



First Quarter (Q1) 2024 Interim Report to our Shareholders

The Directors of Margaritaville (Turks) Ltd. take pleasure in presenting fiscal 2024 first Quarter unaudited financial statements dated August 31, 2023.

For the Quarter under consideration, just over 225,991 passengers cruised into the Grand Turks Cruise port on 55 vessels, making an average of 4,109 passengers per ship call. For the same period in the prior year, just over 175,000 passengers cruised into the port on 49 vessels, making an average of 3,581 passengers per ship call. For the last Q1 before the pandemic, 282,040 passengers visited the port on 77 vessels, for an average passenger count per ship call of 3,663. We are encouraged by the improving trend in the passenger averages and look forward to the continued improvements in the frequency of ship calls. Revenue earned for the Quarter was US\$1.81 million compared to US\$1.42 million for the similar period in the prior year. This was a 26.84% improvement and was in line with the rate of increase in passenger totals.

Profit for the Quarter was US\$229,628 compared to profit of US\$94,438 for the similar Quarter in the prior year. This resulted in Earnings per Share (EPS) of US 0.34 Cents per share compared to EPS of US 0.14 Cents for the similar period in the prior year.

The company continues in its efforts to manage usage of ingredients efficiently, returning a cost of sales ratio of 26.3%. This was a 1 percentage point improvement on the ratio for the similar period in the prior year. In addition, the company's forward purchasing arrangements, which ensure purchasing prices are fixed over extended periods and which were suspended during the heights of the pandemic, are being reinstated. General administrative expenses increased to meet the increase in revenue, but at an improved ratio of 54.2% of revenue compared to 58.5% of revenue in the prior year's Quarter.

There were no unusual movements in assets or liabilities during the period. The company has in place arrangements with suppliers and other creditors that are satisfactory and allow the business to flow seamlessly.

Thanks to all our shareholders and stakeholders for your continued support.

Ian Dear
Director

John Byles
Director



Statement of Financial Position as at August 31, 2023

| | Unaudited August 31, 2023 US\$ | Audited May 31, 2023 US\$ |
|--|--------------------------------------|---------------------------------|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 2,527,090 | 2,595,671 |
| | 2,527,090 | 2,595,671 |
| Current assets | | |
| Trade and other receivables | 196,552 | 300,648 |
| Inventories | 848,786 | 827,979 |
| Owing by related companies | 2,703,187 | 2,207,082 |
| Cash and bank balance | 49,151 | 123,197 |
| | 3,797,676 | 3,458,906 |
| Total assets | 6,324,766 | 6,054,577 |
| Equity and Liabilities | | |
| Capital and reserves attributable to the company's owners | | |
| Share capital | 522,360 | 522,360 |
| Retained profits | 3,680,962 | 3,451,334 |
| Total equity | 4,203,321 | 3,973,694 |
| Liabilities | | |
| Non-current liabilities | | |
| Long term loans | 166,808 | 186,048 |
| | 166,808 | 186,048 |
| Current liabilities | | |
| Current portion of long-term loans | 100,000 | 100,000 |
| Trade and other payables | 1,854,637 | 1,794,835 |
| | 1,954,637 | 1,894,835 |
| Total liabilities | 2,121,445 | 2,080,883 |
| Total equity and liabilities | 6,324,766 | 6,054,577 |

Director

Director



Statement of Comprehensive Income for the Period Ended August 31, 2023

| | Q1 August 31, 2023 | Q1 August 31, 2022 | Audited May 31, 2023 |
|---|-----------------------|-----------------------|-------------------------|
| | US\$ | US\$ | |
| Revenue | 1,805,985 | 1,422,996 | 7,259,998 |
| Cost of sales | (475,245) | (390,313) | (2,239,609) |
| Gross profit | 1,330,740 | 1,032,683 | 5,020,389 |
| Administrative expenses | (978,619) | (832,539) | (3,825,784) |
| Promotional expenses | (4,016) | (7,856) | (40,418) |
| Depreciation and amortisation | (68,579) | (68,792) | (262,869) |
| Other operating expenses | - | | |
| Operating Profit (Loss) for the YTD | 279,526 | 123,496 | 891,318 |
| Other operating (expense)/income | (44,138) | 273 | 801,363 |
| Finance costs | (5,760) | (29,322) | (21,465) |
| Foreign exchange adjustment Gain/(Loss) | - | (9) | (289) |
| Total Comprehensive Profit/(Loss) Before Tax for the YTD | 229,628 | 94,438 | 1,670,927 |
| Income tax credit/(expense) | - | - | - |
| Profit for the year | 229,628 | 94,438 | 1,670,927 |
| Earnings per share - US Cents | 0.340 | 0.140 | 2.475 |



Statement of Cash Flow as at August 31, 2023

| | 3 Months to August 31, 2023 | 3 Months to August 31, 2022 |
|---|--------------------------------|--------------------------------|
| | US \$ | US \$ |
| Cash flows from operating activities: | | |
| Profit before tax | 229,628 | 94,438 |
| Adjustments for: | | |
| Depreciation and amortisation | 68,579 | 68,792 |
| Unrealised foreign exchange losses | - | 9 |
| Interest expense | 5,760 | 29,322 |
| | 303,967 | 192,561 |
| Decrease/(Increase) in Receivable | 104,096 | (48,625) |
| Increase in owing from related companies | (496,103) | (323,715) |
| (Increase)/Decrease in inventories | (20,807) | 34,790 |
| Increase in Trade and Other Payables | 59,802 | 118,456 |
| | (49,046) | (26,533) |
| Cash used in operations | (49,046) | (26,533) |
| Interest paid | (5,760) | - |
| Net cash used in operating activities | (54,806) | (26,533) |
| Cash flows from investing activities | | |
| Purchase of fixed assets | - | (3,411) |
| Net cash used in investing activities | - | (3,411) |
| Cash flows from financing activities | | |
| Repayment of loan | (19,240) | - |
| Net cash used in financing activities | (19,240) | - |
| Increase in cash and cash equivalents | (74,046) | (29,944) |
| Cash and cash equivalents at beginning of year | 123,197 | 62,906 |
| Cash and cash equivalents at August 31, 2023 | 49,151 | 32,962 |



Statement of Changes in Equity as at August 31, 2023

| | Share Capital US\$ | Retained Profits US\$ | Totals US\$ |
|---|-----------------------|--------------------------|------------------|
| Balance at May 31, 2023 | 522,360 | 3,451,334 | 3,973,694 |
| Changes in equity 3 months to August 31, 2023 | | | |
| Dividends | - | - | - |
| Profit for the 3 months to August 31, 2023 being total Comprehensive Income | - | 229,628 | 229,628 |
| Balance at August 31, 2023 | 522,360 | 3,680,962 | 4,203,322 |

Statement of Changes in Equity as at August 31, 2022

| | Share Capital US\$ | Retained Profits US\$ | Totals US\$ |
|---|-----------------------|--------------------------|------------------|
| Balance at May 31, 2022 | 522,360 | 1,780,407 | 2,302,767 |
| Changes in equity 3 months to August 31, 2022 | | | |
| Dividends | - | - | - |
| Profit for the 3 months to August 31, 2022 being total Comprehensive Income | - | 94,438 | 94,438 |
| Balance at August 31, 2022 | 522,360 | 1,874,845 | 2,397,205 |



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, 2023.

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 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.



Margaritaville (Turks) Ltd

Top Ten ShareHoldings As at August 31, 2023

| 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 - 611

Directors ShareHoldings As at August 31, 2023

| 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 August 31, 2023

| 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% |