

ENDEAVOUR HOLDINGS LIMITED

Chairman's Report

I am pleased to report on the financial performance of Endeavour Holdings Limited (EHL) for the third quarter ended January 31, 2021.

The business environment in the country continues to be impacted by the Covid 19 Pandemic, although from June 1, 2020 there was a phased resumption of business activities. Various restrictions and guidelines remained in effect on the operations and opening hours on certain types of businesses especially with respect to In-house dining, bars, cinemas and casinos.

After tax profits decreased by \$6.4M (24%) from \$26.5M at January 31, 2020 compared to \$ 20.1M at January 2021.

This was primarily due to a decrease in revenue by \$17.2M (25%) from \$69.0M at January 2020 to \$51.8M at January 2021 which was due to extended concessions granted mainly to the tenants in Price Plaza Mall due to the Covid 19 Pandemic.

Rental expenses decreased by \$2.6M (14%) from \$18.0M at January 2020 to \$15.4M at January 2021 due to continued cost reduction exercises carried out to alleviate the effects of reduced income.

The reduction in taxes of \$6.6M (93%) from \$7.1M at January 2020 to \$0.5M at January 2021 was due to the application of a zero (0%) corporation tax rate now available to listed SMEs on the Trinidad & Tobago Stock Exchange (TTSE).

Non-current assets decreased by \$ 26.1M from \$864.6M at January 2020 to \$838.5M at January 2021 due to investment properties revaluations made at financial year end April 2020.

Current assets increased by \$7.0M from \$62.0M at January 2020 to \$69.0 at January 2021 primarily due to increase in cash balances due to the deferral of the principal payment on the October 2020 bond instalment.

Non-current liabilities have fallen from \$305M at January 2020 to \$294M at January 2021 due to debt principal payment for the March 2020 instalment with the October 2020 principal payment being deferred as a result of the Covid 19 Pandemic impact on the cash flows. It should be noted that the accrued interest was paid in full.

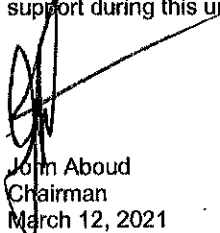
In December 2020, the company retained its CariCris ratings on the bond debt portfolio of CariA+ on the regional scale and IIA+ on the national scale.

Current liabilities fell by \$8.0M from \$56.5M at January 2020 to \$48.5M at January 2021 primarily due to the reduction in corporation tax liability due to the applicability of the 0 % rate for listed SMEs.

Since the start of the pandemic in March 2020, EHL management has been constantly working with our tenants to ensure that they survive and maintain their tenancies.

Additionally, measures are being pursued to return the revenue to pre Covid 19 Pandemic levels.

The company is now confident that with the availability of vaccines in the coming months, the country will return to an improved business environment and normalcy. Management would like to thank our stakeholders for their continued support during this unprecedented and very challenging time.



John Aboud
Chairman
March 12, 2021

Endeavour Holdings Limited
Statement of Financial Position
(Expressed in Trinidad and Tobago Dollars)

	UNAUDITED As At 31st January 2021 \$	UNAUDITED As At 31st January 2020 \$	AUDITED As At 30th April 2020 \$
Assets			
Non-Current Assets			
Investment Properties	837,600,000	863,800,000	837,600,000
Property, plant and equipment	932,707	843,684	801,171
	<u>838,532,707</u>	<u>864,643,684</u>	<u>838,401,171</u>
Current Assets			
Trade and other receivables	16,300,732	18,664,960	17,450,997
Cash and cash equivalents	<u>52,714,785</u>	<u>43,242,251</u>	<u>31,530,019</u>
	<u>69,015,517</u>	<u>61,907,211</u>	<u>48,981,016</u>
Total Assets	<u>907,548,224</u>	<u>926,550,895</u>	<u>887,382,187</u>
Equity and Liabilities			
<i>Equity attributable to equity holders of the company</i>			
Share capital	43,058,438	43,058,438	43,058,438
Maintenance reserve fund	4,595,990	4,218,812	4,313,107
Retained earnings	<u>517,423,924</u>	<u>517,361,470</u>	<u>497,313,823</u>
Total Equity	<u>565,078,352</u>	<u>564,638,720</u>	<u>544,685,368</u>
Non-Current Liabilities			
Deferred income tax liability	51,802,905	49,470,168	50,100,637
Borrowings	<u>242,146,442</u>	<u>255,914,582</u>	<u>241,803,973</u>
	<u>293,949,347</u>	<u>305,384,750</u>	<u>291,904,610</u>
Current Liabilities			
Due to related parties	436,148	915,073	840,079
Borrowings	28,461,538	28,461,538	28,461,538
Trade and other payables	19,501,230	20,712,253	15,422,603
Taxation payable	<u>121,609</u>	<u>6,438,561</u>	<u>6,067,989</u>
	<u>48,520,525</u>	<u>56,527,425</u>	<u>50,792,209</u>
Total Equity and Liabilities	<u>907,548,224</u>	<u>926,550,895</u>	<u>887,382,187</u>

Director

Date: March 12, 2021

Director

Endeavour Holdings Limited
Statement of Comprehensive Income
(Expressed in Trinidad and Tobago Dollars)

	UNAUDITED 9 Months Ended 31st January 2021 \$	UNAUDITED 9 Months Ended 31st January 2020 \$	AUDITED Year Ended 30th April 2020 \$
Revenue from contracts with customers	51,844,590	69,081,572	88,417,695
Rental Expenses	(15,386,999)	(17,919,731)	(22,638,524)
Net Rental Income	36,457,591	51,161,841	65,779,171
Other Income			
Fair value adjustment on investment property	-	-	(26,200,000)
Other income	346,425	228,071	281,660
	346,425	228,071	(25,918,340)
Expenses			
Administrative	(1,183,189)	(1,491,676)	(2,111,095)
Operating	(849,720)	(949,579)	(3,486,147)
	(2,032,909)	(2,441,255)	(5,597,242)
Operating Profit	34,771,107	48,948,657	34,263,589
Finance costs	(12,489,571)	(13,473,516)	(17,742,786)
Profit before income tax	22,281,536	35,475,141	16,520,803
Taxation			
Current	(469,167)	(7,099,064)	(7,561,904)
Deferred taxation	(1,702,268)	(1,891,409)	(2,521,878)
	(2,171,435)	(8,990,473)	(10,083,782)
Profit for the period	20,110,101	26,484,668	6,437,021
Other comprehensive income	-	-	-
Total comprehensive income	20,110,101	26,484,668	6,437,021
Earnings per share			
Basic earnings per share Including fair value adjustment on investment properties	\$ 0.61	\$ 0.81	\$ 0.20
Basic earnings per share excluding fair value adjustment on investment properties	\$ 0.61	\$ 0.81	\$ 0.99

Endeavour Holdings Limited
Statement of Changes in Equity
(Expressed in Trinidad and Tobago Dollars)

	Share Capital \$	Maintenance Reserves \$	Retained Earnings \$	Total Equity \$
Period ended 31st January 2020				
Balance At 1st May 2019	32,003,200	3,935,929	494,823,316	530,762,445
Total comprehensive Income for the period				
Profit for the period	-	-	26,484,668	26,484,668
Transfer to maintenance reserve	-	282,883	-	282,883
Transactions with owners in their capacity as owners				
Issue of shares	11,055,238			11,055,238
Dividends for the period	-	-	(3,946,514)	(3,946,514)
Other comprehensive income for the period	-	-	-	-
Balance At 31st January 2020	<u>43,058,438</u>	<u>4,218,812</u>	<u>517,361,470</u>	<u>564,638,720</u>
Year ended 30th April 2020				
Balance At 1st May 2019	32,003,200	3,935,929	494,823,316	530,762,445
Total comprehensive Income for the year				
Profit for the year	-	-	6,437,021	6,437,021
Transfer to maintenance reserve	-	377,178	-	377,178
Transactions with owners in their capacity as owners				
Issue of shares	11,055,238			11,055,238
Dividends for the period	-	-	(3,946,514)	(3,946,514)
Other comprehensive income for the period	-	-	-	-
Balance At 30th April 2020	<u>43,058,438</u>	<u>4,313,107</u>	<u>497,313,823</u>	<u>544,685,368</u>
Period ended 31st January 2021				
Balance At 1st May 2020	43,058,438	4,313,107	497,313,823	544,685,368
Total comprehensive Income for the period				
Profit for the period	-	-	20,110,101	20,110,101
Transfer to maintenance reserve	-	282,883	-	282,883
Transactions with owners in their capacity as owners				
Issue of shares	-	-	-	-
Dividends for the period	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Balance At 31st January 2021	<u>43,058,438</u>	<u>4,595,990</u>	<u>517,423,924</u>	<u>565,078,352</u>

Endeavour Holdings Limited
Cashflow Statement
(Expressed in Trinidad and Tobago Dollars)

	UNAUDITED 9 Months Ended 31 January 2021 \$	UNAUDITED 9 Months Ended 31 January 2020 \$	AUDITED YEAR ENDED 30th April 2020 \$
Cash flows from operating activities			
Profit before income tax	22,281,536	35,475,141	16,520,803
Adjustments for:			
Fair value adjustment on investment properties	-	-	26,200,000
Finance costs	12,489,571	13,473,516	17,742,786
Depreciation	159,833	466,412	508,925
Operating profit before working capital changes	34,930,940	49,415,069	60,972,514
Decrease in trade and other receivables	1,419,584	591,176	1,805,139
Increase in trade and other payables	13,991	1,071,977	35,917
Decrease in due from related party	-	9,685	9,685
(Decrease)/ increase in due to related party	(403,931)	220,805	145,811
Net cash generated from operations	35,960,584	51,308,712	62,969,066
Interest paid	(8,082,462)	(8,920,800)	(17,323,502)
Tax paid	(6,684,868)	(7,629,160)	(8,462,570)
Net cash inflow from operating activities	21,193,254	34,758,752	37,182,994
Cashflow from investing activities			
Purchase of property, plant and equipment	(291,371)	(654,140)	(654,140)
Cashflow from financing activities			
Proceeds from issue of shares	-	11,055,238	11,055,238
Repayment of borrowings	-	(14,230,767)	(28,461,536)
Transfer to maintenance reserve fund	282,883	282,883	377,178
Dividend paid	-	(3,946,514)	(3,946,514)
Cash provided by financing activities	282,883	(6,839,160)	(20,975,634)
Increase in cash and cash equivalents	21,184,766	27,265,452	15,553,220
Cash and cash equivalents at beginning of the period	31,530,019	15,976,799	15,976,799
Cash and cash equivalents at end of the period	52,714,785	43,242,251	31,530,019

Endeavour Holdings Limited

Notes to the summary financial statements for the nine months ended 31st January 2021

The accompanying notes are an integral part of these financial statements.

1) Basis of Accounting

These summary financial statements have been prepared by Management in accordance with International Financial Reporting Standards.

2) Significant Accounting Policies

The principal accounting policies used in the preparation of these summary financial statements are consistent with those used in the preparation and disclosed in the audited financial statements for the year ended 30th April, 2020.