

TWC ENTERPRISES LIMITED

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CLUBLINK

one membership. more golf.



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, 2022	March 31, 2021
OPERATIONS		
Operating revenue	37,932	14,109
Net operating income (loss) ⁽¹⁾	4,978	(2,257)
Net earnings (loss)	(1,093)	455
OPERATING DATA		
Canadian full privilege golf members	15,302	14,814
Championship rounds - Canada ⁽²⁾	-	-
18-hole equivalent championship golf courses - Canada ^(2,3)	37.5	39.5
18-hole equivalent managed golf courses - Canada	2.0	1.0
Championship rounds - U.S. ⁽²⁾	112,000	93,000
18-hole equivalent championship golf courses - U.S. ^(2,3)	8.0	8.0
COMMON SHARE DATA (000)		
Shares outstanding	24,548	24,612
Weighted average shares outstanding	24,548	24,918
PER COMMON SHARE DATA (\$)		
Basic and diluted earnings (loss)	(0.04)	0.02
Eligible cash dividend	0.02	0.02
FINANCIAL POSITION		
Total assets	772,485	651,511
Gross borrowings	109,366	116,524
Shareholders' equity	500,679	407,142
Net book value per share ⁽¹⁾	20.40	16.54

(1) Net operating income (loss) 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. 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) unaudited interim condensed consolidated financial statements and accompanying notes for the period ended March 31, 2022. This MD&A has been prepared as at May 2, 2022 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.

SPECIFIED FINANCIAL MEASURES

The Company reports its financial results in accordance with IFRS. However, this MD&A also uses specified financial measures that are not defined by IFRS, which follow the disclosure requirements established by National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*. Specified financial measures are categorized as non-GAAP financial measures, non-GAAP ratios, and other financial measures, which are capital management measures, supplementary financial measures, and total of segments measures.

NON-GAAP MEASURES

Non-GAAP financial measures do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. These measures should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS. The Company's management uses these measures to aid in assessing the Company's underlying core performance and provides these additional measures so that investors may do the same. Management believes that the non-GAAP financial measures described below, which supplement the IFRS measures, provide readers with a more comprehensive understanding of management's perspective on the Company's operating results and performance.

The following discussion describes the non-GAAP financial measures the Company uses in evaluating operating results:

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 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-GAAP 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.

TWC's strategic objective is to grow long-term shareholder value by improving net operating income 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 47½, 18-hole equivalent championship and 2½, 18-hole equivalent academy courses, at 36 locations in two separate geographical Regions: (a) Ontario/Quebec (including two managed properties) and (b) Florida. ClubLink's lease of the Bond Head property in Bond Head, Ontario (36 holes) concluded as of December 31, 2021 and as such is not included in the totals above.

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. This supplemental revenue which typically involves gatherings of people has been minimal since the start of COVID-19.

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.

(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 2022, 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 2022, ClubLink will be managing two golf clubs 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. ClubLink is also involved with the La Bête Golf Club property which will be run as a managed property associated with Le Maître.

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 2022, ClubLink will operate four Ontario/Quebec Region Hybrid Golf Clubs in three categories as follows:

Hybrid – Prestige: Glen Abbey

Hybrid – Gold: Cherry Downs

Hybrid – Silver: Bethesda Grange, Hidden Lake

ClubLink's lease of the of the Bond Head property in Bond Head, Ontario (36 holes) concluded as of December 31, 2021.

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 2022, ClubLink will operate one Ontario/Quebec Region Daily Fee Golf Club as follows:

Daily Fee: 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 2,300 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 2022, ClubLink will operate The Lake Joseph Club, Rocky Crest Resort and Sherwood Inn, all located in Muskoka.

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 2022, 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 and on October 8, 2021 was sold for proceeds of US\$32,000,000.

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.

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, 2022	December 31, 2021	March 31, 2021
Balance Sheet	1.2496	1.2678	1.2575
Statement of Earnings	1.2663	1.2537	1.2666

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

SELECTED FINANCIAL INFORMATION

The table below sets forth selected financial data relating to the Company's three month periods ended March 31, 2022 and March 31, 2021. This financial data is derived from the Company's unaudited interim condensed consolidated financial statements, which are prepared in accordance with IFRS.

(thousands of Canadian dollars - except as indicated)	For the three months ended		
	March 31, 2022	March 31, 2021	% Change 2022/2021
OPERATING REVENUE	\$ 37,932	\$ 14,109	168.8%
DIRECT OPERATING EXPENSES	32,954	16,366	101.4%
NET OPERATING INCOME (LOSS)	4,978	(2,257)	N/A
Amortization of membership fees	939	958	(2.0%)
Depreciation and amortization	(4,424)	(4,755)	(7.0%)
Interest, net and investment income	276	(436)	N/A
Other items	(2,570)	5,640	N/A
Income taxes	(292)	1,305	N/A
NET EARNINGS (LOSS)	\$ (1,093)	\$ 455	N/A
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	\$ (0.04)	\$ 0.02	N/A
TOTAL ASSETS	\$ 772,485	\$ 651,511	18.6%
GROSS BORROWINGS INCLUDING LEASE LIABILITIES	\$ 109,366	\$ 116,524	(6.1%)
SHAREHOLDERS' EQUITY	\$ 500,679	\$ 407,142	23.0%

The breakdown of operating revenue is as follows:

(thousands of Canadian dollars - except as indicated)	For the three months ended		
	March 31, 2022	March 31, 2021	% Change 2022/2021
Annual dues	\$ 16,802	\$ 7,942	111.6%
Golf	5,838	4,190	39.3%
Corporate events	24	71	(66.2%)
Food and beverage	943	573	64.6%
Merchandise	1,220	1,063	14.8%
Real estate sales	12,774	-	N/A
Rooms and other	331	270	22.6%
	\$ 37,932	\$ 14,109	168.8%

The breakdown of direct operating expenses is as follows:

(thousands of Canadian dollars - except as indicated)	For the three months ended		
	March 31, 2022	March 31, 2021	% Change 2022/2021
Operating cost of sales	\$ 1,328	\$ 953	39.3%
Real estate cost of sales	14,024	-	N/A
Labour and employee benefits	8,676	7,824	10.9%
Utilities	1,674	1,455	15.1%
Selling, general and administrative	1,424	1,090	30.6%
Property taxes	1,640	1,928	(14.9%)
Insurance	878	800	9.8%
Repairs and maintenance	1,070	721	48.4%
Turf operating expenses	250	97	157.7%
Fuel and oil	114	83	37.3%
Other operating expenses	1,876	1,415	32.6%
Total direct operating expenses	\$ 32,954	\$ 16,366	101.4%

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

FIRST QUARTER 2022 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 2021, annual dues revenue was not recognized during certain periods. There was an average of 39 days in the first quarter of 2021 that ClubLink was allowed to operate in Canada. There have been no COVID-19 lockdowns to date in 2022. Canadian annual dues revenue increased 132.5% to \$15,114,000 for the three month period ended March 31, 2022 from \$6,501,000 in 2021 due to this policy. This deferral in 2021 was recognized into revenue throughout the remainder of the year on a straight-line basis.

Operating revenue increased 168.8% to \$37,932,000 for the three month period ended March 31, 2022 from \$14,109,000 in 2021 due to closures in 2021 as a result of COVID-19 lockdowns and the revenue from the eight Highland Gate home sales.

Direct operating expenses increased 101.4% to \$32,954,000 for the three month period ended March 31, 2022 from \$16,366,000 in 2021 due to the fact that certain activities were reduced in 2021 due to lockdowns and the cost of sales from the eight Highland Gate home sales.

Net operating income for the Canadian golf club operations segment increased to \$3,908,000 for the three month period ended March 31, 2022 from a loss of \$2,887,000 in 2021 due to the shift in the recognition of annual dues revenue in 2021.

Net operating income for the US golf club operations increased to US\$2,436,000 for the three month period ended March 31, 2022 from US\$1,131,000 in 2021 due to increased rounds and better yield per round.

Amortization of membership fees decreased 2.0% to \$939,000 from \$958,000 in 2021.

Interest, net and investment income increased to income of \$276,000 for the three month period ended March 31, 2022 from an expense of \$436,000 in 2021 due to a decrease in borrowings and an increase in distributions from the Company's investment in Automotive Properties REIT.

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

(thousands of Canadian dollars)	March 31, 2022	March 31, 2021
Unrealized foreign exchange loss	\$ 83	\$ 326
Unrealized loss (gain) on investment in marketable securities	2,819	(4,990)
Insurance proceeds	-	(754)
Equity income from investments in joint ventures	(197)	(229)
Other expense (income)	(135)	7
	\$ 2,570	\$ (5,640)

The exchange rate used for translating US denominated assets has changed from 1.2678 at December 31, 2021 to 1.2496 at March 31, 2022. This has resulted in a foreign exchange loss of \$83,000 for the three month period ended March 31, 2022 on the translation of the Company's US denominated financial instruments.

Net loss is \$1,093,000 for the three month period ended March 31, 2022 from income of \$455,000 in 2021 due to an unrealized loss on the Company's investment in Automotive Properties REIT. Basic and diluted loss per share decreased to \$0.04 cents per share in 2022, compared to basic and diluted earnings per share of \$0.02 cents in 2021.

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 18 of the unaudited interim condensed consolidated financial statements for the period ended March 31, 2022.

(thousands of Canadian dollars)	For the three months ended March 31, 2022	March 31, 2021	% Change
Operating revenue by segment			
<i>Canadian golf club operations</i>	\$ 16,663	\$ 7,751	115.0%
<i>US golf club operations</i>	8,495	6,358	33.6%
<i>Other (Highland Gate)</i>	12,774	-	N/A
Operating revenue	\$ 37,932	\$ 14,109	168.8%
Net operating income (loss) by segment			
<i>Canadian golf club operations</i>	\$ 3,908	\$ (2,887)	N/A
<i>US golf club operations</i>	3,084	1,433	115.2%
<i>Corporate and other</i>	(2,014)	(803)	150.8%
Net operating income (loss)	\$ 4,978	\$ (2,257)	N/A

Review of Canadian Golf Club Operations for the Period Ended March 31, 2022

Summary of Canadian Golf Club Operations

(statistics)	For the three months ended March 31, 2022	March 31, 2021	% Change
18-hole equivalent championship golf courses	37.5	39.5	(5.1%)
18-hole equivalent managed golf courses	2	1	100.0%
Championship golf rounds	-	-	-

(thousands of Canadian dollars)	For the three months ended March 31, 2022	March 31, 2021	% Change
Operating revenue	\$ 16,663	\$ 7,751	115.0%
Direct operating expenses	12,755	10,638	19.9%
Net operating income (loss)	3,908	(2,887)	N/A
Amortization of membership fees	886	890	(0.4%)
Depreciation and amortization	(4,091)	(4,396)	(6.9%)
Other items	271	1,146	(76.4%)
Segment earnings (loss) before interest and income taxes	\$ 974	\$ (5,247)	(118.6%)

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, 2022	March 31, 2021	% Change
Annual dues	\$ 15,114	\$ 6,501	132.5%
Corporate events	-	-	N/A
Golf	10	33	(69.7%)
Food and beverage	168	57	194.7%
Merchandise, rooms and other	1,371	1,160	18.2%
Total operating revenue	\$ 16,663	\$ 7,751	115.0%

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, 2022 (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 in 2021, 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, 2022	March 31, 2021
Number of days in quarter	93	87
Number of lockdown days in quarter (not allowed to operate)	-	48
Number of days in quarter which ClubLink was allowed to operate	93	39
Canadian annual dues revenue recognized during quarter	\$ 15,114	\$ 6,501

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, 2022	March 31, 2021	% Change
Cost of sales	\$ 840	\$ 563	49.2%
Labour and employee benefits	6,359	5,758	10.4%
Utilities	1,352	1,174	15.2%
Selling, general and administrative	920	621	48.1%
Property taxes	699	703	(0.6%)
Insurance	599	500	19.8%
Repairs and maintenance	840	559	50.3%
Turf operating expenses	89	13	584.6%
Fuel and oil	38	25	52.0%
Other operating expenses	1,019	722	41.1%
Total direct operating expenses	\$ 12,755	\$ 10,638	19.9%

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 3.3% to 15,302 on March 31, 2022 from 14,814 on March 31, 2021 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, 2022		Year ended December 31, 2021		Three months ended March 31, 2021	
	Golf Members	Future Membership Fee Instalments	Golf Members	Future Membership Fee Instalments	Golf Members	Future Membership Fee Instalments
Balance, beginning of period	15,545	\$ 32,306	14,861	\$ 24,379	14,861	\$ 24,379
Sales to new members	234	1,459	1,728	11,161	480	2,781
Reinstated members	62	157	373	469	99	123
Category changes	(3)	-	(16)	-	24	-
Transfer and upgrade fees from existing members	-	631	-	2,508	-	626
Resignations and terminations	(536)	(1,535)	(1,401)	(3,243)	(650)	(1,616)
Instalments received in cash	-	(307)	-	(2,968)	-	(312)
Balance, end of period	15,302	\$ 32,711	15,545	\$ 32,306	14,814	\$ 25,981

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

	For the three months ended March 31, 2022	March 31, 2021	% Change
Corporate/Principal/Spousal	203	434	(53.2%)
Intermediate	1	6	(83.3%)
Junior	1	1	-
Other	29	39	(25.6%)
Total	234	480	(51.3%)

Full privilege members are broken down into categories as follows:

	For the three months ended March 31, 2022	March 31, 2021	% Change
Corporate/Principal/Spousal	8,054	7,222	11.5%
Intermediate	1,418	1,787	(20.6%)
Junior	205	300	(31.7%)
Other	5,625	5,505	2.2%
Total	15,302	14,814	3.3%

The strong demand for golf as a reaction to the pandemic resulted in ClubLink not accepting trial (intermediate or junior) memberships since late 2020 and has continued into 2022 and also resulted in membership caps implemented at certain Golf Clubs.

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, 2022

Summary of US Golf Club Operations

(statistics)	For the three months ended		% Change
	March 31, 2022	March 31, 2021	
18-hole equivalent championship golf courses	8.0	8.0	-
Championship golf rounds	112,000	93,000	20.4%

(thousands of dollars)	For the three months ended		% Change
	March 31, 2022	March 31, 2021	
Operating revenue	\$ 6,708	\$ 5,019	33.7%
Direct operating expenses	4,272	3,888	9.9%
Net operating income	2,436	1,131	115.4%
Amortization of membership fees	42	54	(22.2%)
Depreciation and amortization	(263)	(283)	(7.1%)
Other items	169	27	525.9%
Segment earnings before interest and income taxes (US dollars)	2,384	929	156.6%
Exchange	582	235	147.7%
Segment earnings before interest and income taxes (Cdn dollars)	\$ 2,966	\$ 1,164	154.8%

Review of Corporate Items for the Period Ended March 31, 2022

Highland Gate Sales

The Company's investment in Highland Gate is managed by Geranium Homes. Highland Gate is the development of a former golf course in Aurora, Ontario and includes 158 single family detached homes and a seven story multi-unit residential building with 114 units. For the period ended March 31, 2022, there were eight closings of the first phase of this project.

The cost of goods sold includes the amortization of the purchase price of both the 2019 and 2021 tranches purchased by ClubLink in this project in addition to the recorded minority interest. The following is a breakdown of earnings recorded on this project in 2022:

(thousands of dollars)	For the three months ended		% Change
	March 31, 2022	March 31, 2021	
Operating revenue	\$ 12,774	\$ -	
Operating cost of goods sold	(12,896)	-	
Cost of goods sold - amortization	(1,128)	-	
Total	\$ (1,250)	\$ -	

Higher than expected commodity and material prices along with construction delays have resulted in an operating loss for the eight closings recorded in the period ended March 31, 2022.

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

RESULTS OF OPERATIONS BY BUSINESS SEGMENT (continued)

Review of Corporate Items for the Period Ended March 31, 2022 (continued)

Real Estate Fund Investments

The Company has the following real estate fund investments:

(thousands of dollars)	For the three months ended	
	March 31, 2022	March 31, 2021
Investment in Mount Auburn (US\$10,362,000)	\$ 12,948	\$ 5,659
Investment in Real Estate Investment Fund (US\$8,141,000)	10,173	1,886
	\$ 23,121	\$ 7,545

The investment in Mount Auburn represents an approximate 2% ownership interest in a portfolio of 34 residential garden-style assets consisting of approximately 8,400 units located primarily in Texas and Southeast United States. This investment was purchased for \$5,705,000 (US\$4,500,000) on March 1, 2021 and distributions in the amounts of \$205,000 (US\$162,000) has been received for the period ended March 31, 2022. This investment has been valued at \$12,948,000 (US\$10,362,000) at March 31, 2022 which is unchanged from December 31, 2021 (with the exception of exchange).

The Company has also invested \$8,404,000 (US\$6,725,000) in capital calls (US\$10,000,000 total commitment) in a US-based real estate investment fund managed by 13th Floor. This fund primarily invests in Florida real estate projects and also includes an investment in the Mount Auburn portfolio. This investment has been valued at \$10,173,000 (US\$8,141,000) at March 31, 2022 which is unchanged from December 31, 2021.

Interest, Net and Investment Income

Interest, net and investment income increased to income of \$276,000 for the three month period ended March 31, 2022 from an expense of \$436,000 in 2021 due to a decrease in borrowings and an increase in distributions 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, 2022	March 31, 2021
Unrealized foreign exchange loss	\$ 83	\$ 326
Unrealized loss (gain) on investment in marketable securities	2,819	(4,990)
Insurance proceeds	-	(754)
Equity income from investments in joint ventures	(197)	(229)
Other expense (income)	(135)	7
	\$ 2,570	\$ (5,640)

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

FINANCIAL CONDITION

Assets

Total assets increased 3.4% to \$772,485,000 at March 31, 2022 from \$746,806,000 at December 31, 2021. This compares to \$651,511,000 at March 31, 2021.

Liabilities

Total liabilities increased 11.7% to \$271,806,000 at March 31, 2022 from \$243,418,000 at December 31, 2021. This compares to \$244,369,000 at March 31, 2021.

Shareholders' Equity

Consolidated shareholders' equity at March 31, 2022 totaled \$500,679,000 or \$20.40 per share, compared to \$503,388,000 or \$20.51 per share at December 31, 2021 and \$407,142,000 or \$16.54 per share at March 31, 2021. The following is a summary of the common share activity:

(number of shares)	For the three months ended	
	March 31, 2022	March 31, 2021
Balance, beginning of period	24,547,924	25,017,442
Shares cancelled through NCIB	-	(404,981)
Balance, end of period	24,547,924	24,612,461

The company has recorded a negative adjustment to its accumulated other comprehensive earnings account of \$1,125,000 due to the translation of one US dollar into 1.2496 Canadian dollars at March 31, 2022 compared to 1.2678 at December 31, 2021. 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, 2022	March 31, 2021
Cash provided by operating activities	\$ 41,513	\$ 37,881
Operating property, plant and equipment expenditures	(1,256)	(990)
Expansion property, plant and equipment expenditures	-	(490)
Mortgages and loans receivable	289	968
Revolving borrowings	(1,688)	(8,089)
Non-revolving borrowings – amortization payments	(7,446)	(5,160)
Lease liabilities	(1,210)	(1,035)
Dividends paid	(491)	(500)
Common shares repurchased for cancellation	-	(6,904)
Investment in Automotive Properties REIT and marketable securities	(2,941)	(2,282)
Real estate fund investments	(4,124)	(7,545)
Other	(747)	(635)
Net change in cash during the period	21,899	5,219
Cash, beginning of year	91,395	57,217
Cash, end of period	\$ 113,294	\$ 62,436

The analysis of TWC's liquidity is as follows:

(thousands of Canadian dollars)	Availability as at March 31, 2022		Availability as at December 31, 2021		Availability as at March 31, 2021	
	Maximum	Available	Maximum	Available	Maximum	Available
Cash and cash equivalents (CDN)	\$ 38,630	\$ 38,630	\$ 12,993	\$ 12,993	\$ 16,611	\$ 16,611
Cash and cash equivalents (USD)	74,664	74,664	78,402	78,402	45,825	45,825
Restricted cash	1,318	1,318	944	944	-	-
Revolving line of credit (corporate)	50,000	48,982	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
Subtotal	214,612	213,594	192,339	191,321	162,436	161,418
Highland Gate	107,000	83,878	107,000	82,190	-	-
Total	\$ 321,612	\$ 297,472	\$ 299,339	\$ 273,511	\$ 162,436	\$ 161,418

At March 31, 2022, there is \$1,318,000 of restricted cash from the Highland Gate project, representing deposits on future home sales held by counsel.

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

LIQUIDITY AND CAPITAL RESOURCES (continued)

Funds will be used during 2022 for operating 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, 2022, 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, 2022 compared to December 31, 2021:

(thousands of Canadian dollars)	Interest Rate March 31, 2022	Interest Rate December 31, 2021	Total Indebtedness March 31, 2022	Total Indebtedness December 31, 2021	Average Term to Maturity (Yrs) March 31, 2022	Average Term to Maturity (Yrs) December 31, 2021
Non-revolving	8.0%	8.0%	\$ 9,191	\$ 9,486	7.50	7.75
Exchange	-	-	2,294	2,540	-	-
Subtotal US borrowings	8.0%	8.0%	11,485	12,026		
Revolving (corporate)	2.9%	2.9%	-	-	1.50	1.75
Non-revolving	6.9%	6.9%	65,585	72,699	3.67	3.92
Other	5.0%	5.0%	3,357	3,316	1.16	1.41
Subtotal CDN borrowings	6.8%	6.6%	68,942	76,015		
Gross borrowings	6.0%	7.0%	80,427	88,041		
Lease liabilities	6.1%	6.1%	5,817	7,027	1.58	1.83
Subtotal			86,244	95,068		
Highland Gate borrowings	2.6%	3.0%	23,122	24,810	0.98	1.23
Total			\$109,366	\$ 119,878		

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, 2022:

(thousands of Canadian dollars)	Highland Gate	Corporate Borrowings	Lease Liabilities	Total
Balance of 2022	\$ 10,155	\$ 15,290	\$ 3,365	\$ 28,810
2023	12,967	21,542	1,129	35,638
2024	-	16,365	1,234	17,599
2025	-	10,679	10	10,689
2026	-	7,046	11	7,057
2027 and thereafter	-	9,505	68	9,573
	\$ 23,122	\$ 80,427	\$ 5,817	\$ 109,366

Operating Activities

Cash provided by operating activities were \$41,513,000 in 2022 compared to \$37,881,000 in 2021.

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 \$8,292,000 in 2022 compared to \$11,377,000 in 2021.

Financing Activities

Financing activities repayments were \$10,546,000 in 2022 compared to payments of \$20,720,000 in 2021.

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. During 2021, Morguard fully repaid to the Company the \$20,000,000 loan receivable. 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, 2022	For the period ended December 31, 2021	March 31, 2021
Loan receivable from Morguard	-	-	20,000
Net interest receivable	-	-	56
Net interest earned	-	390	86

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 2022 and 2021, 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, 2022, the amount receivable on this facility was nil (December 31, 2021 - nil; March 31, 2021 - \$200,000). Interest receivable at March 31, 2022 was nil (December 31, 2021 - nil; March 31, 2021 - \$1,000), and interest earned was nil for the period ended March 31, 2022 (March 31, 2021 - \$4,000).

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of \$174,000 for the period ended March 31, 2022 (March 31, 2021 - \$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\$146,000) for the period ended March 31, 2022 (March 31, 2021 - US\$115,000; CDN\$146,000) under a contractual agreement, which is included in direct operating expenses.

The Highland Gate project receives managerial services from Geranium Homes management companies. The project paid a management fee of \$364,000 for the period ended March 31, 2022 (March 31, 2021 - nil) under a contractual agreement, which is capitalized to residential inventory.

The Company provides landscaping services for certain Morguard assets. The Company received a fee of \$60,000 for the period ended March 31, 2022 (March 31, 2021 - nil) under a contractual agreement.

A total of US\$13,000 of rental revenue was earned by TWC for the period ended March 31, 2022 (March 31, 2021 - 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, 2022. The financial data is derived from the Company's unaudited interim condensed consolidated financial statements, which are prepared in accordance with IFRS as follows:

(thousands of Canadian dollars, except per share amounts)	2022 Mar. 31	2021				2020			
		Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
Total assets	\$ 772,485	\$746,806	\$720,505	\$ 710,720	\$ 651,511	\$ 632,382	\$ 651,987	\$ 655,406	\$ 688,101
Operating revenue	37,932	62,600	63,245	34,059	14,109	30,157	55,293	21,696	20,070
Net operating income (loss)	4,978	18,680	26,953	9,036	(2,257)	10,768	30,990	533	1,620
Net earnings (loss)	(1,093)	61,963	22,757	4,472	455	8,359	22,427	2,605	(32,420)
Basic earnings (loss) per share	(0.04)	2.52	0.93	0.18	0.02	0.33	0.87	0.10	(1.22)
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, 2021.

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

Highland Gate Development

TWC has been pursuing the development of its Highland Gate property in Aurora, Ontario with Geranium Homes which is also the manager.

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 2021, there were 17 closings of the first phase of this project and a further 8 have closed in the first quarter of 2022. Supply chain issues and lack of trades people have meant delays in closing of certain homes. The remaining 11 closings for Phase 1 are expected to take place in 2022. Phase 2 homes (51 units) are expected to close in 2023. Phase 3 homes (26 units) are being released spring of 2022. There are 66 units which have not been released to be sold (including Phase 3).

Kanata Development

ClubLink has been working with two local developers to explore potential development options at Kanata Golf and Country Club in Ottawa. Development applications were 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 seeking a declaration that certain agreements assumed by ClubLink remain valid and enforceable, and requesting an order that ClubLink either withdraw its development applications or offer to convey the golf course lands to the City at no cost under the terms of an agreement known as the 40% Agreement. On February 19, 2021, ClubLink was notified that the Superior Court granted the City's application in part, but did not order ClubLink to withdraw its development applications. An expedited appeal by ClubLink was held on June 17, 2021 and on November 26, 2021, the Ontario Court of Appeal overturned the decision, concluding that certain provisions of the 40% Agreement are void and unenforceable. In summary, this means that ClubLink would not be required to give the golf course to the City of Ottawa if it ceased to operate it. The extent to which the Court of Appeal's decision affects other provisions of the 40% Agreement and related agreements has been remitted to the Superior Court. On January 25, 2022, the City of Ottawa filed an application for leave to appeal the Ontario Court of Appeal's decision to the Supreme Court of Canada and on February 28, 2022, ClubLink filed its response and a conditional cross-application. An Ontario Land Tribunal hearing for ClubLink's appeals of the development applications was conducted starting on January 17, 2022, concluding on February 14, 2022. On March 22, 2022, the Ontario Land Tribunal decision was rendered approving the Zoning Bylaw Amendments and Draft Plan Approval, together with the draft plan conditions. On February 22, 2022, the Kanata Greenspace Protection Coalition filed a separate Superior Court application seeking orders that the 40% Agreement and another agreement constitute valid and enforceable restrictive covenants and that ClubLink's development applications contravene these instruments.

Woodlands Golf Club

ClubLink is working with 13th Floor (a local real estate developer based in south Florida) to explore development options at Woodlands Country Club in Tamarac, Florida. This process has been managed by Morguard as part of its management services arrangement. The development plan that has been submitted includes approximately 400 single family homes. The plan also contains over 160 acres of permanently preserved open space, including 40 new acres of lakes, a new community centre and gated entry ways among other features. This plan has been initially approved by the City of Tamarac, has obtained final approval of Broward County and the State of Florida and is awaiting final approval by the City of Tamarac. There is currently a dispute between the City of Tamarac and 13th Floor about the form of the meeting to conduct a final review and approval. It is unclear when this final meeting will be scheduled.

Club de golf Islesmere

ClubLink and its partner, which together own Club de Golf Islesmere in Laval, Quebec, are exploring sale options and have appointed a real estate broker to oversee the process.

Sun City Center

The Company is considering strategic options for its remaining Florida land holdings including underutilized land at Sun City.

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

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

May 2, 2022



Andrew Tamlin
Chief Financial Officer

TWC ENTERPRISES LIMITED
Interim Condensed Consolidated Balance Sheets (Unaudited)

(thousands of Canadian dollars)	Notes	March 31, 2022	December 31, 2021	March 31, 2021
ASSETS				
Current				
Cash and cash equivalents		\$ 113,294	\$ 91,395	\$ 62,436
Restricted cash		1,318	944	-
Accounts receivable		10,296	5,143	13,276
Mortgages and loans receivable		1,695	1,465	21,464
Inventories and prepaid expenses		8,765	4,211	8,924
Other assets	3	113,214	113,092	86,219
Residential inventory	4	79,510	86,094	-
		328,092	302,344	192,319
Mortgages and loans receivable		1,013	1,532	2,567
Other assets	3	29,284	25,255	23,828
Right-of-use assets	5	5,138	6,262	10,082
Property, plant and equipment	6	396,382	398,482	408,479
Intangible assets	7	12,576	12,931	14,236
Total assets		\$ 772,485	\$ 746,806	\$ 651,511
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	8	\$ 32,034	\$ 36,328	\$ 16,523
Lease liabilities	9	3,643	4,507	5,401
Borrowings	10	32,370	39,182	22,805
Prepaid annual dues and deposits		77,185	33,019	61,729
		145,232	113,036	106,458
Lease liabilities	9	2,174	2,520	5,922
Borrowings	10	70,929	73,379	82,035
Deferred membership fees	11	3,392	3,976	4,628
Deferred income tax liabilities		50,079	50,507	45,326
Total liabilities		271,806	243,418	244,349
Share capital				
Share capital	13	100,530	100,530	100,795
Retained earnings		388,042	389,418	302,539
Accumulated other comprehensive earnings		3,632	4,757	3,808
Non-controlling interest	14	8,475	8,683	-
Total shareholders' equity		500,679	503,388	407,142
Total liabilities and shareholders' equity		\$ 772,485	\$ 746,806	\$ 651,511

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, 2022	March 31, 2021
REVENUE			
Operating revenue		\$ 37,932	\$ 14,109
Amortization of membership fees	11	939	958
	12	38,871	15,067
EXPENSES			
Cost of sales	14	15,352	953
Labour and employee benefits		8,676	7,824
Utilities		1,674	1,455
Selling, general and administrative		1,424	1,090
Property taxes		1,640	1,928
Repairs and maintenance		1,070	721
Insurance		878	800
Turf operating expenses		250	97
Fuel and oil		114	83
Other operating expenses		1,876	1,415
Depreciation of right-of-use assets	5	1,021	1,288
Depreciation of property, plant and equipment	6	3,059	3,105
Amortization of intangible assets	7	344	362
Interest, net and investment expense (income)	15	(276)	436
Other items	16	2,570	(5,640)
		39,672	15,917
Loss before income taxes		(801)	(850)
Income tax provision (recovery)			
Current		683	(1,284)
Deferred		(391)	(21)
		292	(1,305)
Net earnings (loss)		(1,093)	455
Unrealized foreign exchange loss in respect of foreign operations		(1,125)	(278)
Total comprehensive earnings (loss)		\$ (2,218)	\$ 177
Weighted average shares outstanding (000)	13	24,548	24,918
Earnings (loss) per share - basic and diluted	13	\$ (0.04)	\$ 0.02
(thousands of Canadian dollars)		March 31, 2022	March 31, 2021
Net earnings (loss) attributable to:			
Shareholders		\$ (885)	\$ 455
Non-controlling interest (Note 14)		(208)	-
		\$ (1,093)	\$ 455

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)	Non- Controlling Interest	Total Shareholders' Equity
Balance, January 1, 2021		25,017,442	\$ 102,453	\$ 307,830	\$ 4,086	-	\$ 414,369
Comprehensive earnings (loss)		-	-	455	(278)	-	177
Cash dividend	13B	-	-	(500)	-	-	(500)
Shares cancelled subject to normal course issuer bid		(404,981)	(1,658)	(5,246)	-	-	(6,904)
Balance, March 31, 2021		24,612,461	100,795	302,539	3,808	-	407,142
Comprehensive earnings (loss)		-	-	89,487	949	(295)	90,141
Cash dividend	13B	-	-	(1,475)	-	-	(1,475)
Shares cancelled subject to normal course issuer bid	13C	(64,537)	(265)	(1,133)	-	-	(1,398)
Asset acquisition		-	-	-	-	8,978	8,978
Balance, December 31, 2021		24,547,924	100,530	389,418	4,757	8,683	503,388
Comprehensive loss		-	-	(885)	(1,125)	(208)	(2,218)
Cash dividend	13B	-	-	(491)	-	-	(491)
Balance, March 31, 2022		24,547,924	\$ 100,530	\$ 388,042	\$ 3,632	\$ 8,475	\$ 500,679

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

(thousands of Canadian dollars)	Notes	March 31, 2022	March 31, 2021
OPERATING ACTIVITIES			
Net earnings (loss)		\$ (1,093)	\$ 455
Items not affecting cash:			
Amortization of membership fees	11	(939)	(958)
Depreciation of right-of-use assets	5	1,021	1,288
Depreciation of property, plant and equipment	6	3,059	3,105
Amortization of intangible assets	7	344	362
Interest, net and investment income	15	(276)	436
Unrealized foreign exchange loss	16	83	326
Unrealized loss (gain) on investment in marketable securities	16	2,819	(4,990)
Gain on sale of marketable securities		-	(11)
Equity income from investments in joint ventures		(197)	(229)
Income tax provision (recovery)		292	(1,305)
Collection of membership fee instalments	11	355	359
Interest paid, net		(176)	(422)
Income taxes paid		(5,661)	(4,170)
Restricted cash		(374)	-
Net change in working capital accounts:			
Accounts receivable		(5,276)	(345)
Inventories and prepaid expenses		(4,554)	(4,333)
Residential inventory, net		6,584	-
Accounts payable and accrued liabilities		1,336	2,713
Prepaid annual dues and deposits		44,166	45,573
Cash and cash equivalents provided by operating activities		41,513	37,881
INVESTING ACTIVITIES			
Operating property, plant and equipment expenditures	6	(1,256)	(990)
Expansion property, plant and equipment expenditures	6	-	(490)
Proceeds on sale of property, plant and equipment	6	28	-
Right-of-use assets		103	(11)
Net investment in marketable securities	3	(2,941)	(2,282)
Real estate fund investments	3	(4,124)	(7,545)
Other long-term assets		(102)	(59)
Cash and cash equivalents used in investing activities		(8,292)	(11,377)
FINANCING ACTIVITIES			
Revolving borrowings		(1,688)	(8,089)
Non-revolving borrowings - amortization payments		(7,446)	(5,160)
Lease liabilities		(1,210)	(1,035)
Mortgages and loans receivable		289	968
Shares repurchased for cancellation		-	(6,904)
Dividends paid	13	(491)	(500)
Cash and cash equivalents used in financing activities		(10,546)	(20,720)
Net effect of currency translation adjustment on cash and cash equivalents		(776)	(565)
Net increase in cash and cash equivalents during the period		21,899	5,219
Cash and cash equivalents, beginning of period		91,395	57,217
Cash and cash equivalents, end of period		\$ 113,294	\$ 62,436

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, 2022 and 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 47½, 18-hole equivalent championship and 2½, 18-hole equivalent academy courses at 36 locations in Ontario, Quebec and Florida (including two managed properties).

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 interim condensed 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 2, 2022.

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, 2021. 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, 2021. 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, 2021 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 (specifically the US golf 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.

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

3. OTHER ASSETS

Other assets consist of the following:

(thousands of Canadian dollars)	March 31, 2022	December 31, 2021	March 31, 2021
Investment in joint ventures	\$ 5,665	\$ 5,422	\$ 23,200
Investment in Automotive Properties REIT (7,770,326 units; December 31, 2021 - 7,564,650 units; March 31, 2021 - 6,877,057 units)	113,214	113,092	78,674
Real estate fund investments (US\$18,503,000; December 31, 2021 - US\$15,203,000; March 31, 2021 - US\$6,000,000)	23,121	19,274	7,545
Other	498	559	628
	142,498	138,347	\$ 110,047
Less: current portion	113,214	113,092	86,219
	\$ 29,284	\$ 25,255	\$ 23,828

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

(thousands of Canadian dollars)	March 31, 2022	December 31, 2021	March 31, 2021
Balance, beginning of period	\$ 5,422	\$ 22,996	\$ 22,996
Equity income	197	1,270	229
Transfer resulting from acquisition	-	(18,828)	-
Net return of capital on investments	46	(16)	(25)
Balance, end of period	\$ 5,665	\$ 5,422	\$ 23,200

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 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, 2022	December 31, 2021
(thousands of Canadian dollars)	Real Estate Management Company	Real Estate Housing Investments	Total	Total
Current assets	\$ 5,082	\$ 2,332	\$ 7,414	\$ 8,649
Related party	-	-	-	(58)
Land and other long-term assets	1,755	49,265	51,020	51,527
Secured project debt	-	(10,612)	(10,612)	(11,997)
Liabilities	(1,964)	(18,163)	(20,127)	(20,701)
Net assets at 100%	4,873	22,822	27,695	27,420
Net assets at Company's share	2,437	3,179	5,616	5,419
Return of capital investments to date	-	49	49	3
Net assets attributable to TWC	\$ 2,437	\$ 3,228	\$ 5,665	\$ 5,422
Net assets attributable to partners	\$ 2,436	\$ 19,594	\$ 22,030	\$ 21,998
Equity income (loss)	\$ 200	\$ (3)	\$ 197	\$ 1,270

4. RESIDENTIAL INVENTORY

Residential inventory is comprised of land, development, servicing and construction costs in relation to the construction of homes in the Highland Gate project and consists of the following:

(thousands of Canadian dollars)	Total
At January 1, 2021	\$ -
Amount arising on consolidation	84,070
Additions	30,362
Operating cost of goods sold	(25,941)
Cost of goods sold - amortization	(2,397)
At December 31, 2021	86,094
Additions	7,440
Operating cost of goods sold	(12,896)
Cost of goods sold - amortization	(1,128)
At March 31, 2022	\$ 79,510

The Company's investment in Highland Gate is managed by Geranium Homes. Highland Gate is the development of a former golf course in Aurora, Ontario and includes 158 single family detached homes and a seven story multi-unit residential building with 114 units. For the period ended March 31, 2022, there were eight closings of the first phase of this project. There were no closings for the period ended March 31, 2021 and 17 closings for the year ended December 31, 2021.

The cost of goods sold includes the amortization of the purchase price of both the 2019 and 2021 tranches purchased by ClubLink in this project in addition to the recorded minority interest.

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

5. RIGHT-OF-USE ASSETS

Right-of-use assets consists of the following:

(thousands of Canadian dollars)	Land and Buildings	Equipment	Total
At January 1, 2021	\$ 11,016	\$ 343	\$ 11,359
Additions	-	11	11
Depreciation	(4,947)	(160)	(5,107)
Foreign exchange	-	(1)	(1)
At December 31, 2021	6,069	193	6,262
Disposals	-	(103)	(103)
Depreciation	(992)	(29)	(1,021)
At March 31, 2022	\$ 5,077	\$ 61	\$ 5,138

6. 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, 2021	\$ 290,443	\$ 159,638	\$ 105,744	\$ 89,276	\$ 645,101
Additions	2,290	272	1,516	6,744	10,822
Disposals	(11,211)	(897)	(1,750)	(3,841)	(17,699)
Impairment reversal	1,426	897	1,738	971	5,032
Foreign exchange difference	(41)	(39)	(34)	(37)	(151)
At December 31, 2021	282,907	159,871	107,214	93,113	643,105
Additions	112	68	126	950	1,256
Disposals	-	-	-	(34)	(34)
Foreign exchange difference	(155)	(136)	(120)	(115)	(526)
At March 31, 2022	\$ 282,864	\$ 159,803	\$ 107,220	\$ 93,914	\$ 643,801
Accumulated Depreciation					
At January 1, 2021	\$ -	\$ 82,166	\$ 82,377	\$ 70,154	\$ 234,697
Depreciation	-	4,039	3,679	4,942	12,660
Disposals	-	(276)	(1,169)	(3,630)	(5,075)
Impairment reversal	-	276	1,163	951	2,390
Foreign exchange difference	-	(11)	(13)	(25)	(49)
At December 31, 2021	\$ -	\$ 86,194	\$ 86,037	\$ 72,392	\$ 244,623
Depreciation	-	1,130	843	1,086	3,059
Disposals	-	-	-	(34)	(34)
Foreign exchange difference	-	(53)	(75)	(101)	(229)
At March 31, 2022	\$ -	\$ 87,271	\$ 86,805	\$ 73,343	\$ 247,419
Net book value					
at December 31, 2021	\$ 282,907	\$ 73,677	\$ 21,177	\$ 20,721	\$ 398,482
Net book value					
at March 31, 2022	\$ 282,864	\$ 72,532	\$ 20,415	\$ 20,571	\$ 396,382

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

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

7. INTANGIBLE ASSETS

Intangible assets consist of the following:

(thousands of Canadian dollars)	Membership base	Brand	Other	Total Intangible Assets
Cost				
At January 1, 2021	\$ 12,131	\$ 13,477	\$ 2,433	\$ 28,041
Foreign exchange difference	(9)	-	(1)	(10)
At December 31, 2021	12,122	13,477	2,432	28,031
Foreign exchange difference	(28)	-	(3)	(31)
At March 31, 2022	\$ 12,094	\$ 13,477	\$ 2,429	\$ 28,000
Accumulated amortization				
At January 1, 2021	\$ 5,587	\$ 5,533	\$ 2,312	\$ 13,432
Amortization	677	875	121	1,673
Foreign exchange difference	(4)	-	(1)	(5)
At December 31, 2021	6,260	6,408	2,432	15,100
Amortization	156	188	-	344
Foreign exchange difference	(17)	-	(3)	(20)
At March 31, 2022	\$ 6,399	\$ 6,596	\$ 2,429	\$ 15,424
Net book value at December 31, 2021	\$ 5,862	\$ 7,069	\$ -	\$ 12,931
Net book value at March 31, 2022	\$ 5,695	\$ 6,881	\$ -	\$ 12,576

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

(thousands of Canadian dollars)	March 31, 2022	December 31, 2021	March 31, 2021
Trade payables	\$ 8,495	\$ 8,848	\$ 2,870
Accrued payroll costs	882	3,269	1,221
Accrued interest	-	492	591
Income taxes payable	7,468	12,425	-
Accrued liabilities and other	15,189	11,294	11,841
	\$ 32,034	\$ 36,328	\$ 16,523

9. LEASE LIABILITIES

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

(thousands of Canadian dollars)	Land and Buildings	Equipment	Total
At January 1, 2021	\$ 11,875	\$ 484	\$ 12,359
Additions	-	11	11
Interest expense	557	24	581
Lease payments	(5,615)	(308)	(5,923)
Foreign exchange	-	(1)	(1)
At December 31, 2021	6,817	210	7,027
Disposals	-	(105)	(105)
Interest expense	91	4	95
Lease payments	(1,161)	(39)	(1,200)
At March 31, 2022	5,747	70	5,817
Less: current portion	3,573	70	3,643
	\$ 2,174	\$ -	\$ 2,174

Future minimum payments of lease liabilities are as follows:

(thousands of Canadian dollars)	Lease Liabilities	Interest	Total Minimum Lease Payments
Balance of 2022	\$ 3,365	\$ 180	\$ 3,545
2023	1,129	112	1,241
2024	1,234	41	1,275
2025	10	5	15
2026	11	4	15
2027 and thereafter	68	12	80
	\$ 5,817	\$ 354	\$ 6,171

The above lease liabilities have a weighted average interest rate of 6.1% (2021 - 6.2%).

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

10. BORROWINGS

Borrowings consist of the following:

(thousands of Canadian dollars)	March 31, 2022	December 31, 2021	March 31, 2021
Secured revolving operating line of credit to a maximum of \$50,000,000 due September 11, 2022	\$ -	\$ -	\$ -
Highland Gate syndicated credit facilities to a maximum of \$107,000,000			
Servicing facility - Phase 1: due on demand - maturing October 31, 2022			
Prime rate loan (Prime + 1.25%)	955	434	-
BA loan (Stamping fees @ 2.50%)	9,200	16,000	-
Servicing facility - Phase 2: due on demand - maturing June 30, 2023			
Prime rate loan (Prime + 1.25%)	67	76	-
BA loan (Stamping fees @ 2.50%)	12,900	8,300	-
	23,122	24,810	-
Mortgages with blended monthly payments of principal and interest			
8.345% Mortgages due July 1, 2022	686	1,577	3,496
7.550% Mortgage due July 1, 2022	81	187	415
7.416% Mortgages due September 1, 2023	4,894	5,973	8,306
7.268% Mortgage due July 1, 2024	2,949	3,346	4,206
8.060% Mortgage due July 1, 2024	15,908	18,047	22,670
6.194% Mortgage due March 1, 2026	19,694	21,161	24,352
6.315% Mortgage due December 1, 2027	21,373	22,408	24,660
8.000% Mortgage due October 1, 2029 (US\$9,191,000; December 31, 2021 - US\$9,486,000; March 31, 2021 - US\$10,121,000)	11,485	12,026	12,727
Other - maturing from August 16, 2022 to August 16, 2024 (note 3)	3,357	3,316	4,369
	80,427	88,041	105,201
Gross borrowings	103,549	112,851	105,201
Less: deferred financing costs	(250)	290	361
Borrowings	103,299	112,561	104,840
Less: current portion	32,370	39,182	22,805
	\$ 70,929	\$ 73,379	\$ 82,035

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

Minimum principal debt repayments over the next five years and thereafter as at March 31, 2022 are as follows:

(thousands of Canadian dollars)	Highland Gate	Corporate Borrowings	Total Borrowings
Balance of 2022	\$ 10,155	\$ 15,290	\$ 25,445
2023	12,967	21,542	34,509
2024	-	16,365	16,365
2025	-	10,679	10,679
2026	-	7,046	7,046
2027 and thereafter	-	9,505	9,505
	\$ 23,122	\$ 80,427	\$ 103,549

TWC ENTERPRISES LIMITED
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
March 31, 2022 and 2021

11. DEFERRED MEMBERSHIP FEES

Deferred membership fees consist of the following:

(thousands of Canadian dollars)	March 31, 2022	December 31, 2021	March 31, 2021
Unamortized membership fees (note 11A)	\$ 37,096	\$ 37,258	\$ 31,477
Future membership fee instalments (note 11B)	(33,704)	(33,282)	(26,849)
Deferred membership fees	\$ 3,392	\$ 3,976	\$ 4,628

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, 2022	For the year ended December 31, 2021	For the three months ended March 31, 2021
Balance, beginning of period	\$ 37,258	\$ 30,479	\$ 30,479
Sales to new members	1,519	11,398	2,816
Transfer and reinstatement fees	808	3,076	770
Resignations and terminations	(1,535)	(3,289)	(1,619)
Amortization of membership fees to revenue	(939)	(4,404)	(958)
Exchange difference	(15)	(2)	(11)
Balance, end of period	\$ 37,096	\$ 37,258	\$ 31,477

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

(thousands of Canadian dollars)	For the three months ended March 31, 2022	For the year ended December 31, 2021	For the three months ended March 31, 2021
Balance, beginning of period	\$ 33,282	\$ 25,250	\$ 25,250
Sales to new members	1,519	11,398	2,816
Transfer and reinstatement fees	808	3,076	770
Resignations and terminations	(1,535)	(3,289)	(1,619)
Instalments received in cash	(355)	(3,151)	(359)
Exchange difference	(15)	(2)	(9)
Balance, end of period	\$ 33,704	\$ 33,282	\$ 26,849

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

12. REVENUE

Revenue consists of the following:

(thousands of Canadian dollars)	Three months ended March 31, 2022				Three months ended March 31, 2021		
	Canadian Golf Club Operations	US Golf Club Operations	Other (Highland Gate)	Total	Canadian Golf Club Operations	US Golf Club Operations	Total
Annual dues	\$ 15,114	\$ 1,688	\$ -	\$ 16,802	\$ 6,501	\$ 1,441	\$ 7,942
Golf	10	5,828	-	5,838	33	4,157	4,190
Corporate events	-	24	-	24	-	71	71
Membership fees	886	53	-	939	890	68	958
Food and beverage	168	775	-	943	57	516	573
Merchandise	945	275	-	1,220	832	231	1,063
Real estate sales	-	-	12,774	12,774	-	-	-
Rooms and other	426	(95)	-	331	328	(58)	270
	\$ 17,549	\$ 8,548	\$ 12,774	\$ 38,871	\$ 8,641	\$ 6,426	\$ 15,067

TWC 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 the first quarter of 2021, annual dues was not recognized during certain periods. There was an average of 39 days in the first quarter that ClubLink was allowed to operate in Canada in 2021 compared to 93 days in 2022.

13. SHARE CAPITAL

(A) Authorized and issued share capital

The authorized share capital is an unlimited number of common shares and preferred shares. As at March 31, 2022, there are 24,547,924 common shares outstanding (December 31, 2021 - 24,547,924). As at March 31, 2022, no preferred shares have been issued. Please refer to the consolidated statements of changes in shareholders' equity for details.

(B) Dividends

During 2021, ClubLink declared and paid four quarterly cash dividends of 2 cents per common share for a total of 8 cents per common share or \$1,975,000 for the year.

During the first quarter of 2022, TWC declared and issued one quarterly cash dividend of 2 cents per common share paid on March 31, 2022 in the amount of \$491,000.

(C) Shares repurchased and cancelled

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,271,000 of its common shares which expired 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 September 19, 2021 the Company repurchased for cancellation 469,518 common shares for a total purchase price of \$8,302,152 or \$17.68 per share, including commissions.

The Company was approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,227,000 of its common shares which expires on September 19, 2022.

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 as the Company has no dilutive instruments.

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

14. NON-CONTROLLING INTEREST

As a result of the Highland Gate acquisition on April 14, 2021, ClubLink is now entitled to 83.33% of the project's profits and is consolidating the Highland Gate results. The remaining 16.67% profit participation interest is attributable to non-controlling interests. Summarized financial information in respect of the non-controlling interest in Highland Gate is as follows:

(thousands of Canadian dollars)	March 31, 2022	March 31, 2021
Cash and cash equivalents	\$ 3,277	\$ -
Restricted cash	1,318	-
Accounts receivable	90	-
Residential inventory (Note 4)	79,510	-
Inventories and prepaid expenses	5	-
Total assets	\$ 84,200	\$ -
Accounts payable and accrued liabilities	\$ 8,681	\$ -
Prepaid annual dues and deposits	15,083	-
Borrowings	23,122	-
Total liabilities	46,886	-
Partner capital	31,352	-
Retained deficit	(2,513)	-
Non-controlling interest	8,475	-
Total shareholders' equity	37,314	-
Total liabilities and shareholders' equity	\$ 84,200	\$ -

(thousands of Canadian dollars)	For the three months ended March 31, 2022	March 31, 2021
Revenue	\$ 12,774	\$ -
Operating cost of goods sold	(12,896)	-
Cost of goods sold - amortization (Note 4)	(1,128)	-
Loss for the period	\$ (1,250)	\$ -
Loss attributable to shareholders	\$ (1,042)	-
Loss attributable to non-controlling interests	(208)	-
Loss for the period	\$ (1,250)	-

(thousands of Canadian dollars)	March 31, 2022	March 31, 2021
Balance, beginning of year	\$ 8,683	\$ -
Share of loss for the period	(208)	-
Balance, end of period	\$ 8,475	\$ -

As a result of the cost of goods sold in relation to Highland Gate home sales, the Company's cost of sales has increased to \$15,352,000 for the period ended March 31, 2022 from \$953,000 for the period ended March 31, 2021.

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

15. 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, 2022	March 31, 2021
Revolving lines of credit	\$ 29	\$ 11
Non-revolving mortgages	1,475	1,857
Construction line of credit (Highland Gate)	1,420	-
Lease liabilities (note 9)	95	175
Line of credit to related party	-	(86)
Amortization of deferred financing costs	40	48
Other	42	56
Interest revenue and investment income	(1,957)	(1,625)
Capitalized interest (Highland Gate)	(1,420)	-
	\$ (276)	\$ 436

16. OTHER ITEMS

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

(thousands of Canadian dollars)	For the three months ended	
	March 31, 2022	March 31, 2021
Unrealized foreign exchange loss	\$ 83	\$ 326
Unrealized loss (gain) on investment in marketable securities	2,819	(4,990)
Insurance proceeds	-	(754)
Equity income from investments in joint ventures (note 3)	(197)	(229)
Other expense (income)	(135)	7
	\$ 2,570	\$ (5,640)

TWC ENTERPRISES LIMITED
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
March 31, 2022 and 2021

17. 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. During 2021, Morguard fully repaid to the Company the \$20,000,000 loan receivable. 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, 2022	For the period ended December 31, 2021	March 31, 2021
Loan receivable from Morguard	-	-	20,000
Net interest receivable	-	-	56
Net interest earned	-	390	86

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 2022 and 2021, 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, 2022, the amount receivable on this facility was nil (December 31, 2021 - nil; March 31, 2021 - \$200,000). Interest receivable at March 31, 2022 was nil (December 31, 2021 - nil; March 31, 2021 - \$1,000), and interest earned was nil for the period ended March 31, 2022 (March 31, 2021 - \$4,000).

The Company receives managerial and consulting services from Morguard. The Company paid a management fee of \$174,000 for the period ended March 31, 2022 (March 31, 2021 - \$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\$146,000) for the period ended March 31, 2022 (March 31, 2021 - US\$115,000; CDN\$146,000) under a contractual agreement, which is included in direct operating expenses.

The Highland Gate project receives managerial services from Geranium Homes management companies. The project paid a management fee of \$364,000 for the period ended March 31, 2022 (March 31, 2021 - nil) under a contractual agreement, which is capitalized to residential inventory.

The Company provides landscaping services for certain Morguard assets. The Company received a fee of \$60,000 for the period ended March 31, 2022 (March 31, 2021 - nil) under a contractual agreement.

A total of US\$13,000 of rental revenue was earned by TWC for the period ended March 31, 2022 (March 31, 2021 - 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

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

18. 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 47½, 18-hole equivalent championship and 2½, 18-hole equivalent academy courses (including two managed properties), at 36 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, 2022

(thousands of Canadian dollars)	Canadian Golf Club Operations	US Golf Club Operations	Corporate Operations and Other	Total
Operating revenue	\$ 16,663	\$ 8,495	\$ 12,774	\$ 37,932
Direct operating expenses	(12,755)	(5,411)	(14,788)	(32,954)
Net operating income (loss)	3,908	3,084	(2,014)	4,978
Amortization of membership fees	886	53	-	939
Depreciation and amortization	(4,091)	(333)	-	(4,424)
Other items	271	162	(3,003)	(2,570)
Segment earnings (loss) before interest and income taxes	\$ 974	\$ 2,966	\$ (5,017)	(1,077)
Interest, net (unallocated)				276
Provision for income taxes (unallocated)				(292)
Net loss				\$ (1,093)
Capital expenditures	\$ 1,000	\$ 256	\$ -	\$ 1,256

TWC ENTERPRISES LIMITED

Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

March 31, 2022 and 2021

18. SEGMENTED INFORMATION (continued)

	For the Three Months Ended March 31, 2021			
(thousands of Canadian dollars)	Canadian Golf Club Operations	US Golf Club Operations	Corporate Operations and Other	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

19. COMMITMENTS/CONTINGENCIES

TWC has committed US\$10,000,000 towards a real estate fund based out of Florida. As at March 31, 2022 there has been US\$6,725,000 (CDN\$8,404,000) in capital calls towards this commitment (see Note 3).

As at March 31, 2021, December 31, 2021 and March 31, 2022, TWC has \$1,018,000 outstanding in letters of credit against its corporate credit facility.

As at March 31, 2022, 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.

20. SUBSEQUENT EVENT

On May 2, 2022, the Company declared a 2 cents per common share cash dividend, payable June 15, 2022 to shareholders of record on May 31, 2022.

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 (c)	36	–	–	–	–
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	–	18	–	–
Hybrid – Silver					
29. Bethesda Grange, Whitchurch-Stouffville, Ontario	18	–	–	–	–
30. Hidden Lake Golf Club, Burlington, Ontario	36	–	–	–	–
Daily Fee					
31. Rolling Hills Golf Club, Whitchurch-Stouffville, Ontario	36	–	–	–	–
Muskoka, Ontario Resorts					
32. The Lake Joseph Club, Port Carling, Ontario	–	–	–	25	–
33. Rocky Crest Resort/Lakeside at Rocky Crest, Mactier, Ontario (d)	–	–	–	84	–
34. 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 (e)	–	–	–	–	51
Caloosa Greens Golf Club, Sun City Center, Florida (e)	–	–	–	–	70
Falcon Watch Golf Club, Sun City Center, Florida (e)	–	–	–	–	116
North Lakes Golf Club, Sun City Center, Florida (e)	–	–	–	–	170
King Haven, The Township of King, Ontario	–	–	–	–	278
Woodlands Country Club, Tamarac, Florida (e)	–	–	–	–	279
Total 18-hole Equivalent Courses, Rooms, Acres	47.5	2.5	3.0	158	964

Notes: (a) Operated by ClubLink under long-term leases. (b) Property managed by ClubLink (formerly known as Club de Golf Le Fontainebleau). (c) Includes 18 holes managed by ClubLink (La Bête Golf Club). (d) Rocky Crest Resort consists of 65 units and Lakeside at Rocky Crest consists of 19 units. (e) 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

K. (RAI) SAHI

DONALD TURPLE (a, d)

JACK D. WINBERG (a, b, c)

(a) Audit Committee

(b) Corporate Governance and Compensation Committee

(c) Environmental, Health and Safety Committee

(d) Lead director

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

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King City, Ontario L7B 1K5

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Contact: Andrew Tamlin

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BANKERS

HSBC Bank Canada

HSBC Bank USA

AUDITORS

Deloitte LLP

STOCK EXCHANGE LISTING

Common shares: TSX: TWC

TRANSFER AGENT

TSX Trust Company

P.O. Box 700, Postal Station B, Montreal, QC H3B 3K3

Tel: 416-682-3860

Tel: 1-800-387-0825 (toll free North America)

Fax: 1-888-249-6189

Email: shareholderinquiries@tmx.com

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