

Dear Valued Owner,

I thought this would be an appropriate time to provide an update as it was during this exact week a year ago that the world for all of us, changed dramatically. During that week, it was announced that the Island would be closing its borders for an undermined amount of time, the first day of massive cancellations hit on March 12th and the mind spinning preparations of closing down and safeguarding empty resorts while compiling with lockdown restrictions needed to be finalized and implemented within a week. This while we tried to determine how to deal with, and support, nearly 700 employees among our 3 properties.

In retrospect it still seems surreal, but I am proud and excited to use that as the backdrop to recognize how we all managed to endure this and work together through a year that seems unimaginable even when one tries to reflect upon it. I am so genuinely proud of how our teams pulled together and stayed together, and how understanding and supportive the vast majority of the owner group were to us as a management group. I sincerely extend a warm thank you to all of you that were patient, compassionate, and helpful.

All the board members deserve to be thanked by all of us for being a part of navigating through uncharted waters but in particular the Chairmen need some very special thanks for fielding numerous calls, emails and unprecedented issues. Thank you from all of the team.

While we still have some turns and bumps in the journey ahead, I am very pleased and excited to say that this communication carries more signs of hope and positive updates than we have been able to purvey previously.

Market Related

While the rates within the marketplace are still discounted, I am pleased to say that we are now seeing a positive pace returning in terms of new bookings. We certainly aren't at the glory of 2019 revenues but we see a solid base forming and I hope that leads to the marketplace in general letting the rates edge back up as other resorts hopefully see the same. The booking window at all properties has been extremely short over the past months, meaning people are literally waiting until the last minute to make a reservation. This is likely related largely to people wanting to know the testing results from their PCR tests or know what restrictions exist combined with a lack of concern for available inventory. This seems to be starting to change and we are seeing some reservations now being confirmed 30-60 days in advance.

Additionally, we also are getting Festive inquires, which is very promising.

The Shore Club has been able to effectively tap into the high-end travel segment and we are aiming to get us back to 75% of pre-Covid levels over the upcoming months. We seem to be on track for the goal at the present moment but the booking window is still shorter than typical so it makes it a bit harder to predict. As most of you will know, we have a very large Passover buyout of the resort from March 25th to April 5th. I can comfortably say that it is the most detailed and comprehensive program that we have hosted and the management company has invested heavily into the equipment required. This includes fitting out and adding 2 new kitchens within the

property to allow for the magnitude of the food prep requirements. Additionally, we have another buyout from July 23 to 26th which will have a positive impact on our mid-year performance.

I am pleased to advise that the YPO buyout in January was a huge success. The organizers and the guests raved about the resort and the overall program. It is exciting to report that we already have repeat bookings from the attendees including a 9-couple request for January 2022. The YPO event was a very valuable and worthwhile undertaking and gave the resort great exposure to a key client.

In addition to the newly opened Almond Tree Restaurant, we are in the process of expanding the retail area into the larger facility next to the lobby. This will now include a high-end clothing boutique as well as bespoke spa and beauty products for guests.

USA-Return Covid Testing Centers

The onsite testing that was launched in late January due to a sudden CDC requirement that was imposed on return travelers has been nothing short of a resounding success on all levels. It is likely one of the best examples of cooperation between the government and private sector that I have seen in 20+ years.

The guest feedback on the ease of the testing and professional nature of our testing centers is very fulfilling and it is evident that these centers have opened the door for our resorts and TCI in general. Few destinations were able to respond to the requirement as quickly as TCI and amazingly despite the short notice of the requirement, not one single USA traveler was stranded in TCI due to a lack of testing access. It was an undertaking that deserves applause and it all came together in less than 10 days. Special thanks to a UK Health Advisor, Professor Selbie, that was on island at the time. Professor Selbie was instrumental in working with the Ministry of Health to clear the red tape and get the lateral flow testing approved in Cabinet in a matter of days, when this process normally could have taken months.

At the present moment, among our three properties, we are testing in excess of 100 returning guests a day! Overall, the Island estimates it will conduct over 40,000 tests per month.

The other positive that is emerging from the testing requirement is the data that we would never otherwise have on the positive rate among visitors to the Island. While I can only unofficially give some feedback on our specific numbers, our positive test rate is presently less than 1 in 1000! This is a very positive sign that the protocols being followed are working well and our goal is to keep on this path.

Vaccination Progress

As we reported in the last update there was a second batch of vaccines coming to the island that could effectively vaccinate 40% of the residents. I'm pleased to advise that the delivery arrived as scheduled and a robust rollout continues.

We have continued to assist, educate, and encourage our team to be vaccinated and based on the statistics provided to me yesterday, we now have about 50% of our staff have had their first vaccination shot with about 25% actually already fully vaccinated

with both shots. This is encouraging progress but we want to continue to do everything possible to get that above the 80% range.

There is still a lot of misinformation sadly in certain sectors of the population, especially the Haitian community, that makes them hesitate and nervous about the vaccine. We hope that once they see that the vast majority of the team has been successfully and safely vaccinated, then we will see the mindset change.

VIP Industry Visit

We are honored to advise that we will be hosting Ms. Valerie Wilson at our resort in the upcoming week. Ms. Wilson is the CEO and Founder of Valerie Wilson Travel, one of the largest privately owned travel consulting firms in the United States.

Headquartered in New York City, VWT now has 12 offices nationwide with a network of over 300 travel advisors and associate agents.

It is a huge honor to have her taking the time to show such a keen interest in our property and making a personal visit. It is a major accolade for us all.

Real Estate

There has been a significant increase in the interest and demand for real estate on the island. The initial demand was related to private villas but it is evident that the demand is moving into the condo sector as well. We trust that it will sustain into the later part of this year and that we all will see some support to the underlying values of your investment.

In closing, I reiterate that we still have a long road ahead, but the sentiment here on the Island is one of hope, energy and excitement to start the process of rebuilding and reinventing.

Again, I thank you all for your continued support. I feel that we will be a stronger team and partners after this, than before the challenges.

Be well

Stan Hartling