



Real Club de Golf Guadalmina

Dear Members,

Nearly 100 days have passed since The Board of Directors took over the management of our Club and We believe it is a good opportunity to summarize the activities that we have been developing during this time.

This written report includes some of the tasks that have been carried out as well as initiatives that we have already undertaken and that will be a reality in the near future.

Our intention is that they will be carried out as soon as possible, always taking into account the financial reality of the Club and with continued prudence in our spending policy.

The Board as such, has officially met once, but we have also met on 36 occasions between videoconferences and face-to-face meetings to discuss specific matters and we have held about 30 meetings with different Committees, Suppliers, Employees and Members.

The following listing does not represent any specific priorities and I will try to summarize them.

COURSES

In addition to the maintenance work, carried out normally, we have promoted a series of actions which already are showing some results: improvements in the care and manicure of courses, especially of the fairways, elimination of diseased or harmful trees, progress in the placement of automatic gates to continue with the objective of total closure of the courses to the public.

Reconstruction of the tees like the 7th hole South, and renovation of the bunker on the 9th hole, redesign of the fairway of the 7th North hole where we have modified the orientation of the tees for both Ladies and Gentlemen, considerably enlarging the ball landing area on the left side, moving the path of the buggies and removing eucalyptus trees.

All of this has represented a fairly high cost for the Club, but we wanted to undertake these works and thereby attend to many of the claims of the neighborhood residents of Urb. La Isla de Guadalmina.

Selection of a Consultant to audit the state of the courses.

We are determined to have the courses in perfect state and in the best possible playing condition. For this, in addition to the effort of the relevant staff members, we also need the commitment of members and we ask for your collaboration.



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The club belongs to everyone of us and we should be proactive in addressing any defect that you might observe by communicating it to the different Committees through the established channels.

It is also essential to eliminate inappropriate behaviors that are unacceptable in a Club like ours. If we should ever observe any such incorrect situations, please we would like to know about them in order to try to eliminate them.

SOCIAL:

The most relevant development has been the exclusive area for members, which has been remarkably successful. We have made some improvements, considering the summer season, particularly in expanding the sun protection zone.

Once the COVID regulations allow us, we will try to revitalise the social activities of the club.

We have also implemented a new members welcome procedure. New members will be attended by the Managing Director who will inform them directly about the most relevant of the Club's activities.

The number of members continues to be around 2,030 and we continue to attract new members to replace old members that leave for varying reasons

RESERVATION SYSTEM:

After several months of analysis and having conducted numerous tests with various operators in our search for a new reservation system which would comprehensively solve our current problems of reservations, purchases, payments etc. we have chosen IMASTER software, which in our opinion meets all of the Club's requirements.

We hope it will be available next September-October 2021.

In the meantime, while this process is being completed, we have successfully implemented certain changes in our current system that have managed to reduce the "No-shows" at the starting tee from a daily average of between 20 and 30 absences to 1 or 0. This has successfully increased the number of starting times available to members by between 6 and 8 each day. This has partially eliminated at least the problem we had with no-shows.

COMPETITION COMMITTEE:

The entire competition program has been revised to fit as much as possible to the club's capacities and to reflect the wishes of those members who would like to reduce the number of external tournaments.

Some external competitions have already been removed from the calendar. The internal competition programs have been improved and are communicated to the members through regular newsletters.



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Implementation of a budget control system for all competitions has been introduced to clearly know the profitability of each of them.

Regulation of access to the Club's facilities for non-members has been introduced and the establishment of appropriate fees is being implemented.

Renewal of the agreement with the Guadalmina Hotel has been completed - this contract represents a significant income for the Club. Hotel access to the course is maintained within reasonable terms, as is the case with Tour Operators.

We have also undertaken a number of initiatives with new sponsors.

We have revised the Club relationship with our Professional Golfers. We have updated their contractual arrangements with the Club and we have insisted that they comply with their labor and tax obligations.

We had a meeting with the captains of all the groups within the club, trying to reach reasonable agreements, listening to their proposals and finding out about their needs, since they are key elements in the management of the club. It is planned that from time to time we will meet again.

It has been decided to offer them the use of a specific office where they can work with their groups.

A comprehensive analysis of the courtesy program to adapt it to the current circumstances of the club is currently in progress.

SCHOOL. -

There has been an increase on the number of students attending the school lessons, improvements in the management of the Easter and Summer camps - almost 100% being Members' children. Reservations online is now the norm.

We have improved communications with parents and students.

We have introduced improvements in the Aza's Corner facilities - with enhanced Wi-Fi and with the installation of control and surveillance cameras.

We continue to maintain the standards of sports results and we have renewed our sponsorship agreement with PING.

FINANCE. -

The Club's finances are in line with our forecasts and so far all the investments that we are undertaking are being made with our own resources.

The revenue forecasts for 2021 are being fulfilled and we hope that during the rest of the year the growth rate will increase and we can close a year with positive results.



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PERSONNEL:

The Staff Collective Agreement has been set aside and we have started negotiations with the Works Committee Representatives.

We have completed the appointment of the Director of Operations, the Head Green Keeper and the Green Keeper.

We would like to emphasise that all positions have been filled with house staff, a policy that we are going to continue as we want the vacancies that may occur in the future, to be filled in the first instance with the Club's employees thereby offering a professional career as extensive as possible within our Company.

Some jobs have been restructured, some functions reorganized and some staff adjustments made.

MISCELLANEOUS:

We have lodged an appeal to Local and Regional Authorities to defend our Club against the application to the Junta de Andalucía to install a beach bar in the area near Hole # 11 South .

All the necessary appeals have been presented and we are now awaiting the response with the corresponding Court ruling.

We have completed negotiations with the EUC and the City Council to ensure that they coordinate with us in works that affect the Club.

FUTURE PLANS:

Outsourcing of the Proshop: We are analyzing this activity and evaluating the proposals of various operators interested in the management, through a lease contract of our Proshop.

We consider that a more professional Pros-Shop management will represent an improvement regarding the available range of products and prices for members, whilst providing a recurrent income for the Club.

Implementation of an electronic card (wallet) to simplify all processes within the Club.

Improvement works on the tee-box of Hole 1 North will be completed shortly.

The placement of Shade protection tents in Azas´ s Corner area has been completed.

Plan to renovate the buggy fleet: the cost of maintenance of batteries and other buggy repairs prompted us to change the existing fleet. A purchase contract has already been signed and the new buggies will arrive shortly.



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We also plan to renew the Club's obsolete course-machinery: this process will be carried out in several phases. Our goal is to replace the existing Machinery for the updated models and to always maintain them in perfect conditions - with the consequent savings in maintenance costs, consumption and improvements in the quality of the course maintenance work.

A project to improve the irrigation of the South Course has been approved for Quarter 4, 2021. Next year it is planned to undertake the total renovation of the irrigation of the North Course, all with a view to improve the courses and to generate savings in water and energy as well as the improvement of the environment.

We are in negotiations with the Marbella City Council to authorize the demolition of the old maintenance building attached to the club, which is in ruins, and the creation of a surface car park to alleviate the lack of spaces in the main area. It is also our intention to obtain from the Townhall the modification of the current use of the plot from Educational to Social use.

As a first step, we are already discussing with several Architects the project to request permission from the City Council.

Supporting of the environment and expanding our commitment to the Society, the Board has decided to initiate a plan to immediately reduce the use of plastics in the Club and to eliminate it completely in the near future if possible. We are negotiating potential improvements with the cafeteria manager and we are preparing an offer for members to persuade them to change their water storage practices.

I hope that this summary is useful for you to be aware of the activities of the Board of Directors and we assure you that we will ceaselessly continue along these lines.

Regards

THE BOARD OF DIRECTORS OF THE REAL CLUB DE GOLF GUADALMINA.