



Second Quarter (Q2) 2024 Interim Report to our Shareholders

The Directors of Margaritaville (Turks) Ltd. take pleasure in presenting Fiscal 2024 Second Quarter unaudited financial statements as at November 30, 2023.

Revenue for the Quarter was US\$1.54 million which resulted in an average spend per passenger of US\$8.29. This was earned from the 185,739 passengers that cruised into the Grand Turk Cruise Center on 51 vessels. Revenue for the comparative period in the prior year was US\$1.35 million, earned from 168,000 passengers, for an average spend per passenger rate of US\$8.05. An almost similar number of vessels visited the Port over the Quarters under review, but the average capacity was much improved in the current year at 3,641 compared to 3,169. In - Second Quarter, Fiscal 2019 (pre-pandemic) we had over 256,000 passengers so there is still some catching up to do. We are, however, very satisfied with the improving trend and the spending rate.

Operating profit for the Quarter was US\$100,145 and, after adjusting for finance and other non-operating costs, net profit of just over US\$70,000 was returned for an Earnings per Share (EPS) of 0.104 US Cents. Operating profit for the similar period in the prior year was US\$70,403. After non-operating adjustments, a net profit of US\$360,758 was returned for an EPS of 0.534 US Cents.


Total passenger count for the six months to November 2023 was 411,728, compared to 343,456 for the similar period in the last year. This produced revenue of US\$3.34 million for a spending rate of US\$8.12 per passenger. The prior period comparative revenue was US\$2.78 million for a spend rate of US\$8.08. We are very encouraged by the growth in revenue and at an increasing rate too.

Operating profit for the year to date was US\$378,800 and, after non-operating adjustments, net profit was US\$299,734 for an EPS of 0.444 US Cents. For the similar period in the prior year, operating profit was US\$193,844 and net profit was US\$455,196 for EPS of 0.674 US Cents.

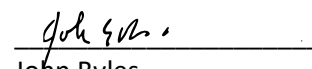
The cost of sales ratio of 25.37% for the year-to-date is back in line with pre-pandemic ratios. This is quite encouraging, especially so, as we are in a very volatile logistics environment with two major international wars happening and the major world economies still battling high inflation. Administrative expenses increased in total for the current year to date to support the revenue increase. It is, however, approximately one percentage point better as a ratio of revenue when compared to the prior period. The team continues to review the cost structure for savings.

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 these 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 November 30, 2023

	Unaudited November 30, 2023 US\$	Audited May 31, 2023 US\$
Assets		
Non-current assets		
Property, plant and equipment	2,479,385	2,595,671
	2,479,385	2,595,671
Current assets		
Trade and other receivables	161,283	300,648
Inventories	877,131	827,979
Owing by related companies	2,945,524	2,207,082
Cash and bank balance	121,779	123,197
	4,105,717	3,458,906
Total assets	6,585,102	6,054,577
Equity and Liabilities		
Capital and reserves attributable to the company's owners		
Share capital	522,360	522,360
Retained profits	3,751,068	3,451,334
Total equity	4,273,428	3,973,694
Liabilities		
Non-current liabilities		
Long term loans	147,263	186,048
	147,263	186,048
Current liabilities		
Current portion of long-term loans	100,000	100,000
Trade and other payables	2,064,411	1,794,835
	2,164,411	1,894,835
Total liabilities	2,311,674	2,080,883
Total equity and liabilities	6,585,102	6,054,577

Director

Director



Statement of Comprehensive Income for the Period Ended November 30, 2023

	6 Months YTD November 30, US\$	Q2 November 30, 2023 US\$	6 Months YTD November 30, 2022 US\$	Q2 November 30, 2022 US\$	Audited May 31, 2023 US\$
Revenue	3,344,948	1,538,846	2,775,223	1,352,226	7,259,998
Cost of sales	(848,714)	(373,469)	(752,320)	(362,007)	(2,239,609)
Gross profit	2,496,234	1,165,377	2,022,903	990,219	5,020,389
Administrative expenses	(1,991,560)	(1,012,004)	(1,675,074)	(842,479)	(3,825,784)
Promotional expenses	(9,588)	(5,522)	(16,401)	(8,545)	(40,418)
Depreciation and amortisation	(116,286)	(47,707)	(137,584)	(68,792)	(262,869)
Operating Profit (Loss) for the YTD	378,800	100,145	193,844	70,403	891,318
Other operating (expense)/income	(67,884)	(24,616)	319,128	318,799	801,363
Finance costs	(11,215)	(5,455)	(57,619)	(28,296)	(21,465)
Foreign exchange adjustment Gain/(Loss)	33	33	(156)	(147)	(289)
Total Comprehensive Profit/(Loss) Before Tax for the YTD	299,734	70,107	455,196	360,758	1,670,927
Income tax credit/(expense)	-	-	-	-	-
Profit for the year	299,734	70,107	455,196	360,758	1,670,927
Earnings per share - US Cents	0.444	0.104	0.674	0.534	2.475



Statement of Cash Flow as at November 30, 2023

	6 Months to November 30, 2023 US \$	6 Months to November 30, 2022 US \$
Cash flows from operating activities:		
Profit before tax	299,734	455,196
Adjustments for:		
Depreciation and amortisation	116,286	137,584
Unrealised foreign exchange losses	-	156
Interest expense	11,215	57,619
	427,235	650,556
(Increase)/Decrease in Receivable	139,365	15,655
(Increase) in owing from related companies	(738,442)	(979,521)
(Increase)/Decrease in inventories	(49,152)	(100,757)
Increase in Trade and Other Payables	269,576	543,393
	48,582	129,325
Cash used in operations	48,582	129,325
Interest paid	(11,215)	(100)
Net cash used in operating activities	37,367	129,225
Cash flows from investing activities		
Purchase of fixed assets	-	(62,234)
Net cash used in investing activities	-	(62,234)
Cash flows from financing activities		
Repayment of loan	(38,785)	-
Net cash used in financing activities	(38,785)	-
Increase in cash and cash equivalents	(1,418)	66,991
Cash and cash equivalents at beginning of year	123,197	62,906
Cash and cash equivalents at November 30, 2023	121,779	129,897



Statement of Changes in Equity as at November 30, 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 6 months to November 30, 2023			
Dividends	-	-	-
Profit for the 6 months to November 30, 2023 being total Comprehensive Income	-	299,734	299,734
Balance at November 30, 2023	522,360	3,751,068	4,273,428

Statement of Changes in Equity as at November 30, 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 6 months to November 30, 2022			
Dividends	-	-	-
Profit for the 6 months to November 30, 2022 being total Comprehensive Income	-	455,196	455,196
Balance at November 30, 2022	522,360	2,235,603	2,757,963



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 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.



Top Ten ShareHoldings As at November 30, 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	1,000,000	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%
		56,282,820	83.4%

Total Ordinary Stock in issue - 67,500,000
Total Number of Stock Holders - 618

Directors ShareHoldings As at November 30, 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 November 30, 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%