

**ENDEAVOUR HOLDINGS LIMITED**  
**Chairman's Report**

I am pleased to report on the financial performance of Endeavour Holdings Limited (EHL) for the half year ended 31 October 2021.

During the period Trinidad & Tobago was hit by the second wave of Covid-19 infections resulting in another lockdown of non-essential services along with a state of emergency restricting night-time movements between the hours of 9 p.m. to 5 a.m. This continues to impact the financial performance of the Company.

Profit after tax decreased from \$12.0M in October 2020 to \$10.9M in October 2021 primarily as a result of reduced net rental income from \$24.3M in 2020 to \$21.0M in 2021. Substantial discounts were granted in both periods as the country was on lockdown \$9.2M (2020) and \$8.8M (2021). The loss of a major tenant at Price Plaza in October 2020 also affected the revenue from contracts with customers.

Rental expenses have been adjusted to include rental discounts that are also included in revenue. Continued efforts to reduce costs, coupled with lower rental discounts in 2021 have resulted in a small reduction in rental expenses.

Administrative expenses have increased marginally in 2021 whilst Operating expenses have decreased by \$1.0M due to lower provisions for bad debts as at October 2021.

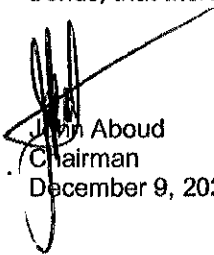
The Company's corporation tax rate is now 0% due to amendments under the Finance Act 2020 for listed SMEs, as a result, current taxation is \$358K in 2021 as compared with \$1.04M in 2020.

Non-current assets decreased by \$26.0M mainly due to the write-down of investment properties (\$26.4M) at year-end April 2021.

The decrease of \$7.3M in Current assets consisted of decreases in receivables of \$1.1M and \$6.4M in cash due to payment of the bond installment.

There was a decrease of \$11.4M in Current liabilities primarily due to the reversal of property tax accruals of \$8.0M and reduced in taxation payable of \$2.9M because of the new 0% percent tax rate for SMEs.

The on-going pandemic continues in ebbs and flows and has negatively impacted the continuity of local business. However, the current trend of actions taken by the Government suggests that the remaining closed sectors of the economy may be re-opened in the coming months. A full re-opening of the local economy will enable our tenants to resume their normal operations and Management therefore remains optimistic, based on the current trends, that there is indeed a light at the end of the tunnel.



John Aboud  
Chairman  
December 9, 2021