b>3,690</b>	<b>8,006</b>	<b>5,376</b>	<b>1,703</b>	<b>2,018</b>	<b>19,280</b>		<b>65,547</b>
Taxation									16,606
<b>Profit for the period</b>									<b>82,153</b>
Attributable to:									
Owners of the parent									61,178
Non-controlling interests									20,975
									<b>82,153</b>

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

### A9 Valuation of Property, Plant and Equipment and Investment Properties

The Group adopts the fair value model for its investment properties. There is no significant and indicative change in value of the said investment properties since the last balance sheet date.

### A10 Material events

There were no material events subsequent to the current quarter ended 31 March 2011.

### A11 Changes in the Composition of the Group

There was no material change in the composition of the Group for the current quarter ended 31 March 2011.

### A12 Contingent Liabilities and Assets

There were no material changes in contingent liabilities since the last annual balance sheet date.

There were no contingent assets.

### A13 Capital Commitments

There were no material changes in capital commitments since the last annual balance sheet date.

### A14 Discontinued operation and disposal group classified as held for sale

Pursuant to the offer to acquire all of the business and undertaking of the Company including all Assets and Liabilities of the Company by Sunway Berhad (formerly known as Alpha Sunrise Sdn. Bhd.) ("SSB") on 24 November 2010 (the "Offer") and the subsequent decision to accept the Offer by the non-interested Directors of the Company on 14 December 2010, the criteria to be classified as held for sale under FRS 5: Non-current Assets (And Disposal Group) Held for Sale ("FRS 5") is regarded as met. Accordingly, all assets, liabilities and related reserves of the Group and the Company have been classified and presented on the statements of financial position as disposal group held for sale in accordance with FRS 5. The entire results of the Group have been presented on the income statements and statements of comprehensive income as "Discontinued Operations". The above transaction has yet to be completed.

	AS AT END OF CURRENT QUARTER 31/03/2011	AS AT PRECEDING FINANCIAL PERIOD END 31/12/2010
<b><u>Assets</u></b>		
Property, plant and equipment	585,456	583,639
Biological assets	435	461
Investment properties	703,698	666,825
Land held for property development	390,630	389,796
Investment in associates	921,432	920,699
Investment in jointly controlled entities	165,319	159,053
Other investments	62	10,936
Goodwill	202,253	202,253
Deferred tax assets	25,410	26,000
Deferred expenditures	3,994	-
Properties development costs	461,719	529,154
Inventories	61,926	63,825
Receivables, deposits & prepayments	433,680	465,407
Deposits, bank & cash balances	595,460	513,159
Tax recoverable	28,383	33,599
Assets of disposal group classified as held for sale	<u>4,579,857</u>	<u>4,564,806</u>
<b><u>Liabilities</u></b>		
Bank borrowings	794,489	820,215
Other long term liabilities	193,709	28,465
Deferred taxation	63,380	63,690
Payables, accruals & other current liabilities	565,628	754,966
Taxation	37,876	41,221
Derivatives	1,166	1,621
Liabilities of disposal group classified as held for sale	<u>1,656,248</u>	<u>1,710,178</u>
Net assets of disposal group classified as held for sale	<u>2,923,609</u>	<u>2,854,628</u>

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

### A14 Discontinued operation and disposal group classified as held for sale (contd.)

	AS AT END OF CURRENT QUARTER 31/03/2011	AS AT PRECEDING FINANCIAL PERIOD END 31/12/2010
<b>Reserve</b>		
Fair value adjustment reserve	49,967	49,967
Capital reserve	75,180	75,175
Foreign currency translation reserve	7,587	9,372
Reserve of disposal group classified as held for sale	<u>132,734</u>	<u>134,514</u>

### B1 Review of Performance

#### For the quarter

The Group posted a revenue of RM304.7 million for the current quarter as compared to RM283.3 million posted in the corresponding quarter of 2010. The profit before tax of RM56.4 million<sup>1</sup> was lower than the RM87.3 million achieved in the corresponding quarter mainly due to the drop in income from the property investment segment following the completion of the disposal of certain properties to Sunway Real Estate Investment Trust ("Sunway REIT"). However, this was partially mitigated by the share of profits from Sunway REIT and the manager's fees for the management of Sunway REIT.

The property development projects with significant contribution during the quarter were Sunway Damansara with Rymba Hills and Nexis and Sunway South Quay with A'Marine and Bayrocks.

<sup>1</sup> exclude unusual items as stated in Note A4

### B2 Material Changes in the Quarterly Results

The current quarter's revenue of RM304.7 million and profit before tax of RM56.4 million<sup>1</sup> was lower than the revenue of RM341.8 million and profit before tax of RM80.4 million<sup>2</sup> achieved in the immediate preceding quarter mainly due to the lower contributions from the property development segment and the hospitality and leisure segments which traditionally record better performance in the 4th quarter due to the school holiday and festive season.

<sup>1</sup> Refer to Note A4 for details

<sup>2</sup> excludes unusual items as disclosed in the 4th quarter ended 31 December 2010

### B3 Prospects

The Group expects the property development segment to be the main contributor to the Group's result this financial year while the share of profits from the Sunway REIT and the manager's fees for the management of Sunway REIT will provide the Group with a stable income stream.

In this regard, the Group continues to strengthen its local presence by the recent launches of retail and shop offices in Sunway Velocity near Kuala Lumpur city centre and condominiums in Sunway South Quay. On the back of strong unbilled sales of RM1,241 million as at 31 March 2011, the Group plans to launch, amongst others, service apartments in Sunway Velocity and new phases of condominiums and a commercial precinct at Sunway South Quay.

In addition, the Group's property development (overseas) segment is expected to start contributing to the Group's results for this financial year.

Barring unforeseen circumstances, the Board is of the view that the Group will register an improved operational performance for the financial year ending 31 December 2011.

### B4 Variance of Actual Profit from Profit Forecast

The Company did not issue any profit forecast or profit guarantee during the current year under review.

### B5 Taxation

The effective tax rate for the current quarter which exclude the reversal of taxation is 18.48%. The lower effective tax rate was mainly due to utilisation of unabsorbed losses and unutilised capital allowances of certain subsidiaries of the Group.

	Current Quarter Ended 31/03/2011 RM'000	Cumulative Year To Date 31/03/2011 RM'000
Current taxation <sup>1</sup>	(16,892)	(16,892)
Deferred taxation	286	286
	<u>(16,606)</u>	<u>(16,606)</u>

<sup>1</sup> Reversal of taxation provided in Australia Group as disclosed in Note A4 above.

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

### B6 Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There were no sale of investments and/or properties for the current quarter ended 31 March 2011.

### B7 Purchase or Disposal of Quoted Securities

There were no purchase or disposal of quoted securities for the current quarter ended 31 March 2011.

### B8 Status of Corporate Proposal Announced

There were no new corporate proposals announced except for the following:

#### Proposed Acquisition of 48% Equity Interest in Sunway Pyramid Sdn Bhd ("SPSB")

On 12 July 2010, the Company entered into a Share Sale Agreement ("SSA") with Reco Pyramid (M) Sdn Bhd ("RPSB") to acquire 48 million ordinary shares of RM1.00 each in SPSB ("SPSB Sale Shares") representing 48% equity interest in SPSB for the SPSB Consideration as per following:

Salient terms and conditions of the SPSB SSA

Completion of the Proposed Acquisition of SPSB will occur on the last business day of the month immediately following the month (or such other date as the Company and RPSB may mutually agree in writing) in which:

- (i) the condition precedent, namely the completion of the Proposed Acquisition of Sunway Leisure Sdn Bhd (formerly known as Mega Capacity Sdn Bhd), is fulfilled; and
- (ii) all the pre-closing events are completed.

The Proposed Acquisition is yet to be completed.

#### Equity Joint Venture Contract between Sunway City (S'pore) Pte Ltd and Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd ("SSTEC")

On 26 October 2010, Sunway City (S'pore) Pte Ltd, a wholly owned subsidiary of the Company, entered into a Equity Joint Venture Contract with SSTEC to establish the first Sino foreign equity joint venture enterprise, namely Tianjin Eco-City Sunway Property Development Co., Ltd. ("EJV Company"), to develop 27.96 hectares (69 acres) of land in Sino-Singapore Tianjin Eco-City which forms part of the 40 hectares (98.8 acres) located in Tianjin, People's Republic of China for the development in phases of residential and commercial projects.

The EJV Company obtained its business licence on 17 December 2010. The EJV Company's record had been registered with the Ministry of Commerce of China on 1 April 2011. The setting-up of the EJV Company was completed upon obtaining the approval from the State of Administration of Foreign Exchange of China on 12 April 2011.

#### Offer to Acquire all the Business and Undertaking including all Assets and Liabilities of the Company ("Offer")

On 24 November 2010, the Company announced that, the Board of Directors of Sunway City Berhad ("SCB"), received a letter from Sunway Berhad (formerly known as Alpha Sunrise Sdn Bhd) ("Sunway"), which sets out Sunway's offer to acquire all of the business and undertaking of SCB including all Assets and Liabilities of SCB as at Completion at an aggregate purchase consideration:

- (i) equivalent to RM5.10 per ordinary share of RM1.00 each in SCB ("SCB Shares") multiplied by the total outstanding SCB Shares (less treasury shares, if any) at a date to be determined later;
- (ii) equivalent to the Black-Scholes valuation based on RM5.10 per SCB Shares and calculated by applying all the relevant variables as at 22 November 2010 for the options issued under SCB's employees' share option scheme ("ESOS options"), multiplied by the total outstanding number of ESOS options issued (for every issue of the ESOS options, batched by their respective conversion prices). The Black-Scholes values for the ESOS options range from RM0.96 to RM4.10 per ESOS option (subject to the respective conversion price of the options); and
- (iii) equivalent to the Black-Scholes valuation based on RM5.10 per SCB Shares and calculated by applying all the relevant variables as at 22 November 2010, being RM1.29 per warrant of SCB ("Warrants"), multiplied by the total outstanding number of Warrants in issue at a date to be determined later.

On 14 December 2010, the Company announced that the non-interested Directors of SCB, after taking into consideration the independent advice of the Independent Adviser, Goldman Sachs (Malaysia) Sdn Bhd, have decided to accept the Offer, subject to, inter alia, the approval of the shareholders and relevant authorities, where required.

On 18 January 2011, the Company entered into a conditional Sale of Business Agreement ("SBA") with Sunway in relation to the proposed disposal of the entire business and undertaking including all the assets and liabilities of the Company to Sunway ("Proposed Disposal"). Pursuant to the Proposed Disposal, the Company will undertake the following:

- (i) the proposed capital repayment by way of a capital reduction exercise pursuant to Section 60(2) and/or Section 64 of the Companies Act, 1965;
- (ii) the proposed termination of the employees' share option scheme of the Company; and
- (iii) the proposed payment to warrant holders of the Company by way of a scheme of arrangement under Section 176 of the Companies Act, 1965.

On 18 March 2011, the Company submitted an application to the Securities Commission ("SC") to seek the SC's approval for the said exercise.

On 18 May 2011, the Company announced that, the SC had via its letter dated 16 May 2011, granted its approval under Section 212(5) of the Capital Markets Services Act 2007 for the exercise subject to terms and conditions contained therein.



## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

### B8 Status of Corporate Proposal Announced (contd.)

#### Proposed Acquisition of Freehold Land in Johor

On 28 December 2010, Asli Budimas Sdn Bhd ("ABSB"), a wholly owned subsidiary of the Company, entered into a sale and purchase agreement ("SPA") with Bukit Lenang Development Sdn Bhd ("BLD") to purchase parcels of land measuring in total approximately 2,815,683 square feet for a total consideration of RM134.5 million.

#### **Mode of payment**

- (i) RM13.0 million upon execution of SPA
- (ii) RM7.0 million paid to ABSB's solicitors as stakeholder pending fulfillment of conditions precedent;
- (iii) RM32.2 million being redemption sum to Affin Bank Berhad within 90 days from the date the SPA becomes unconditional or such longer period as agreed by the parties, or alternatively to enter into such arrangements as may be acceptable to Affin Bank Berhad;
- (iv) the differential amount between RM60.0 million and all sums paid under items (i) to (iii) above shall be paid to BLD within 120 days from the date the SPA becomes unconditional or such longer period as the parties may agree; and
- (v) an aggregate amount equivalent to 8% of the gross development value to be carried out on the Land provided the amount payable to BLD shall not be less than the minimum amount of RM74.5 million and this shall be paid on a pro-rated basis against the sales value of each unit sold to and paid by the purchasers.

The SPA was completed on 6 May 2011.

#### Proposed Internal Reorganisation Exercise

On 17 January 2011, the Company entered into the following agreements pursuant to its internal reorganisation exercise:

- (i) the sale by the Company and the acquisition by Bintutara Sdn Bhd, a wholly owned subsidiary of the Company, of all the Company's property development business and undertaking including all assets and liabilities in respect of such property development business ("Property Development Business"); and
- (ii) the sale by the Company and the acquisition by Top Magnitude Sdn Bhd, a wholly owned subsidiary of the Company, of all the Company's property investment business and undertaking including all assets and liabilities in respect of such property investment business ("Property Investment Business").

#### **Salient terms and conditions**

The Proposed Internal Reorganisation is conditional upon the following conditions precedent being fulfilled:

- (i) the consent or approval of the relevant creditors/ lenders/ financiers of the Company for the disposal of the Property Development Business and Property Investment Business having been obtained (if applicable);
- (ii) consents from any third parties as may be required in connection with the transfer of the assets and liabilities in respect of the Property Development Business and Property Investment Business in accordance with the provisions of the agreements being obtained; and
- (iii) the approvals of any other authorities or parties deemed necessary by the parties to the agreements having been obtained.

The Proposed Internal Reorganisation is yet to be completed.

### B9 Group Borrowings and Debt Securities

The Group borrowings as at 31 March 2011 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	404,727	30,000	434,727
Long term borrowings	359,762	-	359,762
	764,489	30,000	794,489

Included in the above are borrowings which are denominated in a foreign currency as follows:

<u>Secured</u>	<u>Current</u>	<u>Non-current</u>
Denominated in US Dollar (USD'000)	625	7,625

## APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

### B10 Derivative Financial Instruments - Swap

The outstanding swap agreements as at 31 March 2011 are as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Derivative Liabilities RM'000
Interest rate swap agreement - 1 year to 3 year	100,000	1,166

With the adoption of FRS 139, derivative financial instruments are recognised accordingly in the financial statements.

An interest rate swap is a derivative in which one party exchanges a stream of interest payments for another party's stream of cash flow. The Group had entered into interest rate swap to exchange of a floating rate loan to a fixed rate loan in order to minimise the exposure from the fluctuation of interest rate.

The fair value of the swap contracts are determined by using the market rates at the end of reporting period and changes in the fair value is recognised in the profit or loss.

### B11 Changes in Material Litigation

As at 31 March 2011, there were no material litigations since the last balance sheet date.

### B12 Realised and Unrealised Profits

Bursa Malaysia Securities Berhad ("Bursa Malaysia") has, on 25 March 2010 and 20 December 2010, issued directives requiring all listed corporations to disclose the breakdown of unappropriated profits or accumulated losses into realised and unrealised in quarterly reports and annual audited financial statements.

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits are as follows:

	31/03/2011 RM'000	31/12/2010 RM'000
Total retained profit of the Group:-		
Realised	1,523,328	1,473,754
Unrealised	111,406	100,682
Total share of retained profits from associated companies:		
Realised	55,414	43,450
Unrealised	99,839	99,839
Total share of retained profits from Jointly Controlled Entities:		
Realised	125,826	147,479
Unrealised	30	30
Less: Consolidation adjustments	(201,435)	(208,420)
Total Group's retained profits as per consolidated accounts	<u>1,714,408</u>	<u>1,656,814</u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

### B13 Dividend

No dividend has been proposed by the Board of Directors for the financial period ended 31 March 2011.

**APPENDIX II: SUNCITY'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)**

**B14 Earnings per share**

The calculation of the earnings per share for the Group is based on profit after taxation and non-controlling interests on the weighted average number of ordinary shares in issue during the period.

	Current Quarter Ended 31/03/2011 RM'000	Cumulative Year To Date 31/03/2011 RM'000
<b>Basic earnings per share</b>		
Profit attributable to members of the Company	61,178	61,178
Weighted Average Number of Ordinary Shares	470,012	470,012
Earnings per share ( Basic ) (sen)	13.02	13.02
<b>Diluted earnings per share</b>		
Profit attributable to members of the Company	61,178	61,178
Weighted Average Number of Ordinary Shares	470,038	470,038
Earnings per share ( Diluted ) (sen)	13.02	13.02

**B15 Comparative figures**

Comparative figures, where applicable, have been modified to conform with the current quarter's presentation.

**By Order of the Board**

**Puan Sri Dalin Seri (Dr) Susan Cheah Seok Cheng**

**Tan Kim Aun**

**Lee Suan Choo**

**Secretaries**

# **APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011**

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

FAX NO: 03-2026 3670  
FAX NO: 03-5639 9507

31-May-2011

## **UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	3 MONTHS CURRENT PERIOD	PRECEDING YEAR CORRESPONDING
	QUARTER 31-Mar-11	QUARTER 31-Mar-10	TO DATE 31-Mar-11	PERIOD 31-Mar-10
	RM'000	RM'000	RM'000	RM'000
<b><u>Discontinued operations</u></b>				
Revenue	572,484	501,680	572,484	501,680
Expenses excluding finance cost and taxation	(550,447)	(466,347)	(550,447)	(466,347)
Other operating income excluding finance income	11,105	7,545	11,105	7,545
Profit from operations	33,142	42,878	33,142	42,878
Gain on derivatives	3,015	4,588	3,015	4,588
Finance income	1,243	191	1,243	191
Finance cost	(7,453)	(8,004)	(7,453)	(8,004)
Share of results of jointly controlled entities	20,560	9,079	20,560	9,079
Share of results of associates	985	1,625	985	1,625
Profit before taxation	51,492	50,357	51,492	50,357
Taxation	(6,997)	(9,254)	(6,997)	(9,254)
Profit for the financial period	44,495	41,103	44,495	41,103
Attributable to:				
Owners of the parent	43,245	39,893	43,245	39,893
Non-controlling interests	1,250	1,210	1,250	1,210
Profit for the financial period	44,495	41,103	44,495	41,103
Earnings per share attributable to owners of the parent (sen) :				
- basic	7.42	6.92	7.42	6.92
- diluted	6.21	6.54	6.21	6.54

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

### APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

FAX NO: 03-2026 3670  
FAX NO: 03-5639 9507

31-May-2011

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING QUARTER	3 MONTHS CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
	RM'000	RM'000	RM'000	RM'000
<b>Discontinued operations</b>				
Profit for the financial period	44,495	41,103	44,495	41,103
<b>Other comprehensive income</b>				
Foreign currency translation	(3,917)	(12,383)	(3,917)	(12,383)
Other comprehensive income for the period, net of tax	(3,917)	(12,383)	(3,917)	(12,383)
Total comprehensive income for the period	40,578	28,720	40,578	28,720
<b>Attributable to:</b>				
Owners of the parent	39,618	28,694	39,618	28,694
Non-controlling interests	960	26	960	26
Total comprehensive income for the period	40,578	28,720	40,578	28,720

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

# **APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)**

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

FAX NO: 03-2026 3670  
FAX NO: 03-5639 9507

## **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

31-May-2011

	<b>AS AT END OF CURRENT QUARTER 31-Mar-11 RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 31-Dec-10 RM'000</b>
<b>ASSETS</b>		
Assets of disposal group classified as held for sale	2,534,550	2,481,594
<b>TOTAL ASSETS</b>	<b>2,534,550</b>	<b>2,481,594</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	607,906	606,699
Warrants	3,809	3,809
Treasury shares	(32,146)	(32,146)
Share premium	218,200	218,056
Merger relief reserves	49,615	49,615
Share option reserves	1,397	1,397
Retained earnings	85,508	42,183
Reserve of disposal group classified as held for sale	43,685	47,343
	977,974	936,956
<b>Non-controlling interests</b>	96,747	95,975
<b>Total equity</b>	<b>1,074,721</b>	<b>1,032,931</b>
Liabilities directly associated with disposal group classified as held for sale	1,459,829	1,448,663
<b>Total liabilities</b>	<b>1,459,829</b>	<b>1,448,663</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,534,550</b>	<b>2,481,594</b>
Net assets per share attributable to owners of the parent (RM)	1.61	1.54

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

## APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

FAX NO: 03-2026 3870  
FAX NO: 03-5839 9507

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

31-May-2011

-----ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY-----

	Share capital RM'000	Treasury shares RM'000	Warrants RM'000	Share premium RM'000	Reserve of disposal group classified as held for sale RM'000	Revaluation reserve RM'000	Capital reserves RM'000	Statutory reserves RM'000	Merger relief reserves RM'000	Capital redemption reserve RM'000	Foreign currency reserves RM'000	Share option reserves RM'000	Accumulated (losses)/profit RM'000	TOTAL RM'000	Non-controlling interest RM'000	TOTAL EQUITY RM'000
At 1 January 2011	606,699	(32,146)	3,809	219,056	47,343	-	-	-	49,615	-	-	1,397	42,183	936,956	95,975	1,032,931
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	43,245	43,245	1,250	44,495
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	(3,827)	-	(3,827)	(3,827)	(290)	(3,917)
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	(3,827)	-	(3,827)	39,618	950	40,578
Dividends attributable to minority shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(188)	(188)
Issue of shares:	1,207	-	-	-	-	-	-	-	-	-	-	-	-	1,351	-	1,351
- exercise of options over ordinary shares	-	-	-	144	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of redeemable preference shares	-	-	-	-	-	-	-	-	-	113	-	-	(113)	-	-	-
Share of depreciation transfer on land, net of tax by an associated company	-	-	-	-	-	(144)	-	-	-	-	-	-	193	49	-	49
Reserve attributable to disposal group classified as held for sale	-	-	-	-	(3,658)	144	-	-	-	(113)	3,827	-	-	-	-	-
At 31 March 2011	607,906	(32,146)	3,809	219,200	43,685	-	-	-	49,615	-	-	1,397	85,508	977,974	96,747	1,074,721
At 1 January 2010	600,808	(32,146)	3,810	217,605	-	-	34,137	-	49,615	50	(3,029)	2,611	(102,501)	770,980	68,228	839,208
Effect of adopting FRS 139	-	-	-	-	-	-	-	-	-	-	-	-	(5,056)	(5,056)	(355)	(5,411)
At 1 January 2010 (restated)	600,808	(32,146)	3,810	217,605	-	-	34,137	-	49,615	50	(3,029)	2,611	(107,557)	765,924	87,874	853,778
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	39,893	39,893	1,210	41,103
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	(11,199)	-	(11,199)	(11,199)	(1,184)	(12,383)
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	(11,199)	-	(11,199)	28,694	26	28,720
Issue of shares:	586	-	-	1	-	-	-	-	-	-	-	-	-	587	-	587
- exercise of options over ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2010	601,394	(32,146)	3,810	217,606	-	-	34,137	-	49,615	50	(14,228)	2,611	(87,664)	795,185	87,900	883,085

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

# **APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)**

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

FAX NO: 03-2026 3670  
FAX NO: 03-5639 9507

31-May-2011

## **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	For the 3 months period ended 31-Mar-11 RM'000	For the 3 months period ended 31-Mar-10 RM'000
<b><u>Discontinued operations</u></b>		
<b><u>Operating activities</u></b>		
Cash from operations	21,979	56,474
Tax paid	(8,653)	(5,210)
Tax refund	185	-
Interest received	432	621
<i>Net cash flow from operating activities</i>	<b>13,943</b>	<b>51,885</b>
<b><u>Investing activities</u></b>		
Proceeds from disposal of other investments	-	59
Proceeds from disposal of property, plant and equipment	3,678	1,721
Purchase of property, plant and equipment	(5,366)	(4,913)
Acquisition of land	(21,567)	-
Dividends received from an associate	11,265	-
Investment in jointly controlled entity	(719)	-
Advances to jointly controlled entity	(36,986)	-
<i>Net cash flow from investing activities</i>	<b>(49,695)</b>	<b>(3,133)</b>
<b><u>Financing activities</u></b>		
Repayment of hire purchase and lease	(1,124)	(525)
Hire purchase and lease obtained	86	682
Proceeds from issue of shares - exercise of options over ordinary shares	1,351	587
Dividends paid to minority interest	(188)	-
Bank borrowings drawdown	95,776	104,418
Repayment of bank borrowings	(72,743)	(140,459)
Interest received	1,041	737
Interest paid	(6,419)	(8,426)
<i>Net cash flow from financing activities</i>	<b>17,780</b>	<b>(42,986)</b>
<b>Changes in cash and cash equivalents</b>	<b>(17,972)</b>	<b>5,766</b>
<b>Currency translation differences</b>	<b>(3,847)</b>	<b>(4,620)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>245,889</b>	<b>183,340</b>
<b>Cash and cash equivalents at end of the period</b>	<b>224,070</b>	<b>184,486</b>

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 31-Mar-11 RM '000	As at 31-Mar-10 RM '000
Deposits, bank and cash balances	237,042	195,925
Bank overdrafts (included within short term borrowings in Note 23)	(12,972)	(15,838)
<b>Total cash and cash equivalents</b>	<b>224,070</b>	<b>180,087</b>
<b>Attributable to disposal group classified as held for sale</b>	<b>(224,070)</b>	<b>4,399</b>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Statutory Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)



**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
ENDED 31 MARCH 2011 (cont'd)**

**TO: BURSA MALAYSIA SECURITIES BERHAD**  
**FR: SUNWAY HOLDINGS BERHAD (37465A)**

PRIVATE & CONFIDENTIAL

**FAX NO: 03-2026 3670**  
**FAX NO: 03-5639 9507**

**31 MAY 2011**

**1. Basis of Preparation**

The interim report is unaudited and is prepared in accordance with FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's Annual Statutory Financial Statements for the financial year ended 31 December 2010.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2010.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual statutory financial statements for the financial year ended 31 December 2010 except as mentioned in Note 2 below.

**2. Changes in Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those of the statutory financial statements for the financial year ended 31 December 2010 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs") and Issues Committee ("IC") Interpretations that are effective for the financial period beginning on 1 January 2011:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Improvements to FRSs (2010) issued in November 2010	

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
ENDED 31 MARCH 2011 (cont'd)**

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

PRIVATE & CONFIDENTIAL

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31 MAY 2011

**2. Changes in Accounting Policies (contd.)**

The adoption of the above did not have any significant impacts on the interim financial report upon their initial application.

**3. Disposal Group Classified as Held for Sale**

On 24 November 2010, the Company announced that the Board had received a letter from Sunway Berhad (formerly known as Alpha Sunrise Sdn. Bhd.) ("Sunway"), which sets out Sunway's offer to acquire all of the business and undertaking of the Company as carried on by the Company as at the date hereof, including all Assets and Liabilities of the Company.

On 18 January 2011, the Company announced that it had entered into a conditional Sale of Business Agreement ("SBA") with Sunway in relation to the proposed disposal of the entire business and undertaking including all the assets and liabilities of the Company.

Further details on the proposed disposal is disclosed in Note 22(d).

As at reporting date, the assets and liabilities of the Group have been presented in the statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale" and its results are presented on the income statement and statement of comprehensive income under the "Discontinued Operations" header in accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operations in view of the Company's acceptance of Sunway's offer to acquire all of its business and undertaking, including all assets and liabilities of the Company. The above transaction has yet to be completed as at the date of issue of this report.

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
ENDED 31 MARCH 2011 (cont'd)**

TO: BURSA MALAYSIA SECURITIES BERHAD  
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PRIVATE & CONFIDENTIAL

FAX NO: 03-2026 3670  
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**3. Disposal Group Classified as Held for Sale (contd.)**

Statement of financial position disclosures

The assets and liabilities of the Group classified as held for sale and the related reserves as at reporting date are as follows:

	<b>As at 31-Mar-11 RM'000</b>	<b>As at 31-Dec-10 RM'000</b>
<b><u>Assets</u></b>		
Property, plant and equipment	384,195	384,178
Investment properties	49,844	49,844
Rock reserves	9,314	9,314
Interest in associates	56,848	67,197
Other investments	1,703	1,711
Interest in jointly controlled entities	421,631	367,546
Land held for property development	120,778	119,084
Goodwill	127,842	127,842
Deferred tax assets	14,423	14,194
Property development costs	87,267	88,572
Inventories	240,023	237,720
Trade and other receivables	751,676	723,799
Derivatives	10,425	12,484
Tax recoverable	21,527	20,967
Cash and bank balances	237,054	257,142
Assets of disposal group classified as held for sale	<u>2,534,550</u>	<u>2,481,594</u>
<b><u>Liabilities</u></b>		
Borrowings	621,473	599,320
Deferred tax liabilities	17,479	17,435
Derivatives	257	412
Payables	795,258	805,687
Tax payable	25,362	25,809
Liabilities directly associated with disposal group classified as held for sale	<u>1,459,829</u>	<u>1,448,663</u>
<b><u>Reserves</u></b>		
Capital reserves	34,137	34,137
Capital redemption reserve	316	203
Foreign currency reserve	(15,944)	(12,317)
Statutory reserve	618	618
Revaluation reserve	22,357	22,501
Share option reserve	2,201	2,201
	<u>43,685</u>	<u>47,343</u>
Contingent liabilities associated with disposal group classified as held for sale	<u>1,478,199</u>	<u>1,377,321</u>

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
ENDED 31 MARCH 2011 (cont'd)**

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

PRIVATE &amp; CONFIDENTIAL

FAX NO: 03-2026 3670  
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31 MAY 2011

**4. Qualification of Financial Statements**

The auditors' report of the preceding annual statutory financial statements was not subject to any qualification.

**5. Seasonal or Cyclical Factors**

The Group's operations were not materially affected by any seasonal or cyclical factors.

**6. Nature and Amount of Unusual Items**

There were no unusual items for the current financial quarter and financial period-to-date.

**7. Nature and Amount of Changes in Estimates**

There were no changes in estimates of amounts in the prior financial years that have a material effect in the current interim period.

**8. Issuance and Repayment of Debt and Equity Securities**

There was no issuance or repayment of debt and equity securities, share cancellations and resale of treasury shares for the current financial period under review, except for the issuance of 956,500, 94,000, 104,000, and 52,250 new ordinary shares of RM1.00 each pursuant to the Employees' Share Option Scheme at an exercise price of RM1.00, RM1.21, RM1.75 and RM1.88 per ordinary share respectively for cash.

**9. Dividend paid**

There was no dividend paid during the quarter ended 31 March 2011.

## APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2011 (cont'd)

PRIVATE & CONFIDENTIAL

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

FAX NO: 03-2026 3670  
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31 MAY 2011

## 10. Segment Reporting

Revenue	Construction RM'000	Property Development RM'000	Trading RM'000	Building Materials RM'000	Quarry RM'000	Financial Services RM'000	Investment Holding RM'000	Others RM'000	Intersegment Eliminations RM'000	Group RM'000
External revenue	349,918	15,852	133,106	30,531	40,708	610	114	1,645	-	572,484
Inter-segment revenue	-	-	15,072	1,681	363	273	5,027	2,477	(24,893)	-
<b>Total revenue</b>	<b>349,918</b>	<b>15,852</b>	<b>148,178</b>	<b>32,212</b>	<b>41,071</b>	<b>883</b>	<b>5,141</b>	<b>4,122</b>	<b>(24,893)</b>	<b>572,484</b>
<b>Segment results</b>	<b>14,892</b>	<b>50</b>	<b>13,637</b>	<b>2,451</b>	<b>3,752</b>	<b>237</b>	<b>(3,447)</b>	<b>1,570</b>	<b>-</b>	<b>33,142</b>
Gain on derivatives	2,838	-	-	-	-	-	154	23	-	3,015
Finance income	719	159	25	6	161	2	102	69	-	1,243
Finance cost	(1,611)	(390)	(758)	(793)	(406)	-	(3,491)	(4)	-	(7,453)
Share of results of jointly controlled entities	15,385	5,175	-	-	-	-	-	-	-	20,560
Share of results of associates	-	-	-	-	-	-	-	985	-	985
<b>Profit before taxation</b>	<b>32,223</b>	<b>4,994</b>	<b>12,904</b>	<b>1,664</b>	<b>3,507</b>	<b>239</b>	<b>(6,682)</b>	<b>2,643</b>	<b>-</b>	<b>51,492</b>
Taxation	(2,394)	(214)	(2,451)	(613)	(681)	(68)	(246)	(330)	-	(6,997)
<b>Profit for the financial period</b>	<b>29,829</b>	<b>4,780</b>	<b>10,453</b>	<b>1,051</b>	<b>2,826</b>	<b>171</b>	<b>(6,928)</b>	<b>2,313</b>	<b>-</b>	<b>44,495</b>

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
ENDED 31 MARCH 2011 (cont'd)**

TO: BURSA MALAYSIA SECURITIES BERHAD  
FR: SUNWAY HOLDINGS BERHAD (37465A)

PRIVATE & CONFIDENTIAL

FAX NO: 03-2026 3670  
FAX NO: 03-5639 9507

31 MAY 2011

**11. Valuation of Property, Plant and Equipment and Investment Properties**

There is no valuation of property, plant and equipment and investment properties, as the Group does not adopt a revaluation policy.

**12. Material Events Subsequent to the End of the Period Under Review**

There was no material event subsequent to the period ended 31 March 2011.

**13. Changes in the Composition of the Group**

There were no material changes in the composition of the Group for the current financial quarter and financial period to date.

**14. Contingent Liabilities**

Details of contingent liabilities of the Group as at the date of issue of the report are as follows:

	<b>31-Mar-11</b>	<b>31-Dec-10</b>
	<b>RM'000</b>	<b>RM'000</b>
Guarantees given to third parties in respect of contracts and trade performance	1,478,199	1,377,321
Attributable to disposal group classified as held for sale (Note 3)	(1,478,199)	(1,377,321)
	<u>-</u>	<u>-</u>

There were no other material changes in contingent liabilities since the last annual reporting date.

**15. Review of Performance**

The Group achieved revenue of RM572.5 million during the current quarter, 14% higher than the revenue of RM501.7 million recorded in the corresponding quarter in the previous financial period. The higher revenue was mainly contributed by the construction division as well as the overseas trading and manufacturing division.

With the change in classification of all its assets, liabilities and related reserves as held for sale (details in Note 3), the Group ceased the provision for depreciation for all its property, plant and equipment amounting to RM12.8 million, which has been classified as assets held for sale in the current quarter in accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operations. Despite higher revenue, the core profit before taxation of RM35.5 million (after removing the impact on depreciation of RM12.8 million and the fair value gains arising from the adoption of FRS139 of RM3.2 million) is lower than the core profit before taxation of RM45.4 million recorded in the previous corresponding period. This was mainly contributed by lower margins in some of its construction projects, slower take-up rate of its quarry operations and impact of currency devaluation from some of its overseas operations.

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
ENDED 31 MARCH 2011 (cont'd)**

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**16. Material Changes in the Quarterly Results Compared to the Results of the Immediate Preceding Quarter**

The Group recorded revenue and profit before taxation of RM572.5 million and RM51.5 million respectively during the current quarter, compared to revenue of RM514.6 million and profit before taxation of RM40.4 million in the immediate preceding quarter. At the core profit level, the current quarter's results was lower at RM35.5 million as compared to the core profit before taxation of RM37.6 million in the immediate preceding quarter. The lower profit during the quarter was mainly contributed by the lower revenue and profit achieved in the Group's local property development division and slower take-up rate of its quarry operations.

**17. Current Year Prospects**

The Group's expects sustainable earnings from its construction, property development and trading and manufacturing divisions.

The construction division's total order book stands at RM2.4 billion, of which almost 70% are local projects. The division is expected to ride on the return of large-scale projects under the 10th Malaysia Plan and Economic Transformation Programme, and will continue to contribute significantly to the Group's future earnings.

The property development division has a healthy level of unbilled sales amounting to almost RM500 million, mainly from its Singapore property development venture. The division will remain as a key contributor to the Group's profits in the current year.

The continued expansion by the trading and manufacturing division, both by way of increasing its regional presence as well as by going upstream into the manufacturing of related products, will provide steady income growth to the Group.

**18. Variance of Actual Profit from Profit Forecast**

The Company did not issue any profit forecast or profit guarantee during the current period under review.

**19. Income Tax**

	<b>Individual Quarter 31-Mar-11 RM'000</b>	<b>Cumulative Quarter 31-Mar-11 RM'000</b>
Current taxation	6,648	6,648
Deferred taxation	349	349
Under accruals in respect of prior financial years	-	-
	<u>6,997</u>	<u>6,997</u>

The lower effective tax rate for the current quarter and period as compared to the statutory tax rate is mainly due to certain foreign sourced income not subject to tax.

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
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**20. Profits/(Loss) on Sale of Unquoted Investments and/or Properties**

There was no disposal of unquoted investments and/or properties for the current quarter.

**21. Quoted Securities**

There was neither any purchase nor disposal of quoted securities for the current quarter.

**22. Status of Corporate Proposals Announced**

There were no corporate proposals announced but not completed as at the date of this report except for the following:-

- (a) On 19 January 2010, the Company announced that SunwayMas Sdn. Bhd. ("SunwayMas"), its wholly-owned subsidiary had entered into a Share Sale Agreement and Shareholders Agreement with Templer Forest Resort Sdn. Bhd. ("Templer Forest").

Pursuant to the Share Sale Agreement, SunwayMas shall acquire 60% equity interest, comprising 1,980,000 ordinary shares of RM1.00 each in Spanland Sdn. Bhd. ("Spanland") from Templer Forest for a total purchase consideration of RM13,800,000 ("Proposed Acquisition"). The Shareholders Agreement outlines the joint venture arrangement of SunwayMas and Templer Forest and their mutual rights and obligations as shareholders of Spanland as well as to jointly undertake a property development project on parcels of leasehold land measuring approximately 98.43 acres located at Mukim Rawang, District of Gombak, Selangor.

Upon completion of the Proposed Acquisition, Spanland shall become a 60% owned subsidiary of SunwayMas. The Shareholders Agreement will come into effect on the completion of the Proposed Acquisition.

The Proposed Acquisition is expected to be completed within 21 business days after the fulfillment of all conditions precedent or such other date as may be agreed between the parties.



**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
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**22. Status of Corporate Proposals Announced (contd.)**

- (b) On 21 September 2010, the Company announced the proposed issuance of up to RM500 million in nominal value of commercial papers and/or medium term notes (collectively referred to as the "Notes") under a commercial paper/medium term notes programme ("CP/MTN Programme").

The Company has mandated RHB Investment Bank Berhad as the Principal Adviser/Lead Arranger for the CP/MTN Programme.

Pursuant to the CP/MTN Programme, the Company may at its election (but shall not be obliged to do so) and prior to any issuance of the Notes nominate each of either OCBC Bank (Malaysia) Berhad and/or RHB Bank Berhad to guarantee up to the maximum amount of RM100 million each of any series of the Notes. The bank guarantees to be issued by OCBC Bank (Malaysia) Berhad and/or RHB Bank Berhad, as the case may be, shall have the tenor of not more than 5 years from the first issue date of the Notes under the CP/MTN Programme.

The proceeds from the CP/MTN Programme shall be utilised to repay existing bank borrowings, to finance future property developments, capital expenditure or investments of the Company and/or any of its subsidiaries, and the balance, if any, for working capital of the Company and/or any of its subsidiaries and to pay all incidental costs in relation to the CP/MTN Programme.

On 26 October 2010, the Company announced that the CP/MTN Programme has been approved by the Securities Commission vide its letter dated 25 October 2010.

On 15 November 2010, the Company has made its first issuance under the CP/MTN Programme. A total of RM85.0 million nominal value medium term notes were issued, all guaranteed by OCBC Bank (Malaysia) Berhad.

- (c) On 24 September 2010, the Company announced that SunwayMas had entered into a JVA with Dasa Tourist Complex (Private) Limited ("Dasa Tourist") to undertake a mixed development comprising at least 318,000 sq ft of net saleable areas of residential units and 60,000 sq ft net saleable areas of commercial units in Colombo city in the Democratic Socialist Republic of Sri Lanka ("Proposed Development") via a joint venture company ("JV Co.") to be incorporated in the Democratic Socialist Republic of Sri Lanka.

SunwayMas and Dasa Tourist have entered into the JVA to undertake the Proposed Development as well as to record their joint venture arrangement and their rights and obligations as shareholders in the JV Co. SunwayMas shall hold 65% and Dasa Tourist shall hold 35% under the proposed shareholding structure of the JV Co.

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**22. Status of Corporate Proposals Announced (contd.)**

(d) On 24 November 2010, the Company announced that the Board had received a letter from Sunway Berhad (formerly known as Alpha Sunrise Sdn. Bhd.) ("Sunway"), which sets out Sunway's offer to acquire all of the business and undertaking of the Company as carried on by the Company as at the date hereof, including all Assets and Liabilities of the Company as at Completion at an aggregate purchase consideration:

- (i) equivalent to RM2.60 per ordinary share of RM1.00 each in the Company multiplied by the total outstanding shares in the Company (less treasury shares, if any) at a date to be determined later;
- (ii) equivalent to the Black-Scholes valuation based on RM2.60 per ordinary share in the Company and calculated by applying all the relevant variables as at 22 November 2010, for the options issued under the Company's employees' share option scheme ("ESOS options"), multiplied by the total outstanding number of ESOS options issued (for every issue of the ESOS options, batched by their respective conversion prices). The Black-Scholes values for the ESOS options range from RM0.98 to RM1.67 per ESOS option (subject to the respective conversion price of the options); and
- (iii) equivalent to the Black-Scholes valuation based on RM2.60 per ordinary share in the Company and calculated by applying all the relevant variables as at 22 November 2010, being RM1.50 per warrant of the Company ("Warrant"), multiplied by the total outstanding number of Warrants in issue at a date to be determined later.

On 14 December 2010, the Company announced that the non-interested Directors of the Company, after taking into consideration the independent advice of the Independent Advisor, OSK Investment Bank Berhad, have decided to accept Sunway's offer, subject to, inter alia, the approval of the shareholders and relevant authorities, where required.

On 18 January 2011, the Company announced that it had entered into a conditional Sale of Business Agreement ("SBA") with Sunway in relation to the proposed disposal of the entire business and undertaking including all the assets and liabilities of the Company ("Proposed Disposal").

Pursuant to the Proposed Disposal, the Company will also undertake the following:

- (i) proposed capital repayment by way of a capital reduction exercise pursuant to Sections 60(2) and/or 64 of the Companies Act, 1965 ("Proposed Capital Reduction and Repayment");
- (ii) proposed termination of the employees' share option scheme ("ESOS") of the Company ("Proposed ESOS Termination"); and
- (iii) proposed payment to warrant holders of the Company by way of a special resolution as provided by the deed poll ("Proposed Warrant Scheme").

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
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**22. Status of Corporate Proposals Announced (contd.)**

(d) On 18 May 2011, the Company announced that the Securities Commission has vide its letter dated 16 May 2011, granted its approval under Section 212(5) of the Capital Markets Services Act 2007 in relation to the Proposed Disposal.

**23. Group Borrowings and Debt Securities**

Group borrowings and debt securities as at the end of the financial period are as follows:

	<u>Current RM'000</u>	<u>Non-Current RM'000</u>	<u>Total RM'000</u>
<u>Borrowings</u>			
Secured	117,250	101,655	218,905
Unsecured	97,944	304,624	402,568
	215,194	406,279	621,473
Attributable to disposal group classified as held for sale	(215,194)	(406,279)	(621,473)
	-	-	-

Included in the above are borrowings which are denominated in foreign currencies as follows:-

	<u>Current</u>	<u>Non Current</u>
<u>Secured</u>		
Denominated in Singapore Dollar (SGD'000)	992	13,561
Denominated in Trinidad & Tobago Dollar (TTD'000)	8,940	17,880
Denominated in Chinese Renminbi (RMB'000)	86,897	56,024
Denominated in Australian Dollar (AUD'000)	1,879	100
<u>Unsecured</u>		
Denominated in Singapore Dollar (SGD'000)	12,330	-

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
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**24. Financial Instruments**

As at 31 March 2011, the Group's outstanding derivatives were as follows:

Type of Derivatives	Notional Value  RM'000	Fair Value  RM'000	Gains arising from Fair Value Changes for the Period RM'000
<b>Foreign currency forward contracts</b>			
- Less than 1 year	160,247	10,425	
	<u>160,247</u>	<u>10,425</u>	2,861
<b>Interest rate swap contracts</b>			
- Less than 1 year	7,263	(219)	
- 1 year to 3 years	21,789	(40)	
- More than 3 years	1,842	2	
	<u>30,894</u>	<u>(257)</u>	154
<b>Total derivatives</b>		<u><b>10,168</b></u>	<u><b>3,015</b></u>

**Foreign currency forward contracts**

The Group entered into foreign currency forward contracts to minimise its exposure to foreign currency risks as a result of transactions denominated in currencies other than its functional currency, arising from normal business activities. These are done in accordance with the Group's foreign currency hedging policy and are executed with credit-worthy financial institutions which are governed by appropriate policies and procedures.

The derivatives arising from the foreign currency forward contracts are stated at fair value, using the prevailing market rates. Derivatives with positive market values are included under current assets and derivatives with negative market values are included under current liabilities. Any changes in fair value of derivatives during the period are taken directly to the income statement.

**APPENDIX III: SUNH'S UNAUDITED QUARTERLY RESULTS FOR THE 3-MONTH PERIOD  
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**24. Financial Instruments (contd.)**

**Interest rate swap contracts**

The Group entered into interest rate swap contracts to manage its interest rate risk arising primarily from interest-bearing borrowings. Borrowings at floating rate expose the Group to fair value interest rates and the hedging contract minimises the fluctuation of cash flow due to changes in the market interest rates. The above interest rate hedging contracts are executed with credit-worthy financial institutions which are governed by appropriate policies and procedures.

The derivatives arising from the interest rate swap contracts are computed using the present value of the difference between the floating rates and fixed rates applied to the principal amounts over the duration of swap expiring subsequent to period end. Any changes in fair value of derivatives during the period are taken directly to the income statement.

**25. Material Litigation**

- (a) A suit was filed by Affin Bank Berhad ("Affin") against, inter alia, Yap Yee Ping and Ng Kam Hung ("Plaintiffs") for payment of an amount of RM27.7 million and/or any other amount to Affin. The Plaintiffs are seeking, inter alia, certain declarations and also an order that SunwayMas Sdn Bhd ("SunwayMas"), a wholly-owned subsidiary of the Group, indemnifies the Plaintiffs for all claims brought against them by Affin in relation to a tripartite agreement executed amongst Cindai Unggul Sdn Bhd ("Employer"), SunwayMas and BSN Commercial Bank Bhd (now vested in Affin) on 2 May 2000. SunwayMas was appointed as a Project Manager to revive, manage and coordinate the development and construction of the Employer on a piece of land in the Mukim of Pulai, District of Johor Bahru, Johor.

Arising from this suit, the Plaintiffs have filed a counterclaim action against Affin and SunwayMas as the second defendant on 9 May 2008. Thereafter, the Plaintiffs have served a Statement of Defence and Counterclaim ("Counterclaim") on SunwayMas. SunwayMas intends to defend this Counterclaim and at the advice of their solicitors, an order to strike out the case has been submitted, followed by a statement of defense on 4 December 2008. The hearing for case management which was fixed on 27 July 2009, was adjourned to 30 September 2009. On the said date, the hearing for case management was fixed on 4 February 2010 and it has been struck out with costs. The employer filed an appeal against the decision on 2 March 2010. The hearing date for the appeal is yet to be fixed by the Court.

SunwayMas's solicitors are of the opinion that the chances of success of the Plaintiffs' claim against SunwayMas are negligible.

The Directors are of the opinion, after taking appropriate legal advice, that no provision for the abovementioned claims is necessary.

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**25. Material Litigation (contd.)**

- (b) On 4 September 2008, the solicitors of Sunway Construction Sdn Bhd ("SunCon") had been served with a Statement of Claim ("Statement of Claim") by Shristi Infrastructure Development Corporation Ltd ("Claimant"). The Statement of Claim was received by SunCon's office in Malaysia on 8 September 2008.

Pursuant to an agreement signed between SunCon and the National Highway Authority of India for the rehabilitation and upgrading of NH-25 to a four-lane configuration in the state of Uttar Pradesh being a part of the East-West Corridor Project, SunCon had entered into a work order with the Claimant for the upgrading and rehabilitation of the stretch of NH-25 from 143.6 km to 170.0 km, of which the Claimant has provided two bank guarantees ("Bank Guarantees") to SunCon.

The Claimant has failed to carry out its obligations under the work order and SunCon has terminated the work order and cashed the Bank Guarantees. The Claimant had filed an application in the Supreme Court of India for the appointment of an arbitrator to arbitrate upon the disputes between the parties. The Supreme Court had appointed a sole arbitrator and two preliminary sittings have been held to date. The Claimant then filed its Statement of Claim on 4 September 2008.

The Statement of Claim was raised in respect of various claims (including claiming the refund of the amount cashed on the Bank Guarantees) and the total amount claimed is Rs891.5 million (approximately equivalent to RM70 million).

At the hearing on 2 February 2009, the arbitrator recorded SunCon's filing of the Statement of Defence and Counterclaim. In the counterclaim, SunCon is seeking for Rs78,13,94,628.61 (approximately equivalent to RM60 million) for inter alia, additional costs incurred by SunCon to complete the works, recovery of mobilisation advance and interest charges, loss of reputation and loss of profits.

On 5 January 2011, Shristi did not produce its Witness Statement and has been directed to file it by 7 February 2011. The hearing was then adjourned to 11 March 2011 for compliance and finalizing the bundles, etc. The cross examination dates are 28 and 29 March 2011, to be followed on 11 and 12 April 2011. Shristi has to submit a statement of its assets as at 31 December 2010 supported by an affidavit before the next date of the hearing.

On 28 March 2011, the Arbitrator had directed the following:

- (i) Admission or denial by Shristi or SunCon of each other's documents to be completed by 4 April 2011.
- (ii) Further documents to be filed by both parties by 12 April 2011.
- (iii) List of witnesses and Supplemental Affidavit to be filed by Shristi by 12 April 2011 and Shristi's witness to be present on 12 April 2011.

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**25. Material Litigation (contd.)**

- (b) On the 12 April 2011 hearing, both sides were allowed to file further documents, if any, within the next 3 weeks, as the final submission. The next hearing date was 16 May 2011 for noting compliance of directions and thereafter, cross-examination of their first witness will be on 1 and 2 July 2011.

The Directors are of the opinion, after taking appropriate legal advice, that no provision for the abovementioned claims is necessary.

Except for the abovementioned claims, there was no pending material litigation as at 24 May 2011 being the latest practicable date, which is not earlier than 7 days from the date of this report.

**26. Dividend**

No dividend has been proposed by the Board of Directors for the financial period ended 31 March 2011.

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**27. Realised and Unrealised Profits/(Losses)**

The breakdown of retained profits of the Group as at reporting date into realised and unrealised profits are as follows:

	<u>As at</u> <u>31-Mar-11</u> <u>RM'000</u>	<u>As at</u> <u>31-Dec-10</u> <u>RM'000</u>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(58,542)	(76,368)
- Unrealised	(14,754)	(10,079)
	<u>(73,296)</u>	<u>(86,447)</u>
Total share of (accumulated losses)/retained profits from associates:		
- Realised	(1,097)	(2,040)
- Unrealised	158	116
Total share of retained profits from jointly controlled entities:		
- Realised	193,009	172,449
- Unrealised	(8,048)	(8,048)
	<u>110,726</u>	<u>76,030</u>
Less: Consolidation adjustments	(25,218)	(33,847)
Total Group retained profits as per consolidated accounts	<u>85,508</u>	<u>42,183</u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.



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**28. Earnings Per Share**

	<b>Individual Quarter <u>31-Mar-11</u></b>	<b>Cumulative Quarter <u>31-Mar-11</u></b>
Net earnings for the period (RM'000)	43,245	43,245
Weighted average number of ordinary share in issue ('000)	582,505	582,505
<b>Basic earnings per share (sen)</b>	<b>7.42</b>	<b>7.42</b>
Net earnings for the period (RM'000)	43,245	43,245
Weighted average number of ordinary share in issue ('000)	696,808	696,808
<b>Diluted earnings per share (sen)</b>	<b>6.21</b>	<b>6.21</b>

The computation of the weighted average number of ordinary shares in issue is net of treasury shares.

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**29. Commitments**

- (a) Capital commitment not provided for in the financial period as at 31 March 2011 is as follows:-

	<b>31-Mar-11</b>	<b>31-Dec-10</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
Amount authorised and contracted for	19,264	11,306
Amount authorised but not contracted for	37,605	46,386
	<u>56,869</u>	<u>57,692</u>

- (b) Operating lease commitment not provided for in the financial period as at 31 March 2011 is as follows:-

	<b>31-Mar-11</b>	<b>31-Dec-10</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
Future minimum lease payments:		
- not later than 1 year	19,485	19,581
- later than 1 year and not later than 5 years	48,211	49,090
- later than 5 years	26,268	31,229
	<u>93,964</u>	<u>99,900</u>
Future minimum sublease receipts:		
- not later than 1 year	166	289
- later than 1 year and not later than 5 years	-	-
	<u>166</u>	<u>289</u>

**By order of the Board**  
**Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng**  
**Tan Kim Aun**  
**Lee Suan Choo**  
**Secretaries**

**APPENDIX IV: LIST OF DIRECTORSHIPS AND OTHER CORPORATE REPRESENTATION OF LIM SWE GUAN IN BUSINESSES/CORPORATIONS OUTSIDE OUR GROUP**

<b>Name of company</b>	<b>Date appointed as director</b>	<b>Date resigned as director</b>	<b>Position held</b>
Reco HomeBuilder (M) Sdn Bhd	03.10.2002	28.09.2006	Corporate representative
Filinvest Land Inc	11.02.2002	09.10.2006	Director
1250 Rene, Inc. (CAD)	30.09.2003	19.10.2006	Director
Rene Building, Inc. (CAD)	30.09.2003	19.10.2006	Director
Reco Apple Private Limited	28.11.2006	13.02.2007	Director
Reco Crystal Private Limited	01.12.2006	13.02.2007	Director
SDL/SW Co-Invest Private Limited	04.10.2005	13.02.2007	Director
SGP/SW E.A Hotel Fund Private Limited	06.07.2005	13.02.2007	Director
Kumar Properties and Real Estate Private Limited	10.05.2006	26.02.2007	Director
Pegasus Properties Private Limited	05.02.2007	15.03.2007	Director
AceStar Properties Private Limited	25.09.2006	25.05.2007	Director
Helios Estate Private Limited	06.12.2005	25.05.2007	Director
Reco Pagoda Pte Ltd	10.05.2002	29.06.2007	Corporate representative
Land And Houses Property Fund	26.03.2001	11.12.2007	Investment committee member
Reco Fitzroy Private Limited	16.07.2003	01.02.2008	Director
Reco Harbour Grand Private Limited	16.07.2002	01.02.2008	Director
Reco Loop Pte Ltd	02.10.1999	01.02.2008	Director
Reco Seaside Private Limited	01.06.2007	01.02.2008	Director
Reco Tropical Pte Ltd	01.06.2007	01.02.2008	Director
CIG Americas Private Limited	01.04.2008	15.04.2008	Director
PT Metropolitan Land	05.12.2005	05.09.2008	Commissioner
Reco Hotels Asset Management Private Limited	22.03.2007	12.02.2009	Corporate representative
GIC Real Estate International Pte. Ltd.	10.08.2006	17.07.2009	Director
Reco Binjai Private Limited	11.04.2008	06.08.2009	Corporate representative
Reco Kemensah Private Limited	17.03.2006	06.08.2009	Corporate representative
Reco Binjai Private Limited	02.08.2006	07.08.2009	Director
Reco Kemensah Private Limited	27.05.2005	07.08.2009	Director
Uptown Viewpoint Sdn Bhd	15.04.2008	07.08.2009	Director
Uptown Viewpoint Sdn Bhd	06.06.2008	07.08.2009	Executive committee member
Venus Capital Corporation Sdn. Bhd.	07.04.2006	07.08.2009	Director
Venus Capital Corporation Sdn. Bhd.	07.04.2006	07.08.2009	Executive committee member
Japan Logistic Properties 1 Private Limited	01.06.2007	11.08.2009	Director

**APPENDIX IV: LIST OF DIRECTORSHIPS AND OTHER CORPORATE REPRESENTATION OF LIM SWE GUAN IN BUSINESSES/CORPORATIONS OUTSIDE OUR GROUP (cont'd)**

Name of company	Date appointed as director	Date resigned as director	Position held
Alderney Investments Pte Ltd	01.06.2007	01.10.2009	Director
Ausmezz Pty Limited	11.09.2002	01.10.2009	Director
Ingshop Private Limited	01.03.2002	01.10.2009	Director
Reco A Mall Private Limited	01.06.2007	01.10.2009	Director
Reco AAS Private Limited	01.06.2007	01.10.2009	Director
Reco Ace Private Limited	01.06.2007	01.10.2009	Director
Reco Altus Pte Ltd	01.06.2007	01.10.2009	Director
Reco Ambrosia Private Limited (formerly known as Singapore Real Estate Debt Investments Pte Ltd)	10.12.2008	01.10.2009	Director
Reco Astro Pte Ltd	01.06.2007	01.10.2009	Director
Reco Bay Pte Ltd	01.06.2005	01.10.2009	Director
Reco Benefit Private Limited	01.06.2007	01.10.2009	Director
Reco Blue Private Limited	01.06.2007	01.10.2009	Director
Reco Bourke Private Limited	31.10.2006	01.10.2009	Director
Reco Capital Pte Ltd	01.06.2007	01.10.2009	Director
Reco City Pte Ltd	03.01.2001	01.10.2009	Director
Reco Creek Private Limited	01.06.2007	01.10.2009	Director
Reco Crystal Private Limited	01.06.2007	01.10.2009	Director
Reco FHT Private Limited	01.06.2007	01.10.2009	Director
Reco Galaxy Private Limited	03.06.2008	01.10.2009	Director
Reco Heir Private Limited	04.09.2007	01.10.2009	Director
Reco Horizon Private Limited	01.06.2007	01.10.2009	Director
Reco Hotels Asset Management Private Limited	31.10.2006	01.10.2009	Director
Reco Hotels JV Private Limited	31.10.2006	01.10.2009	Director
Reco Indfund Pte Ltd	01.12.2005	01.10.2009	Director
Reco Industrial Private Limited	01.06.2007	01.10.2009	Director
Reco Invest Private Limited	04.09.2007	01.10.2009	Director
Reco Island Private Limited	23.05.2008	01.10.2009	Director
Reco Legend Private Limited	09.10.2008	01.10.2009	Director
Reco Logis Private Limited	01.06.2007	01.10.2009	Director
Reco Manage Private Limited	04.09.2007	01.10.2009	Director
Reco Martin Private Limited	01.04.2002	01.10.2009	Director
Reco MCI Private Limited	14.09.2007	01.10.2009	Director
Reco Meteor Private Limited	01.06.2007	01.10.2009	Director
Reco Metrosite Pte Ltd	10.05.2002	01.10.2009	Corporate representative
Reco Mita Private Limited	04.10.2007	01.10.2009	Director

**APPENDIX IV: LIST OF DIRECTORSHIPS AND OTHER CORPORATE REPRESENTATION OF LIM SWE GUAN IN BUSINESSES/CORPORATIONS OUTSIDE OUR GROUP (cont'd)**

Name of company	Date appointed as director	Date resigned as director	Position held
Reco Oak Pte Ltd	26.10.1999	01.10.2009	Director
Reco Ocean Private Limited	25.09.2007	01.10.2009	Director
Reco Park Pte Ltd	10.03.1998	01.10.2009	Director
Reco Platinum Pte Ltd	01.06.2007	01.10.2009	Director
Reco Plaza Pte Ltd	31.10.2003	01.10.2009	Corporate representative
Reco Promote Private Limited	04.09.2007	01.10.2009	Director
Reco Properties Pte Ltd	01.06.2007	01.10.2009	Director
Reco Pyramid Pte Ltd	15.09.2008	01.10.2009	Corporate representative
Reco Pyrmont Aust Pte Ltd	10.03.1998	01.10.2009	Director
Reco Roppongi Residence Private Limited	01.06.2007	01.10.2009	Director
Reco Sapphire Private Limited	01.06.2007	01.10.2009	Director
Reco SCC Private Limited	01.06.2007	01.10.2009	Director
Reco Sendai Tomiya Private Limited	01.06.2007	01.10.2009	Director
Reco SG Advisory Private Limited	01.06.2007	01.10.2009	Director
Reco SG Retail Private Limited	01.06.2007	01.10.2009	Director
Reco Sky Private Limited	22.05.2007	01.10.2009	Director
Reco SST Private Limited	01.06.2007	01.10.2009	Director
Reco Star Pte Ltd	11.12.1998	01.10.2009	Director
Reco Sungei Long Private Limited	10.06.2005	01.10.2009	Corporate representative
Reco Tower Pte Ltd	01.06.2007	01.10.2009	Director
Reco Trust Private Limited	01.06.2007	01.10.2009	Director
Reco Venture Private Limited	02.09.2002	01.10.2009	Director
Reco Westpar Private Limited	14.02.2007	01.10.2009	Director
Ipoh Pty Limited	29.08.2000	15.10.2009	Director
Reco Bathurst Pty Limited	15.04.2005	15.10.2009	Director
Sicard Pty Ltd	14.01.2003	15.10.2009	Director
South Hooke Pty Ltd	09.03.2004	15.10.2009	Director
Reco HomeBuilder (M) Sdn Bhd	02.08.2002	23.10.2009	Director
Reco HomeBuilder (M) Sdn Bhd	28.09.2006	23.10.2009	Corporate representative
Reco Sungei Long (M) Sdn. Bhd.	24.05.2005	23.10.2009	Director
Fabulous Range Sdn. Bhd.	20.07.2005	14.12.2009	Director
Reco Sunshine Private Limited	01.10.2009	18.12.2009	Director
Reco Whitford Private Limited	11.12.2009	18.12.2009	Director
First Avenue Square Pte Ltd	24.07.2000	04.02.2010	Director
RB Land Sdn Bhd	13.08.2004	09.03.2010	Director

**APPENDIX IV: LIST OF DIRECTORSHIPS AND OTHER CORPORATE REPRESENTATION OF LIM SWE GUAN IN BUSINESSES/CORPORATIONS OUTSIDE OUR GROUP (cont'd)**

Name of company	Date appointed as director	Date resigned as director	Position held
Maxwell Holdings Co., Ltd	14.11.2003	19.04.2010	Director
PT Metropolitan Land	22.12.2008	29.10.2010	Commissioner
Reco 175LS Aust Pte Ltd	10.03.1998	01.12.2010	Director
Reco Acacia Private Limited (formerly known as Reco Gurgaon Private Limited)	27.06.2008	03.01.2011	Director
Reco Berry Private Limited	18.01.2006	03.01.2011	Director
Reco City Square JB Private Limited	09.05.2003	03.01.2011	Director
Reco Fort Private Limited	25.04.2007	03.01.2011	Director
Reco Gateway Private Limited	03.05.2002	03.01.2011	Director
Reco Ghatkopar Private Limited	13.02.2007	03.01.2011	Director
Reco Herrera Pte Ltd	19.05.2000	03.01.2011	Director
Reco HomeBuilder Pte Ltd	23.10.2001	03.01.2011	Director
Reco Invest Private Limited	10.05.2010	03.01.2011	Director
Reco Joy Private Limited	23.05.2008	03.01.2011	Director
Reco Maratha Private Limited	26.10.2004	03.01.2011	Director
Reco Metrosite Pte Ltd	21.05.1999	03.01.2011	Director
Reco Newtown Pte Ltd	28.08.2000	03.01.2011	Director
Reco Pagoda Pte Ltd	28.08.2000	03.01.2011	Director
Reco Peak Pte Ltd	10.12.1998	03.01.2011	Director
Reco Plaza Pte Ltd	25.01.2002	03.01.2011	Director
Reco Poona Private Limited	28.03.2006	03.01.2011	Director
Reco Pyramid Pte Ltd	02.10.1999	03.01.2011	Director
Reco Qila Private Limited	06.12.2006	03.01.2011	Director
Reco Real Private Limited	01.09.2005	03.01.2011	Director
Reco Resort Hotel Private Limited	10.11.2004	03.01.2011	Director
Reco Resorts Pte Ltd	10.01.2005	03.01.2011	Director
Reco Rizal Pine Pte Ltd	19.05.2000	03.01.2011	Director
Reco Shahzan Pte Ltd	03.01.2001	03.01.2011	Director
Reco Summit Pte Ltd	28.08.2000	03.01.2011	Director
Reco Sungei Long Private Limited	23.03.2005	03.01.2011	Director
Reco Thai Park Pte Ltd	28.08.2000	03.01.2011	Director
Reco Vaastu Private Limited	13.02.2007	03.01.2011	Director
Recosia Asset Advisory Pte Ltd	10.10.2000	03.01.2011	Director
Skyvest Pte Ltd	28.08.2000	03.01.2011	Director
Sudirman Prime Investments Pte Ltd	28.08.2000	03.01.2011	Director
Viewline Pte Ltd	28.08.2000	03.01.2011	Director
Reco City Square JB Private Limited	20.05.2004	11.01.2011	Corporate representative

**APPENDIX IV: LIST OF DIRECTORSHIPS AND OTHER CORPORATE REPRESENTATION OF LIM SWE GUAN IN BUSINESSES/CORPORATIONS OUTSIDE OUR GROUP (cont'd)**

<b>Name of company</b>	<b>Date appointed as director</b>	<b>Date resigned as director</b>	<b>Position held</b>
Reco HomeBuilder Pte Ltd	30.06.2005	11.01.2011	Corporate representative
Reco Peak Pte Ltd	10.05.2002	11.01.2011	Corporate representative
Reco Thai Park Pte Ltd	10.05.2002	11.01.2011	Corporate representative
Skyvest Pte Ltd	10.05.2002	11.01.2011	Corporate representative
Land And Houses Property and Loan Fund - II	25.02.2004	25.01.2011	Investment committee member
Asia Asset Advisory Company Limited	24.11.2003	04.02.2011	Director
L&H Property Company Limited	23.06.2005	04.02.2011	Director
L&H SATHON CO., LTD.	23.08.2005	04.02.2011	Director
Reco Grandhomes Pte Ltd	06.02.2002	11.02.2011	Director
Reco Lumpini Private Limited	22.09.2005	11.02.2011	Director
Reco Premier Pte Ltd	28.08.2000	11.02.2011	Director
Seaprice Investments Pte Ltd	24.07.2000	11.02.2011	Director
GPT Management Holdings Limited	21.04.2009	-	Director
GPT Management Holdings Limited	30.06.2009	-	Audit & risk management committee member
GPT RE Limited	21.04.2009	-	Director
GPT RE Limited	30.06.2009	-	Audit & risk management committee member
Johdaya Karya Sdn. Bhd.	25.04.2005	18.02.2011	Director
Thakral Holdings Group	01.01.2004	18.02.2011	Director
Jacksons Landing Development Pty Ltd	05.03.1998	18.02.2011	Director
Jacksons Landing Estate Management Pty Ltd	16.08.2001	18.02.2011	Director
CREP Y.K.	22.11.2006	02.03.2011	Advisory committee member
Land & Houses Pcl	22.11.1999	02.03.2011	Director
Global Logistic Properties Limited	24.09.2010	-	Alternate director
SunCity	06.03.2002	-	Director

**NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SUNWAY BERHAD (FORMERLY KNOWN AS ALPHA SUNRISE SDN BHD) ("SUNWAY" OR THE "COMPANY") DATED 18 AUGUST 2011 ("ELECTRONIC PROSPECTUS")**

*(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice)*

**Website**

This Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad's ("**Bursa Securities**") website at [www.bursamalaysia.com](http://www.bursamalaysia.com) ("**Website**").

**Availability and Location of Paper/Printed Prospectus**

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from CIMB Investment Bank Berhad ("**CIMB**"), RHB Investment Bank Berhad ("**RHB Investment Bank**") or Sunway Management Sdn Bhd.

**Jurisdictional Disclaimer**

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