

TWC ENTERPRISES LIMITED

CLUBLINK

one membership. more golf.

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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, 2021	March 31, 2020
OPERATIONS		
Operating revenue	14,109	20,070
Net operating income (loss) ⁽¹⁾	(2,257)	1,620
Net earnings (loss)	455	(32,420)
OPERATING DATA		
Canadian full privilege golf members	14,658	13,545
Championship rounds - Canada ⁽²⁾	-	-
18-hole equivalent championship golf courses - Canada ^(2,3)	39.5	40.5
18-hole equivalent managed golf courses - Canada	1.0	1.0
Championship rounds - U.S. ⁽²⁾	93,000	112,000
18-hole equivalent championship golf courses - U.S. ^(2,3)	8.0	11.0
COMMON SHARE DATA (000)		
Shares outstanding	24,612	26,461
Weighted average shares outstanding	24,918	26,518
PER COMMON SHARE DATA (\$)		
Basic and diluted earnings (loss)	0.02	(1.22)
Eligible cash dividend	0.02	0.02
FINANCIAL POSITION		
Total assets	651,511	688,101
Gross borrowings including lease liabilities	116,524	164,696
Shareholders' equity	407,142	401,645
Gross borrowings to shareholders' equity ratio	0.29	0.41
Net book value per share ⁽¹⁾	16.54	15.18

(1) Net operating income 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, 2021. This MD&A has been prepared as at April 30, 2021 and all amounts are in Canadian dollars unless otherwise indicated.

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF 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 48½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses, at 37 locations in two separate geographical Regions: (a) Ontario/Quebec (including one managed property) and (b) Florida.

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

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

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

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

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

(a) Ontario/Quebec

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

In 2021, ClubLink will 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, Georgetown, Glendale, GreyHawk, Hautes Plaines, National Pines, Station Creek

In 2021, 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.

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 2021, 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

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

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

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

Daily Fee: Grandview Inn, Rolling Hills

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

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

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

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

In 2021, ClubLink will 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.

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

(b) United States

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

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

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

In 2019, Heron Bay Golf Club was closed.

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

Corporate Operations Segment

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

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

SIGNIFICANT EVENT

Operating Update - COVID-19 Pandemic

The Company recognizes the impact COVID-19 has on its properties along with its operations. Certain properties and food and beverage operations were mandated to be closed in the first quarter of 2021 due to government imposed lockdowns. This has and will continue to impact into 2021 certain revenue streams such as corporate events, banquets, weddings and food and beverage. It is expected that restrictions will continue to impact the ability to provide indoor dining into the second and third quarters.

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

- temporarily eliminating services deemed to be risky;
- intensified cleaning, focusing staff efforts on cleaning high-touch point areas at all our properties using approved cleaning products;
- management offices are staffed but doors are locked;
- 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 has also modified property access to limit the number of people at large, reduce group gatherings and maintain physical distance between customers. Access to the property still requires an appointment (for example, pre-booked tee times). A "greeter" position was created and stationed at the entrance to each property, with the sole responsibility being to approve access to the property and educate incoming customers on current COVID-19 operating procedures and expectations.

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

Operating Update

Out of an abundance of caution for the safety of our guests and employees, ClubLink will be limiting group events for 2021 to certain thresholds.

As restricted dining is allowed to resume, the Company will be implementing safety measures to maintain physical distancing. It is expected that there will continue to be restrictions on food and beverage services for at least a portion of 2021. ClubLink is monitoring whether it will accept any wedding or meeting business in 2021.

In order to mitigate the impact of these revenue shortfalls, ClubLink has filed for the Canada Emergency Wage Subsidy. There has been no subsidy amounts recorded in the results for the three months ended March 31, 2021.

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, 2021	December 31, 2020	March 31, 2020
Balance Sheet	1.2575	1.2732	1.4187
Statement of Earnings	1.2666	1.3412	1.3442

SELECTED FINANCIAL INFORMATION

The table below sets forth selected financial data relating to the Company's three month periods ended March 31, 2021 and March 31, 2020. This financial data is derived from the Company's unaudited consolidated financial statements, which are prepared in accordance with IFRS.

(thousands of Canadian dollars - except as indicated)	For the three months ended		
	March 31, 2021	March 31, 2020	% Change 2021/2020
OPERATING REVENUE	\$ 14,109	\$ 20,070	(29.7%)
DIRECT OPERATING EXPENSES	16,366	18,450	(11.3%)
NET OPERATING INCOME (LOSS)	(2,257)	1,620	N/A
Operating margin (%)	(16.0%)	8.1%	N/A
Amortization of membership fees	958	1,004	(4.6%)
Depreciation and amortization	(4,755)	(4,953)	(4.0%)
Interest, net and investment income	(436)	(590)	(26.1%)
Other items	5,640	(34,498)	N/A
Income taxes	1,305	4,997	(73.9%)
NET EARNINGS (LOSS)	\$ 455	\$ (32,420)	N/A
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	\$ 0.02	\$ (1.22)	N/A
TOTAL ASSETS	\$ 651,511	\$ 688,101	(5.3%)
GROSS BORROWINGS INCLUDING LEASE LIABILITIES	\$ 116,524	\$ 164,696	(29.2%)
SHAREHOLDERS' EQUITY	\$ 407,142	\$ 401,645	1.4%

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

FIRST QUARTER 2021 CONSOLIDATED OPERATING HIGHLIGHTS

As required by IFRS, ClubLink recognizes its annual dues revenue on a straight-line basis throughout the year based on when its properties are allowed to open and services are provided. As a result of COVID-19 lockdowns in both 2020 and 2021, annual dues revenue was not recognized during certain periods. There was an average of 39 days (2020 - 79 days) in the first quarter that ClubLink was allowed to operate in Canada. Canadian annual dues revenue decreased 38.6% to \$6,501,000 for the three month period ended March 31, 2021 from \$10,595,000 in 2020 due to this policy. This deferral will be recognized into revenue throughout the remainder of the year on a straight-line basis.

Consolidated operating revenue decreased 29.7% to \$14,109,000 for the three month period ended March 31, 2021 from \$20,070,000 in 2020 due to the decline in annual dues revenue.

Direct operating expenses decreased 11.3% to \$16,366,000 for the three month period ended March 31, 2021 from \$18,450,000 in 2020 due to the fact that certain revenue streams were reduced which all had costs associated with them. There has also been a reduction in operating expenses due to the sale of Greenhills Golf Club, Club de Golf Val des Lacs and the closure of Woodlands Country Club in the first quarter of 2020.

Net operating loss for the Canadian golf club operations segment decreased to a loss of \$2,887,000 for the three month period ended March 31, 2021 from income of \$1,157,000 in 2020 due to the shift in the recognition of annual dues revenue.

Amortization of membership fees decreased 4.6% to \$958,000 from \$1,004,000 in 2020.

Interest, net and investment income decreased 26.1% to an expense of \$436,000 for the three month period ended March 31, 2021 from \$590,000 in 2020 due to a decrease in borrowings and an increase in investment income from the Company's investment in Automotive Properties REIT.

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

(thousands of Canadian dollars)	March 31, 2021	March 31, 2020
Unrealized foreign exchange loss (gain)	\$ 326	\$ (7,731)
Unrealized loss (gain) on investment in marketable securities	(4,990)	25,871
Loss on sale of common shares in Carnival plc	-	16,240
Insurance proceeds	(754)	-
Equity loss (income) from investments in joint ventures	(229)	193
Other	7	(75)
Other items	\$ (5,640)	\$ 34,498

The exchange rate used for translating US denominated assets has changed from 1.2732 at December 31, 2020 to 1.2575 at March 31, 2021. This has resulted in a foreign exchange loss of \$326,000 for the three month period ended March 31, 2021 on the translation of the Company's US denominated financial instruments.

Net earnings is \$455,000 for the three month period ended March 31, 2021 from a loss of \$32,420,000 in 2020 due to the loss on the sale of Carnival shares in 2020. Basic and diluted earnings per share increased to \$0.02 per share in 2021, compared to a loss of \$1.22 cents in 2020.

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

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, 2021.

(thousands of Canadian dollars)	For the three months ended		% Change
	March 31, 2021	March 31, 2020	
Operating revenue by segment			
<i>Canadian golf club operations</i>	\$ 7,751	\$ 12,231	(36.6%)
<i>US golf club operations</i>	6,358	7,839	(20.0%)
Operating revenue	\$ 14,109	\$ 20,070	(29.7%)
Net operating income (loss) by segment			
<i>Canadian golf club operations</i>	\$ (2,887)	\$ 1,157	N/A
<i>US golf club operations</i>	1,433	1,234	16.1%
<i>Corporate operations</i>	(803)	(771)	4.2%
Net operating income (loss)	\$ (2,257)	\$ 1,620	N/A

Review of Canadian Golf Club Operations for the Period Ended March 31, 2021

Summary of Canadian Golf Club Operations

(statistics)	For the three months ended		% Change
	March 31, 2021	March 31, 2020	
18-hole equivalent championship golf courses	39.5	40.5	(2.5%)
18-hole equivalent managed golf courses	1	1	-
Championship golf rounds	-	-	N/A

(thousands of Canadian dollars)	For the three months ended		% Change
	March 31, 2021	March 31, 2020	
Operating revenue	\$ 7,751	\$ 12,231	(36.6%)
Direct operating expenses	10,638	11,074	(3.9%)
Net operating income (loss)	(2,887)	1,157	(349.5%)
Amortization of membership fees	890	921	(3.4%)
Depreciation and amortization	(4,396)	(4,501)	(2.3%)
Other items	1,146	(1,266)	N/A
Segment loss before interest and income taxes	\$ (5,247)	\$ (3,689)	(42.2%)

Canadian Golf Club Operating Revenue

Canadian golf club operating revenue is recorded as follows:

(thousands of Canadian dollars)	For the three months ended		% Change
	March 31, 2021	March 31, 2020	
Annual dues	\$ 6,501	\$ 10,595	(38.6%)
Corporate events	-	-	-
Golf	33	37	(10.8%)
Food and beverage	57	824	(93.1%)
Merchandise, rooms and other	1,160	775	49.7%
Total operating revenue	\$ 7,751	\$ 12,231	(36.6%)

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

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of Canadian Golf Club Operations for the Period Ended March 31, 2021 (continued)

Canadian Golf Club Operating Revenue (continued)

As required by IFRS, ClubLink recognizes its annual dues revenue on a straight-line basis throughout the year based on when its properties are allowed to operate and services are provided. During the winter lockdown in Ontario and Quebec, it was concluded that the Company's golf clubs were not allowed to operate.

Annual dues is analyzed as follows for Canadian golf operations:

(thousands of Canadian dollars)	March 31, 2021	March 31, 2020
Number of days in quarter	87	89
Number of lockdown days in quarter (not allowed to operate)	48	10
Number of days in quarter which ClubLink was allowed to operate	39	79
Canadian annual dues revenue recognized during quarter	\$ 6,501	\$ 10,595

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, 2021	March 31, 2020	% Change
Cost of sales	\$ 563	\$ 472	19.3%
Labour and employee benefits	5,758	6,263	(8.1%)
Utilities	1,174	1,253	(6.3%)
Selling, general and administrative	621	557	11.5%
Property taxes	703	721	(2.5%)
Insurance	500	443	12.9%
Repairs and maintenance	559	451	23.9%
Fertilizers and pest control products	13	-	N/A
Fuel and oil	25	40	(37.5%)
Other operating expenses	722	874	(17.4%)
Total direct operating expenses	\$ 10,638	\$ 11,074	(3.9%)

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

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Canadian Membership Fees

Full privilege golf members increased 8.2% to 14,658 on March 31, 2021 from 13,545 on March 31, 2020 due to the large amount of demand for golf as part of the public reaction to the pandemic.

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

(thousands of Canadian dollars)	Three months ended March 31, 2021		Year ended December 31, 2020		Three months ended March 31, 2020	
	Golf Members	Future Membership Fee Instalments	Golf Members	Future Membership Fee Instalments	Golf Members	Future Membership Fee Instalments
Balance, beginning of period	14,705	\$ 24,379	14,193	\$ 20,533	14,193	\$ 20,533
Sales to new members	480	2,781	2,145	8,559	269	971
Reinstated members	99	123	322	494	41	50
Transfer and upgrade fees from existing members	-	626	-	744	-	128
Resignations and terminations	(626)	(1,616)	(1,638)	(3,577)	(641)	(1,646)
Sale of Greenhills Golf Club	-	-	(317)	(52)	(317)	(52)
Instalments received in cash	-	(312)	-	(2,322)	-	(230)
Balance, end of period	14,658	\$ 25,981	14,705	\$ 24,379	13,545	\$ 19,754

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

	For the three months ended March 31, 2021	March 31, 2020	% Change
Corporate/Principal/Spousal	434	122	255.7%
Intermediate	6	106	(94.3%)
Junior	1	7	(85.7%)
Other	39	34	14.7%
Total	480	269	78.4%

Full privilege members are broken down into categories as follows:

	For the three months ended March 31, 2021	March 31, 2020	% Change
Corporate/Principal/Spousal	7,222	6,563	10.0%
Intermediate	1,787	1,231	45.2%
Junior	300	285	5.3%
Other	5,349	5,466	(2.1%)
Total	14,658	13,545	8.2%

The strong demand for golf as a reaction to the pandemic resulted in ClubLink not accepting trial (intermediate or junior) memberships during late 2020 and also resulted in membership caps implemented at certain Golf Clubs. As of the date of this report, ClubLink has stopped accepting membership applications for new members and has implemented a wait list policy.

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

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of US Golf Club Operations for the Period Ended March 31, 2021

Summary of US Golf Club Operations

(statistics)	For the three months ended		% Change
	March 31, 2021	March 31, 2020	
18-hole equivalent championship golf courses	8.0	11.0	(27.3%)
Championship golf rounds	93,000	112,000	(17.0%)

(thousands of dollars)	For the three months ended		% Change
	March 31, 2021	March 31, 2020	
Operating revenue	\$ 5,019	\$ 5,832	(13.9%)
Direct operating expenses	3,888	4,914	(20.9%)
Net operating income	1,131	918	23.2%
Amortization of membership fees	54	62	(12.9%)
Depreciation and amortization	(283)	(336)	(15.8%)
Other items	27	94	(71.3%)
Segment earnings before interest and income taxes (US dollars)	929	738	25.9%
Exchange	235	202	16.3%
Segment earnings before interest and income taxes (Cdn dollars)	\$ 1,164	\$ 940	23.8%

Review of Corporate Items for the Period Ended March 31, 2021

Interest, Net and Investment Income

Interest, net and investment income decreased 26.1% to an expense of \$436,000 for the three month period ended March 31, 2021 from \$590,000 in 2020 due to a decrease in borrowings and an increase in investment income from the Company's investment in Automotive Properties REIT.

Other Items

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

(thousands of Canadian dollars)	March 31, 2021	March 31, 2020
Unrealized foreign exchange loss (gain)	\$ 326	\$ (7,731)
Unrealized loss (gain) on investment in marketable securities	(4,990)	25,871
Loss on sale of common shares in Carnival plc	-	16,240
Insurance	(754)	-
Equity loss (income) from investments in joint ventures	(229)	193
Other	7	(75)
Other items	\$ (5,640)	\$ 34,498

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

FINANCIAL CONDITION

Assets

Total assets increased 3.0% to \$651,511,000 at March 31, 2021 from \$632,382,000 at December 31, 2020. This compares to \$688,101,000 at March 31, 2020.

Liabilities

Total liabilities increased 12.1% to \$244,369,000 at March 31, 2021 from \$218,013,000 at December 31, 2020. This compares to \$286,456,000 at March 31, 2020.

Shareholders' Equity

Consolidated shareholders' equity at March 31, 2021 totaled \$407,142,000 or \$16.54 per share, compared to \$414,369,000 or \$16.56 per share at December 31, 2020 and \$401,645,000 or \$15.18 per share at March 31, 2020. The number of common shares outstanding decreased to 24,612,461 shares as at March 31, 2021 from 25,017,442 at December 31, 2020 and from 26,460,951 at March 31, 2020 as reflected in the chart below.

The following is a summary of the common share activity:

(number of shares)	For the three months ended	
	March 31, 2021	March 31, 2020
Balance, beginning of period	25,017,442	26,735,620
Shares cancelled through NCIB	(404,981)	(274,669)
Balance, end of period	24,612,461	26,460,951

During the three month period ended March 31, 2021, the Company purchased 404,981 shares for cancellation at a total price in the amount of \$6,905,000 or \$17.05 per share.

The company has recorded a negative adjustment to its accumulated other comprehensive earnings account of \$278,000 due to the translation of one US dollar into 1.2575 Canadian dollars at March 31, 2021 compared to 1.2732 at December 31, 2020. This change has a corresponding impact of the assets and liabilities having a base currency of US dollars.

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

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, 2021	March 31, 2020
Cash provided by operating activities	\$ 37,881	\$ 27,536
Operating property, plant and equipment expenditures	(990)	(1,784)
Expansion property, plant and equipment expenditures	(490)	(1,369)
Mortgages and loans receivable	968	13,635
Revolving borrowings	(8,089)	20,000
Non-revolving borrowings – amortization payments	(5,160)	(4,798)
Lease liabilities	(1,035)	(780)
Dividends paid	(500)	(529)
Other long term assets	(7,604)	(97)
Common shares repurchased for cancellation	(6,904)	(3,680)
Net investment in marketable securities	(2,282)	(3,302)
Proceeds on sale of common shares in Carnival plc	-	5,825
Other	(576)	4,746
Net change in cash during the period	5,219	55,403
Cash, beginning of year	57,217	66,042
Cash, end of period	\$ 62,436	\$ 121,445

The analysis of TWC's liquidity is as follows:

(thousands of Canadian dollars)	Availability as at March 31, 2021		Availability as at December 31, 2020		Availability as at March 31, 2020	
	Maximum	Available	Maximum	Available	Maximum	Available
Cash and cash equivalents (CDN)	\$ 16,611	\$ 16,611	\$ 3,501	\$ 3,501	\$ 52,646	\$ 52,646
Cash and cash equivalents (USD)	45,825	45,825	53,716	53,716	68,799	68,799
Revolving line of credit (corporate)	50,000	48,982	50,000	40,893	50,000	28,982
Related party revolving line of credit	50,000	50,000	50,000	50,000	50,000	50,000
	\$ 162,436	\$ 161,418	\$ 157,217	\$ 148,110	\$ 221,445	\$ 200,427

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

LIQUIDITY AND CAPITAL RESOURCES (continued)

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

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

Based on TWC's financial position at March 31, 2021, 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, 2021 compared to December 31, 2020:

(thousands of Canadian dollars)	Interest Rate March 31, 2021	Interest Rate December 31, 2020	Total Indebtedness March 31, 2021	Total Indebtedness December 31, 2020	Average Term to Maturity (Yrs) March 31, 2021	Average Term to Maturity (Yrs) December 31, 2020
Non-revolving	8.0%	8.0%	\$ 10,121	\$ 10,324	8.50	8.75
Exchange	-	-	2,606	2,820	-	-
Subtotal US borrowings	8.0%	8.0%	12,727	13,144		
Revolving (corporate)	3.3%	2.9%	-	8,089	1.50	1.75
Non-revolving	7.0%	7.0%	88,105	93,061	4.50	4.71
Other	5.0%	5.0%	4,369	4,315	2.16	2.41
Subtotal CDN borrowings	6.6%	6.4%	92,474	105,465		
Gross borrowings	6.8%	6.6%	105,201	118,609		
Lease liabilities	6.2%	6.1%	11,323	12,359		
Gross borrowings including lease liabilities			\$ 116,524	\$ 130,968		

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, 2021:

(thousands of Canadian dollars)	Borrowings	Lease Liabilities	Total
Balance of 2021	\$ 17,258	\$ 4,296	\$ 21,554
2022	22,739	4,507	27,246
2023	21,549	1,183	22,732
2024	16,373	1,248	17,621
2025	10,688	10	10,698
2026 and thereafter	16,594	79	16,673
	\$ 105,201	\$ 11,323	\$ 116,524

TWC expects to meet its 2021 mortgage obligations by way of cash flow from operations, and using cash deposits if necessary.

Operating Activities

Cash provided by operating activities were \$37,881,000 in 2021 compared to \$27,536,000 in 2020.

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

LIQUIDITY AND CAPITAL RESOURCES (continued)

Investing Activities

Cash used in investing activities were \$11,377,000 in 2021 compared to \$919,000 in 2020 due to the sale of the shares in Carnival plc in 2020.

Financing Activities

Financing activities repayments were \$20,720,000 in 2021 compared to payments of \$23,848,000 in 2020.

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:

(thousands of Canadian dollars)	March 31, 2021	For the period ended December 31, 2020	March 31, 2020
Loan receivable from Morguard	20,000	20,000	24,540
Net interest receivable	56	45	188
Net interest earned	86	452	188

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 2021 and 2020, 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, 2021, the amount receivable on this facility was \$200,000 (December 31, 2020 - \$800,000; March 31, 2020 - \$1,885,000). Interest receivable at March 31, 2021 was \$1,000 (December 31, 2020 - \$4,000; March 31, 2020 - \$8,000), and interest earned amounted to \$4,000 for the period ended March 31, 2021 (March 31, 2020 - \$16,000).

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of \$174,000 for the period ended March 31, 2021 (March 31, 2020 - \$181,000), 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\$146,000) for the period ended March 31, 2021 (March 31, 2020 - US\$115,000; CDN\$155,000) 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, 2021 (March 31, 2020 - 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, 2021. 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)	2021 Mar. 31	2020				2019			
		Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
Total assets	\$ 651,511	\$ 632,382	\$ 651,987	\$ 655,406	\$ 688,101	\$ 675,606	\$ 698,543	\$ 714,319	\$ 727,366
Operating revenue	14,109	30,157	55,293	21,696	20,070	29,145	65,260	46,202	23,034
Net operating income (loss)	(2,257)	10,768	30,990	533	1,620	4,885	15,176	5,348	3,577
Operating margin (%)	(16.0)	35.7	56.0	2.5	8.1	16.8	23.3	11.6	15.5
Net earnings (loss)	455	8,359	22,427	2,605	(32,420)	4,859	7,322	(3,291)	(3,986)
Basic earnings (loss) per share	0.02	0.33	0.87	0.10	(1.22)	0.18	0.27	(0.12)	(0.15)
Eligible cash dividends per share	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02

SEASONALITY

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

RISKS AND UNCERTAINTIES

The Company is exposed to risks as further analyzed and described in the annual MD&A for December 31, 2020.

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.

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

OUTLOOK

Golf Club Operations

Management expects that 2021 will be similar to 2020 with a strong demand for golf as a response to COVID-19 in addition to limited group business, if any. Currently, ClubLink's Ontario golf clubs are closed due to Provincial lockdown orders which are applicable until May 20th.

Highland Gate Development

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

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

In 2019, there were five closings of this first phase along with build-out of two model homes.

The single family detached homes are analyzed as follows (excluding the condo block):

	Phase 1	Phase 2	Future Phases	Total
Number of lots	44	53	61	158
Lots/units made available for sale	41	51	-	92
Sales closed in 2019	(5)	-	-	(5)
Firm sales scheduled for 2021 and 2022	(36)	(51)	-	(87)
Remaining inventory	-	-	-	-

On April 14, 2021, ClubLink purchased a 25% interest in the Highland Gate joint venture from one of its partners for \$12 million. The partner has \$8 million equity into the project along with priority rights over certain distributions. ClubLink is now entitled to 83.3% of the project's profits.

Glen Abbey Development

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

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

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

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

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

OUTLOOK (continued)

Kanata Development

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

Woodlands Golf Club

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

Heron Bay Golf Club

ClubLink has accepted a \$32,000,000 offer from the North Springs Improvement District, Coral Springs, Florida, for its Heron Bay Golf Club. This is currently subject to due diligence and will remain conditional on financing thereafter. Potential timing of closing would be at the end of 2021.

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

April 30, 2021



Andrew Tamlin
Chief Financial Officer

TWC ENTERPRISES LIMITED
Interim Condensed Consolidated Balance Sheets (Unaudited)

(thousands of Canadian dollars)	Notes	March 31, 2021	December 31, 2020	March 31, 2020
ASSETS				
Current				
Cash and cash equivalents		\$ 62,436	\$ 57,217	\$ 121,445
Accounts receivable		13,276	14,242	14,046
Mortgages and loans receivable		21,464	21,314	24,722
Inventories and prepaid expenses		8,924	4,591	9,463
Other assets	3	86,219	69,847	40,468
		192,319	167,211	210,144
Mortgages and loans receivable		2,567	3,685	3,088
Other assets	3	23,828	25,114	24,092
Right-of-use assets	4	10,082	11,359	15,235
Property, plant and equipment	5	408,479	410,404	419,347
Intangible assets	6	14,236	14,609	15,520
Deferred income tax assets		-	-	675
Total assets		\$ 651,511	\$ 632,382	\$ 688,101
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	7	\$ 16,523	\$ 20,717	\$ 21,439
Lease liabilities	8	5,401	5,339	5,156
Borrowings	9	22,805	22,427	21,374
Prepaid annual dues and deposits		61,729	16,156	49,853
		106,458	64,639	97,822
Lease liabilities	8	5,922	7,020	11,320
Borrowings	9	82,035	95,773	126,338
Deferred membership fees	10	4,628	5,229	6,654
Deferred income tax liabilities		45,326	45,352	44,322
Total liabilities		244,349	218,013	286,456
Share capital	12	100,795	102,453	108,365
Retained earnings		302,539	307,830	286,950
Accumulated other comprehensive earnings		3,808	4,086	6,330
Total shareholders' equity		407,142	414,369	401,645
Total liabilities and shareholders' equity		\$ 651,511	\$ 632,382	\$ 688,101

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, 2021	March 31, 2020
REVENUE			
Operating revenue		\$ 14,109	\$ 20,070
Amortization of membership fees	10	958	1,004
	11	15,067	21,074
EXPENSES			
Cost of sales		953	1,042
Labour and employee benefits		7,824	9,218
Utilities		1,455	1,619
Selling, general and administrative		1,090	971
Property taxes		1,928	2,019
Repairs and maintenance		721	720
Insurance		800	740
Fertilizers and pest control products		97	113
Fuel and oil		83	100
Other operating expenses		1,415	1,908
Depreciation of right-of-use assets	4	1,288	1,289
Depreciation of property, plant and equipment	5	3,105	3,345
Amortization of intangible assets	6	362	319
Interest, net and investment income	13	436	590
Other items	14	(5,640)	34,498
		15,917	58,491
Loss before income taxes		(850)	(37,417)
Income tax recovery			
Current		(1,284)	(683)
Deferred		(21)	(4,314)
		(1,305)	(4,997)
Net earnings (loss)		455	(32,420)
Unrealized foreign exchange gain (loss) in respect of foreign operations		(278)	1,744
Total comprehensive earnings (loss)		\$ 177	\$ (30,676)
Weighted average shares outstanding (000)	12	24,918	26,518
Earnings (loss) per share - basic and diluted	12	\$ 0.02	\$ (1.22)

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, 2020		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		(274,669)	(1,125)	(2,555)	-	(3,680)
Balance, March 31, 2020		26,460,951	108,365	286,950	6,330	401,645
Comprehensive earnings (loss)		-	-	33,391	(2,244)	31,147
Cash dividend	12B	-	-	(1,562)	-	(1,562)
Shares cancelled subject to normal course issuer bid	12C	(1,443,509)	(5,912)	(10,949)	-	(16,861)
Balance, December 31, 2020		25,017,442	102,453	307,830	4,086	414,369
Comprehensive earnings (loss)		-	-	455	(278)	177
Cash dividend	12B	-	-	(500)	-	(500)
Shares cancelled subject to normal course issuer bid	12C	(404,981)	(1,658)	(5,246)	-	(6,904)
Balance, March 31, 2021		24,612,461	\$ 100,795	\$ 302,539	\$ 3,808	\$ 407,142

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

(thousands of Canadian dollars)	Notes	March 31, 2021	March 31, 2020
OPERATING ACTIVITIES			
Net earnings (loss)		\$ 455	\$ (32,420)
Items not affecting cash:			
Amortization of membership fees	10	(958)	(1,004)
Depreciation of property, plant and equipment	5	3,105	3,345
Depreciation of right-of-use assets	4	1,288	1,289
Amortization of intangible assets	6	362	319
Interest, net	13	436	590
Unrealized foreign exchange loss (gain)	14	326	(7,731)
Unrealized loss (gain) on investment in marketable securities	14	(4,990)	25,871
Gain on sale of marketable securities		(11)	-
Loss on sale of common shares in Carnival plc	14	-	16,240
Equity loss (income) from investments in joint ventures		(229)	193
Income tax recovery		(1,305)	(4,997)
Collection of membership fee instalments	10	359	274
Interest paid		(422)	(575)
Income taxes paid		(4,170)	(3,526)
Accounts receivable		(345)	(5,582)
Inventories and prepaid expenses		(4,333)	(4,244)
Accounts payable and accrued liabilities		2,713	2,955
Prepaid annual dues and deposits		45,573	36,539
Cash and cash equivalents provided by operating activities		37,881	27,536
INVESTING ACTIVITIES			
Operating property, plant and equipment expenditures	5	(990)	(1,784)
Expansion property, plant and equipment expenditures	5	(490)	(1,369)
Proceeds on sale of property, plant and equipment	5	-	2
Proceeds on sale of common shares in Carnival plc	3	-	5,825
Right-of-use assets		(11)	(194)
Net investment in marketable securities	3	(2,282)	(3,302)
Other long-term assets		(7,604)	(97)
Cash used in investing activities		(11,377)	(919)
FINANCING ACTIVITIES			
Revolving borrowings		(8,089)	20,000
Non-revolving borrowings - amortization payments		(5,160)	(4,798)
Lease liabilities		(1,035)	(780)
Mortgages and loans receivable		968	13,635
Shares repurchased for cancellation		(6,904)	(3,680)
Dividends paid	12	(500)	(529)
Cash provided by (used in) financing activities		(20,720)	23,848
Net effect of currency translation adjustment on cash and cash equivalents		(565)	4,938
Net increase in cash and cash equivalents during the period		5,219	55,403
Cash and cash equivalents, beginning of period		57,217	66,042
Cash and cash equivalents, end of period		\$ 62,436	\$ 121,445

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, 2021

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 48½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses at 37 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 April 30, 2021.

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, 2020. 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, 2020. 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, 2020 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.

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2021

3. OTHER ASSETS

Other assets consist of the following:

(thousands of Canadian dollars)	March 31, 2021	December 31, 2020	March 31, 2020
Investment in joint venture	\$ 23,200	\$ 22,996	\$ 23,299
Investment in Automotive Properties REIT (6,877,057 units; December 31, 2020 - 6,521,657 units; March 31, 2020 - 5,483,457 units)	78,674	69,847	40,468
Investment in other marketable securities	-	1,531	-
Other	8,173	587	793
	110,047	94,961	\$ 64,560
Less: current portion	86,219	69,847	40,468
	\$ 23,828	\$ 25,114	\$ 24,092

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

(thousands of Canadian dollars)	March 31, 2021	December 31, 2020	March 31, 2020
Balance, beginning of period	\$ 22,996	\$ 23,492	\$ 23,492
Equity income (loss)	229	115	(193)
Recognized deferred profit	-	-	-
Net return of capital on investments	(25)	(611)	-
Balance, end of period	\$ 23,200	\$ 22,996	\$ 23,299

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.

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2021

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:

				March 31, 2021	December 31, 2020
(thousands of Canadian dollars)	Highland Gate	Real Estate Management Company	Real Estate Housing Investments	Total	Total
Current assets	\$ 2,286	\$ 2,943	\$ 1,713	\$ 6,942	\$ 7,466
Related party	-	(13)	-	(13)	200
Land and other long-term assets	78,430	622	42,920	121,972	112,770
Secured project debt	(34,539)	-	(12,043)	(46,582)	(41,433)
Loan from TWC	-	(200)	-	(200)	(800)
Liabilities	(13,525)	(1,191)	(7,944)	(22,660)	(19,416)
Net assets at 100%	32,652	2,161	24,646	59,459	58,787
Net assets at Company's share	20,136	1,081	3,295	24,512	24,282
Return of capital investments	(632)	-	(5)	(637)	(611)
Deferred profit	(675)	-	-	(675)	(675)
Net assets attributable to TWC	\$ 18,829	\$ 1,081	\$ 3,290	\$ 23,200	\$ 22,996
Net assets attributable to partners	\$ 13,823	\$ 1,080	\$ 21,356	\$ 36,259	\$ 35,791
Equity income (loss)	\$ -	\$ 196	\$ 33	\$ 229	\$ 115

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, 2020	\$ 15,960	\$ 358	\$ 16,318
Additions	-	194	194
Depreciation	(4,944)	(210)	(5,154)
Foreign exchange	-	1	1
At December 31, 2020	11,016	343	11,359
Additions	-	11	11
Depreciation	(1,237)	(51)	(1,288)
At March 31, 2021	\$ 9,779	\$ 303	\$ 10,082

TWC ENTERPRISES LIMITED

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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	Equipment	Total
Cost					
At January 1, 2020	\$ 292,433	\$ 157,343	\$ 104,944	\$ 89,429	\$ 644,149
Additions	617	4,048	1,659	3,542	9,866
Disposals	(2,395)	(1,561)	(691)	(3,560)	(8,207)
Foreign exchange difference	(212)	(192)	(168)	(135)	(707)
At December 31, 2020	290,443	159,638	105,744	89,276	645,101
Additions	570	15	88	807	1,480
Disposals	-	-	-	(253)	(253)
Foreign exchange difference	(130)	(117)	(101)	(94)	(442)
At March 31, 2021	\$ 290,883	\$ 159,536	\$ 105,731	\$ 89,736	\$ 645,886
Accumulated Depreciation					
At January 1, 2020	\$ -	\$ 77,631	\$ 78,894	\$ 70,318	\$ 226,843
Depreciation	-	5,101	4,234	3,636	12,971
Disposals	-	(487)	(642)	(3,678)	(4,807)
Foreign exchange difference	-	(79)	(109)	(122)	(310)
At December 31, 2020	-	82,166	82,377	70,154	234,697
Depreciation	-	501	965	1,639	3,105
Disposals	-	-	-	(226)	(226)
Foreign exchange difference	-	(42)	(57)	(70)	(169)
At March 31, 2021	\$ -	\$ 82,625	\$ 83,285	\$ 71,497	\$ 237,407
Net book value at December 31, 2020	\$ 290,443	\$ 77,472	\$ 23,367	\$ 19,122	\$ 410,404
Net book value at March 31, 2021	\$ 290,883	\$ 76,911	\$ 22,446	\$ 18,239	\$ 408,479

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

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2021

6. INTANGIBLE ASSETS

Intangible assets consist of the following:

(thousands of Canadian dollars)	Membership base	Brand	Other	Total Intangible Assets
Cost				
At January 1, 2020	\$ 12,171	\$ 13,477	\$ 2,437	\$ 28,085
Foreign exchange difference	(40)	-	(4)	(44)
At December 31, 2020	12,131	13,477	2,433	28,041
Foreign exchange difference	(24)	-	(2)	(26)
At March 31, 2021	\$ 12,107	\$ 13,477	\$ 2,431	\$ 28,015
Accumulated amortization				
At January 1, 2020	\$ 5,095	\$ 5,048	\$ 2,195	\$ 12,338
Amortization	518	485	121	1,124
Foreign exchange difference	(26)	-	(4)	(30)
At December 31, 2020	5,587	5,533	2,312	13,432
Amortization	108	224	30	362
Foreign exchange difference	(13)	-	(2)	(15)
At March 31, 2021	\$ 5,682	\$ 5,757	\$ 2,340	\$ 13,779
Net book value at December 31, 2020	\$ 6,544	\$ 7,944	\$ 121	\$ 14,609
Net book value at March 31, 2021	\$ 6,425	\$ 7,720	\$ 91	\$ 14,236

TWC ENTERPRISES LIMITED
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
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7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

(thousands of Canadian dollars)	March 31, 2021	December 31, 2020	March 31, 2020
Trade payables	\$ 2,870	\$ 2,680	\$ 5,468
Accrued payroll costs	1,221	2,619	1,315
Accrued interest	591	625	727
Income taxes payable	-	4,885	504
Accrued liabilities and other	11,841	9,908	13,425
	\$ 16,523	\$ 20,717	\$ 21,439

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, 2020	\$ 16,531	\$ 710	\$ 17,241
Additions	-	194	194
Interest expense	847	48	895
Lease payments	(5,503)	(472)	(5,975)
Foreign exchange	-	4	4
At December 31, 2020	11,875	484	12,359
Additions	-	11	11
Interest expense	168	7	175
Lease payments	(1,131)	(90)	(1,221)
Foreign exchange	-	(1)	(1)
At March 31, 2021	10,912	411	11,323
Less: current portion	5,165	236	5,401
	\$ 5,747	\$ 175	\$ 5,922

Future minimum payments of lease liabilities are as follows:

(thousands of Canadian dollars)	Lease Liabilities	Interest	Total Minimum Lease Payments
Balance of 2021	\$ 4,296	\$ 408	\$ 4,704
2022	4,507	279	4,786
2023	1,183	114	1,297
2024	1,248	41	1,289
2025	10	5	15
2026 and thereafter	79	16	95
	\$ 11,323	\$ 863	\$ 12,186

The above lease liabilities have a weighted average interest rate of 6.2% (2020 - 6.2%).

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2021

9. BORROWINGS

Borrowings consist of the following:

(thousands of Canadian dollars)	March 31, 2021	December 31, 2020	March 31, 2020
Secured revolving operating line of credit to a maximum of \$50,000,000 due September 11, 2022	\$ -	\$ 8,089	\$ 20,000
Mortgages with blended monthly payments of principal and interest			
8.345% Mortgages due July 1, 2022	3,496	4,110	5,875
7.550% Mortgage due July 1, 2022	415	488	700
7.416% Mortgages due September 1, 2023	8,306	9,056	11,222
7.268% Mortgage due July 1, 2024	4,206	4,482	5,282
8.060% Mortgage due July 1, 2024	22,670	24,155	28,448
6.194% Mortgage due March 1, 2026	24,352	25,383	28,382
6.315% Mortgage due December 1, 2027	24,660	25,387	27,501
8.000% Mortgage due October 1, 2029 (US\$10,121,000; December 31, 2020 - US\$10,324,000; March 31, 2020 - US\$10,910,000)	12,727	13,144	15,478
Other - maturing from August 16, 2022 to August 16, 2024 (note 3)	4,369	4,315	5,332
	105,201	118,609	148,220
Gross borrowings	105,201	118,609	148,220
Less: deferred financing costs	361	409	508
Borrowings	104,840	118,200	147,712
Less: current portion	22,805	22,427	21,374
	\$ 82,035	\$ 95,773	\$ 126,338

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, 2021 are as follows:

(thousands of Canadian dollars)	Total Borrowings
Balance of 2021	\$ 17,258
2022	22,739
2023	21,549
2024	16,373
2025	10,688
2026 and thereafter	16,594
	\$ 105,201

TWC ENTERPRISES LIMITED
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
March 31, 2021

10. DEFERRED MEMBERSHIP FEES

Deferred membership fees consist of the following:

(thousands of Canadian dollars)	March 31, 2021	December 31, 2020	March 31, 2020
Unamortized membership fees (note 10A)	\$ 31,477	\$ 30,479	\$ 27,307
Future membership fee instalments (note 10B)	(26,849)	(25,250)	(20,653)
Deferred membership fees	\$ 4,628	\$ 5,229	\$ 6,654

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, 2021	For the year ended December 31, 2020	For the three months ended March 31, 2020
Balance, beginning of period	\$ 30,479	\$ 28,726	\$ 28,726
Sales to new members	2,816	8,751	1,001
Transfer and reinstatement fees	770	1,333	194
Resignations and terminations	(1,619)	(3,626)	(1,655)
Amortization of membership fees to revenue	(958)	(4,585)	(1,004)
Sale of Greenhills Golf Club	-	(104)	(52)
Exchange difference	(11)	(16)	97
Balance, end of period	\$ 31,477	\$ 30,479	\$ 27,307

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

(thousands of Canadian dollars)	For the three months ended March 31, 2021	For the year ended December 31, 2020	For the three months ended March 31, 2020
Balance, beginning of period	\$ 25,250	\$ 21,364	\$ 21,364
Sales to new members	2,816	8,751	1,001
Transfer and reinstatement fees	770	1,333	194
Resignations and terminations	(1,619)	(3,626)	(1,655)
Instalments received in cash	(359)	(2,501)	(274)
Sale of Greenhills Golf Club	-	(52)	(52)
Exchange difference	(9)	(19)	75
Balance, end of period	\$ 26,849	\$ 25,250	\$ 20,653

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2021

11. REVENUE

Revenue consists of the following:

(thousands of Canadian dollars)	Three months ended March 31, 2021			Three months ended March 31, 2020		
	Canadian Golf Club Operations	US Golf Club Operations	Total	Canadian Golf Club Operations	US Golf Club Operations	Total
Annual dues	\$ 6,501	\$ 1,441	\$ 7,942	\$ 10,595	\$ 1,618	\$ 12,213
Golf	33	4,157	4,190	37	5,066	5,103
Corporate events	-	71	71	-	46	46
Membership fees	890	68	958	921	83	1,004
Food and beverage	57	516	573	824	840	1,664
Merchandise	832	231	1,063	416	312	728
Rooms and other	328	(58)	270	359	(43)	316
	\$ 8,641	\$ 6,426	\$ 15,067	\$ 13,152	\$ 7,922	\$ 21,074

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 provincial lockdowns related to COVID-19 in both 2021 and 2020 annual dues revenue recognition has been impacted.

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, 2021, there are 24,612,461 common shares outstanding (December 31, 2020 - 25,017,442). As at March 31, 2021, no preferred shares have been issued. Please refer to the consolidated statements of changes in shareholders' equity for details.

(B) Dividends

During 2020, ClubLink declared and paid four quarterly cash dividends of 2 cents per common share for a total of 8 cents per common share or \$2,091,000 for the year.

During the first quarter of 2021, TWC declared and issued one quarterly cash dividend of 2 cents per common share paid on March 31, 2021 in the amount of \$500,000.

(C) Shares repurchased and cancelled

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

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,271,000 of its common shares which will expire on September 19, 2021. From September 20, 2020 to December 31, 2020 the Company repurchased for cancellation 410,400 common shares for a total purchase price of \$5,389,859 or \$13.13 per share, including commissions. From January 1, 2021 to March 31, 2021 the Company repurchased for cancellation 404,981 common shares for a total purchase price of \$6,904,926 or \$17.05 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.

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2021

13. INTEREST, NET AND INVESTMENT INCOME

Interest, net and investment income consists of the following:

(thousands of Canadian dollars)	For the three months ended	
	March 31, 2021	March 31, 2020
Revolving lines of credit	\$ 11	\$ 26
Non-revolving mortgages	1,857	2,251
Lease liabilities (note 8)	175	252
Line of credit to related party	(86)	(188)
Amortization of deferred financing costs	48	55
Other	56	69
Interest revenue and investment income	(1,625)	(1,875)
	\$ 436	\$ 590

14. OTHER ITEMS

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

(thousands of Canadian dollars)	March 31,	
	2021	2020
Unrealized foreign exchange loss (gain)	\$ 326	\$ (7,731)
Unrealized loss (gain) on investment in marketable securities	(4,990)	25,871
Loss on sale of common shares in Carnival plc	-	16,240
Insurance proceeds	(754)	-
Equity loss (income) from investments in joint ventures (note 3)	(229)	193
Other	7	(75)
	\$ (5,640)	\$ 34,498

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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:

(thousands of Canadian dollars)	March 31, 2021	For the period ended December 31, 2020	March 31, 2020
Loan receivable from Morguard	20,000	20,000	24,540
Net interest receivable	56	45	188
Net interest earned	86	452	188

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 2021 and 2020, 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, 2021, the amount receivable on this facility was \$200,000 (December 31, 2020 - \$800,000; March 31, 2020 - \$1,885,000). Interest receivable at March 31, 2021 was \$1,000 (December 31, 2020 - \$4,000; March 31, 2020 - \$8,000), and interest earned amounted to \$4,000 for the period ended March 31, 2021 (March 31, 2020 - \$16,000).

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of \$174,000 for the period ended March 31, 2021 (March 31, 2020 - \$181,000), 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\$146,000) for the period ended March 31, 2021 (March 31, 2020 - US\$115,000; CDN\$155,000) 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, 2021 (March 31, 2020 - 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.

TWC ENTERPRISES LIMITED

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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 48½, 18-hole equivalent championship and 3½, 18-hole equivalent academy courses (including one managed property), at 37 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, 2021

(thousands of Canadian dollars)	Canadian Golf Club Operations	US Golf Club Operations	Corporate Operations	Total
Operating revenue	\$ 7,751	\$ 6,358	\$ -	\$ 14,109
Direct operating expenses	(10,638)	(4,925)	(803)	(16,366)
Net operating income (loss)	(2,887)	1,433	(803)	(2,257)
Amortization of membership fees	890	68	-	958
Depreciation and amortization	(4,396)	(359)	-	(4,755)
Other items	1,146	22	4,472	5,640
Segment earnings (loss) before interest and income taxes	\$ (5,247)	\$ 1,164	\$ 3,669	(414)
Interest, net (unallocated)				(436)
Recovery of income taxes (unallocated)				1,305
Net earnings				\$ 455
Capital expenditures	\$ 1,396	\$ 84	\$ -	\$ 1,480

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2021

16. SEGMENTED INFORMATION (continued)

	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

17. COMMITMENTS/CONTINGENCIES

TWC has committed US\$10,000,000 towards a real estate fund based out of Florida. As at March 31, 2021 there has been US\$1,500,000 in capital calls towards this commitment.

As at March 31, 2020, December 31, 2020 and March 31, 2021, TWC has \$1,018,000 outstanding in letters of credit against its corporate credit facility.

As at March 31, 2021, 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 EVENTS

On April 14, 2021, ClubLink purchased a 25% interest in the Highland Gate joint venture from one of its partners for \$12 million. The partner has \$8 million equity into the project along with priority rights over certain distributions. ClubLink is now entitled to 83.3% of the project's profits.

On April 29, 2021, the Company declared a 2 cents per common share cash dividend, payable June 15, 2021 to shareholders of record on May 31, 2021.

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. The Club at Bond Head, Bond Head, Ontario (a)	36	–	–	–	–
Hybrid – Silver					
30. Bethesda Grange, Whitchurch-Stouffville, Ontario	18	–	–	–	–
31. Hidden Lake Golf Club, Burlington, Ontario	36	–	–	–	–
Daily Fee					
32. Grandview Inn Course, Huntsville, Ontario	–	9	–	–	–
33. Rolling Hills Golf Club, Whitchurch-Stouffville, Ontario	36	–	–	–	–
Muskoka, Ontario Resorts					
34. The Lake Joseph Club, Port Carling, Ontario	–	–	–	25	–
35. Rocky Crest Resort/Lakeside at Rocky Crest, Mactier, Ontario (c)	–	–	–	84	–
36. 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 – Silver					
4. Sandpiper Golf Club, Sun City Center, Florida	27	–	–	–	–
Daily Fee					
5. Palm Aire Country Club (Oaks, Cypress), Pompano Beach, Florida	36	–	–	–	–
6. 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
Heron Bay Golf Club, Coral Springs, Florida (d)	–	–	–	–	240
Woodlands Country Club, Tamarac, Florida (d)	–	–	–	–	279
Total 18-hole Equivalent Courses, Rooms, Acres	48.5	3.5	3.0	158	1,305

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.

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

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

CORPORATE INFORMATION

EXECUTIVE OFFICE

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

WEB SITES

twcenterprises.ca
clublink.ca

INVESTOR RELATIONS

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

BANKERS

HSBC Bank Canada
HSBC Bank USA

AUDITORS

Deloitte LLP

STOCK EXCHANGE LISTING

Common shares: TSX: TWC

TRANSFER AGENT

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

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