

**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, 21 MAY 2022 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. He also 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 5 proxies had been received, representing 1,325 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 22 MAY 2021**

The minutes of the previous Class 'B' Shareholders' Meeting held on 22 May 2021, 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.

Upon obtaining the members' confirmation, the minutes of the previous Meeting held on 22 May 2021 was confirmed and signed by the Chairman as a true and correct record of the proceedings thereat.

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

The Chairman reported that there were no matters raised at the last Meeting which was conducted virtually.

Mr Marvin Lee was surprised that no matters were raised at the said Meeting. He enquired whether the low attendance could be due to lack of communication given to the members to participate in the said Meeting. He felt that the members were probably encountering challenges to attend the said Meeting virtually as the members were required to register for the Meeting before the date of the Meeting.

The Chairman informed that there was sufficient quorum present at the last Meeting. He explained that members and proxies were able to submit questions using the Q&A platform in the Remote Participation and Voting facility.

In reply to Mr Narasingam A/L Arumugam's ("**Mr Narasingam**") query, Ms Nina Chua informed that the notice of the previous Meeting was sent to the members by post. It was also displayed on the members' notice board in the Club. Pertaining to Mr Marco Winter's comment on using email as another mode of communication with the members, the Chairman requested Management to explore it. He also requested members to update their contact particulars with the Club's Management.

Mr Marvin Lee commented that it could be difficult for the members to find the Notice of the Meeting on the Club's website. He proposed that the Notice of the Meeting be shown on the homepage as well so that the members could easily see it when they logged on to the website.

Upon Management's confirmation, the Chairman informed that the Notice of the Meeting had been communicated to the members via the Club's website, members' notice board, short message service ("**SMS**") and normal mail distributions. Mr Marco Winter informed that he did not receive any SMS notification and requested Management to include him in the SMS distribution list for future notifications.

Mr Chew Kam Seong ("**Mr Chew**") highlighted that there was no consistency in the Club's communication channels with the members. He cited an example whereby members were not notified on the opening nor closure of the washrooms during the Movement Control Orders' period. The Club's communication channels should not be used mainly for payment control purposes.

Mr Chew further highlighted on the high number of votes against Mr Raymund Sanjeev A/L Joseph Xavier, one of the nominees standing for election as Class 'B' Director at the last Meeting. The Company Secretary explained that the poll results recorded in the said Meeting were based on the total shareholdings of the members and proxies who had voted by way of poll.

Mr Marvin Lee suggested that the Club's Management proactively find ways to communicate and encourage more members to attend future general meetings of the Club.

#### 3. ELECTION OF DIRECTORS

The Secretary informed the members that up to 13 May 2022 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.

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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 2022/2023.

**4. ANY OTHER MATTERS**

**4.1 Operational issues of the Club**

Mr Chew complained that Management had provided packed foods instead of organising the usual 'buffet style' refreshment despite the current relaxation of the standard operating procedures ("**SOP**") by the Government. Ms Nina Chua clarified that the food arrangement was planned and decided ahead of the Meeting. Nevertheless, the 'buffet style' refreshment would be served at the forthcoming Annual General Meeting ("**AGM**").

Ms Rena Kumari informed that she had paid 1-year subscription fees in advance but was still fined with late payment charges for not paying the differential outstanding amount due to the increase in the subscription fees in year 2019. She felt that it was not fair for the members who had paid the fees in advance. This would not encourage them to pay the full subscription fees in advance in the future. The Chairman responded that he would bring this matter to the Board of Directors ("**Board**") for discussion. Once the Board had made a decision, Management would then communicate it to the members.

Mr Marvin Lee suggested that Management review the cost of the membership cards as Management should not use it as a means to earn additional revenue for the Club. He felt that the usage of the 'self-service' card had helped the Club to reduce its operating costs without the need to employ a staff to monitor the usage of the Club's facilities by unauthorised members. Ms Nina Chua clarified that 2 membership cards were given free to a member including his/her spouse when they joined the Club's membership. The cost for an additional card or replacement card was RM31.80.

The Chairman updated the members that the Management team had been actively promoting the Club's memberships and banquet/function facilities on the Club's social media. The Management team had also targeted the companies located within the Club's vicinity in its marketing initiatives to sell its function facilities for seminars, trainings, etc.

In reply to Mr Narasingam's query, the Chairman explained that Management could not prevent the Club's members who worked nearby from parking their vehicles in the Club during office hours. However, Management would continuously monitor the parking situation of the Club and would introduce the right policy if necessary. He reported that Sunway's group of companies including other external companies had supported the Club by renting the Club's function rooms for their events, trainings, etc. Management had also been promoting the Club's memberships to the expatriates working nearby. He added that the Club had limited staff as it was operating within a tight budget.

Mr Matthew Goh reported that Sunway's Group Secretariat department had rented the Ixora Room as office for their Team B during the pandemic period. He also noted that Management was trying to bring in more activities to the Club by re-introducing zumba and yoga lessons soon. He recalled that previously, there were many activities prior to the COVID-19 situation such as flea market, warehouse sales etc. He added that the Board had allocated a budget to build a permanent place for table tennis but it was deferred due to the Club's financial constraint and COVID-19 pandemic.

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Mr Marvin Lee raised his query on the liability of the shareholders if the Company's financials were in a deficit position. He felt that Management need to increase the Club's revenue to improve the Company's financial position. The Company Secretary explained that the shareholders of the Company would not be liable as their liability would be limited to their investment in the Company.

Mr Marco Winter complimented and thanked Management for the well maintained facilities during the pandemic period. This included the SOP implemented at the towel collection counter, utilization of swimming pool and gym facilities, etc. The members felt safe when patronizing the Club despite the COVID-19 situation. He also suggested setting up additional food stalls outside the Club's food and beverage ("F&B") outlet to sell snacks such as hotdogs and French fries to the Club's patrons. Additionally, Management could also bring back the activities carried out previously to make the Club more vibrant.

Mr Mathew Goh suggested that Ms Nina Chua form a committee involving a few representative members and Board members including himself, to meet up once a month to discuss and come up with ideas and activities for the Club. He also proposed a WhatsApp group to be created for Management and a few Board representatives to monitor and track the complaints raised by the members. However, Mr Goh Hai Thun ("Mr Goh") felt that the sport convenors should resume their monthly meetings to come up with suggestions on their respective sport activities.

#### 4.2 Increasing numbers of defaulted members

Mr Marvin Lee informed that he was a member of the Club for more than 20 years. He enjoyed the Club's environment as a family club and its facilities. Management had always kept the Club clean. However, he noticed that the active members of the Club had decreased over time.

The Chairman highlighted that the main challenge faced by the Club was the increasing numbers of defaulters over the years. He explained that most of the defaulted members were untraceable or uncontactable. Many members wished to relinquish the Club's memberships after their children had grown up. The high defaulters' rate had created negative financial implications to the Club. He then encouraged members to utilize the Club's facilities and patronize the Club's F&B outlet to increase the Club's revenue.

In response to Mr Chew's query, the Chairman informed that Management had put in a lot of efforts in tracing the defaulted members over the years. Unfortunately, most of them were not contactable. Management had placed the defaulters into CTOS' records which had garnered some positive responses from the contactable defaulters to settle their outstanding subscription fees. Ms Nina Chua reported that about 80% of the defaulters were over 70 years old. Some of them had deceased or migrated.

Mr Marvin Lee suggested that Management organize some activities which were suitable for the senior members or provide discount to their subscription fees to attract them to the Club. The Chairman informed that the senior members above 70 years old were given a 10% discount on their membership fee after considering the suggestion made by the members previously. He also requested the members to share ideas on activities for senior members with the Management team. Mr Marco Winter concurred with Mr Marvin Lee's suggestion.

Mr Marvin Lee recapped on the suggestion to allow the public to utilise the Club's facilities at a fee during low peak as 1 of the avenues to increase the Club's revenue which was raised at the previous AGM. The Chairman explained that it was not feasible for the Club to offer term memberships after consulting with the Companies Commission of Malaysia's officer on this matter. The Company being a share-based

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membership club was governed under the Companies Act 2016. The offering of the Club's facilities was restricted and limited to its existing total Class 'B' shares. The Chairman highlighted that the defaulted members were still shareholders of the Company even though they were barred from using the Club's facilities.

Mr Matthew Goh suggested an option to use the Club's memberships via nomination by the existing Club's members at a higher subscription fee. He opined that the decrease in memberships was substantially due to the COVID-19 pandemic. A lot of members including himself had stopped patronizing the Club during the pandemic period for safety reason. There were members who wished to dispose of their memberships but could not find buyers.

In response to Mr Narasingam's query, Ms Nina Chua explained that the members were categorized as 'suspended members' after 90 days of payment arrears followed by 'terminated members' after 6 months of non-payment. Members would fall under 'defaulters' when their arrears exceeded RM1,000. Mr Narasingam felt that it would be impossible to recover from the defaulters as the amount owed by them would have exceeded their membership price and refundable deposits. The Chairman concurred and reiterated that the defaulters would then be placed into CTOS. He assured the members that the members' refundable deposits were currently placed in fixed deposits and the amount had not been utilized.

Mr Goh explained that the suspended, terminated and defaulted members could not use the Club's facilities but they remained as shareholders of the Club due to the share-based membership structure, unless they transfer or sell their share memberships.

#### **4.3 Status of the Club's lease**

Mr Marvin Lee enquired on the status of the Club's lease. The Chairman informed that the Club's lease renewal would be discussed at the forthcoming AGM. He again encouraged the members to attend the AGM.

In response to Mr Marco Winter's query on the actions taken in relation to the Club's lease renewal, the Chairman responded that the Directors had appointed a consultant to look into the Club's overall financial position before coming up with any suggestions on the Club's lease renewal. The consultant's report would be presented at the forthcoming AGM.

#### **4.4 Communication channels with members**

Mr Chew informed that he did not receive the audited financial results of the Club. The Chairman explained that the Club's audited financial results would be circulated to all members prior to the AGM. Mr Goh highlighted that the Annual Reports together with the audited financial results were distributed to the members before the AGM and he had been receiving the said documents by post. The Chairman again urged the members to update their personal details with the Club's Management office.

Ms Rena Kumari commented that members were not aware whether their suggestions or issues placed in the suggestion box had been resolved or any action being taken by Management since there was no official reply from them. The Chairman then advised the Management team to revert and provide updates on the matters raised by the members. He also requested the Management team to update the members on the members' notice board and the Club's website if the issues raised were relevant or applicable to all members.

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Mr Narasingam recommended that Management disseminate updates or notices to the members using WhatsApp as it was free as compared with SMS which would incur costs. Mr Marvin Lee agreed with the recommendation.

The Chairman then advised the Management team to look into ways to improve communication with the members.

**4.5 Minutes of the Meeting**

Pertaining to Mr Marco Winter's request, the Company Secretary explained that the draft minutes of the Meeting would be ready approximately 3 weeks from the Meeting, which would then be disseminated to the Directors for their comments and approval before releasing the Minutes to the Club's members. Mr Tan Chian Howe ("**Mr Tan**") suggested that the Minutes of the Meeting be ready before the upcoming AGM. The Chairman would bring this up to the Board.

**4.6 No notice on cancellation of court bookings by members**

Mr Chew noticed that some of the members did not follow the Club's SOP by notifying the Club's personnel on the cancellation of their badminton court bookings. Their irresponsible actions had prevented other members from booking the courts. He felt that Management should penalize the offenders to prevent future occurrence.

Mr Marco Winter concurred and commented on the lack of enforcement by the Club's Management. He added that it could also be an avenue for the Club to earn additional revenue.

The Chairman then advised the Club Manager to enforce the SOP strictly in the future.

Mr Tan proposed that Management consider blacklisting the members if they failed to comply with the SOP a few times. He also suggested Management to use online bookings or booking via email as well. Mr Narasingam felt that it might not be feasible as the Club might not have enough staff to monitor the booking system. The Chairman in concurrence, added that the Club was operating with a very lean team due to budget control.

**CONCLUSION**

The Meeting concluded at 12.30 p.m. with a vote of thanks to the Chair.

**Confirmed as a true and correct record of the proceedings thereof:-**

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**CHAIRMAN**

Dated this