

## Chairman's Report

I am pleased to report on the financial performance of Endeavour Holdings Limited (EHL) for the quarter ended July 31, 2022.

Covid restrictions have been fully removed allowing businesses to recover from the previous 2 years' restrictions. EHL's financial performance in this quarter reflects this recovery.

On July 8, 2022, EHL completed the acquisition of 100% of the Issued shares of Massy Properties (Trinidad) Limited (MPTL) for \$45M which was financed by a temporary loan from a related party.

A long term bank loan is in the process of being finalised to replace this related party debt. The post-acquisition Statement of Comprehensive Income and Statement of Financial Position of MPTL have been consolidated into EHL books as at July 31, 2022 and is reported in our quarterly financial statements.

EHL's operational profit after tax increased by \$5.0M from \$3.9M in July 2021 to \$8.9M in July 2022. This is comparable to pre-Covid profits levels. A gain of \$44M was recognised on the acquisition on the Investment in MPTL. This resulted in increasing the Net Profit for the period to \$53M.

Revenue from contracts with customers increased marginally by \$200K from \$19.9M as at July 2021 to \$20.1M as at July 2022.

Rental expenses decreased by \$4.4M from \$10.0M as at July 2022 to \$5.7 as at July 2022 primarily due to the reduction in the level of discounts of \$5.4M as at July 2021 and \$646K in July 2022.

Administrative fees increased by \$915K from \$565K in July 2021 to \$1.48M in July 2022, because of increased management and legal fees. Operating expenses have decreased by \$944K from \$854K in July 2021 to negative \$90K in 2022, this resulted from the reversal of bad debt provisions.

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

The net profit for MPTL for July 2022 was \$443K.

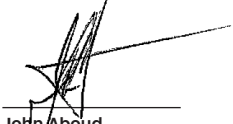
The increase in Investment Properties of \$12.2M as at July 2022 represents the fair value adjustment made in the April 2022 year-end financials. EHL's Statement of Financial Position for the period also includes its recent

investment in Massy Properties (Trinidad) Ltd. which is recorded at \$89M (representing the purchase price of \$45M paid by EHL for the 100% of the issued and outstanding shares of Massy Properties (Trinidad) Ltd. and the excess Net Book Value over the purchase price). The Net Book Value of MPTL is primarily two properties valued at \$90M.

Trade and Other Receivables fell by \$2.7M from July 2022 due to rigorous collections.

Trade and Other Payables decreased by \$940K from July 2021, primarily due to reduced mortgage interest payable.

Borrowings fell by \$28.0M resulting from principal repayments. As the above narration indicates, our valued tenants are stabilising and management expects that the acquisition of Massy Properties (Trinidad) Limited will have a positive impact on EHL's performance.

  
John Aboud  
Chairman  
September 14, 2022

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

	UNAUDITED Unconsolidated As At 31 July 2022	UNAUDITED Unconsolidated As At 31 July 2021	UNAUDITED Unconsolidated As At 31 July 2022	AUDITED Unconsolidated As At 30 April 2022
<b>Assets</b>				
<b>Non-Current Assets</b>				
Investment properties	823,400,000	811,200,000	913,400,000	823,400,000
Property, plant and equipment	1,706,376	830,764	2,927,123	1,795,296
Investment in subsidiary at equity	89,631,140	-	-	-
	914,737,516	812,030,764	916,327,123	825,195,296
<b>Current Assets</b>				
Trade and other receivables	11,687,302	14,364,212	13,074,294	14,119,297
Loan to related parties	1,395,263	-	1,395,263	-
Inventories	-	-	32,244	-
Taxation recoverable	470,914	167,986	470,914	470,914
Cash and cash equivalents	44,827,709	47,839,443	45,939,762	29,693,978
	58,381,188	62,371,641	60,912,477	44,284,189
<b>Total Assets</b>	973,118,704	874,402,405	977,239,600	869,479,485
<b>Equity and Liabilities</b>				
<b>Equity attributable to equity holders of the company</b>				
Share capital	43,058,438	43,058,438	43,058,438	43,058,438
Maintenance reserve fund	5,161,757	4,784,579	5,161,757	5,067,463
Retained earnings	585,231,959	505,573,270	585,231,959	531,633,209
<b>Total Equity</b>	633,452,154	553,416,287	633,452,154	579,759,110
<b>Non-Current Liabilities</b>				
Deferred income tax liability	54,872,661	52,881,007	57,007,386	54,413,048
Borrowings	89,317,973	228,122,080	89,317,973	89,241,168
	144,190,634	281,003,087	146,325,359	143,654,216
<b>Current Liabilities</b>				
Loan from related party	45,256,438	-	45,256,438	-
Due to related parties	911,048	444,222	911,048	227,542
Borrowings	139,230,769	28,461,538	139,230,769	139,230,769
Trade and other payables	10,077,661	11,017,411	12,058,925	6,098,966
Taxation payable	-	59,860	4,907	-
Bank overdraft	-	-	-	508,882
	195,475,916	39,983,031	197,462,087	146,066,159
<b>Total Equity and Liabilities</b>	973,118,704	874,402,405	977,239,600	869,479,485

Director  
Date: September 14, 2022.

Director

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

	Share Capital \$	Maintenance Reserves \$	Retained Earnings \$	Total Equity \$
<b>Period ended 31 July 2021</b>				
Balance At 1 May 2021	43,058,438	4,690,285	501,672,442	549,421,165
<b>Total comprehensive Income for the period</b>				
Profit for the period	-	-	3,900,828	3,900,828
Transfer to maintenance reserve	-	94,294	-	94,294
<b>Transactions with owners in their capacity as owners</b>				
Dividends for the period	-	-	-	-
Other comprehensive income for the period	-	-	-	-
<b>Balance At 31 July 2021</b>	43,058,438	4,784,579	505,573,270	553,416,287
<b>Year ended 30 April 2022</b>				
Balance At 1 May 2021	43,058,438	4,690,285	501,672,442	549,421,165
<b>Total comprehensive Income for the year</b>				
Profit for the year	-	-	43,115,815	43,115,815
Transfer to maintenance reserve	-	377,178	-	377,178
<b>Transactions with owners in their capacity as owners</b>				
Dividends for the period	-	-	(13,155,048)	(13,155,048)
Other comprehensive income for the period	-	-	-	-
<b>Balance At 30 April 2022</b>	43,058,438	5,067,463	531,633,209	579,759,110
<b>Period ended 31 July 2022</b>				
Balance At 1 May 2022	43,058,438	5,067,463	531,633,209	579,759,110
<b>Total comprehensive Income for the period</b>				
Profit for the period	-	-	53,598,750	53,598,750
Transfer to maintenance reserve	-	94,294	-	94,294
<b>Transactions with owners in their capacity as owners</b>				
Dividends for the period	-	-	-	-
Other comprehensive income for the period	-	-	-	-
<b>Balance At 31 July 2022</b>	43,058,438	5,161,757	585,231,959	633,452,154

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

	UNAUDITED Unconsolidated 3 Months Ended 31 July 2022	UNAUDITED Unconsolidated 3 Months Ended 31 July 2021	UNAUDITED Unconsolidated 3 Months Ended 31 July 2022	AUDITED Unconsolidated Year Ended 30 April 2022
<b>Revenue from contracts with customers</b>	20,163,453	19,926,780	20,981,187	78,788,311
<b>Rental Expenses</b>	(5,676,096)	(10,046,479)	(5,855,322)	(29,979,685)
<b>Net Rental Income</b>	14,487,357	9,880,301	15,125,865	48,808,626
<b>Other Income</b>				
Fair value adjustment on investment properties	-	-	-	12,200,000
Gain on acquisition of subsidiary - (Note 3 (b))	44,187,852	-	44,187,852	-
Other income	75,598	46,295	73,993	420,978
	44,263,450	46,295	44,261,845	12,620,978
<b>Expenses</b>				
Administrative	(1,477,090)	(565,706)	(1,477,090)	(2,010,344)
Operating	90,155	(854,440)	(98,553)	927,295
	(1,386,935)	(1,420,146)	(1,575,643)	(1,083,049)
<b>Operating Profit</b>	57,363,872	8,506,450	57,812,067	60,346,555
Finance costs	(3,748,798)	(3,915,365)	(3,748,798)	(15,188,019)
<b>Profit before income tax</b>	53,615,074	4,591,085	54,063,269	45,158,536
<b>Taxation</b>				
Current	-	(179,577)	(4,907)	-
Deferred taxation	(459,612)	(510,680)	(459,612)	(2,042,721)
	(459,612)	(690,257)	(464,519)	(2,042,721)
<b>Profit for the period</b>	53,155,462	3,900,828	53,598,750	43,115,815
<b>Profit from subsidiary for July 2022</b>	443,288	-	-	-
<b>Other comprehensive Income</b>	-	-	-	-
<b>Total comprehensive Income</b>	53,598,750	3,900,828	53,598,750	43,115,815
<b>Earnings per share</b>				
Basic earnings per share including fair value adjustment on investment properties and gain on acquisition of subsidiary	\$ 1.63	\$ 0.12	\$ 1.63	\$ 1.31
Basic earnings per share excluding fair value adjustment on investment properties and gain on acquisition of subsidiary	\$ 0.29	\$ 0.12	\$ 0.29	\$ 0.94

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

	UNAUDITED Unconsolidated 3 Months Ended 31 July 2022	UNAUDITED Unconsolidated 3 Months Ended 31 July 2021	UNAUDITED Unconsolidated 3 Months Ended 31 July 2022	AUDITED YEAR ENDED 30 April 2022
<b>Cash flows from operating activities</b>				
Profit before income tax	53,615,074	4,591,085	54,063,269	45,158,536
<b>Adjustments for:</b>				
Fair value adjustment on investment properties	-	-	-	(12,200,000)
Finance costs	3,748,798	3,915,365	3,748,798	15,188,019
Gain on acquisition of subsidiary	(44,187,852)	-	(44,187,852)	-
Loss on disposal of asset	-	3,805	-	-
Depreciation	88,920	42,445	121,096	442,750
<b>Operating profit before working capital changes</b>	13,264,940	8,548,895	13,749,116	48,589,305
<b>Decrease in inventories</b>	-	-	-	12,378
<b>Increase/(decrease) in trade and other receivables</b>	2,431,895	(1,413,850)	1,411,953	(1,188,935)
<b>Increase/(decrease) in trade and other payables</b>	232,705	179,835	793,503	(770,212)
<b>(increase) in loan to related party</b>	(1,395,263)	-	(1,395,263)	-
<b>Increase/(decrease) in due to related party</b>	683,506	4,251	683,506	(212,429)
<b>Net cash generated from operations</b>	15,217,883	7,319,131	15,255,193	46,437,729
<b>Interest paid</b>	(2,807)	(3,212)	(2,807)	(14,894,412)
<b>Tax paid</b>	-	(288,330)	-	(451,538)
<b>Net cash inflow from operating activities</b>	15,215,076	7,047,589	15,252,386	31,091,779
<b>Cashflow from investing activities</b>				
Purchase of property, plant and equipment	-	-	-	(1,364,838)
Purchase of subsidiary	(45,000,000)	-	(45,000,000)	-
<b>Cash used in investing activities</b>	(45,000,000)	-	(45,000,000)	(1,364,838)
<b>Cashflow from financing activities</b>				
Repayment of borrowings	78,805	-	78,805	(28,461,537)
Long term loans received	45,256,438	-	45,256,438	-
Transfer to maintenance reserve fund	94,294	94,294	94,294	377,178
Dividend paid	-	-	-	(13,155,048)
<b>Cash provided by financing activities</b>	45,427,537	94,294	45,427,537	(41,239,407)
<b>Increase in cash and cash equivalents</b>	15,642,613	7,141,883	15,679,923	(11,512,464)
<b>Cash and cash equivalents at beginning of the period</b>	29,185,086	40,697,500	30,259,839	40,697,500
<b>Cash and cash equivalents at end of the period</b>	44,827,709	47,839,443	45,939,762	29,185,096

### Endeavour Holdings Limited

#### Notes to the summary financial statements for the three months ended 31 July, 2022

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 financial statements are consistent with those used in the preparation and disclosed in the audited financial statements for the year ended 30 April, 2022.

#### 3) Acquisition of Subsidiary

(a) This represents the acquisition costs of 100% of the Issued shares of Massy Properties (Trinidad) Limited (MPTL) on 8 July, 2022 for \$45M and the excess of the Fair Value of the Net Assets over the acquisition price (as shown below), in accordance with IRFS 3 Business Combinations.

Recognised amount of MPTL's Identifiable Net Assets at Fair Values as at 8 July, 2022.

Investment properties	\$ 90,000,000.00
Plant and equipment	\$ 1,256,730.00
Trade & other receivables	\$ 366,949.00
Inventories	\$ 44,621.00
Cash and cash equivalents	\$ 1,074,743.00
Trade & other payables	\$ (1,420,466.00)
Deferred Tax	\$ (2,134,725.00)
<b>NET FAIR VALUE :</b>	<b>\$ 89,187,852.00</b>

MPTL has been consolidated in these financial statements at 31 July, 2022.

(b) This represents the excess of the Net Book Value over the purchase price of the investment in MPTL.

#### 4) Loan from Related Party

This temporary loan in the sum of \$45M was granted by a related party to facilitate the purchase of the subsidiary (MPTL) and will be taken over by a financial institution in the near future.