

This management's discussion and analysis of financial condition and results of operations ("MD&A") should be read in conjunction with TWC Enterprises Limited's ("TWC" or the "Company", formerly ClubLink Enterprises Limited) audited consolidated financial statements and accompanying notes for the year ended December 31, 2020. This MD&A has been prepared as at March 5, 2021 and all amounts are in Canadian dollars unless otherwise indicated.

In this document, unless otherwise indicated, all financial data are prepared in accordance with International Financial Reporting Standards ("IFRS").

FORWARD-LOOKING STATEMENTS

Statements contained herein that are not based on historical or current fact, including without limitation, statements containing the words "anticipate", "believe", "may", "continue", "estimate", "expects", "will" and words of similar expression, constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, both nationally and in the regions in which the Company operates; changes in business strategy or development/acquisition plans; environmental exposures; financing risk; existing governmental regulations and changes in, or the failure to comply with, governmental regulations; liability and other claims asserted against the Company; and other factors including risks and uncertainties relating to the COVID-19 pandemic referred to in the Company's filings with Canadian securities regulators. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not assume the obligation to update or revise any forward-looking statements.

The above list of important factors affecting forward-looking information is not exhaustive, and reference should be made to the other risks discussed in TWC's filings with Canadian securities regulatory authorities. TWC undertakes no obligation, except as required by law, to update publicly or otherwise any forward-looking information, whether as a result of new information, future events or otherwise, or the above list of factors affecting this information.

Given the impact of the changing circumstances surrounding the COVID-19 pandemic and the related response from the Company, governments (federal, provincial and municipal), regulatory authorities, businesses and customers, there is inherently more uncertainty associated with the Company's assumptions as compared to prior periods. These assumptions and related risks, many of which are confidential, include but are not limited to management expectations with respect to the factors above as well as general economic conditions, which includes the impact on the economy and financial markets of the COVID-19 pandemic and other health risks.

NON-IFRS MEASURES

The Company has prepared the financial information contained in this discussion and analysis in accordance with IFRS. Reference is also made to net operating income, operating margin, cash flow from operations, funds from operations and adjusted funds from operations. The calculations of these measures can be found embedded in the MD&A.

TWC uses non-IFRS measures as a benchmark measurement of our own operating results and as a benchmark relative to our competitors. We consider these non-IFRS measures to be a meaningful supplement to net earnings. We also believe these non-IFRS measures are commonly used by securities analysts, investors and other interested parties to evaluate our financial performance. These measures, which included direct operating expenses and net operating income do not have standardized meaning under IFRS. While these non-IFRS measures have been disclosed herein to permit a more complete comparative analysis of the Company's operating performance and debt servicing ability relative to other companies, readers are cautioned that these non-IFRS measures as reported by TWC may not be comparable in all instances to non-IFRS measures as reported by other companies.

The glossary of financial terms is as follows:

Direct operating expenses = expenses that are directly attributable to the Company's business units and are used by management in the assessment of their performance. These exclude expenses which are attributable to corporate decisions such as impairment.

Net operating income = operating revenue - direct operating expenses

Operating margin = net operating income/operating revenue

Operating property, plant and equipment expenditures = capital expenditures to maintain existing operations

Expansion property, plant and equipment expenditures = capital expenditures which expand existing operations

Net operating income is an important metric used by management in evaluating the Company's operating performance as it represents the revenue and expense items that can be directly attributable to the specific business unit's ongoing operations. It is not a measure of financial performance under IFRS and should not be considered as an alternative to measures of performance under IFRS. The most directly comparable measure specified under IFRS is net earnings.

BUSINESS STRATEGY AND CORPORATE OVERVIEW

TWC operates in the golf operations business segment. In addition, the corporate operations segment oversees the golf operations segment and considers investment opportunities. Effective July 31, 2018, the rail and port operating business segment was sold.

TWC's strategic objective is to grow long-term shareholder value by improving net operating income and operating margins of its underlying business as well as considering options to unlocking long-term value from its investment in land.

TWC is also involved with considering investment opportunities.

OVERVIEW OF BUSINESS SEGMENTS

Golf Club Operations Segment

TWC is engaged in golf club operations under the trademark "ClubLink One Membership More Golf" ("ClubLink"). ClubLink is Canada's largest owner, operator and manager of golf clubs with 48½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses, at 37 locations in two separate geographical Regions: (a) Ontario/Quebec (including one managed property) and (b) Florida.

ClubLink'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, ClubLink is able to offer golfers in their Region a wide variety of unique membership, daily fee, corporate event and resort opportunities. ClubLink is also able to obtain the benefit of operating synergies to maximize revenue and achieve economies of scale to reduce costs.

Revenue at all golf club properties is enhanced by cross-marketing, as the demographics of target markets for each are substantially similar. Revenue is further improved by corporate golf events, business meetings and social events that utilize golf capacity and related facilities at times that are not in high demand by ClubLink's members. Due to COVID-19, this supplemental revenue was minimal in 2020 and will again be significantly lower than normal in 2021.

Member and Hybrid Golf Club revenue is maximized by the sale of flexible personal and corporate memberships that offer reciprocal playing privileges at ClubLink golf clubs. In recent years, ClubLink has been focusing on providing enhanced value for its memberships as well as cultivating a family-type atmosphere at its golf clubs.

Daily fee golf club revenue is maximized through unique and innovative marketing programs in conjunction with dynamic pricing.

ClubLink also has annual membership programs, which are unique to each Region. These product offerings include Players Card and Players Club in the Ontario/Quebec Region; as well as the ClubLink Card in the Florida Region. While traditional full privilege golf members have been declining, ClubLink has been focusing on these supplemental categories to replace annual dues revenue.

(a) Ontario/Quebec

ClubLink's Ontario/Quebec Region is organized into two clusters: the major metropolitan areas of Southern Ontario and Muskoka, Ontario's premier resort area, extending from Hamilton to Huntsville to Pickering, with a particularly strong presence in the Greater Toronto Area; and Quebec/Eastern Ontario, extending from the National Capital Region to Montreal, including Mont-Tremblant, Quebec's premier resort area.

In 2021, ClubLink will be operating 25 Ontario/Quebec Region Member Golf Clubs in three categories as follows:

Prestige:	Greystone, King Valley, RattleSnake Point
Platinum:	Blue Springs, DiamondBack, Eagle Creek, Emerald Hills, Georgetown, Glencairn, Grandview, Heron Point, Islesmere, Kanata, King's Riding, Lake Joseph, Le Maître, Rocky Crest, Wyndance
Gold:	Caledon Woods, Country Club, Glendale, GreyHawk, Hautes Plaines, National Pines, Station Creek

In 2021, ClubLink will be managing one golf club on behalf of other owners as follows:

Club de Golf Le Fontainebleau was purchased by Club de Golf Rosemère on December 14, 2018 and changed its name to Club de Golf Rosemère. ClubLink retains a management fee arrangement of Fontainebleau.

Greenhills Golf Club was sold on February 4, 2020.

OVERVIEW OF BUSINESS SEGMENTS (continued)

Golf Club Operations Segment (continued)

(a) Ontario/Quebec (continued)

In 2021, ClubLink will be operating five Ontario/Quebec Region Hybrid Golf Clubs in three categories as follows:

Hybrid – Prestige: Glen Abbey

Hybrid – Gold: Cherry Downs, The Club at Bond Head

Hybrid – Silver: Bethesda Grange, Hidden Lake

Val des Lacs was closed for the 2020 operating season and was subsequently sold on July 13, 2020.

Hybrid Golf Clubs are available for daily fee (public) play, reciprocal access by other ClubLink Members and provide a home club for Members with reciprocal access to the ClubLink system.

In 2021, ClubLink will be operating two Ontario/Quebec Region Daily Fee Golf Clubs as follows:

Daily Fee: Grandview Inn, Rolling Hills

ClubLink has approximately 350 Players Card memberships. Players Card annual memberships allow golfers unlimited access to Rolling Hills during spring and fall shoulder seasons in addition to twilight golf during the summer season. A fixed number of rounds certificates are also included with each Players Card.

ClubLink has approximately 3,400 Players Club memberships. The Players Club memberships have varying degrees of access to ClubLink's daily fee golf clubs at different price points.

Players Card and Players Club member databases also provide ClubLink an opportunity to cultivate these relationships into a full privilege golf membership.

ClubLink owns sufficient land to develop an additional 18 holes at Cherry Downs Golf Club in Pickering, Grandview Golf Club in Muskoka and Rocky Crest Golf Club in Muskoka.

In 2021, ClubLink will be operating The Lake Joseph Club, Rocky Crest Resort and Sherwood Inn.

The Lake Joseph Club and Rocky Crest Resort operate seasonally from May to October while Sherwood Inn is available during the off season for group and weekend bookings.

ClubLink's remaining Muskoka land holdings, excluding golf course development sites, include zoned and serviced land that are capable of supporting a substantial number of resort rooms/villas, conference facilities and residential homes.

(b) United States

ClubLink's Florida Region includes eight 18-hole equivalent championship golf courses.

In 2021, ClubLink will be operating six Florida Region Golf Clubs as follows:

TPC Eagle Trace, Club Renaissance, Scepter, Sandpiper, Palm Aire (Cypress/Oaks), Palm Aire (Palms)

In 2019, Heron Bay Golf Club was closed.

In 2020, Woodlands Golf and Country Club was closed as part of the mandated closures from the COVID-19 pandemic. Due to years of declining performance, it was not re-opened.

Corporate Operations Segment

TWC's objective at the corporate level is to identify opportunities to generate incremental returns and cash flow. Historically, the nature of these investments included debt and equity instruments in both public and private organizations.

SIGNIFICANT EVENT

Operating Update - COVID-19 Pandemic

The Company recognizes the impact COVID-19 has on its properties along with its operations. All of the Company's properties were closed on March 20th. Renaissance and Scepter re-opened on April 15th and the rest of the Florida properties re-opened on May 2nd. Ontario properties re-opened on May 16th and Quebec properties re-opened on May 20th as governmental orders were lifted. Certain food and beverage operations were also mandated to be closed in the fall of 2020 due to government imposed lockdowns. This has and will continue to impact into 2021 certain revenue streams such as corporate events, banquets, weddings and food and beverage.

In March, ClubLink activated its Crisis Management Team which was mandated to maintain a safe environment for our members, customers and employees, coordinating efforts across our portfolio, standardizing communications and responding as circumstances demand.

With the guidance of public health authorities, and at the direction of various levels of government, ClubLink has implemented measures to help reduce the spread of COVID-19 including:

- temporarily eliminating services deemed to be risky;
- intensified cleaning, focusing staff efforts on cleaning high-touch point areas at all our properties using approved cleaning products;
- management offices are staffed but doors are locked;
- non critical maintenance work has been deferred;
- added additional hand sanitizers to help customers and employees maintain recommended practices for hand washing; and
- posted health and safety best practice reminders to increase awareness of the most current guidelines.

The Company modified property access to limit the number of people at large, reduce group gatherings and maintain physical distance between customers. As restrictions have been lifted and more services have been re-introduced, access to the property still requires an appointment (for example, pre-booked tee times). A "greeter" position was created and stationed at the entrance to each property, with the sole responsibility being to approve access to the property and educate incoming customers on current COVID-19 operating procedures and expectations.

The Company adopted a mandatory mask or face covering policy for all indoor public spaces at all properties including the corporate office. This includes all staff, customers and visitors entering the bathrooms, golf shops, halfway houses, bistros, and all other common areas. A COVID-19 screening questionnaire was also introduced for all members and guests prior to accessing a property. Ontario properties are following the mandatory COVID-19 screening of employees and visitors prior to entering the workplace, including outdoor workplaces.

It is expected that the above protocols will be in place for the 2021 operating season. The Company is actively monitoring the ongoing developments with regards to COVID-19 and are committed in ensuring a healthy and safe environment, adjusting our service model as necessary.

Operating Update

Out of an abundance of caution for the safety of our guests and employees, ClubLink will be limiting group events for 2021 to certain thresholds. Revenue from group events was minimal for 2020. While the decline in activity from group bookings resulted in decreased revenue, it enabled ClubLink to accommodate the overwhelming demand for tee times from members and customers.

As restricted dining has been allowed to resume, the Company has implemented safety measures to maintain physical distancing. It is expected that there will continue to be restrictions on food and beverage services for 2021. ClubLink did not host any Christmas parties and is monitoring whether it will accept any wedding or meeting business in 2021.

In order to mitigate the impact of these revenue shortfalls, ClubLink filed for the Canada Emergency Wage Subsidy.

Due to very strong demand for golf as an alternative to other activities which are not feasible during the pandemic, golf revenue has increased substantially in addition to increased membership sales since June 2020.

SUMMARY OF CANADIAN/US EXCHANGE RATES USED FOR TRANSLATION PURPOSES

The following exchange rates translate one US dollar into the Canadian dollar equivalent.

	2020	2019	2018
Balance Sheet, at December 31	1.2732	1.2988	1.3642
Statement of Earnings, average for the year	1.3412	1.3268	1.2961

SELECTED FINANCIAL INFORMATION

The table below sets forth selected financial data relating to the Company's fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018. This financial data is derived from the Company's audited consolidated financial statements, which are prepared in accordance with IFRS.

(thousands of Canadian dollars, except per share amounts)	2020	2019	2018	% Change 2020/2019	% Change 2019/2018
OPERATING REVENUE	\$ 127,216	\$ 163,641	\$ 165,941	(22.3%)	(1.4%)
DIRECT OPERATING EXPENSES	83,305	134,655	136,912	(38.1%)	(1.7%)
NET OPERATING INCOME	43,911	28,986	29,029	51.5%	(0.1%)
Operating margin (%)	34.5%	17.7%	17.5%	42.4%	1.1%
Amortization of membership fees	4,585	5,146	6,697	(10.9%)	(23.2%)
Depreciation, amortization and lease expense	(19,249)	(20,119)	(20,534)	(4.3%)	(2.0%)
Interest, net and investment income	(3,609)	(4,923)	(11,447)	(26.7%)	(57.0%)
Other items	(21,458)	(1,644)	16,720	1,205.2%	N/A
Impairment expense	-	(352)	(7,865)	(100.0%)	(97.8%)
Income taxes	(3,209)	(2,190)	(3,394)	46.5%	(35.5%)
NET EARNINGS FROM CONTINUING OPERATIONS	971	4,904	9,206	(80.2%)	(46.7%)
NET EARNINGS FROM DISCONTINUED OPERATIONS	-	-	216,983	-	N/A
NET EARNINGS	\$ 971	\$ 4,904	\$ 226,189	(80.2%)	N/A
BASIC AND DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 0.04	\$ 0.18	\$ 0.34	(77.8%)	(47.1%)
BASIC AND DILUTED EARNINGS PER SHARE FROM DISCONTINUED OPERATIONS	-	-	7.94	-	N/A
BASIC AND DILUTED EARNINGS PER SHARE	\$ 0.04	\$ 0.18	\$ 8.28	(77.8%)	N/A
TOTAL ASSETS	\$ 632,382	\$ 675,606	\$ 703,076	(6.4%)	(3.9%)
GROSS BORROWINGS INCLUDING LEASE LIABILITIES	\$ 130,968	\$ 148,947	\$ 167,365	(12.1%)	(11.0%)
SHAREHOLDERS' EQUITY	\$ 414,369	\$ 436,530	\$ 438,581	(5.1%)	(0.5%)

2020 CONSOLIDATED OPERATING HIGHLIGHTS

As a result of the COVID-19 pandemic, the Company closed all golf clubs in mid March in order to adhere to government restrictions and ensure the health and wellbeing of members and staff alike. This has and will continue to impact revenue streams that involve social gatherings such as corporate events, banquets, weddings and food and beverage. As government closure orders were lifted, Ontario courses were re-opened on May 16th, 2020 and Quebec courses were re-opened on May 20th, 2020, but social distancing requirements continue to prohibit certain revenue streams such as corporate events, banquets, weddings, meetings and other large gatherings. All Florida courses were re-opened by May 2nd. The Company will continue to adhere to guidance provided by governments and regulatory authorities.

Due to overwhelming demand for golf amongst the Company's members and customers, golf revenue increased 36.7% to \$33,241,000 in 2020 from \$24,312,000 in 2019 for the Canadian golf operations.

Consolidated operating revenue decreased 22.3% to \$127,216,000 in 2020 from \$163,641,000 in 2019 due to the decline in revenue from the impact of COVID-19. This decline is due to streams of revenue that have been lost due to regulations surrounding COVID-19. Group business has been minimal, including corporate events, weddings, banquets or resort stays, as social distancing measures remain in place.

Direct operating expenses decreased 38.1% to \$83,305,000 in 2020 from \$134,655,000 in 2019 due to the fact that certain revenue streams were reduced which all had costs associated with them. Certain cost saving measures have been enacted in order to help offset the revenue declines. Expenses also significantly declined during the spring of 2020 when the Company was not allowed to operate. Labour and employee benefits for the Canadian golf operations have decreased 48.4% to \$30,340,000 in 2020 from \$58,944,000 in 2019 as a result of these changes and the recording of the Canada Emergency Wage Subsidy.

Net operating income for the Canadian golf club operations segment increased to \$46,213,000 in 2020 from income of \$31,267,000 in 2019 despite the impact of COVID-19 on streams of revenue relating to group business.

Interest, net and investment income decreased 26.7% to an expense of \$3,609,000 in 2020 from \$4,923,000 in 2019 due to a decrease in borrowings and an increase in investment income from the Company's investment in Automotive Properties REIT.

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

(thousands of Canadian dollars)	2020	2019	2018
Foreign exchange loss (gain)	\$ (1,256)	\$ 6,944	\$ (12,238)
Gain on property, plant and equipment	(1,416)	(525)	(6,630)
Unrealized loss (gain) on investment in marketable securities	7,311	(2,426)	3,175
Loss on sale of common shares in Carnival plc	16,240	-	-
Equity income from investments in joint ventures	(115)	(1,135)	-
Insurance proceeds	-	(2,141)	(1,145)
Other	694	927	118
Other items	\$ 21,458	\$ 1,644	\$ (16,720)

The exchange rate used for translating US denominated assets has changed from 1.2988 at December 31, 2019 to 1.2732 at December 31, 2020. This has resulted in a foreign exchange gain of \$1,256,000 in 2020 on the translation of the Company's US denominated financial instruments.

On July 13, 2020, ClubLink sold Club de Golf Val des Lacs for proceeds of \$1,750,000, including a vendor take-back mortgage of \$300,000. Net proceeds totalled \$1,680,000 and ClubLink recorded a gain of \$835,000 on the sale.

Net earnings decreased to \$971,000 in 2020 from \$4,904,000 in 2019 due to the loss on the sale of Carnival shares. Basic and diluted earnings per share decreased to 4 cents per share in 2020, compared to 18 cents in 2019.

RESULTS OF OPERATIONS BY BUSINESS SEGMENT

The results of operations by business segment should be read in conjunction with the segmented information contained in Note 19 of the audited consolidated financial statements for the year ended December 31, 2020.

The following is a summary of the results of operations for the past three fiscal years.

(thousands of Canadian dollars)	2020	2019	2018
Operating revenue by segment			
<i>Canadian golf club operations</i>	\$ 109,432	\$ 140,842	\$ 143,820
<i>US golf club operations</i>	17,784	22,799	22,121
Operating revenue	\$ 127,216	\$ 163,641	\$ 165,941
Net operating income by segment			
<i>Canadian golf club operations</i>	\$ 46,213	\$ 31,267	\$ 32,390
<i>US golf club operations</i>	567	931	114
<i>Corporate operations</i>	(2,869)	(3,212)	(3,475)
Net operating income	\$ 43,911	\$ 28,986	\$ 29,029

Review of Canadian Golf Club Operations for the Year Ended December 31, 2020

Summary of Canadian Golf Club Operations

(statistics)	2020	2019	% Change
18-hole equivalent championship golf courses	39.5	41.5	(4.8%)
18-hole equivalent managed golf courses	1.0	1.0	-
Championship golf rounds	1,223,000	1,069,000	14.4%
(thousands of Canadian dollars)	2020	2019	% Change
Operating revenue	\$ 109,432	\$ 140,842	(22.3%)
Direct operating expenses	(63,219)	(109,575)	(42.3%)
Net operating income	46,213	31,267	47.8%
Amortization of membership fees	4,239	4,793	(11.6%)
Depreciation and amortization	(17,545)	(18,288)	(4.1%)
Impairment	-	(352)	(100.0%)
Other items	1,382	1,682	(17.8%)
Segment earnings before interest and income taxes	\$ 34,289	\$ 19,102	79.5%

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of Canadian Golf Club Operations for the Year Ended December 31, 2020 (continued)

Canadian Golf Club Operating Revenue

Canadian golf club operating revenue is recorded as follows:

(thousands of Canadian dollars)	2020	2019	% Change
Annual dues	\$ 48,081	\$ 49,783	(3.4%)
Corporate events	2,167	11,036	(80.4%)
Golf	33,241	24,312	36.7%
Food and beverage	14,642	40,052	(63.4%)
Merchandise, rooms and other	11,301	15,659	(27.8%)
Total operating revenue	\$ 109,432	\$ 140,842	(22.3%)

Canadian Golf Club Direct Operating Expenses

Canadian golf club direct operating expenses are recorded as follows:

(thousands of Canadian dollars)	2020	2019	% Change
Cost of sales	\$ 10,188	\$ 20,509	(50.3%)
Labour and employee benefits	30,400	58,944	(48.4%)
Utilities	5,714	6,458	(11.5%)
Selling, general and administrative	2,307	3,635	(36.5%)
Property taxes	2,099	2,175	(3.5%)
Insurance	1,791	1,681	6.5%
Repairs and maintenance	2,286	3,257	(29.8%)
Fertilizers and pest control products	1,258	1,616	(22.2%)
Fuel and oil	699	1,033	(32.3%)
Other operating expenses	6,477	10,267	(36.9%)
Total direct operating expenses	\$ 63,219	\$ 109,575	(42.3%)

Direct operating expenses have decreased 42.3% to \$63,219,000 from \$109,575,000 due to the mandatory closures resulting from COVID-19 earlier this year and the reduced expenses related to revenue streams such as corporate events, banquets, weddings and food and beverage. The Company has also recorded the Canada Emergency Wage Subsidy as a reduction to labour and employee benefits expense..

Gross margin on food and beverage sales decreased to 67.8% in 2020 compared to 70.7% in 2019 due to changes in revenue streams and a decline in higher margin group business.

Gross margin on merchandise sales increased to 31.0% in 2020 compared to 27.9% in 2019, due to a change in mix of merchandise sales in 2020.

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of Canadian Golf Club Operations for the Year Ended December 31, 2020 (continued)

Canadian Membership Fees

Full privilege golf members increased 3.6% to 14,705 on December 31, 2020 from 14,193 on December 31, 2019 despite the sale of Greenhills Golf Club and the associated 317 members of this property and the sale of Val des Lacs.

Changes in full privilege golf members and future membership fee instalments are as follows:

(thousands of Canadian dollars)	2020		2019	
	Golf Members	Future Membership Fee Instalments	Golf Members	Future Membership Fee Instalments
Balance, beginning of year	14,193	\$ 20,533	14,602	\$ 21,967
Sales to new members	2,145	8,559	1,008	4,057
Reinstated members	322	494	214	204
Transfer and upgrade fees from existing members	-	744	-	279
Resignations and terminations	(1,638)	(3,577)	(1,631)	(3,305)
Sale of Greenhills Golf Club	(317)	(52)	-	-
Instalments received in cash	-	(2,322)	-	(2,669)
Balance, end of year (Full Privilege)	14,705	\$ 24,379	14,193	\$ 20,533

Sales to new members are broken down into categories as follows:

	2020	2019	% Change
Corporate/Principal/Spousal	907	464	95.5%
Intermediate	913	369	147.4%
Junior	131	64	104.7%
Other	194	111	74.8%
Total	2,145	1,008	112.8%

Full privilege members are broken down into categories as follows:

	2020	2019	% Change
Corporate/Principal/Spousal	6,941	6,966	(0.4%)
Intermediate	1,990	1,353	47.1%
Junior	320	285	12.3%
Other	5,454	5,589	(2.4%)
Total	14,705	14,193	3.6%

The strong demand for golf as a reaction to the pandemic has resulted in ClubLink not accepting trial memberships on a temporary basis and has also resulted in membership caps implemented at certain Prestige and Platinum Golf Clubs.

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of Canadian Golf Club Operations for the Year Ended December 31, 2020 (continued)

Canadian Membership Fees (continued)

Membership fees are amortized over the estimated weighted average remaining membership by year joined. This is determined by subtracting the average age of members that joined in that year from 70 and dividing the result by 2. The amortization period is reviewed annually and any adjustments are made prospectively. Membership fee revenue recognized in 2020 decreased 11.6% to \$4,239,000 from \$4,793,000 in 2019. This decline is primarily the result of the members that joined in 2006 completing their amortization period in 2019. Subsequent to this amortization period, membership fees are recorded as revenue upon receipt. An allowance for future resignations is considered as part of this model.

Details on amortization period in years, amortization of membership fee revenue and Canadian Region members at year end is broken down by member join year as follows:

Member Join Year	Amortization Period (yrs) 2020	Amortization Period (yrs) 2019	Amortization of Membership Fees (\$000) 2020	Amortization of Membership Fees (\$000) 2019	Members at year end 2020	Members at year end 2019	% Change
1994-2005	Cash	Cash	\$ 162	\$ 210	5,615	6,149	(8.7%)
2006	Cash	1	38	817	437	458	(4.6%)
2007	Cash	Cash	44	53	755	800	(5.6%)
2008	1	2	692	700	404	441	(8.4%)
2009	2	3	580	587	482	533	(9.6%)
2010	2	3	447	444	583	616	(5.4%)
2011	5	6	385	376	409	442	(7.5%)
2012	7	8	196	195	238	266	(10.5%)
2013	7	8	218	220	239	268	(10.8%)
2014	8	9	245	248	345	407	(15.2%)
2015	9	10	166	180	295	344	(14.2%)
2016	10	11	188	214	495	589	(16.0%)
2017	11	12	148	173	605	735	(17.7%)
2018	13	14	152	177	897	1,137	(21.1%)
2019	14	15	151	199	761	1,008	(24.5%)
2020	15	-	427	-	2,145	-	N/A
Totals			\$ 4,239	\$ 4,793	14,705	14,193	3.6%

The following is an age analysis of ClubLink's Canadian Region golf members:

	2020	2019	% Change
Under 30 years	2,204	1,590	38.6%
31 - 40 years	903	846	6.7%
41 - 50 years	1,629	1,713	(4.9%)
51 - 60 years	3,946	4,166	(5.3%)
61 - 70 years	3,769	3,614	4.3%
71 and over	1,842	1,695	8.7%
Not available	412	569	(27.6%)
	14,705	14,193	3.6%

The average age of a Canadian full privilege golf member as at December 31, 2020 is 53.6 years as compared to 54.6 at December 31, 2019.

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of US Golf Club Operations for the Year Ended December 31, 2020

Summary of US Golf Club Operations

(statistics)	2020	2019	% Change
18-hole equivalent championship golf courses	8.0	11.0	(27.3%)
Championship golf rounds	249,000	331,000	(24.8%)
(thousands of dollars)	2020	2019	% Change
Operating revenue	\$ 13,317	\$ 17,177	(22.5%)
Direct operating expenses	(12,868)	(16,482)	(21.9%)
Net operating income	449	695	(35.4%)
Amortization of membership fees	259	266	(2.6%)
Depreciation and amortization	(1,269)	(1,379)	(8.0%)
Other items	(121)	(8)	N/A
Segment loss before interest and income taxes (US dollars)	(682)	(426)	(60.1%)
Exchange	(274)	(140)	(95.7%)
Segment loss before interest and income taxes (Cdn dollars)	\$ (956)	\$ (566)	(68.9%)

Net operating income for US Golf Club Operations has decreased 35.4% from 2019 due to the mandatory closures resulting from COVID-19 in spring of 2020.

Review of Corporate Items for the Year Ended December 31, 2020

Interest, Net and Investment Income

Interest, net and investment income decreased 26.7% to an expense of \$3,609,000 for the year ended December 31, 2020 from \$4,923,000 in 2019 due a decrease in borrowings and an increase in investment income from the Company's investment in Automotive Properties REIT.

Other Items

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

(thousands of Canadian dollars)	2020	2019	% Change
Gain on sale of property, plant and equipment	\$ (1,416)	\$ (525)	169.7%
Insurance proceeds	-	(2,141)	N/A
Foreign exchange loss (gain)	(1,256)	6,944	N/A
Unrealized loss (gain) on investment in marketable securities	7,311	(2,426)	N/A
Loss on sale of common shares in Carnival plc	16,240	-	N/A
Equity income from investments in joint ventures	(115)	(1,135)	(89.9%)
Other	694	927	(25.1%)
Other items	\$ 21,458	\$ 1,644	1,205.2%

CRITICAL ACCOUNTING ESTIMATES

The Company's discussion and analysis of financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with IFRS.

The Company's significant accounting policies and accounting estimates under IFRS are contained in the consolidated financial statements (see Note 2 for description). Certain of these policies involve critical accounting estimates as they require us to make particularly subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions. We have discussed the development, selection and application of our key accounting policies, and the critical accounting estimates and assumptions they involve, with the external auditors and the audit committee of the Board of Directors.

FINANCIAL CONDITION

The following is a summary consolidated balance sheet and analysis for the last two fiscal years

(thousands of Canadian dollars)	2020	2019	Net Change	Ref
Assets				
Cash and cash equivalents	\$ 57,217	\$ 66,042	\$ (8,825)	1
Accounts receivable	14,242	8,451	5,791	
Mortgages and loans receivable	24,999	37,335	(12,336)	2
Inventories and prepaid expenses	4,591	5,219	(628)	
Other assets	94,961	109,188	(14,227)	3
Right-of-use assets	11,359	16,318	(4,959)	
Property, plant and equipment and intangibles	425,013	433,053	(8,040)	
	\$ 632,382	\$ 675,606	\$ (43,224)	
Liabilities				
Accounts payable and accrued liabilities	\$ 20,717	\$ 22,088	\$ (1,371)	
Lease liabilities	12,359	17,241	(4,882)	
Borrowings	118,200	131,143	(12,943)	4
Prepaid annual dues and deposits	16,156	13,314	2,842	
Deferred membership fees	5,229	7,362	(2,133)	
Deferred income tax liabilities	45,352	47,928	(2,576)	
	218,013	239,076	(21,063)	
Shareholders' Equity				
Share capital	102,453	109,490	(7,037)	5
Retained earnings	307,830	322,454	(14,624)	
Accumulated other comprehensive income	4,086	4,586	(500)	6
	414,369	436,530	(22,161)	
	\$ 632,382	\$ 675,606	\$ (43,224)	

Please see reference notes on the following page.

FINANCIAL CONDITION (continued)

The following notes describe significant changes in the balance sheets presented on the previous page:

1. Cash has decreased by \$8,825,000 due to the purchase of units of Automotive Properties REIT totalling \$14,153,000.
2. Mortgages and loans receivable have decreased by \$12,336,000 due to a reduction in the related party loan receivable of \$13,679,000.
3. Other assets decreased by \$14,227,000 primarily due to the sale of common shares in Carnival plc, offset by the purchase of 1,333,400 units of Automotive Properties REIT.
4. Borrowings have decreased \$12,943,000 due to the changes as follows:

(thousands of dollars)	2020	2019	Change
Gross borrowings, beginning of year	\$ 131,706	\$ 166,499	\$ (34,793)
Non-revolving borrowings payments	(20,956)	(18,618)	(7,603)
Non-revolving borrowings advances	-	5,265	-
Revolving borrowings	8,089	(20,689)	28,778
Unrealized foreign exchange	(230)	(751)	521
Gross borrowings, end of year	118,609	131,706	(13,097)
Deferred financing costs	(409)	(563)	154
Borrowings, end of year	\$ 118,200	\$ 131,143	\$ (12,943)

5. Share capital has decreased by \$7,037,000 due to the purchase of 1,718,178 shares for cancellation.
6. The Company has recorded a negative adjustment to its accumulated other comprehensive gain account of \$500,000 due to a change in the Canadian/US exchange rate to 1.2732 at December 31, 2020 from 1.2988 at December 31, 2019. This change has a corresponding impact on the US dollar assets and liabilities of the Company.

FINANCIAL CONDITION (continued)

Shareholders' Equity

Consolidated shareholders' equity at December 31, 2020 totalled \$414,369,000 or \$16.56 per share, compared to \$436,530,000 or \$16.33 per share at December 31, 2019. The number of common shares outstanding decreased to 25,017,442 shares as at December 31, 2020 compared to 26,735,620 shares as at December 31, 2019 as reflected in the chart below.

The following is a summary of the common share activity:

(number of shares)	2020	2019
Balance, beginning of year	26,735,620	27,286,052
Shares cancelled through NCIB	(1,718,178)	(550,432)
Balance, end of year	25,017,442	26,735,620

During 2020, the Company purchased 1,718,178 shares for cancellation at a total price in the amount of \$20,541,000.

The following is a summary of cash dividends declared in 2019 and 2020:

Date of declaration	Record date	Distribution date	Amount per share
March 6, 2019	March 15, 2019	March 29, 2019	0.02
May 2, 2019	May 31, 2019	June 14, 2019	0.02
August 1, 2019	August 30, 2019	September 13, 2019	0.02
November 4, 2019	November 29, 2019	December 13, 2019	0.02
March 9, 2020	March 13, 2020	March 31, 2020	0.02
April 29, 2020	May 29, 2020	June 15, 2020	0.02
August 6, 2020	August 31, 2020	September 15, 2020	0.02
November 2, 2020	November 30, 2020	December 15, 2020	0.02

LIQUIDITY AND CAPITAL RESOURCES

TWC's objective is to ensure that capital resources are readily available to meet obligations as they become due, to complete its approved capital expenditure program and to take advantage of attractive acquisitions as they arise. TWC's capital availability and demonstrated ability to execute transactions give it a competitive advantage in corporate development opportunities.

A summarized statement of cash flows is as follows:

(thousands of Canadian dollars)	2020	2019
Cash provided by operating activities before income taxes	\$ 39,194	\$ 24,732
Income taxes refunded (paid)	(6,216)	25,258
Cash provided by (used in) operating activities	32,978	49,990
Operating property, plant and equipment expenditures	(6,046)	(7,723)
Expansion property, plant and equipment expenditures	(3,820)	(1,803)
Proceeds on sale of property, plant and equipment	4,517	729
Mortgages and loans receivable	12,357	9,675
Revolving borrowings	8,089	(20,689)
Non-revolving borrowings – amortization payments	(20,956)	(18,618)
Lease liabilities	(4,880)	(5,105)
Dividends paid	(2,091)	(2,172)
Other long term assets	597	505
Joint venture acquisition	-	(9,236)
Common shares repurchased for cancellation	(20,541)	(7,138)
Investment in marketable securities	(15,653)	(59,973)
Proceeds on sale of common shares in Carnival plc	5,825	-
Other	799	393
Net change in cash during the year	(8,825)	(71,165)
Cash, beginning of year	66,042	137,207
Cash, end of year	\$ 57,217	\$ 66,042

LIQUIDITY AND CAPITAL RESOURCES (continued)

The analysis of TWC's liquidity is as follows:

(thousands of Canadian dollars)	Availability on December 31, 2020		Availability on December 31, 2019	
	Maximum	Available	Maximum	Available
Cash and cash equivalents (CDN)	\$ 3,501	\$ 3,501	\$ 18,258	\$ 18,258
Cash and cash equivalents (USD)	53,716	53,716	47,784	47,784
Revolving line of credit (corporate)	50,000	40,893	50,000	48,982
Related party revolving line of credit	50,000	50,000	50,000	50,000
	\$ 157,217	\$ 148,110	\$ 166,042	\$ 165,024

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. On April 24, 2019, a further \$20,000,000 US of the proceeds were converted to Canadian at a rate of 1.3430, resulting in a further realized foreign exchange gain of \$826,000, for a total of \$4,543,000 between the two transactions. On November 16, 2020, a further \$3,000,000 US of the proceeds were converted to Canadian at a rate of 1.3143, resulting in a further realized foreign exchange gain of \$38,000.

Due to the large amount of US dollar cash on hand, the Company has deactivated the US golf revolving line of credit until such time as the Company may require the line again.

Funds will be used during 2021 for operating capital expenditures, expansion capital expenditures and to pay debt obligations as they become due.

Liquidity risk arises from general funding needs and in the management of assets, liabilities and optimal capital structure. TWC manages liquidity risk to maintain sufficient liquid financial resources to meet its commitments and obligations in the most cost-effective manner possible.

Based on TWC's financial position at December 31, 2020, and projected future earnings, management expects to be able to fund its working capital requirements, and meet its other obligations including debt repayments.

The following is an analysis of the Company's net borrowings and their characteristics on December 31, 2020 compared to December 31, 2019:

(thousands of Canadian dollars)	Interest Rate 2020	Interest Rate 2019	Total Indebtedness 2020	Total Indebtedness 2019	Average Term to Maturity (Yrs) 2020	Average Term to Maturity (Yrs) 2019
Non-revolving	8.0%	8.0%	\$ 10,324	\$ 11,098	8.75	9.75
Exchange	-	-	2,820	3,316	-	-
Subtotal US borrowings	8.0%	8.0%	13,144	14,414		
Revolving (corporate)	2.9%	4.1%	8,089	-	1.75	1.75
Non-revolving	7.0%	7.0%	93,061	112,027	4.71	5.58
Other	5.0%	5.0%	4,315	5,265	2.41	3.41
Subtotal CDN borrowings	6.4%	7.0%	105,465	117,292		
Gross borrowings	6.6%	7.1%	118,609	131,706		
Lease liabilities	6.1%	6.2%	12,359	17,241		
Gross borrowings including lease liabilities			\$ 130,968	\$ 148,947		

None of the above non-revolving mortgages have any prepayment options without a corresponding yield maintenance payment.

LIQUIDITY AND CAPITAL RESOURCES (continued)

TWC has certain golf clubs that it operates, which are under lease arrangements. The following are the golf clubs under lease with expiration dates:

- The Club at Bond Head: December 31, 2021
- The Country Club: December 31, 2022
- National Pines Golf Club: November 15, 2024

In December 2017, the landlord of the Country Club provided the Company with a five year notice - as provided in the lease document. The lease now expires on December 31, 2022, rather than the original expiration of December 31, 2026.

In December 2018, the Company provided the landlord of The Club at Bond Head with a three year notice - as provided in the lease document. The lease now expires on December 31, 2021, rather than the original expiration date of December 31, 2029.

TWC's consolidated borrowings include revolving lines of credit and non-revolving mortgages. The following table illustrates future maturities and amortization payments of consolidated borrowings for the next five years and thereafter as at December 31, 2020:

(thousands of Canadian dollars)	Borrowings	Lease Liabilities	Total
2021	\$ 22,427	\$ 5,339	\$ 27,766
2022	30,842	4,504	35,346
2023	21,565	1,180	22,745
2024	16,390	1,247	17,637
2025	10,706	10	10,716
2026 and thereafter	16,679	79	16,758
	\$ 118,609	\$ 12,359	\$ 130,968

Operating Activities

Cash provided by operating activities were \$32,978,000 in 2020 compared to cash used in operating activities of \$49,990,000 in 2019 due to a tax refund received in 2019 in relation to the White Pass divestiture.

Investing Activities

Cash used in investing activities was \$14,774,000 in 2020 compared to cash used in investing activities of \$77,501,000 in 2019 due to the sale of the shares in Carnival plc in 2020 and the purchase of marketable securities in 2019.

Property, plant and equipment expenditures are broken down as follows:

(thousands of Canadian dollars)	2020	2019
Operating property, plant and equipment expenditures		
Canadian golf club operations		
Golf carts	\$ 1,538	\$ 1,115
Turf improvements	1,729	1,601
Turf equipment	725	1,167
Facilities, administrative and other	1,972	2,592
US golf club operations		
Golf carts	-	1,047
Turf improvements	47	111
Turf equipment	-	27
Other	35	63
	\$ 6,046	\$ 7,723

LIQUIDITY AND CAPITAL RESOURCES (continued)

Financing Activities

Financing activities repayments were \$28,082,000 in 2020 compared to repayments of \$44,107,000 in 2019 due to a difference in revolving borrowings in the amount of \$28,778,000 resulting from other cash activities of the business.

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 expired 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. From January 1, 2019 to September 19, 2019, the Company repurchased for cancellation 530,332 common shares for a total purchase price of \$6,867,799 or \$12.95 per common share, including commissions.

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,338,000 of its common shares which expired on September 19, 2020. From September 20, 2019 to December 31, 2019, the Company repurchased for cancellation 20,100 common shares for a total purchase price of \$270,126 or \$13.44 per share, including commissions. From January 1, 2020 to September 19, 2020 the Company repurchased for cancellation 1,307,778 common shares for a total purchase price of \$15,150,616 or \$11.59 per share, including commissions.

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,271,000 of its common shares which will expire on September 19, 2021. From September 20, 2020 to December 31, 2020 the Company repurchased for cancellation 410,400 common shares for a total purchase price of \$5,389,859 or \$13.13 per share, including commissions.

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.

During 2020, TWC declared and paid four quarterly dividends of 2 cents per common share for a total of 8 cents per common share or \$2,091,000 (2019 - \$2,172,000) for the year.

OFF-BALANCE SHEET FINANCING AND GUARANTEES

From time to time, TWC enters into agreements to provide financial or performance assurances to third parties of which letters of credit of \$1,018,000 (2019 - \$1,018,000) and unsecured surety bonds of \$1,602,000 (2019 - \$1,602,000) were outstanding as at December 31, 2020.

In the normal course of operations, the Company executes agreements that provide for indemnification and guarantees to third parties in transactions such as business dispositions, business acquisitions, sales of assets, sales of services, securitization agreements and underwriting and agency agreements.

TWC does not engage in any other off-balance sheet financing.

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 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.

Summarized information regarding these facilities is as follows:

(thousands of Canadian dollars)	For the year ended	
	December 31, 2020	December 31, 2019
Loan receivable from Morguard	20,000	33,679
Net interest receivable	45	304
Net interest earned	452	1,489

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 2020 and 2019, there were no advances or repayments under this facility.

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 has provided an unsecured revolving demand credit facility to an investment in joint venture in the amount of \$3,000,000, with no fixed maturity date. This facility bears interest at prime plus 1.25%. As at December 31, 2020, the amount receivable on this facility was \$800,000 (December 31, 2019 - \$870,000). Interest receivable at December 31, 2020 was \$4,000 (December 31, 2019 - \$4,000), and interest earned amounted to \$66,000 for the year ended December 31, 2020 (December 31, 2019 - \$25,000).

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of \$695,000 for the year ended December 31, 2020 (December 31, 2019 - \$695,000), 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\$460,000 (CDN\$617,000) for the year ended December 31, 2020 (December 31, 2019 - US\$460,000; CDN\$610,000) under a contractual agreement, which is included in direct operating expenses.

During 2020, the Company earned \$264,000 (2019 - \$630,000) in operating revenue (primarily food and beverage and corporate events) from related parties controlled by the Chairman, President and Chief Executive Officer of the Company.

A total of US\$53,000 of rental revenue was earned by TWC for the year ended December 31, 2020 (December 31, 2019 - US\$53,000) 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.

ENVIRONMENTAL AND HEALTH AND SAFETY OBLIGATIONS

The Company's operations and properties are subject to extensive federal, provincial, territorial, state, municipal and local environmental laws and requirements in both Canada and the United States, relating to, among other things, air emissions, the management of contaminants including hazardous materials and waste, discharges to waters and the remediation of environmental impacts. The Company believes it has identified and provided for the expenditures relating to known environmental matters, including compliance issues and the assessment and remediation of the environmental condition of its properties, whether currently or previously owned, or other properties where it may have environmental matters. The Company's total costs and liabilities cannot be predicted with certainty due to, among other things, the various issues described above, changing environmental laws, requirements and the potential necessity to conduct additional investigations.

TWC continually demonstrates its commitment to ensuring the health and safety of anyone affected by its operations and to responsibly manage the impact of its operations on the environment. In implementing its policies, TWC employs the benefits of strong environment, health and safety ("EH&S") management systems to a wide range of stakeholders in Canada and the United States. Stakeholders include all employees and the communities where TWC operates, along with customers, investors, partners, and service providers. This commitment extends throughout the entire Company at every level, starting with the Board of Directors.

The EH&S committee of the Company's Board of Directors meets on a regular basis to review and oversee TWC's policies and programs as well as to review the EH&S performance of each business unit. The committee also oversees the Company's compliance with applicable EH&S laws and regulations and monitors trends, issues and events which could have a significant impact on the Company.

TWC continually monitors changes in both EH&S technologies and regulations both directly and through its involvement with various industry associations.

TWC believes that safe operations are essential for a productive and engaged workforce. TWC is committed to workplace incident prevention and makes expenditures towards the necessary human and financial resources and site-specific systems to ensure compliance with its health and safety policies. Any injuries that may occur are investigated to determine root cause and to establish and put in place necessary controls, with the goal of preventing recurrence.

FINANCIAL INSTRUMENTS

TWC has a number of financial instruments which are described in Note 21 to the audited consolidated financial statements for the year ended December 31, 2020.

Risks associated with these financial instruments and information on their fair values are also disclosed in Note 21.

SUMMARY OF FINANCIAL RESULTS BY QUARTER

The table below sets forth selected financial data for the most recent eight quarters ending December 31, 2020. The financial data is derived from the Company's unaudited interim financial statements, which are prepared in accordance with IFRS as follows:

(thousands of Canadian dollars, except per share amounts)	2020				2019			
	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
Total assets	\$ 632,382	\$ 651,987	\$ 655,406	\$ 688,101	\$ 675,606	\$ 698,543	\$ 714,319	\$ 727,366
Operating revenue	30,157	55,293	21,696	20,070	29,145	65,260	46,202	23,034
Net operating income	10,768	30,990	533	1,620	4,885	15,176	5,348	3,577
Operating margin (%)	35.7	56.0	2.5	8.1	16.8	23.3	11.6	15.5
Net earnings (loss)	8,359	22,427	2,605	(32,420)	4,859	7,322	(3,291)	(3,986)
Basic earnings (loss) per share	0.33	0.87	0.10	(1.22)	0.18	0.27	(0.12)	(0.15)
Eligible cash dividends per share	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02

FOURTH QUARTER RESULTS

For the Fourth Quarter ended December 31,
(thousands of Canadian dollars, except per share amounts)

	2020	2019
Operating revenue	\$ 30,157	\$ 29,145
Cost of sales and operating expenses	(19,389)	(24,260)
Net operating income	10,768	4,885
Operating margin (%)	35.7%	16.8%
Amortization of membership fees	1,033	1,113
Depreciation, amortization and lease expense	(4,688)	(4,942)
Interest, net and investment income	(761)	(797)
Impairment	-	(352)
Other items	3,286	5,950
Income tax provision	(1,279)	(998)
Net earnings	\$ 8,359	\$ 4,859
Weighted average shares outstanding (000)	25,175	26,761
Basic and diluted earnings per share	\$ 0.33	\$ 0.18

The following exchange rates translate one US dollar into the Canadian dollar equivalent:

Statement of earnings, average for the fourth quarter	1.3030	1.3200
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The revenue and net operating income earned in the fourth quarter relate to the activities of the Canadian and US golf operations as certain golf clubs remain open in the fall and annual dues revenue is recognized throughout the year. Costs for the end of season maintenance and operating expenses negatively impact net operating income in the fourth quarter.

The increase in net operating income from the fourth quarter of 2019 is a result of the strong demand for golf in the fall of 2020 in addition to the unseasonably warm weather in Central Canada in November leading to an increase in rounds and golf revenue. As required by IFRS, ClubLink recognizes its annual dues revenue on a straight-line basis throughout the year based on when its properties are open and services are provided. As a result of COVID-19, annual dues revenue was not recognized during the spring course closures. This methodology shifted annual dues revenue from the second quarter to the third and fourth quarter.

An impairment charge of \$352,000 was recorded in the fourth quarter of 2019 primarily to property, plant and equipment in relation to Greenhills Golf Club which was sold on January 31, 2020.

SEASONALITY

The quarterly earnings performance of the Company reflects the highly seasonal nature of the business segments. The majority of revenue and earnings from the Canadian golf operations occur or have occurred during the second and third quarters of the year. Accordingly, the quarterly reported net earnings of the Company will fluctuate with those of the underlying business segments.

RISKS AND UNCERTAINTIES

TWC manages a number of risks in each of its business segments in order to achieve an acceptable level of risk without hindering its ability to maximize returns. Management has procedures to identify and manage significant operational and financial risks.

In addition to the risks described elsewhere in this MD&A, this section describes the principal risks that could have a material and adverse effect on the Company's financial condition, results of operations, cash flows or business, as well as cause actual results to differ materially from expectations expressed in or implied by forward-looking statements. The risks described below are not the only risks that could affect the Company. Additional risks and uncertainties not currently known or that are currently deemed to be immaterial may also materially and adversely affect TWC's financial condition, results of operations, cash flows or business.

COVID-19 and Other Pandemic or Epidemic Diseases

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to contain the spread of the virus. Outbreaks, or the threat of outbreaks of viruses or other contagions or epidemic or pandemic diseases, including the recent COVID-19 outbreak, may lead to prolonged voluntary or mandatory building closures, business closures, government restrictions on travel and gatherings, quarantines, self-isolation and physical distancing. The impact of these measures may lead to a general shutdown of economic activity and disrupt workforce and business operations both in Canada and the World. Such occurrences, including the outbreak of COVID-19, could have a material adverse effect on debt and capital markets, and the ability to provide certain services to golf members if social distancing regulations remain in place. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. The pace of recovery following such occurrences cannot be accurately predicted, nor can the impact on the Company's asset valuations, cash flows, results of operations and the Company's ability to obtain additional financing or re-financing and ability to make dividend payments to shareholders.

Specifically, such enhanced risks associated with COVID-19 include, but are not limited to:

- the negative impact on Canadian and global debt and equity capital markets, including both pricing and availability;
- ability to access capital markets at a reasonable cost;
- the trading price of the Company's shares;
- uncertainty associated with the costs and availability of resources required to provide the appropriate/required levels of service to our members and maintenance of our courses;
- a material reduction in annual dues revenue and related collections due to associated financial hardship and non-essential business orders governing the closure of certain businesses;
- a material increase in resignations potentially caused by both the resulting economic crisis and the inability of businesses to operate;
- uncertainty with property valuations resulting from the impact of a potential decline in revenue;
- issues delivering services due to illness, Company or government imposed isolation programs, restrictions on the movement of personnel, closures and supply chain disruptions;
- uncertainty associated with costs, delays and availability of resources required to complete major course maintenance and capital projects on time and budget;
- the impact of additional legislation, regulation and other government interventions in response to the COVID-19 pandemic;

The foregoing is not an exhaustive list of all risk factors.

Developments regarding the COVID-19 pandemic have resulted in a substantive shift in management's focus towards ensuring the continued safety of our employees, compliance with guidelines and requirements issued by various health authorities and government organizations, and continuity of other critical business operations. We remain focused on delivering our key business operations in a responsible manner.

Economic & Business Risk

A decline in the economic environment and its impact on disposable income in areas where TWC operates may have an adverse effect on operating revenue. The Company's business segments are dependent upon discretionary spending by consumers and corporations which in turn is impacted by general economic conditions.

An extended recession could materially affect revenue and financial performance as discretionary spending declines.

The ability to attract and retain full privilege golf members and the number of rounds played at member, hybrid and daily fee golf clubs have historically been dependent upon (i) discretionary spending by consumers and corporations, which may be affected by general economic conditions in the markets that it operates, and (ii) the popularity of golf as a leisure activity. There is no certainty that current levels of participation will be sustained or increase in the future. A decrease in the overall number of golfers, their rates of participation and consumer or corporate spending on golf, individually or collectively, could have a material adverse effect on the Company's business, financial condition and results of operations. Given that a substantial portion of the Company's golf activities are carried out in Southern Ontario, the results of operations will depend heavily on the financial condition of this market.

RISKS AND UNCERTAINTIES (continued)

Economic & Business Risk (continued)

A decline in the economic environment and its impact on disposable income in areas where TWC's clusters are located may have an adverse effect on the Company's golf club operations revenue. The Company believes this is mitigated and that revenue from member clubs would remain relatively constant since a member is committed to pay annual dues and consume a food and beverage minimum to maintain their membership. While the sale of new memberships may decline in such circumstances, almost all Member Golf Clubs have a membership base that generates sufficient operating revenue to sustain profitable operations at that property.

Corporate event bookings, which represent a material portion of the Company's golf revenue, are susceptible to major changes in the economic environment.

Foreign Currency Risk

TWC operates both in Canada and the United States and reports its earnings in Canadian dollars. Certain TWC borrowings have a base currency of US dollars as well. Fluctuations in exchange rates could affect the cost of capital or the contribution from operations in the United States, and the value of the Company's investments in the United States.

Availability of Credit/Liquidity

No assurance can be given that borrowings will be available to the Company or its subsidiaries to replace existing credit facilities on terms acceptable to the Company, if at all. Failure to renew or replace credit facilities as they mature would require TWC to obtain alternative sources of capital, which may include the sale of assets or the issuance of equity at prices that may be dilutive to current shareholders.

Renewal Risk

TWC is exposed to renewal risk on its maturing borrowings. This is mitigated due to a total of 90% (December 31, 2019 – 96%) of TWC's consolidated borrowings is fully amortizing over the remaining term to maturity and only 10% (December 31, 2019 – 4%) of TWC's borrowings is subject to this risk.

Interest Rate Risk

TWC is exposed to market risk related to interest rate fluctuations. However, the majority of TWC's borrowings has fixed interest rates over its remaining term to maturity, with only 10% (December 31, 2019 – 4%) of its debt subject to this risk.

Risks Associated with Information Systems

Golf club operations rely on information systems in its business to obtain, rapidly process and analyze data to manage:

- its tee sheet and reservation system;
- its member database;
- the accurate billing of receivables and collections from members;
- the accurate accounting for and payment to vendors; and
- the processing of financial data.

Results of operations could be adversely affected if these systems are interrupted, damaged by unforeseen events or fail for any extended period of time, including due to the action of third parties.

Competition

The competitive environment in all business segments is evolving. There have been significant additions to alternative products in the golf club, resort and tourism sectors in Ontario. While the Company has certain competitive advantages which management believes will offset, in part, the impact of this increased competition, it has been affected by these developments.

The Company faces strong competition in the Florida golf marketplace from golf clubs that have been reducing their golf fees to maintain market share. TWC believes its pricing is competitive and is striving to differentiate their product by ensuring a quality golfing experience.

Key Management

The Company's success depends upon the continued contribution of key management, some of whom have unique talents and experience and would be difficult to replace quickly. The loss or interruption of the services of a key executive could have a material adverse effect on our business during the transitional period that would be required to restructure the organization or for a successor to assume the responsibilities of the key management position.

RISKS AND UNCERTAINTIES (continued)

Litigation

The Company and certain of its subsidiaries are defendants in a number of legal actions. Although the outcome of these claims cannot be determined, in the opinion of management, the resolution of these matters is not expected to have a material adverse effect on the Company's financial position or results of operations.

Laws Concerning Employees

The Canadian golf operations are subject to minimum wage and employment laws governing such matters as rate of pay, benefits, working conditions, overtime and tip credits. The Company believes it is in compliance with these laws and regulations. A significant number of employees are paid at rates which are at or slightly higher than the minimum wage level and accordingly, further increases in the minimum wage could increase the Company's labour costs.

Regulatory Environment

TWC and its subsidiaries are subject to regulation by numerous agencies involving minimum wage, the serving of alcohol and adherence to environmental constraints. Changes in these regulations, and their application, can impact the cost and efficiency of each business segment.

Loss of Reputation

"ClubLink One Membership More Golf" currently enjoys a recognizable brand name in its operating market. Damage to this brand could have a negative impact on the affairs of the Company. If the Company does not meet or exceed customer expectations, this brand could suffer. We have endeavoured to reduce this risk by ongoing employee training and a company-wide focus on customer service excellence.

Environment

TWC's golf courses are managed with a high level of environmental awareness. In addition, TWC's turf management team is highly knowledgeable and receives extensive training regarding the proper use of pesticides and chemicals required to promote healthy golf course conditions and compliance with applicable regulations. However, certain risks are associated with the use of these materials and the overall effect a golf course has on the surrounding habitat, including nearby waterways.

Phase 1 environmental assessments are completed prior to the acquisition of any property. Once the property is acquired, environment assessment programs ensure continued compliance with all laws and regulations governing environment and related matters.

The Company believes that it has adopted appropriate practices and procedures and maintains adequate insurance to address environmental contingencies. As part of our environmental policies, TWC monitors, controls and manages environmental issues by way of measures for waste prevention, minimization and recycling of any waste products. A committee of the Board of Directors has been established to ensure appropriate policies and standards are maintained for environmental stewardship.

Weather and Climate Change

Extraordinary weather conditions brought about by climate change involving extended dry or wet periods or exceptional hot or cold temperatures could impact the condition of golf courses and the demand for golf. Severe weather conditions include hurricanes, micro-bursts, flooding and droughts. Management believes that its geographically diverse operations may serve to reduce the impact of severe weather conditions.

Hospitality Industry

The Company is susceptible to a downturn in the hospitality industry due to the fact that it operates resorts and also hosts large corporate outings at all of its properties. This includes the potential for cancellations due to concerns about the Coronavirus. The Company has cancellation policies to help mitigate lost revenue in this regard.

Real Estate

TWC is subject to risks inherent in the acquisition, development, ownership and financing of real estate in general and the operations, rehabilitation and development of golf courses and recreational real estate in particular, such as the risk of depreciation in the value of land and federal, provincial and municipal governmental regulations, including environmental, sewer, water, zoning and similar regulations. It is possible that enactment of new laws, changes in the interpretation or enforcement of applicable laws, rules and regulations or the decision of any authority to change or refuse a change to current zoning classification may have an adverse effect on the value of these golf facilities and related real estate.

RISKS AND UNCERTAINTIES (continued)

Exchange of Confidential Information

This risk involves the utilization of members' confidential information, particularly in direct marketing. The potential dissemination of such information to the wrong individuals could cause significant damage to our relationship with our members and customers and could result in legal action. Various initiatives, such as a corporate privacy policy, have been implemented which seek to minimize the possibility that this may occur.

TWC is also involved in payment card industry ("PCI") compliance, a rigorous set of standards leveraging the latest security technology, such as encryption, to ensure the protection of customer credit card information. These capabilities are being introduced and implemented by TWC in accordance with the ongoing PCI certification program.

Income and Commodity Tax Amounts

The operations of TWC are relatively complex and related tax interpretations, regulations and legislation that pertain to TWC's activities are subject to continual change. The Company collects and pays income and commodity taxes to various taxation authorities.

The audit and review activities of the Internal Revenue Services and Canada Revenue Agency and other jurisdictions' tax authorities affect the ultimate determination of the actual amounts of commodity taxes payable or receivable, income tax liabilities and income tax expense. Therefore, there can be no assurance that taxes will be payable as anticipated and/or that the amount and timing of receipt of use of the tax-related assets will be as currently expected.

Risk of Loss Not Covered by Insurance

The Company generally maintains insurance policies related to our business, including casualty, general liability and other policies covering our business operations, employees and assets; however, TWC would be required to bear all losses that are not adequately covered by insurance, as well as any insurance deductibles. In the event of a substantial property loss, the insurance coverage may not be sufficient to pay the full current market value or current replacement cost of the property. In the event of an uninsured loss, the Company could lose some or all of its capital investment, cash flow and anticipated profits related to one or more properties. Assurance cannot be provided that the Company will not incur losses in excess of insurance coverage or that insurance can be obtained in the future at acceptable levels and reasonable cost. Due to the cost involved, the Company has chosen not to purchase catastrophic wind (hurricane) insurance for its southeast Florida golf clubs.

Integration of Acquisitions

Integration activities include the review and alignment of accounting policies, employee transfers and moves, information systems, optimization of service offerings and establishment of control over new operations. Such activities may not be conducted efficiently and effectively, negatively impacting service levels, competitive position and expected financial results.

TWC has a team that performs the integration function. This team applies an integration model, based on experiences from numerous previous integrations, which enhances and accelerates the standardization of TWC's business processes and strives to preserve the unique qualities of acquired operations. The integration process begins with strategic, pre-closing analysis and planning, and continues after closing with the execution of a plan. Integrated operations are re-evaluated and assessed regularly, based on timely feedback received from the integration team.

Land Leases

TWC has certain golf clubs that it operates, which are under long-term lease arrangements and are subject to standard lease termination clauses.

The following are the golf clubs under lease with expiration dates:

- The Club at Bond Head: December 31, 2021
- The Country Club: December 31, 2022
- National Pines Golf Club: November 15, 2024

Unless the terms of our leases are extended, the properties, together with any improvements that we have made, will revert to the property owners upon expiration of the lease terms. As the terms of our leases expire, we may not be able to renew these leases or find alternative locations that meet our needs on favourable terms, or at all. If we are unable to renew our expiring leases, our business and financial results could be materially adversely affected. The leases also provide that the landlord may increase the rent over the term of the lease, as well as obligate us to pay a variety of costs such as cost of insurance, taxes, maintenance and utilities. Breaching the terms of a lease may result in the Company incurring substantial penalties, including, among others, paying all amounts due to the landlord for the balance of the lease term. In the event that a significant number of our leases are terminated on that basis, our business and financial results could be materially adversely affected.

RISKS AND UNCERTAINTIES (continued)

Data, Security and Privacy Breaches

Information security risks have increased in recent years because of the proliferation of new technologies and the increased sophistication of perpetrators of cyber-attacks. Cyber incidents can result from deliberate attacks or unintentional events. Cyber threats in particular vary in technique and sources, are persistent, frequently change and are increasingly more targeted and difficult to detect and prevent. Cyber attacks and security breaches could include unauthorized attempts to access, disable, improperly modify or degrade the Company's information systems and networks, the introduction of computer viruses and other malicious codes, and fraudulent "phishing" emails that seek to misappropriate data and information or install malware onto users' computers. They could result in important remediation costs, increased cyber security costs, lost revenues due to a disruption of activities, litigation and reputational harm affecting customer and investor confidence, which could materially adversely affect our business and financial results.

The Company collects and maintains proprietary and confidential information related to the business and affairs, including our members, suppliers and employees. We store and process such internal data both at onsite facilities and at third-party owned facilities. Any fraudulent, malicious or accidental breach of data security could result in unintentional disclosure of, or unauthorized access to members, suppliers, employees or other confidential or sensitive data or information, which could potentially result in additional costs to the Company to enhance security or to respond to occurrences, violations of privacy or other laws or regulations, penalties or litigation. In addition, media or other reports of perceived security vulnerabilities of the Company's systems, even if no breach has been attempted or has occurred, could adversely impact the Company's brand and reputation and materially impact its business and financial results.

While the Company has dedicated resources and utilizes third party technology products and services to help protect the Company's information technology systems and infrastructure as well as its proprietary and confidential information against security breaches and cyber-incidents, such measures may not be adequate or effective to prevent, identify or mitigate attacks by hackers or breaches caused by employee error, malfeasance or other disruptions, which could be in excess of any available insurance, and could materially adversely affect its business and financial results.

DISCLOSURE CONTROLS AND PROCEDURES

TWC's Chairman, President and Chief Executive Officer ("CEO") and its Chief Financial Officer ("CFO") are responsible for establishing and maintaining the Company's disclosure controls and procedures. Our disclosure controls are designed to provide reasonable assurance that information required to be disclosed by TWC is recorded, processed, summarized and reported within the time periods specified under Canadian securities laws, and include controls and procedures that are designed to ensure that information is accumulated and communicated to management, including the CEO and CFO, to allow timely decisions regarding required disclosure. The CEO and CFO, after evaluating the effectiveness of the Company's disclosure controls and procedures as at December 31, 2020, have concluded that the Company's disclosure controls are adequate and effective to ensure that material information relating to the Company and its subsidiaries would have been known to them.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting.

The Company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of TWC's assets; (ii) provide reasonable assurance that transactions are recorded appropriately to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorization of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Based on their evaluation, the CEO and CFO have concluded that, as at December 31, 2020, the Company's internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes is in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

There were no changes in internal control over financial reporting that occurred during the Company's most recent year that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

OUTLOOK

Golf Club Operations

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to contain the spread of the virus which may lead to prolonged voluntary or mandatory building closures, business closures, government restrictions on travel and gatherings, quarantines, self-isolation and physical distancing. As a result, the Company temporarily closed all golf clubs in order to adhere to these restrictions and ensure the health and wellbeing of members and staff alike. This has and will continue to impact revenue streams such as corporate events, banquets, meetings, resort and greens fee as golf clubs have reopened but social distancing requirements still prohibit certain services. The Company will continue to adhere to guidance provided by governments and regulatory authorities. As required by the IFRS, ClubLink recognizes its annual dues revenue on a straight-line basis throughout the year based on when its properties are open and the service is provided.

Management expects that 2021 will be similar to 2020 with a strong demand for golf as a response to COVID-19 in addition to limited group business, if any.

Highland Gate Development

TWC has been pursuing the development of its Highland Gate property in Aurora, Ontario as part of a joint venture with Geranium Homes.

The development plan contains 158 single family detached homes, a seven storey multi-unit residential building with 114 units, a 10-metre landscaped buffer between existing rear yards and adjacent new streets, 7.6 kilometres of off-street trails resulting in a total pedestrian network consisting of 10.2 kilometres, and building a major new 21-acre park in the first phase of the development.

In 2019, there were five closings of this first phase along with build-out of two model homes. Approximately one-half of the remaining homes are subject to firm contracts which close in either 2021 or 2022.

Glen Abbey Development

TWC previously announced a long-term plan to transform Glen Abbey Golf Club and dedicate more than half (approximately 124 acres) of the privately-owned site to the public as permanent, publicly accessible green space by filing three development applications on November 10, 2016 with the Town of Oakville. The mixed-use development will deliver approximately 107,000 sf office and 69,000 sf retail space, along with a housing development consisting of 3,222 units compatible with the current character of the Oakville community and consistent with the provincial directive to focus growth within Oakville's built boundary.

ClubLink's three development applications, Official Plan and zoning by-law amendments and the Draft Plan of Subdivision, were deemed complete on November 10, 2016, the date they were received by the Town. Each of these applications have been appealed to the Local Planning Appeal Tribunal ("LPAT").

The 20 week LPAT hearing for this file has now been scheduled for August 9, 2021.

The development application process at Glen Abbey may take several years to conclude and accordingly the property will be operated as a golf course by the Company for the immediate future.

Kanata Development

ClubLink has been working with two local developers on development options at Kanata Golf and Country Club in Ottawa. A development application was submitted to the City of Ottawa on October 8, 2019 and deemed complete on October 17, 2019. On October 25, 2019, the City of Ottawa filed a Superior Court application in order to have ClubLink comply with an agreement compelling a certain amount of open space known as the 40% Agreement. On February 19, 2021, ClubLink was notified that the Superior Court upheld the City's application. ClubLink and its partners are considering options of appeal. A LPAT hearing has been scheduled for this file on January 17, 2022.

US Golf Club Operations

ClubLink is working with a local Florida developer to explore development options at Woodlands Country Club in Tamarac, Florida.

ADDITIONAL INFORMATION

Additional information concerning the Company, as well as the Company's Annual Information Form is available on SEDAR (www.sedar.com) and the investor relations section of the Company's website (www.twcenterprises.ca).

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements and management's discussion and analysis of operations contained in this MD&A are the responsibility of the Company's management. To fulfill this responsibility, the Company maintains a system of internal controls to ensure that its reporting practices and accounting and administrative procedures are appropriate and provide assurance that relevant and reliable financial information is produced. The consolidated financial statements have been prepared in conformity with International Financial Reporting Standards and, where appropriate, reflect estimates based on management's best judgment in the circumstances. The financial information presented throughout this MD&A is consistent with the information contained in the consolidated financial statements.

Deloitte LLP, the independent auditor appointed by the shareholders, have audited the consolidated financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on the consolidated financial statements. Their independent auditor's report is set out on the following page.

The consolidated financial statements have been further examined by the Board of Directors and by its Audit Committee, which meets regularly with the auditors and management to review the activities of each. The Audit Committee, which is comprised of three independent directors, who are not officers of the Company, reports to the Board of Directors.



K. (Rai) Sahi
Chairman, President and Chief Executive Officer
March 5, 2021



Andrew Tamlin
Chief Financial Officer