



Third Quarter 2022 Interim Report to our Shareholders

After more than 20 months, cruising has returned to the Grand Turk Cruise Port!

The Directors of Margaritaville (Turks) Ltd. take pleasure in presenting this third Quarter report, the first since the resumption of cruising. Our management team, including CEO/Director Ian Dear, was on hand to greet and welcome our first guests after the long suspension. Guests were excited to be cruising again and our staff was more than happy to be active again and providing the **Best Day Ever** for our guests.

For the Quarter under consideration, a total of 120,876 passengers cruised into the port on 67 vessels, making an average of 1,804 passengers per ship call. For the last full Quarter before the pandemic, the usual ship call into the port carried an average of 2,870 passengers. Revenue earned for the Quarter was US\$974,015 or an average spend rate of US\$8.06 per passenger. There were no passengers or revenue from core business for the similar period in the prior year.

Loss for the Quarter was reduced to US\$166,861 compared to the loss of US\$261,014 for the similar Quarter in the prior year. Loss per share was calculated at 0.247 US Cents compared to Loss per share of 0.387 US Cents for the similar period in the prior year. Above normal expenditures were incurred as we secured work permits for all the returning and new service staff as the previous complement was reduced due to the extended suspension of business. Additional expenditure will be incurred as we return to optimal staffing levels. Repairs and Maintenance incurred above normal Quarterly charges as well due to the extended suspension of operations and the need to ensure all equipment were in good working order. These charges are expected to normalize over the coming months and quarters. The company was faced with logistical challenges surrounding the sourcing and delivery of ingredients and service items and had to source a higher portion locally.

Revenue for the nine months at \$975,061 was slightly above the amount for the Quarter, due to earnings from sale of ingredients to avert spoilage recorded in the previous Quarters. Revenue recorded for the similar period in the previous year was \$46,606 and this was also from sale of ingredients. This produced net loss of \$772,102 and loss per share for the nine months of 1.144 US Cents. The Loss for the comparable nine months in the previous year was US\$1.07 million at a loss rate per share of 1.58 US Cents.

Inventory balances increased as expected following the depletion of all food items over the long suspension period. We however had adequate dry goods and some service items left over from pre-COVID-19. The company is in dialogue with suppliers and arrangements are in place to gradually return to credit terms which existed prior to COVID-19.

Cruising activities fell below expectations for the winter tourist season to date. However, the projections did not account for the prolonged restrictions (placed on cruising as a sector) by the Center for Disease Control (CDC) in the United States, as well as the lower than expected cruise ship occupancy percentages. A lot of the restrictions were removed recently and the cruise lines are already experiencing improved bookings as a result. We expect a more active than usual summer season for cruising.

Thanks to all our shareholders and stakeholders for the continued support. Please continue to keep safe.

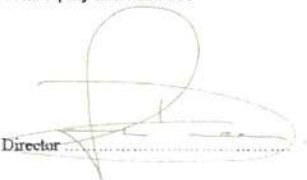
Ian Dear
Director

John Byles
Director

Margaritaville Turks Ltd
Un-Audited Financial Statements

Statement of Financial Position
as at February 28, 2022

	Unaudited February 28, 2022 US\$	Audited May 31, 2021 US\$
Assets		
Non-current assets		
Property, plant and equipment	2,816,952	3,023,329
Right-of-use-assets	-	-
Deferred tax asset	-	-
Other intangible assets	4,047	16,187
Goodwill arising on consolidation	-	-
	2,820,999	3,039,516
Current assets		
Trade and other receivables	130,212	91,814
Inventories	1,019,727	935,897
Owing by related companies	-	-
Income tax recoverable	-	-
Certificates of deposit	-	-
Cash and bank balance	60,944	7,992
	1,210,884	1,035,703
Total assets	4,031,882	4,075,219
Equity and Liabilities		
Capital and reserves attributable to the company's owners		
Share capital	522,360	522,360
Capital reserves	-	-
Retained profits	1,612,951	2,389,545
Total equity	2,135,311	2,911,905
Liabilities		
Non-current liabilities		
Preference shares	-	-
Shareholders loans	-	-
Directors' loans	-	-
Deferred tax liability	-	-
Long term loans	300,000	-
Lease obligation	-	-
	300,000	-
Current liabilities		
Short Term Loans		
Current portion of long-term loans	-	-
Current portion of lease obligation	-	-
Due to related companies	143,160	253,723
Trade and other payables	1,453,411	909,591
Bank overdrafts	-	-
Income tax payable	-	-
	1,596,571	1,163,314
Total liabilities	1,896,571	1,163,314
Total equity and liabilities	4,031,882	4,075,219

Director 

Director 

Statement of Comprehensive Income
for the Period Ended February 28, 2022

	9 Months YTD February 28, 2022	Q3 February 28, 2022	9 Months YTD February 28, 2021	Q3 February 28, 2021	Audited May 31, 2021
	US\$	US\$	US\$	US\$	US\$
Revenue	975,061	974,015	46,606	6,155	48,283
Cost of sales	(245,450)	(244,619)	(46,606)	(6,155)	(48,645)
Gross profit	729,611	729,395	-	-	(362)
Loss on sale of property, plant and equipment	-	-	-	-	-
Administrative expenses	(1,257,052)	(789,173)	(846,739)	(187,921)	(1,074,210)
Promotional expenses	(8,887)	(6,948)	-	-	-
Depreciation and amortisation	(218,516)	(72,839)	(219,280)	(73,093)	(309,075)
Other operating expenses	-	-	-	-	-
Operating profit (Loss) for the YTD	(754,845)	(139,564)	(1,066,019)	(261,014)	(1,383,647)
Other operating income/(expense)	(21,749)	(27,297)	-	-	1,446
Finance costs	-	-	-	-	-
Finance income	-	-	-	-	-
Foreign exchange adjustment Gain/(Loss)	-	-	-	-	-
Gain on sale of shares	-	-	-	-	-
Total comprehensive Profit/Loss Before Tax for the YTD	(776,594)	(166,861)	(1,066,019)	(261,014)	(1,382,201)
Income tax credit/(expense)	-	-	-	-	-
Profit for the year	(776,594)	(166,861)	(1,066,019)	(261,014)	(1,382,201)
Earnings per share - US Cents	(1.151)	(0.247)	(1.579)	(0.387)	(2.048)

Statement of Cash Flow
as at February 28, 2022

	9 Months to February 28, 2022	9 Months to February 28, 2021
	US \$	US \$
Cash flows from operating activities:		
Profit before tax	(776,594)	(1,066,019)
Adjustments for:		
Depreciation and amortisation	218,516	219,280
Gain on Sale of Shares in Subsidiary	-	-
Other income - RoU concession	-	-
Interest income	-	-
Interest expense	-	-
	(558,078)	(846,739)
(Increase)/Decrease in Receivable/Prepayments/Deposits	(40,006)	7,055
Increase/(Decrease) in owing to related companies	(108,954)	828,024
(Increase)/Decrease in inventories	(83,830)	88,748
Increase/(Decrease) in trade and other payables	543,820	(98,877)
	(247,048)	(21,789)
Cash (used in)/generated from operations	(247,048)	(21,789)
Interest paid	-	-
Income tax paid	-	-
Net cash (used in)/provided by operating activities	(247,048)	(21,789)
Cash flows from investing activities		
Purchase of fixed assets	0	-
Proceeds from Sales of Shares in Subsidiary	-	-
Interest income	-	-
Net cash used in investing activities	0	-
Cash flows from financing activities		
Loan Proceeds, net of repayments	300,000	-
Net Addition (Pay down) to Lease	-	-
Repayment of Long-term Loan	-	-
Repayment of preference share	-	-
Shareholder Funds Injection	-	-
Dividends Paid	-	-
Net cash provided by/(used in) financing activities	300,000	-
Increase in cash and cash equivalents	52,952	(21,789)
Cash and cash equivalents at beginning of year	7,992	31,401
Cash and cash equivalents at February 28, 2022	60,944	9,612

Statement of Changes in Equity
as at February 28, 2022

	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 9 months to February 28, 2022				
Dividends	-	-	-	-
Profit for the 9 months to February 28, 2022 being total Comprehensive Income	-	-	(776,594)	(776,594)
Balance at February 28, 2022	522,360	-	1,612,951	2,135,311

Statement of Changes in Equity
as at February 28, 2021

	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 9 months to February 28, 2021				
Dividends	-	-	-	-
Profit for the 9 months to February 28, 2021 being total Comprehensive Income	-	-	(1,066,019)	(1,066,019)
Balance at February 28, 2021	522,360	-	2,705,727	3,228,087

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 group's operation and resulted in its temporary closure as of March.

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 February 28, 2022

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%
NATIONAL SUPPLY CO. LTD	KINGSTON	1,200,000	1.8%
CXN DIRECT INVESTING INC	KINGSTON	1,032,000	1.5%
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%
		56,314,820	83.4%

Total Ordinary Stock in issue - 67,500,000

Total Number of Stock Holders - 545

Directors ShareHoldings

As at February 28, 2022

NAMES	DIRECT	CONNECTED	TOTAL	PERCENTAGE
HERRICK WINSTON DEAR	-	-	-	0.0%
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	33,163,445	33,203,445	49.19%

Senior Managers ShareHoldings

As at February 28, 2022

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%