Dolphin Cove Limited
Report to Stockholders
Six months ended June 30, 2025

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On behalf of the Board of Directors, we are pleased to present the unaudited consolidated financial statements of Dolphin Cove Limited for the three months ended June 30, 2025.

OPERATIONS

	6 Months Ended June 30, 2025 Unaudited	6 Months Ended June 30, 2024 Unaudited	% var	3 Months Ended June 30, 2025 Unaudited	3 Months Ended June 30, 2024 Unaudited	% var	LTM Ended June 30, 2025 Unaudited	LTM Ended June 30, 2024 Unaudited	% var	Year Ended December 31, 2024 Audited
Overall Revenue (US$mn)	$8.4	$8.8	-5%	$4.3	$3.9	10%	$14.9	$16.6	-10%	$15.3
Profit after taxation (US$mn)	$1.9	$2.1	-9%	$1.1	$0.7	53%	$1.6	$2.5	-35%	$1.8
Number of shares in issue	392,426,376	392,426,376		392,426,376	392,426,376		392,426,376	392,426,376		392,426,376
Earnings per share after tax (US$)	$0.0049	$0.0054		$0.0027	$0.0020		$0.0041	$0.0060		$0.0047
Dividends declared per share (US$)	$0.0038	$0.0077		$0.0038	$0.0077		$0.0076	$0.0180		$0.0076

Visitor Numbers and Revenue

In Q2 2025, Dolphin Cove welcomed **47,817 visitors**, up **8%** (+3,513) versus 2024. The Easter holiday in April and increased capacity at Yaaman boosted sales across all segments, driving quarterly revenue to **US$4.276 million** (+US$407K, +10% vs. 2024) and increasing per-capita revenue by **7%** year-over-year.

Market Trends and Strategies

During the quarter, MBJ Airport processed **637,000 arrivals**, down 3% year-over-year. Year-to-date, arrivals from the USA, Canada, and the UK declined by 5%, 6%, and 22%, respectively. Despite this, adventure activities surged, with Yaaman attendance up **30%** compared to 2024. Cruise arrivals fell, but improved operational efficiency increased **units per arrival**. The local market also remains a strong contributor to our visitor mix.

Cost Management and Profitability

While essential input costs — such as dolphin feed, security, and insurance — rose during the period, disciplined resource management kept operating costs at **12.2% of income** (vs. 12.5% in 2024). Total expenses rose 16%, primarily due to payroll increases from an 8% rise in attendance and mandated minimum wage adjustments.
Q2 2025 closed with a net profit of **US$1.1 million**.

Stafford Burrowes Chairman	Noel Levy Director	Richard Downer Director

FINANCIAL POSITION

	As at June 30, 2025 Unaudited	As at June 30, 2024 Unaudited	% var	As at December 31, 2024 Audited	% var
Working Capital (US$mn)	$2.5	$2.5	0%	$2.4	4%
Fixed Assets (US$mn)	$29.5	$29.9	-1%	$29.5	0%
Net Assets (US$mn)	$31.2	$31.0	1%	$30.7	2%
Debt to Equity ratio	0.03:1	0.03:1		0.06:1	
Net assets per share (US$)	$0.08	$0.08	0%	$0.08	0%
Market price (J$)	$12.70	$22.64	-44%	$18.50	-31%
Market price (US$)*	$0.08	$0.15	-47%	$0.12	-32%
Market/Book value	1.00	1.85	-46%	1.49	-33%

Balance Sheet Strength

Dolphin Cove maintains a robust balance sheet supported by profitable assets. Key improvements include:

- **US$869,801** reduction in bank overdrafts
- **US$1,168,236** in repayments from the parent company and related parties
- Reduced accounts payable
- Increased inventories, consistent with year-end 2024

The Company's debt-to-equity ratio remains low, even after securing a three-year loan for GCT assessment. Capital expenditures for the period totaled **US$436,610**.

Dividends

As of June 30, 2025, the Company declared and paid dividends of **J$0.60 per share**.

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DOLPHIN COVE LIMITED
Group Interim Statement of Financial Position
As At June 30, 2025

	DCL June 30, 2025 Unaudited US$	DCL June 30, 2024 Unaudited US$	DCL December 31, 2024 Audited US$
CURRENT ASSETS			
Cash and cash equivalents	696,694	1,243,209	1,420,805
Investments	2,713	2,665	2,713
Trade and Other receivables	1,985,473	1,523,370	1,524,425
Taxation recoverable	206,413	543,454	204,910
Due from related companies	2,153,218	1,041,250	1,870,146
Due from parent company	-	928,434	848,648
Inventories	740,838	502,035	454,713
	5,785,350	5,784,417	6,326,361
NON-CURRENT ASSETS			
Property, plant and equipment	26,387,079	26,374,834	26,257,321
Rights of use asset	224,185	361,659	288,198
Live Assets	3,119,629	3,493,375	3,207,028
Advance to related company	1,110,012	1,110,012	1,110,012
	30,840,906	31,339,880	30,862,559
TOTAL ASSETS	36,626,256	37,124,297	37,188,921
CURRENT LIABILITIES			
Bank overdrafts	-	576,458	869,801
Current portion of lease liabilities	306,810	192,518	210,408
Accounts payable	2,488,502	1,672,505	2,468,351
Due to other related parties	-	7,356	-
Current portion of long-term liabilities	476,216	474,896	397,048
Taxation Payable	-	375,873	-
	3,271,528	3,299,607	3,945,608
NON-CURRENT LIABILITY			
Deferred tax liability	1,575,150	1,587,546	1,581,427
Lease liabilities	204,124	453,711	261,155
Long-term liabilities	392,530	768,097	664,298
	2,171,804	2,809,353	2,506,879
SHAREHOLDERS' EQUITY			
Share capital	3,654,390	3,654,390	3,654,390
Capital Reserves	16,517,917	16,517,917	16,517,917
Retained Earnings	11,010,617	10,843,030	10,564,127
	31,182,924	31,015,336	30,736,433
TOTAL EQUITY AND LIABILITIES	36,626,256	37,124,297	37,188,920

Stafford Burrowes	Noel Levy	Richard Downer
Chairman	Director	Director

DOLPHIN COVE LIMITED
Group Interim Statement of Profit & Loss
Six months ended June 30, 2025

	6 Months Ended June 30, 2025 Unaudited US$	6 Months Ended June 30, 2024 Unaudited US$	3 Months Ended June 30, 2025 Unaudited US$	3 Months Ended June 30, 2024 Unaudited US$	Year Ended December 31, 2024 Audited US$
OPERATING REVENUE:					
Dolphin Attraction Revenue	3,893,276	4,478,170	1,897,514	1,888,932	7,510,952
Ancillary Services Revenue	4,465,668	4,293,630	2,376,840	1,978,245	7,785,500
Overall Revenue	8,358,945	8,771,799	4,274,354	3,867,177	15,296,452
Less: Direct Costs	(1,021,259)	(1,099,005)	(478,375)	(545,501)	(2,354,515)
Gross Profit	7,337,686	7,672,794	3,795,979	3,321,677	12,941,936
Gain / (loss) on disposal of property, plant & equipment	(22,103)	(22,659)	(22,103)	(22,659)	(22,659)
Other income	23,287	1,371	22,922	495	(16,974)
	7,338,870	7,651,507	3,796,798	3,299,513	12,766,268
OPERATING EXPENSES:					
Selling	(1,694,880)	(1,942,805)	(838,058)	(881,801)	(3,079,994)
Other operations	(2,028,321)	(1,969,338)	(1,037,663)	(983,421)	(4,663,198)
Administrative	(1,203,727)	(1,217,442)	(604,238)	(539,262)	(2,124,241)
	(4,926,928)	(5,129,585)	(2,479,959)	(2,404,484)	(9,867,433)
(Increase)/decrease in allowance for impairment loss on trade receivables	-	140,554	-	4,009	43,581
Profit before finance income and costs	2,411,942	2,662,476	1,316,839	899,039	2,942,416
Finance income	31,079	107,657	3,845	58,920	56,639
Finance costs	(281,446)	(256,052)	(135,515)	(119,666)	(651,382)
Profit Before taxation	2,161,575	2,514,081	1,185,169	838,293	2,347,673
Taxation	(234,231)	(387,530)	(117,115)	(92,031)	(520,795)
Profit for the period	1,927,344	2,126,551	1,068,054	746,262	1,826,878
Earnings per stock unit	**US 0.0049**	**US 0.0054**	**US 0.0027**	**US 0.0019**	**US 0.0047**

DOLPHIN COVE LIMITED
Group Interim Statement of Cash Flow
Six months ended June 30, 2025

	6 Months Ended June 30, 2025 Unaudited US$	6 Months Ended June 30, 2024 Unaudited US$	Year Ended December 31, 2024 Audited US$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period	1,927,344	2,126,551	1,826,878
Adjustments for:			
Depreciation and amortization	506,178	503,609	1,356,094
Loss /(Gain) on disposal of property, plant and equipment	-	22,659	22,659
Loss on disposal of live assets	-	-	131,630
Interest income	(31,079)	(40,962)	(56,615)
Interest expense	106,902	94,660	231,456
Impairment losses	-	(140,554)	(43,581)
Taxation	234,231	384,743	520,795
Operating profit before changes in working capital	2,743,577	2,950,706	3,989,316
Accounts receivable	(461,048)	505,483	548,010
Inventories	(286,125)	(123,904)	(76,583)
Accounts payable	20,151	(1,528,842)	(732,997)
Due from related parties	(12,072)	165,732	(724,519)
Cash generated from operations	2,004,483	1,969,175	3,003,227
Interest paid	(106,902)	(94,660)	(231,456)
Income tax paid	(242,010)	(600,482)	(779,983)
Net cash provided by operating activities	1,655,570	1,274,033	1,991,789
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	31,079	40,962	2,569
Additions to property, plant and equipment	(435,782)	(223,760)	(795,496)
Proceeds from disposal of property, plant and equipment	-	(22,659)	(131,630)
Additions to live assets	(829)	(1,592)	133,355
Advances to parent company	(271,000)	(1,857,000)	(1,807,875)
Repayment by parent company	848,648	1,862,871	1,947,530
Investments	-	-	(48)
Net cash provided/(used) by investing activities	172,117	(201,178)	(651,595)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loans net	(192,600)	1,242,993	1,115,392
Payment of lease liabilities	(8,543)	(17,851)	(288,343)
Drawdowns of bank overdraft	167,076	9,473,143	3,497,477
Repayment of bank overdraft	(1,036,877)	(9,359,679)	(3,096,434)
Dividend Paid	(1,480,854)	(3,020,207)	(2,999,437)
Net cash (used)/provided by financing activities	(2,551,798)	(1,681,602)	(1,771,345)
Net increase in cash resources	(724,111)	(608,748)	(431,152)
Cash resources at beginning of the period	1,420,805	1,851,957	1,851,957
CASH AND CASH EQUIVALENTS AT END OF PERIOD	696,694	1,243,209	1,420,805

DOLPHIN COVE LIMITED
Group Interim Statement of Changes in Stockholders´ Equity
Six months ended June 30, 2025

	6 Months Ended June 30, 2025 Audited	6 Months Ended June 30, 2024 Unaudited	Year Ended December 31, 2024 Audited
Balances at beginning of period	30,736,433	31,908,992	31,908,992
Transactions with owners of the company:			
Dividends	(1,480,854)	(3,020,207)	(2,999,437)
Total comprehensive income:			
Profit for the period	1,927,344	2,126,551	1,826,878
Other comprehensive income:			
Surplus on revaluation of assets, net of taxes	-	-	-
Balance at end of period	31,182,924	31,015,336	30,736,433

Selected Explanatory Notes
Six months ended June 30, 2025

1 Corporate Structure and Principal Activities

Dolphin Cove Limited is incorporated and domiciled in Jamaica, operating marine parks and related businesses including adventure programs, restaurants, gift shops, and photography at multiple Jamaican locations. Listed on the Junior Market of the Jamaica Stock Exchange since December 21, 2010, the Company is part of a group that includes:

1. **Dolphin Cove (Negril) Limited** – Jamaica-based; owns leased Hanover real estate.
2. **Too Cool Limited** – Cayman Islands; owns operational land and buildings.
3. **Cheshire Hall Limited** – St. Lucia (with subsidiary **DCTCI Limited** in Turks & Caicos) holding development land.
4. **Balmoral Dolphins Limited** – St. Lucia (with subsidiary **Dolphin Cove TCI Limited**) for future attraction development.
5. **SB Holdings Limited** – St. Lucia (with subsidiary **Marine Adventure Park Limited**) holding land in St. Lucia.

Ownership – Since January 8, 2016, **World of Dolphins Inc.** has held 79.99% of the Company. It is a subsidiary of **Controladora Dolphin S.A. de C.V.** ("Dolphin Discovery"), itself owned by **Dolphin Capital Company S. de R.L. de C.V.** (ultimate parent), both incorporated in Mexico.

2. Statement of compliance and basis of preparation

Prepared in accordance with **IAS 34**, these unaudited financial statements comply with IFRS and the Jamaican Companies Act. All figures are in US dollars, the Group's functional currency. Property, plant, equipment, and live assets are recorded at periodically revalued amounts.

3. Accounting Policies and Reclassifications

Policies are consistent with the audited statements for the year ended December 31, 2024. Prior-year adjustments included:

- **Profit or Loss Statement** – ECL movements on trade receivables now presented separately, per IAS 1.82(ba).
- **Cash Flow Statement** – Amounts due from related parties reclassified to operating activities; bank overdrafts moved to financing flows, separated into inflows and outflows.

4. Seasonality of operations

Visitor arrivals peak in the Northern Hemisphere winter. First-half results are therefore not indicative of full-year performance. Results are presented on both a quarterly/year-to-date and rolling twelve-month basis.

Selected Explanatory Notes
Six months ended June 30, 2025

5. Related parties

Due From Related Parties – Amounts collected by the Wider Group for park bookings, plus advances. "Due from Parent Company" is unsecured, interest-bearing at 6%, and repayable on demand, with dividends offset rights.

Corporate Proceedings –

- Jan 29, 2025: Dolphin Discovery entered concurso mercantil restructuring in Mexico, dismissed April 15, 2025 (possible appeals pending).
- Mar 31, 2025: **Leisure Investments Holdings LLC** (ultimate parent) filed for Chapter 11 in Delaware.
- Apr 16, 2025: Dolphin Discovery also filed for Chapter 11 in Delaware.

Liquidation could affect related-party receivable recovery and share ownership. The Company has pledged no assets or guarantees and continues independent operations.

Due to Related Parties – Approved but unpaid central service fees provided by the Wider Group, authorized by independent directors.

6. Earnings per share

Calculated using net profit and 392,426,376 shares in issue for all periods presented.

7.- Asset revaluations.

Land and Buildings – Fair value assessed using independent valuations and comparable property sales, adjusted for age, condition, timing, land/building ratio, location, and functional benefits. Last revalued October 2023.

Dolphins – Carried at fair value, determined using market prices for comparable animals and recent group transactions.

Stafford Burrowes	Noel Levy	Richard Downer
Chairman	Director	Director