

# **SUNWAY LAGOON CLUB BERHAD**

Registration No. 198901008175 (185477-W)  
(Incorporated in Malaysia)

**MINUTES OF THE CLASS 'B' SHAREHOLDERS' MEETING OF THE COMPANY HELD AT THE POOLSIDE COVE, SUNWAY LAGOON CLUB, NO. 3 JALAN LAGOON TIMUR, BANDAR SUNWAY, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN ON SATURDAY, 8 AUGUST 2020 AT 11.00 A.M.**

**PRESENT** : **Class 'B' Board of Directors:**  
Mr Cheng Jew Keng (*in the Chair*)  
Mr Bernard Anand a/l Paul  
Mr Matthew Goh Geok Chuan  
Mr Choy Le Roy

**ABSENT WITH APOLOGIES** : Ms Poh Siau Jane

**CLASS 'B' SHAREHOLDERS/  
PROXIES/GUESTS** : As per Attendance Lists

**IN ATTENDANCE** : Ms Chin Lee Chin (*Company Secretary*)

## **CHAIRMAN**

Mr Cheng Jew Keng was appointed as Chairman of the Meeting.

He welcomed all members present and then made a brief introduction of his fellow Class 'B' Directors ("**Board**") and extended the apologies of Ms Poh Siau Jane who was not able to attend the Meeting.

## **CONFIRMATION OF QUORUM**

Upon enquiry from the Chairman, the Secretary confirmed that there was sufficient quorum for the Meeting. The Chairman then called the Meeting to order.

## **CONFIRMATION OF PROXIES**

Upon enquiry from the Chairman, the Secretary reported that a total of 4 proxies had been received, representing 1,310 Class 'B' Shares.

## **CONFIRMATION OF NOTICE SENT**

Upon enquiry from the Chairman, the Secretary confirmed that the notice convening the Meeting had been duly sent to all members and was displayed on the members' notice board and the Company's website.

With the consent of the members, the notice of the Meeting was taken as read.

### **1. CONFIRMATION OF MINUTES OF PREVIOUS MEETING HELD ON 11 MAY 2019**

The minutes of the previous Class 'B' Shareholders' Meeting held on 11 May 2019, copies of which were circulated to all the members together with the notice of the Meeting, was tabled at the Meeting for confirmation of the members present.

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Upon obtaining the members' confirmation, the minutes of the previous Meeting held on 11 May 2019 was signed by the Chairman as a true and correct record of the proceedings thereat.

## 2. MATTERS ARISING FROM THE MINUTES OF PREVIOUS MEETING

The following matters arising from the minutes of the previous Meeting were raised:-

### a) Request for lower membership fee for senior members above 70 years old

Mr Joseph @ Berine Rozario a/l Abraham ("Mr Joseph") enquired on Management's feedback pertaining to the request for lower subscription fee for senior members above 70 years old. This request had been made since the past few years.

In response, the Chairman conveyed that the Board had discussed this matter many times and had decided that the Club was not able to provide for a lower subscription fee at the present moment mainly due to its current financial situation. Management was facing challenges to maintain sufficient cash flow to operate the Club. The current priorities were to sustain the Club as well as maintaining the standard of the Club's facilities for the benefits of the members. However, the Board noted the request and would consider it again in the future.

Mr Vincent Leong requested Management to provide the total number and percentage of active senior members above 70 years old. He further queried on the financial impact of such subsidised rate on the Club's financials.

Ms Nina Chua informed that the total active senior members above 70 years old were about 50 members. The Chairman explained that not all the 50 members were active members of the Club. He recapped that the Club had no choice but to resort to increase its subscription fee in 2019 in order to maintain a positive operational cash flow due to the loss of revenue from a high number of untraceable members.

### b) Status of the Club's lease

In response to Mr Jeffrey Yee's query, the Chairman informed that Management had written a letter to the Club's landowner pertaining to the renewal of the Club's lease and it was carbon copied to Tan Sri Dato' Seri Dr Jeffrey Cheah. He informed that the senior management of Sunway Berhad had met with the Directors of the Club and they had indicated that presently, there was no clear plan for the development of the land on which the Club was situated. Nevertheless, the Board would still pursue the matter with the landowner and would update the members accordingly.

### c) Guest Fee

Mr Balakrishnan Arumugam commented over the high guest fee of RM15 charged during weekdays especially for guests who only came to play badminton for only 1 hour. He sought Management's consideration for a lower guest fee for such guests.

The Chairman recapped that this matter was deliberated at the previous Meeting and decision had been made to maintain the guest fee due to the Club's financial position. Some of the members had also expressed their concurrence on the said matter. He clarified that Management had explored various avenue to increase the

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Club's revenue. Management had also met with officers of the Companies Commission of Malaysia and legal advisers to seek advice on the options explored.

#### d) The Club's Financial Performance

In response to a query raised Mr Nicholas Chew on the presentation of the Club's financial performance to support the increase in subscription fee as minuted in the previous Meeting, the Chairman informed that Management had organised a separate discussion meeting with a few member representatives, namely Mr Tan Kok Cheeng, Mr Marco Winter and 2 more members on the rationale for the increase in the fee.

Mr Nicholas Chew commented that Management should provide the financial reports to other members as well e.g. the expenditure incurred such as the cost of replacing the door to the badminton venue with glass door, etc. He requested that the Club Manager present the Management's initiatives or activities carried out during the past 1 year to increase the Club's revenue. He also suggested that Management provide more meaningful information in the report for the Class 'B' Shareholders' Meeting which was circulated to the members such as disclosure of Management's initiatives to increase the Club's revenue.

In relation to the financial information, the Chairman informed that the audited financial statements of the Company would be circulated to the members together with the Club's Annual Report for its forthcoming 31<sup>st</sup> Annual General Meeting ("AGM"). He took note of Mr Nicholas Chew's suggestion to circulate a more informative report to all Class 'B' Shareholders in the future.

In response, Ms Nina Chua reported on the marketing activities/initiatives undertaken by the Club i.e. collaboration with Sunway Pals in promoting the Club's function rooms. The Club's operation team had also carried out banquet promotion activities within Bandar Sunway township including Sunway Pinnacle and Sunway Geo. It would also be extended to the members of the Club. The Chairman highlighted that the Club's Management had been directed to aggressively promote its banquet facility within the surrounding community and townships. Management had also reviewed and maintained a competitive rental rate for its banquet/function halls. The Chairman assured the members that the marketing efforts were on-going.

Mr Vincent Leong noted that the Club had only provided a rebate on subscription fee of RM40 over a period of 4 months during the movement control order ("MCO"). He enquired on the financial impact of such provision on the Club's bottomline and the total savings throughout the MCO period based on the total active members of 2,225. He advised Management to be more transparent on the Club's financials.

In this regard, the Chairman clarified that it was not the intention of Management to withhold any information from the members. The rebates had resulted in a lower revenue for the Club while its operating costs increased. The Club was only able to provide a rebate of RM40 to avoid slipping into a deficit operating cash flow situation. Management would provide the information requested at the forthcoming AGM.

At this juncture, Mr Matthew Goh informed that he was recently appointed as a Class 'B' Director. He was a member of the Club for many years. As at to-date, he had attended 1 Board Meeting and had raised many questions pertaining to the Club's financial and operational matters. The Board and Management were able to

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provide the facts and information to his queries. He advised the members to raise the questions in relation to the Club's financials at the coming AGM.

The Chairman noted the questions raised and would forward them to the Board of Directors of the Club. The Board would endeavor to answer all the queries at the forthcoming AGM so that the members would have a better understanding of the financials of the Club.

In reply to Mr Loh Chee Mun's ("**Mr Loh**") query, the Chairman informed that the Management team was collectively responsible in tracing the defaulted members. Ms Nina Chua reported that Management had carried out an exercise to reduce the defaulted members by phone calls, followed up with letters before putting them into CTOS record. Mr Loh suggested that Management make use of the social media such as Facebook, Instagram and LinkedIn to trace those uncontactable defaulted members.

Mr Jeffrey Yee observed that during the MCO, the Club did not provide towels and members were requested to bring their own towels for hygiene purpose. He suggested that Management could take the opportunity to stop providing towels to members. This savings could be used to provide better membership rate to the members instead.

Mr Nicholas Chew added that some clubs charged their members for the towels. He recommended that the Club could consider implementing such practice and thereafter, Management could relook at reducing the members' subscription fee. The Chairman requested Ms Nina Chua to conduct a members' survey on this suggestion.

### **3. ELECTION OF DIRECTORS**

The Secretary informed the members that up to 30 July 2020 at 6.00 p.m., there were 5 nomination forms received. The existing 5 Class 'B' Directors were nominated namely Mr Cheng Jew Keng, Ms Poh Siau Jane, Mr Bernard Anand a/l Paul, Mr Matthew Goh Geok Chuan and Mr Choy Le Roy.

The Chairman declared that since there were only 5 nominees, there would be no contest and as such, the 5 nominated persons were duly elected as the new Class 'B' Directors for the term 2020/2021.

### **4. ANY OTHER MATTERS**

#### **4.1 Operational issues of the Club**

##### **a) Cleanliness**

Ms Tan Loo Yen reported she had complained to Management over some cat food litter at the Club's compound near the entrance to the Palmville Condominium. The Chairman advised Management to talk to the representatives of Palmville Condominium on this matter.

##### **b) Size of car parking bay**

At this juncture, Mr Loh enquired when the parking bay line was last drawn and when it would be repainted. Mr Selvanathan Arumugam informed that it was last painted 3 or 4 years ago. Mr Loh then suggested that the parking bay line be made wider to accommodate bigger sized vehicles as the current parking space was too narrow.

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#### c) Security guards' attitude and assistance to members

Mr Joseph commented that the Club's security guards should be more helpful such as assisting members to their cars during heavy rain with an umbrella. In this respect, Mr Matthew Goh informed that he would normally borrow an umbrella from the receptionist and thereafter, return the umbrella. Mr Leong How Choong commented that such gesture by the security guards would improve the Club's image as it would create warm relationship and build friendship with the members.

The Chairman concurred with the views. He informed that spare umbrellas could be provided at a designated location for members to use and return it during heavy rain. He agreed that the guards could render assistance to members to their vehicles during heavy rain.

Mr Bernard Paul also felt that it was a good suggestion and a way to connect with the members.

Mr Balakrishnan Arumugam commended the Club's overall ambience as it was very well maintained and the commitment of some of the Management staff were good. However, he pointed out that some of the guards manning the entrance to the Club were not pro-active and helpful e.g. in situation where members were facing problem to wind down their car window to exit the Club during heavy rain.

#### d) Communication channels with members

On Mr Bernard Paul's query pertaining to the statement that no notices were given to members to keep them updated, Mr Vincent Leong explained that there should be more communication and updates pertaining to the Club. It could be communicated via various channels other than newsletter. A club should be friendly and pro-active. The notice board and email were not fully utilised to convey the information/activities of the Club.

In response to the Chairman, Ms Nina Chua informed that the communication channels adopted by the Club were updates on the notice board, email, short message service (sms), Facebook and Instagram.

Mr Vincent Leong informed that he was not aware of the various communication channels used by Management. He proposed that Management send out a communication on this to the members for their information.

Mr Teo Poh Heng suggested that the Club's updates could be done via email blasts to cater for those members who were not physically present at the Club.

#### e) Standard operating procedures on sanitization of the Club's facilities

Mr Nicholas Chew enquired on the standard operating procedures on sanitization of the Club's facilities. He shared that he had recently found that a locker which had been used by another member, was not sanitized after being used. He highlighted that it was an important standard operating procedure to sanitize the locker each time it was used to mitigate the risk of COVID-19 infection.

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f) Presentation of the Club's strategic plans and objectives at AGM

Mr Tan Chian Howe ("**Mr Tan**") recommended that the Chairman or Management to present and update on the Club's strategic plans and objectives for the year during the AGM as practised by public listed companies. He highlighted that moving forward, Management should improve the Club's financial situation as a priority instead of focusing on the past matters which had been brought up over the years. He also proposed that Management consider buying back the membership of the members who were not happy with the Club.

The Chairman noted Mr Tan's recommendations and responded that the Board would share more updates during the coming AGM.

**CONCLUSION**

The Meeting concluded at 12.15 p.m. with a vote of thanks to the Chair.

**Confirmed as a true and correct record:-**

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**CHAIRMAN**

Dated this