



First Quarter 2022 Interim Report to our Shareholders

Since we last reported to you in April of 2020, cruising into the Grand Turk Port has still not resumed. We are, however, happy to report on some positive developments in the Cruise industry.

The first ship to set sail from a US port, since the start of the pandemic in March of 2020, departed in June of 2021. This is significant for the industry as the US is the point of embarkation for almost all cruises into the Caribbean, inclusive of the Grand Turk Cruise Port. There are a few cruises that originate in Europe and even fewer from elsewhere. However, none entered the Port since the start of the pandemic. The Government of the Turks and Caicos is expecting cruising to commence into the Grand Turk Cruise Port before the end of calendar 2021 and our company is getting into a state of preparedness, with recruitment fairs arranged to commence over the next two weeks.

For the Quarter under consideration, the company incurred expenses of US\$282,156. With no revenue, except for items disposed of at cost to avert spoilage, the Net Loss for the quarter is the same US\$282,156. Cruising was suspended for the entire comparative first quarter of the prior year. Expenditure incurred for the same comparative period in the prior year was \$438,035. The improvement in the current quarter was mainly from savings realized in staff related costs as the company had to formally separate from some team members due to the protracted period of cruise suspension. Loss Per Share for the quarter was 0.4180 US Cents, compared to Loss Per Share of 0.649 US Cents in the similar quarter of the prior year. Funding for the activities for the quarter was provided by the parent company in the amount of \$247,114.

The location is in heightened stand-by mode for commencement of cruising activities. In preparation for the impending resumption of cruising, \$26,509 of inventory has been contracted for delivery.

The management team continues to review the functionality of all equipment and processes and are identifying necessary remedial work and preparing work plans. Once resumption timelines are defined, the team will commence scheduling of the necessary works.

Thanks to our shareholders and stakeholders for the continued support. Please continue to keep safe by observing the COVID-19 protocols.

Ian Dear
Director

John Byles
Director

Margaritaville Turks Ltd
Un-Audited Financial Statements

Statement of Financial Position
as at August 31, 2021

	Unaudited August 31, 2021 US\$	Audited May 31, 2021 US\$
Assets		
Non-current assets		
Property, plant and equipment	2,958,674	3,023,329
Right-of-use-assets	-	-
Other intangible assets	12,140	16,187
	<u>2,970,814</u>	<u>3,039,516</u>
Current assets		
Trade and other receivables	90,477	91,814
Inventories	962,406	935,897
Owing by related companies	-	-
Cash and bank balance	14,282	7,992
	<u>1,067,165</u>	<u>1,035,703</u>
Total assets	<u>4,037,979</u>	<u>4,075,219</u>
Equity and Liabilities		
Capital and reserves attributable to the company's owners		
Share capital	522,360	522,360
Capital reserves	-	-
Retained profits	2,107,389	2,389,545
Total equity	<u>2,629,748</u>	<u>2,911,905</u>
Liabilities		
Current liabilities		
Due to related companies	500,837	253,723
Trade and other payables	907,394	909,591
Bank overdrafts	-	-
	<u>1,408,230</u>	<u>1,163,314</u>
Total liabilities	<u>1,408,230</u>	<u>1,163,314</u>
Total equity and liabilities	<u>4,037,979</u>	<u>4,075,219</u>

Director 

Director 

Margaritaville Turks Ltd
Un-Audited Financial Statements

Statement of Comprehensive Income
for the Period Ended August 31, 2021

	Q1 August 31, 2021	Q1 August 31, 2020	Audited May 31, 2021
	US\$	US\$	US\$
Revenue	543	20,417	48,283
Cost of sales	(812)	(20,416)	(48,645)
Gross profit	(269)	0	(362)
Loss on sale of property, plant and equipment	-	-	-
Administrative expenses	(204,629)	(364,992)	(1,074,210)
Promotional expenses	-	-	-
Depreciation and amortisation	(72,839)	(73,093)	(309,075)
Other operating expenses	-	-	-
Operating profit (Loss) for the YTD	(277,737)	(438,085)	(1,383,647)
Other operating income/(expense)	(4,419)	-	1,446
Finance costs	-	-	-
Finance income	-	-	-
Foreign exchange adjustment Gain/(Loss)	-	-	-
Total comprehensive Profit/Loss Before Tax for the YTD	(282,156)	(438,085)	(1,382,201)
Income tax credit/(expense)	-	-	-
Profit for the year	(282,156)	(438,085)	(1,382,201)
Earnings per share - US Cents	(0.4180)	(0.6490)	(2.0477)

Margaritaville Turks Ltd

Un-Audited Financial Statements

Statement of Cash Flow
as at August 31, 2021

	3 Months to August 31, 2021	3 Months to August 31, 2020
	US \$	US \$
Cash flows from operating activities:		
Profit before tax	(282,156)	(438,085)
Adjustments for:		
Depreciation and amortisation	72,839	73,093
Gain on Sale of Shares in Subsidiary	-	-
Other income - RoU concession	-	-
Interest income	-	-
Interest expense	-	-
	(209,317)	(364,992)
(Increase)/Decrease in Receivable/Prepayments/Deposits	1,337	6,872
Increase/(Decrease) in owing to related companies	247,114	405,948
(Increase)/Decrease in inventories	(26,509)	35,202
Increase/(Decrease) in trade and other payables	(2,197)	(116,905)
	10,428	(33,874)
Cash (used in)/generated from operations	10,428	(33,874)
Interest paid	-	-
Income tax paid	-	-
Net cash (used in)/provided by operating activities	10,428	(33,874)
Cash flows from investing activities		
Purchase of fixed assets	(4,138)	(1)
Proceeds from Sales of Shares in Subsidiary	-	-
Interest income	-	-
Net cash used in investing activities	(4,138)	(1)
Increase in cash and cash equivalents	6,290	(33,875)
Cash and cash equivalents at beginning of year	7,992	31,401
Cash and cash equivalents at August 31, 2021	14,282	(2,474)

Margaritaville Turks Ltd
Un-Audited Financial Statements

Statement of Changes in Equity
as at August 31, 2021

	Share Capital US\$	Capital Reserve US\$	Retained Profits US\$	Totals US\$
Balance at May 31, 2021	522,360	-	2,389,545	2,911,905
Changes in equity 3 months to August 31, 2021				
Dividends	-	-	-	-
Loss for the 3 months to August 31, 2021 being total Comprehensive Income	-	-	(282,156)	(282,156)
Balance at August 31, 2021	522,360	-	2,107,389	2,629,749

Statement of Changes in Equity
as at August 31, 2020

	Share Capital US\$	Capital Reserve US\$	Retained Profits US\$	Totals US\$
Balance at May 31, 2020	522,360	-	3,771,746	4,294,106
Changes in equity 3 months to August 31, 2020				
Dividends	-	-	-	-
Loss for the 3 months to August 31, 2020 being total Comprehensive Income	-	-	(438,085)	(438,085)
Balance at August 31, 2020	522,360	-	3,333,661	3,856,021

Margaritaville Turks Ltd
Un-Audited Financial Statements

Notes to the Consolidated 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.

The company's principal place of business is located at Grand Turks Cruise Centre, White Sands, Turks and Caicos Island. The company is a subsidiary of Margaritaville Caribbean Limited, a company registered under the Bahamas IBC Act of 2000.

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

2. Basis of preparation

(i) Statement of compliance

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) Accounting policies.

There have been no changes in accounting policies since the most recent audited accounts as at May 31, 2021.

3. Reporting Currency

The financial statements are prepared and presented in United States dollars, which is the functional currency of all the group's operating companies.

4. Seasonality of Interim Results

The entire operations of the Group are dependent on the Caribbean tourism market. Despite the fairly stable climate, the Caribbean hotel and resort market shows a significant level of seasonality throughout the year. The seasonality is represented by strong occupancies throughout the winter season, typically between December and May. This is offset by lower occupancies between June and November with particularly low occupancies in the months of September and October.

5 Effects of Covid 19

The spread of the Coronavirus disease (COVID-19) which was declared a global pandemic by the World Health Organization (WHO) on March 11, 2020, has severely impacted many local economies around the globe. In the Caribbean, as in all regions, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. These measures significantly affected the company's operation and resulted in its temporary closure as of March 2020.

At the date of the authorisation of the financial statements, operations continued to be impacted by COVID-19. Management is unable to determine a reliable estimate of the financial impact of COVID-19 events on its profitability and financial position for the subsequent period.

Margaritaville (Turks) Ltd

Top Ten ShareHoldings

As at August 31, 2021

NAMES		VOLUME	PERCENTAGE
MARGARITAVILLE CARIBBEAN LIMITED	NASSAU, BAHAMAS	33,163,445	49.1%
LANNAMAN & MORRIS (SHIPPING) LIMITED	KINGSTON	8,446,398	12.5%
SAGICOR POOLED EQUITY FUND	KINGSTON	5,819,559	8.6%
MATMAR HOLDINGS LIMITED	ST LUCIA	2,700,000	4.0%
LACY, DONALD S.	KINGSTON	1,528,300	2.3%
NATIONAL SUPPLY CO. LTD	KINGSTON	1,200,000	1.8%
PRIME ASSET MANAGEMENT LTD. - JPS	KINGSTON	1,000,000	1.5%
NEKIA LIMITED	KINGSTON	1,000,000	1.5%
LIAO, HUIXIONG	CLARENDON	1,000,000	1.5%
FRASER, PAUL	MANCHESTER	953,418	1.4%
		56,811,120	84.2%

Total Ordinary Stock in issue - 67,500,000

Total Number of Stock Holders - 493

Directors ShareHoldings

As at August 31, 2021

NAMES	DIRECT	CONNECTED	TOTAL	PERCENTAGE
HERRICK WINSTON DEAR	-	-	-	0.0%
HARRIAT T. MARAJH	-	8,446,398	8,446,398	12.5%
IAN B. DEAR	-	33,163,445	33,163,445	49.1%
JOHN G. BYLES	-	-	-	0.0%
ROLAND P CLARKE	40,000	-	40,000	0.1%
	40,000	41,609,843	41,649,843	61.70%

Senior Managers ShareHoldings

As at August 31, 2021

NAMES	DIRECT	CONNECTED	TOTAL	PERCENTAGE
ROLAND P CLARKE	40,000	-	40,000	0.1%
MARK SUTHERLAND	-	-	-	0.0%
ALTON THELWELL	-	-	-	0.0%
	40,000	-	40,000	0.1%