



Margaritaville (Turks) Ltd

Third Quarter Report 2015

Period Ended February 28, 2015



Third Quarter 2015 Interim Reports to Our Shareholders

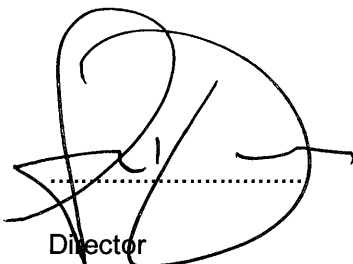
The Directors are pleased to present the unaudited results of the company for the quarter ended February 28, 2015 and the nine months period ending on the same date. The company generated revenue of US\$ 1.8 million for the quarter, this produced net income of US\$ 251 thousand before adjustment for Management Fees. Revenue for the same period last year was US\$ 1.6 million with net income of US\$ 242 thousand; there were no similar management fee expenses in the prior year. An increase in revenue for the quarter was offset by rate increases in utilities and labour in addition to increased rental charges.

Revenue achieved for the nine months was US\$ 4.8 million compared to US\$ 4.4 million for the same period last year. This generated net profits of US\$ 742 thousand before adjustment for Management Fees. This compares favourably to the net profits of US\$ 679 thousand earned for the nine months in the prior year.

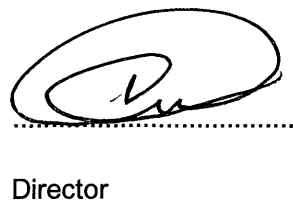
We continue to be pleased with the performance of the new food menu and plan to rollout the new beverage menu by the first quarter of fiscal 2016.

The new restaurant construction commenced in February, after much delay, and is scheduled for completion on August 1, 2015. This is expected to contribute positively to the revenue when in operation. Note that the projection for the current year's earnings was predicated on the restaurant being operational from the first half of the year.

We are please to advise that the board of directors met on April 14 to consider the payment of a dividend. Funding for the dividend payout will be from the repayment of advances made to the parent company.



Director



Director

Margaritaville (Turks) Ltd

Top Ten ShareHoldings

As at February 28, 2015

NAMES		VOLUME	PERCENTAGE
MARGARITAVILLE CARIBBEAN LTD.	NASSAU, BAHAMAS	46,343,445	68.7%
LANNAMAN & MORRIS (SHIPPING) LIMITED	KINGSTON	1,993,117	3.0%
PAUL FRASER	MANCHESTER	1,993,117	3.0%
NCB CAPITAL MARKETS X TRADING A/C	KINGSTON	1,795,870	2.7%
PROVEN INVESTMENT LIMITED	CASTRIES, ST LUCIA	1,761,351	2.6%
NATIONAL SUPPLY CO. LTD	KINGSTON	1,200,000	1.8%
HUIXIONG LIAO	CLARENDON	1,000,000	1.5%
BARBARA M. LEVY	KINGSTON	1,000,000	1.5%
NEKIA LIMITED	KINGSTON	1,000,000	1.5%
PRIME ASSET MANAGEMENT LTD. - JPS	KINGSTON	1,000,000	1.5%
		59,086,900	87.5%

Total Ordinary Stock in issue - 67,500,000

Total Number of Stock Holders - 214

Directors ShareHoldings

As at February 28, 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 **	130,000	-	130,000	0.2%
	130,000	46,343,445	46,473,445	68.85%

** 100,000 of the shares on account are held in trust for fellow staff members and are in the process of transfer.

Senior Managers ShareHoldings

As at February 28, 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%

Margaritaville (Turks) Ltd Interim Un-Audited Financial Statements



Statement of Financial Position as at February 28, 2015

	February 28, 2015 US\$	February 28, 2014 US\$	Audited May 31, 2014 US\$
Assets			
Non-current assets			
Property, plant and equipment	3,008,992	2,938,864	2,967,642
	3,008,992	2,938,864	2,967,642
Current assets			
Inventories	749,899	652,679	768,340
Trade and other receivables	126,883	183,131	205,734
Owing by related companies	810,314	143,901	424,197
Cash and bank balance	33,849	(8,603)	58,469
	1,720,946	971,109	1,456,740
Total assets	4,729,937	3,909,973	4,424,382
Equity			
Capital and reserves			
Share capital	522,360	1	522,360
Retained earnings	3,572,882	3,276,781	3,164,985
Total equity	4,095,242	3,276,782	3,687,345
Liabilities			
Current liabilities			
Trade and other payables	618,368	633,191	715,973
Lease obligation	16,327	-	21,064
	634,695	633,191	737,037
Total liabilities	634,695	633,191	737,037
Total equity and liabilities	4,729,937	3,909,973	4,424,382

Director

Director

Margaritaville (Turks) Ltd Interim Un-Audited Financial Statements



Statement of Profit or Loss and other Comprehensive Income for 9 Months to February 28, 2015

	Nine Mths to February 2015	Three Mths to February 2015	Nine Mths to February 2014	Three Mths to February 2014	Audited 12 Mths to May 2013
	US\$	US\$	US\$	US\$	US\$
Revenue	4,792,479	1,755,139	4,360,321	1,619,310	6,220,917
Cost of sales	(1,305,691)	(493,106)	(1,233,096)	(461,060)	(1,885,726)
Gross profit	3,486,788	1,262,033	3,127,226	1,158,250	4,335,191
Other operating income	5,767	7,369	275	875	
Administrative expenses	(2,545,834)	(949,410)	(2,271,201)	(834,710)	(2,946,475)
Management Fees	(335,476)	(122,862)	-	-	(357,100)
Promotional expenses	(21,320)	(6,407)	(21,378)	(11,149)	(90,037)
Depreciation	(182,027)	(61,333)	(150,069)	(71,592)	(211,045)
Other operating expenses	-	-	-	-	-
Operating profit for the year	407,897	129,389	684,853	241,673	730,534
Finance costs	-	-	(5,717)	(435)	(7,596)
Profit for the year being total comprehensive income for the year	407,897	129,389	679,136	241,238	722,938
Earnings Per Share - US Cents	0.60	0.19	1.01	0.36	1.07

Margaritaville (Turks) Ltd Interim Un-Audited Financial Statements



Statement of Cash Flows for the 9 months ended February 28, 2015

	Nine Mths to February 2015	Nine Mths to February 2014
	US\$	US\$
Cash flows from operating activities:		
Profit for the year	407,897	679,136
Adjustments for:		
Depreciation and amortisation	182,027	150,069
Interest expense	-	5,717
	589,925	834,922
(Increase)/Decrease in inventories	18,441	80,102
(Increase)/Decrease in trade and other receivables	78,851	(42,961)
(Increase)/Decrease in owing by related companies	(386,117)	960,896
Increase /(Decrease) in trade and other payables	(97,605)	42,823
	203,494	1,875,781
Cash generated from operations	203,494	1,875,781
Interest paid	-	(5,717)
Net cash provided by operating activities	203,494	1,870,064
Cash flows from investing activity		
Purchase of property, plant and equipment	(223,377)	(265,800)
Net cash used in investing activity	(223,377)	(265,800)
Cash flows from financing activity		
Dividends Paid	-	(1,700,000)
Lease Obligations	(4,737)	
Repayment of bank loans	-	-
Net cash used in financing activity	(4,737)	(1,700,000)
Increase in cash and cash equivalents	(24,620)	(95,735)
Cash and cash equivalents at beginning of year	58,469	87,132
Cash and cash equivalents at end of Period	33,849	(8,603)

Margaritaville (Turks) Ltd Interim Un-Audited Financial Statements



Statement of Changes in Equity for the 9 Months to February 28, 2015

	Share Capital US\$	Retained Earnings US\$	Total US\$
Balance at May 31, 2014	522,360	3,164,985	3,687,345
Changes in equity 9 months to February 28, 2015			
Dividends	-	-	-
Profit for the 9 months to February 28, 2015 being total Comprehensive Income	-	407,897	407,897
Balance at February 28, 2015	522,360	3,572,882	4,095,242

UnAudited Statement of Changes in Equity for the 9 Months to February 28, 2014

	Share Capital US\$	Retained Earnings US\$	Total US\$
Balance at May 31, 2013	1	4,297,645	4,297,646
Changes in equity 9 months to February 28, 2014			
Dividends	-	(1,700,000)	(1,700,000)
Profit for the 9 months to February 28, 2014 being total Comprehensive Income	-	679,136	679,136
Balance at February 28, 2014	1	3,276,781	3,276,782



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, Providencials, 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, 2014.

3 Functional and presentation currency:

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