



Directors' Report

2021

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ENDO BREEZE





Directors' Report

The attached consolidated statement of comprehensive income has been extracted from Endo Ventures Ltd consolidated audited financial statements for the year ending 31 December 2021 and for its comparative period in 2020, and has been approved by the Board of Directors of Endo Ventures Ltd on 28 April 2022. These financial statements were audited by Grant Thornton, who have been confirmed as auditors of Endo Group of Companies for another year.

Principal Activities

Endo Ventures Ltd (the 'Company') was incorporated on 11 June 2018 under the terms of the Companies Act (Cap. 386 of the laws of Malta). The Company was formed principally to serve as the ultimate holding company of the Endo Group of Companies.

The Endo Group consists of Endo Ventures Ltd (C 86730) as the parent company, and its direct and indirect subsidiaries, including:

Endo Finance plc (C 89481), the issuer of €13.5 million 4.5% Unsecured Bonds 2029;

The Guarantors, namely International Fender Providers Ltd (C 69877), providing ship-to-ship and mooring master services in Malta, Augusta and Cyprus; and Endo Properties Ltd (C 13033), owning a number of properties in Malta which are currently valued at € 10.2 million; and

Endo Tankers Ltd (C 88663) and its sub-group consisting of Intership Management Ltd (C 74524), Endo One Maritime Ltd (C 88665), Endo Two Maritime Ltd (C 88666), Endo Three Maritime Ltd (C 88674), Endo Sirocco Maritime Ltd (a company incorporated in Cyprus with registration number HE 419463), Endo Headwind Maritime Ltd (C 93341), and Endo Tailwind Maritime Ltd (C 93340).



cont.

Principal Activities

During the year under review the Group commenced the cross-border merger by absorption of IFP International Fender Providers Ltd (a company registered under the laws of Cyprus with company registration number HE 348221) with its holding company, International Fender Providers Ltd (C 69877), with effective accounting date of 01 January 2021. On amalgamation, IFP International Fender Providers Ltd ceased to exist without being wound up and its assets, obligations and liabilities were delivered to International Fender Providers Ltd.

The objective of the Endo Group of Companies is to acquire, finance, manage and charter commercial vessels, in addition to providing ship-to-ship and mooring master services.

Endo Tankers Ltd, through its subsidiary companies, has a fleet of 3 vessels consisting of MT Mumtaz (acquired on 31 October 2018) owned by Endo One Maritime Ltd, MT Endo Breeze (acquired on 22 May 2019) owned by Endo Two Maritime Ltd, and MT Endo Sirocco (acquired on 09 September 2020) owned by Endo Sirocco Maritime Ltd. Through its subsidiary, Intership Management Ltd, it provides ship management services to 2 of its 3 vessels, namely MT Mumtaz and MT Endo Sirocco.

Performance Review

The Endo Group of Companies generated revenue of €10,905,34 during 2021, an increase of 11% when compared to the revenue in 2020 of €9,820,180. This increase is mainly attributable to an increase of 33% in revenue from chartering of vessels, mainly due to the additional revenue generated from vessel MT Endo Sirocco operating for a full year in 2021, compared to 2020 during which it only started operating from end of October 2020.

Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to €3,425,683 in 2021 (2020: EBITDA of €3,003,809). Operating profit of the Endo Group of Companies in 2021 amounted to €1,780,435 (2020: €1,697,940), an increase of 5% from previous year. The Group's profit before taxation for the year amounted to €1,046,135, an increase of 10% from previous year's profit before tax of €946,804. Total comprehensive income for the year amounts to €1,284,836 compared to €451,852 in 2020. This considerable improvement is mainly due to a favourable movement in foreign currency translation reserve.

During the year under review, vessel MT Endo Breeze underwent its scheduled intermediary drydocking, amounting to around \$900,000. During the same drydocking period, a new ballast water treatment system was installed on the vessel, with an additional investment of \$1 million which will be depreciated over the remaining useful life of the vessel, in addition to other vessel improvements costing approximately \$200,000. These were all funded from cash flows generated by Endo Group.

The total equity of the Endo Group of Companies as at year-end amounted to €12,550,636 (2020: €11,565,800), reflecting an increase in retained earnings of €658,883, and an increase in translation reserve of €325,953, as compared to prior year. The increase in translation reserve is the result of unrealised foreign exchange adjustments.

The Endo Group of Companies' activities are expected to remain consistent for the foreseeable future.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2021

	YEAR TO 31/12/2021 AUDITED	YEAR TO 31/12/2020 AUDITED
	€	€
Revenue	10,905,334	9,820,180
Direct costs	(6,543,928)	(6,145,683)
Gross profit	4,361,406	3,674,497
Administrative expenses	(951,464)	(975,266)
Other operating income	15,741	304,578
EBITDA	3,425,683	3,003,809
Depreciation & amortisation	(1,645,248)	(1,305,869)
EBIT / Operating Profit	1,780,435	1,697,940
Finance income	-	-
Finance costs	(734,300)	(751,136)
Profit before taxation	1,046,135	946,804
Income tax	(87,252)	(90,181)
Profit for the year	958,883	856,623
Other comprehensive income/(expense):		
Movement in foreign currency translation reserve	325,953	(404,771)
Total comprehensive income	1,284,836	451,852

