Dolphin Cove®

Annual Report 2022

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Letter from the Chairman

01

Letter from the Chairman

Dear Shareholders,

It gives me great pleasure to share with you the highlights of our performance in 2022. Despite the challenges posed by the hangover of the Omicron variant in the first quarter of 2022, we managed to have a fantastic remainder of the year, ending the twelve months with more visitors than we had in the full year of 2019, the last pre Covid year.

The cruise segment was the main driver of this success, as we experienced substantial growth in sales per vessel arrival. At the same time, the hotel sector showed steady recovery, and the exponential growth of the local market helped us achieve 2022's excellent results.

Our ability to control costs and expenses played a crucial role in improving our results. We remain committed to continuing our work with creativity, service, teamwork, and innovation, and to contribute to Jamaica's tourism sector by creating and sharing unforgettable experiences in harmony with the environment.

Our revenue in 2022 increased by 99% compared to 2021 and 2% compared to 2019, reflecting the recovery of the tourism sector in the second quarter onwards. We made larger investments in publicity and promotion for direct channels such as the local market and online sales.

Our gross margin in 2022 was 89%, 1% higher than the previous year and 2019. We operated under a highly efficient structure, and despite the significant increase in expenditure year-over-year, our overall expenses in 2022 was 12% less than for 2019.

The company's strong financial position allowed us to declare and pay a total dividend of 80 cents during the year, the most significant payment made by Dolphin Cove. We generated US$5.6 million in cash flows from operating activities and were able to place US$1 million in a short-term investment facility.

We are proud of our management and team members' accomplishments this year and look forward to continuing to grow and contribute to Jamaica's tourism sector. We are seeking opportunities to expand our operations as we are the most experienced park operators in Jamaica. Thank you for your continued support.

Stafford Burrowes, OD
Chairman

Letter from the CFO of The Dolphin Company

02

Letter from the CFO of The Dolphin Company

To all our shareholders, and every member of the Dolphin Cove's family.

I am pleased to present the Annual Report for the performance in the year 2022. After a year of transition and come back as 2021, Dolphin Cove entered in 2022 with the vision of consolidating our execution and show improvement in opportunity areas detected in the past months.

The start was not easy, in the first two months of the year our results were impacted by the appearance of Omicron variant, however, the operating efficiency achieved over the previous months and the resilience of our Company allowed us to sort this difficult period and continue our path with improvements in our performance during the rest of the year.

Despite the uncertain start experienced in January and February, the market conditions in the remaining months were improving. With better conditions and with our good management and ability to turn all challenges into opportunities to enhance our execution, Dolphin Cove delivered the greatest results in its history by generating $15 million in revenue and ending the year with a net profit of $2.9 million.

This extraordinary performance was reflected also in the cash flow, the Company generated US$5.6 million from operating activities, which allowed us to pay a total dividend of 80¢ in the year, the largest amount ever. On the other hand, the cash generated also allowed us to make important investment in CAPEX to enhance our existing product and to offer new attractions to our guests that we expect to generate meaningful growth in 2023.

I am very proud of the associates, managers, and directors of Dolphin Cove, their outstanding performance and commitment, made 2022 to exceed our expectations by far. The DNA of the Company is always to look forward and despite of the extraordinary results achieved in 2022, we believe that there is room to improve our execution and with the passion demonstrated by all members of this great family, I am confident that 2023 will bring even better performance which will result in meaningful growth for in shareholder value.

Thank you again and God bless you all and our family.

SERGIO JACOME

Sergio Jacome
CFO
The Dolphin Company

Highlights

03

January	• Yaaman Adventure Park celebrates its 7th anniversary. • Dolphin Cove Ocho Rios celebrates its 21st anniversary.
February	• The Board of Directors and the Audit Committee of Dolphin Cove held the 1st session of the year, to discuss the results as of December 2021 and to approve the Audited Financial Statements to be submitted to the Jamaica Stock Exchange.
March	• The Board of Directors and The Audit Committee of Dolphin Cove held a virtual meeting to discuss the action plan for the submission of the Annual Report of 2021 to the Jamaica Stock Exchange.
April	• Dolphin Cove submitted to the Jamaica Stock Exchange its Annual Report for the year 2021.
May	• Dolphin Cove submitted to the Jamaica Stock Exchange the report corresponding to the first quarter of 2022.
June	• Dolphin Cove hosted its Annual General Meeting in the facilities of the park located in Ocho Rios, Jamaica, to report the Financial performance of 2021 to its shareholders and to vote for the reelection of the Board Members and External Auditors.
July	• Yaaman Adventure Park started operating its renovated attraction: the Secret Blue Hole, this tour offers our guests a magnificent experience to refresh in the blue waters of the river surrounded by the beautiful natural landscape that only this location can offer.
August	• The Audit Committee and Board of Directors of Dolphin Cove held a meeting to discuss, review and approve the Q2-2022 Report for submission to the Jamaica Stock Exchange.

September

- Dolphin Cove won the first place of the Caribbean's Leading Adventure Tourist Attraction category during the World Travel Awards, due to the educational experiences with dolphins and various species that offers to its visitors in Jamaica. The World Travel Awards are recognized worldwide as a seal of quality and were created in order to recognize, reward and celebrate excellence in various sectors of the tourism industry.
- Dolphin Cove Montego Bay celebrates its 12th anniversary.

October

- Dolphin Cove Moon Palace Jamaica celebrates its 7th anniversary.

November

- The Audit Committee and the Board of Directors of Dolphin Cove Jamaica held a virtual meeting to review and approve the report of Q3-2022 and to review the Cash Flow Forecast for the end of the year.

December

- Yaaman Adventure Park officially started operating its new attraction: Fly High Zip Line, a new tour that will provide extreme, unforgettable and safe experiences to its visitors.

Our Family

04

48% 52%

241 Staff Members

Gender	DC Ocho Rios	DC Mobay	DC Moon Palace	Yaaman
Male	73	13	5	25
Female	90	17	2	16
Total	163	30	7	41

< 30 Years Old	30 - 50 Years Old	> 50 Years Old
43%	46%	11%

Certifications and Recognitions

ALLIANCE of Marine Mammal Parks & Aquariums

The Alliance of Marine Mammal Parks and Aquariums is an international association and accrediting body for zoos, aquariums and marine parks, dedicated to the highest standards of care for marine mammals and to their conservation.

IMATA International Marine Animal Trainers' Association

It is an Association dedicated to achieving the improvement of humane care and management of marine animals, fostering communication among professionals who serve marine animal science through training, public exhibition, research, breeding, conservation and education.

IBCCES CAC CERTIFIED

The Certified Autism Center (CAC) credential is awarded to organizations working with individuals with autism. The CAC recognizes education, experience, and commitment of organizations worldwide.

WORLD TRAVEL AWARDS

This recognition reward and celebrate excellence across all key sectors of the travel, tourism and hospitality industries.

Training and Development

Training and Development is important to our Company as it allows our employees to acquire new skills, sharpen existing ones, perform better, increase productivity and be better leaders.

During 2022, our staff participated on important training sessions and courses, all essential for our operational process:

Training	Participants	Timeline to Complete
Team Jamaica	1	2 days
Quality Service	80	2 days
CPR & Red Cross	10	2 days
Basic Microsoft Training	4	6 weeks
Harassment Sensitization	200	2 hours
Sales Enablement & Analytics	1	6 weeks
Supervisory Management	30	4 months

Training and **Development**

Harassment Sensitization, DC Ocho Rios.

CPR & Red Cross, DC Ocho Rios.

CPR & Red Cross, Yaaman.

Professional Development

Dolphin Cove is a company with a philosophy oriented to promote the growth of its associates. During 2022, rather than searching for external talent, we promoted a total of 8 associates from different departments, who have shown themselves to be capable of taking on new possibilities.

Park	# of Promotions
Ocho Rios	5
Yaaman	2
Montego Bay	1

Internships

Our internship program allows students to live the experience of working with a mentor from the Company, providing them training and flexibility to continue their studies. Two interns from the College of Agriculture, Science & Education completed their 8 week course during 2022.

Dolphin Cares

Dolphin Cares is a program created by The Dolphin Company to ensure the safety and health of our associates and guests through first class protocols followed in all areas of our company, Dolphin Cove as part of the Group, established same protocols in its parks, which helped to create a safe environment for our associates and guests that visit our parks.

Jamaica's pre-travel testing requirement and mask mandate expired in April 2022, nevertheless, at Dolphin Cove mask wearing remained in place until September 2022 when it was abolished.

Although mask wearing is no longer in effect, the company still maintains its sanitary measures such as wash sink and sanitizer dispensers in all areas of the park.

The company's vaccination record to date stands at 38% of the staff population.

Organizational Culture

Birthday Celebrations, Employee of the Month and Games Day

Dolphin Cove takes pride in acknowledging our employees on their birthdays. This is one way how we show our employees how important they are to us, and as part of our engagement program, our employees receive their greeting card, tokens and a personalized birthday cake.

This event is kept quarterly and it is combined with an Employee of the Months, games day and then hotel passes, wine and other gifts are given out to the winners.

Mother's & Father's Day

Mother's Day and Father's Day is an international holiday that the company acknowledges and recognizes annually. For 2022, both groups had a formal dinner on behalf of the company to share its appreciation towards both set of parents. A gift token was given to the respective recipients.

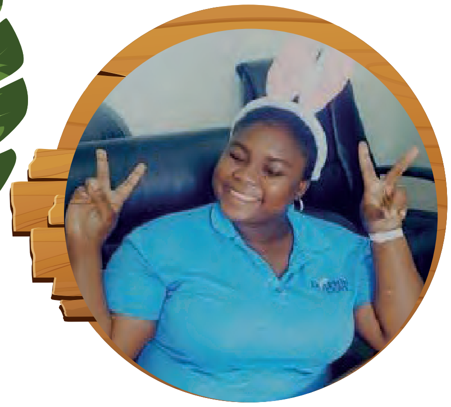
Women's Day

This is a day where we focus on Gender Equality. The employees also donated gifts to a local woman center for teenage mothers.

Easter Holiday

Easter is one of the most important holidays in Jamaica, and one of the mythical traditions involved is to share and eat Bun & Cheese on Good Friday, to honor this tradition, Dolphin Cove gives each and everyone of the staff members a Bun & Cheese package.





Back to School

Dolphin Cove is a Company committed with its family members and with the community, but furthermore, the Company believes in the education as the best way for personal growth. Every year we support the education of the children of our associates by assisting them with a “Back to School package”. In 2022, the Company also assisted mothers at the Women’s Centre in St. Ann’s Bay with back to school supplies.



Halloween Party

In October, Dolphin Cove organized Halloween celebration in all its parks, the events included different presentations and contests, with these activities the Company promotes the team work and fun for our team members.

Christmas Awards and Party

Every year we show our appreciation to our associates for their hard work throughout the year. In 2022 we hosted a special dinner for all the employees and an awards. Two Team members were selected from each park to be awarded the “Employee of the Year”, that person received, gift(s), a certificate and cash. We also recognized associates with outstanding performance throughout the year along with staff of long service.

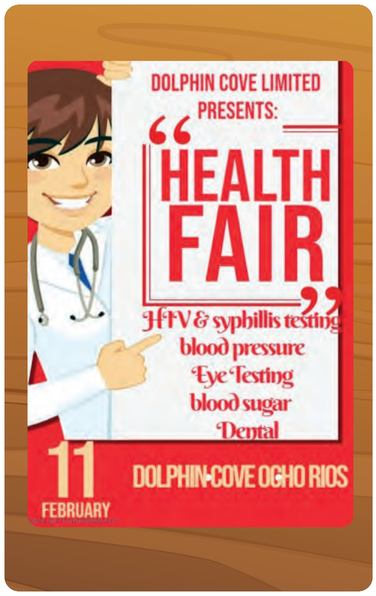
Health & Wellness

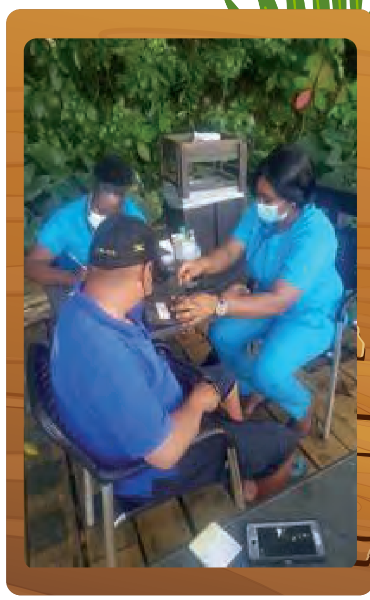
Health and Wellness plays an important role in our life and with a busy work life sometimes employees do not always have the time to do proper health check.

So annually we cater to our staff by providing:

- Pap Smear
- HIV Testing
- HIV Counselling
- Blood pressure
- Blood sugar

Health is a state of being, whereas wellness is the state of living a healthy lifestyle.





Community Engagement & Social Responsibility

Labour Day

Labour Day is the observation of national volunteerism and collective acts of service, offering a vivid reflection of the caring nature of the Jamaican people. In commemoration of Labour Day, our team members assisted schools in the community of Ocho Rios and Lucea with beautification upgrades, painting, washing down and sanitizing and white washing of areas.

School & Tour Groups

Dolphin Cove strengthen bonds with the school community, this year we welcomed more than 200 students in our parks where they enjoyed our offering and also received a presentation on Environmental Conservation from our specialized team. We also hosted more than 300 sales representatives from different commercial partners whom witnessed the improvements in our parks and the high-class services that we can offer to their guests.

Empowerment Session with School Groups

Prospect Collage Careers Days

Social Responsibility Engagement

Outstanding Contribution Award.

Festival Queen/Emancipation & Independence 2022 Activities.

Education & Preservation

5

45 Dolphins

03 Nurse Sharks

02 Parrots

04 Stingrays

40 Birds

04 Macaws

06 Rabbits

02 Iguanas

01 Ostrich

“Dolphin Cove Jamaica is committed to animal welfare. That is why during 2022 new veterinary equipment´s were acquired, two blood biochemistry machines and a new generation ultrasound machine. These tools help us to reinforce our preventive medicine program, wich was also strengthened during 2022 in order to ensure the physical and psychological health of our Dolphin family. We work constantly to provide the best care to our beloved animals”.

- Dr. Ana Malabia, DVM, Head of Veterinary Services Dolphin Cove Jamaica.

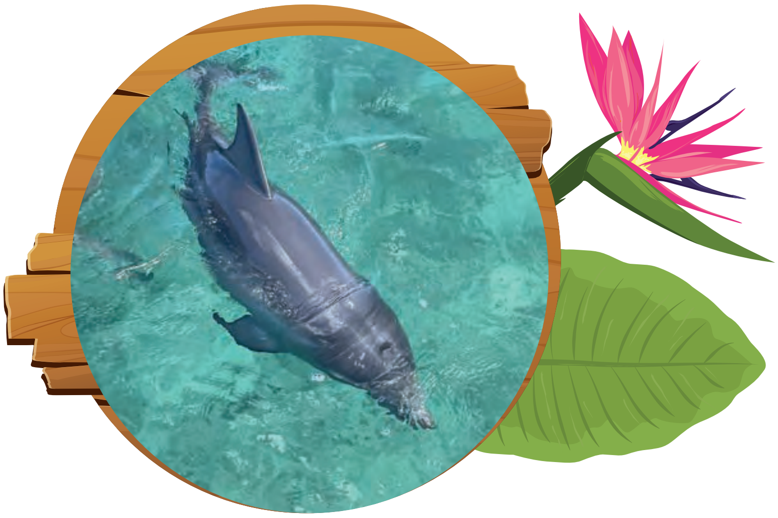
Miracle Program Dolphin Cove Ocho Rios

At the end of 2021, three of our females entered the Miracle breeding program.

One of the three females entered the miracle program in November 2021, during 2022, she was followed up with blood tests, cytology and ultrasound to guarantee the health of both mother and fetus. At 1:32 am on 22 November 2022, she went into labor. The birth occurred at 2:57 am of a live calf (1 hour, 25 minutes of labor).

Both mother and calf are in good condition, showing a normal development, with a progressive eight gain.

The other two females are expected to give birth in early 2023, both females were followed up with blood tests, cytology and ultrasounds through the year, to guarantee the health of both mothers and fetus. The expected labor dates for these two females are between January 07 and 21 of 2023.



Transfer Between Facilities

Dolphin Cove, always seeking first and foremost the welfare of our dolphin family, carried out an exchange of two dolphins between the Moon Palace and Ocho Rios facilities. This move was made to keep one of our juveniles from Moon Palace with another group of juveniles in Ocho Rios, in order to enhance natural behaviors among our youngsters.

The transport was carried out under the supervision of our marine mammal specialists and veterinarians following all safety protocols.

Research 2022

Thanks to the knowledge we have gained through our dolphin ambassadors about the physiology, biology and common pathologies of cetaceans, Dolphin Cove began a study in 2022 to promote preventive medicine in dolphins. The results obtained during the year have been very promising, finding ways to prevent some infections and other common pathologies in this species. Due to the success obtained at Dolphin Cove facilities, the study was expanded to other parks within The Dolphin Company in countries such as the USA and the Dominican Republic by the end of 2022.
This study is still ongoing.

Key Figures

06

Visitors

Total:

174,284

+120% YoY
+1% vs 2019

Revenue

Total:

USD **$15** million

+98% YoY
+2% vs 2019

Selling Expenses

Total:

USD **$3.1** million

+126% YoY
-19% vs 2019

Admin Expenses

Total:

USD **$1.3** million

+72% YoY
-32% vs 2019

Other Operating Expenses

Total:

USD **$4.7** million

+72% YoY
+1% vs 2019

Associates

Total:

241

+139% YoY
-30% vs 2019

Marine Mammals

Dolphins:

26	13	6
Ocho Rios habitat:	Negril habitat:	Moon Palace habitat:

CAPEX

Total:

USD **$0.8** million

47% Maintenance
53% Expansion

Management Discussion & Analysis

07

"For 2022, even though in Q1 our operation was affected by the Omicron variant we managed to have a very good performance from April onwards, thus closing the year with more visitors than 2019. The cruise segment was the main driver of these results, in spite of the lesser calls vs 2019 we had a great growth in sales per arrival and therefore better efficiency in this segment; on the other hand, the continued recovery of the hotel sector and the exponential growth of the local market helped us to obtain excellent results for this year.

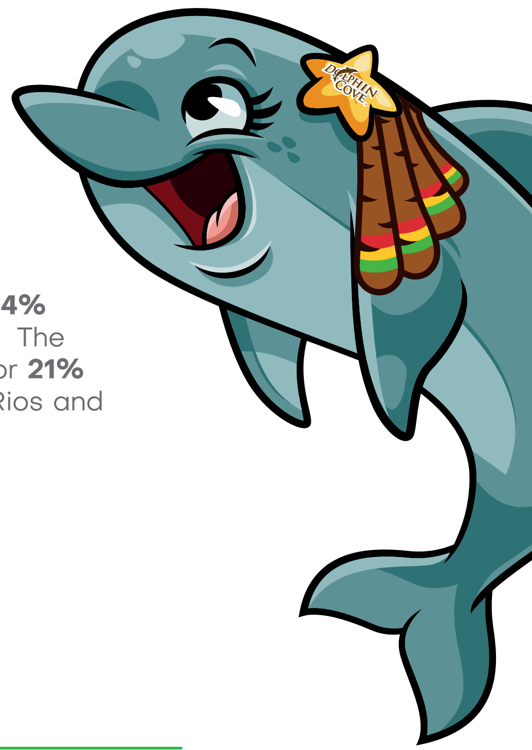
Controlling our costs and expenses continues to be a very important factor in improving our results. For 2023, we will continue to work with the creativity, service, teamwork and innovation that characterizes us, and keep contributing to jamaica´s tourism sector, creating and sharing unforgettable experiences in harmony with the environment".

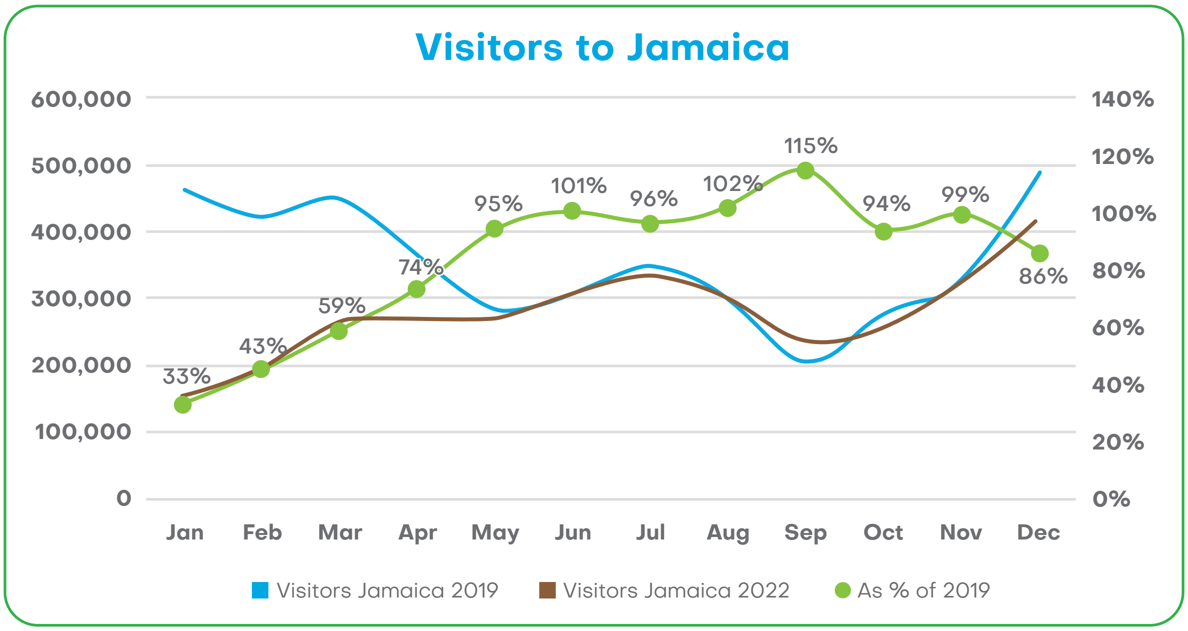
- **Gonzalo Pacheco.** Managing Director of Dolphin Cove.

General Business Conditions

During 2022, Stopovers Visitors to Jamaica increased by **69%** vs 2021, and decreased by **8%** compared to 2019 according to the Jamaica Tourist Board. The nationality mix was as follows: USA representing **75%** of the visitors to Jamaica, Canadian **11%**, European **11%** and Other nationalities **3%.**

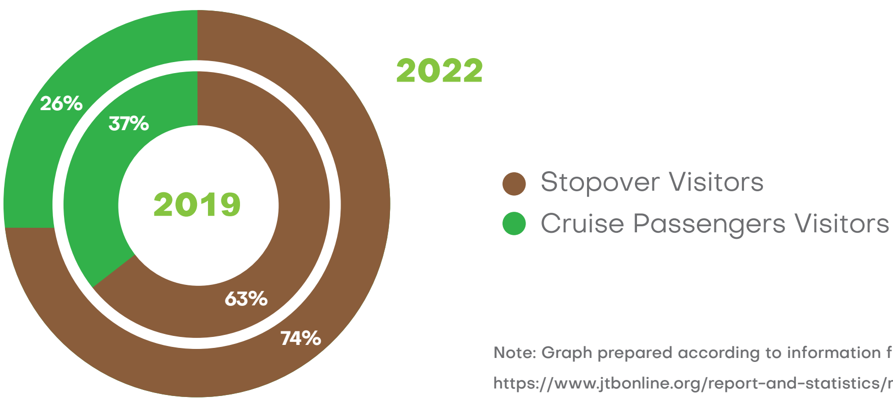
Cruise Ships arrivals to Jamaica reflected an increase of **1104%** compared to 2021, however, arrivals ended **45%** below 2019. The combined attendance of visitors to Jamaica was **903,400** visitors or **21%** under 2019. The average occupancy levels in Montego Bay, Ocho Rios and Negril during the year were **39%**, **21%** and **18%** respectively.





Note: Graph prepared according to information from the Jamaica Tourist Board.
https://www.jtbonline.org/report-and-statistics/monthly-statistics/

Market Share Jamaica



Note: Graph prepared according to information from the Jamaica Tourist Board.
https://www.jtbonline.org/report-and-statistics/monthly-statistics/

Despite the uncertain start to the year caused by the appearance of Omicron variant, 2022 gave us the opportunity to enhance our strategies in the different sales channels with extraordinary results, the recovery of the cruise business was indeed the main driver for the increase in the flow of guests and revenue generation, on the other hand, the great support from the local market continued to be very representative for the Company and finally, the hotel segment started to show a steady recovery which contributed to the good results.

Group Financial Highlights - Audited Financial Statements: Year ended December 31, 2022

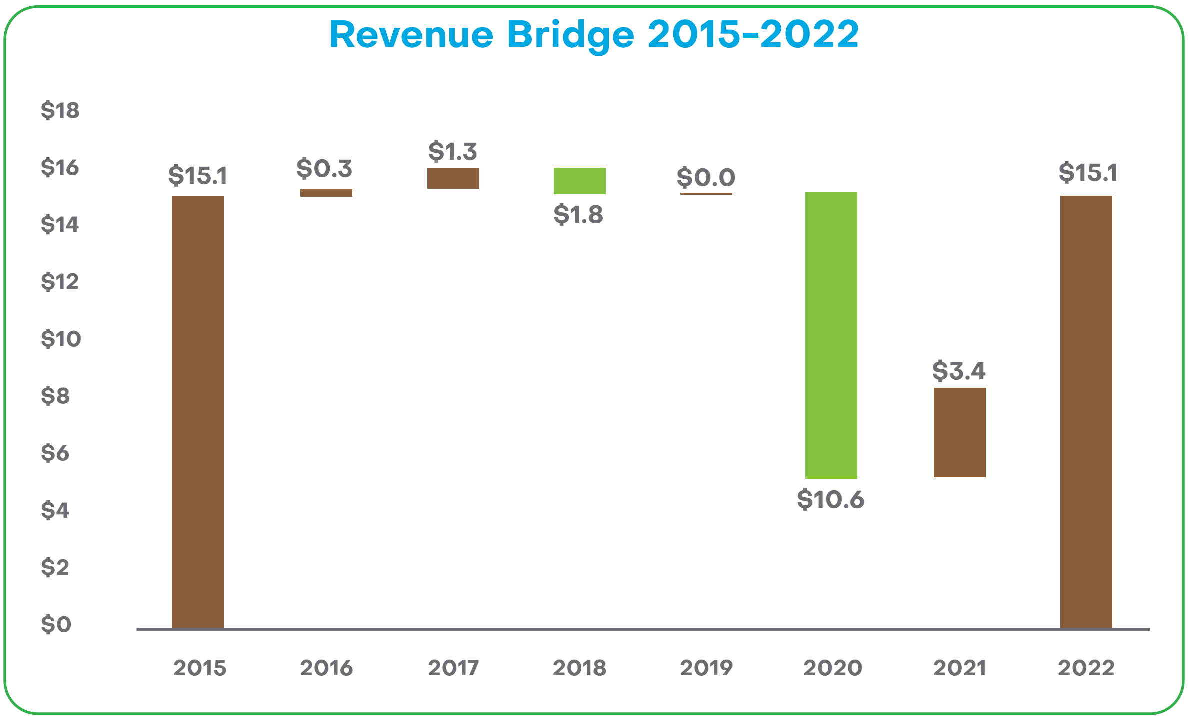
Statement of Profit & Loss & Other Comprehensive Income

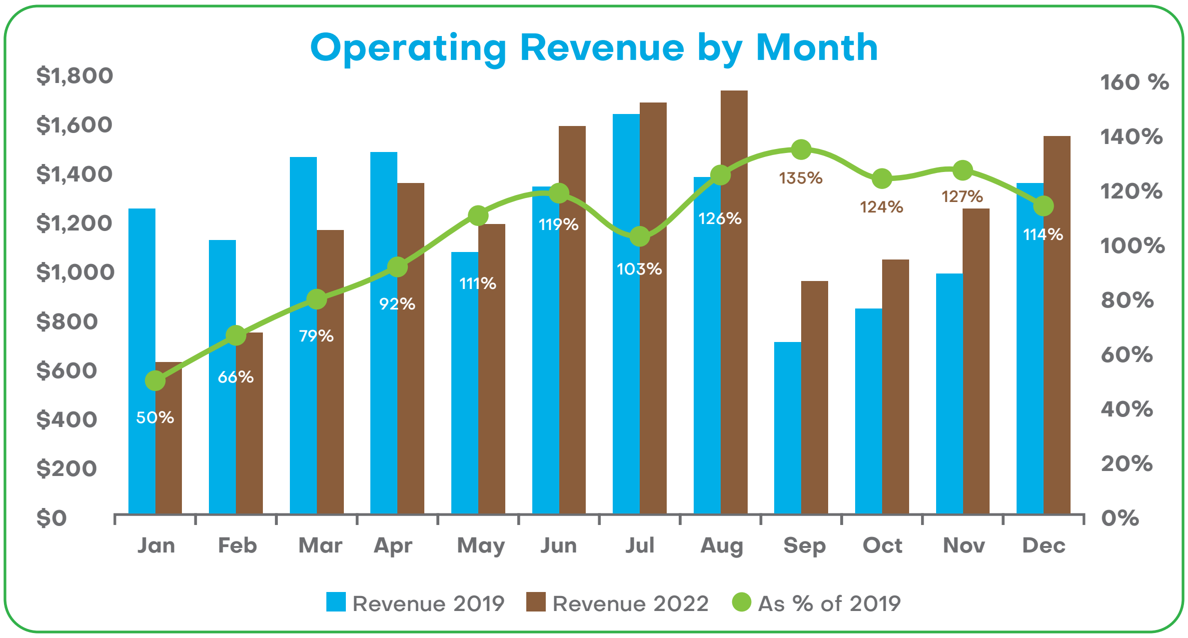
Revenue

After a hesitant and uncertain start, the tourism sector entered into a stabilization process in the second quarter and showed a constant recovery through the rest of the year. Dolphin Cove capitalized the better conditions of the market with a larger investment in publicity and promotion for direct channels such as local market and online sales; in addition to this, the excellent relationship with important players both locally and at a corporate level helped us to improve in the generation of revenue.

The Company reported **US$15.1** million in revenue, where Dolphin and Other Interactive Programs had a participation of **51%**, revenue from ancillary services such as the Photo Income, Boutique, Food and Beverage and Other Tours and activities represented **49%**.

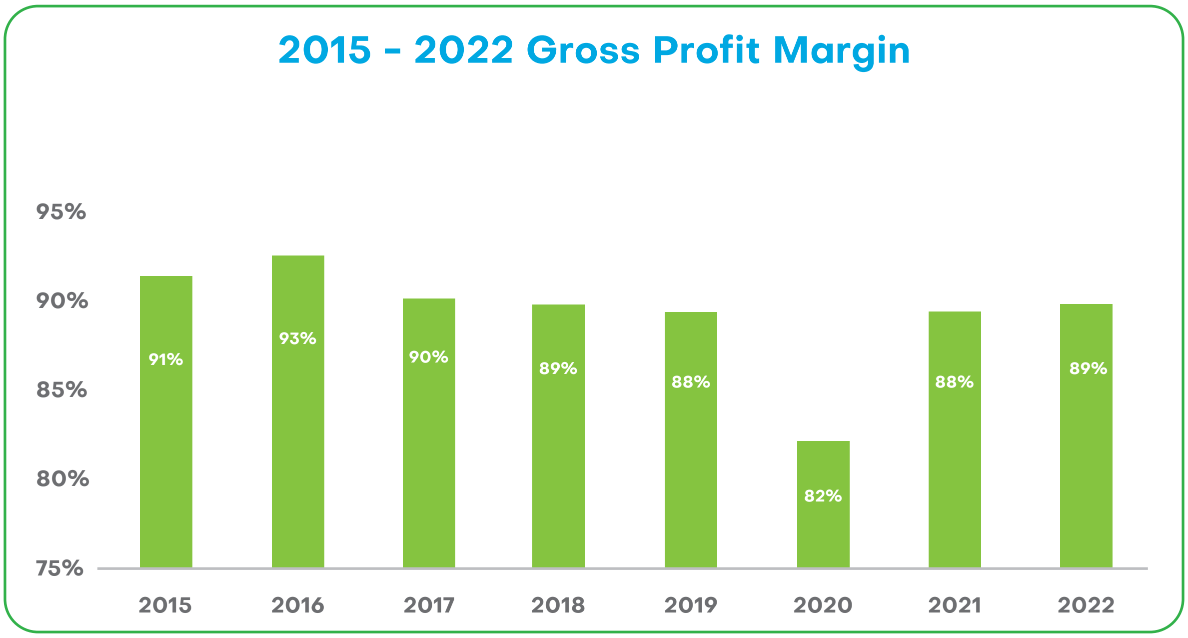
Revenue in 2022, increased by **US$7.5 million or 99%** vs 2021 and **US$0.2 million or 2%** when compared to 2019.

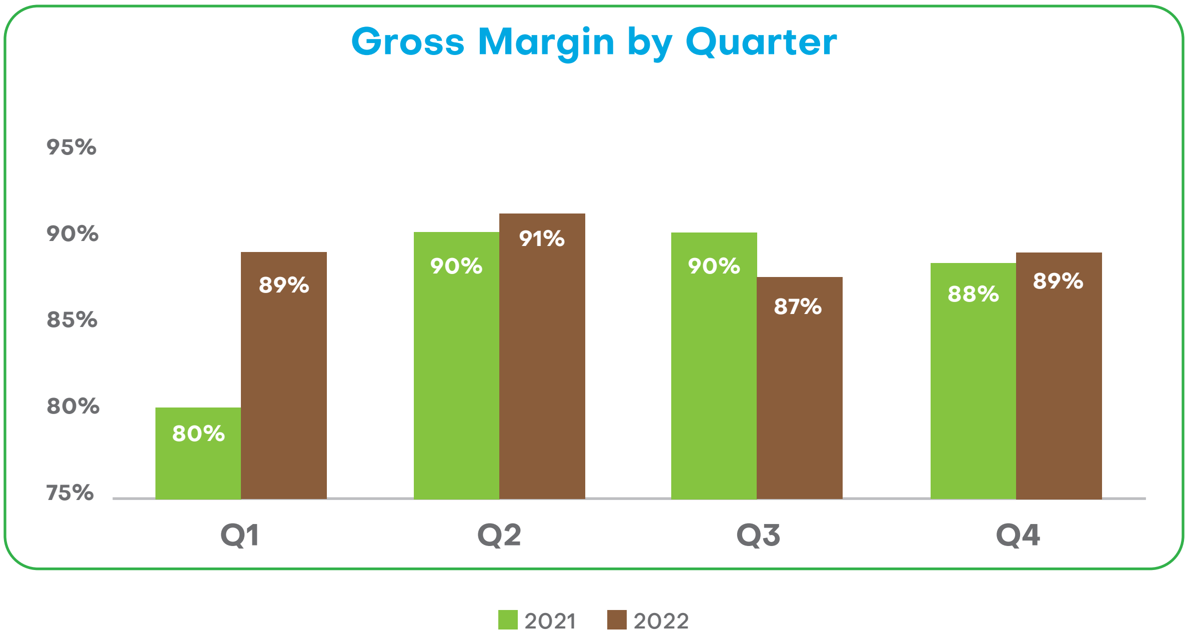




Gross Profit

Our direct cost of sales ended 95% above YoY due to the increase in the in prices of certain items associated to the welfare of our dolphins and other species in our care. On the other hand, our variable costs increased at the same rate as their attached revenue. The gross margin FY2022 was 89%, 1% more than prior year and 2019.



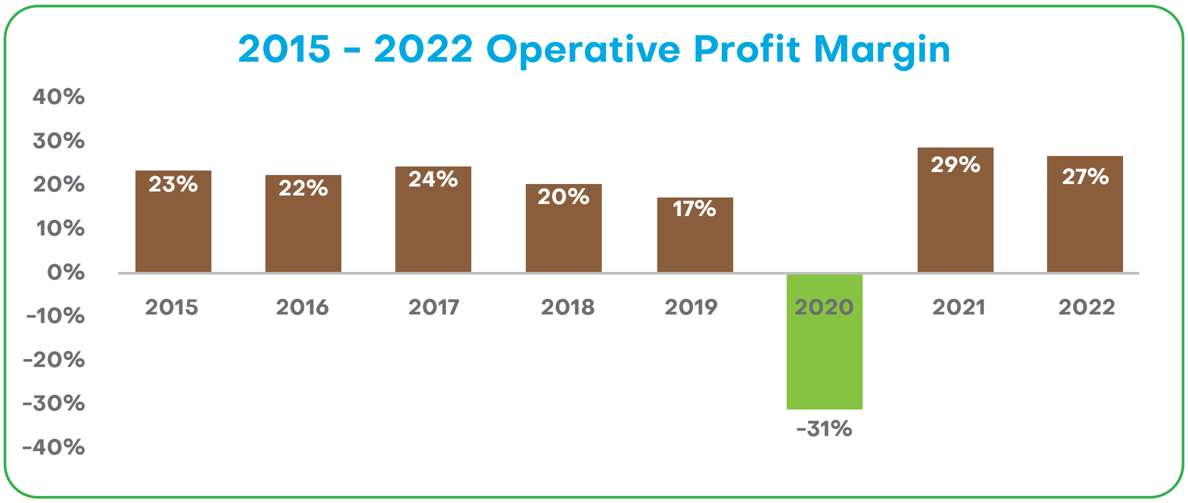


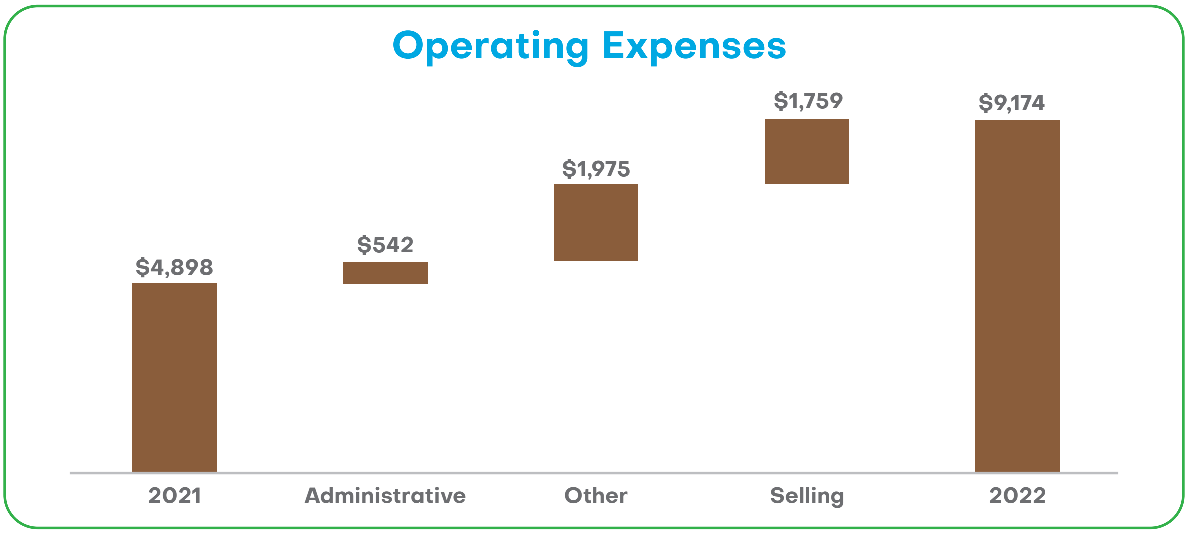
Operating Expenses

The result for 2022 reflects an increase in operating expenses of **US$4.3** million or **87%** vs 2021, this is due mainly to the greater attendance in all the parks and habitats, which demands higher level of expenditure in items such as payroll, park keeping, consumables and supplies. Also, the inflation pressures caused an increase in some key items needed in our daily operation as fuel, utilities, transportation rates which had an impact in the increase in expenses year-over-year.

With better conditions in the tourism sector, the management of Dolphin Cove increased the funds destined to the promotion and selling of our different interactive programs and tours which represented US$1.8 million more compared to 2021.

Despite the large increase in expenditure year-over-year, the cost cutting initiatives implemented over the past 2 years allowed us to operate under a very efficient structure, as a result of this, our overall expenses in 2022 ended with a reduction of US$1.3 million or 12% compared to 2019.



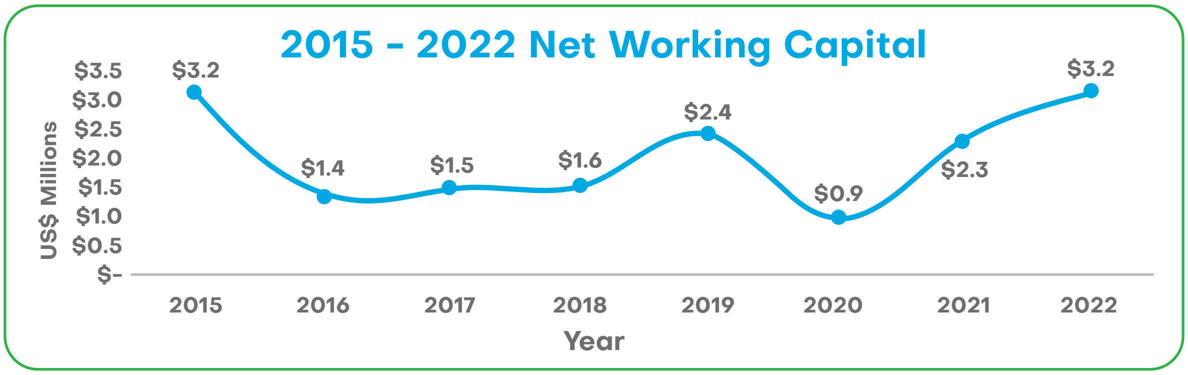


Statement of Financial Position & Cash Flow

Significant Highlights:

The strong financial position of the Company allowed us to declare and pay a total dividend of 80 cents during the year, the most significant payment made by Dolphin Cove ever. Thanks to the great performance delivered, the Company generated US$5.6 million from operating activities and despite the cash allocated for dividends and Capital Expenditures, Dolphin Cove was able to place US$1 million in a short-term investment facility. The Net Working Capital increased by 38% YoY.

The Balance Sheet of the Company remains strong and with debt-free status as of December 2022, which opens the door for Dolphin Cove to seek for expansion opportunities in the short to medium term.



"In 2022, the Company generated US$15.1 million in revenue, driven by 2 factors: 1) The recovery of cruise ship business and our improved efficiency in sales, 2) The strategic investments in renovation work and addition of in-park sales. On the other hand, all permanet efficiencies achieved in the beginning of the pandemic and the stric discipline in the use of resources resulted in US$9.1 million in operating expenses, US$1.3 million less than 2019, even with same numbre of visitors and volume of business.

The combination of the great performance in the top line and the goog management of resources resulted in meaningful growth in the net profit, we ended the year with nearly US$3 million, the largest profit of Dolphin Cove´s history, even without the tax benefit which expired in 2020.

The Company ended the year with a strong balance sheet, net working capital increased nearly US$800,000 year-over-year, driven mainly by the good collections gestion. Dolphin Cove ended the year with US$1.6 million in cash and was able to allocate US$1 million in a short-term investment facility even after the CAPEX exercised during the year and the payment of two dividend of 40 cents each.

I am very pleased with the financial performance of the Company, all efforts made over the past years to transform and streamline our processes, the flexibility and the experience acquired to operate under unusual circumstances couple with much better market conditions, led us deliver the best financial performance of Dolphin Cove to date.

Despite the extraordinary numbers achieved in 2022, there is still room to improve our execution and enhance our profitability, i am confident that with the passion of our associates, the well-experienced management team, the guidance of our Board of Directors and the support of our shareholders, all ingredients are on the table to see even better results in the upcoming 2023".

-Emmanuel Islas, Financial Controller of Dolphin Cove.

Corporate Governance

08

Dolphin Cove Limited

Attendance at board & audit committee meetings for year ended 31 december 2022

Total number of meetings scheduled - board - 6, Audit committee - 6,
Corporate governance committee -1, Remuneration committee -1

Total number of meetings held - Board -10, Audit committee -4,
Corporate governance committee -1, Remuneration committee -1

Name	Number of Board meetings attended	Number of Audit Committee meetings attended	Number of Corporate Governance Committee meetings attended
Eduardo Albor Villanueva Board & Audit	4	0	N/A
Valeria Albor Dominguez	7	N/A	N/A
John Bailey Board & Audit	8	3	N/A
Stafford Burrowes	9	N/A	1
Lorenzo Camara	6	N/A	N/A
Richard Downer Board & Audit	9	4	1
Sergio Jacome Board & Audit	10	4	N/A
Renato Lenzi Appointed 23 February 2022	9	N/A	N/A
Noel Levy Board & Audit	9	4	1

Board of Directors

8.1

Stafford Burrowes, OD
(appointed September 1998)
Chairman and Independent Director

Mr. Burrowes is the entrepeneur who conceived and developed the business idea that became the first and only marine park in Jamaica. In 2010 he was awarded the Order of Distinction in the rank of officer in recognition of his contribution to the development of tourism in Jamaica. He served as Chairman of Friends of the Sea from 2002 to 2006, and he has been the Chariman of the Board of Directors of Dolphin Cove Limited since 1998, presently he is also a member of The Dolphin Company board.

Eduardo Albor Villanueva,
(appointed November 2015)
Non-Executive Director

Mr. Eduardo Albor Villanueva is a law graduate from the Universidad de Mayab and has a Masters Degree – Corporate Law from the Universidad Anahuac.

From inception, his work has been at the corporate level beginning as the Legal Director of the Royal Resorts. In January 1999, Mr. Albor became the CEO of Dolphin Discover Group, and during his administration the enterprise shifted from a regional player to a worldwide company, leader in the leisure industry. Now, The Dolphin Company has operations in 8 countries and 2 continents around the world, with 13 parks and 21 dolphin habitats that receive more than 2 million visitors annually.

Mr. Albor serves as Chairman of The Dolphin Company Board and its Foundation. In addition, Mr. Albor is the president of the editorial group Latitude 21 and coordinates the three publications within the group.

One of Mr. Albor visions has been “always more”, hence he expects to continue the tendency he has established in the Company, to globalize and expand the company’s portfolio in a short and long term.

Richard Downer, CD, FCA
(appointed February 2012 – November 2015, reappointed April 2018)
Independent Director and Mentor

Mr. Downer, a former Senior Partner of PricewaterhouseCoopers in Jamaica, has served on the boards of companies in the financial sector (life and general insurance, commercial and investment banking, and building societies), beverage manufacturing, information technology. agriculture, tourism (hotel and attractions), distribution, real estate development, and constrution industries. He was also a Senior Adviser to a private equity firm in London, England, and on the Rating Committee of a credit rating agency that rates sovereigns and large corporates in the Caribbean.

He has served in several roles in the public sector including as Executive Director of the Bureau of Management Support in the Office of the Prime Minister of Jamaica and as Temporary Manager for several troubled financial institutions and held directorships of government entities including the Bank of Jamaica and as Chair of the Coffee Indutry Board.

Mr. Downer has advised governments on privatization policy and transactions in the Middle East and the indian subcontinent, Africa, Eastern Europe, and Russia. He has also held various leadership roles, including director of the America Chamber of Commerce, Vice president of the institude of Chartered Accountants, director of the Public Accountancy Board and the Conference Board of Jamaica, and Honororay Treasurer of the Private Sector Organization of Jamaica.

He was awarded the Order of Distinction with the rank of Commander (CD) by Jamaica in 1986 for services to Accountancy and being a Pioneer in Privatization and the Distinguished Member Award of the Institude of Chartered Accountants and inducted into the Munro College Hall of Fame.

Since December 2010, Mr. Downer has been the Mentor appointed by Dolphin Cove Limited under the rules of the Junior Stock Exchange in which capacity he advises on matters of corporate governance and compliance with the rules of the stock exchange. He has been a member of the Group´s Audit Committee since 2010 and the Remuneration Committee since 2012.

John R. Bailey
(appointed April, 2018)
Independent Director

Mr. Bailey has a Bachelor's degree in Business Administration from the University of South Florida, majoring in Finance. He also completed executive studies at the University of New Orleans (Leadership, Motivation and Organizational Change) and Emory University (Marketing Strategies for Competitive Advantage).

He began his career in the fish industry becoming the dominant producer of red and silver Tilapia in Jamaica. Afterwards he worked in the export industry culminating in distribution to the most exclusive supermarket chain in the U.K. - Sainsburys.

Mr. Bailey led Jabexco Ltd. in being awarded Champion Exporter & Champion Agri-Exporter 1994 by the Jamaica Exporters Association.

He presently serves on the board of directors of several companies in diverse industries including education, food & beverage, water treatment, and pharmaceuticals.

Noel D. Levy
(appointed September 2006)
Independent Director

Mr. Levy, member of the Jamaica Bar Association and the Law Society of England and Wales in the United Kingdom, is a consultant attorney -at- law at the firm of Myers Fletcher & Gordon and former senior partner of that firm, specializing in commercial law.

He has served on the boards of several private commercial companies including banking, life and general insurance companies. Mr. Levy is currently a member of the board of The Insurance Company of the West Indies Limited and I.G.L. Limited. He served for several years as a Commissioner of the Jamaica Racing Commission and the Betting Gaming and Lotteries Commission.

He is Chairman of the Audit Committee of the University of the West Indies Mona Campus.

Lorenzo Camara
(appointed April 2016)
Non-Executive Director

Lorenzo Camara's studies are in the Industrial Engineering area, nevertheless his career focus has been the operative area of the parks.

He became part of The Dolphin Company in 1996, hired by Mr. Lewis Brewed (the original founder). He started doing several activities such as operations, sales, reception, reservations, and projects, among others, and was part of the early constructions of the company, that includes habitats such as Puerto Aventuras and Cozumel.

His career in Dolphin Discovery is up to 26 years, and as of today he manages the Caribbean region along with the aquatours sector in Cancun, Mexico. Lorenzo also participates in the budget elaboration and the weekly cash flow follow up.

Sergio Jacome Palma
(appointed November 2019)
Non-Executive Director

Mr. Jacome joins The Dolphin Company family as the Chief Financial Officer in 2017, however, Sergio's previous experience involved working with KPMG and EY as a Senior Manager of their Transaction Advisory Services. Also, Sergio worked for Deloitte and advised the Institute for the Protection to the Bank Saving (IPAB) during the liquidation and bankruptcy of seven banks in Mexico.

Sergio earned a Master in Business Administration and Finance in the EAE Business School in Barcelona, Spain, and a Bachelor of Accounting from the Escuela Bancaria y Comercial, in Mexico City.

As of today, Sergio is responsible for all of the Company's financial functions including accounting, audit, treasury, corporate finance and investor relations to pursue the company's growth strategy and meet its and investors' expectations.

Valeria Albor Dominguez
(appointed November 2019)
Non-Executive Director

Miss Albor, joined Grupo Dolphin Discovery in 2016 holding the position of Treasury Sub manager. Her duties included the monitoring and executing of daily operations such as wire transfers, account openings, currency exchange, and daily closing reports of all locations. During her time in the treasury department she has developed new procedures and reports to help in the decision-making process.

In October 2017 she was promoted as the Financial Planning Manager, in charge of the analysis of the financial statements of the group and preparation of feasibility reports, business plans and any financial projections. On May 2020, she was appointed as Corporate Deputy Director, she created the Dolphin Cares Committee, and along with them our COVID-19 Protocols, communication campaign and follow up. In addition to the corporate coordination and financial analysis, she is involved with the Human Resources department, Marketing and Sales team.

Valeria is shareholder and member of the board at The Dolphin Company.

Directors’ Report

8.2

The directors have pleasure in presenting their report for the year ended 31 December 2022, together with the audited financial statements as at that date.

Financial Results for the Year	US$
Profit/(Loss) before finance income and costs	4,107,831
Finance income	82,352
Finance costs	(607,492)
Profit/(Loss) before taxation	3,582,691
Taxation (expense)/credit	(614,919)
Profit/(Loss) after taxation	2,967,772
Earnings per stock unit (expressed in US cents per share)	0.76c

Directors

The Board of Directors consists of:

- Mr Eduardo Albor Villanueva
- Miss Valeria Albor Dominiguez
- Mr John Bailey
- Mr Stafford Burrowes
- Mr Richard Downer
- Mr Sergio Jacome Palma
- Mr Renato Lanzi
- Mr Noel Levy

In accordance with clause 97 of the Articles of Incorporation, Miss Valeria Albor Dominigue and Mr Sergio Jacome Palma retire by rotation, and being eligible, offer themselves for re-election.

Auditors

The auditors, Messrs KPMG, Chartered Accountants, have indicated their willingness to continue in office pursuant to section 154 of the Companies Act.

Employees

The directors wish to thank the management and staff of the company for their performance during the year under review.

Customers

The directors wish to thank our valued customers for their support and contribution to the company's performance during the year under review and look forward to their continued support of the Group.

Dated this 28th day of April 2023
By Order of the Board

Rhonda Goodison Secretary

Notice of Annual General Meeting

8.3

8.3 Notice of Annual General Meeting

"**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Dolphin Cove Limited will be held at ***The Courtleigh Hotel & Suites, 85 Knutsford Boulevard, Kingston 5*** on Wednesday 28 June 2023 at 2:30 p.m. for the following purposes:

1. To receive the report of the Directors and Financial Statements for the year ended 31 December 2022 and the report of the Auditors thereon.

2. To re-elect the retiring Directors and to fix the remuneration of the Directors. The Directors retiring by rotation
pursuant to article 97 of the Company's Articles of Incorporation are Miss Valeria Albor Dominiguez and Mr Sergio Jacome Palma, who, being eligible, offer themselves for re-election.

To consider and, if thought fit, pass the following resolutions:

(a) That the retiring director Miss Valeria Albor Dominiguez be and is hereby re-elected a director.

(b) That the retiring director Mr Serjio Jacome Palma be and is hereby re-elected a director.

3. To authorise the Directors to fix the remuneration of the Auditors for the ensuing year. The Auditors, Messrs KPMG, Chartered Accountants, have signified their willingness to continue in office pursuant to Section 154 of the Companies Act."

Dated this 28th day of April 2023
By Order of the Board

Rhonda Goodison

Rhonda Goodison
Secretary

REGISTERED OFFICE
Belmont, Ocho Rios, St Ann

"NOTES:
1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. A suitable form of proxy is enclosed. **It must be lodged at the Company's registered office at least forty-eight hours before the time appointed for holding the meeting. The proxy form shall bear stamp duty of $100.00 before being signed. The stamp duty may be paid by adhesive stamp(s) to be cancelled by the persons executing the proxy.**

2. Pursuant the articles of incorporation, a corporate shareholder (member) may by resolution of its Directors appoint a person (not a proxy) to attend and vote at the meeting."

Management Team

8.4

Gonzalo Pacheco
Managing Director of Dolphin Cove Limited

Gonzalo Pacheco is a graduate of the Universidad Interamericana in Mexico City with a degree in Business Administration and a postgraduate degree in Hotel Management and Revenue Management. He has more than 18 years of experience working in the tourism sector (Hotel & Cruise Industry, Travel Agencies, Water Parks, DMCs).

Gonzalo joined Dolphin Cove in July 2021, after working for 12 years in different parks (Riviera Maya, Garrafon Park, Cayman Islands, Dominican Republic and St Kitts) at The Dolphin Company as General Manager.

Gregory Forbes
General Manager of Ocho Rios Park

Gregory holds a degree in Business Administration from the Utech Academy in Ocho Rios, he has more than 9 years of experience in the cruise ship industry on managerial positions. Mr. Forbes joined Dolphin Cove in August 2018, as an Operations Manager at the Ocho Rios park, he was responsible for the coordination of the operative areas of the park to ensure a high-quality service to our guests, under his responsibility was also to ensure the in-house sales targets were met. After one year and due to the great performance shown, Mr. Forbes was promoted as General manager of the park.

Travoe Brown
General Manager of Yaaman Adventure Park

Travoe has a Bachelor of Science degree in guidance & counselling from The MICO University College, and earned a Diploma in Business Management Supervision from the National Council on Technical and Vocational Education also obtained a certification from Florida Atlantic University in Hospitality and Tourism Management.

Mr. Brown joined the company in 2017 as Sales Manager, having direct responsibility to supervise the sales production in Ocho Rios area, due to his great performance and skills, in 2018 he was promoted to General Manager of Dolphin Cove's park in Puerto Seco Beach Club where he was responsible for the coordination of the operations and sales of the park.

A year later, he was transferred to Yaaman Adventure Park as the General Manager with the main responsibility of managing the park's operations while ensuring that key performance (financial and otherwise) targets are achieved.

Beresford Watson
General Manager of Moon Palace Park

Mr. Watson holds a degree in Computer Science, and specialized in: Network Administration and Telecommunications. Graduated from the Everest University in Orlando Florida.

Beresford started his career at Dolphin Cove in 2013 as a Photographer, then promoted to a Senior Photo and Video Editor in 2014. Due to his sales-oriented performance, in 2016 he was appointed as the Sales Representative assigned to the Moon Palace location, and in 2017 he was appointed as General Manager of the same location.

Emmanuel Islas
Financial Controller of Dolphin Cove Limited

Mr. Islas is a graduate from the Universidad Anahuac Cancun, he holds a degree in Accounting and Finance, he also has a bachelor's degree in Business Administration and a Diploma in Effective Communication. He has 15 years of experience in the field of accounting and finance in the Tourism Sector including Hotel Industry, Travel Agencies, Vacation Clubs, Destination Management Companies and Attractions; with 10 years of experience in the Dolphin industry in Mexico and the Caribbean.

Emmanuel joined the team in March 2017 as the Financial Controller of Dolphin Cove Limited and its subsidiaries.

Nicola Campbell, FCCA
Chief Accountant of Dolphin Cove Limited

Ms. Campbell is a graduate of the University of Technology with a bachelor degree in Accounting, she is also a Chartered Accountant and a member of the Institute of Chartered Accountants of Jamaica. She has more than 30 years of experience in the accounting field, working in important entities such as Guardsman Group.

Nicola joined Dolphin Cove in 2004, she has been the Chief Accountant for the Group for the past decade and a key member for the organization.

David Alexander Russell, B.S.BA
National Sales Manager
Dolphin Cove Limited

Mr. Russell earned a cum laude graduate from Boston University with a Bachelor's of Science in Business Administration and a minor in Marketing.

Alexei joined the Company in December 2005, he started his carrier in Dolphin Cove as Sales Manager in charge of Ocho Rios and Yaaman Park, due to his performance, in 2018 he was promoted as National Sales Manager, responsible for maximizing the land-based sales for the Dolphin Cove marine parks and the Yaaman Adventure Park in Jamaica. His main duties include promoting the brand by fostering and facilitating positive relationships with our sales partners Island-wide.

Company Data

8.5

Board of Directors
Stafford Burrowes, OD, (Chairman)
Eduardo Albor Villanueva
Richard Downer, CD, FCA
Noel D. Levy
John Bailey
Lorenzo Camara
Sergio Jacome Palma
Valeria Albor Dominguez

Mentor
Richard Downer, CD, FCA

Audit Committee
Richard Downer, CD, FCA
(Committee Chairman) (Appointed Chairman February, 2018)

Noel D. Levy
(Member) (Non-Executive Director)

Sergio Jacome Palma
(Member) (Non-Executive Director)

Remuneration Committee
Noel D. Levy
(Member) (Independent Director)

Stafford Burrowes, OD
(Member) (Non-Executive Director)

Richard Downer, CD, FCA
(Member) (Mentor) (Independent Director)

Company Secretary
Rhonda A. Goodison

Registered Office
Belmont Road, Ocho Rios, St. Ann

Telecommunications
Telephone: (876) 974-5335
Fax: (876) 974-9208
Website: www.dolphincoveja.com
Email: info@dolphincoveja.com

Registrar & Transfer Agent
Jamaica Central Securities Depository Limited
40 Harbour Street
Kingston

External Auditors
KPMG, Chartered Accountants
Unit #14 Fairview Office Park
Alice Eldemire Drive
Montego Bay, St. James

Attorney's at-Law
Myers Fletcher and Gordon
21 East Street
Kingston

Bankers
Sagicor Bank Limited
Bank of Nova Scotia Jamaica Limited

Disclosure of Shareholdings

8.6

8.6 Disclosure of Shareholdings

Major Stockholders	Shares Held
World of Dolphins Inc.	313, 901, 858
Garden House Holdings	37, 491, 168
JCSD Trustee Services Ltd - Sigma Global Venture	8, 831, 481
QWI Investments Limited	5, 210 ,769
Lorna Allison Myers	1, 245, 972
Winston Hoo	1, 216, 954
CXN Direct Investing Inc	1, 200, 000
Marilyn Jean Burrowes	1, 000, 008
John Mahfood	646, 592
JMMB Pension Fund	596, 637

Total Issued Capital	392, 426, 376
Total Account Holder	1, 522

Stockholdings of directors and connected persons

Director	Stockholding	Connected Persons	Stockholding
Noel Douglas Levy	200,000	NIL	NIL
Richard L. Downer	14,000	NIL	NIL
Stafford C. Borrowes	13,900	Garden House Holding	37, 491, 168

Auditors' Report & Financial Statements

9

KPMG

KPMG
Chartered Accountants
P.O. Box 220
Unit #14 Fairview Office Park
Alice Eldemire Drive
Montego Bay
Jamaica, W.I.
+1 (876) 684 9922
firmmail@kpmg.com.jm

INDEPENDENT AUDITORS' REPORT

To the Members of
DOLPHIN COVE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dolphin Cove Limited ("the Company") comprising the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries ("the Group"), set out on pages 7 to 63 which comprise the Group's and Company's statement of financial position as at December 31, 2022, the Group's and Company's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at December 31, 2022, and of the Group's and Company's financial performance and cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
DOLPHIN COVE LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter

1. Valuation of trade and other receivables	How the matter was addressed in our audit
The Group is required to recognise expected credit losses (ECL) on trade receivables, the determination of which is highly subjective and requires management to make significant judgement and estimates including determination of the appropriate variables and assumptions used and the application of forward-looking information.	Our procedures in this area included: • Evaluating the appropriateness of the accounting policies based on requirements of IFRS 9, our business understanding and industry practice. • Identifying and testing relevant controls and evaluating reliance thereon or otherwise. • Evaluating the reasonableness of management's key judgements in estimating ECLs, including selection and application of methods, models, assumptions and data sources. • Challenging significant assumptions and judgements relating to the inputs and economic parameters used for the ECL measurement. • Evaluating the completeness, accuracy and relevance of the data. • Evaluating the appropriateness and testing the mathematical accuracy of the ECL model applied. • Evaluating the completeness, accuracy and relevance of disclosures required by IFRS 9, including disclosures about assumptions about the future, and other major sources of estimation uncertainty.

KPMG

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
DOLPHIN COVE LIMITED

Report on the Audit of the Financial Statements (Continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Standards and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

KPMG

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
DOLPHIN COVE LIMITED

Report on the Audit of the Financial Statements (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 5 and 6, forms part of our auditors' report.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is Wilbert Spence.

KPMG

Chartered Accountants
Kingston, Jamaica

April 28, 2023

KPMG

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
DOLPHIN COVE LIMITED

Appendix to the Independent Auditors' Report

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
DOLPHIN COVE LIMITED

Appendix to the Independent Auditors' Report (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

DOLPHIN COVE LIMITED

Group Statement of Financial Position
December 31, 2022
(Expressed in United States dollars)

	Notes	2022	2021
CURRENT ASSETS			
Cash and cash equivalents		1,637,957	2,420,059
Investments	4	1,002,132	2,132
Trade and other receivables	5	1,356,708	946,194
Taxation recoverable		39,441	140,585
Due from related companies	6(b)(ii)	748,910	517,507
Due from parent company	6(b)(iii)	1,139,200	618,200
Inventories	7	398,726	261,756
		6,323,074	4,906,433
NON-CURRENT ASSETS			
Property, plant and equipment	9	21,361,944	21,325,865
Right-of-use asset	10(a)	378,080	472,351
Live assets	11	3,834,021	3,801,517
Advance to related company	6(b)(iv)	1,110,012	1,110,012
		26,684,057	26,709,745
TOTAL ASSETS		33,007,131	31,616,178
CURRENT LIABILITIES			
Bank overdraft	12	846,229	1,110,702
Current portion of lease liabilities	10(b)	109,900	99,063
Accounts payable	13	2,087,678	1,371,355
Due to other related party	6(b)(v)	7,356	7,356
Current portion of long-term liabilities	15	5,374	5,374
Taxation payable		176,331	-
		3,232,868	2,593,850
NON-CURRENT LIABILITIES			
Deferred tax liability	14	1,229,072	1,327,758
Lease liabilities	10(b)	403,550	513,450
Long-term liabilities	15	-	7,626
		1,632,622	1,848,834
EQUITY			
Share capital	16	3,654,390	3,654,390
Capital reserves	17	11,796,412	12,291,412
Retained earnings		12,690,839	11,227,692
		28,141,641	27,173,494
TOTAL EQUITY AND LIABILITIES		33,007,131	31,616,178

The financial statements on pages 7 to 63 were approved by the Board of Directors on April 28, 2023 and signed on its behalf by:

Stafford Burrowes Director

Sergio Jacome Director

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Group Statement of Profit or Loss and Other Comprehensive Income
Year ended December 31, 2022
(Expressed in United States dollars)

	Notes	2022	2021
OPERATING REVENUE			
Programme revenue	18(a)	7,719,723	3,866,013
Ancillary service revenue	18(b)	7,394,041	3,774,286
Overall revenue		15,113,764	7,640,299
Less: Direct costs of sales	19(a)	(1,729,256)	(888,202)
Gross profit		13,384,508	6,752,097
Loss on disposal of property, plant and equipment		-	(267)
Loss on disposal of live assets		(146,667)	(11,664)
Other income	19(d)	125,975	246,737
		13,363,816	6,986,903
OPERATING EXPENSES			
Administrative		(1,302,804)	(760,586)
Other operations		(4,717,962)	(2,742,617)
Selling		(3,153,680)	(1,394,554)*
	19(b)	(9,174,446)	(4,897,757)*
(Increase)/decrease in allowance for impairment loss on trade receivables		(81,539)	159,015*
Profit before finance income and costs		4,107,831	2,248,161
Finance income	20(a)	82,352	218,686
Finance costs	20(b)	(607,492)	(449,211)
Profit before taxation		3,582,691	2,017,636
Taxation	21	(614,919)	(506,210)
Profit being total comprehensive income for the year		2,967,772	1,511,426
Earnings per stock unit	22	0.76¢	0.39¢

* Reclassified, see note 28

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Group Statement of Changes in Equity
Year ended December 31, 2022
(Expressed in United States dollars)

	Share capital (note 16)	Capital reserves (note 17)	Retained earnings	Total
Balances as at December 31, 2020	3,654,390	12,291,412	10,716,109	26,661,911
Profit, being total comprehensive income for the year	-	-	1,511,426	1,511,426
Transactions with owners of the Company:				
Dividends (note 23)	-	-	(999,843)	(999,843)
Balances as at December 31, 2021	3,654,390	12,291,412	11,227,692	27,173,494
Profit, being total comprehensive income for the year	-	-	2,967,772	2,967,772
Transfer of revaluation surplus recognised on dolphins to retained earnings	-	(660,000)	660,000	-
Transfer of deferred tax on revaluation surplus of dolphins	-	165,000	(165,000)	-
	-	(495,000)	495,000	-
Transactions with owners of the Company:				
Dividends (note 23)	-	-	(1,999,625)	(1,999,625)
Balances as at December 31, 2022	3,654,390	11,796,412	12,690,839	28,141,641

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Group Statement of Cash Flows
Year ended December 31, 2022
(Expressed in United States dollars)

	Notes	2022	Restated* 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		2,967,772	1,511,426
Adjustments for:			
Depreciation and amortisation	9,10,11	1,822,059	1,146,586
Loss on disposal of property, plant and equipment		-	267
Loss on disposal of live assets		146,667	11,664
Interest income	20(a)	(972)	(453)
Interest expense	20(b)	118,407	134,617
Impairment loss on trade receivables	5(a)	(194,750)	(161,697)
Taxation	21	614,919	506,210
		5,474,102	3,148,620
Changes in:			
Accounts receivable		(215,764)	17,935
Inventories		(136,970)	(3,716)
Accounts payable		716,323	(219,095)
Due to other related parties		-	(14,946)
Due from related parties		(231,403)	249,784
Cash generated from operations		5,606,288	3,178,582
Interest paid		(118,407)	(134,617)
Income tax paid		(436,130)	(71)
Net cash provided by operating activities		5,051,751	3,043,894
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		972	453
Additions to property, plant and equipment	9	(789,927)	(444,778)
Proceeds from disposal of property, plant and equipment		-	199
Additions to live assets	11	(53,111)	(80,134)
Advances to parent company		(2,000,000)	(132,000)
Repayment by parent company		379,000	-
Investments		(1,000,000)	(2)
Net cash used in investing activities		(3,463,066)	(656,262)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term loans		(7,626)	(4,215)
Payment of lease liabilities	10(d)	(99,063)	(89,021)
Drawdowns of bank overdraft		3,243,200	4,199,701
Repayment of bank overdraft		(3,507,673)	(3,455,590)
Dividends paid		(1,999,625)	(999,843)
Net cash used in financing activities		(2,370,787)	(348,968)
Net (decrease)/increase in cash and cash equivalents		(782,102)	2,038,664
Cash and cash equivalents at beginning of the year		2,420,059	381,395
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,637,957	2,420,059

* Restated, see note 28

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Company Statement of Financial Position
December 31, 2022
(Expressed in United States dollars)

	Notes	2022	2021
CURRENT ASSETS			
Cash and cash equivalents		1,637,957	2,420,059
Investments	4	1,002,132	2,132
Trade and other receivables	5	1,356,248	945,734
Taxation recoverable		-	101,144
Due from related companies	6(b)(ii)	748,910	517,507
Due from parent company	6(b)(iii)	1,139,200	618,200
Inventories	7	398,726	261,756
		6,283,173	4,866,532
NON-CURRENT ASSETS			
Investment in subsidiaries	8	314,539	314,539
Property, plant and equipment	9	8,840,948	8,751,177
Right-of-use asset	10(a)	1,512,004	1,702,099
Live assets	11	3,832,236	3,799,405
Due from subsidiaries	6(b)(i)	4,483,846	4,762,059
Advance to related company	6(b)(iv)	1,110,012	1,110,012
		20,093,585	20,439,291
TOTAL ASSETS		26,376,758	25,305,823
CURRENT LIABILITIES			
Bank overdraft	12	846,229	1,110,702
Current portion of lease liabilities	10(b)	194,580	178,428
Accounts payable	13	2,046,300	1,336,276
Due to other related party	6(b)(v)	7,356	7,356
Due to subsidiaries	6(b)(vi)	300	300
Current portion of long-term liabilities	15	5,374	5,374
Taxation payable		176,331	-
		3,276,470	2,638,436
NON-CURRENT LIABILITIES			
Deferred tax liability	14	1,147,932	1,269,328
Lease liabilities	10(b)	1,777,355	1,971,935
Long-term liabilities	15	-	7,626
		2,925,287	3,248,889
EQUITY			
Share capital	16	3,654,390	3,654,390
Capital reserves	17	4,223,776	4,718,776
Retained earnings		12,296,835	11,045,332
		20,175,001	19,418,498
TOT AL EQUITY AND LIABILITIES		26,376,758	25,305,823

The financial statements on pages 7 to 63 were approved by the Board of Directors on April 28, 2023 and signed on its behalf by:

Stafford Burrowes — Director

Sergio Jacome — Director

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Company Statement of Profit or Loss and Other Comprehensive Income
Year ended December 31, 2022
(Expressed in United States dollars)

	Notes	2022	2021
OPERATING REVENUE			
Programme revenue	18(a)	7,719,723	3,866,013
Ancillary services revenue	18(b)	7,394,041	3,774,286
Overall revenue		15,113,764	7,640,299
Less: Direct costs of sales	19(a)	(1,729,256)	(888,202)
Gross profit		13,384,508	6,752,097
Loss on disposal of property, plant and equipment		-	(267)
Loss on disposal of live assets		(146,667)	(11,664)
Other income	19(d)	125,975	212,752
		13,363,816	6,952,918
OPERATING EXPENSES			
Administrative		(1,288,381)	(743,201)
Other operations		(4,752,046)	(2,758,213)
Selling		(3,153,680)	(1,394,554)*
	19(b)	(9,194,107)	(4,895,968)*
(Increase)/decrease in allowance for impairment loss on receivables	5(a),6(b)(i)	(350,942)	159,015*
Profit before finance income and costs		3,818,767	2,215,965
Finance income	20(a)	234,685	372,751
Finance costs	20(b)	(705,115)	(551,816)
Profit before taxation		3,348,337	2,036,900
Taxation	21	(592,209)	(519,445)
Profit, being total comprehensive income for the year		2,756,128	1,517,455

* Reclassified, see note 28

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Company Statement of Changes in Stockholders' Equity
Year ended December 31, 2022
(Expressed in United States dollars)

	Share capital (note 16)	Capital reserves (note 17)	Retained earnings	Total
Balances as at December 31, 2020	3,654,390	4,718,776	10,527,720	18,900,886
Profit, being total comprehensive income for the year	-	-	1,517,455	1,517,455
Transactions with owners of the Company:				
Dividends (note 23)	-	-	(999,843)	(999,843)
Balances as at December 31, 2021	3,654,390	4,718,776	11,045,332	19,418,498
Profit, being total comprehensive income for the year	-	-	2,756,128	2,756,128
Transfer of revaluation surplus recognised on dolphins to retained earnings	-	(660,000)	660,000	-
Transfer of deferred tax on revaluation surplus of dolphins	-	165,000	(165,000)	-
	-	(495,000)	495,000	-
Transactions with owners of the Company:				
Dividends (note 23)	-	-	(1,999,625)	(1,999,625)
Balances as at December 31, 2022	3,654,390	4,223,776	12,296,835	20,175,001

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Company Statement of Cash Flow
Year ended December 31, 2022
(Expressed in United States dollars)

	Notes	2022	Restated* 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		2,756,128	1,517,455
Adjustments for:			
Depreciation and amortisation	9,10,11	1,863,864	1,174,186
Loss on disposal of property, plant and equipment		-	267
Loss on disposal of live assets		146,667	11,664
Interest income	20(a)	(153,305)	(154,518)
Interest expense	20(b)	216,030	237,222
Impairment losses	5(a),6(b)(i)	74,653	(161,697)
Taxation	21	592,209	519,445
		5,496,246	3,144,024
Change in:			
Accounts receivable		(215,764)	172,000
Inventories		(136,970)	(3,716)
Accounts payable		710,024	(186,780)
Due to other related companies		-	(14,946)
Due from related companies		(231,403)	249,784
Cash generated from operations		5,622,133	3,360,366
Interest paid		(118,407)	(237,222)
Income tax paid		(436,130)	(71)
Net cash provided by operating activities		5,067,596	3,123,073
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		972	453
Additions to property, plant and equipment	9	(789,927)	(443,877)
Proceeds from disposal of property, plant and equipment		-	199
Additions to live assets	11	(53,111)	(80,134)
Due from subsidiaries		(15,845)	(5,697)
Advances to parent company		(2,000,000)	(132,000)
Repayment by parent company		379,000	-
Investments		(1,000,000)	(2)
Net cash used in investing activities		(3,478,911)	(661,058)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term loans		(7,626)	(4,215)
Payment of lease liabilities	10(d)	(99,063)	(163,404)
Drawdowns of bank overdraft		3,243,200	4,199,701
Repayment of bank overdraft		(3,507,673)	(3,455,590)
Dividends paid		(1,999,625)	(999,843)
Net cash used in financing activities		(2,370,787)	(423,351)
Net (decrease)/increase in cash and cash equivalents		(782,102)	2,038,664
Cash and cash equivalents at beginning of the year		2,420,059	381,395
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,637,957	2,420,059

* Restated, see note 28

The accompanying notes form an integral part of the financial statements.

DOLPHIN COVE LIMITED

Notes to the Financial Statements
Year ended December 31, 20222
(Expressed in United States dollars)

1. Corporate structure and principal activities

(a) Dolphin Cove Limited (the Company) is incorporated and domiciled in Jamaica and its registered office and principal place of business is located at Belmont Road, Ocho Rios, St. Ann, Jamaica, W.I.

The principal activities of the Company are the operation of a tourist attraction comprising dolphin programmes and ancillary operations such as restaurants, gift and video shops at several locations.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange on December 21, 2010.

(b) The Company and its wholly-owned subsidiaries, as listed below, are collectively referred to as "the Group".

(i) Dolphin Cove (Negril) Limited was incorporated in Jamaica, on May 11, 2010, and commenced operations in September 2010. Its principal place of business is located at Point, Lucea, Hanover, Jamaica W.I. where it offered dolphin programmes and ancillary operations similar to that of the Company. However, effective January 1, 2014, the Company assumed its operations. Dolphin Cove (Negril) Limited continues to own the real estate in Hanover which is now leased to the Company.

(ii) Too Cool Limited is incorporated in the Cayman Islands and owns land and buildings from which the Company operates.

(iii) Cheshire Hall Limited (CHL) was incorporated on June 22, 2012 as a St. Lucian International Business Company (IBC) and is controlled by Company. It's wholly-owned subsidiary, DCTCI Limited, was incorporated in the Turks and Caicos Islands and owns land on which the Group intends to develop an attraction.

(iv) Balmoral Dolphins Limited is a St. Lucia IBC, incorporated on April 5, 2012. Its wholly-owned subsidiary, Dolphin Cove TCI Limited, was incorporated in the Turks & Caicos Islands for the intended purpose of operating the attraction to be developed by DCTCI Limited.

(v) SB Holdings Limited was incorporated on November 4, 2013, as a St. Lucia IBC. Its wholly-owned subsidiary, Marine Adventure Park Limited, was also incorporated in St. Lucia and purchased land in St. Lucia on which the Group intends to develop an attraction.

(c) World of Dolphins Inc. ("Parent Company"), incorporated in Barbados, acquired 229,610,218 shares in the Company or 58.51% of its issued share capital on December 18, 2015, and made a follow-up offer to purchase all the remaining shares of the Company, effective January 8, 2016. The Parent Company now holds 79.99% of the issued share capital of the Company.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

1. Corporate structure and principal activities (continued)

(d) World of Dolphins, Inc. is a subsidiary of Controladora Dolphin SA de C.V. (intermediate holding company), which is, in turn, a subsidiary of Dolphin Capital Company, S. de RL de C.V. (ultimate holding company), referred to as "The Dolphin Company" – the 'wider group'. Both companies are incorporated in Mexico.

(e) In April 2019, World of Dolphins Inc. pledged to charge 100% (313,901,858) of stock units which it holds in the Company as co-security for a Note Purchase Agreement on behalf of Controladora Dolphin SA de C.V.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and comply with the provisions of the Jamaican Companies Act.

New and amended standards:

(i) Newly effective standards:

The following new and amended standards did not have any impact on the Group's financial statements.

- Amendments to IFRS 16 *Leases* extend the practical expedient by 12 months – i.e. allowing lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022. The amendments were effective April 1, 2021.

- Annual Improvements to IFRS Standards 2018-2020 cycle contain amendments to IFRS 9 *Financial Instruments* and IFRS 16 *Leases* and were effective January 1, 2022.

- Amendments to IAS 37 *Provision, Contingent Liabilities and Contingent Assets* clarify those costs that comprise the costs of fulfilling the contract and were effective January 1, 2022.

(ii) Forthcoming standards:

At the date of authorisation of these financial statements, certain new and amended standards have been issued which are not effective at the reporting date and which the Group has not early adopted.

- Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after January 1, 2024. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

2. Statement of compliance and basis of preparation

(a) Statement of compliance (continued):

New and amended standards (continued):

(ii) Forthcoming standards (continued):

- Amendments to IAS 1 *Presentation of Financial Statements* (continued)

  Under existing IAS 1 requirements, entities classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Instead of the requirement for a right of deferral to be "unconditional", the standard requires that a right to defer settlement must have "substance" and exist at the end of the reporting date. An entity classifies a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting date. It has also been clarified that a right to defer exists only if the entity is in compliance with conditions specified in the loan agreement at the reporting date, even if the lender does not test compliance until a later date.

  The Group will apply the amended standards for the reporting period starting January 1, 2024. The amended standard is not expected to have a significant impact on the Group's financial statements.

- Amendments to IAS 1 *Presentation of Financial Statements* are effective for annual reporting periods beginning on or after January 1, 2024 and may be applied earlier. The amendments help entities provide useful accounting policy disclosures.

  The key amendments to IAS 1 include:

  - requiring entities to disclose their *material* accounting policies rather than their *significant* accounting policies;
  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
  - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

  The amendments are consistent with the refined definition of material:

  "Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements".

  The Group will apply the amended standards for the reporting period starting January 1, 2023, with changes in disclosures in accounting policies expected.

2. Statement of compliance and basis of preparation

(a) Statement of compliance (continued):

New and amended standards (continued):

(ii) Forthcoming standards (continued):

- Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* are effective for annual reporting periods beginning on or after January 1, 2023, with early adoption permitted. The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

  The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

  Developing an accounting estimate includes both:

  - selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 *Financial Instruments*; and

  - choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

    The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies is unchanged.

  The Group will apply the amendments for the reporting period starting January 1, 2023. The amendments are not expected to have a significant impact on the Group's financial statements.

- Amendments to IAS 12 *Income Taxes* are effective for annual reporting periods beginning on or after January 1, 2023, with early adoption permitted. The amendments clarify how entities should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions.

  The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

2. Statement of compliance and basis of preparation

(a) Statement of compliance (continued):

New and amended standards (continued):

(ii) Forthcoming standards (continued):

Amendments to IAS 12 *Income Taxes (continued)*

For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. If an entity previously accounted for deferred tax on leases and decommissioning liabilities under the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

The Group will apply the amendments for the reporting period starting January 1, 2023. The amended standard is not expected to have a significant impact on the Group's financial statements.

(b) Basis of measurement and functional currency:

The financial statements are prepared on the historic cost basis, except for land and buildings which are carried at market value. The financial statements are presented in United States dollars ($), which is the functional currency of the Company.

(c) Use of estimates and judgements:

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual amounts could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

Judgements

For the purpose of these financial statements, judgement refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and the well-reasoned, objective and unbiased choice of the alternative that is most consistent with the agreed principles set out in IFRS. The significant judgement exercised by Management in the preparation of these financial statements is in respect of the useful lives of the dolphins. The useful lives of dolphins vary, and management used its judgement in determining an average, expected useful life of 30 years see note 3(h).

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

2. Statement of compliance and basis of preparation (continued)

(c) Use of estimates and judgements (continued):

Key assumptions concerning the future and other sources of estimation uncertainty

(i) Impairment of receivables:

The impairment allowance for trade and other receivables is determined upon origination of the trade accounts receivable based on a model that calculates the expected credit loss ("ECL") of the receivables.

Under this ECL model, the Group segments its receivables in a matrix by days past due and determined for each age bracket an average rate of ECL, considering actual credit loss experience over the last 12 months and analysis of future delinquency, that is applied to the balance of the accounts receivable. The average ECL rate increases in each segment of days past due until the rate is 100% for the segment of 91 days or more past due. The use of assumptions make uncertainty inherent in such estimates [see note 3(n)].

(ii) Fair value of land and buildings:

Land and buildings are revalued annually to fair market value at each reporting date. These valuations are conducted periodically by independent professional valuators, using recent selling prices of comparable properties.

However, as no two properties are exactly alike, adjustments are made to reflect differences between properties. Consequently, the determination of fair market value of the property requires that the valuers analyse the differences in relation to age and physical condition, time of sale, land to building ratio, the advantages and disadvantages of the location and other functional gains to be derived from the property, and make necessary adjustments (see note 9).

(d) Basis of consolidation:

The consolidated financial statements include the separate financial statements of the Company and its subsidiaries (note 1), made up to December 31, 2022. The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

(i) Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of a subsidiary are included in the consolidated financial statements from the date control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies

(a) Foreign currencies:

Foreign currency transactions and balances:

Monetary assets and liabilities denominated in foreign currencies are translated to the United States dollar ($) at the rates of exchange at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined.

Transactions in foreign currencies are converted to the functional currency at the rates of exchange ruling at the dates of those transactions. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Gains and losses arising from fluctuations in exchange rates are generally included in profit or loss. However, foreign currency differences arising from the translation of equity investments designated at fair value through other comprehensive income are recognised in other comprehensive income, except on impairment in which case the foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss.

(b) Cash and cash equivalents:

Cash and cash equivalents comprise cash in hand and at bank including short-term deposits, where the original maturities of such deposits do not exceed three months.

(c) Investments:

Fixed deposits are classified and measured at amortised cost. The Group intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

(d) Accounts receivable:

Accounts receivable comprising trade and other receivables and are measured at amortised cost, less impairment losses.

(e) Related parties:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures,* as the "reporting entity" in his case the Group).

3. Significant accounting policies (continued)

(e) Related parties (continued):

(a) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the reporting Group.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled, or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the Group or is a member of the management personnel of the Group (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management services to the Group or the parent of the Group.

(c) A related party transaction involves transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

(f) Inventories:

Inventories are measured at the lower of cost, determined on the weighted average basis, and net realisable value.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(g) Property, plant and equipment:

(i) Recognition and measurement:

Land and buildings are measured at valuation, less subsequent depreciation. All other categories of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Any revaluation increase arising on the revaluation of land and buildings is credited to capital reserves through other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in capital reserve relating to a previous revaluation of such assets.

On a sale or retirement of the revalued asset, the attributable revaluation surplus remaining in unrealised capital reserve is transferred directly to realised reserve.

Cost includes expenditures that are attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item, if it is probable that the future economic benefit embodied within the part will flow to the Group and its cost can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

The cost of self-constructed assets includes the cost of materials, direct labour and related costs to put the asset into service. Borrowing costs, including but not limited to, interest on borrowings and exchange differences arising on such borrowings, that are directly attributable to the acquisition and/or construction of a qualifying asset are capitalised as part of the cost of that asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use are complete. Thereafter, borrowing costs are recognised in profit or loss when they are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(g) Property, plant and equipment (continued):

(i) Subsequent expenditure:

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

(ii) Depreciation:

Depreciation is recognised in profit or loss on the straight-line basis computed at annual rates estimated to write down the assets to their estimated residual values over their estimated useful lives.

The estimated useful lives are as follows:

Buildings	40 years
Leasehold improvements	10 years
Furniture, fixtures and equipment	10 years
Computers	5 years
Motor vehicles	5 years
Dune buggies	3 years

No depreciation is charged on land and capital work-in-progress. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate

(h) Live assets:

This comprises of dolphins and other marine life, as well as birds and are measured at cost, less amortisation. Dolphins and other marine life are amortised over periods not exceeding thirty years and fifteen years, respectively.

The costs of dolphins (calves) are accumulated from the date the mothers are pregnant and include food, medicine, veterinary services, special care and training of the calves. Directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are capitalised until calves are brought into production. These costs are then amortised on a straight-line basis over a period not exceeding thirty years. Dolphins purchased are capitalised at the acquisition cost which is amortised over a period not exceeding thirty years on the straight-line basis. The useful life of thirty years for the dolphins is based on research done on dolphins and the experience of the Group. These live assets are not held for agricultural purposes.

3. Significant accounting policies (continued)

(i) Leases:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(i) Leases (continued):

As a lessee (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

COVID-19-related rent concessions

The Group negotiated a rent concession with its landlord as a result of the severe impact of the COVID-19 pandemic during the year.

The Group has applied *COVID-19-Related Rent Concessions-Amendments to IFRS 16*, applying the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications.

(j) Accounts payable:

Accounts payable comprising trade and other payables are measured at amortised cost.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(k) Provisions:

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

(l) Interest bearing borrowings:

Interest bearing borrowings are recognised initially at fair value plus directly attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost, with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowing on an effective interest basis.

(m) Share capital and dividends:

Ordinary shares are classified as equity and carried at cost. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

Dividends on ordinary shares are recognised as a liability in the period in which they are declared.

(n) Impairment:

(i) Non-financial assets:

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

– Calculation of recoverable amount:

The recoverable amount of non-financial assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

- Reversal of impairment:

An impairment loss is reversed, if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(n) Impairment (continued):

(ii) Financial assets:

Measurement of ECLs

The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group assumes that the credit risk on financial assets has increased significantly if it is more than 90 days past due.

The Group recognises loss allowances for ECLs and considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to action such as realising security if any is held; or
- the financial asset is more than 90 days past due.

Life-time ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the group assesses whether financial assets carried at amortised costs are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3. Significant accounting policies (continued)

(n) Impairment (continued):

(ii) Financial assets (continued):

Credit-impaired financial assets (continued)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the group's procedures for recovery of amounts due.

(o) Revenue recognition:

Revenue from services is measured at fair value of the consideration received or receivable, net of volume rebates and sales taxes.

Performance obligations and revenue recognition policies:

The nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are as follows:

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(o) Revenue recognition (continued):

Type of products and services	*Nature and timing of satisfaction of performance obligations, including significant payment terms.*	*Revenue recognition under IFRS 15*
Rendering of services	Customers obtain control of service when programme attraction service and ancillary services have been provided. Invoices for services are generated at that point in time. Invoices are usually payable within 30 days.	The Group recognises revenue at a point in time as services are provided.
Sale of goods	Customers obtain control of goods when the good is transferred to the customer. Invoices for goods are generated at a point in time.	Revenue is recognised at a point in time in the amount of the price, before tax on sales, expected to be received by the Group for goods and services supplied as a result of their ordinary activities, as contractual performance obligations are fulfilled, and control of goods and services passes to the customer. Revenues are decreased by any trade discounts granted to customers.

(p) Finance income:

Finance income comprises interest earned on funds invested and foreign exchange gains recognised in profit or loss. Interest income is recognised in profit or loss as it accrues, taking into account the effective yield on the asset.

(q) Employee benefits:

Employee benefits include current or short-term benefits such as salaries, statutory contributions paid, annual vacation leave and non-monetary benefits such as medical care and housing. Short-term employee benefits are recognised as a liability, net of payments made, and charged as expenses. The expected cost of vacation leave that accumulates is recognised over the period that the employees become entitled to the leave.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(r) Expenses:

(i) Expenses:

Expenses are recognised on the accrual basis.

(ii) Finance costs:

Finance costs comprise interest incurred on borrowings, calculated using the effective interest method, foreign exchange losses and bank related charges.

(s) Income taxes:

(i) Current tax:

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(ii) Deferred tax:

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax liability is recognised for taxable temporary differences, except on the initial recognition of goodwill and to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) Segment reporting:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Each operating segment's operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM"), to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Group has identified the Managing Director as its CODM.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(t) Segment reporting (continued):

During the year, a review of operating segments was conducted. Based on the economic and operational similarities and the way the CODM monitors the operations, the Group has concluded that its operating segments should be aggregated and that it has only one operating segment.

(u) Financial instruments:

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

The financial assets that meet both of the following conditions and are not designated as at fair value through profit or loss: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified as "Held to collect" and measured at amortised cost.

Amortised cost represents the net present value ("NPV") of the consideration receivable or payable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and cash equivalents
- Investments
- Trade and other receivables
- Due from related companies
- Due from parent company
- Due from subsidiaries

Due to their short-term nature, the Group initially recognises these assets at the original invoiced or transaction amount less expected credit losses.

Subsequent measurement

The Group's financial assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment on financial assets are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(u) Financial instruments (continued):

Classification and subsequent measurement (continued)

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. The Group's financial liabilities, which include payables and accruals, bank borrowings and lease obligations, due to other related companies and long-term liabilities are recognised initially at fair value.

Subsequent measurement

Subsequent to initial recognition, the Group's financial liabilities are measured at amortised cost, with any difference between cost and redemption value being recognised in profit or loss over the period of the liability on an effective interest basis.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently enforceable legal right to offset the recognised amounts and there is intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
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3. Significant accounting policies (continued)

(v) Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When available, the fair value of an instrument is measured by using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, valuation techniques are used that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 – Quoted market price (unadjusted) in an active market for identical assets or liabilities.
- Level 2 – Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e., derived from prices).
- Level 3 – Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

4. Investments

	Group and Company	
	2022	2021
Current:		
Amortised cost:		
Fixed deposits	1,002,132	2,132

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

5. Trade and other receivables

	The Group		The Company	
	2022	2021	2022	2021
Trade receivables	1,663,811	1,489,802	1,601,439	1,427,430
Prepayments	174,983	80,061	174,983	80,061
GCT recoverable	54,223	120,730	54,223	120,730
Other receivables	160,836	147,496	160,424	147,084
	2,053,853	1,838,089	1,991,069	1,775,305
Less: Allowance for impairment (a)	(697,145)	(891,895)	(634,821)	(829,571)
	1,356,708	946,194	1,356,248	945,734

(a) Changes in allowance for impairment:

	Group		Company	
	2022	2021	2022	2021
Balance as at January 1	891,895	1,053,592	829,571	991,268
Accounts written off	(276,289)	-	(276,289)	-
Increase/(decrease) in allowance	81,539	(161,697)	81,539	(161,697)
Balance as at December 31	697,145	891,895	634,821	829,571

6. Related party balances and transactions

(a) Identity of related parties:

The Company has related party relationships with its Parent Company, its holding companies, subsidiaries, fellow subsidiaries, its directors and key management personnel.

(b) The statement of financial position includes balances arising in the ordinary course of business with related parties as follows:

(i) Due from subsidiaries – non-current:

		The Company	
		2022	2021
Dolphin Cove (Negril) Limited: 10% US$ loan	(a)	1,518,162	1,534,422
DCTCI Limited: 3.5% US$ loan	(b)	1,932,390	2,100,086
Marine Adventure Park Limited 3.5% US$ loan	(c)	1,004,277	1,093,706
Dolphin Cove TCI Limited	(d)	4,531	5,285
SB Holdings Limited	(e)	6,207	7,240
Cheshire Hall Limited	(f)	5,564	6,490
Balmoral Dolphins Limited	(g)	5,916	6,900
Too Cool Limited	(h)	6,799	7,930
		4,483,846	4,762,059

Amounts due from subsidiaries are stated after deduction of impairment losses of $269,403 (2021: $nil).

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

6. Related party balances and transactions (continued)

(b) (Continued)

(i) Due from subsidiaries - non-current (continued):

(a) This loan bears interest at 10% per annum, is unsecured and has no fixed repayment terms. However, the Company's intent is not to require repayment within 12 months of the reporting date.

(b) These balances materially comprise advances for the purchase of property and expenses incurred so far in respect of the proposed developments in the Turks & Caicos Islands [note 9(c)]. These loans, along with additional advances during the year, are unsecured, bear interest at 3.5% per annum and have no fixed repayment terms. However, the Company's intent is not to require repayment within 12 months of the reporting date. Interest payment was waived during the year.

(c) This balance materially comprise advances for the purchase of property and professional fees, interest expenses and other expenses in respect of the expansion of the experience at Marine Adventure Park Limited [note 9(c)]. These loans, along with additional advances during the year, are unsecured, bear interest at 3.5% per annum and have no fixed repayment terms. However, the Company's intent is not to require repayment within 12 months of the reporting date. Interest payment was waived during the year.

(d) This balance comprises an advance for professional fees due from Dolphin Cove TCI Limited that is unsecured and interest free.

(e) This balance comprises an advance for professional fees due from SB Holdings Ltd. that is unsecured and interest free.

(f) This balance comprises an advance for professional fees due from Cheshire Hall Limited that is unsecured and interest free.

(g) This balance comprises an advance for professional fees due from Balmoral Dolphins Limited that is unsecured and interest free.

(h) This balance comprises an advance for professional fees due from Too Cool Limited that is unsecured and interest free.

For advances for professional fees included in (d) to (h) above, the Company's intent is not to require repayment within 12 months of the reporting date.

During the year, the Company recognised an impairment loss on these balances amounting to $269,403 (2021: nil).

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
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6. Related party balances and transactions (continued)

(b) (Continued)

(ii) Due from related companies - current

	The Group and the Company	
	2022	2021
Dtraveller Limited (fellow subsidiary)	401,720	117,116
Controladora Dolphin S.A. de C.V. (intermediate parent company)	295,818	339,029
Viajero Cibernetico S.A. (fellow subsidiary)	51,372	61,362
	748,910	517,507

Amounts due from related companies are interest free, unsecured and repayable on demand.

(iii) Due from parent company - current

	The Group and the Company	
	2022	2021
World of Dolphins Inc.	1,139,200	618,200

This represents the remaining balance of advances granted during the year, and is unsecured, interest free and repayable on demand.

(iv) Advance to related company – non-current:

	The Group and the Company	
	2022	2021
Non-current:		
Dolphin Discovery Inc.(fellow subsidiary)	1,110,012	1,110,012

This represents payment for constructing a new dolphin encounter park in St. Lucia on behalf of the Company. The amount provided constitutes 40% of the estimated project cost [see note 26(a)]. The project has not advanced due to the unfavorable market conditions in the Caribbean region resulting from Covid-19, particularly in the Cruise Line business, which is the primary source of St. Lucia's revenue. As at December 31, 2022, there has been no further progress on the project and management is in discussion for its resumption. Once the project has started, the amount will be treated as capital work-in-progress as part of property, plant and equipment. In the event of cancellation, Dolphin Discovery, Inc. is obliged to return the advance to the Company.

(v) Amount due to other related party is interest free, unsecured and repayable on demand.

	The Group and the Company	
	2022	2021
Dolphin Cove Cayman Limited (fellow subsidiary)	7,356	7,356

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

6. Related party balances and transactions (continued)

(b) (Continued)

(vi) Amounts due to subsidiaries are interest free, unsecured and repayable on demand.

	The Company	
	2022	2021
Balmoral Dolphins	100	100
Cheshire Hall Limited	100	100
SB Holdings Limited	100	100
	300	300

(vii) During the year, the Company received 5 dolphins worth $1,100,000 (2021: $nil) from its parent company as settlement of outstanding balance (see also note 11).

(c) Profit or loss includes the following (income)/expense transactions with related parties in the ordinary course of business (not disclosed elsewhere).

	The Group		The Company	
	2022	2021	2022	2021
Management fees to intermediate holding company	302,275	200,172	302,275	200,172
Interest on lease paid to a subsidiary	-	-	97,623	102,605
Interest earned from subsidiaries [note 6(b)(i)]	-	-	(152,333)	(154,065)
Gross operating revenue from related companies:				
Dtraveller Limited	(567,442)	(434,232)	(567,442)	(434,232)
Controladora Dolphins S.A. de CV	(197,921)	(22,712)	(197,921)	(22,712)

(d) Key management personnel compensation:

	The Group and the Company	
	2022	2021
Directors' emoluments:		
Fees	65,000	34,067
Management	-	-
Key management personnel compensation*	164,782	152,337

*Key management personnel compensation is included in staff costs [note 19(c)].

Directors of the Company and entities under their control along with the Parent Company hold approximately 82% (2021: 82%) of the voting stock units of the Company [see also note 1(c)].

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
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(Expressed in United States dollars, unless otherwise stated)

7. Inventories

	The Group and the Company 2022	2021
Items for resale	214,309	151,192
Dolphin food	63,428	44,502
Other	69,904	66,062
Goods in transit	51,085	-
	398,726	261,756
Inventories charged to direct expenses during the year [see note 19 (a)]	398,071	406,056

8. Investment in subsidiaries

This represents the cost of the Company's 100% interest in the shares of its subsidiaries [note 1(b)].

	The Company 2022	2021
Dolphin Cove (Negril) Limited	1,114	1,114
Too Cool Limited	313,125	313,125
Cheshire Hall Limited	100	100
Balmoral Dolphins Limited	100	100
SB Holdings Limited	100	100
	314,539	314,539

9. Property, plant and equipment

	The Group					
	Land and buildings	Leasehold improvements	Furniture, fixtures, computers & equipment	Motor vehicles & dune buggies	Capital work-in-progress	Total
Cost or valuation:						
December 31, 2020	17,015,477	955,230	5,143,833	1,348,818	2,540,219	27,003,577
Additions	32,462	28,580	139,594	244,142	-	444,778
Disposal	-	-	(1,399)	-	-	(1,399)
December 31, 2021	17,047,939	983,810	5,282,028	1,592,960	2,540,219	27,446,956
Additions	29,133	239,235	439,546	82,013	-	789,927
December 31, 2022	17,077,072	1,223,045	5,721,574	1,674,973	2,540,219	28,236,883
Depreciation:						
December 31, 2020	430,554	175,892	3,621,372	1,110,689	-	5,338,507
Charge for the year	121,274	113,740	422,263	126,240	-	783,517
Eliminated on disposal	-	-	(933)	-	-	(933)
December 31, 2021	551,828	289,632	4,042,702	1,236,929	-	6,121,091
Charge for the year	122,278	124,823	354,774	151,973	-	753,848
December 31, 2022	674,106	414,455	4,397,476	1,388,902	-	6,874,939
Net book values:						
December 31, 2022	16,402,966	808,590	1,324,098	286,071	2,540,219	21,361,944
December 31, 2021	16,496,111	694,178	1,239,326	356,031	2,540,219	21,325,865

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

9. Property, plant and equipment (continued)

	The Company					
	Land and buildings	Leasehold improvements	Furniture, fixtures, computers & equipment	Motor vehicles & dune buggies	Capital work-in-progress	Total
Cost or valuation:						
December 31, 2020	6,439,478	1,161,303	4,825,450	1,308,715	42,924	13,777,870
Additions	32,462	28,580	138,693	244,142	-	443,877
Disposal	-	-	(1,399)	-	-	(1,399)
December 31, 2021	6,471,940	1,189,883	4,962,744	1,552,857	42,924	14,220,348
Additions	29,133	239,235	439,546	82,013	-	789,927
December 31, 2022	6,501,073	1,429,118	5,402,290	1,634,870	42,924	15,010,275
Depreciation:						
December 31, 2020	162,483	175,892	3,356,096	1,059,995	-	4,754,466
Charge for the year	81,747	113,740	393,911	126,240	-	715,638
Eliminated on disposal	-	-	(933)	-	-	(933)
December 31, 2021	244,230	289,632	3,749,074	1,186,235	-	5,469,171
Charge for the year	82,751	124,823	340,609	151,973	-	700,156
December 31, 2022	326,981	414,455	4,089,683	1,338,208	-	6,169,327
Net book values:						
December 31, 2022	6,174,092	1,014,663	1,312,607	296,662	42,924	8,840,948
December 31, 2021	6,227,710	900,251	1,213,670	366,622	42,924	8,751,177

(a) The Group's and Company's land and buildings were revalued as at December 31, 2018 on an open market basis by Property Consultants Limited (an independent firm of registered real estate agents, appraisers, auctioneers and consultants) of Kingston, Jamaica. The directors did an assessment of the valuation during the year which determined that the estimated market value of the land and buildings, as at the reporting date, is not materially different from their carrying values.

This fair value was determined using level 3 fair value measurements as the valuation model used both observable and unobservable inputs and the unobservable inputs are considered significant to the fair value measurement [see also note 2(c)(ii)].

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
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9. Property, plant and equipment (continued)

(a) (continued)

The surplus arising on revaluation is included in capital reserves for the Group and Company (note 17).

Valuation techniques	**Significant unobservable inputs**	**Inter-relationship between key unobservable inputs and fair value measurement**
Market based approach: The approach is based on the principle of substitution whereby the purchaser with perfect knowledge of the property market pays no more for the subject property than the cost of acquiring an existing comparable property, assuming no cost delay in making the substitution. The approach requires comparison of the subject property with others of similar design and utility, inter alia, which were sold in the recent past. However, as no two properties are exactly alike, adjustment is made for the difference between the property subject to valuation and comparable properties.	• Demand for properties in the location • Details of the sales of comparable properties • Conditions influencing the sale of the comparable properties • Comparability adjustment (Changes in these inputs by 5 – 10% would have a significant impact on the value of the properties).	The estimated fair value would increase/(decrease) if: • The demand for properties in the location was higher/(lower). • Sale value of comparable properties were higher/(lower). • Comparability adjustment were higher/(lower).

(b) Land and buildings include land at a valuation of $12,656,000 (2021: $12,656,000) for the Group and $3,180,000 (2021: $3,180,000) for the Company.

(c) Capital work-in-progress includes professional fee paid to attorney for review of proposal with Reserve Eco Tankah SA of CV [see note 6(b)(i)(b) and (c)].

(d) On March 3, 2020, Dolphin Cove (Negril) Limited, a subsidiary, granted Reserve Investments Limited an option to buy the property where the Marine Park at Lucea is situated, with the intention of building a hotel there. The option expired in 2021 and was not renewed.

DOLPHIN COVE LIMITED

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10. Leases

The Company leases land from Dolphin Cove (Negril) Limited and Santa Maria Limited for tourist attraction activities which were previously classified as operating leases under IAS 17.

The Dolphin Cove (Negril) Limited lease commenced in January 2014 and, after an initial period to October 2014, has four subsequent five year options to renew. For the lease computations it has been assumed that the option to renew will be exercised.

The Santa Maria Limited lease commenced in January 2017 and expires in December 2026.

Information about leases for which the Group and Company are lessees is presented below:

(a) Right-of-use assets

	Property	
	The Group	The Company
Balance at December 31, 2020	566,822	1,892,394
Depreciation charge for the year	(94,471)	(190,295)
Balance at December 31, 2021	472,351	1,702,099
Depreciation charge for the year	(94,271)	(190,095)
Balance at December 31, 2022	378,080	1,512,004

(b) Lease liabilities

Lease liabilities are payable as follows:

	The Group		The Company	
	2022	2021	2022	2021
Less than one year	140,039	135,960	317,027	312,948
One to five years	445,831	585,870	1,153,783	1,293,822
More than five years	-	-	1,209,418	1,386,406
Total undiscounted lease liabilities at December 31	585,870	721,830	2,680,228	2,993,176
Less: Interest on lease liabilities	(72,420)	(109,317)	(708,293)	(842,813)
	513,450	612,513	1,971,935	2,150,363
Lease liabilities included in the statement of financial position at December 31, as follows:				
Current	109,900	99,063	194,580	178,428
Non-current	403,550	513,450	1,777,355	1,971,935
	513,450	612,513	1,971,935	2,150,363

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

10. Leases (continued)

	The Group		The Company	
	2022	2021	2022	2021
(c) Amounts recognised in profit or loss				
Interest on lease liabilities	36,897	42,979	134,520	145,584
Other income - rent concession	(4,532)	(89,650)	(4,532)	(89,650)
(d) Amounts recognised in the statement of cash flows				
Interest on lease liabilities	36,897	42,979	134,520	145,584
Lease payment	99,063	89,021	99,063	163,404

11. Live assets

	The Group		
	Dolphins	Other animals	Total
At cost:			
December 31, 2020	7,408,532	233,403	7,641,935
Additions	76,593	3,541	80,134
Disposal (death)	(11,664)	-	(11,664)
December 31, 2021	7,473,461	236,944	7,710,405
Additions	1,152,711*	400	1,153,111
Disposal (death)	(220,000)	-	(220,000)
December 31, 2022	8,406,172	237,344	8,643,516
Amortisation:			
December 31, 2020	3,443,243	197,047	3,640,290
Charge for the year	253,067	15,531	268,598
December 31, 2021	3,696,310	212,578	3,908,888
Charge for the year	958,325	15,615	973,940
Eliminated on disposal	(73,333)	-	(73,333)
December 31, 2022	4,581,302	228,193	4,809,495
Net book values:			
December 31, 2022	3,824,870	9,151	3,834,021
December 31, 2021	3,777,151	24,366	3,801,517

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
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11. Live assets (continued)

	The Company		
	Dolphins	Other animals	Total
At cost:			
December 31, 2020	7,408,532	228,226	7,636,758
Additions	76,593	3,541	80,134
Disposal through death	(11,664)	-	(11,664)
December 31, 2021	7,473,461	231,767	7,705,228
Additions	1,152,711*	400	1,153,111
Disposal through death	(220,000)	-	(220,000)
December 31, 2022	8,406,172	232,167	8,638,339
Amortisation:			
December 31, 2020	3,443,155	194,415	3,637,570
Charge for the year	253,067	15,186	268,253
December 31, 2021	3,696,222	209,601	3,905,823
Charge for the year	958,325	15,288	973,613
Eliminated on disposal	(73,333)	-	(73,333)
December 31, 2022	4,581,214	224,889	4,806,103
Net book values:			
December 31, 2022	3,824,958	7,278	3,832,236
December 31, 2021	3,777,239	22,166	3,799,405

* During the year, the Group and Company received 5 dolphins worth $1,100,000 (2021: $nil) from its parent company as settlement of outstanding balance. This is a non-cash transaction and therefore not included in the statement of cash flows.

Dolphins with original cost of $1,093,179 (2021: $665,567) for the Group and the Company are fully amortised, however, they are still being used in operations to generate revenue.

12. Bank overdraft

(a) The Group has a Jamaica dollar (J$) 6.5 million ($43,345) overdraft facility with The Bank of Nova Scotia Jamaica Limited at an interest rate of 17.75%, which is secured by a hypothecation of cash deposits. Bank overdraft includes credit balances in the amount of $22,722 (2021: $95,798) on the Group's and the Company's bank accounts arising from items in transit at the reporting date.

The bank has also issued guarantees aggregating J$1.4 million ($9,336) [(2021: J$1.4 million) ($9,147)] on behalf of the Company in favor of the Commissioner of Customs.

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(Expressed in United States dollars, unless otherwise stated)

12. Bank overdraft (continued)

(b) In 2020, the Group obtained an overdraft facility from Sagicor Bank Jamaica Limited for an authorised amount of J$140 million ($965,517), to be drawn down over 12 months. During the prior year, an additional amount of J$116 million ($758,170) was obtained resulting in a total overdraft facility of J$256 million ($1,723,687). The overdraft facility bears interest at a rate of 8.75% per annum, calculated daily on the outstanding balance and is payable monthly in arrears. The facility is secured as follows:

- First demand debenture over the fixed and floating assets of the Company, stamped to cover J$140 million ($965,517).
- Unlimited corporate guarantee of Too Cool Limited supported by a first legal mortgage over the Ocho Rios properties stamped to cover J$140 million 12 ($965,517).
- First legal mortgage over the Ocho Rios properties owned by the Company stamped to cover J$140 million ($965,517).
- Second demand debenture over the fixed and floating assets of Dolphin Cove Limited, stamped to cover J$140 million ($965,517) supported by:
  - Collateral demand second legal mortgage stamped collateral to the above debenture for J$116 million ($758,170) over the Ocho Rios property in the name of Too Cool Limited.
  - Collateral demand second legal mortgage stamped collateral to the above debenture for J$116 million ($758,170) over the Ocho Rios property in the name of Dolphin Cove Limited.

13. Accounts payable

	The Group		The Company	
	2022	2021	2022	2021
Trade payables	1,141,567	490,093	1,141,567	490,093
Statutory deductions	117,258	63,017	117,258	63,017
Accruals	468,619	441,423	456,019	435,123
Other payables	360,234	376,822	331,456	348,043
	2,087,678	1,371,355	2,046,300	1,336,276

Accruals include directors' fees amounting to $2,767 (2021: nil).

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
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14. Deferred tax liability

Deferred tax is attributable to the following:

	The Group				
	Balance at Dec 31, 2020	Recognised in income (note 21)	Balance at Dec 31, 2021	Recognised in income (note 21)	Balance at Dec 31, 2022
Accounts receivable	205,850	38,516	244,366	32,037	276,403
Property, plant and equipment	399,112	17,263	416,375	9,172	425,547
Live assets	788,595	(3,106)	785,489	(188,970)	596,519
Accounts payable	(15,390)	(9,161)	(24,551)	(104)	(24,655)
Right-of-use asset	141,706	(23,618)	118,088	(23,617)	94,471
Lease liabilities	(175,384)	44,511	(130,873)	2,510	(128,363)
Tax losses carried forward	(340,020)	258,884	(81,136)	81,136	-
Unrealised foreign exchange loss	-	-	-	(10,850)	(10,850)
	1,004,469	323,289	1,327,758	(98,686)	1,229,072

	The Company				
	Balance at Dec 31, 2020	Recognised in income (note 21)	Balance at Dec 31, 2021	Recognised in income (note 21)	Balance at Dec 31, 2022
Accounts receivable	205,850	38,516	244,366	32,037	276,403
Property, plant and equipment	399,112	17,263	416,375	9,172	425,547
Live assets	788,595	(3,106)	785,489	(188,970)	596,519
Accounts payable	(15,390)	(9,161)	(24,551)	(104)	(24,655)
Right-of-use asset	473,099	(47,575)	425,524	(47,573)	377,951
Lease liabilities	(578,442)	81,703	(496,739)	3,756	(492,983)
Tax losses carried forward	(340,020)	258,884	(81,136)	81,136	-
Unrealised foreign exchange loss	-	-	-	(10,850)	(10,850)
	932,804	336,524	1,269,328	(121,396)	1,147,932

15. Long-term liabilities

	The Group and the Company	
	2022	2021
Long-term loan:		
Sagicor Bank Jamaica Limited loan:		
J$ loan	5,374	13,000
Less: Current portion	(5,374)	(5,374)
	-	7,626

This represents a loan of J$3,495,000 ($26,885) financed by Sagicor Bank in December 2018, and now bears interest at rate of 8.5% (2021: 8.5%), the residual balance will be repaid in full in 2023.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
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16. Share capital

	The Group and the Company 2022	2021
Authorised:		
432,426,376 ordinary shares of no par value		
Stated capital, issued and fully paid:		
392,426,376 ordinary stock units of no par value	3,901,554	3,901,554
Less: Transaction costs of share issue	(247,164)	(247,164)
	3,654,390	3,654,390

Holders of ordinary stock units are entitled to dividends as declared from time to time and are entitled to one vote per stock unit at general meetings of the Company.

17. Capital reserves

	The Group 2022	2021	The Company 2022	2021
Revaluation surplus arising on (note 9)				
Land	9,647,532	9,647,532	2,793,543	2,793,543
Buildings	2,625,624	2,625,624	1,906,977	1,906,977
	12,273,156	12,273,156	4,700,520	4,700,520
Deferred tax arising on revalued buildings	(476,744)	(476,744)	(476,744)	(476,744)
Surplus on revaluation of dolphins	-	660,000	-	660,000
Deferred tax on revaluation of dolphins	-	(165,000)	-	(165,000)
	11,796,412	12,291,412	4,223,776	4,718,776

18. Operating revenue

This represents revenue from the operation of attractions and is reported net of discounts and General Consumption Tax.

(a) Programme attraction revenue represents programme fees from hotels, cruise ships and walk-in guests.

(b) Ancillary services revenue represents revenue from the operation of restaurants, gift shops, photo shops and other adventure tours.

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19. Disclosure of expenses and other income

(a) Direct cost of sales:

	The Group and the Company 2022	2021
Direct cost of programmes (i)	804,535	524,199
Direct cost of ancillary services (ii)	924,721	364,003
	1,729,256	888,202

(i) Direct costs of dolphin programmes represent dolphin food, medication and veterinary services and other consumables.

(ii) Direct costs of ancillary services represent operating costs of restaurants, gift shops, photo shops and other adventure tours.

(b) Operating expenses:

	The Group 2022	The Group 2021	The Company 2022	The Company 2021
Repairs and maintenance	116,967	95,331	116,967	95,331
Staff costs (c)	3,209,246	1,922,829	3,209,246	1,922,829
Advertising, marketing and promotion	608,601	126,777	608,601	126,777
Guest transportation and tour charge	1,081,724	383,232	1,081,724	383,232
Travel and entertainment	68,217	29,833	68,217	29,833
Legal and professional fees	204,191	65,859	196,068	54,774
Rental, utilities and office expenses	385,026	224,498	385,026	224,498
Insurance	174,616	125,302	166,895	114,855
Security	132,286	82,188	132,286	82,188
Management fees	302,275	200,172	302,275	200,172
Depreciation and amortisation	1,822,059	1,146,586	1,863,864	1,174,186
Auditors' remuneration	104,300	70,774	98,000	64,474
Cleaning and sanitation	110,674	48,422	110,674	48,422
Write-off of related party receivables	-	98,348	-	98,348
Donation and subscription	17,239	1,040	17,239	1,040
Fuel and lubricants	196,695	114,446	196,695	114,446
Motor vehicle expenses	136,440	122,418	136,440	122,418
General expense	424,498	38,287	424,498	38,287
Other	79,392	1,415	79,392	(142)
	9,174,446	4,897,757	9,194,107	4,895,968
			3,209,246	1,922,829

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Notes to the Financial Statements (Continued)
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19. Disclosure of expenses and other income (continued)

(c) Staff costs:

	The Group and the Company 2022	The Group and the Company 2021
Salaries and wages	2,224,508	1,283,792
Payroll taxes	309,325	179,629
Commission	461,574	249,004
Other benefits	207,629	144,077
Redundancy	-	66,327
Pension	6,210	-

	The Group 2022	The Group 2021	The Company 2022	The Company 2021
(d) Other income:				
Dolphin maintenance fee	114,800	120,000	114,800	120,000
Lease concession income	4,532	89,650	4,532	89,650
Other	6,643	37,087	6,643	3,102
	125,975	246,737	125,975	212,752

20. Finance income/(costs)

	The Group 2022	The Group 2021	The Company 2022	The Company 2021
(a) Finance income:				
Net foreign exchange gains	81,380	218,233	81,380	218,233
Interest income	972	453	153,305	154,518
	82,352	218,686	234,685	372,751
(b) Finance costs:				
Interest expense	(81,510)	(91,638)	(81,510)	(91,638)
Bank charges	(98,731)	(46,790)	(98,731)	(46,790)
Credit card charges	(110,264)	(51,826)	(110,264)	(51,826)
Net foreign exchange losses	(280,090)	(215,978)	(280,090)	(215,978)
Interest on leases	(36,897)	(42,979)	(134,520)	(145,584)
	(607,492)	(449,211)	(705,115)	(551,816)

21. Taxation

	The Group 2022	The Group 2021	The Company 2022	The Company 2021
(a) Income tax charge:				
(i) Current tax at 25%	706,899	182,921	706,899	182,921
Adjustment in respect of prior year	6,706	-	6,706	-
(ii) Deferred taxation: Origination and reversal of temporary differences (note 14)	(98,686)	323,289	(121,396)	336,524
	614,919	506,210	592,209	519,445

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Notes to the Financial Statements (Continued)
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21. Taxation (continued)

(b) Reconciliation of actual tax:

	The Group		The Company	
	2022	2021	2022	2021
Profit before taxation	3,582,691	2,017,636	3,348,337	2,036,900
Computed "expected" tax charge at the Company's statutory rate of 25%	895,673	504,409	837,084	509,225
Tax effect of differences between treatment for financial statement and taxation purposes:				
Disallowed items, net	22,003	77,890	57,882	86,309
Employment tax credit	(309,463)	(76,089)	(309,463)	(76,089)
Adjustment in respect of prior year	6,706	-	6,706	-
Actual tax expense recognised in profit for the year	614,919	506,210	592,209	519,445

(c) Cheshire Hall Limited, SB Holdings Limited, Marine Adventure Park Limited and Balmoral Dolphins Limited have elected to pay income tax at 1% of profits earned in St. Lucia. However, the companies had not commenced operations as at the reporting date [note 1(b)].

(d) Dolphin Cove TCI Limited and DCTCI Limited are not required to pay income tax in the Turks & Caicos Islands.

(e) At December 31, 2022, unutilised tax losses available for set-off against future taxable profits, subject to agreement by the Commissioner General, Tax Administration Jamaica, amounted to nil [2021: approximately J$42 million ($324,545)] for the Company and J$83 million ($688,748) [2021: J$124 million ($1,005,565)] for the Group. Tax losses may be carried forward indefinitely; however, the maximum amount that can be utilised in any one year is restricted to 50% of chargeable income for that year.

(f) At December 31, 2022, a deferred tax asset of approximately J$2.7 million ($17,693) [2021: J$3.1 million ($20,253)] relating to available tax losses and timing differences has not been recognised by Dolphin Cove (Negril) Limited as management considers that the financial and operational strategies initiated to utilise the benefits of the deferred tax asset are still to be initiated.

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22. Earnings per stock unit

Earnings per stock unit is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares in issue for the year.

	2022	2021
Profit for the year attributable to stockholders of the Company	2,967,772	1,511,426
Weighted average number of ordinary stock units held during the year	392,426,376	392,426,376
Earnings per stock unit (expressed in ¢ per share)	0.76	0.39

23. Dividends

	The Group and the Company			
	2022		2021	
	Dividend per ordinary stock unit	Dividends paid	Dividend per ordinary stock unit	Dividends paid
	$	$	$	$
First interim dividend:				
April 29, 2022 (2021: November 19, 2021)	0.00254	999,812	0.00254	999,843
Second interim dividend:				
September 29, 2022 (2021: nil)	0.00254	999,813	-	-
	0.00508	1,999,625	0.00254	999,843

24. Segment information

The Group maintains discrete financial information for each of its parks, which is used by the Chief Operating Decision Maker ("CODM"), identified as the Group's Managing Director, as a basis for allocating resources. Each park has been identified as an operating segment and meets the criteria for aggregation under IFRS 8 due to similar economic characteristics and all of the parks provide similar products and services, share similar processes for delivering services and target the same type and class of customers.

Accordingly, based on these economic and operational similarities and the way the CODM monitors the operations, the Group has concluded that its operating segments should be aggregated and that it has one reportable segment.

Financial information related to the reportable segment results for the year ended December 31, 2022, can be found in the Group income statement and related notes. There are no differences in the measurement of the reportable segment results and the Group's results.

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Notes to the Financial Statements (Continued)
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24. Segment information (continued)

Details of the segment assets and liabilities for the year ended December 31, 2022 can be found in the Group's statement of financial position and related notes. There are no differences in the measurement of the reportable segment assets and liabilities and the Group's assets and liabilities.

25. Pension arrangements

On September 3, 2019, the Government of Jamaica established a defined contribution pension scheme for tourism workers and self-employed tourism workers known as the "Tourism Workers Pension Scheme" in accordance with the Tourism Workers Pension Act 2019. On January 12, 2022, the Pension Scheme was officially launched. The Pension Scheme is administered and managed by the Guardian Group.

During the year, some of the Group's employees enrolled into the Tourism Workers Pension Scheme. Members are mandated to contribute 3% of their earnings up to January 31, 2023 and 5% of their earnings thereafter. The member's contributions to the scheme are matched by the employer.

The members have an option to make voluntary contributions to the scheme and the maximum allowable annual contribution is 20% of the earnings for each member.

The Group and the Company's contributions to the scheme for the year ended December 31, 2022 aggregated $6,210.

26. Commitments and contingencies

(a) Capital commitments:

At December 31, 2022, commitments for capital expenditure in respect of the construction of a new encounter park in St. Lucia, for which no provision has been made in these financial statements is $3,500,000 (2021: $3,500,000) for which a 40% deposit has been made [see note 6(b)(iv)].

(b) Contingent liabilities:

(i) Tax Administration Jamaica (TAJ) carried out a General Consumption Tax (GCT) audit for the period January 1, 2014 to July 31, 2019. Subsequent to receipt of a Notice of Assessment and meetings with TAJ, a Notice of Decision dated October 25, 2021 was issued claiming a GCT liability of J$91,797,671 (US$612,148). The Company appealed the decision. The appeal was heard on April 21, 2022 by the Revenue Appeals Division (RAD) which, on June 7, 2022, requested additional documents and supplemental submissions. These were provided by the Company on June 29, 2022. By letter dated March 31, 2023, RAD advised its decision along with written reasons which will be provided to the Company on or before June 1, 2023. No provision has been made in these financial statements and the Company awaits the decision of RAD.

26. Commitments and contingencies (continued)

(ii) There are threatened claims against the Company in respect of alleged injuries by guests and employees. The potential liability in the opinion of the Company's attorney is approximately J$3,900,000 ($26,006) [2021: J$4,100,000 ($26,840)]. Although these are covered with insurance, the Company is still resisting the claims and has not made any provision in these financial statements. Up to the date of approval of the financial statements, there has been no change in the status of these matters.

(iii) During the year, the Jamaica Customs Agency commenced an audit of the Company's records from January 2021 to April 2022 and claimed in a letter dated November 22, 2022 that incorrect codes were used for clearance of some items. The Company submitted more documents for review and there was a meeting on December 6, 2022 with the Customs Agency on the matter. The audit is still not complete, and the Customs Agency has not notified the Company of a final decision. The Company has not made any provision in these financial statements for this matter.

27. Financial instruments

(a) Financial risk management:

The Group has exposure to credit risk, market risk and liquidity risk from its use of financial instruments in the ordinary course of the business. Derivative financial instruments are not used to reduce exposure to fluctuations in interest and foreign exchange rates.

(i) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The maximum exposure to credit risk at the reporting date is represented by the carrying amount of each relevant financial asset.

Cash and cash equivalents and investments

The Group limits its exposure to credit risk by:

- placing cash resources with substantial counterparties who are believed to have minimal risk of default;
- only investing in liquid securities with credit worthy institutions that are appropriately licensed and regulated ; and
- obtaining sufficient collateral as a means of mitigating the risk of financial loss from defaults.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

27. Financial instruments (continued)

(a) Financial risk management (continued):

(i) Credit risk (continued):

Accounts receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has a credit policy in place under which each customer is analysed for credit worthiness prior to being offered credit. The Group does not require collateral in respect of trade and other receivables. At the reporting date there were significant concentrations of credit risk in respect of 6 (2021: 5) major customers for the Group and the Company who in respect of trade receivables.

As at December 31, 2022, amounts receivable from these customers aggregated $1,094,926 (2021: $984,937) for the Group and the Company. These represent 66% (2021: 62%) of trade receivables for the Group and 68% (2021: 60%) for the Company.

Expected credit loss assessment for trade receivables

The Group uses an allowance matrix to measure expected credit loss (ECLs) of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and is adjusted for forward looking information.

Loss rates are calculated based on the probability of a receivable progressing through successive stages of delinquency to write-off, current conditions and the economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

2022						
		The Group		The Company		
Age buckets	Weighted average loss rate %	Gross carrying amount $	Impairment loss allowance $	Gross carrying amount $	Impairment loss allowance $	Credit impaired
Current (not past due)	10.07	1,096,662	180,522	1,096,662	180,567	No
31-60 days	35.01	62,755	21,985	62,755	21,971	No
61-90 days	64.12	27,190	17,434	27,142	17,403	No
Over 90 days	100.00	477,204	477,204	414,880	414,880	Yes
		1,663,811	697,145	1,601,439	634,821	

Although there has been an increase in trade receivables, there has been a reduction in the ECL due improvement in receivables that are over 90 days past due when compared to the previous year. This resulted from improve efforts by the Group in the collection of receivables.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

27. Financial instruments (continued)

(a) Financial risk management (continued):

(i) Credit risk (continued):

Expected credit loss assessment for trade receivables (continued)

		2021				
		The Group		The Company		
Age buckets	Weighted average loss rate %	Gross carrying amount $	Impairment loss allowance $	Gross carrying amount $	Impairment loss allowance $	Credit impaired
Current (not past due)	10.18	671,991	54,900	671,943	54,900	No
31-60 days	33.20	67,875	68,481	67,875	68,481	No
61-90 days	61.84	24,737	43,315	24,737	43,315	No
Over 90 days	100.00	725,199	725,199	662,875	662,875	Yes
		1,489,802	891,895	1,427,430	829,571	

Due from related parties and parent company

These amounts are currently interest-free with no fixed repayment terms, however some amounts are repayable on demand. The Group assesses each related entity's ability to pay if payment is demanded, considering future trading activities and other economic conditions. The expected credit losses are calculated on this basis. No impairment allowance was recognised as at December 31, 2022 and 2021.

(ii) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. These arise mainly from changes in interest rates and foreign exchange rates and will affect the Group's income or the value of its holdings of financial instruments.

- Interest rate risk:

  Interest rate risk is the risk that the value or cash flows of a financial instrument will fluctuate due to changes in market interest rates.

  Subject to normal conditions, the Group materially contracts financial liabilities at fixed interest rates for the duration of the term.

  Interest-bearing financial assets are primarily represented by amounts due from subsidiaries, cash and cash equivalents and investments. Interest-bearing financial liabilities are mainly represented by loans, lease liabilities and bank overdrafts.

(Expressed in United States dollars, unless otherwise stated)

27. Financial instruments (continued)

(a) Financial risk management (continued):

(ii) Market risk: (continued):

- Interest rate risk (continued):

Financial instruments subject to interest are as follows:

	Carrying amount			
	The Group		The Company	
	2022	2021	2022	2021
Fixed rate instruments:				
Financial assets	1,002,132	2,132	5,721,535	4,730,346
Financial liabilities	(1,336,957)	(1,628,410)	(2,795,442)	(3,166,260)
	(334,825)	(1,626,278)	2,926,093	1,564,086
Variable rate instruments:				
Financial assets	1,616,373	2,375,663	1,616,373	2,375,663
Financial liabilities	(28,096)	(107,804)	(28,096)	(107,804)
	1,588,277	2,267,859	1,588,277	2,267,859

Cash flow sensitivity analysis for variable rate instruments

An increase or decrease in basis points in interest rates on variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the year by amounts shown below.

	The Group and the Company			
	2022		2021	
	Increase 100bp	Decrease 50bp	Increase 100bp	Decrease 100bp
Effect on profit or loss	15,883	(7,941)	22,679	(22,679)

This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2021.

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any financial instrument at fair value. Therefore, a change in interest rates at the reporting date would not affect the carrying value of Group's financial instruments.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

27. Financial instruments (continued)

(a) Financial risk management (continued):

(ii) Market risk (continued):

- Foreign currency risk:

Foreign currency risk is the risk that the value or cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group incurs foreign currency risk primarily on purchases and borrowings that are denominated in a currency other than the United States dollar ($). The principal foreign currency exposure of the Group is denominated in Jamaica dollars (J$).

Exposure to foreign currency risk arising mainly in respect of J$ denominated balances was as follows:

	The Group and Company	
	2022	2021
Cash and cash equivalents	15,058,692	642,063
Accounts receivable	37,794,151	34,750,552
Bank overdrafts	(123,496,618)	(153,581,792)
Accounts payable	(102,288,734)	(119,123,590)
Long-term loans	(809,007)	(1,989,946)
	(173,741,516)	(239,302,713)
US$ equivalent	(1,158,586)	(1,563,457)

Exchange rates of the United States dollar to the Jamaican dollar were as follows:

At December 21, 2022: US$1 to J$149.96
At December 31, 2021: US$1 to J$153.06

Sensitivity analysis

Changes in the exchange rates of the United States dollar ($) to the Jamaica dollar (J$) would have the effects described below:

	Increase/(decrease) in profit or loss for the year	
	The Group and Company	
	2022	2021
4% (2021: 8%) strengthening of the US$ against the J$	46,343	125,077
1% (2021: 2%) weakening of the US$ against the J$	(11,586)	(31,269)

The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2021.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

27. Financial instruments (continued)

(a) Financial risk management (continued):

(iii) Liquidity risk:

Liquidity risk, also referred to as funding risk, is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash resources, and the availability of funding through an adequate amount of committed credit facilities. The management of the Group aims at maintaining flexibility in funding by keeping lines of credit available (see note 12).

The following are the contractual maturities of financial liabilities measured at amortised cost, including interest payments. The tables show the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay:

	The Group 2022					
	Carrying amount	Contractual cash flows	1 year or less	1-2 years	2-5 years	More than 5 -years
Bank overdrafts	846,229	895,564	895,564	-	-	-
Accounts payable	1,619,059	1,619,059	1,619,059	-	-	-
Due to other related parties	7,356	7,356	7,356	-	-	-
Long-term liabilities	5,374	5,646	5,646	-	-	-
Lease liabilities	513,450	585,870	140,039	144,240	301,591	-
Total financial liabilities	2,991,468	3,113,495	2,667,664	144,240	301,591	-

	The Group 2021					
	Carrying amount	Contractual cash flows	1 year or less	1-2 years	2-5 years	More than 5 -years
Bank overdrafts	1,110,702	1,217,505	1,217,505	-	-	-
Accounts payable	929,932	929,932	929,932	-	-	-
Due to other related parties	7,356	7,356	7,356	-	-	-
Long-term liabilities	13,000	13,816	5,502	8,314	-	-
Lease liabilities	612,513	721,830	135,960	140,039	445,831	-
Total financial liabilities	2,673,503	2,890,439	2,296,255	148,353	445,831	-

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

27. Financial instruments (continued)

(a) Financial risk management (continued):

(iii) Liquidity risk (continued):

	The Company 2022					
	Carrying amount	Contractual cash flows	1 year or less	1-2 years	2-5 years	More than 5 -years
Bank overdrafts	846,229	895,564	895,564	-	-	-
Accounts payable	1,590,281	1,590,281	1,590,281	-	-	-
Due to subsidiaries	300	300	300	-	-	-
Due to other related companies	7,356	7,356	7,356	-	-	-
Long-term liabilities	5,374	5,646	5,646	-	-	-
Lease liabilities	1,971,935	2,680,228	317,027	321,228	832,555	1,209,418
Total financial liabilities	4,421,475	5,179,375	2,816,174	321,228	832,555	1,209,418

	The Company 2021					
	Carrying amount	Contractual cash flows	1 year or less	1-2 years	2-5 years	More than 5 -years
Bank overdrafts	1,110,702	1,217,505	1,217,505	-	-	-
Accounts payable	901,153	901,153	901,153	-	-	-
Due to subsidiaries	300	300	300	-	-	-
Due to other related companies	7,356	7,356	7,356	-	-	-
Long-term liabilities	13,000	13,816	5,502	8,314	-	-
Lease liabilities	2,150,363	2,993,176	312,948	317,027	976,795	1,386,406
Total financial liabilities	4,182,874	5,133,306	2,444,764	325,341	976,795	1,386,406

(iv) Capital management:

The Group manages the adequacy of capital by managing the returns on equity and borrowed funds to protect against losses on its business activities so as to be able to generate an adequate level of return for its stockholders.

As a condition of its long term loans, the Company is required to have positive stockholders' equity.

There are no other externally imposed capital requirements and there have been no changes in the Group's approach to managing capital during the year.

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

27. Financial instruments (continued)

(b) Fair value:

The following methods and assumptions have been used:

(i) The fair value of cash and cash equivalents, investments, accounts receivable, accounts payable, due from related companies and parent company, is assumed to approximate their carrying value due to their relatively short-term nature.

(ii) The carrying amounts of due from subsidiaries are assumed to approximate their fair value due as the amounts are stated after discounting their future cash flows.

(iii) The carrying value of lease liabilities and long-term loans approximates the fair value as these obligations are carried at amortised cost reflecting their contractual obligations and the interest rates are reflective of market rates for similar instruments.

28. Prior period adjustments

During the year, management discovered that the classification or presentation of some items in the statements of profit or loss and other comprehensive income and cash flows were not in line with the requirements of the applicable financial reporting framework. The nature of the reclassifications are as follows:

(i) Statement of profit or loss and other comprehensive:

As required by IAS1.82(ba), movement in ECL is required to be shown separately on the face of the statement of profit or loss and other comprehensive income. During the prior period, ECL movement on trade receivables was presented as part of 'operating expenses – selling'. Impairment loss reversal in the prior period is now reclassified and presented separately from selling expenses.

(ii) Statement of cash flows:

IAS 7 requires an entity applying IFRS to present its cash flows from operating, investing and financing activities in a manner which is most appropriate to its business The reclassifications resulted in changes in cash flows from operating, investing and financing activities, as well as cash and cash equivalents at the beginning and end of the year. The adjustments are as follows for the Group and the Company:

Due from related parties (i)	249,784
Other income – rent concession (ii)	89,650
Payment of lease liabilities (ii)	(89,650)
Drawdowns of bank overdraft (iii)	4,199,701
Repayments of bank overdraft (iii)	(3,455,590)
Cash and cash equivalents (iii)	744,111

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

28. Prior period adjustments (continued)

(ii) Statement of cash flows (continued):

(i) Due from related parties, in the corresponding figures, was reclassified from investing activities to operating activities as the balance resulted from ordinary trading activities.

(ii) Lease payments were understated with the corresponding amount shown as 'Rent concession'. The amount was adjusted accordingly.

(iii) Bank overdraft was previously presented as a component of cash and cash equivalents. As this overdraft was not deemed to form an integral part of the Group and Company's cash management, overdraft is included in financing activities – split between inflows and outflows.

These reclassifications apply for both the Group and the Company.

The impact of the reclassifications on the financial statements are as follows:

(i) Statement of profit or loss and other comprehensive income (2021):

	Group		
	As previously presented	Reclassification	Current presentation
Operating expenses - selling	1,235,539	159,015	1,394,554
Total operating expenses	4,738,742	159,015	4,897,757
Decrease in allowance for impairment loss on trade receivables	-	(159,015)	(159,015)

	Company		
	As previously presented	Reclassification	Current presentation
Operating expenses - selling	1,235,539	159,015	1,394,554
Total operating expenses	4,736,953	159,015	4,895,968
Decrease in allowance for impairment loss on trade receivables	-	(159,015)	(159,015)

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

28. Prior period adjustments (continued)

The impact of the reclassifications on the financial statements are as follows:

(ii) Statement of cash flows (2021):

	Group		
	As previously Presented	Reclassification	Current presentation
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year less non-cash items	3,148,620	-	3,148,620
Changes in:			
Accounts receivable	17,935	-	17,935
Inventories	(3,716)	-	(3,716)
Accounts payable	(219,095)	-	(219,095)
Due to other related parties	(14,946)	-	(14,946)
Due from related parties	-	249,784	249,784
Cash generated from operations	2,928,798	249,784	3,178,582
Interest paid	(134,617)	-	(134,617)
Income tax paid	(71)	-	(71)
Net cash provided by operating activities	2,794,110	249,784	3,043,894
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	453	-	453
Additions to property, plant and equipment	(444,778)	-	(444,778)
Proceeds from disposal of property, plant and equipment	199	-	199
Additions to live assets	(80,134)	-	(80,134)
Due from related parties	249,784	(249,784)	-
Due from parent company	(132,000)	-	(132,000)
Investments	(2)	-	(2)
Net cash used by investing activities	(406,478)	(249,784)	(656,262)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term loans	(4,215)	-	(4,215)
Payment of lease liabilities	629	(89,650)	(89,021)
Other income – rent concession	(89,650)	89,650	-
Drawdowns of bank overdraft	-	4,199,701	4,199,701
Repayments of bank overdraft	-	(3,455,590)	(3,455,590)
Dividends paid	(999,843)	-	(999,843)
Net cash used in financing activities	(1,093,079)	744,111	(348,968)
Net increase in cash and cash equivalents	1,294,553	744,111	2,038,664
Cash and cash equivalents at beginning of the year	14,804	366,591	381,395
Cash and cash equivalents at end of the year	1,309,357	1,110,702	2,420,059

DOLPHIN COVE LIMITED

Notes to the Financial Statements (Continued)
Year ended December 31, 2022
(Expressed in United States dollars, unless otherwise stated)

28. Prior period adjustments (continued)

The impact of the reclassifications on the financial statements are as follows:

(ii) Statement of cash flows (2021) (continued):

	Company		
	As previously presented	Reclassification	Current presentation
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year less non-cash items	3,144,024	-	3,144,024
Changes in:			
Accounts receivable	172,000	-	172,000
Inventories	(3,716)	-	(3,716)
Accounts payable	(186,780)	-	(186,780)
Due to other related parties	(14,946)	-	(14,946)
Due from related parties	-	249,784	249,784
Cash generated from operations	3,110,582	249,784	3,360,366
Interest paid	(237,222)	-	(237,222)
Income tax paid	(71)	-	(71)
Net cash provided by operating activities	2,873,289	249,784	3,123,073
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	453	-	453
Additions to property, plant and equipment	(443,877)	-	(443,877)
Proceeds from disposal of property, plant and equipment	199	-	199
Additions to live assets	(80,134)	-	(80,134)
Due from subsidiaries	(5,697)	-	(5,697)
Due from related parties	249,784	(249,784)	-
Due from parent company	(132,000)	-	(132,000)
Investments	(2)	-	(2)
Net cash used by investing activities	(411,274)	(249,784)	(661,058)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term loans	(4,215)	-	(4,215)
Payment of lease liabilities	(73,754)	(89,650)	(163,404)
Other income – rent concession	(89,650)	89,650	-
Drawdowns of bank overdraft	-	4,199,701	4,199,701
Repayments of bank overdraft	-	(3,455,590)	(3,455,590)
Dividends paid	(999,843)	-	(999,843)
Net cash used in financing activities	(1,167,462)	744,111	(423,351)
Net increase in cash and cash equivalents	1,294,553	744,111	2,038,664
Cash and cash equivalents at beginning of the year	14,804	366,591	381,395
Cash and cash equivalents at end of the year	1,309,357	1,110,702	2,420,059

Form of Proxy

10

I/We. . . . .

of. . . . .

being the registered holder of . . . . ordinary shares in Dolphin Cove Limited,

hereby appoint. . . . . of . . . .

or failing him . . . . .of . . . .

as my proxy to attend and, on a poll, vote on my/our behalf at the annual general meeting of the company to be held on Wednesday 28 June 2023, and at any adjournment thereof.

Dated this. . . . . .day of. 2023

. . . .

Signature of Member

Please indicate below how you wish your votes to be cast:

For Against

Resolution 1 – To receive the Directors' Report and financial statements

Resolution 2(a) – To re-elect retiring director, Miss Valeria Albor Dominiguez

Resolution 2(b) – To re-elect retiring director, Mr Sergio Jacome Palma

Resolution 3 – To authorise the directors to fix the auditors' remuneration

STAMP DUTY - $100.00

Our Footprint

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Moon Palace
Yaaman
Hanover
St. Ann Parish

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