

LIFE'S *good* ON OUR *boat*

2019 ANNUAL HOSPITALITY REPORT



MARGARITAVILLE®

MARGARITAVILLE.COM

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WHERE IS Margaritaville?

It's in the tropics somewhere between the Port of Indecision and Southwest of Disorder, but no parallels of latitude or longitude mark the spot exactly. You don't have to be a navigator to get there. Palm trees provide the camouflage. Ocean breezes bring the seaplanes and sailboats, tourists and travelers.

Passports are not required. Island music rules. No waiting in line for anything. There is a beach and a thatched roof bar perched on the edge of a turquoise sea where you can always find a bar stool. There are lots of lies and loads of stories. It's a comical concoction that blends together like tequila, salt and limes.

— Jimmy Buffett





A LETTER FROM THE CEO *John Cohan*

“
Everyone,

I think it's fair to say in 2019 Margaritaville became the fastest growing - and maybe only true - diversified Lifestyle Hospitality Brand.

As you have heard me say often, numbers tell a story, and the numbers in this report - from revenue growth, unit growth, pipeline growth, customer satisfaction, real estate sales, and opening the first urban Margaritaville, Compass, and Island Reserve - all add up to a stunning narrative.

What's most exciting is that because all of you have built such a powerful and compelling engine; we are poised for exponential growth and hopefully lots more fun along the way.

I am sure all of you, like me, have been stunned and worried by recent events; and somewhat deflated by the suddenness of the interruption of our remarkable momentum.

During one of Jimmy's virtual "meet and greets" to thank first responders and health care workers, he was asked who was his favorite artist and answered Joni Mitchell. I am reminded of her iconic lyric, "you don't know what you've got till its gone, they paved paradise and put up a parking lot". For me, our customers and likely all of you, the last months with less of Margaritaville in our lives has made us appreciate it more.

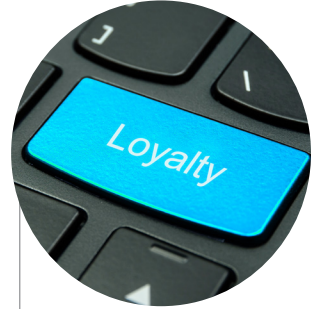
As the coast clears and we all manage through this safely, I imagine everyone - all of us, our customers and partners - will embrace the meaning of Margaritaville in their lives more than ever.

People need clean fun (literally) and it's our job to resume our momentum and bring it back. My bet is on all of you to not let the pandemic pave paradise. Everyone is counting on you. ”

*Fins Forward,
JC*



2019 Milestones



February 2019
Margaritaville Perks
Loyalty Program
Announced



April 2019
LandShark Bar & Grill Lake of
the Ozarks Opened



June 2019
Air Margaritaville
Detroit Opened



August 2019
Team Member App
by NUDGE REWARDS
launched



October 2019
LandShark Bar & Grill
Mauritius Opened



December 2019
5 o'Clock Somewhere Bar
& Grill Aruba Opened



June 2019
Latitude Bar & Chill
Opened



October 2019
Margaritaville Hotel
Nashville Opened



February 2019
LandShark Bar & Grill
Branson Opened



May 2019
Margaritaville Lake
Resort Lake of the
Ozarks Opened



AT A Glance



3,216
HOTEL ROOMS

20
LODGING
PROPERTIES



97
RESTAURANTS



1.65B
IN SYSTEM
WIDE SALES¹



7,235
TEAM MEMBERS²



2019 HOSPITALITY Locations



KEY RESEARCH Data

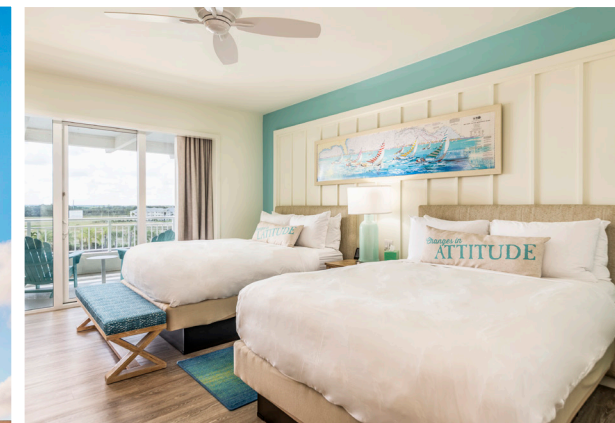
- Consumers associate the Margaritaville brand more with the lifestyle of fun and escapism than with Jimmy Buffett as a personality.
- Margaritaville is a national brand that 70% of Americans know and perceive as a national aspirational lifestyle brand.
- Margaritaville is identified as a "Premium brand" by 98% of consumers who have visited the Hollywood Beach Resort, 73% of all Margaritaville consumers and by 66% of all US adults familiar with Margaritaville.

Source: Douglas E. Schoen, LLC.

¹ This number reflects hotels and resorts, restaurants, casinos, limited service properties, and communities; also reflects partnerships with third party owners/operators and IMCMV Holdings. Does not represent individual vacation rentals, condos, homes, etc. ² This number is representative of MSAT Participation and does not reflect differences due to seasonal hiring and non-participation in MSAT surveys.



2019 NEW LOCATIONS
 + ORLANDO
 + NASHVILLE
 + LAKE OF THE OZARKS



Lodging PERFORMANCE IN 2019

From the beaches of Costa Rica to the foothills of the Smoky Mountains to the streets of Nashville, Margaritaville Hotels & Resorts offers a relaxing escape for guests looking to drift away to paradise, no matter their latitude.

Margaritaville is growing tremendously every year by opening restaurants, partnering with companies and expanding our Hotel and Resort category.

2019 opened with 11 lodging locations, year end saw 14 open locations with an additional 24 lodging projects in the pipeline, nearly half of which were under construction.



2019 LODGING Locations

Margaritaville Hotels & Resorts have an extensive array of amenities, raising the bar for vacation resort activities. With a high level of hospitality, service and attention to detail, there's nothing to do but check in and chill out. It's the place to be.



LODGING Performance

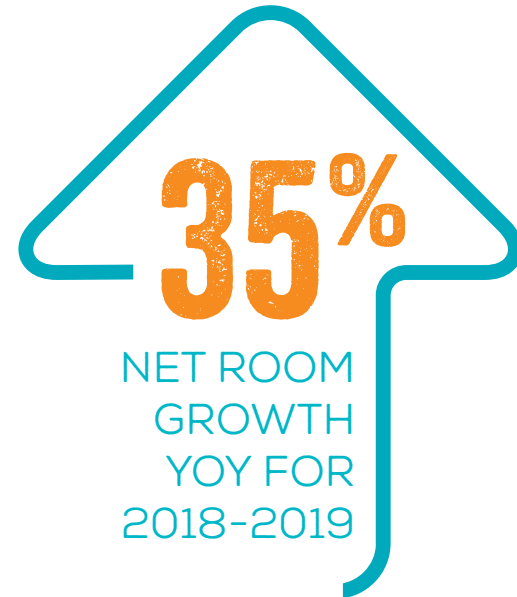
\$232.4M TOTAL REVENUE

13%³ GUEST RETURN RATE

\$138.9M TOTAL ROOM REVENUE

62% OCCUPANCY RATE

WITH **2%** YOY



YTD CHANNEL DISTRIBUTION:

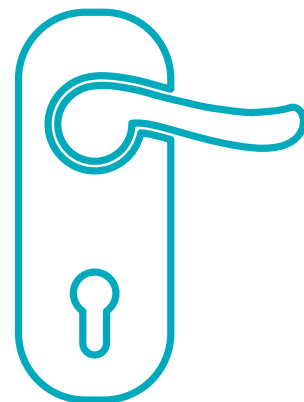
63% DIRECT CHANNELS

37% NON-DIRECT CHANNELS

\$224 ADR PORTFOLIO AVERAGE

\$139 REVPAR PORTFOLIO AVERAGE

TOTAL YOY GROWTH OF 68%⁴
EXPECTED NET ROOM GROWTH AFTER 2020 PIPELINE OPENINGS



& 2,193
ROOMS ADDED TO PORTFOLIO

LODGING Reputation

2019 Year In Review - Online Reputation

OVERALL PORTFOLIO REPUTATION SCORES YTD⁵

4.4 OUT OF **5** (INDUSTRY AVERAGE: 4.2)

ONLINE REVIEWS

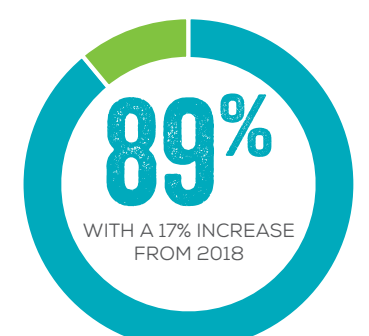
INDUSTRY AVERAGE



ONLINE REVIEWS



REVIEW RESPONSE RATE



17,920 - 5 STAR REVIEWS ★★★★★

2019 Year In Review - Guest Exit Surveys⁶

2019 OVERALL PERFORMANCE

OVERALL SCORE OF **89%**

NET PROMOTER SCORE OF 55
WITH TOP NPS SCORES GOING TO:

GATLINBURG **81**
ISLAND INN **76**
PENSACOLA **72**

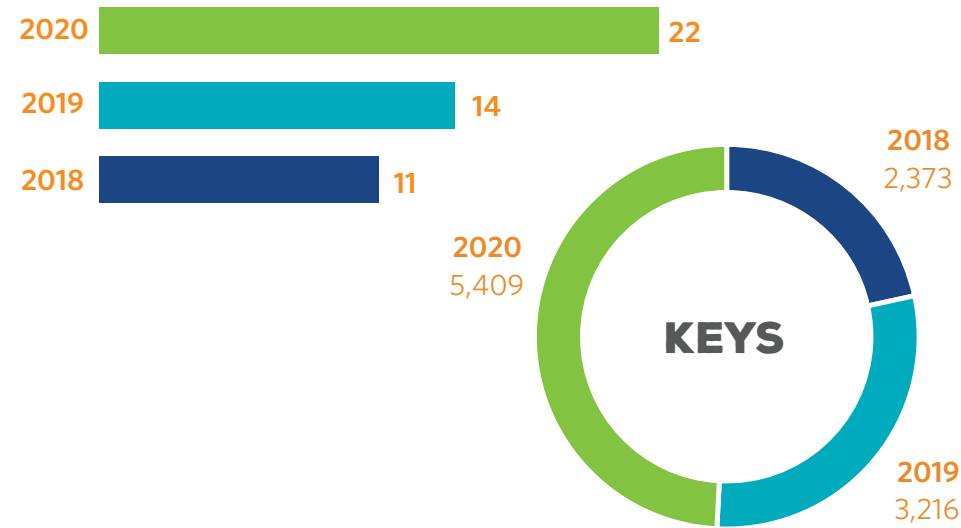
22,071 SURVEY REVIEWS:
83% (17,667) POSITIVE REVIEWS

MARGARITAVILLE KPI Information

STR COMPS

STR FULL SERVICE SELECT COMPS	2019 TOTAL/WTD. AVG.	2018 TOTAL/WTD. AVG.	
Occupancy	77.1%	73.9%	4.4% ▲
Index	99.3%	96.6%	2.8% ▲
ADR	\$284.33	\$280.94	1.2% ▲
Index	112.3%	113.3%	(0.9%) ▼
RevPAR	\$219.31	\$207.65	5.6% ▲
Index	111.6%	109.4%	2.0% ▲

PROPERTY GROWTH: HOTELS & RESORTS



PROPERTY GROWTH	Hotels/Resorts	% CHANGE	Keys	% Increase
2020 ⁷	22 ⁷	57% ⁷	5,409 ⁷	68%
2019	14	27%	3,216	36%
2018	11	-	2,373	-

⁷ Excludes Condos/Vacation Homes/Timeshares. Expected based on 2020 Pipeline Information

2019 MARGARITAVILLE STR COMPARABLES

The comparable data set includes five full-service Margaritaville properties totaling 998 keys selected for same store comparison. 2019 Margaritaville RevPAR increased 5.6%, led by a 4.4% occupancy increase and a 1.2% growth in ADR.

In addition, occupancy penetration increased 2.8% versus the properties' competitive sets. While ADR penetration decreased 0.9%, RevPAR penetration increased 2.0% due to occupancy and ADR penetration increases.

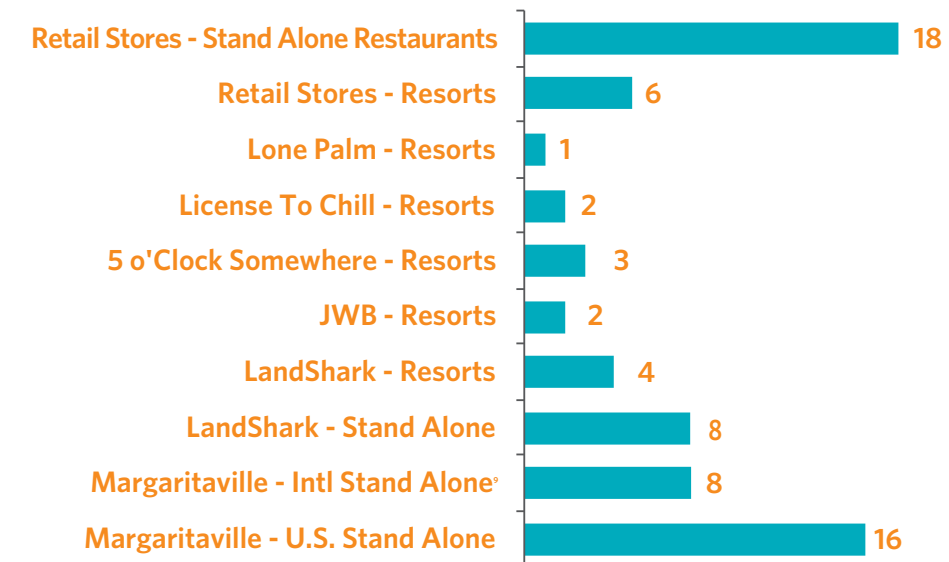
TOTAL AVAILABLE HOTELS/RESORTS & KEYS

Margaritaville continued its strong lodging growth in 2019, adding three additional lodging properties totaling 843 keys, for a substantial 36% increase in guest room keys. Looking forward, Margaritaville anticipates eight new properties to open in 2020, leading to a property increase of over 57% and an incredible 68% increase in room keys.

OUTLET COMPS - F&B REVENUE

COMPARABLE HOTELS	2019 F&B Revenue	2020/2022 F&B Revenue
Outlets ⁸	3.3	4.4
Total POR	\$394.27	\$545.70
POR	\$130.07	\$155.20
SPA POR	\$10.79	\$11.09
Retail POR	\$26.51	\$24.58

BRAND OUTLETS IN 2019



⁸ Net Average. 2019 - Comparable set includes 6 open Margaritaville Properties statistics from 2019. Spa POR is the average of 2 properties and Retail is taken from 1 property. 2020 - Comparable set includes 4 open Margaritaville Properties budgets for 2020, and 1 Margaritaville Property's budget for 2022 that is currently under construction.

⁹ Includes Panama City, Ocho Rios, Negril, Montego Bay, Grand Cayman, Grand Turk, and Cozumel Comp Set Data - not representative average of entire portfolio.

PROPERTY OUTLET COMPARABLES

The comparable data set includes six open Margaritaville properties statistics from 2019. Spa POR is the average of two properties and Retail is taken from one property.

Comparable budgets include four open Margaritaville properties budgets for 2020 and one Margaritaville property's budget for 2022 that is currently under construction.

F&B OUTLET COMPARABLES

Margaritaville Enterprises lodging properties typically outperform their competitive set in revenue. One of the reasons why is the recognition and success of their popular Food & Beverage brands, which lead to incredible F&B revenue performance and strong retail outlet sales. The performance of these outlets is outlined to the left.



2019 NEW LOCATIONS

- + LATITUDE BAR & CHILL DAYTONA BEACH
- + LANDSHARK BAR & GRILL LAKE OF THE OZARKS
- + LANDSHARK BAR & GRILL BRANSON
- + LANDSHARK BAR & GRILL MAURITIUS
- + FINS BAR NASHVILLE
- + FRANK & LOLA'S PIZZERIA LAKE OF THE OZARKS
- + AIR MARGARITAVILLE DETROIT
- + 5 O'CLOCK SOMEWHERE BAR & GRILL ARUBA
- + JWB GRILL NASHVILLE
- + LICENSE TO CHILL BAR & GRILL LAKE OF THE OZARKS



Restaurant STATS FOR 2019

Margaritaville Restaurants invite guests to raise a glass and *take a bite out of paradise*. From our larger concepts, Jimmy Buffett's Margaritaville Restaurant and LandShark Bar & Grill, to our smaller concepts like JWB Grill and License To Chill Bar & Grill, every dining experience is an immersive escape full of fun, relaxation and coastal-inspired, made-to-order dishes and hand-crafted cocktails.



2019 RESTAURANT Locations

Margaritaville Restaurants have an island-inspired menu that is fresh, fun and hits the mark on every craving. Most in the collection also serve specialty margaritas, boat drinks, brews, and frozen concoctions. With something for everyone, we are the destination to sit, sip and savor.

2019 RESTAURANT PORTFOLIO



Opened in Nashville in 2019



Opened in Lake of the Ozarks, Branson & Mauritius in 2019



Opened in Nashville in 2019



Opened in Aruba in 2019



Opened in Daytona Beach in 2019



Opened in Lake of the Ozarks in 2019



Opened in Detroit in 2019



Opened in Lake of the Ozarks in 2019

FOOD & BEVERAGE Recap

[A NOTE FROM]

MARK ROGERS,
SR. VICE PRESIDENT OF HOSPITALITY AND INTERNATIONAL OPERATIONS

“*This year* has been a very busy year creating new concepts and opening up several new venues. We spent a lot of time looking at new locations and developing a strong pipeline with several new restaurants and new concepts for the next couple years. Our LandShark Bar & Grill, JWB Grill and Air Margaritaville concepts are our biggest growth vehicles moving forward. ”



HOSPITALITY GROUP FOOD AND BEVERAGE RECAP

97

IN 2019, 13 NEW RESTAURANT VENUES WERE ADDED TO OUR PORTFOLIO BRINGING OUR TOTAL VENUES, DOMESTIC AND INTERNATIONAL, TO 97.

3 NEW RESTAURANT CONCEPTS WERE CREATED: LATITUDE BAR & CHILL, FINS BAR AND JWB GRILL, BRINGING OUR TOTAL RESTAURANT CONCEPTS TO 28.

28

BELOW ARE THE RESULTS IN 2019 FOR OUR MAIN 3 CONCEPTS:

MARGARITAVILLE

27 TOTAL VENUES

-3% TOTAL SAME STORE SALES IN 2019

-3.3% DOMESTIC

-1.9% INTERNATIONAL

The biggest contributors are a few underperforming units, wildfires in California and reduced cruise ships in some of our cruise port locations.

AVERAGE UNIT VOLUME

\$9.8M IN DOMESTIC VENUES,
TOP PERFORMER - **\$26M**

\$3.4M IN INTERNATIONAL VENUES,
TOP PERFORMER - **\$6.4M**

LANDSHARK BAR & GRILL

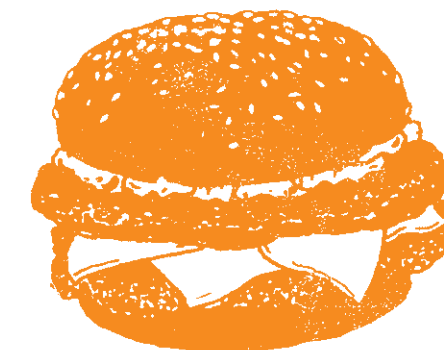
14 TOTAL VENUES

+2.3% TOTAL SAME STORE SALES IN 2019

All but one location saw positive growth in 2019.

AVERAGE UNIT VOLUME

\$4.7M
TOP PERFORMER - **\$6.8M**



AIR MARGARITAVILLE

9 TOTAL VENUES

+1.5% TOTAL SAME STORE SALES

All but two locations saw positive growth in 2019, one of those was Puerto Rico airport with effects from the hurricane.

AVERAGE UNIT VOLUME

\$4.4M
TOP PERFORMER - **\$8.2M**

2019 TOP SELLER:
Cheeseburger In Paradise

2019 RESTAURANT Stats

28

CONCEPTS WITH
97 LOCATIONS AT
THE END OF 2019

&

PROJECTED CONCEPT
GROWTH BY THE END
OF 2020
138 LOCATIONS

31.4%



RESTAURANT F&B Reputation

OVERALL F&B OUTLET RATINGS INCLUDING IMC, INTERNATIONAL, HOTEL/
RESORT NON-IMC MARGARITAVILLE LOCATIONS AND AIR MARGARITAVILLES

Year over Year from 2018 to 2019

INCREASED TOTAL REVIEWS FROM

32.2K → 34.3K

73% POSITIVE TO 75% POSITIVE
(4 AND 5 STAR REVIEWS)

WITH AN OVERALL RATING INCREASE FROM 4.0 TO 4.1 POSITIVE

2019 Year In Review

TOP RATED OVERALL*

STAFF	OVERALL SATISFACTION	ATMOSPHERE
4.4	4.1	4.1
2,914 REVIEWS	5,636 REVIEWS	3,277 REVIEWS
88% POSITIVE	83% POSITIVE	87% POSITIVE

WHAT DO OUR GUESTS THINK OF US?

Hotel/Non-IMC Restaurants

6,048 REVIEWS WITH 78% POSITIVE FEEDBACK

AVERAGE RATING OF 4.2

IMC Restaurants

21.3K REVIEWS WITH 74% POSITIVE FEEDBACK

AVERAGE RATING OF 4.1

International Restaurants

7,011 REVIEWS WITH 76% POSITIVE FEEDBACK

AVERAGE RATING OF 4.1



2019 CURRENT LOCATIONS

- + LATITUDE MARGARITAVILLE: DAYTONA BEACH & HILTON HEAD
- + ONE PARTICULAR HARBOUR: ANNA MARIA SOUND
- + MARGARITAVILLE COTTAGES: ORLANDO



Community & LIFESTYLE DIVISION

It's always been that happy place in your mind, the spirit of adventure in your soul. It's the state of mind when it all comes together in one of life's perfect moments. When your mind wanders to this paradise, *why not follow it home* with Margaritaville's options in their newest category of ownership.



LATITUDE Margaritaville

"Growing older, but not up." In partnership with Minto Communities and designed specifically for those 55-and-better who are seeking their own piece of paradise, Margaritaville opened Latitude Margaritaville locations in Daytona Beach, FL & Hilton Head, SC. With its authentic "no worries" tropical vibe and amenities that are on par with the world's finest luxury resorts, both locations offer walkable neighborhoods and golf cart friendly streets to experience signature Margaritaville restaurant concepts, shopping, and beachfront amenities.

2019 Community Events

Mac McAnally at Daytona Beach, New Years at Daytona Beach, 4th of July Event, Golf Cart Parade at Daytona Beach, Toy Drives & Charity Walks.



Latitude Margaritaville Daytona

- 7,005 NEW VISITORS
- 458 NEW CONTRACTS
- 450 NEW OWNERS
- \$161M SALES VOLUME
- 3,500 TOTAL UNITS IN PROJECT
- 1,300 CURRENT RESIDENTS
- 97% PRIMARY RESIDENCE OF ALL BUYERS



Latitude Margaritaville Hilton Head

- 7,122 NEW VISITS
- 198 NEW CONTRACTS
- 165 NEW OWNERS
- \$58M SALES VOLUME
- 3,000 TOTAL UNITS IN PROJECT
- 420 CURRENT RESIDENTS
- 97% PRIMARY RESIDENCE OF ALL BUYERS



MARGARITAVILLE Resort Orlando

Margaritaville Resort Orlando's Vacation Cottages offers the luxury of a resort with all the comforts of a vacation home. The resort's 900 standalone homes provide a private oasis for you to unplug with just about any number of your favorite friends or family members. Cottage guests receive access to all resort amenities and an island-inspired experience.



*One Particular Harbour
Anna Maria Sound, FL*

22 UNITS SOLD
\$11.8M SALES VOLUME
200 CURRENT RESIDENTS
101 TOTAL UNITS IN PROJECT



*Margaritaville Resort
Orlando Cottages*

193 UNITS SOLD
\$81.3M SALES VOLUME
318 CURRENT RESIDENTS
900 TOTAL UNITS IN PROJECT



ONE PARTICULAR Harbour

Located at Harbour Isle, a 220-acre private island community on Anna Maria Sound in Bradenton, Florida, One Particular Harbour Margaritaville features a 131-room hotel, being developed by Sarasota-based Floridays Development Company and the first to open under Margaritaville's new upscale boutique select-service hotel brand, COMPASS by Margaritaville Hotels and Resorts.



OUR CORE PURPOSE
+ TO CREATE AND DELIVER FUN AND ESCAPISM



Maximizing PERFORMANCE

We are committed to creating and delivering fun and escapism for every guest, every time they visit. We believe we offer an experience that is unparalleled by any other concept or brand. At the heart of the Margaritaville Experience is our laid-back island lifestyle approach, perfectly blended with our high standards of service, hospitality, and quality ingredients in our Food & Beverage Concepts.



2019 TEAM Support

Pre-Opening Support

1,100 HOURS OF BRAND PRE-OPENING SUPPORT
(PRIOR TO ONSITE, SUPPORT FROM BRAND HOME OFFICE TEAM)
IMC OPENINGS AVERAGE 100 HOURS

900 HOURS OF ONSITE OPENING SUPPORT/PER OPENING
(AVERAGE OF 10 DAYS, 9 BRAND TEAM MEMBERS, 10 HOURS/DAY)

HOTELS/RESORTS

2019 Openings

MARGARITAVILLE LAKE RESORT, OZARKS **2,000** TOTAL HOURS

MARGARITAVILLE HOTEL NASHVILLE **2,000** TOTAL HOURS

RESTAURANTS

LANDSHARK BAR & GRILL, BRANSON, MO **100** TOTAL HOURS

AIR MARGARITAVILLE DETROIT **1,400** TOTAL HOURS
PRE-ONSITE SUPPORT: 1100 HOURS
ONSITE SUPPORT: 1 PERSON, 12 HOURS @ 25 DAYS = 300 HOURS

LANDSHARK BAR & GRILL MAURITIUS **1,532** TOTAL HOURS
PRE-ONSITE SUPPORT: 1100 HOURS
ONSITE SUPPORT: 3 PEOPLE, 12 HOURS @ 12 DAYS = 432 HOURS

5 O'CLOCK SOMEWHERE ARUBA **1,352** TOTAL HOURS
PRE-ONSITE SUPPORT: 1100 HOURS
ONSITE SUPPORT: 3 PEOPLE, 12 HOURS @ 7 DAYS = 252 HOURS

TOTAL 2019 OPENING SUPPORT: 8,384 HOURS

11 OPENINGS WERE SUPPORTED BY OUR BRAND HOME OFFICE TEAM

BRAND Standards

We are passionately committed to creating environments and cultivating experiences that provide an escape from the everyday. To foster consistency with our high standards in design, service, and guest experience throughout our growing hospitality collection, we have compiled a collection of Margaritaville brand standards.

Design

From the margarita glass chandelier to the parrot silhouettes on the duvet bedspreads, every detail in and around Margaritaville has been thoughtfully assembled to provide our guests with comfort and casual luxury.

Service

We are all brand ambassadors, no matter our position or title. We focus on authentic engagement, knowledge and fun to deliver a high level of service ensuring every guest has a memorable experience every time they visit.

Guest Experience

New adventures, celebrations, drinks with friends, relaxation, family-time - whatever our guests envision, we are here to take them there with our "no worries" tropical vibe and the feeling of escape experienced immediately upon arrival. Practical conveniences and special indulgences are on tap to make the guest experience uniquely Margaritaville.



BRAND *Marketing*

[A NOTE
FROM]

TAMARA BALDANZA-DEKKER,
CHIEF MARKETING OFFICER

Margaritaville is built on a sense of community; an emotional and personal connection to our consumers, and hospitality is the heart of that connection. Putting smiles on guests' faces and helping them create memories is what keeps them coming back for more. Whether it's another stay, another meal, another event, another purchase, or another song...much of it leads back to the interactions and experiences they have when they visit us at one of our locations. Thank you for doing what you do, it's the key to our success and allows us to continue to spread the Margaritaville state of mind. 🍷🍷



PR & EARNED MEDIA *Placements*

UNPARALLELED MEDIA COVERAGE & BRAND IMPACT

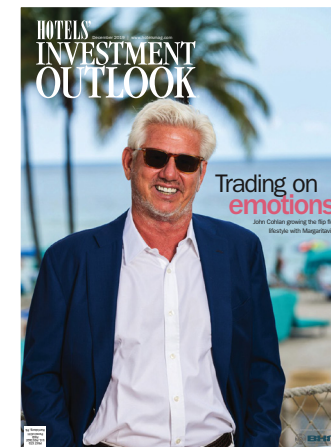
22K MENTIONS IN 2019

VALUABLE COVERAGE FROM THE LARGEST MEDIA OUTLETS AT
VIRTUALLY NO PROMOTIONAL COST TO THE BRAND

FINN
PARTNERS

Brought on a global PR firm, FINN Partners, who are focused on brand visibility and reputation, with a concentrated effort on hospitality.

MEDIA OUTLETS



WHEEL OF Fortune

In 2019, we partnered with Wheel of Fortune, the most watched program on broadcast television, on a week of programming to give away a house for the second time in the show's history (our first home giveaway with the Wheel was in 2018) in "Home Sweet Home" Week.

9.4M
AVERAGE VIEWERS

Each night of "Home Sweet Home" Week

1M
GIVEAWAY ENTRIES

Collected for the new home

AS A RESULT OF THE OPT-INS COLLECTED, 83K NEW LEADS WERE DELIVERED TO LATITUDE MARGARITAVILLE RESULTING IN (AT LEAST) 3 NEW HOME SALES.

There was an +832% increase in traffic to WheelofFortune.com compared to the prior week, delivering millions of impressions to Latitude Margaritaville.



FEATURED PROPERTIES, EACH RECEIVING A 20 SECOND PROMOTION DURING THE BROADCAST:

MARGARITAVILLE HOLLYWOOD BEACH RESORT

MARGARITAVILLE BEACH RESORT PLAYA FLAMINGO COSTA RICA

MARGARITAVILLE RESORT ORLANDO

MARGARITAVILLE KEY WEST RESORT & MARINA

MARGARITAVILLE RESORT GATLINBURG

MARGARITAVILLE LAKE RESORT LAKE OF THE OZARKS

MARGARITAVILLE BEACH RESORT GRAND CAYMAN

MARGARITAVILLE VACATION CLUB BY WYNDHAM ST. THOMAS

MARGARITAVILLE VACATION CLUB BY WYNDHAM RIO MAR

DIGITAL Marketing

Social Media: Brand Channels

Today's social media world is generally a pay-to-play game for most brands. We're fortunate Margaritaville's loyal social media followers are actively engaged with our brand and we're able to leverage that to drive awareness and raise the visibility of our hospitality partners.

1M+

SOCIAL FOLLOWERS



@MARGARITAVILLE



Email Marketing

Above average open and click-through rates remain a testament to the engagement level of the Margaritaville database. We continue to experiment with targeting strategies and segmentation to ensure our content is relevant to the audience and frequently use the power of this database to highlight our hospitality partners.

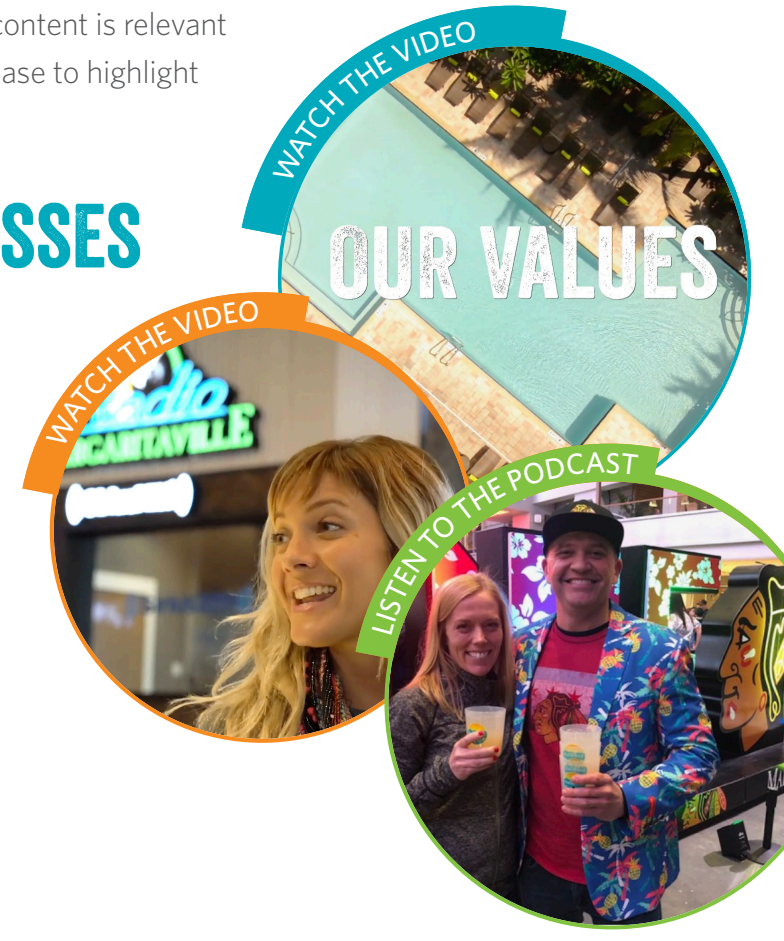
2M+ EMAIL ADDRESSES

Website: Margaritaville.com

Approximately a half million unique visitors per month with much of that traffic routing to hospitality and lodging.

Content Team

Regularly creating content for and around the hospitality division with our internal content team producing images, videos, podcasts, and blogs.



OUR VALUES

OTHER MARKETING Channels



MARGARITAVILLE UNIVERSITY

CURRENTLY 200 MARGARITAVILLE COLLEGE AMBASSADORS ON OVER 100 CAMPUSES

Our college ambassadors share the Margaritaville lifestyle with their peers, family, friends, and communities, driving business to our Margaritaville hospitality and lodging locations, and capturing content while there.



Margaritaville sponsored the University of Virginia ICE program, giving us access to business students who dedicated a semester to developing business ideas to grow the Margaritaville portfolio.



RADIO MARGARITAVILLE SIRIUSXM

5M LISTENERS PER WEEK

TOP 15% OF ALL SIRIUSXM STATIONS

Only SiriusXM station that allows product promotion/advertising in an organic way which regularly promotes our Margaritaville hospitality and lodging locations (funneled through the brand marketing division).

Radio MARGARITAVILLE ON SIRIUSXM

LISTEN TO THE RADIO SPOTS

Monthly Giveaways

Brand Marketing featured several Margaritaville hotels and resorts locations in our monthly giveaways. These giveaways were featured in all our locations, online at Margaritaville.com, on our social channels, and Radio Margaritaville.



66K+

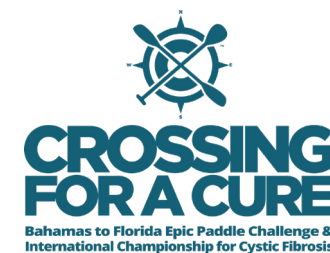
UNIQUE ENTRIES (FOR THE MONTHS ABOVE)

22K+

NEW EMAIL ADDRESSES ADDED TO THE BRAND DATABASE

Special Events & Charitable Efforts

The Margaritaville hospitality division is actively promoted at our special events and charitable endeavors.



Professional Sports Partnerships

We continue to grow this segment of our business through brand awareness and relationships. Our Margaritaville events with teams in Major League Baseball, Minor League Baseball, and the National Hockey League are at no cost to us, something generally unheard of in sports marketing.



Pickleball

Pickleball is the fastest growing sport in the country. Margaritaville is a part of the fun as the sponsor of major pickleball tournaments including the US Open Pickleball Championship in Naples and the Margaritaville USA Pickleball National Championship in Indian Wells.



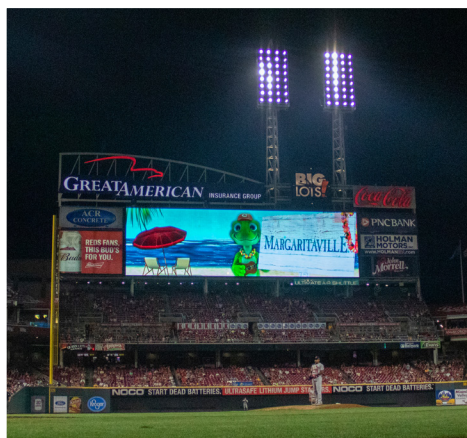
12,100 PLAYERS AND SPECTATORS



27,982 PLAYERS AND SPECTATORS



We use our pickleball partnerships to promote the hospitality division at the events, on their websites, and in their publications.



Escape to Margaritaville THE BROADWAY MUSICAL

Escape to Margaritaville: The Musical brought the Margaritaville hospitality brand to the Broadway stage.

For the show finale, every night a beach ball drop would come from the stage and the ceiling, dropping branded Margaritaville Hotels & Resorts beach balls on the audience. This practice continues in the touring show!



We hosted 4K VIPs in the License to Chill Lounge Pre-Show Party before the Jimmy Buffett concerts in 2019. Many of these VIPs were related to development, hospitality, and lodging.

HOSPITALITY *Marketing*

[A NOTE FROM]

ELYSE CURTIS,
VICE PRESIDENT OF HOSPITALITY MARKETING

The past year was spent designing two brand-new lodging websites that are scheduled to launch June 2020 at MargaritavilleResorts.com and CompassHotel.com. This project represents a significant investment by the brand, but it's a necessary step as we expand our portfolio and seek to introduce new consumers and guests to our brand while we retain our strong direct booking contribution. We're excited at the additional opportunities now available to us, through the launch of this site, to support our partners in new ways. From leisure promotions, to group sales initiatives, there is much to look forward to in the months and years to come. ”



MARKETING *Support*

New Hospitality Websites

With the tremendous growth in the brand's lodging sector we needed to provide a more modern and user-friendly website presentation of our collection of partners. It was important not just in the interest of making it easy for our guests to book our properties, but also to leverage the power of the brand for the entire portfolio. Each one of our properties is represented in the new Resorts website and many have chosen to join us as fully invested and participating partners. The result is enhanced visibility for each location, with a consistent, newly elevated digital experience for our guests. We're bridging the gap and educating those familiar with our brand as to what Margaritaville means in the lodging space. On a less glamorous side, it also means more robust reporting and data to help us define our customer profiles and increase revenue across the board for all partners. While we already enjoyed above average percentage of direct bookings, that channel is expected to grow even further with this new web experience.

Group Sales & Weddings Support

In 2019 we formally introduced Margaritaville to the meetings industry when we made our debut at IMEX in Las Vegas. We also established committees with volunteers from our hospitality partners to work on group sales and weddings initiatives, with the goal of identifying more opportunities for the brand to support the hotels, resorts and restaurants. Our unique value proposition makes our venues ideal for groups to work hard and play hard.



CONFERENCES *Attended*

Conferences and Tradeshows are important for Margaritaville because it provides the opportunity to meet with a large number of hotel developers, management companies, brokerage firms, and related groups in one place over the course of several days. These meetings help Margaritaville build strong relationships and gain more exposure in the market, leading to new opportunities and in some cases, new Margaritaville hotels in the pipeline. Conferences and tradeshows have also proven to be a great opportunity to get the word out about Compass Hotels by Margaritaville and get developers focused on our new brand.

MARGARITAVILLE ATTENDED SIX MAJOR CONFERENCES IN 2019 AND HELD APPROXIMATELY 120 MEETINGS

Conferences Attended

- ALIS - American Lodging Investment Summit in Los Angeles
- Hunter Hotel Investment Conference in Atlanta
- AAHOA Annual Conference in San Diego
- NYU International Hospitality Investment Conference in New York City
- The Lodging Conference in Phoenix
- CHICOS Conference in Nassau, Bahamas



TRADE *Shows*

MARGARITAVILLE ATTENDED TWO MAJOR TRADE SHOWS IN 2019

Trade Shows Attended

- In 2019, we attended the NY Times Travel Show, which has attendance of over 35,000 professionals and consumers
- We also attended IMEX in Las Vegas, which is attended by over 14,000 travel professionals. Many of our properties provided on-site support as well



TECHNOLOGY *Updates*

DELIVERING FUN & ESCAPISM THROUGH TECHNOLOGY

[A NOTE FROM]

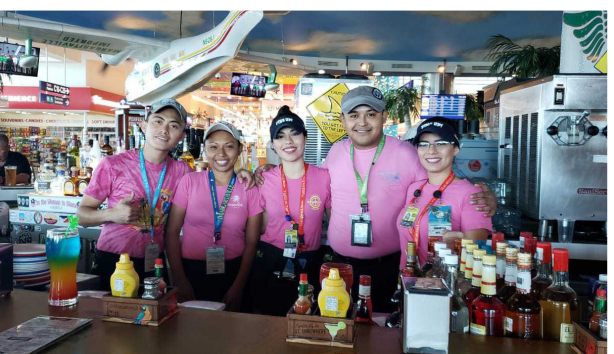
CLAUDIA INFANTE,
VICE PRESIDENT OF REVENUE STRATEGY

“*Margaritaville* is committed to working with industry leaders that strengthen and enhance the tech and connectivity capabilities for all our Hotels & Resorts. We strive to identify solutions that meet our primary requirements: user friendly platforms, scalable solutions, seamless connectivity, industry leading best practices, low cost of entry and Software as a Service (SaaS) models, and global support. The solutions we have put forward are Best in Class on the market, and we are proud to bring them along to our partners as part of the Margaritaville experience delivery system.”



INITIATIVES - TECH STACK *Systems Overview*

Brand Mandated Systems	Brand Recommended Systems	Open Selection Systems
Loyalty Program	Property Management System	Phone/PBX Voicemail
Content Management	Wi-Fi, Infrastructure, Network and PCs	Energy Management
Central Reservations	Revenue Management	Call Accounting
CRM	Point of Sale	Housekeeping
Mobile App	Sales & Catering	Back Office
Video Distribution	Door Locks	Table Seating
Music Distribution	Interactive TV	Digital Signage
Lighting	Quality Management	Workforce Management
	Spa/Golf	Payroll
		Applicant Tracking
		HRIS
		Inventory
		Mini Bar



THE MARGARITAVILLE FAMILY

+ 100+ PARTNERS

+ 7,000+ TEAM MEMBERS



THE Margaritaville EXPERIENCE

Guests from all over the world visit our restaurants, resorts, and hotels every day searching for their Margaritaville Experience. Our team members and partners create and deliver fun and escapism with every interaction and represent the Margaritaville Lifestyle pursued by millions.



ATMOSPHERE & Entertainment

[A NOTE FROM]

JOE GINEL,
DIRECTOR OF ATMOSPHERE AND ENTERTAINMENT

“*Live Life like a Song* and that’s the experience we deliver to every guest, every time. Margaritaville is committed to quality consistency and being the industry leader as an authentic music centric brand. In 2019 we strategically focused on enhancing the Margaritaville music DNA creating a fun, upbeat regional specific soundtrack with the ability to stream live Jimmy Buffett concerts taking place anywhere around the world. We’ve partnered with industry leaders and have streamlined systems allowing for our partners to benefit from user friendly controls, superior technology at partnership discounts. Although we’re a collection of destinations, our one of a kind casual yet sophisticated atmospheres are designed to deliver fun and escapism that can only be experienced at Margaritaville. We are pleased to bring these programs to all our licensees and partners. 🎵”



MUSIC & Design

“A Collection of Destinations” --- Since 1977, Jimmy Buffett and the Margaritaville brand have been synonymous with escapism, laid-back leisure and fun. We have taken our music-centric lifestyle worldwide. The Margaritaville Entertainment and Atmosphere “vibe” is designed and created to be unique to each region.



REPUTATION & *Quality Assurance*

4 MARGARITAVILLE HOTELS ARE TOP 5 IN MARKET ON TRIPADVISOR

#1 GATLINBURG, #1 COSTA RICA

#2 PENSACOLA

#3 ISLAND INN PIGEON FORGE

Overall Ratings

SATISFACTION **88/100** | SERVICE/FRIENDLINESS OF STAFF **91/100**

VALUE **84/100** | LIKELY TO RETURN **85/100**

PROPERTY DELIVERED FUN & ESCAPISM **87/100**

Shopper Reports

GUEST EXPERIENCE EVALUATIONS

PORTFOLIO AVERAGE FOR 2018 & 2019: **88/100**

TOP SCORES FROM SHOPPER REPORTS:

SERVICE/STAFF: **93/100** | BRAND INTEGRITY: **92/100** | PUBLIC AREAS: **91/100**

Survey Questions

DURING THIS VISIT, DID WE MEET OUR GOAL OF CREATING AND DELIVERING FUN AND ESCAPISM? **88% YES**

YOU WOULD RECOMMEND THIS HOTEL TO FRIENDS AND COLLEAGUES BASED ON THIS EXPERIENCE. **85% YES**

BASED ON THIS VISIT, WOULD YOU SEEK OUT ANOTHER MARGARITAVILLE PROPERTY FOR A FUTURE VISIT? **91% YES**

MARGARITAVILLE *Perks*

Margaritaville Perks is a departure from the everyday loyalty program. No points, no levels, no waiting for qualification. Just simple, immediate benefits, value-adds, and perks to make our guests' experience more memorable, personal, and rewarding.



Brand Focus



Deliver consistent Margaritaville Experience



Incentivize current & future guests



Increase spend with personalized perks for loyal guests



Collect data to optimize reporting & marketing efforts



Technology Fundamentals



A.I. powered insight to personalize marketing content



Comprehensive technology platform that is user friendly, intuitive & integrated

Connected to data sources to enrich guest profiles & drive strategic decisions



Low cost of entry and ongoing subscription based platform



Margaritaville Perks is an A.I. driven initiative with one free membership level and no tiers. The program offers unique Margaritaville branded "Perks" and experiences that evolve and improve over time; and get more personalized with every guest interaction or purchase. For our "Perks" members, this program goes beyond the typical expectations of the everyday, boring loyalty programs and brings relevant perks, content and offers to their inbox and Margaritaville getaways.

SUPPORT



Guest/Member support via Loyalty Partner



Training for Team Members and strategies to improve results

CULTURE *Team Members*

FINS *Philosophy*

CORE PURPOSE

*Create and Deliver
Fun and Escapism*

VALUES

- EVERY GUEST, EVERY TIME
- FOSTER A SHARED RESPONSIBILITY FOR THE WELL-BEING OF OUR STAFF, GUESTS AND COMMUNITY
- ACT WITH INTEGRITY AND RESPECT



“It’s my job to be better than the best”

THE STEPS TO CREATING AND DELIVERING
the Margaritaville Experience
ARE IN OUR FINS PHILOSOPHY:

FUN AT WORK
INVOLVE THE GUEST
NAVIGATE THE NOW
STATE OF MIND

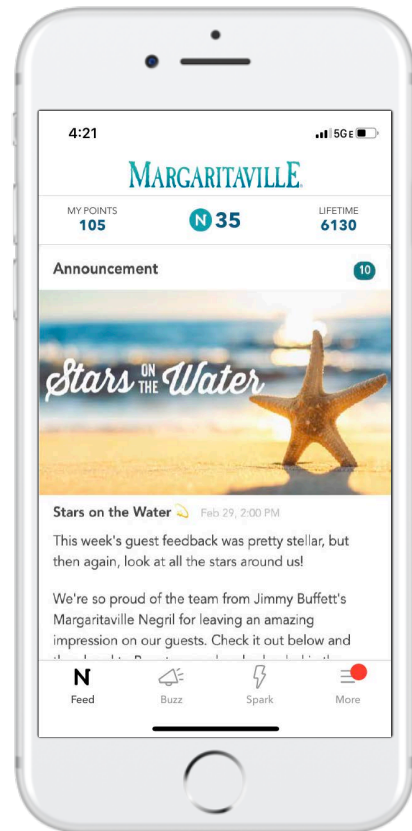


NUDGE Rewards

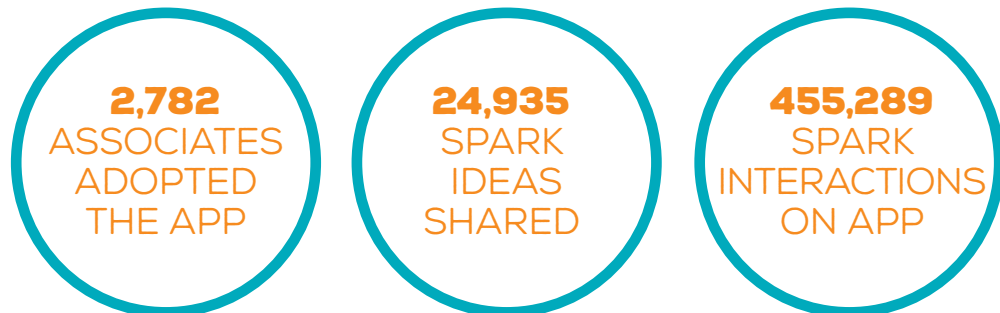


MARGARITAVILLE
Culture
N STAFF RECOGNITION
BRAND COMMUNICATION
TEAM Connection

89%
 TEAM MEMBER
SATISFACTION
 RATE



2019 METRICS



MSAT Scores

- 86%** ENGAGEMENT SCORE ACROSS ALL LOCATIONS
- 87%** MY MANAGER, OR SOMEONE AT WORK, SEEMS TO CARE ABOUT ME AS A PERSON
- 92%** I AM PROUD TO WORK FOR OUR COMPANY
- 80%** I FEEL PART OF A TEAM WORKING TOWARD A SHARED GOAL
- 88%** OUR COMPANY IS A FUN PLACE TO WORK
- 83%** I HAVE THE MATERIALS AND SUPPLIES NECESSARY TO DO MY JOB WELL
- 81%** AT OUR COMPANY, WE LIVE OUR VALUES EVERY DAY
- 93%** I KNOW WHAT IS EXPECTED OF ME AT WORK
- 81%** I HAVE RECEIVED RECOGNITION OR PRAISE FOR DOING GOOD WORK
- 90%** I LOVE MY JOB

MARGARITAVILLE SURPASSES Best-In-Class Customer

NUDGE CHEERS MARGARITAVILLE¹¹

- SPIRIT - 3,144
- SUPERSTAR - 2,964
- ABOVE & BEYOND - 1,967
- TEAMWORK - 2,775
- LEADER - 1,666
- MENTOR - 1,009

NUDGE CHEERS BENCHMARK¹¹

- SPIRIT - 484
- SUPERSTAR - 705
- ABOVE & BEYOND - 443
- TEAMWORK - 780
- LEADER - 351
- MENTOR - 152

TEAM MEMBER Perks

- 142** Life's Good On Our Boat Exclusive Rewards
- 51** Gift Cards
- 14** Hotel Stays
- 7** Frozen Concoction Makers
- 5** Beach Cruisers
- 2** Sets of Cornhole Boards
- 10** Speakers, Air Pods, and Backpacks

Plus Exclusive Team Member Discounts for various online stores/hotels & resorts

Over 7K¹² Margaritaville Team Members

are experts at creating and delivering fun and escapism to our guests. They have fun at work and love their jobs. Guests visit Margaritaville to get away from it all. The combination of attentive service that exceeds expectations, fun and relaxing atmosphere, fantastic food and drinks, and engaging entertainment creates memorable experiences that keep guests coming back time and time again.



EACH TEAM MEMBER RECEIVED THIS CHEESEBURGER IN PARADISE PIN FOR COMPLETING THE SURVEY.

¹² These numbers are reflective of the participating Hotels/Resorts, Restaurants, and Home Office Employees.

¹¹ From April 1, 2019 - December 31, 2019

TEAM MEMBER 25 Year Milestone

[A QUOTE FROM]

BRET BROWN,
DIRECTOR OF INTERNATIONAL OPERATIONS

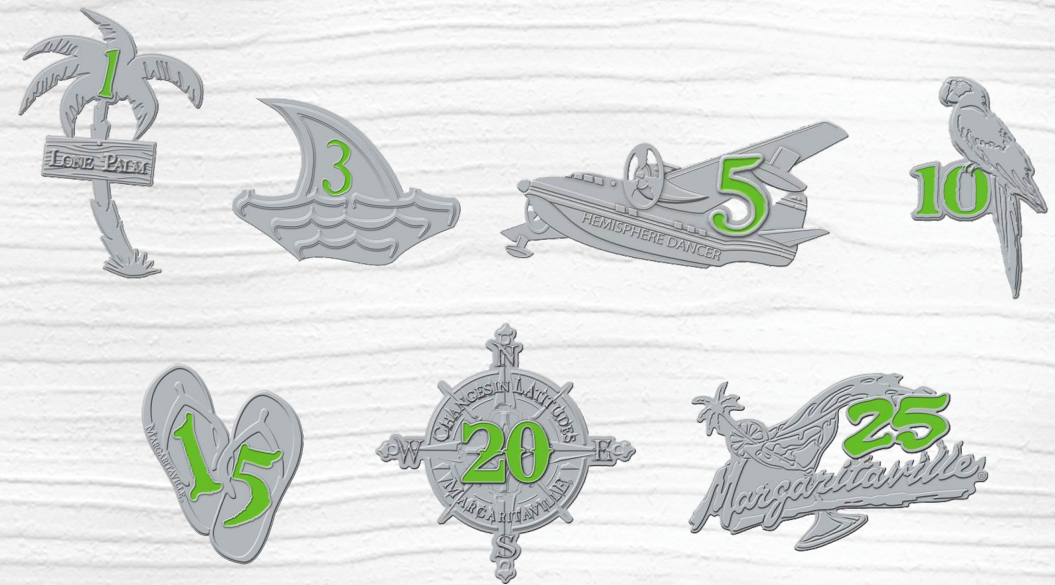
“*Witnessing* Margaritaville grow from a tiny two venue Key West/New Orleans mom & pop operation to the international Lifestyle Brand it has become has been a non-stop adventure of a lifetime. Visionary leaders, inspiring colleagues and an unparalleled culture built on a foundation of authenticity. May the sun never set on the Margaritaville empire... 🍹”



BRET CELEBRATED HIS 25 YEAR ANNIVERSARY WITH MARGARITAVILLE IN 2019.

TEAM MEMBER Anniversaries

MILESTONE ANNIVERSARY PINS
GIVEN TO STAFF MEMBERS BASED ON YEARS OF SERVICE



2019 Anniversaries Celebrated¹³

25 YEARS: 1	10 YEARS: 60
20 YEARS: 20	5 YEARS: 349
15 YEARS: 54	3 YEARS: 667
1 YEAR: 1575	

¹³ These numbers are reflective of the participating Hotels/Resorts, Restaurants, and Home Office Employees.

COMPANY *Culture*

COMMUNITY INVOLVEMENT: SUSTAINABILITY & IMPACT

[A NOTE FROM]

BRAD SCHWAEBLE,
CHIEF OPERATING OFFICER

“Foster a shared responsibility for the well-being of our staff, guests and community’ continues to guide us in our efforts in developing brand standard programs. With the emphasis on ‘community’ Margaritaville is evaluating ways we can adopt and/or create programs and products for our hotels & resorts that are eco-friendly and sustainable.”



HOW WE *Give Back*

CLEAN THE WORLD

Hygiene-related illnesses are among the top two causes of childhood mortality, worldwide. By collecting and recycling soaps and bottled amenities from the Hospitality industry, Clean the World is able to distribute hygiene kits to impoverished nations across the globe. This in turn helps prevent millions of hygiene-related illnesses and deaths every year.

Margaritaville and Clean the World’s relationship officially kicked off in 2019. Working in conjunction with our amenity supplier, Margaritaville lodging locations are automatically enrolled in this program when they order soaps, shampoo and conditioner through an embedded cost that funds the logistics of the program.



Three Margaritaville Resorts began working with Clean the World before the Brand Standard was implemented and their 2019 Year End Impact resulted in:

- **6,892 total pounds of Landfill Waste Diversion**
- **1,710 lbs of Plastic Recycled**
- **24,597 bars of soap were sent to children and families in need**

LATITUDE MARGARITAVILLE INVOLVEMENT

- **Breast Cancer Awareness:** BINGO Event, Community Collection, Real Men Wear Pink Dinner & Silent Auction - Collected \$12,000 for the American Cancer Society - over 60 residents came out to support the Walk that day.
- **Toys for Tots Drive:** donated over 7 full boxes of toys and 4 bicycles



HOW WE Give Back

GIVE KIDS THE WORLD

The highlight of the 2019 Margaritaville General Manager Conference & Retreat was visiting Give Kids the World Village in Kissimmee, FL. Our Hotel & Resort General Managers, Partners, and Home Office & Executive Team were immersed in the escapism the Village delivers for children with life threatening illnesses and their families. From touring the village to painting fences, the Margaritaville team gave their sweat, tears and commitment to a long relationship with the Village.



SUMMERTIME TO GIVE

2019 saw our 2nd annual collection for Summertime to Give! Serving a way to fill the gap in seasonal giving by providing children and teens with new summer clothes, toys, sunscreen, sports equipment, and more! The 2019 recipients were the Boys and Girls Club of Central Florida impacting over 300 lives!

- Over 1,400 donations were collected
- \$3,225 in gift cards were donated



2019 Award Winning



#4 BEST AIRPORT LOCAL / REGIONAL DINING

Air Margaritaville Fort Lauderdale



CARIBBEAN'S LEADING ENTERTAINMENT DESTINATION

Margaritaville Jamaica



BEST HOTEL

Margaritaville Beach Hotel Pensacola



#4 BEST FAMILY RESORTS IN THE U.S.

Margaritaville Hollywood Beach Resort



#2 BEST HOTEL

Margaritaville Island Hotel Pigeon Forge



#15 TOP 50 BEST CASINOS IN AMERICA

Margaritaville Resort Casino Bossier City



22 MARGARITAVILLE LOCATIONS WON THE TRIPADVISOR CERTIFICATE OF EXCELLENCE IN 2019

2020 UPCOMING *Locations*



Currently Open
Hotel, Resort or
Restaurant open



On The Horizon
Hotel, Resort or
Restaurant opening in 2020

9 NEW PORTS OF PARADISE WILL
BE ADDED TO OUR COLLECTION

AS WE CONTINUE INTO UNKNOWN WATERS DURING 2020, LET'S REMEMBER...

“ I HAVE ALWAYS
LOOKED AT *life*
AS A
VOYAGE,
MOSTLY
wonderful
SOMETIMES
frightening.

IN MY FAMILY AND FRIENDS
I HAVE DISCOVERED

treasure
MORE VALUABLE THAN
gold.

— Jimmy Buffett



MARGARITAVILLE®

Life's good on our boat.