

TWC ENTERPRISES LIMITED

FOR IMMEDIATE RELEASE
KING CITY, ONTARIO
TSX: TWC

August 1, 2025

TWC ENTERPRISES LIMITED ANNOUNCES SECOND QUARTER 2025 RESULTS AND ELIGIBLE DIVIDEND

Consolidated Financial Highlights (unaudited)

(in thousands of dollars except per share amounts)	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net earnings	21,479	3,159	22,563	2,458
Basic and diluted earnings per share	0.88	0.13	0.93	0.10

Operating Data

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Canadian Full Privilege Golf Members			14,999	15,063
Championship rounds – Canada	405,000	399,000	405,000	399,000
18-hole equivalent championship golf courses – Canada			37.0	35.5
18-hole equivalent managed championship golf courses – Canada			3.5	3.5
Championship rounds – U.S.	46,000	46,000	130,000	136,000
18-hole equivalent championship golf courses – U.S.			6.5	6.5

The following is an analysis of net earnings:

(thousands of Canadian dollars)	For the three months ended	
	June 30, 2025	June 30, 2024
Operating revenue	\$ 61,560	\$ 62,183
Direct operating expenses ⁽¹⁾	47,326	53,049
Net operating income ⁽¹⁾	14,234	9,134
Amortization of membership fees	1,200	1,126
Depreciation and amortization	(3,559)	(3,681)
Interest, net and investment income	2,321	2,813
Other items	12,605	(3,902)
Income taxes	(5,322)	(2,331)
Net earnings	\$ 21,479	\$ 3,159

(thousands of Canadian dollars)	For the six months ended	
	June 30, 2025	June 30, 2024
Operating revenue	\$ 102,324	\$ 127,529
Direct operating expenses ⁽¹⁾	79,957	113,938
Net operating income ⁽¹⁾	22,367	13,591
Amortization of membership fees	2,263	2,085
Depreciation and amortization	(6,944)	(7,196)
Interest, net and investment income	4,989	5,598
Other items	6,611	(8,503)
Income taxes	(6,723)	(3,117)
Net earnings	\$ 22,563	\$ 2,458

The following is a breakdown of net operating income (loss) by segment:

(thousands of Canadian dollars)	For the three months ended	
	June 30, 2025	June 30, 2024
Net operating income (loss) by segment		
Canadian golf club operations	\$ 13,581	\$ 10,361
US golf club operations (2025 - US \$699,000; 2024 - US \$467,000)	967	636
Corporate and other	(314)	(1,863)
Net operating income ⁽¹⁾	\$ 14,234	\$ 9,134

(thousands of Canadian dollars)	For the six months ended	
	June 30, 2025	June 30, 2024
Net operating income (loss) by segment		
Canadian golf club operations	\$ 16,913	\$ 13,915
US golf club operations (2025 - US \$3,157,000; 2024 - US \$2,630,000)	4,494	3,552
Corporate and other	960	(3,876)
Net operating income ⁽¹⁾	\$ 22,367	\$ 13,591

Operating revenue is calculated as follows:

(thousands of Canadian dollars)	For the three months ended	
	June 30, 2025	June 30, 2024
Annual dues	\$ 18,953	\$ 18,246
Golf	15,455	13,407
Corporate events	3,387	2,770
Food and beverage	12,261	9,798
Merchandise	4,736	4,581
Real estate	5,736	12,381
Rooms and other	1,032	1,000
Operating revenue	\$ 61,560	\$ 62,183

(thousands of Canadian dollars)	For the six months ended	
	June 30, 2025	June 30, 2024
Annual dues	\$ 36,643	\$ 35,753
Golf	21,752	19,409
Corporate events	3,424	2,788
Food and beverage	14,088	11,065
Merchandise	6,290	6,336
Real estate	18,721	50,890
Rooms and other	1,406	1,288
Operating revenue	\$ 102,324	\$ 127,529

Direct operating expenses are calculated as follows:

(thousands of Canadian dollars)	For the three months ended	
	June 30, 2025	June 30, 2024
Operating cost of sales	\$ 6,878	\$ 6,284
Real estate cost of sales	5,375	13,488
Labour and employee benefits	22,518	20,661
Utilities	1,685	1,884
Selling, general and administrative expenses	1,238	1,367
Property taxes	773	665
Repairs and maintenance	961	1,114
Insurance	1,686	1,789
Turf operating expenses	2,328	2,215
Fuel and oil	431	484
Other operating expenses	3,453	3,098
Direct Operating Expenses ⁽¹⁾	\$ 47,326	\$ 53,049

(thousands of Canadian dollars)	For the six months ended	
	June 30, 2024	June 30, 2025
Operating cost of sales	\$ 8,708	\$ 8,131
Real estate cost of sales	16,328	53,210
Labour and employee benefits	33,059	30,369
Utilities	3,639	3,584
Selling, general and administrative expenses	2,742	2,843
Property taxes	2,372	2,548
Repairs and maintenance	1,888	2,268
Insurance	2,620	2,789
Turf operating expenses	2,565	2,528
Fuel and oil	536	584
Other operating expenses	5,500	5,084
Direct Operating Expenses ⁽¹⁾	\$ 79,957	\$ 113,938

⁽¹⁾ Please see Non-IFRS Measures

Second Quarter 2025 Consolidated Operating Highlights

On February 3, 2025, the Company acquired Deer Creek, one of Canada's largest golf and event complexes, located in Ajax, Ontario, and includes 45-holes of championship golf, a nine-hole short course, large driving range and performance academy. This is a daily fee property with a focus on food and beverage operations. This acquisition is a contributing factor to increases seen in both revenue and operating expenses, specifically golf, corporate events and food and beverage revenue, as well as operating cost of sales and labour and employee benefits.

Operating revenue decreased 1.0% to \$61,560,000 for the three month period ended June 30, 2025 from \$62,183,000 in 2024 due to the decline in revenue from two Highland Gate home sales as compared to seven in 2024.

Direct operating expenses decreased 10.8% to \$47,326,000 for the three month period ended June 30, 2025 from \$53,049,000 in 2024 due to the decline in Highland Gate home cost of sales as described above.

Net operating income for the Canadian golf club operations segment increased to \$13,581,000 for the three month period ended June 30, 2025 from \$10,361,000 in 2024 due to the Deer Creek acquisition and healthy increases in golf revenue for all properties due to strong demand.

Interest, net and investment income decreased 17.5% to income of \$2,321,000 for the three month period ended June 30, 2025 from \$2,813,000 in 2024 due to a reduction in cash (and resulting interest income on this excess cash) as a result of the Deer Creek acquisition.

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

	June 30, 2025	June 30, 2024
Foreign exchange gain (loss)	\$ 541	\$ (22)
Unrealized loss on investment in marketable securities	12,325	(5,119)
Business combination transaction costs	(94)	-
Gain on sale of property, plant and equipment	103	162
Equity income from investments in joint ventures	1	-
Insurance	-	621
Other	(271)	456
Other items	\$ 12,605	\$ (3,902)

At June 30, 2025, the Company recorded an unrealized gain of \$12,325,000 on its investment in marketable securities (June 30, 2024 - loss of \$5,119,000). This gain is attributable to the fair market value adjustments of the Company's investment in Automotive Properties REIT.

Net earnings in the amount of \$21,479,000 for the three month period ended June 30, 2025 increased from \$3,159,000 in 2024 due to the change in unrealized gain on the Company's investment in Automotive Properties REIT as compared to 2024. Basic and diluted earnings per share increased to \$0.88 per share in 2025, compared to basic and diluted earnings per share of \$0.13 cents in 2024.

Non-IFRS Measures

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

The glossary of financial terms is as follows:

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

Net operating income = operating revenue – direct operating expenses

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.

Eligible Dividend

Today, TWC Enterprises Limited announced an eligible cash dividend of 9 cents per common share to be paid on September 15, 2025 to shareholders of record as at August 29, 2025.

New Director

The Board of Directors of TWC Enterprises Limited announced that Gagan Navani has been appointed as a director of the Company effective August 1, 2025.

Corporate Profile

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 47 18-hole equivalent championship and 2.5 18-hole equivalent academy courses (including three managed properties) at 35 locations in Ontario, Quebec and Florida.

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Management's discussion and analysis, financial statements and other disclosure information relating to the Company is available through SEDAR and at www.sedar.com and on the Company website at www.twcenterprises.ca