

MATERIAL CONTRACTS WITH RELATED PARTIES

The following are the material contracts of Sunway City Berhad ("Suncity") involving directors' and major shareholders' interests pursuant to Paragraph 9.25, Part A of Appendix 9C(20) of the Kuala Lumpur Stock Exchange Listing Requirements for the financial year ended 31 December 2002:-

1. Suncity had on 16 May 2002 entered into a Menara Sunway Sale and Purchase Agreement with Menara Sunway Sdn Bhd ("MSSB"), a 51% owned subsidiary of Sunway Holdings Incorporated Berhad ("Suninc") and ABS Real Estate Berhad ("AREB") for the disposal by MSSB of all those parcels of leasehold land being part of the lands held under Master Title HS(D) 11836, PT32, Bandar Sunway, Daerah Petaling and the buildings erected thereon ("Menara Sunway") to AREB for a total consideration of RM125 million to be satisfied via a combination of cash and Subordinated Class D Notes.
2. Suncity had on 13 June 2002 entered into an Agreement to enter into Menara Sunway Sublease with MSSB, Mayban Trustees Berhad and AREB for the granting of a sublease in respect of Menara Sunway by Suncity to MSSB for a term of 35 years less 1 day.
3. Suncity had on 10 October 2002 entered into a Menara Sunway Sublease Agreement with MSSB, Mayban Trustees Berhad and AREB for the granting of a sublease in respect of Menara Sunway by Suncity to MSSB for a term of 35 years less 1 day.

NOTE:

Relationships of Related Parties for items (1), (2) & (3) above

Tan Sri Dato' Seri (Dr) Cheah Fook Ling who is a Director of Suninc, is also a Director of Suncity. He has direct and deemed interests of 1.04% and 46.16% respectively as well as 2,500,000 unexercised share options in Suninc. He also has direct and deemed interests of 3.18% and 42.71% respectively in Suncity.

SANCTIONS AND PENALTIES

There were no public sanctions and/or penalties imposed on Suncity and its subsidiaries, directors or management by the relevant regulatory bodies for the financial year ended 31 December 2002.

NON-AUDIT FEES

The amount of non-audit fees paid by Suncity Group to the external auditors for the financial year ended 31 December 2002 amounted to RM163,000/-.