# TWC ENTERPRISES LIMITED
## Interim Condensed Consolidated Balance Sheets (Unaudited)

| (thousands of Canadian dollars) | Notes | **March 31, 2019** | December 31, 2018 | March 31, 2018 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Current | | | | |
| Cash and cash equivalents | | **$ 141,189** | $ 137,207 | $ 616 |
| Accounts receivable | | **44,526** | 38,104 | 13,514 |
| Mortgages and loans receivable | | **39,300** | 47,815 | 1,634 |
| Inventories and prepaid expenses | | **9,262** | 4,937 | 12,012 |
| Other assets | 4 | **23,171** | 23,147 | - |
| | | **257,448** | 251,210 | 27,776 |
| Mortgages and loans receivable | | **2,735** | 2,721 | 1,445 |
| Other assets | 4 | **8,725** | 8,517 | 19,674 |
| Right-of-use assets | 5 | **20,605** | - | - |
| Property, plant and equipment | 6 | **421,277** | 423,763 | 582,674 |
| Intangible assets | 7 | **16,576** | 16,865 | 17,710 |
| Total assets | | **$ 727,366** | $ 703,076 | $ 649,279 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | | | |
| Current | | | | |
| Accounts payable and accrued liabilities | 8 | **$ 22,647** | $ 29,746 | $ 23,091 |
| Lease liabilities | 9 | **5,028** | 528 | 802 |
| Borrowings | 10 | **18,957** | 18,643 | 19,976 |
| Prepaid annual dues and deposits | | **50,590** | 12,560 | 50,975 |
| | | **97,222** | 61,477 | 94,844 |
| Lease liabilities | 9 | **16,681** | 338 | 756 |
| Borrowings | 10 | **121,318** | 147,116 | 267,423 |
| Deferred membership fees | 11 | **8,691** | 9,682 | 11,790 |
| Deferred income tax liabilities | | **49,385** | 48,777 | 46,569 |
| Total liabilities | | **293,297** | 267,390 | 421,382 |
| Share capital | 13 | **111,744** | 111,744 | 111,987 |
| Retained earnings | | **317,179** | 318,413 | 89,953 |
| Accumulated other comprehensive earnings | | **5,146** | 5,529 | 25,957 |
| Total shareholders' equity | | **434,069** | 435,686 | 227,897 |
| Total liabilities and shareholders' equity | | **$ 727,366** | $ 703,076 | $ 649,279 |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

# TWC ENTERPRISES LIMITED
## Interim Condensed Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss) (Unaudited)
### For the three months ended

| (thousands of Canadian dollars, except per share amounts) | Notes | **March 31, 2019** | March 31, 2018 |
|---|---|---|---|
| **REVENUE (CONTINUING OPERATIONS)** | | | |
| Operating revenue | | **$ 23,034** | $ 23,352 |
| Amortizaton of membership fees | 11 | **1,247** | 1,654 |
| | 12 | **24,281** | 25,006 |
| **EXPENSES (CONTINUING OPERATIONS)** | | | |
| Cost of sales | | **1,127** | 1,212 |
| Labour and employee benefits | | **9,362** | 9,729 |
| Utilities | | **1,735** | 1,659 |
| Selling, general and administrative | | **1,365** | 1,183 |
| Property taxes | | **1,984** | 1,959 |
| Repairs and maintenance | | **791** | 781 |
| Insurance | | **662** | 604 |
| Fertilizers and pest control products | | **122** | 134 |
| Fuel and oil | | **106** | 116 |
| Other operating expenses | | **2,203** | 2,120 |
| Depreciation of right-of-use assets | 5 | **1,294** | - |
| Depreciation of property, plant and equipment | 6 | **3,540** | 3,813 |
| Amortization of intangible assets | 7 | **265** | 262 |
| Land lease rent | | **-** | 1,102 |
| Interest, net and investment income | 14 | **1,374** | 3,727 |
| Other items | 15 | **4,265** | (205) |
| | | **30,195** | 28,196 |
| Loss before income taxes | | **(5,914)** | (3,190) |
| Income tax recovery | | | |
| Current | | **(1,355)** | (655) |
| Deferred | | **(573)** | (83) |
| | | **(1,928)** | (738) |
| Net loss from continuing operations | | **(3,986)** | (2,452) |
| Net loss from discontinued operations | 3 | **-** | (4,849) |
| Net loss | | **(3,986)** | (7,301) |
| Unrealized foreign exchange gain (loss) in respect of foreign operations | | **(383)** | 2,935 |
| Unrealized loss on hedge of net investment in foreign operations (net of tax for the period ended March 31, 2018 - $53) | | **-** | (348) |
| Total comprehensive loss | | **$ (4,369)** | $ (4,714) |
| Weighted average shares outstanding (000) | 13 | **27,286** | 27,346 |
| Loss per share from continuing operations | | **$ (0.15)** | $ (0.09) |
| Loss per share from discontinued operations | 3 | **$ -** | $ (0.18) |
| Loss per share - basic and diluted | 13 | **$ (0.15)** | $ (0.27) |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

# TWC ENTERPRISES LIMITED
## Interim Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

| (thousands of Canadian dollars except common shares) | Note | Common Shares | Share Capital | Retained Earnings | Accumulated Other Comprehensive Earnings (Loss) | Total Shareholders' Equity |
|---|---|---|---|---|---|---|
| **Balance, January 1, 2018** | | **27,345,540** | **$ 111,987** | **$ 97,801** | **$ 23,370** | **$ 233,158** |
| Comprehensive earnings (loss) | | - | - | (7,301) | 2,587 | (4,714) |
| Cash dividend | 13B | - | - | (547) | - | (547) |
| **Balance, March 31, 2018** | | **27,345,540** | **111,987** | **89,953** | **25,957** | **227,897** |
| Comprehensive earnings | | - | - | 230,595 | 1,235 | 231,830 |
| Cash dividend | 13B | - | - | (1,639) | - | (1,639) |
| Other | | (1) | - | - | - | - |
| Realized foreign exchange upon divestiture of White Pass | | - | - | - | (21,663) | (21,663) |
| Shares cancelled subject to normal course issuer bid | 13C | (59,487) | (243) | (496) | - | (739) |
| **Balance, December 31, 2018** | | **27,286,052** | **111,744** | **318,413** | **5,529** | **435,686** |
| Adoption of IFRS 16 | 2 | - | - | 3,298 | - | 3,298 |
| Comprehensive loss | | - | - | (3,986) | (383) | (4,369) |
| Cash dividend | 13B | - | - | (546) | - | (546) |
| **Balance, March 31, 2019** | | **27,286,052** | **$ 111,744** | **$ 317,179** | **$ 5,146** | **$ 434,069** |

# TWC ENTERPRISES LIMITED
## Interim Condensed Consolidated Statements of Cash Flow (Unaudited)
### For the three months ended

| (thousands of Canadian dollars) | Notes | **March 31, 2019** | March 31, 2018 |
|---|---|---|---|
| **OPERATING ACTIVITIES** | | | |
| Net loss | | **$ (3,986)** | $ (7,301) |
| Items not affecting cash: | | | |
| Amortization of membership fees | 11 | **(1,247)** | (1,654) |
| Depreciation of property, plant and equipment | 6 | **3,540** | 6,081 |
| Depreciation of right-of-use assets | 5 | **1,294** | - |
| Amortization of intangible assets | 7 | **265** | 262 |
| Land lease rent expense | | **-** | 1,161 |
| Interest, net | 14 | **1,374** | 4,037 |
| Unrealized foreign exchange loss | | **2,324** | - |
| Unrealized gain on shares held for trading | | **(24)** | - |
| Loss (gain) on sale of capital assets | | **13** | (163) |
| Income tax recovery | | **(1,928)** | (2,611) |
| Collection of membership fee instalments | 11 | **266** | 472 |
| Interest paid | | **(1,360)** | (3,944) |
| Income taxes paid | | **(2,797)** | (1,213) |
| Accounts receivable | | **(8,474)** | (5,561) |
| Inventories and prepaid expenses | | **(4,325)** | (5,644) |
| Accounts payable and accrued liabilities | | **2,888** | 1,005 |
| Prepaid annual dues and deposits | | **38,030** | 38,255 |
| Cash and cash equivalents provided by operating activities | | **25,853** | 23,182 |
| **INVESTING ACTIVITIES** | | | |
| Operating property, plant and equipment expenditures | 6 | **(1,327)** | (1,744) |
| Expansion property, plant and equipment expenditures | 6 | **(329)** | (4,341) |
| Proceeds on sale of capital assets | 6 | **47** | 180 |
| Other long-term assets | | **(145)** | (383) |
| Cash used in investing activities | | **(1,754)** | (6,288) |
| **FINANCING ACTIVITIES** | | | |
| Deferred financing costs | | **-** | (5) |
| Revolving borrowings | | **(20,689)** | (9,162) |
| Non-revolving borrowings - amortization payments | | **(4,531)** | (4,795) |
| Lease liabilities | | **(1,055)** | (1,420) |
| Mortgages and loans receivable | | **6,588** | (1,628) |
| Dividends paid | 13 | **(546)** | (547) |
| Cash used in financing activities | | **(20,233)** | (17,557) |
| Net effect of currency translation adjustment on cash and cash equivalents | | **116** | 431 |
| Net increase (decrease) in cash and cash equivalents during the period | | **3,982** | (232) |
| Cash and cash equivalents, beginning of period | | **137,207** | 848 |
| Cash and cash equivalents, end of period | | **$ 141,189** | $ 616 |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

# TWC ENTERPRISES LIMITED
## Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
### March 31, 2019

## 1. NATURE OF OPERATIONS

TWC Enterprises Limited (the "Company" or "TWC") was formed under the laws of Canada. The Company's executive office is located at 15675 Dufferin Street, King City, Ontario L7B 1K5. TWC is a publicly traded company on the Toronto Stock Exchange ("TSX") under the symbol "TWC."

TWC is engaged in golf club operations under the trademark "ClubLink One Membership More Golf." TWC is Canada's largest owner, operator and manager of golf clubs with 53½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses at 41 locations in Ontario, Quebec and Florida (including one managed property).

The golf club operations located in the United States have a functional currency in United States ("US") dollars, which are translated into Canadian dollars for reporting purposes in these consolidated financial statements.

## 2. BASIS OF PRESENTATION

The interim condensed consolidated financial statements (the "financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These financial statements were authorized for issuance by the Board of Directors on May 2, 2019.

These financial statements have been prepared on a basis consistent with the Company's annual audited consolidated financial statements for the year ended December 31, 2018 with the exception of the new accounting policies that were adopted on January 1, 2019 as described later on in this note. Accordingly, certain information and disclosures normally required to be included in notes to annual financial statements have been condensed or omitted. Accordingly, these financial statements should be read in conjunction with the annual consolidated financial statements and the notes thereto for the year ended December 31, 2018. These financial statements were prepared on a going concern basis, under the historical cost model.

Due to the seasonal nature of the golf club operations in which the Company currently operates, the second and third quarters of the fiscal year account for, and are expected to account for, a greater portion of revenue and earnings than do the first and fourth quarters of each fiscal year. This seasonal pattern may cause the Company's operating revenue and net operating income to vary significantly from quarter to quarter with consequential impacts on related working capital balances. Due to this seasonality, a consolidated balance sheet as at March 31, 2018 has been presented for comparative purposes.

The functional currency of TWC and its subsidiaries is the local currency. The assets and liabilities of TWC's foreign operations where the functional currency is not the Canadian dollar are translated using the rate of exchange at the balance sheet date, whereas revenue and expenses are translated using average exchange rates during the respective periods. The resulting foreign currency translation adjustments are included in accumulated other comprehensive earnings or loss. This is the only component in this category. The accumulated balance of the foreign currency translation reserve reflects the differences since January 1, 2010, the transition date to IFRS. When a foreign operation is disposed of, the foreign currency translation adjustment applicable to that entity is recognized in the consolidated statement of earnings.

Effective January 1, 2016, TWC declared its 8.00% USD mortgage facility as a hedge against its net investment in White Pass up until the time of the divestiture of White Pass (July 31, 2018). In this type of hedging relationship, the change in value of the "effective" portion of the derivative instrument is recognized in other comprehensive income and the change in value of the "ineffective" portion is recognized in profit or loss. Accordingly, the foreign exchange translation gain or loss on this mortgage was reflected in accumulated other comprehensive income effective January 1, 2016 until July 31, 2018. The amounts recognized in other comprehensive income were reclassified to the consolidated statement of earnings as part of the divestiture of White Pass.

## 2. BASIS OF PRESENTATION (continued)

### *New Accounting Pronouncements*

The Company has adopted the following new accounting standards effective January 1, 2019.

#### *IFRS 16, Leases*

IFRS 16, Leases ("IFRS 16") was issued by the IASB on January 13, 2016, and replaces IAS 17, Leases. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019, with early application permitted if IFRS 15 has also been applied. The Company applied this standard effective January 1, 2019 using the modified retrospective approach whereby any transitional impact is recorded in equity as at January 1, 2019 and comparative periods are not restated.

At the commencement date of a lease, a lessee will recognize a liability to make lease payments and an asset representing the right-of-use to use the underlying asset during the lease term. Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The standard includes two recognition exemptions for leases; leases of 'low-value' assets and short-term leases. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events (i.e. a change in lease term, a change in future lease payments resulting from a change in an index or rate used to determine payments).

The Company has reviewed all lease contracts in which it is a lessee, and has accounted for all contracts outside of exceptions detailed below. The Company has elected to use the exemptions proposed by the standard on lease contracts for which the lease term ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. As the Company applied IFRS 16 for the first time for the year ending December 31, 2019, total assets as of January 1, 2019 increased by $21,903,000 along with a corresponding increase to total liabilities of $21,903,000. Retained earnings as of January 1, 2019 increased by $3,298,000 due to the reversal of accrued land lease rent ($4,487,000 net of deferred tax of $1,189,000) which represents additional straight line rent previously expensed compared to cash payments. Right-of-use assets are depreciated on a straight-line basis over the term of the lease.

#### *IFRIC Interpretation 23, Uncertainty over Income Tax Treatment ("IFRIC 23")*

IFRIC 23 addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments collectively

- The assumptions an entity makes about the examination of tax treatments by taxation authorities

- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates

- How an entity considers the effect of changes in facts and circumstances

An entity applies IFRIC 23 for annual reporting periods beginning on or after January 1, 2019. The requirements are applied by recognizing the cumulative effect of initially applying them in retained earnings, or in other appropriate components of equity, at the start of the reporting period in which an entity first applies them, without adjusting comparative information. Full retrospective application is permitted, if an entity can do so without using hindsight.

The IFRIC Interpretation did not have an impact on the Company's consolidated financial statements.

## 3. DIVESTITURE AND DISCONTINUED OPERATIONS

TWC was previously engaged in rail and port operations based in Skagway, Alaska which operate under the trade name White Pass & Yukon Route ("White Pass"). The railway stretches approximately 110 kilometres (67.5 miles) from Skagway, Alaska to Carcross, Yukon. In addition, White Pass operates three docks, primarily for cruise ships. White Pass was divested on July 31, 2018.

On June 6, 2018, TWC announced that it entered into a purchase and sale agreement to sell the White Pass rail and port operations to a joint venture for proceeds of US$290,000,000. Closing on July 31, 2018, the transaction represented a sale of the complete operations of White Pass. Consequently, this segment is being presented as discontinued operations in the financial statements.

The results of the discontinued operations consist of the following:

| (thousands of Canadian dollars, except per share amounts) | Notes | For the three months ended **March 31, 2019** | March 31, 2018 |
|---|---|---|---|
| REVENUE | | | |
| Operating revenue | 4 | **$ -** | $ 187 |
| EXPENSES | | | |
| Direct operating expenses | | - | 3,486 |
| Depreciation of property, plant and equipment | 7 | - | 2,268 |
| Land lease rent | | - | 59 |
| Interest, net | 14 | - | 310 |
| Other items | | | 786 |
| Loss before income taxes | | - | (6,722) |
| Income tax expense recovery | | - | (1,873) |
| Net loss | | **$ -** | $ (4,849) |
| Weighted average shares outstanding (000) | | - | 27,346 |
| Loss per share basic and diluted | | **$ -** | $ (0.18) |

The net cash flows used in the discontinued operations are as follows:

| (thousands of Canadian dollars) | For the three months ended **March 31, 2019** | March 31, 2018 |
|---|---|---|
| Cash and cash equivalents used in operating activities | **$ -** | $ (5,262) |
| Cash and cash equivalents used in investing activities | - | (4,686) |
| Cash and cash equivalents provided by financing activities | - | 4,254 |
| Net cash flows | **$ -** | $ (5,694) |

# TWC ENTERPRISES LIMITED
## Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
### March 31, 2019

## 4. OTHER ASSETS

Other assets consist of the following:

| (thousands of Canadian dollars) | **March 31, 2019** | December 31, 2018 | March 31, 2018 |
|---|---|---|---|
| Investment in joint venture | **$ 7,834** | $ 7,834 | $ 11,955 |
| Common shares in Carnival plc (349,958 shares denominated in GBP) | **23,171** | 23,147 | - |
| Rail inventory and supplies | **-** | - | 6,714 |
| Other | **891** | 683 | 1,005 |
| | **31,896** | 31,664 | $ 19,674 |
| Less: current portion | **23,171** | 23,147 | - |
| Other assets | **$ 8,725** | $ 8,517 | $ 19,674 |

On December 16, 2014, TWC and a land developer entered into a joint venture agreement to develop the Highland Gate Golf Club property into residential development. In order to effect the joint venture arrangement, TWC sold a 50% interest in the Highland Gate Golf Club including land, buildings, intangible assets and goodwill for proceeds of $3,750,000. TWC and the land developer each own an equal interest in the entity, which will undertake the residential development. All key decisions respecting the joint venture require the agreement and consent of both TWC and the developer.

As part of the joint venture arrangement, TWC and the developer share joint control of the Highland Gate land. Given that the land is held with intentions of development, in connection with the joint venture described above, under IFRS 11, Joint Arrangement ("IFRS 11") this arrangement has been accounted for as part of the development joint venture using the equity basis of accounting. To date, the joint venture has no earnings.

Summarized financial information for the Highland Gate joint venture at 100% and TWC's ownership interest is provided below:

| (thousands of Canadian dollars) | **March 31, 2019** | December 31, 2018 | March 31, 2018 |
|---|---|---|---|
| Current assets | **$ 1,259** | $ 2,173 | $ 743 |
| Land | **7,500** | 7,500 | 7,500 |
| Development costs | **32,115** | 30,296 | 19,874 |
| Secured project debt | **(18,217)** | (17,078) | - |
| Other liabilities | **(5,595)** | (5,829) | (2,813) |
| Net assets of Highland Gate joint venture at 100% | **17,062** | 17,062 | 25,304 |
| Net assets of Highland Gate joint venture at Company's share (50%) | **8,531** | 8,531 | 12,652 |
| Deferred profit | **(697)** | (697) | (697) |
| Net assets of Highland Gate joint venture | **$ 7,834** | $ 7,834 | $ 11,955 |

The deferred profit represents 50% of the gain that was not recognized when the Company sold the land to the joint venture.

The secured project debt relates to a servicing loan which matures on March 31, 2020. Of the loan proceeds, $8,240,000 was used to reimburse the joint venture partners for previously funded servicing costs in the form of return of capital.

The joint venture has $5,939,000 (March 31, 2018 – nil) in letters of credit outstanding.

## 5. RIGHT-OF-USE ASSETS

Right-of-use assets consists of the following:

| (thousands of Canadian dollars) | Land and Buildings | Equipment | Total |
|---|---|---|---|
| At December 31, 2018 | $ - | $ - | **$ -** |
| Adoption of IFRS 16 (note 2) | 21,371 | 532 | **21,903** |
| Depreciation | (1,253) | (41) | **(1,294)** |
| Foreign exchange | - | (4) | **(4)** |
| At March 31, 2019 | $ 20,118 | $ 487 | **$ 20,605** |

## 6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

| (thousands of Canadian dollars) | Land | Buildings and Land Improvements | Docks | Bunkers, Cart Paths and Irrigation | Rolling Stock and Equipment | Total |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| At January 1, 2018 | $ 309,316 | $ 210,978 | $ 80,359 | $ 108,126 | $ 168,197 | **$ 876,976** |
| Additions | 2,186 | 1,237 | 3,309 | 2,149 | 10,095 | **18,976** |
| Divestiture | (17,459) | (51,150) | (86,695) | - | (86,071) | **(241,375)** |
| Impairment | (2,981) | (2,514) | - | (3,716) | (2,105) | **(11,316)** |
| Disposals | (663) | (2,220) | - | (3,137) | (4,485) | **(10,505)** |
| Foreign exchange difference | 1,800 | 2,846 | 3,027 | 975 | 3,916 | **12,564** |
| At December 31, 2018 | 292,199 | 159,177 | - | 104,397 | 89,547 | **645,320** |
| Additions | 346 | 54 | - | 64 | 1,192 | **1,656** |
| Disposals | - | - | - | - | (166) | **(166)** |
| Foreign exchange difference | (237) | (208) | - | (176) | (179) | **(800)** |
| At March 31, 2019 | $ 292,308 | $ 159,023 | $ - | $ 104,285 | $ 90,394 | **$ 646,010** |
| **Accumulated Depreciation** | | | | | | |
| At January 1, 2018 | $ - | $ 87,459 | $ 33,702 | $ 73,679 | $ 104,295 | **$ 299,135** |
| Depreciation | - | 5,456 | 1,840 | 5,332 | 6,260 | **18,888** |
| Divestiture | - | (16,351) | (36,847) | - | (36,402) | **(89,600)** |
| Impairment | - | (461) | - | (1,413) | (1,577) | **(3,451)** |
| Disposals | - | (1,174) | - | (2,593) | (4,079) | **(7,846)** |
| Foreign exchange difference | - | 834 | 1,305 | 392 | 1,900 | **4,431** |
| At December 31, 2018 | - | 75,763 | - | 75,397 | 70,397 | **221,557** |
| Depreciation | - | 1,165 | - | 1,213 | 1,162 | **3,540** |
| Disposals | - | - | - | - | (106) | **(106)** |
| Foreign exchange difference | - | (59) | - | (76) | (123) | **(258)** |
| At March 31, 2019 | $ - | $ 76,869 | $ - | $ 76,534 | $ 71,330 | **$ 224,733** |
| Net book value at December 31, 2018 | $ 292,199 | $ 83,414 | $ - | $ 29,000 | $ 19,150 | **$ 423,763** |
| Net book value at March 31, 2019 | $ 292,308 | $ 82,154 | $ - | $ 27,751 | $ 19,064 | **$ 421,277** |

Certain property, plant and equipment have been assigned as collateral for borrowings (Note 10).

On October 13, 2017, the Company sustained a significant fire event which impacted the clubhouse at Le Maître de Mont-Tremblant. The Company has opened an insurance claim and is arranging for the reconstruction of the clubhouse. An insurance draw in the amount of $2,400,000 was received during 2018 and was recorded as part of other expenses.

Due to deteriorating operating performance, an impairment review was conducted on the Company's Fort Lauderdale golf courses for the year ended December 31, 2018. Using management's best estimate and assumptions, the Company concluded that an impairment adjustment was warranted for Eagle Trace and Heron Bay. Reasons for impairment relate to declining operating performance. A total impairment in the amount of $7,865,000 (US$5,765,000) was recorded to property, plant and equipment in 2018.

On December 14, 2018, the Company sold Club de Golf Le Fontainebleau to the shareholders of Club de Golf Rosemère for net proceeds of $8,589,000. Clublink retains a management fee arrangement of Fontainebleau and recorded a gain of $6,268,000 on the sale.

## 6. PROPERTY, PLANT AND EQUIPMENT (continued)

The Company sold White Pass on July 31, 2018. As a result, this segment is being presented as discontinued operations on the Consolidated Statement of Earnings. The breakdown of depreciation expense is as follows:

| (thousands of Canadian dollars) | **March 31, 2019** | December 31, 2018 | March, 31 2018 |
|---|---|---|---|
| Depreciation - continuing operations | **$ 3,540** | $ 15,089 | $ 3,813 |
| Depreciation - discontinued operations | **-** | 3,799 | 2,268 |
| | **$ 3,540** | $ 18,888 | $ 6,081 |

## 7. INTANGIBLE ASSETS

Intangible assets consist of the following:

| (thousands of Canadian dollars) | Membership base | Brand | Other | **Total Intangible Assets** |
|---|---|---|---|---|
| **Cost** | | | | |
| At January 1, 2018 | $ 12,316 | $ 13,477 | $ 2,430 | **$ 28,223** |
| Disposals | (252) | - | - | **(252)** |
| Foreign exchange difference | 170 | - | 17 | **187** |
| At December 31, 2018 | 12,234 | 13,477 | 2,447 | **28,158** |
| Foreign exchange difference | (43) | - | (5) | **(48)** |
| At March 31, 2019 | $ 12,191 | $ 13,477 | $ 2,442 | **$ 28,110** |
| **Accumulated amortization** | | | | |
| At January 1, 2018 | $ 4,265 | $ 4,138 | $ 1,881 | **$ 10,284** |
| Amortization | 455 | 452 | 154 | **1,061** |
| Disposals | (142) | - | - | **(142)** |
| Foreign exchange difference | 73 | - | 17 | **90** |
| At December 31, 2018 | 4,651 | 4,590 | 2,052 | **11,293** |
| Amortization | 111 | 116 | 38 | **265** |
| Foreign exchange difference | (19) | - | (5) | **(24)** |
| At March 31, 2019 | $ 4,743 | $ 4,706 | $ 2,085 | **$ 11,534** |
| Net book value at December 31, 2018 | $ 7,583 | $ 8,887 | $ 395 | **$ 16,865** |
| Net book value at March 31, 2019 | $ 7,448 | $ 8,771 | $ 357 | **$ 16,576** |

## 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

| (thousands of Canadian dollars) | **March 31, 2019** | December 31, 2018 | March 31, 2018 |
|---|---|---|---|
| Trade payables | **$ 4,129** | $ 3,433 | $ 5,267 |
| Accrued payroll costs | **2,119** | 4,104 | 2,556 |
| Accrued land lease rent | **-** | 4,487 | 5,251 |
| Accrued interest | **836** | 889 | 1,426 |
| Income taxes payable | **2,701** | 6,193 | 188 |
| Accrued liabilities and other | **12,862** | 10,640 | 8,403 |
| | **$ 22,647** | $ 29,746 | $ 23,091 |

## 9. LEASE LIABILITIES

The following table represents the change in the balance of the Company's lease liabilities:

| (thousands of Canadian dollars) | Land and Buildings | Equipment | **Total** |
|---|---|---|---|
| At January 1, 2018 | $ - | $ 1,840 | **$ 1,840** |
| Interest expense | - | 11 | **11** |
| Lease payments | - | (989) | **(989)** |
| Foreign exchange | - | 4 | **4** |
| At December 31, 2018 | - | 866 | **866** |
| Adoption of IFRS 16 (note 2) | 21,371 | 532 | **21,903** |
| Interest expense | 217 | 8 | **225** |
| Lease payments | (1,102) | (178) | **(1,280)** |
| Foreign exchange | - | (5) | **(5)** |
| At March 31, 2019 | 20,486 | 1,223 | **21,709** |
| Less: current portion | 4,422 | 606 | **5,028** |
| Lease liabilities | $ 16,064 | $ 617 | **$ 16,681** |

Future minimum payments of finance lease liabilities are as follows:

| (thousands of Canadian dollars) | Finance Lease Liabilities | Interest | **Total Minimum Lease Payments** |
|---|---|---|---|
| Balance of 2019 | $ 4,052 | $ 878 | **$ 4,930** |
| 2020 | 5,094 | 911 | **6,005** |
| 2021 | 5,358 | 593 | **5,951** |
| 2022 | 4,523 | 289 | **4,812** |
| 2023 | 1,197 | 124 | **1,321** |
| 2024 and thereafter | 1,485 | 73 | **1,558** |
| | $ 21,709 | $ 2,868 | **$ 24,577** |

The above finance lease liabilities have a weighted average interest rate of 6.2% (2018 - 4.0%). The change in interest rate is a result of the adoption of IFRS 16.

## 10. BORROWINGS

Borrowings consist of the following:

| (thousands of Canadian dollars) | **March 31, 2019** | December 31, 2018 | March 31, 2018 |
|---|---|---|---|
| **Revolving:** | | | |
| Secured revolving operating line of credit to a maximum of US $7,500,000 (March 31, 2018 - US$10,000,000) due December 31, 2020 (nil; December 31, 2018 - nil; March 31, 2018 - US$10,000,000) | **$ -** | $ - | $ 12,894 |
| Secured revolving operating line of credit to a maximum of $50,000,000 (March 31, 2018 - US$70,000,000) due September 30, 2020 | **-** | 20,689 | 61,425 |
| Secured revolving operating line of credit (nil; December 31, 2018 - nil; March 31, 2018 - US$23,628,000) | **-** | - | 30,466 |
| | **-** | 20,689 | 104,785 |
| **Non-revolving:** | | | |
| Mortgages with blended monthly payments of principal and interest | | | |
| 8.345% Mortgages due July 1, 2022 | **8,066** | 8,585 | 10,080 |
| 7.550% Mortgage due July 1, 2022 | **964** | 1,028 | 1,210 |
| 7.416% Mortgages due September 1, 2023 | **13,930** | 14,576 | 16,445 |
| 7.268% Mortgage due July 1, 2024 | **6,283** | 6,522 | 7,214 |
| 8.060% Mortgage due July 1, 2024 | **33,812** | 35,092 | 38,793 |
| 6.194% Mortgage due March 1, 2026 | **32,172** | 33,083 | 35,734 |
| 6.315% Mortgage due December 1, 2027 | **30,168** | 30,810 | 32,673 |
| 8.000% Mortgage due October 1, 2029 (US$11,639,000; December 31, 2018 - US$11,812,000; March 31, 2018 - US$12,312,000) | **15,553** | 16,114 | 15,875 |
| | **140,948** | 145,810 | 158,024 |
| Term loan (nil; December 31, 2018 - nil; March 31, 2018 - US$19,813,000) | - | - | 25,547 |
| Gross borrowings | **140,948** | 166,499 | 288,356 |
| Less: deferred financing costs | **673** | 740 | 957 |
| Borrowings | **140,275** | 165,759 | 287,399 |
| Less: current portion | **18,957** | 18,643 | 19,976 |
| | **$ 121,318** | $ 147,116 | $ 267,423 |

Borrowings are collateralized by certain property, plant and equipment assets (note 6).

Minimum principal debt repayments over the next five years and thereafter as at March 31, 2019 are as follows:

| (thousands of Canadian dollars) | Revolving Maturities | Mortgage Payments | **Total Borrowings** |
|---|---|---|---|
| Balance of 2019 | $ - | $ 14,090 | **$ 14,090** |
| 2020 | - | 20,000 | **20,000** |
| 2021 | - | 21,481 | **21,481** |
| 2022 | - | 21,759 | **21,759** |
| 2023 | - | 20,524 | **20,524** |
| 2024 and thereafter | - | 43,094 | **43,094** |
| | $ - | $ 140,948 | **$ 140,948** |

## 11. DEFERRED MEMBERSHIP FEES

Deferred membership fees consist of the following:

| (thousands of Canadian dollars) | **March 31, 2019** | December 31, 2018 | March 31, 2018 |
|---|---|---|---|
| Unamortized membership fees (note 11A) | **$ 31,493** | $ 32,597 | $ 36,150 |
| Future membership fee instalments (note 11B) | **(22,802)** | (22,915) | (24,360) |
| Deferred membership fees | **$ 8,691** | $ 9,682 | $ 11,790 |

Unamortized membership fees represents the portion of collected or committed membership fees that have not been booked as revenue.

Future membership fee instalments represents the amount of uncollected committed membership fee instalments. The Company forgives future instalments upon resignation of a member.

The net deferred membership fees represents the excess of membership fees collected over membership fee revenue recognized.

(A) Changes in unamortized membership fees are as follows:

| (thousands of Canadian dollars) | **For the three months ended March 31, 2019** | For the year ended December 31, 2018 | For the three months ended March 31, 2018 |
|---|---|---|---|
| Balance, beginning of period | **$ 32,597** | $ 37,808 | $ 37,808 |
| Sales to new members | **1,172** | 5,122 | 1,234 |
| Transfer and reinstatement fees | **125** | 759 | 151 |
| Resignations and terminations | **(1,125)** | (3,810) | (1,425) |
| Amortization of membership fees to revenue | **(1,247)** | (6,697) | (1,654) |
| Sale of Club de Golf Le Fontainebleau | **-** | (699) | - |
| Exchange difference | **(29)** | 114 | 36 |
| Balance, end of period | **$ 31,493** | $ 32,597 | $ 36,150 |

(B) Changes in future membership fee instalments are as follows:

| (thousands of Canadian dollars) | **For the three months ended March 31, 2019** | For the year ended December 31, 2018 | For the three months ended March 31, 2018 |
|---|---|---|---|
| Balance, beginning of period | **$ 22,915** | $ 24,851 | $ 24,851 |
| Sales to new members | **1,172** | 5,122 | 1,234 |
| Transfer and reinstatement fees | **125** | 759 | 151 |
| Resignations and terminations | **(1,125)** | (3,810) | (1,425) |
| Instalments received in cash | **(266)** | (3,590) | (472) |
| Sale of Club de Golf Le Fontainebleau | **-** | (487) | - |
| Exchange difference | **(19)** | 70 | 21 |
| Balance, end of period | **$ 22,802** | $ 22,915 | $ 24,360 |

## 12. REVENUE

Revenue consists of the following:

| | Three months ended March 31, 2019 | | | | |
|---|---|---|---|---|---|
| (thousands of Canadian dollars) | Canadian Golf Club Operations | US Golf Club Operations | **Total Continuing Operations** | Discontinued Operations | **Total** |
| Annual dues | $ 11,914 | $ 1,684 | **$ 13,598** | $ - | **$ 13,598** |
| Golf | 70 | 6,037 | **6,107** | - | **6,107** |
| Corporate events | (1) | 142 | **141** | - | **141** |
| Membership fees | 1,158 | 89 | **1,247** | - | **1,247** |
| Food and beverage | 889 | 1,021 | **1,910** | - | **1,910** |
| Merchandise | 437 | 384 | **821** | - | **821** |
| Rooms and other | 496 | (39) | **457** | - | **457** |
| | $ 14,963 | $ 9,318 | **$ 24,281** | $ - | **$ 24,281** |

| | Three months ended March 31, 2018 | | | | |
|---|---|---|---|---|---|
| (thousands of Canadian dollars) | Canadian Golf Club Operations | US Golf Club Operations | **Total Continuing Operations** | Discontinued Operations | **Total** |
| Annual dues | $ 12,535 | $ 1,608 | **$ 14,143** | $ - | **$ 14,143** |
| Golf | 78 | 5,202 | **5,280** | - | **5,280** |
| Corporate events | 1 | 231 | **232** | - | **232** |
| Membership fees | 1,576 | 78 | **1,654** | - | **1,654** |
| Food and beverage | 1,246 | 1,065 | **2,311** | - | **2,311** |
| Merchandise | 395 | 382 | **777** | 3 | **780** |
| Rooms and other | 623 | (14) | **609** | 60 | **669** |
| Port | - | - | **-** | 124 | **124** |
| | $ 16,454 | $ 8,552 | **$ 25,006** | $ 187 | **$ 25,193** |

## 13. SHARE CAPITAL

### *(A) Authorized and issued share capital*

The authorized share capital is an unlimited number of common shares and preferred shares. As at March 31, 2019 there are 27,286,052 common shares outstanding (December 31, 2018 - 27,286,052). As at March 31, 2019, no preferred shares have been issued. Please refer to the consolidated statements of changes in shareholders' equity for details.

### *(B) Dividends*

During 2018, ClubLink declared and paid four quarterly cash dividends of 2 cents per common share for a total of 8 cents per common share or $2,186,000 for the year.

During the first quarter of 2019, TWC declared and issued one quarterly cash dividend of 2 cents per common share paid on March 29, 2019 in the amount of $546,000.

### *(C) Shares repurchased and cancelled*

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,367,000 of its common shares which expired on September 19, 2018. From January 1, 2018 to September 19, 2018, the Company repurchased for cancellation 28,400 common shares for a total purchase price of $346,928 or $12.22 per common share, including commissions.

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,366,000 of its common shares which will expire on September 19, 2019. From September 20, 2018 to December 31, 2018, the Company repurchased for cancellation 31,087 common shares for a total purchase price of $392,380 or $12.62 per common share, including commissions. During 2019, the Company has not made any purchases under this bid.

In recording the repurchase and cancellation of shares, share capital is reduced by the weighted average issue price of the outstanding common shares with the differential to the purchase price being credited or charged to retained earnings.

### *(D) Earnings per share*

Diluted earnings per share is the same as basic earnings per share.

## 14. INTEREST, NET AND INVESTMENT INCOME

Interest, net and investment income consists of the following:

| | For the three months ended | |
|---|---|---|
| (thousands of Canadian dollars) | **March 31, 2019** | March 31, 2018 |
| Revolving lines of credit | **$ 70** | $ 811 |
| Non-revolving mortgages | **2,585** | 2,875 |
| Term loan | **-** | 287 |
| Lease liabilities | **225** | 11 |
| Line of credit from/to related party | **(403)** | 80 |
| Amortization of deferred financing costs | **67** | 108 |
| Other | **4** | 6 |
| Interest revenue and investment income | **(1,174)** | (141) |
| Interest, net and investment income | **1,374** | 4,037 |
| Interest, net and investment income - discontinued operations | **-** | (310) |
| Interest, net and investment income - continuing operations | **$ 1,374** | $ 3,727 |

## 15. OTHER ITEMS

Other items consist of the following loss (income) items:

| (thousands of Canadian dollars) | **March 31, 2019** | March 31, 2018 |
|---|---|---|
| Loss (gain) on property, plant and equipment | **$ 13** | $ (163) |
| Insurance claims | **-** | 239 |
| Foreign exchange loss | **4,407** | - |
| Unrealized gain on shares held for trading | **(24)** | - |
| Other | **(131)** | 455 |
| Other items | **4,265** | 581 |
| Other items - discontinued operations | **-** | (786) |
| Other items - continuing operations | **$ 4,265** | $ (205) |

As part of the White Pass transaction, sale proceeds were received in US funds. On the date of the sale, July 31, 2018, the exchange rate was 1.3017. On March 8, 2019, $90,000,000 US of the proceeds were converted to Canadian at a rate of 1.3430, resulting in a realized foreign exchange gain of $3,717,000.

## 16. RELATED PARTY TRANSACTIONS

The immediate parent and controlling party of the Company is Paros Enterprises Limited ("Paros") and its parents – S.N.A. Management Limited. These companies are privately-owned companies whose shareholder is the Chairman, President and Chief Executive Officer of the Company – K. (Rai) Sahi.

K. (Rai) Sahi, the Chairman, President and Chief Executive Officer of the Company is also the controlling shareholder of Morguard Corporation ("Morguard").

The Company has provided an unsecured revolving demand credit facility to Morguard in the amount of $50,000,000 (March 31, 2018 – $30,000,000), with no fixed maturity date. Morguard has provided an unsecured revolving demand credit facility to TWC in the amount of $50,000,000 with no fixed maturity date. These facilities bear interest on a basis which is consistent with the entity's borrowing costs. As at December 31, 2018, the total loan receivable from Morguard outstanding on this facility was $47,809,000, and net interest income earned amounted to $269,000. Net interest receivable at December 31, 2018 was $365,000. As at March 31, 2019, the total loan receivable from Morguard outstanding on this facility was $39,294,000 (March 31, 2018 - $1,628,000), and net interest income earned amounted to $403,000 (March 31, 2018 - $80,000 interest incurred). Net interest receivable at March 31, 2019 was $403,000 (March 31, 2018 - $39,000 net interest payable).

The Company has provided an unsecured revolving demand credit facility to Paros in the amount of $5,000,000, with no fixed maturity date. Paros has provided an unsecured revolving demand credit facility to TWC in the amount of $5,000,000 with no fixed maturity date. These facilities bear interest at prime plus 1%. During 2019 and 2018, there were no advances or repayments under these facilities.

The purpose of these credit facilities is to allow each of the above entities to manage its financing activities in the most effective manner.

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of $174,000 for the period ended March 31, 2019 (March 31, 2018 - $60,000), under a contractual agreement, which is included in operating expenses. Morguard also provides back-office services to ClubLink US Corporation. The Company paid a management fee of US$115,000 (CDN$153,000) for the period ended March 31, 2019 (March 31, 2018 - US$115,000; CDN$145,000) under a contractual agreement, which is included in direct operating expenses.

A total of US$13,000 of rental revenue was earned by TWC for the period ended March 31, 2019 (March 31, 2018 - US$13,000) from Morguard relating to a shared office facility in Florida.

All related party transactions were made in the ordinary course of business and on substantially the same terms including interest rates and security as for comparable transactions with parties of a similar standing.

## 17. SEGMENTED INFORMATION

TWC's reportable segments are strategic business units that offer different services and/or products. The Company's operating segments have been determined based on reports reviewed that are used to make strategic decisions by the President and CEO, the Company's chief operating decision maker.

TWC is engaged in golf club operations under the trademark "ClubLink One Membership More Golf". TWC is Canada's largest owner, operator and manager of golf clubs with 53½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses (including one managed property), at 41 locations in two separate geographic Regions: (a) Canada and (b) United States.

TWC's golf clubs are strategically organized in clusters that are located in densely populated metropolitan areas and resort destinations frequented by those who live and work in these areas. By operating in regions, TWC is able to offer golfers a wide variety of unique membership, corporate event and resort opportunities. TWC is also able to obtain the benefit of operating synergies to maximize revenue and achieve economies of scale to reduce costs.

TWC was also engaged in rail and port operations based in Skagway, Alaska which operate under the trade name of "White Pass & Yukon Route". This includes a tourist railway stretching approximately 110 kilometres (67.5 miles) from Skagway, Alaska to Carcross, Yukon. On June 6, 2018, TWC announced that it entered into a purchase and sale agreement to sell the White Pass rail and port operations to a joint venture for proceeds of US$290,000,000. Closed on July 31, 2018, the transaction represented a sale of the complete rail, port and merchandise operations of White Pass. This segment is being presented as discontinued operations in the financial statements.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Any inter-segment transfers are recorded at cost.

Geographical information is not separately presented as the industry segments operate in separate and distinct geographical segments on their own.

| For the Three Months Ended March 31, 2019 | | | | | | |
|---|---|---|---|---|---|---|
| (thousands of Canadian dollars) | Canadian Golf Club Operations | US Golf Club Operations | Corporate Operations | **Total Continuing Operations** | Discontinued Operations | **Total** |
| Operating revenue | $ 13,805 | $ 9,229 | $ - | **$ 23,034** | $ - | **$ 23,034** |
| Direct operating expenses | (11,807) | (6,794) | (856) | **(19,457)** | | **(19,457)** |
| Net operating income (loss) | 1,998 | 2,435 | (856) | **3,577** | - | **3,577** |
| Amortization of membership fees | 1,158 | 89 | - | **1,247** | - | **1,247** |
| Depreciation and amortization | (4,632) | (467) | - | **(5,099)** | - | **(5,099)** |
| Other items | 360 | 176 | (4,801) | **(4,265)** | - | **(4,265)** |
| Segment earnings (loss) before interest and income taxes | $ (1,116) | $ 2,233 | $ (5,657) | **(4,540)** | - | **(4,540)** |
| Interest, net (unallocated) | | | | **(1,374)** | - | **(1,374)** |
| Recovery of income taxes (unallocated) | | | | **1,928** | - | **1,928** |
| Net loss | | | | **$ (3,986)** | $ - | **$ (3,986)** |
| Capital expenditures | $ 1,629 | $ 27 | $ - | **$ 1,656** | $ - | **$ 1,656** |

## 17. SEGMENTED INFORMATION (continued)

| | For the Three Months Ended March 31, 2018 | | | | | |
|---|---|---|---|---|---|---|
| (thousands of Canadian dollars) | Canadian Golf Club Operations | US Golf Club Operations | Corporate Operations | **Total Continuing Operations** | Discontinued Operations | **Total** |
| Operating revenue | $ 14,878 | $ 8,474 | $ - | **$ 23,352** | $ 187 | **$ 23,539** |
| Direct operating expenses | (11,892) | (6,837) | (768) | **(19,497)** | (3,486) | **(22,983)** |
| Net operating income (loss) | 2,986 | 1,637 | (768) | **3,855** | (3,299) | **556** |
| Amortization of membership fees | 1,576 | 78 | - | **1,654** | - | **1,654** |
| Depreciation and amortization | (3,484) | (591) | - | **(4,075)** | (2,268) | **(6,343)** |
| Land lease rent | (1,102) | - | - | **(1,102)** | (59) | **(1,161)** |
| Other items | (33) | 238 | - | **205** | (786) | **(581)** |
| Segment earnings (loss) before interest and income taxes | $ (57) | $ 1,362 | $ (768) | **537** | (6,412) | **(5,875)** |
| Interest, net (unallocated) | | | | **(3,727)** | (310) | **(4,037)** |
| Recovery of income taxes (unallocated) | | | | **738** | 1,873 | **2,611** |
| Net loss | | | | **$ (2,452)** | $ (4,849) | **$ (7,301)** |
| Capital expenditures | $ 1,613 | $ 35 | $ - | **$ 1,648** | $ 4,437 | **$ 6,085** |

## 18. CONTINGENCIES

From time to time, TWC and certain of its subsidiaries, employees, officers and/or directors are defendants in a number of legal actions arising in the ordinary course of operations. In the opinion of management, it is expected that the ultimate resolution of such pending legal proceedings will not have a material effect on TWC's consolidated financial position.

## 19. SUBSEQUENT EVENT

On May 2, 2019, the Company declared a 2 cents per common share cash dividend, payable June 14, 2019 to shareholders of record on May 31, 2019.

# GOLF CLUB AND RESORT PROPERTY LISTING

| | Championship Golf Holes | Academy Golf Holes | Future Golf Holes | Current Rooms | Surplus Land in Acres |
|---|---|---|---|---|---|
| **ONTARIO/QUEBEC REGION** | | | | | |
| Prestige | | | | | |
| 1. Greystone Golf Club, Milton, Ontario | 18 | – | – | – | – |
| 2. King Valley Golf Club, The Township of King, Ontario | 18 | – | – | – | – |
| 3. RattleSnake Point Golf Club, Milton, Ontario | 36 | 9 | – | – | – |
| Hybrid – Prestige | | | | | |
| 4. Glen Abbey Golf Club, Oakville, Ontario | 18 | – | – | – | – |
| Platinum | | | | | |
| 5. Blue Springs Golf Club, Acton, Ontario | 18 | 9 | – | – | – |
| 6. Club de Golf Islesmere, Laval, Quebec (a) | 27 | – | – | – | – |
| 7. Club de Golf Rosemère, Blainville, Quebec (b) | 18 | – | – | – | – |
| 8. DiamondBack Golf Club, Richmond Hill, Ontario | 18 | – | – | – | – |
| 9. Eagle Creek Golf Club, Dunrobin, Ontario | 18 | – | – | – | – |
| 10. Emerald Hills Golf Club, Whitchurch-Stouffville, Ontario | 27 | – | – | – | – |
| 11. Glencairn Golf Club, Milton, Ontario | 27 | – | – | – | – |
| 12. Grandview Golf Club, Huntsville, Ontario | 18 | – | 18 | – | – |
| 13. Heron Point Golf Links, Ancaster, Ontario | 18 | – | – | – | – |
| 14. Kanata Golf & Country Club, Kanata, Ontario | 18 | – | – | – | – |
| 15. King's Riding Golf Club, The Township of King, Ontario | 18 | – | – | – | – |
| 16. Le Maître de Mont-Tremblant, Mont-Tremblant, Quebec | 18 | – | – | – | – |
| 17. Rocky Crest Golf Club, Mactier, Ontario | 18 | – | 18 | – | – |
| 18. The Lake Joseph Club, Port Carling, Ontario | 18 | 9 | – | – | – |
| 19. Wyndance Golf Club, Uxbridge, Ontario | 18 | 9 | – | – | – |
| Gold | | | | | |
| 20. Caledon Woods Golf Club, Bolton, Ontario | 18 | – | – | – | – |
| 21. Club de Golf Hautes Plaines, Gatineau, Quebec | 18 | – | – | – | – |
| 22. Eagle Ridge Golf Club, Georgetown, Ontario | 18 | – | – | – | – |
| 23. Glendale Golf and Country Club, Hamilton, Ontario | 18 | – | – | – | – |
| 24. Greenhills Golf Club, London, Ontario (a) | 18 | – | – | – | – |
| 25. GreyHawk Golf Club, Ottawa, Ontario | 36 | – | – | – | – |
| 26. National Pines Golf Club, Innisfil, Ontario (a) | 18 | – | – | – | – |
| 27. Station Creek Golf Club, Whitchurch-Stouffville, Ontario | 36 | – | – | – | – |
| 28. The Country Club, Woodbridge, Ontario (a) | 36 | 9 | – | – | – |
| Hybrid – Gold | | | | | |
| 29. Cherry Downs Golf & Country Club, Pickering, Ontario | 18 | 9 | 18 | – | – |
| 30. Club de Golf Val des Lacs, Ste. Sophie, Quebec | 18 | – | – | – | – |
| 31. The Club at Bond Head, Bond Head, Ontario (a) | 36 | – | – | – | – |
| Hybrid – Silver | | | | | |
| 32. Bethesda Grange, Whitchurch-Stouffville, Ontario | 18 | – | – | – | – |
| 33. Hidden Lake Golf Club, Burlington, Ontario | 36 | – | – | – | – |
| Daily Fee | | | | | |
| 34. Grandview Inn Course, Huntsville, Ontario | – | 9 | – | – | – |
| 35. Rolling Hills Golf Club, Whitchurch-Stouffville, Ontario | 36 | – | – | – | – |
| Muskoka, Ontario Resorts | | | | | |
| 36. The Lake Joseph Club, Port Carling, Ontario | – | – | – | 25 | – |
| 37. Rocky Crest Resort/Lakeside at Rocky Crest, Mactier, Ontario (c) | – | – | – | 84 | – |
| 38. Sherwood Inn, Port Carling, Ontario | – | – | – | 49 | – |
| **FLORIDA REGION** | | | | | |
| Hybrid – Prestige | | | | | |
| 1. TPC Eagle Trace, Coral Springs, Florida | 18 | – | – | – | – |
| Hybrid – Platinum | | | | | |
| 2. Club Renaissance, Sun City Center, Florida | 18 | – | – | – | – |
| Gold | | | | | |
| 3. Scepter Golf Club, Sun City Center, Florida | 27 | – | – | – | – |
| Hybrid – Gold | | | | | |
| 4. Woodlands Country Club, Tamarac, Florida | 36 | – | – | – | – |
| Hybrid – Silver | | | | | |
| 5. Sandpiper Golf Club, Sun City Center, Florida | 27 | – | – | – | – |
| Daily Fee | | | | | |
| 6. Heron Bay Golf Club, Coral Springs, Florida | 18 | – | – | – | – |
| 7. Palm Aire Country Club (Oaks, Cypress), Pompano Beach, Florida | 36 | – | – | – | – |
| 8. Palm Aire Country Club (Palms), Pompano Beach, Florida | 18 | – | – | – | – |
| **OTHER** | | | | | |
| Kings Point Golf Club, Sun City Center, Florida (d) | – | – | – | – | 51 |
| Caloosa Greens Golf Club, Sun City Center, Florida (d) | – | – | – | – | 70 |
| Highland Gate, Aurora, Ontario (50%) | – | – | – | – | 101 |
| Falcon Watch Golf Club, Sun City Center, Florida (d) | – | – | – | – | 116 |
| North Lakes Golf Club, Sun City Center, Florida (d) | – | – | – | – | 170 |
| King Haven, The Township of King, Ontario | – | – | – | – | 278 |
| Harwood, Montreal, Quebec | – | – | – | – | 400 |
| Total 18-hole Equivalent Courses, Rooms, Acres | 53.5 | 3.5 | 3.0 | 158 | 1,186 |

Notes: (a) Operated by ClubLink under long-term leases.
(b) Property managed by ClubLink (formerly known as Club de Golf Le Fontainebleau)
(c) Rocky Crest Resort consists of 65 units and Lakeside at Rocky Crest consists of 19 units.
(d) North Lakes, Falcon Watch, Caloosa Greens and Kings Point Golf Clubs are closed.

# TWC ENTERPRISES LIMITED

CLUBLINK ONE MEMBERSHIP more golf®

## CORPORATE DIRECTORY

### BOARD OF DIRECTORS

**FRASER BERRILL** (c)
**PATRICK S. BRIGHAM** (b, c)
**PAUL CAMPBELL** (b, c)
**JOHN LOKKER** (a)
**SAMUEL J.B. POLLOCK** (a, b)
**ANGELA SAHI** (a)
**K. (RAI) SAHI**
**DONALD TURPLE** (a)
**JACK D. WINBERG** (b, c)

(a) Audit Committee
(b) Corporate Governance and Compensation Committee
(c) Environmental, Health and Safety Committee

### OFFICERS

**K. (RAI) SAHI**
Chairman, President and Chief Executive Officer

**ANDREW TAMLIN**
Chief Financial Officer

**ROBERT VISENTIN**
Senior Vice President, Investments

**ROBERT WRIGHT**
Vice President

**JOHN A. FINLAYSON**
Chief Operations Officer, Canadian Golf Operations
Vice President, Florida Golf Operations

**JAMIE KING**
Vice President, Sales, Canadian Golf Operations

**BRENT MILLER**
Vice President, Corporate Operations and Member Services, Canadian Golf Operations

### ANNUAL MEETING OF SHAREHOLDERS

of TWC Enterprises Limited will be held at RattleSnake Point
5407 Regional Road 25 Milton, ON L9T 2X5
at 11:30 a.m. on Wednesday, May 8, 2019.

### CORPORATE INFORMATION

**EXECUTIVE OFFICE**
15675 Dufferin Street
King City, Ontario L7B 1K5
TEL: (905) 841-3730
FAX: (905) 841-1134

**WEB SITES**
twcenterprises.ca
clublink.ca

**INVESTOR RELATIONS**
Contact: Andrew Tamlin
Tel: 905-841-5372
Email: atamlin@clublink.ca

**BANKERS**
HSBC Bank Canada
HSBC Bank USA

**AUDITORS**
Deloitte LLP

**STOCK EXCHANGE LISTING**
Common shares: TSX: TWC

**TRANSFER AGENT**
AST Trust Company (Canada)
P.O. Box 700, Postal Station B, Montreal, QC H3B 3K3
Tel: 416-682-3860
Toll Free (North America): 1-866-781-3111
Fax: 1-888-249-6189
Email: inquiries@astfinancial.com

To change your address, eliminate multiple mailings, transfer shares or for any other inquiry, please contact AST Trust Company (Canada) at the above co-ordinates.