

TWC ENTERPRISES LIMITED

FOR IMMEDIATE RELEASE
KING CITY, ONTARIO
TSX: TWC

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TWC ENTERPRISES LIMITED ANNOUNCES FIRST QUARTER 2025 RESULTS AND ELIGIBLE DIVIDEND

Consolidated Financial Highlights (unaudited)

(in thousands of dollars except per share amounts)	Three months ended	
	March 31, 2025	March 31, 2024
Net earnings (loss)	1,084	(701)
Basic and diluted earnings (loss) per share	0.04	(0.03)

Operating Data

	Three months ended	
	March 31, 2025	March 31, 2024
Canadian Full Privilege Golf Members	14,654	14,960
Championship rounds – Canada	-	-
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.	84,000	90,000
18-hole equivalent championship golf courses – U.S.	6.5	6.5

The following is an analysis of net earnings (loss):

(thousands of Canadian dollars)	For the three months ended	
	March 31, 2025	March 31, 2024
Operating revenue	\$ 40,764	\$ 65,346
Direct operating expenses ⁽¹⁾	32,631	60,889
Net operating income ⁽¹⁾	8,133	4,457
Amortization of membership fees	1,063	959
Depreciation and amortization	(3,385)	(3,515)
Interest, net and investment income	2,668	2,785
Other items	(5,994)	(4,601)
Income taxes	(1,401)	(786)
Net earnings (loss)	\$ 1,084	\$ (701)

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

(thousands of Canadian dollars)	For the three months ended	
	March 31, 2025	March 31, 2024
Net operating income (loss) by segment		
Canadian golf club operations	\$ 3,332	\$ 3,554
US golf club operations (2025 - US \$2,458,000; 2024 - US \$2,163,000)	3,527	2,916
Corporate operations and other	1,274	(2,013)
Net operating income ⁽¹⁾	\$ 8,133	\$ 4,457

Operating revenue is calculated as follows:

(thousands of Canadian dollars)	For the three months ended	
	March 31, 2025	March 31, 2024
Annual dues	\$ 17,690	\$ 17,507
Golf	6,297	6,002
Corporate events	37	18
Food and beverage	1,827	1,267
Merchandise	1,554	1,755
Real estate sales	12,985	38,509
Rooms and other	374	288
	\$ 40,764	\$ 65,346

Direct operating expenses are calculated as follows:

(thousands of Canadian dollars)	For the three months ended	
	March 31, 2025	March 31, 2024
Operating cost of sales	\$ 1,830	\$ 1,847
Real estate cost of sales	10,953	39,722
Labour and employee benefits	10,541	9,708
Utilities	1,954	1,700
Selling, general and administrative expenses	1,504	1,476
Property taxes	1,599	1,883
Repairs and maintenance	927	1,154
Insurance	934	1,000
Turf operating expenses	237	313
Fuel and oil	105	100
Other operating expenses	2,047	1,986
Direct Operating Expenses⁽¹⁾	\$ 32,631	\$ 60,889

⁽¹⁾ Please see Non-IFRS Measures on following page

First 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.

ClubLink's lease of the National Pines Golf Club in Innisfil, Ontario (18 holes) concluded as of November 15, 2024.

Operating revenue decreased 37.6% to \$40,764,000 for the three month period ended March 31, 2025 from \$65,346,000 in 2024 due to the decline in revenue from five Highland Gate home sales as compared to 21 in 2024.

Direct operating expenses decreased 46.4% to \$32,631,000 for the three month period ended March 31, 2025 from \$60,889,000 in 2024 due to the decline in Highland Gate home sales as described above.

Net operating income for the Canadian golf club operations segment decreased to \$3,332,000 for the three month period ended March 31, 2025 from \$3,554,000 in 2024 due to the added off-season fixed costs from the Deer Creek acquisition.

Interest, net and investment income decreased 4.2% to income of \$2,668,000 for the three month period ended March 31, 2025 from \$2,785,000 in 2024 due to a reduction in interest rates on cash.

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

(thousands of Canadian dollars)	For the three months ended	
	March 31, 2025	March 31, 2024
Foreign exchange gain (loss)	\$ 108	\$ (167)
Unrealized loss on investment in marketable securities	(6,352)	(4,551)
Business combination transaction costs	(521)	-
Gain (loss) on sale of property, plant and equipment	(79)	84
Equity income from investments in joint ventures	7	-
Demolition of Woodlands clubhouse	-	(308)
Insurance	-	236
Other	843	105
Other items	\$ (5,994)	\$ (4,601)

At March 31, 2025, the Company recorded unrealized losses of \$6,352,000 on its investment in marketable securities (March 31, 2024 - losses of \$4,551,000). This loss is attributable to the fair market value adjustments of the Company's investment in Automotive Properties REIT.

Net earnings in the amount of \$1,084,000 for the three month period ended March 31, 2025 changed from a loss of \$701,000 in 2024 due to improved Highland Gate results as compared to 2024. Basic and diluted earnings per share increased to \$0.04 per share in 2025, compared to basic and diluted loss per share of \$0.03 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 June 16, 2025 to shareholders of record as at May 30, 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