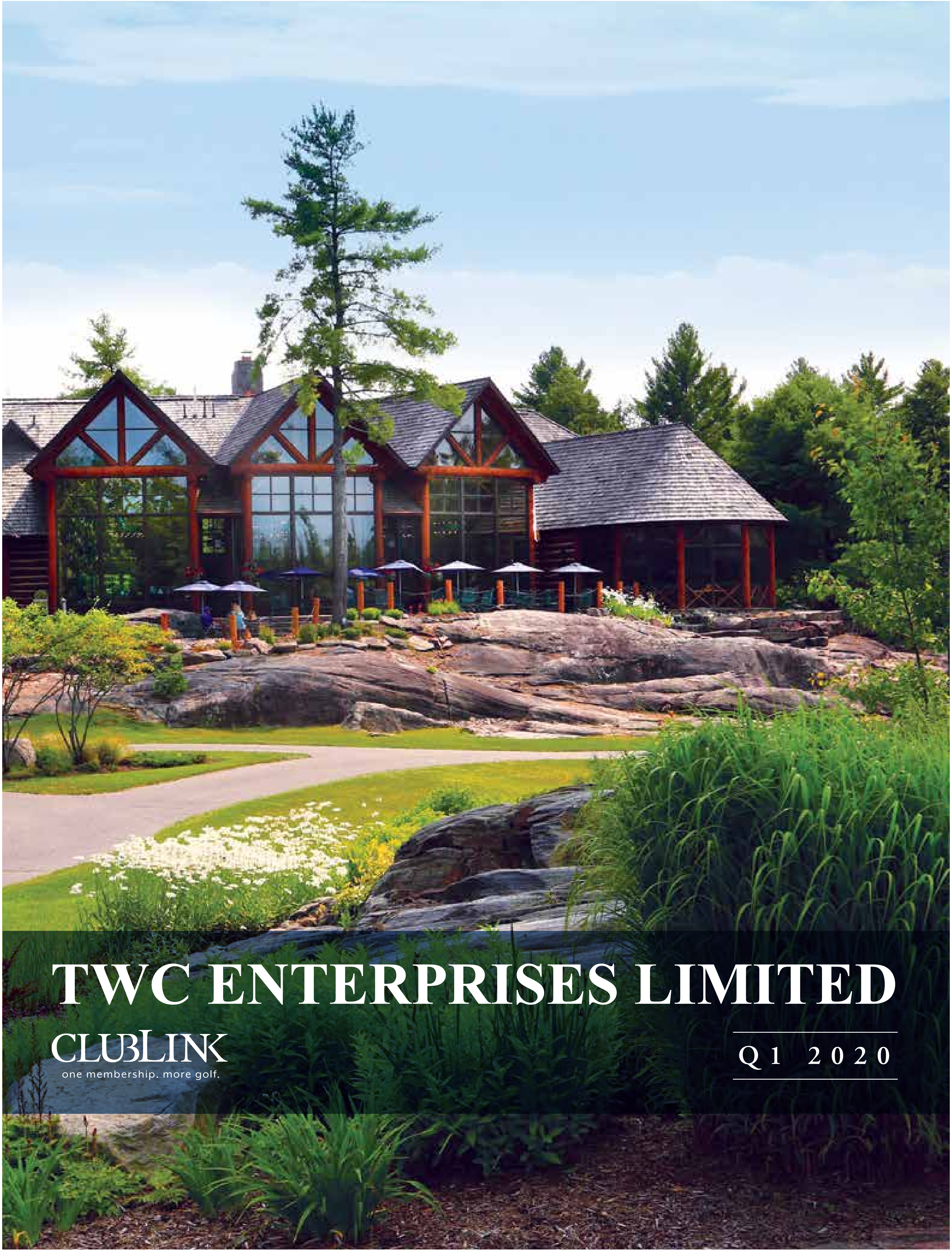

TWC ENTERPRISES LIMITED

CLUBLINK
one membership. more golf.

Q1 2020

FINANCIAL HIGHLIGHTS

The following table summarizes the consolidated financial results of the Company:

(thousands of Canadian dollars - except as indicated)	For the three months ended **March 31, 2020**	March 31, 2019
OPERATIONS		
Operating revenue	**20,070**	23,034
Net operating income	**1,620**	3,577
Operating margin (%)[1]	**8.1**	15.5
Net loss	**(32,420)**	(3,986)
GOLF OPERATING DATA		
Canadian full privilege golf members	**13,656**	14,350
Championship rounds - Canada[2]	**-**	1,000
18-hole equivalent championship golf courses - Canada[2,3]	**40.5**	41.5
18-hole equivalent managed golf courses - Canada	**1.0**	1.0
Championship rounds - U.S.[2]	**112,000**	136,000
18-hole equivalent championship golf courses - U.S.[2,3]	**11.0**	11.0
COMMON SHARE DATA (000)		
Shares outstanding	**26,461**	27,286
Weighted average shares outstanding	**26,518**	27,286
PER COMMON SHARE DATA ($)		
Basic and diluted loss	**(1.22)**	(0.15)
Eligible cash dividend	**0.02**	0.02
FINANCIAL POSITION		
Total assets	**688,101**	727,366
Gross borrowings including lease liabilities	**164,696**	162,430
Shareholders' equity	**401,645**	436,964
Gross borrowings to shareholders' equity ratio	**0.41**	0.37
Net book value per share [1]	**15.18**	16.01

(1) Net operating income, operating margin and net book value per share are not recognized measures under International Financial Reporting Standards ("IFRS"). Management believes that, in addition to net earnings, these measures are useful supplemental information to provide investors with an indication of the Company's performance. Investors should be cautioned, however, that these measures should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of the Company's performance or to cash flows from operating, investing and financing activities, as a measure of liquidity and cash flows. TWC's method of calculating these measures is consistent from year to year, but may be different than those used by other companies (see "Management's Discussion and Analysis of Financial Condition and Results of Operations").
(2) Excluding academy courses.
(3) 18-hole equivalent championship golf courses operating during the period ended March 31.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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 period ended March 31, 2020. This MD&A has been prepared as at May 4, 2020 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").

This interim financial quarterly report has been prepared in compliance with IAS 34.

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

NON-IFRS MEASURES (continued)

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 52½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses, at 40 locations in two separate geographical Regions: (a) Ontario/Quebec (including one managed property) and (b) Florida as at December 31, 2019.

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 TravelLink, 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.

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 and, on payment of an additional fee, inter-regional play within ClubLink through the TravelLink program and ClubCorp Holdings Inc. golf clubs.

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

The TravelLink program offers two levels that allow ClubLink members inter-regional access. The first level (Basic TravelLink), a free membership benefit, provides ClubLink members inter-regional access with preferred green fee pricing. Level 2 (TravelLink 2nd Home Club) is optional and provides ClubLink members with the ability to elect a second Home Club in another region for an annual fee, and allows members to receive all the benefits of a Home Club Member (access to prime tee times, practice facilities, member events).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW OF BUSINESS SEGMENTS (continued)

Golf Club Operations Segment (continued)

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.

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 2020, ClubLink will operate 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, Glencairn, Grandview, Heron Point, Islesmere, Kanata, King's Riding, Lake Joseph, Le Maître, Rocky Crest, Wyndance
Gold:	Caledon Woods, Country Club, Eagle Ridge, Glendale, GreyHawk, Hautes Plaines, National Pines, Station Creek

In 2020, ClubLink will manage 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.

In 2020, ClubLink will operate 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

Beginning with the 2020 operating season, Val des Lacs has been temporarily closed.

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 2020, ClubLink will operate two Ontario/Quebec Region Daily Fee Golf Clubs as follows:

Daily Fee: Grandview Inn, Rolling Hills

ClubLink has approximately 400 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 2,500 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW OF BUSINESS SEGMENTS (continued)

Golf Club Operations Segment (continued)

(a) Ontario/Quebec (continued)

In 2020, ClubLink will operate 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. Currently Sherwood Inn is closed due to the COVID-19 pandemic.

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 ten 18-hole equivalent championship golf courses.

In 2020, ClubLink is operating seven Florida Region Golf Clubs as follows:

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

In 2019, Heron Bay Golf Club was temporarily closed.

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. Currently, management is focused on improving the returns of the existing operating business segments.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SIGNIFICANT EVENT

Operating Update - COVID-19 Pandemic

During March 2020, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused an economic slowdown and material disruption to business. Governments have reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

The Company recognizes the impact COVID-19 has on its properties along with its operations. All of our properties were closed on March 20th and they all remain closed as of this report with the exception of Renaissance and Scepter re-opening on April 15th. All other properties are subject to government closures.

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. These are unprecedented times. Everyone has been impacted by the global efforts to reduce the spread of COVID-19.

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;
- 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 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 - 2020 Golf Season

ClubLink has been working with customers and clients to move their weddings, events and functions to dates later in the year and next year. In some cases, the customer has chosen to cancel. It is expected that there will be declines in these revenue streams in 2020.

It is also expected that there will be restrictions on food and beverage services for at least a portion of 2020, this will result in anticipated declines in this revenue stream.

In order to mitigate the impact of these expected revenue shortfalls, ClubLink is reviewing applicable government programs such as the wage subsidy program. ClubLink is also taking advantage of other deferrals such as property, sales and payroll taxes as well as eliminating or deferring discretionary spending as appropriate – without compromising our assets.

As of this report, all of the Company's Canadian golf courses are closed due to governmental orders. These expire in early May. ClubLink is hopeful that golf courses will be allowed to open after this date.

In response to COVID-19, ClubLink has established amended standard operating procedures which are intended to ensure the safety of our employees and members/customers. These include:

- Restrictions on customers and members coming onto the property beyond what is needed for their tee time.
- Physical distancing measures.
- Temporary suspension of certain privileges such as dining
- Ball washers, bunker rakes have been removed
- Increasing frequency and depth of cleaning procedures
- Enhanced cleaning practices have been developed

The Company is prepared to open its golf courses immediately when the governmental orders are lifted.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUMMARY OF CANADIAN/US EXCHANGE RATES USED FOR TRANSLATION PURPOSES

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

	March 31, 2020	December 31, 2019	March 31, 2019
Balance Sheet	**1.4187**	1.2988	1.3363
Statement of Earnings	**1.3442**	1.3268	1.3292

SELECTED FINANCIAL INFORMATION

The table below sets forth selected financial data relating to the Company's three month periods ended March 31, 2020 and March 31, 2019. This financial data is derived from the Company's unaudited consolidated financial statements, which are prepared in accordance with IFRS.

	For the three months ended		
(thousands of Canadian dollars - except as indicated)	**March 31, 2020**	March 31, 2019	% Change 2020/2019
OPERATING REVENUE	**$ 20,070**	$ 23,034	(12.9%)
DIRECT OPERATING EXPENSES	**18,450**	19,457	(5.2%)
NET OPERATING INCOME	**1,620**	3,577	(54.7%)
Operating margin (%)	**8.1%**	15.5%	(47.7%)
Amortization of membership fees	**1,004**	1,247	(19.5%)
Depreciation and amortization	**(4,953)**	(5,099)	(2.9%)
Interest, net and investment income	**(590)**	(1,374)	(57.1%)
Other items	**(34,498)**	(4,265)	N/A
Income taxes	**4,997**	1,928	159.2%
NET LOSS	**$ (32,420)**	$ (3,986)	N/A
BASIC AND DILUTED LOSS PER SHARE	**$ (1.22)**	$ (0.15)	N/A
TOTAL ASSETS	**$ 688,101**	$ 727,366	(5.4%)
GROSS BORROWINGS INCLUDING LEASE LIABILITIES	**$ 164,696**	$ 162,430	1.4%
SHAREHOLDERS' EQUITY	**$ 401,645**	$ 436,964	(8.1%)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FIRST QUARTER 2020 CONSOLIDATED OPERATING HIGHLIGHTS

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 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 revenue. The Company will continue to adhere to guidance provided by governments and regulatory authorities. 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.

Consolidated operating revenue decreased 12.9% to $20,070,000 for the three month period ended March 31, 2020 from $23,034,000 in 2019 due to the decline in revenue from when the golf properties were closed.

Direct operating expenses decreased 5.2% to $18,450,000 for the three month period ended March 31, 2020 from $19,457,000 in 2019 due to the fact that our golf clubs were closed for a portion of the first quarter.

Net operating income for the Canadian golf club operations segment decreased to $1,157,000 for the three month period ended March 31, 2020 from income of $1,998,000 in 2019 due to the impact of COVID-19 resulting in the temporary closure of Canadian golf clubs.

Amortization of membership fees decreased 19.5% to $1,004,000 from $1,247,000 in 2019.

Interest, net and investment income decreased 57.1% to an expense of $590,000 for the three month period ended March 31, 2020 from $1,374,000 in 2019 due to interest income earned on funds from the sale of White Pass and a decrease in borrowings.

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

(thousands of Canadian dollars)	**March 31, 2020**	March 31, 2019
Foreign exchange loss (gain)	**$ (7,731)**	$ 4,407
Unrealized loss on investment in Automotive Properties REIT	**25,871**	-
Loss on sale of common shares in Carnival plc	**16,240**	-
Equity loss from investments in joint ventures	**193**	-
Other	**(75)**	(142)
Other items	**$ 34,498**	$ 4,265

The exchange rate used for translating US denominated assets has changed from 1.2988 at December 31, 2019 to 1.4187 at March 31, 2020 due to the declining Canadian dollar as a result of the economic impact of COVID-19. This has resulted in a foreign exchange gain of $7,731,000 for the three month period ended March 31, 2020 on the translation of the Company's US denominated financial instruments.

For the three month period ended March 31, 2020, there was a fair value loss of $25,871,000 on the Company's investment in Automotive Properties REIT. The outbreak of COVID-19 has had a material adverse effect on debt and capital markets, and as a result has negatively affected the trading price of Automotive Properties REIT units.

On March 17, 2020, TWC sold its interest in Carnival plc for $5,825,000. This sale resulted in a loss of $16,240,000 reflected in other items.

Net loss is $32,420,000 for the three month period ended March 31, 2020 from $3,986,000 in 2019 due to the large increase in other items. Basic and diluted loss per share increased to $1.22 per share in 2020, compared to 15 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 16 of the unaudited consolidated financial statements for the period ended March 31, 2020.

(thousands of Canadian dollars)	For the three months ended **March 31, 2020**	March 31, 2019	% Change
Operating revenue by segment			
Canadian golf club operations	**$ 12,231**	$ 13,805	(11.4%)
US golf club operations	**7,839**	9,229	(15.1%)
Operating revenue	**$ 20,070**	$ 23,034	(12.9%)
Net operating income (loss) by segment			
Canadian golf club operations	**$ 1,157**	$ 1,998	(42.1%)
US golf club operations	**1,234**	2,435	(49.3%)
Corporate operations	**(771)**	(856)	(9.9%)
Net operating income	**$ 1,620**	$ 3,577	(54.7%)

Review of Canadian Golf Club Operations for the Period Ended March 31, 2020

Summary of Canadian Golf Club Operations

(statistics)	For the three months ended **March 31, 2020**	March 31, 2019	% Change
18-hole equivalent championship golf courses	**40.5**	41.5	(2.4%)
18-hole equivalent managed golf courses	**1**	1	-
Championship golf rounds	**-**	1,000	N/A

(thousands of Canadian dollars)	For the three months ended **March 31, 2020**	March 31, 2019	% Change
Operating revenue	**$ 12,231**	$ 13,805	(11.4%)
Direct operating expenses	**11,074**	11,807	(6.2%)
Net operating income	**1,157**	1,998	(42.1%)
Amortization of membership fees	**921**	1,158	(20.5%)
Depreciation and amortization	**(4,501)**	(4,632)	(2.8%)
Other items	**(1,266)**	360	N/A
Segment loss before interest and income taxes	**$ (3,689)**	$ (1,116)	(230.6%)
Operating margin %	**9.5%**	14.5%	(34.5%)

Canadian Golf Club Operating Revenue

Canadian golf club operating revenue is recorded as follows:

(thousands of Canadian dollars)	For the three months ended **March 31, 2020**	March 31, 2019	% Change
Annual dues	**$ 10,595**	$ 11,914	(11.1%)
Corporate events, guest fees and cart rentals	**37**	69	(46.4%)
Food and beverage	**824**	889	(7.3%)
Merchandise, rooms and other	**775**	933	(16.9%)
Total operating revenue	**$ 12,231**	$ 13,805	(11.4%)

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of Canadian Golf Club Operations for the Period Ended March 31, 2020 (continued)

Canadian Golf Club Direct Operating Expenses

Canadian golf club direct operating expenses are recorded as follows:

(thousands of Canadian dollars)	For the three months ended **March 31, 2020**	March 31, 2019	% Change
Cost of sales	**$ 472**	$ 477	(1.0%)
Labour and employee benefits	**6,263**	6,294	(0.5%)
Utilities	**1,253**	1,327	(5.6%)
Selling, general and administrative	**557**	871	(36.1%)
Property taxes	**721**	739	(2.4%)
Insurance	**443**	407	8.8%
Repairs and maintenance	**451**	542	(16.8%)
Fertilizers and pest control products	**-**	6	N/A
Fuel and oil	**40**	38	5.3%
Other operating expenses	**874**	1,106	(21.0%)
Total direct operating expenses	**$ 11,074**	$ 11,807	(6.2%)

Canadian Membership Fees

Full privilege golf members decreased 4.8% to 13,656 on March 31, 2020 from 14,350 on March 31, 2019 due in part to the sale of the Greenhills Golf Club and the associated 206 members of this property.

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

	Three months ended March 31, 2020		Year ended December 31, 2019		Three months ended March 31, 2019	
(thousands of Canadian dollars)	**Golf Members**	**Future Membership Fee Instalments**	Golf Members	Future Membership Fee Instalments	Golf Members	Future Membership Fee Instalments
Balance, beginning of period	**14,193**	**$ 20,533**	14,602	$ 21,967	14,602	$ 21,967
Sales to new members	**269**	**971**	1,008	4,057	308	1,155
Reinstated members	**41**	**50**	214	204	53	34
Transfer and upgrade fees from existing members	**-**	**128**	-	279	-	72
Resignations and terminations	**(641)**	**(1,646)**	(1,631)	(3,305)	(613)	(1,125)
Sale of Greenhills Golf Club	**(206)**	**(52)**	-	-	-	-
Instalments received in cash	**-**	**(230)**	-	(2,669)	-	(222)
Balance, end of period (Full Privilege)	**13,656**	**$ 19,754**	14,193	$ 20,533	14,350	$ 21,881

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of US Golf Club Operations for the Period Ended March 31, 2020

Summary of US Golf Club Operations

(statistics)	For the three months ended March 31, 2020	March 31, 2019	% Change
18-hole equivalent championship golf courses	**11.0**	11.0	-
Championship golf rounds	**112,000**	136,000	(17.6%)

(thousands of dollars)	For the three months ended March 31, 2020	March 31, 2019	% Change
Operating revenue	**$ 5,832**	$ 6,943	(16.0%)
Direct operating expenses	**4,914**	5,111	(3.9%)
Net operating income	**918**	1,832	(49.9%)
Amortization of membership fees	**62**	67	(7.5%)
Depreciation and amortization	**(336)**	(351)	(4.3%)
Other items	**94**	176	(46.6%)
Segment earnings before interest and income taxes (US dollars)	**738**	1,724	(57.2%)
Exchange	**202**	509	(60.3%)
Segment earnings before interest and income taxes (Cdn dollars)	**$ 940**	$ 2,233	(57.9%)

Review of Corporate Items for the Period Ended March 31, 2020

Interest, Net and Investment Income

Interest, net and investment income decreased 57.1% to an expense of $590,000 for the three month period ended March 31, 2020 from $1,374,000 in 2019.

Other Items

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

(thousands of Canadian dollars)	March 31, 2020	March 31, 2019
Foreign exchange loss (gain)	**$ (7,731)**	$ 4,407
Unrealized loss on investment in Automotive Properties REIT	**25,871**	-
Loss on sale of common shares in Carnival plc	**16,240**	-
Equity loss from investments in joint ventures	**193**	-
Other	**(75)**	(142)
Other items	**$ 34,498**	$ 4,265

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FINANCIAL CONDITION

Assets

Total assets increased 1.8% to $688,101,000 at March 31, 2020 from $675,606,000 at December 31, 2019. This compares to $727,366,000 at March 31, 2019.

Liabilities

Total liabilities increased 20.0% to $286,456,000 at March 31, 2020 from $239,076,000 at December 31, 2019. This compares to $290,402,000 at March 31, 2019.

Shareholders' Equity

Consolidated shareholders' equity at March 31, 2020 totaled $401,645,000 or $15.18 per share, compared to $436,530,000 or $16.33 per share at December 31, 2019 and $436,964,000 or $16.01 per share at March 31, 2019. The number of common shares outstanding decreased to 26,460,951 shares as at March 31, 2020 from 26,735,620 at December 31, 2019 and from 27,286,052 at March 31, 2019 as reflected in the chart below.

The following is a summary of the common share activity:

	For the three months ended	
(number of shares)	**March 31, 2020**	March 31, 2019
Balance, beginning of period	**26,735,620**	27,286,052
Shares cancelled through NCIB	**(274,669)**	-
Balance, end of period	**26,460,951**	27,286,052

During the three month period ending March 31, 2020, the Company purchased 274,669 shares for cancellation at a total price in the amount of $3,680,000.

The company has recorded a positive adjustment to its accumulated other comprehensive earnings account of $1,744,000 due to the translation of one US dollar into 1.4187 Canadian dollars at March 31, 2020 compared to 1.2988 at December 31, 2019. This change has a corresponding impact of the assets and liabilities having a base currency of US dollars.

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)	For the three months ended **March 31, 2020**	March 31, 2019
Cash provided by operating activities	**$ 27,536**	$ 27,936
Operating property, plant and equipment expenditures	**(1,784)**	(1,327)
Expansion property, plant and equipment expenditures	**(1,369)**	(329)
Mortgages and loans receivable	**13,635**	6,588
Revolving borrowings	**20,000**	(20,689)
Non-revolving borrowings – amortization payments	**(4,798)**	(4,531)
Lease liabilities	**(780)**	(1,055)
Cash dividends	**(529)**	(546)
Other long term assets	**(97)**	(145)
Common shares repurchased for cancellation	**(3,680)**	-
Investment in Automotive Properties REIT	**(3,302)**	-
Proceeds on sale of common shares in Carnival plc	**5,825**	-
Other	**4,746**	(1,920)
Net change in cash during the period	**55,403**	3,982
Cash, beginning of year	**66,042**	137,207
Cash, end of period	**$ 121,445**	$ 141,189

During the period, the Company purchased 295,200 units of Automotive Properties REIT for a total cost of $3,302,000.

The analysis of TWC's liquidity is as follows:

(thousands of Canadian dollars)	**Availability as at March 31, 2020**		Availability as at December 31, 2019		Availabilty as at March 31, 2019	
	Maximum	**Available**	Maximum	Available	Maximum	Available
Cash and cash equivalents (CDN)	**$ 52,646**	**$ 52,646**	$ 18,258	$ 18,258	$ 109,792	$ 109,792
Cash and cash equivalents (USD)	**68,799**	**68,799**	47,784	47,784	31,397	31,397
Revolving line of credit (US Golf)	**-**	**-**	-	-	10,022	10,022
Revolving line of credit (corporate)	**50,000**	**28,982**	50,000	48,982	50,000	48,982
Related party revolving line of credit	**50,000**	**50,000**	50,000	50,000	50,000	50,000
	$ 221,445	**$ 200,427**	$ 166,042	$ 165,024	$ 251,211	$ 250,193

LIQUIDITY AND CAPITAL RESOURCES (continued)

Funds will be used during 2020 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 March 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 March 31, 2020 compared to December 31, 2019:

(thousands of Canadian dollars)	**Interest Rate March 31, 2020**	Interest Rate December 31, 2019	**Total Indebtedness March 31, 2020**	Total Indebtedness December 31, 2019	**Average Term to Maturity (Yrs) March 31, 2020**	Average Term to Maturity (Yrs) December 31, 2019
Non-revolving	**8.00%**	8.00%	**$ 10,910**	$ 11,098	**9.50**	9.75
Exchange	**-**	-	**4,568**	3,316	**-**	-
Subtotal US borrowings	**8.00%**	8.00%	**15,478**	14,414		
Revolving (corporate)	**3.29%**	4.08%	**20,000**	-	**1.50**	1.75
Non-revolving	**7.03%**	7.04%	**107,410**	112,027	**5.33**	5.58
Other	**5.00%**	5.00%	**5,332**	5,265	**3.16**	3.41
Subtotal CDN borrowings	**6.38%**	6.95%	**132,742**	117,292		
Gross borrowings	**6.55%**	7.06%	**148,220**	131,706		
Lease liabilities	**6.2%**	6.2%	**16,476**	17,241		
Gross borrowings including lease liabilities			**$ 164,696**	$ 148,947		

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

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 March 31, 2020:

(thousands of Canadian dollars)	Borrowings	Lease Liabilities	**Total**
Balance of 2020	$ 16,197	$ 4,110	**$ 20,307**
2021	42,549	5,344	**47,893**
2022	22,885	4,506	**27,391**
2023	21,709	1,180	**22,889**
2024	16,544	1,247	**17,791**
2025 and thereafter	28,336	89	**28,425**
	$ 148,220	$ 16,476	**$ 164,696**

TWC expects to meet its 2020 mortgage obligations by way of cash flow from operations, and using cash deposits if necessary.

Operating Activities

Cash provided by operating activities were $27,536,000 in 2020 compared to $27,936,000 in 2019.

LIQUIDITY AND CAPITAL RESOURCES (continued)

Investing Activities

Cash used in investing activities were $919,000 in 2020 compared to $1,754,000 in 2019 due to the sale of the shares in Carnival plc.

Financing Activities

Financing activities payments were $23,848,000 in 2020 compared to repayments of $20,233,000 in 2019.

RELATED PARTY TRANSACTIONS

The immediate parent and controlling party of the Company is Paros Enterprises Limited ("Paros") and its parent – 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:

		For the period ended	
(thousands of Canadian dollars)	**March 31, 2020**	December 31, 2019	March 31, 2019
Loan receivable from Morguard	**24,540**	33,679	39,294
Net interest receivable	**188**	304	403
Net interest earned	**188**	1,489	403

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 March 31, 2020, the amount receivable on this facility was $1,885,000 (March 31, 2019 - nil). Interest receivable at March 31, 2020 was $8,000 (March, 2019 - nil), and interest earned amounted to $16,000 for the period ended March 31, 2020 (March 31, 2019 - nil).

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of $181,000 for the period ended March 31, 2020 (March 31, 2019 - $174,000), 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$155,000) for the period ended March 31, 2020 (March 31, 2019 - US$115,000; CDN$153,000) 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, 2020 (March 31, 2019 - 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUMMARY OF FINANCIAL RESULTS BY QUARTER

The table below sets forth selected financial data for the most recent nine quarters ending March 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 Mar. 31**	2019 Dec. 31	2019 Sep. 30	2019 Jun. 30	2019 Mar. 31	2018 Dec. 31	2018 Sep. 30	2018 Jun. 30	2018 Mar. 31
Total assets	**$ 688,101**	$ 675,606	$ 698,543	$ 714,319	$ 727,366	$ 703,076	$ 706,172	$ 665,514	$ 649,279
Operating revenue	**20,070**	29,145	65,260	46,202	23,034	29,035	65,351	48,203	23,352
Net operating income	**1,620**	4,885	15,176	5,348	3,577	3,476	14,763	6,935	3,855
Operating margin (%)	**8.1**	16.8	23.3	11.6	15.5	12.0	22.6	14.4	16.5
Net earnings (loss)	**(32,420)**	4,859	7,322	(3,291)	(3,986)	3,090	220,433	7,072	(7,301)
Basic earnings (loss) per share	**(1.22)**	0.18	0.27	(0.12)	(0.15)	0.11	8.06	0.26	(0.27)
Eligible cash dividends per share	**0.02**	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02

SEASONALITY

The quarterly earnings performance of the Company reflects the highly seasonal nature of the golf business segment. The majority of revenue and earnings from the Canadian golf operations occur 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RISKS AND UNCERTAINTIES

The Company is exposed to risks as further analyzed and described in the annual MD&A for December 31, 2019. In addition to these risks, the following has been identified which can also impact the risks previously identified:

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 services to golf members if courses are required to remain closed. 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 in March and April 2020 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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.

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.

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.

In March, the Company initiated its business continuity plan in response to the COVID-19 pandemic and physical distancing measures which mandated its employee base to work remotely where possible, as well as to maintain a safe environment for its employees and stakeholders, coordinating efforts across its portfolio, standardizing communications and responding as circumstances demand. The remote work arrangments did not have an impact on the design of the internal controls in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company will continue to monitor and mitigate the risks associated with changes to its control environment in response to COVID-19.

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 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 revenue. 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 is expecting 2020 revenue from the amortization of membership fees to be approximately $4.3 million compared to $5.1 million in 2019. In general, membership fee collections have been declining over the last five years due to the downward pressure from the Company's competitors and an oversupply of golf courses in the markets where the Company operates. The average membership price for 2019 is $4,025 as compared to $3,508 for fiscal 2018, $4,107 in 2017 and $5,996 in 2016. This trend is expected to continue in the short-term. Inflationary increases for annual dues are still the norm.

OUTLOOK (continued)

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.

The sales office opened on July 24, 2017 and servicing of the 44 lots in Phase 1a commenced on October 23, 2017 and has now been completed.

In 2019, there were five closings of this first phase along with the build-out of two model homes. The first phase has been re-introduced with revised pricing in the first quarter of 2020.

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").

On September 25, 2017, ClubLink requested the Town to schedule a Ontario Heritage Act (OHA) section 34 pre-consultation meeting in order to demolish and remove 16 buildings and the golf course. The Town responded that our request was beyond the scope of a section 34 application and made an application to Ontario's Superior Court asking for confirmation of the Town's interpretation. ClubLink filed a section 34 application on November 21, 2017, and also made an application to Ontario's Superior Court asking for confirmation that ClubLink had filed a valid section 34 application. The two Superior Court applications were heard together on July 16 and 17, 2018 by Justice Morgan. In accordance with the court's scheduling order, Oakville Council reviewed our section 34 application on February 12, 2018 and refused it. ClubLink appealed Council's decision to LPAT and the appeal is being held in abeyance until a final decision on the court applications is made. On October 25, 2018, Justice Morgan ruled that the Glen Abbey golf course is both composed of structures and overall is a structure for the purposes of section 34 of the OHA. The Court of Appeal heard Oakville's appeal of Justice Morgan's decision on May 21, 2019 and issued a majority decision on October 23, 2019 confirming that ClubLink had filed a valid section 34 application.

On December 20, 2017, Oakville Council Designated the Glen Abbey property as a significant cultural heritage landscape under by-law 2017-138.

On January 30, 2018, Oakville Council passed a Town-wide Cultural Heritage Landscape Conservation Plan by-law (CHL By-law) and a site specific Conservation Plan for Glen Abbey. Council also passed conforming amendments to four other by-laws. On February 6, 2018, ClubLink filed an application to Ontario's Superior Court to quash the Glen Abbey Conservation Plan, CHL Law and conforming amendments to four other by-laws approved on January 30, 2018. The Superior Court application was heard on October 22 and 23, 2018 by Justice Morgan. On December 11, 2018, Justice Morgan struck down Oakville's CHL By-law and four related by-laws and the Town initiated site specific Conservation Plan for the Glen Abbey property, concluding that all three grounds for illegality were satisfied. The three grounds were ultra vires; bad faith and vagueness. The Court of Appeal heard Oakville's appeal of Justice Morgan's decision on May 23, 2019 and issued a majority decision that the Glen Abbey Conservation plan was ultra vires because it effectively forced ClubLink to operate a golf course in perpetuity but did not comment on bad faith or vagueness. In an unanimous decision the Court of Appeal reinstated the CHL By-law and four related by-laws because of their Town-wide application.

On September 18, 2019, LPAT confirmed that ClubLink's appeals of OPA 15 (Urban Structure), OPA 16 (Cultural Heritage Policy Updates), OPA 24 and a Glen Abbey specific Zoning By-law Amendment 2018-016 had transitioned to the new Bill 108 regime. LPAT reconvened the Case Management Conference (CMC) on November 1, 2019 to address the events that have occurred since February 2019 and a ClubLink motion to hear these appeals together with the redevelopment hearing to be scheduled. ClubLink's motion was granted.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OUTLOOK (continued)

Glen Abbey Development (continued)

On November 22, 2019, the Town of Oakville brought forward notices of application asking for the Ontario Superior Court to declare the following instruments valid:

- Heritage Designation By-law 2017-138
- Official Plan Amendment to the Livable Oakville Official Plan (OPA 24)
- Site Specific Zoning By-law (ZBL 2018-16) for Glen Abbey

ClubLink brought forward a motion to dismiss the above notices of application with the Ontario Superior Court and on February 10, 2020, the motion was granted. The Town did not appeal this decision.

ClubLink is now waiting for the LPAT hearing to be scheduled, at which point the next phase of this process will commence.

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 to have ClubLink's application withdrawn or transfer the property to the City at no cost. ClubLink will vigorously defend Ottawa's application.

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 condensed consolidated interim financial statements (the "financial statements") and management's discussion and analysis of operations contained in this quarterly report 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 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 quarterly report is consistent with the information contained in the financial statements.

The 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

Andrew Tamlin
Chief Financial Officer

May 4, 2020

TWC ENTERPRISES LIMITED
Interim Condensed Consolidated Balance Sheets (Unaudited)

(thousands of Canadian dollars)	Notes	**March 31, 2020**	December 31, 2019	March 31, 2019
ASSETS				
Current				
Cash and cash equivalents		**$ 121,445**	$ 66,042	$ 141,189
Accounts receivable		**14,046**	8,451	44,526
Mortgages and loans receivable		**24,722**	35,119	39,300
Inventories and prepaid expenses		**9,463**	5,219	9,262
Other assets	3	**40,468**	85,103	23,171
		210,144	199,934	257,448
Mortgages and loans receivable		**3,088**	2,216	2,735
Other assets	3	**24,092**	24,085	8,725
Right-of-use assets	4	**15,235**	16,318	20,605
Property, plant and equipment	5	**419,347**	417,306	421,277
Intangible assets	6	**15,520**	15,747	16,576
Deferred income tax assets		**675**	-	-
Total assets		**$ 688,101**	$ 675,606	$ 727,366
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	7	**$ 21,439**	$ 22,088	$ 19,752
Lease liabilities	8	**5,156**	5,034	5,028
Borrowings	9	**21,374**	20,921	18,957
Prepaid annual dues and deposits		**49,853**	13,314	50,590
		97,822	61,357	94,327
Lease liabilities	8	**11,320**	12,207	16,681
Borrowings	9	**126,338**	110,222	121,318
Deferred membership fees	10	**6,654**	7,362	8,691
Deferred income tax liabilities		**44,322**	47,928	49,385
Total liabilities		**286,456**	239,076	290,402
Share capital	12	**108,365**	109,490	111,744
Retained earnings		**286,950**	322,454	320,074
Accumulated other comprehensive earnings		**6,330**	4,586	5,146
Total shareholders' equity		**401,645**	436,530	436,964
Total liabilities and shareholders' equity		**$ 688,101**	$ 675,606	$ 727,366

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, 2020**	March 31, 2019
REVENUE			
Operating revenue		**$ 20,070**	$ 23,034
Amortizaton of membership fees	10	**1,004**	1,247
	11	**21,074**	24,281
EXPENSES			
Cost of sales		**1,042**	1,127
Labour and employee benefits		**9,218**	9,362
Utilities		**1,619**	1,735
Selling, general and administrative		**971**	1,365
Property taxes		**2,019**	1,984
Repairs and maintenance		**720**	791
Insurance		**740**	662
Fertilizers and pest control products		**113**	122
Fuel and oil		**100**	106
Other operating expenses		**1,908**	2,203
Depreciation of right-of-use assets	4	**1,289**	1,294
Depreciation of property, plant and equipment	5	**3,345**	3,540
Amortization of intangible assets	6	**319**	265
Interest, net and investment income	13	**590**	1,374
Other items	14	**34,498**	4,265
		58,491	30,195
Loss before income taxes		**(37,417)**	(5,914)
Income tax recovery			
Current		**(683)**	(1,355)
Deferred		**(4,314)**	(573)
		(4,997)	(1,928)
Net loss		**(32,420)**	(3,986)
Unrealized foreign exchange gain (loss) in respect of foreign operations		**1,744**	(383)
Total comprehensive loss		**$ (30,676)**	$ (4,369)
Weighted average shares outstanding (000)	12	**26,518**	27,286
Loss per share - basic and diluted	12	**$ (1.22)**	$ (0.15)

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, 2019		**27,286,052**	**$ 111,744**	**$ 321,308**	**$ 5,529**	**$ 438,581**
Adoption of IFRS 16		-	-	3,298	-	3,298
Comprehensive loss		-	-	(3,986)	(383)	(4,369)
Cash dividend	12B	-	-	(546)	-	(546)
Balance, March 31, 2019		**27,286,052**	**111,744**	**320,074**	**5,146**	**436,964**
Comprehensive earnings (loss)		-	-	8,890	(560)	8,330
Cash dividend	12B	-	-	(1,626)	-	(1,626)
Shares cancelled subject to normal course issuer bid	12C	(550,432)	(2,254)	(4,884)	-	(7,138)
Balance, December 31, 2019		**26,735,620**	**109,490**	**322,454**	**4,586**	**436,530**
Comprehensive earnings (loss)		-	-	(32,420)	1,744	(30,676)
Cash dividend	12B	-	-	(529)	-	(529)
Shares cancelled subject to normal course issuer bid	12C	(274,669)	(1,125)	(2,555)	-	(3,680)
Balance, March 31, 2020		**26,460,951**	**$ 108,365**	**$ 286,950**	**$ 6,330**	**$ 401,645**

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

(thousands of Canadian dollars)	Notes	**March 31, 2020**	March 31, 2019
OPERATING ACTIVITIES			
Net loss		**$ (32,420)**	$ (3,986)
Items not affecting cash:			
Amortization of membership fees	10	**(1,004)**	(1,247)
Depreciation of property, plant and equipment	5	**3,345**	3,540
Depreciation of right-of-use assets	4	**1,289**	1,294
Amortization of intangible assets	6	**319**	265
Interest, net	13	**590**	1,374
Unrealized foreign exchange loss (gain)	14	**(7,731)**	4,407
Unrealized loss on investment in Automotive Properties REIT	14	**25,871**	-
Unrealized gain on common shares in Carnival plc		**-**	(24)
Loss on sale of common shares in Carnival plc	14	**16,240**	-
Equity loss from investments in joint ventures		**193**	-
Income tax recovery		**(4,997)**	(1,928)
Collection of membership fee instalments	10	**274**	266
Interest paid		**(575)**	(1,360)
Income taxes paid		**(3,526)**	(2,797)
Accounts receivable		**(5,582)**	(8,474)
Inventories and prepaid expenses		**(4,244)**	(4,325)
Accounts payable and accrued liabilities		**2,955**	2,901
Prepaid annual dues and deposits		**36,539**	38,030
Cash and cash equivalents provided by operating activities		**27,536**	27,936
INVESTING ACTIVITIES			
Operating property, plant and equipment expenditures	5	**(1,784)**	(1,327)
Expansion property, plant and equipment expenditures	5	**(1,369)**	(329)
Proceeds on sale of property, plant and equipment	5	**2**	47
Proceeds on sale of common shares in Carnival plc	3	**5,825**	-
Right-of-use assets		**(194)**	-
Investment in Automotive Properties REIT	3	**(3,302)**	-
Other long-term assets		**(97)**	(145)
Cash used in investing activities		**(919)**	(1,754)
FINANCING ACTIVITIES			
Revolving borrowings		**20,000**	(20,689)
Non-revolving borrowings - amortization payments		**(4,798)**	(4,531)
Lease liabilities		**(780)**	(1,055)
Mortgages and loans receivable		**13,635**	6,588
Shares repurchased for cancellation		**(3,680)**	-
Dividends paid	12	**(529)**	(546)
Cash provided by (used in) financing activities		**23,848**	(20,233)
Net effect of currency translation adjustment on cash and cash equivalents		**4,938**	(1,967)
Net increase in cash and cash equivalents during the period		**55,403**	3,982
Cash and cash equivalents, beginning of period		**66,042**	137,207
Cash and cash equivalents, end of period		**$ 121,445**	$ 141,189

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, 2020

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 52½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses at 40 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").

This interim financial quarterly report has been prepared in compliance with IAS 34.

These financial statements were authorized for issuance by the Board of Directors on May 4, 2020.

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, 2019. 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, 2019. These financial statements were prepared on a going concern basis, under the historical cost model.

ClubLink recognizes its annual dues revenue on a straight-line basis throughout the year based on when its properties are open and the services are delivered.

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, 2019 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.

3. OTHER ASSETS

Other assets consist of the following:

(thousands of Canadian dollars)	**March 31, 2020**	December 31, 2019	March 31, 2019
Investment in joint venture	**$ 23,299**	$ 23,492	$ 7,834
Common shares in Carnival plc	**-**	22,066	23,171
Investment in Automotive Properties REIT (5,483,457 units)	**40,468**	63,037	-
Other	**793**	593	891
	64,560	109,188	$ 31,896
Less: current portion	**40,468**	85,103	23,171
Other assets	**$ 24,092**	$ 24,085	$ 8,725

On March 17, 2020, TWC sold its interest in Carnival plc for $5,825,000. This sale resulted in a loss of $16,240,000 reflected in other items.

The Company's investment in joint ventures consist of the following:

(thousands of Canadian dollars)	**March 31, 2020**	December 31, 2019	March 31, 2019
Balance, beginning of period	**$ 23,492**	$ 7,834	$ 11,955
Acquisition	**-**	14,501	-
Equity income (loss)	**(193)**	1,135	-
Recognized deferred profit	**-**	22	-
Net return of capital on investments	**-**	-	(4,121)
Balance, end of period	**$ 23,299**	$ 23,492	$ 7,834

On August 16, 2019, TWC purchased a 50% interest in a real estate management company and various real estate housing investments with ownership percentages ranging from 11.67% to 23.33% for $14,501,000. This purchase price was broken down into a cash outlay of $9,236,000 and promissory notes in the amount of $5,265,000. Included in this acquisition was an 11.67% interest in the Highland Gate project, bringing TWC's total interest to be 61.67%. Notwithstanding this fact, TWC does not control this project due to the fact that the Company can only nominate one of the two directors for this asset, and decisions need to be unanimous. Therefore, Highland Gate is jointly controlled and is accounted for as a joint venture.

Control of the real estate management company and the various real estate housing investments is shared with TWC's partners and are considered to be joint ventures which are to be accounted for using the equity accounting method. The real estate management company manages the real estate housing investments acquired.

3. OTHER ASSETS (continued)

Summarized financial information for the real estate management company and the real estate housing investments at 100% and TWC's ownership interest is provided below:

(thousands of Canadian dollars)	Highland Gate	Real Estate Management Company	Real Estate Housing Investments	**March 31, 2020 Total**	December 31, 2019 Total
Current assets	$ 75	$ 4,295	$ 1,106	**$ 5,476**	$ 4,429
Related party	9	(138)	14	**(115)**	(200)
Land and other long-term assets	58,554	467	52,654	**111,675**	112,251
Secured project debt	(23,912)	-	(21,899)	**(45,811)**	(46,648)
Loan from TWC	-	(1,885)	-	**(1,885)**	(870)
Liabilities	(2,074)	(1,532)	(8,168)	**(11,774)**	(10,909)
Net assets at 100%	32,652	1,207	23,707	**57,566**	58,053
Net assets at Company's share	20,136	603	3,235	**23,974**	24,167
Deferred profit	(675)	-	-	**(675)**	(675)
Net assets attributable to TWC	$ 19,461	$ 603	$ 3,235	**$ 23,299**	$ 23,492
Net assets attributable to partners	$ 13,191	$ 603	$ 20,472	**$ 34,267**	$ 34,561
Equity income (loss)	$ -	$ (167)	$ (26)	**$ (193)**	$ 1,135

4. RIGHT-OF-USE ASSETS

Right-of-use assets consists of the following:

(thousands of Canadian dollars)	Land and Buildings	Equipment	**Total**
At January 1, 2019	$ -	$ -	**$ -**
Adoption of IFRS 16	21,372	531	**21,903**
Depreciation	(5,010)	(164)	**(5,174)**
Impairment	(402)	-	**(402)**
Foreign exchange	-	(9)	**(9)**
At December 31, 2019	15,960	358	**16,318**
Additions	-	194	**194**
Depreciation	(1,237)	(52)	**(1,289)**
Foreign exchange	-	12	**12**
At March 31, 2020	$ 14,723	$ 512	**$ 15,235**

TWC ENTERPRISES LIMITED
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
March 31, 2020

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

(thousands of Canadian dollars)	Land	Buildings and Land Improvements	Bunkers, Cart Paths and Irrigation	Rolling Stock and Equipment	**Total**
Cost					
At January 1, 2019	$ 292,199	$ 159,177	$ 104,397	$ 89,547	**$ 645,320**
Additions	1,104	1,469	2,032	4,921	**9,526**
Impairment	-	(2,815)	(1,071)	(1,382)	**(5,268)**
Disposals	(323)	-	-	(3,223)	**(3,546)**
Foreign exchange difference	(547)	(488)	(414)	(434)	**(1,883)**
At December 31, 2019	292,433	157,343	104,944	89,429	**644,149**
Additions	156	1,214	181	1,602	**3,153**
Disposals	-	(2,642)	(1,022)	(1,373)	**(5,037)**
Foreign exchange difference	991	896	767	842	**3,496**
At March 31, 2020	$ 293,580	$ 156,811	$ 104,870	$ 90,500	**$ 645,761**
Accumulated Depreciation					
At January 1, 2019	$ -	$ 75,763	$ 75,397	$ 70,397	**$ 221,557**
Depreciation	-	4,657	4,711	4,512	**13,880**
Impairment	-	(2,642)	(1,022)	1,264	**(4,928)**
Disposals	-	-	-	(3,025)	**(3,025)**
Foreign exchange difference	-	(147)	(192)	(302)	**(641)**
At December 31, 2019	-	77,631	78,894	70,318	**226,843**
Depreciation	-	1,097	1,151	1,097	**3,345**
Disposals	-	(2,642)	(1,022)	(1,373)	**(5,037)**
Foreign exchange difference	-	293	388	582	**1,263**
At March 31, 2020	$ -	$ 76,379	$ 79,411	$ 70,624	**$ 226,414**
Net book value at December 31, 2019	$ 293,416	$ 78,752	$ 26,027	$ 19,111	**$ 417,306**
Net book value at March 31, 2020	$ 293,580	$ 80,432	$ 25,459	$ 19,876	**$ 419,347**

Certain property, plant and equipment have been assigned as collateral for borrowings (Note 9).

On February 4, 2020, ClubLink sold a golf course property and recorded an impairment charge in the amount of $352,000 in the 2019 financial statements in relation to this transaction, of which $340,000 was recorded to property, plant and equipment.

6. INTANGIBLE ASSETS

Intangible assets consist of the following:

(thousands of Canadian dollars)	Membership base	Brand	Other	**Total Intangible Assets**
Cost				
At January 1, 2019	$ 12,272	$ 13,477	$ 2,447	**$ 28,196**
Foreign exchange difference	(101)	-	(10)	**(111)**
At December 31, 2019	12,171	13,477	2,437	**28,085**
Foreign exchange difference	186	-	18	**204**
At March 31, 2020	$ 12,357	$ 13,477	$ 2,455	**$ 28,289**
Accumulated amortization				
At January 1, 2019	$ 4,689	$ 4,590	$ 2,052	**$ 11,331**
Amortization	453	458	154	**1,065**
Foreign exchange difference	(47)	-	(11)	**(58)**
At December 31, 2019	5,095	5,048	2,195	**12,338**
Amortization	174	114	31	**319**
Foreign exchange difference	94	-	18	**112**
At March 31, 2020	$ 5,363	$ 5,162	$ 2,244	**$ 12,769**
Net book value at December 31, 2019	$ 7,076	$ 8,429	$ 242	**$ 15,747**
Net book value at March 31, 2020	$ 6,994	$ 8,315	$ 211	**$ 15,520**

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

(thousands of Canadian dollars)	**March 31, 2020**	December 31, 2019	March 31, 2019
Trade payables	**$ 5,468**	$ 3,481	$ 4,129
Accrued payroll costs	**1,315**	3,213	2,119
Accrued interest	**727**	747	836
Income taxes payable	**504**	4,072	(194)
Accrued liabilities and other	**13,425**	10,575	12,862
	$ 21,439	$ 22,088	$ 19,752

8. 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, 2019	$ -	$ 866	**$ 866**
Adoption of IFRS 16	21,372	531	**21,903**
Interest expense	1,042	63	**1,105**
Lease payments	(5,471)	(739)	**(6,210)**
Impairment	(412)	-	**(412)**
Foreign exchange	-	(11)	**(11)**
At December 31, 2019	16,531	710	**17,241**
Additions	-	194	**194**
Interest expense	238	14	**252**
Lease payments	(1,103)	(122)	**(1,225)**
Foreign exchange	-	14	**14**
At March 31, 2020	15,666	810	**16,476**
Less: current portion	4,753	403	**5,156**
Lease liabilities	$ 10,913	$ 407	**$ 11,320**

Future minimum payments of lease liabilities are as follows:

(thousands of Canadian dollars)	Lease Liabilities	Interest	**Total Minimum Lease Payments**
Balance of 2020	$ 4,110	$ 645	**$ 4,755**
2021	5,344	582	**5,926**
2022	4,506	279	**4,785**
2023	1,180	114	**1,294**
2024	1,247	41	**1,288**
2025 and thereafter	89	21	**110**
	$ 16,476	$ 1,682	**$ 18,158**

The above lease liabilities have a weighted average interest rate of 6.2% (2019 - 6.2%).

9. BORROWINGS

Borrowings consist of the following:

(thousands of Canadian dollars)	**March 31, 2020**	December 31, 2019	March 31, 2019
Secured revolving operating line of credit to a maximum of $50,000,000 due September 11, 2021	**$ 20,000**	$ -	$ -
Mortgages with blended monthly payments of principal and interest			
8.345% Mortgages due July 1, 2022	**5,875**	6,440	8,066
7.550% Mortgage due July 1, 2022	**700**	768	964
7.416% Mortgages due September 1, 2023	**11,222**	11,918	13,930
7.268% Mortgage due July 1, 2024	**5,282**	5,539	6,283
8.060% Mortgage due July 1, 2024	**28,448**	29,826	33,812
6.194% Mortgage due March 1, 2026	**28,382**	29,352	32,172
6.315% Mortgage due December 1, 2027	**27,501**	28,184	30,168
8.000% Mortgage due October 1, 2029 (US$10,910,000; December 31, 2019 - US$11,098,000; March 31, 2019 - US$11,639,000)	**15,478**	14,414	15,553
Other - maturing from August 16, 2022 to August 16, 2024 (note 3)	**5,332**	5,265	-
	148,220	131,706	140,948
Gross borrowings	**148,220**	131,706	140,948
Less: deferred financing costs	**508**	563	673
Borrowings	**147,712**	131,143	140,275
Less: current portion	**21,374**	20,921	18,957
	$ 126,338	$ 110,222	$ 121,318

Borrowings are collateralized by certain property, plant and equipment assets (note 5).

Minimum principal debt repayments over the next five years and thereafter as at March 31, 2020 are as follows:

(thousands of Canadian dollars)	**Total Borrowings**
Balance of 2020	**$ 16,197**
2021	**42,549**
2022	**22,885**
2023	**21,709**
2024	**16,544**
2025 and thereafter	**28,336**
	$ 148,220

10. DEFERRED MEMBERSHIP FEES

Deferred membership fees consist of the following:

(thousands of Canadian dollars)	**March 31, 2020**	December 31, 2019	March 31, 2019
Unamortized membership fees (note 10A)	**$ 27,307**	$ 28,726	$ 31,493
Future membership fee instalments (note 10B)	**(20,653)**	(21,364)	(22,802)
Deferred membership fees	**$ 6,654**	$ 7,362	$ 8,691

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, 2020**	For the year ended December 31, 2019	For the three months ended March 31, 2019
Balance, beginning of period	**$ 28,726**	$ 32,597	$ 32,597
Sales to new members	**1,001**	4,147	1,172
Transfer and reinstatement fees	**194**	551	125
Resignations and terminations	**(1,655)**	(3,360)	(1,125)
Amortization of membership fees to revenue	**(1,004)**	(5,146)	(1,247)
Sale of Greenhills Golf Club	**(52)**	-	-
Exchange difference	**97**	(63)	(29)
Balance, end of period	**$ 27,307**	$ 28,726	$ 31,493

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

(thousands of Canadian dollars)	**For the three months ended March 31, 2020**	For the year ended December 31, 2019	For the three months ended March 31, 2019
Balance, beginning of period	**$ 21,364**	$ 22,915	$ 22,915
Sales to new members	**1,001**	4,147	1,172
Transfer and reinstatement fees	**194**	551	125
Resignations and terminations	**(1,655)**	(3,360)	(1,125)
Instalments received in cash	**(274)**	(2,844)	(266)
Sale of Greenhills Golf Club	**(52)**	-	-
Exchange difference	**75**	(45)	(19)
Balance, end of period	**$ 20,653**	$ 21,364	$ 22,802

11. REVENUE

Revenue consists of the following:

(thousands of Canadian dollars)	Three months ended March 31, 2020 Canadian Golf Club Operations	US Golf Club Operations	Total	Three months ended March 31, 2019 Canadian Golf Club Operations	US Golf Club Operations	Total
Annual dues	$ 10,595	$ 1,618	**$ 12,213**	$ 11,914	$ 1,684	**$ 13,598**
Golf	37	5,066	**5,103**	70	6,037	**6,107**
Corporate events	-	46	**46**	(1)	142	**141**
Membership fees	921	83	**1,004**	1,158	89	**1,247**
Food and beverage	824	840	**1,664**	889	1,021	**1,910**
Merchandise	416	312	**728**	437	384	**821**
Rooms and other	359	(43)	**316**	496	(39)	**457**
	$ 13,152	$ 7,922	**$ 21,074**	$ 14,963	$ 9,318	**$ 24,281**

TWC recognizes its annual dues revenue from golf courses on a straight-line basis throughout the year - as the service is provided and the properties are available to be open. As a result of the COVID-19 pandemic and resulting restrictions on or closures of non-essential businesses, the current closures of the ClubLink Canadian golf course properties as of the date of this report have impacted and will continue to impact annual dues revenue recognition while these properties remain closed.

12. 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, 2020, there are 26,460,951 common shares outstanding (December 31, 2019 - 26,735,620). As at March 31, 2020, no preferred shares have been issued. Please refer to the consolidated statements of changes in shareholders' equity for details.

(B) Dividends

During 2019, ClubLink declared and paid four quarterly cash dividends of 2 cents per common share for a total of 8 cents per common share or $2,172,000 for the year.

During the first quarter of 2020, TWC declared and issued one quarterly cash dividend of 2 cents per common share paid on March 31, 2020 in the amount of $529,000.

(C) Shares repurchased and cancelled

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,366,000 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 1,364,000 of its common shares which will expire 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 March 31, 2020 the Company repurchased for cancellation 274,669 common shares for a total purchase price of $3,679,529 or $13.40 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.

(D) Earnings per share

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

13. 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, 2020**	March 31, 2019
Revolving lines of credit	**$ 26**	$ 70
Non-revolving mortgages	**2,251**	2,585
Lease liabilities (note 8)	**252**	225
Line of credit to related party	**(188)**	(403)
Amortization of deferred financing costs	**55**	67
Other	**69**	4
Interest revenue and investment income	**(1,875)**	(1,174)
Interest, net and investment income	**$ 590**	$ 1,374

14. OTHER ITEMS

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

(thousands of Canadian dollars)	**March 31, 2020**	March 31, 2019
Foreign exchange loss (gain)	**$ (7,731)**	$ 4,407
Unrealized loss on investment in Automotive Properties REIT	**25,871**	-
Loss on sale of common shares in Carnival plc	**16,240**	-
Equity loss from investments in joint ventures (note 3)	**193**	-
Other	**(75)**	(142)
Other items	**$ 34,498**	$ 4,265

The exchange rate used for translating US denominated assets has changed from 1.2988 at December 31, 2019 to 1.4187 at March 31, 2020 due to the declining Canadian dollar as a result of economic impacts of COVID-19. This has resulted in a foreign exchange gain of $7,731,000 for the three month period ended March 31, 2020 on the translation of the Company's US denominated financial instruments.

For the three month period ended March 31, 2020, there was a fair value loss of $25,871,000 on the Company's investment in Automotive Properties REIT. The outbreak of COVID-19 has had a material adverse effect on debt and capital markets, and as a result has negatively affected the trading price of Automotive Properties REIT units.

On March 17, 2020, TWC sold its interest in Carnival plc for $5,825,000. This sale resulted in a loss of $16,240,000 reflected in other items.

15. RELATED PARTY TRANSACTIONS

The immediate parent and controlling party of the Company is Paros Enterprises Limited ("Paros") and its parent – 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:

	For the period ended		
(thousands of Canadian dollars)	**March 31, 2020**	December 31, 2019	March 31, 2019
Loan receivable from Morguard	**24,540**	33,679	39,294
Net interest receivable	**188**	304	403
Net interest earned	**188**	1,489	403

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 March 31, 2020, the amount receivable on this facility was $1,885,000 (March 31, 2019 - nil). Interest receivable at March 31, 2020 was $8,000 (March, 2019 - nil), and interest earned amounted to $16,000 for the period ended March 31, 2020 (March 31, 2019 - nil).

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of $181,000 for the period ended March 31, 2020 (March 31, 2019 - $174,000), 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$155,000) for the period ended March 31, 2020 (March 31, 2019 - US$115,000; CDN$153,000) 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, 2020 (March 31, 2019 - 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.

16. 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 52½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses (including one managed property), at 40 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.

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, 2020			
(thousands of Canadian dollars)	Canadian Golf Club Operations	US Golf Club Operations	Corporate Operations	**Total**
Operating revenue	$ 12,231	$ 7,839	$ -	**$ 20,070**
Direct operating expenses	(11,074)	(6,605)	(771)	**(18,450)**
Net operating income (loss)	1,157	1,234	(771)	**1,620**
Amortization of membership fees	921	83	-	**1,004**
Depreciation and amortization	(4,501)	(452)	-	**(4,953)**
Other items	(1,266)	75	(33,307)	**(34,498)**
Segment earnings (loss) before interest and income taxes	$ (3,689)	$ 940	$ (34,078)	**(36,827)**
Interest, net (unallocated)				**(590)**
Recovery of income taxes (unallocated)				**4,997**
Net loss				**$ (32,420)**
Capital expenditures	$ 3,118	$ 35	$ -	**$ 3,153**

16. SEGMENTED INFORMATION (continued)

For the Three Months Ended March 31, 2019

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

17. CONTINGENCIES

As at March 31, 2019 and March 31, 2020, TWC has $1,018,000 outstanding in letters of credit against its corporate credit facility.

As at March 31, 2020, TWC has $2,000,000 outstanding in letters of credit issued in its name with a Morguard credit facility.

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.

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 and sales of services.

18. SUBSEQUENT EVENT

During and subsequent to the first quarter of 2020, the outbreak of the novel strain of coronavirus ("COVID-19") has resulted in governments worldwide enacting emergency measures to contain the spread of the virus. These measures, which include the implementation of travel bans, restrictions on or closures of non-essential businesses, self-imposed quarantine periods and physical distancing, have caused an economic slowdown and material disruption to business in Canada and globally which has resulted in an uncertain and challenging economic environment that could negatively impact the Company's operations and financial results in future periods. Given the unprecedented and pervasive impact of changing circumstances surrounding the COVID-19 pandemic, there is inherently more uncertainty associated with the Company's future operating assumptions and expectations as compared to prior periods. As such, it is not possible to estimate the impacts COVID-19 will have on the Company's financial position or results of operations in future periods.

At this time, the duration and impact of the COVID-19 pandemic is unknown, as is the effectiveness of the government and central bank interventions. Any estimate of the length and severity of these measures is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 pandemic may, directly or indirectly, materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty.

On April 29, 2020, the Company declared a 2 cents per common share cash dividend, payable June 15, 2020 to shareholders of record on May 29, 2020.

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. Georgetown Golf Club, Georgetown, Ontario	18	–	–	–	–
23. Glendale Golf and Country Club, Hamilton, Ontario	18	–	–	–	–
24. GreyHawk Golf Club, Ottawa, Ontario	36	–	–	–	–
25. National Pines Golf Club, Innisfil, Ontario (a)	18	–	–	–	–
26. Station Creek Golf Club, Whitchurch-Stouffville, Ontario	36	–	–	–	–
27. The Country Club, Woodbridge, Ontario (a)	36	9	–	–	–
Hybrid – Gold					
28. Cherry Downs Golf & Country Club, Pickering, Ontario	18	9	18	–	–
29. Club de Golf Val des Lacs, Ste. Sophie, Quebec	18	–	–	–	–
30. The Club at Bond Head, Bond Head, Ontario (a)	36	–	–	–	–
Hybrid – Silver					
31. Bethesda Grange, Whitchurch-Stouffville, Ontario	18	–	–	–	–
32. Hidden Lake Golf Club, Burlington, Ontario	36	–	–	–	–
Daily Fee					
33. Grandview Inn Course, Huntsville, Ontario	–	9	–	–	–
34. Rolling Hills Golf Club, Whitchurch-Stouffville, Ontario	36	–	–	–	–
Muskoka, Ontario Resorts					
35. The Lake Joseph Club, Port Carling, Ontario	–	–	–	25	–
36. Rocky Crest Resort/Lakeside at Rocky Crest, Mactier, Ontario (c)	–	–	–	84	–
37. 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	52.5	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) These properties 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)
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
TWC ENTERPRISES LIMITED

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

ANDREW TAMLIN
Chief Financial Officer

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

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