



### First Quarter 2016 Interim Report to our Shareholders

The Directors are pleased to present the unaudited results of the company for the quarter ended August 31, 2015. Sales for the quarter were \$1.7 million, same as the prior year. This produced EBITDA of US\$331,000 compared to the prior year total of US\$304,000.

Total passenger count for the period was 228,000 compared to 258,000 in the prior period. This resulted in a yield per passenger of \$7.55 for the current year compared to \$6.65 in the prior period, a 13.6% increase. The reduction in illegal beach vending was the main factor behind this improvement.

Cost of sales of 27% was marginally higher than the prior period ratio of 26% but was much improved when compared to prior full year ratio of 31%. The performance of the new menu rolled out last year is currently achieving the projected yields.

Based on information provided by the Market Realist Newsletter (US based research firm), supplier prices have stabilised in North America. Overall administrative and operating expense ratios have been maintained with some minor variations when compared to the prior year.

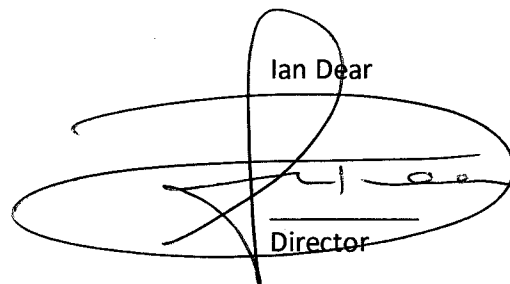
It is anticipated that the "Beached Whale Bar and Grill" will be completed by the end of the calendar year with operations commencing in January 2016. We continue to work closely with our landlords, Carnival Corporation to increase the ship calls to the Grand Turk Cruise Centre, along with the time spent in port.

We wish to thank our many shareholders and partners for their continued confidence and support for our company. We look forward to another successful year of maximizing shareholder returns.

Herrick Dear

  
Chairman

Ian Dear

  
Director

# Margaritaville (Turks) Ltd Interim Un-Audited Financial Statements



## Statement of Financial Position as at August 31, 2015

	August 31, 2015 US\$	Audited May 31, 2015 US\$
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,892,218	2,943,306
Development Costs	194,145	194,144
	<u>3,086,363</u>	<u>3,137,450</u>
<b>Current assets</b>		
Inventories	722,711	699,788
Trade and other receivables	127,653	156,040
Owing by related companies	877,262	242,541
Cash and bank balance	13,785	78,463
	<u>1,741,411</u>	<u>1,176,832</u>
<b>Total assets</b>	<u><u>4,827,774</u></u>	<u><u>4,314,282</u></u>
<b>Equity</b>		
<b>Capital and reserves</b>		
Share capital	522,360	522,360
Retained earnings	3,535,948	3,265,066
<b>Total equity</b>	<u>4,058,307</u>	<u>3,787,426</u>
<b>Non-current liabilities</b>		
Lease obligation	7,661	10,810
	<u>7,661</u>	<u>10,810</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	749,691	503,931
Lease obligation	12,115	12,115
	<u>761,806</u>	<u>516,046</u>
<b>Total liabilities</b>	<u>769,467</u>	<u>526,856</u>
<b>Total equity and liabilities</b>	<u><u>4,827,774</u></u>	<u><u>4,314,282</u></u>

Director .....

Director .....

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## Statement of profit or loss and other comprehensive income for 3 Months to August 31, 2015

	31-Aug-15	31-Aug-14	Audited 12 Mths May 31, 2015
	US\$	US\$	US\$
Revenue	1,725,552	1,714,120	6,171,277
Cost of sales	(470,252)	(447,242)	(1,903,644)
Gross profit	1,255,300	1,266,878	4,267,633
Administrative expenses	(917,112)	(955,217)	(3,332,379)
Promotional expenses	(5,886)	(7,745)	(25,949)
Depreciation	(61,304)	(59,020)	(246,750)
Operating profit for the year	270,998	244,896	662,555
Finance costs	(117)	-	(2,224)
Profit for the year being total comprehensive income for the year	270,882	244,896	660,331
Earnings Per Share - US Cents	0.40	0.36	0.98

# Margaritaville (Turks) Ltd Interim Un-Audited Financial Statements



## Statement of Cash Flows for the 3 months ended August 31, 2015

	Note	August 31, 2015 US\$	August 31, 2014 US\$
<b>Cash flows from operating activities:</b>			
Profit for the year		270,882	244,896
Adjustments for:			
Depreciation and amortisation		61,304	59,020
Interest expense		117	-
		<b>332,302</b>	<b>303,916</b>
(Increase)/decrease in inventories		(22,923)	(4,354)
(Increase)/decrease in trade and other receivables		28,387	43,226
(Increase)/decrease in owing by related companies		(634,721)	(563,226)
Increase /(Decrease) in trade and other payables		246,574	256,742
		<b>(50,382)</b>	<b>36,304</b>
<b>Cash generated from operations</b>		<b>(50,382)</b>	<b>36,304</b>
Interest paid		(117)	-
<b>Net cash provided by operating activities</b>		<b>(50,498)</b>	<b>36,304</b>
<b>Cash flows from investing activity</b>			
Purchase of property, plant and equipment		(11,030)	(89,555)
<b>Net cash used in investing activity</b>		<b>(11,030)</b>	<b>(89,555)</b>
<b>Cash flows from financing activity</b>			
Dividends Paid		-	-
Lease obligations paid		(3,149)	(1,532)
Repayment of bank loans		-	-
<b>Net cash used in financing activity</b>		<b>(3,149)</b>	<b>(1,532)</b>
Increase/(decrease) in cash and cash equivalents		(64,678)	(54,783)
<b>Cash and cash equivalents at beginning of year</b>		<b>78,463</b>	<b>58,469</b>
<b>Cash and cash equivalents at end of period</b>		<b>13,785</b>	<b>3,686</b>



## Statement of Changes in Equity for the 3 Months to August 31, 2015

	Share Capital US\$	Retained Earnings US\$	Total US\$
Balance at May 31, 2015	522,360	3,265,066	3,787,426
Changes in equity 3 months to August 31, 2015			
Dividends	-	-	-
Profit for the 3 months to August 31, 2015 being total Comprehensive Income	-	270,882	270,882
Balance at August 31, 2015	522,360	3,535,948	4,058,308

## Statement of Changes in Equity for the 3 Months to August 31, 2014

	Share Capital US\$	Retained Earnings US\$	Total US\$
Balance at May 31, 2014	522,360	3,164,985	3,687,345
Changes in equity for 3 months to August 31, 2014			
Profit for the 3 months to August 31, 2014 being total Comprehensive Income	-	244,896	244,896
Dividends Paid		-	-
Balance at August 31, 2014	522,360	3,409,881	3,932,241



## Notes to the Financial Statements

### 1 Identification

The company was incorporated under the Laws of Turks and Caicos Islands on July 15, 2004 and commenced operations in February 2006. Its registered office is P.O. Box 127, Richmond House, Leeward Highway, Providenciales, Turks and Caicos Islands.

The company's shares were listed on the Main Market of the Jamaica Stock Exchange on April 11, 2014.

Its main activity during the quarter was the operation of a Margaritaville branded bar and restaurant.

The company is a subsidiary of Margaritaville Caribbean Limited, a company registered under the Bahamas IBC Act of 2000.

The company's principal place of business is located at Grand Turks Cruise Centre, White Sands, Turks and Caicos Island.

### 2. Basis of preparation

(i) Statement of compliance and basis of preparation

These interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been prepared under the historical cost convention, except for certain non-financial assets measured at fair value.

(ii) There have been no changes in accounting policies since the most recent audited accounts as at May 31, 2015.

### 3 Functional and presentation currency:

The financial statements are prepared and presented in United States dollars, which is the functional currency of the company.

## Margaritaville (Turks) Ltd

### Top Ten ShareHoldings

As at August 31, 2015

NAMES		VOLUME	PERCENTAGE
MARGARITAVILLE CARIBBEAN LTD.	NASSAU, BAHAMAS	46,343,445	68.66%
LANNAMAN & MORRIS (SHIPPING) LIMITED	KINGSTON	1,993,117	2.95%
PAUL FRASER	MANCHESTER	1,993,117	2.95%
PROVEN INVESTMENT LIMITED	CASTRIES, ST LUCIA	1,761,351	2.61%
NCB CAPITAL MARKETS X TRADING A/C	KINGSTON	1,320,122	1.96%
NATIONAL SUPPLY CO. LTD	KINGSTON	1,200,000	1.78%
HUIXIONG LIAO	CLARENDON	1,000,000	1.48%
BARBARA M. LEVY	KINGSTON	1,000,000	1.48%
NEKIA LIMITED	KINGSTON	1,000,000	1.48%
PRIME ASSET MANAGEMENT LTD. - JPS	KINGSTON	1,000,000	1.48%
		<b>58,611,152</b>	<b>86.83%</b>

Total Ordinary Stock in issue - 67,500,000

Total Number of Stock Holders - 215

### Directors ShareHoldings

As at August 31, 2015

NAMES	DIRECT	CONNECTED	TOTAL	PERCENTAGE
HERRICK WINSTON DEAR	-	-	-	0.0%
PETER K. MELHADO	-	-	-	0.0%
IAN B. DEAR	-	46,343,445	46,343,445	68.7%
JOHN G. BYLES	-	-	-	0.0%
ROLAND P CLARKE **	40,000	-	40,000	0.1%
	<b>40,000</b>	<b>46,343,445</b>	<b>46,383,445</b>	<b>68.72%</b>

### Senior Managers ShareHoldings

As at August 31, 2015

NAMES	DIRECT	CONNECTED	TOTAL	PERCENTAGE
MARK SUTHERLAND	-	-	-	0.0%
BRYAN KNIPP	-	-	-	0.0%
PATRICK MULLET	-	-	-	0.0%
TERRY ANN HATHAWAY	-	-	-	0.0%
	-	-	-	0.0%