

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.

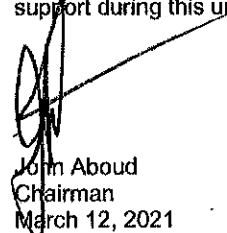
In December 2020, the company retained its CariCris ratings on the bond debt portfolio of CariA+ on the regional scale and tA+ on the national scale.

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