

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, 2022.

During this quarter there was lifting and relaxation of some of the Covid 19 restrictions on business operations especially with respect to the restaurants, bars and casinos.

Profit after tax increased marginally by \$1.3M from \$20.1M in January 2021 to \$21.4M in January 2022.

Revenue from contracts with customers decreased by \$3.0M from \$62.9M as at January 2021 to \$59.9M as at January 2022. This was primarily due to the loss of a major tenant in October 2020 at Price Plaza.

Rental expenses decreased by \$2.5M from \$26.6M as at January 2021 to \$24.1M as at January 2022 primarily due to the reduction in the level of discounts of \$11.0M as at January 2021 to \$8.9M as at January 2022. These discounts were granted to Tenants in both periods due to the negative effects of the Covid 19 measures including lockdowns.

Operating and Administrative expenses have remained fairly consistent.

The Company's Corporation Tax rate, Business Levy and Green Fund Levy are now at a zero percent (0%) due to amendments under the Finance Act 2020 granted to listed SMEs.

The reduction in Investment Properties of \$26.4M as at January 2022 represents the fair value adjustment made in the April 2021 year-end financial statements.

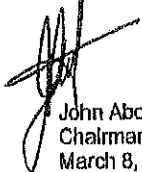
Trade and Other Receivables fell by \$4.2M from January 2021 primarily from the reversal of Property Tax receivables of \$6.8M which was partially offset by the increase in rents receivables.

Trade and Other Payables decreased by \$8.9M from January 2021 which was primarily due to the reversal of the Property Tax accrual of \$8.1M.

Borrowings fell by \$28.0M from January 2021 due to the principal repayments.

With the ongoing adjustments and gradual removal of the remaining Covid 19 restrictions and a downward trend in the severity of the infection cases, there are signs that the country is returning to some sense of normalcy.

We are therefore optimistic that business recovery is on the horizon.


John Aboud
Chairman
March 8, 2022