



GODDARD ENTERPRISES LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE THREE MONTHS ENDED 31 DECEMBER 2022

UNAUDITED

Consolidated Statement of Income Highlights

	% Change	3 Months ended 31/12/22 Bds \$000's	3 Months ended 31/12/21 Bds \$000's	Audited Year ended 30/09/22 Bds \$000's
Continuing operations:				
Revenue from contracts with customers	16.7%	274,477	235,162	968,831
Profit from operations before the following:	-29.1%	14,134	19,933	61,697
Other gains/(losses) – net	382.0%	8,204	1,702	5,057
Profit from operations	3.2%	22,338	21,635	66,754
Finance costs	35.7%	(4,057)	(2,989)	(11,687)
Share of income of associated companies	-2.0%	18,281	18,646	55,067
	23.2%	11,541	9,367	24,973
Income before taxation from continuing operations	6.5%	29,822	28,013	80,040
Taxation	2.1%	(4,221)	(4,134)	(13,282)
Net income for the period from continuing operations	7.2%	25,601	23,879	66,758
Discontinuing operations:				
Income after tax for the period from discontinuing operations	-13.3%	143	165	1,446
Net income for the period	7.1%	25,744	24,044	68,204
Attributable to:				
Equity holders of the Company	3.8%	20,227	19,494	50,179
Non-controlling interests	21.3%	5,517	4,550	18,025
	7.1%	25,744	24,044	68,204
Earnings per share – basic and diluted	3.5%	8.9¢	8.6¢	22.0¢

Consolidated Statement of Comprehensive Income Highlights

	3 Months ended 31/12/22 Bds \$000's	3 Months ended 31/12/21 Bds \$000's	Audited Year ended 30/09/22 Bds \$000's
Net income for the period	25,744	24,044	68,204
Other comprehensive income:			
Items net of tax that may be recycled to income in the future:			
Currency translation differences	397	(1,753)	(1,391)
Hyperinflationary adjustments	464	(303)	(379)
Cash flow hedge	10,216	-	(4,871)
Items net of tax that will not be recycled to income in the future:			
Unrealised (losses)/gains on investments at fair value through other comprehensive income	(112)	61	(3,070)
Increase in revaluation surplus	-	-	36,367
Remeasurement of employee benefits	-	-	(3,990)
Other comprehensive income/(loss) for the period, net of tax	10,965	(1,995)	22,666
Total comprehensive income for the period	36,709	22,049	90,870
Attributable to:			
Equity holders of the Company	30,686	18,400	70,654
Non-controlling interests	6,023	3,649	20,216
	36,709	22,049	90,870

Consolidated Statement of Financial Position Highlights

	As at 31/12/22 Bds \$000's	As at 31/12/21 Bds \$000's	Audited As at 30/09/22 Bds \$000's
Current assets	499,257	411,488	492,717
Current liabilities	(301,840)	(251,190)	(284,065)
Working capital	197,417	160,298	208,652
Property, plant & equipment, financial investments & other non-current assets	838,509	720,566	746,457
Long term liabilities	(249,765)	(184,574)	(202,213)
Net assets employed	786,161	696,290	752,896
Equity			
Share capital	49,906	49,195	49,906
Other reserves	111,230	55,348	104,017
Retained earnings	504,283	488,455	484,254
	665,419	592,998	638,177
Non-controlling interests	120,742	103,292	114,719
	786,161	696,290	752,896

Consolidated Statement of Cash Flows Highlights

	3 Months ended 31/12/22 Bds \$000's	3 Months ended 31/12/21 Bds \$000's	Audited Year ended 30/09/22 Bds \$000's
Income before taxation from continuing operations	29,822	28,013	80,040
Income from taxation from discontinuing operations	192	251	1,993
Income before taxation	30,014	28,264	82,033
Adjustments for non-cash items	2,830	1,295	21,259
	32,844	29,559	103,292
Non-cash working capital changes	(25,742)	(20,897)	(11,861)
	7,102	8,662	91,431
Net interest, taxation and pension contributions paid	(7,741)	(6,157)	(24,981)
Net cash (used in)/from operating activities	(639)	2,505	66,450
Net cash used in investing activities	(1,921)	(6,151)	(17,837)
Net cash (used in)/from financing activities	(33,467)	(2,101)	2,752
Net (decrease)/increase in cash and cash equivalents	(36,027)	(5,747)	51,365
Cash and cash equivalents – beginning of year	103,762	52,397	52,397
Cash and cash equivalents – end of period	67,735	46,650	103,762

Consolidated Statement of Changes in Equity Highlights

Bds \$000's	Share capital	Other reserves	Retained earnings	Non-controlling interests	Total
Balance as at 1 October 2021	49,195	56,442	471,238	99,643	676,518
Net income for the year	-	-	50,179	18,025	68,204
Other comprehensive income/(loss)	-	47,382	(26,907)	2,191	22,666
Decrease in advances to non-controlling interests	-	-	-	(4,185)	(4,185)
Value of employee services	-	193	-	-	193
Issue of common shares	711	-	-	-	711
Dividends declared	-	-	-	(955)	(955)
Dividends paid	-	-	(10,256)	-	(10,256)
Balance as at 30 September 2022 (audited)	49,906	104,017	484,254	114,719	752,896
Net income for the period	-	-	20,227	5,517	25,744
Other comprehensive income	-	7,213	3,246	506	10,965
Dividends paid	-	-	(3,444)	-	(3,444)
Balance as at 31 December 2022 (unaudited)	49,906	111,230	504,283	120,742	786,161

BOARD REVIEW FOR THE THREE MONTHS ENDED 31 DECEMBER 2022

For the first three months of its financial year, Goddard Enterprises Limited recorded net income of \$25.7 million, an increase over the comparative period of 7.1%. This was achieved despite the underperformance of our local manufacturing entities and \$4.0 million in one-off expenses recorded during the quarter which resulted in a decline in our profit from operations before other gains/(losses) – net. Our local manufacturing entities were adversely affected by machinery breakdowns, low productivity and increased input costs not passed on to consumers during the period. The one-off expenses were as a result of legal, banking and other professional fees incurred to secure financing for our recent acquisition of 100% of the shares in IMC Panama (IMC) and a syndicated facility for upcoming capital projects in the Manufacturing Division.

Earnings per share of 8.9 cents was 3.5% above that for the comparative period. This was attributed mainly to \$5.6 million recovered from the liquidation of Mirexus Biotechnologies Inc. and included as a gain in other gains/(losses) – net; as this investment was previously fully written off. Our joint venture, Caribbean Distribution Partners Limited, continued to be the top contributor to our bottom line as our share of income of associates increased by 23.2%.

Our Catering and Ground Handling Division experienced a 27.5% increase in profitability over the comparative period as Airline Catering revenues increased and IMC with results included for one month during the quarter, met profitability expectations.

The Building Supplies Division performed well with all entities exceeding expectations except in St. Lucia which was negatively affected by the flash floods there in November.

The Automotive Division was plagued with vehicle supply challenges in our local entity which resulted in a below-par performance for the division during the period. These challenges are expected to be resolved during the second quarter.

The Shipping Division was able to grow its top line by 22.0% and achieved growth in its operating profit for the period.

The Services Division had a commendable performance as profitability remained in line with that of prior year.

Financing costs for the period increased by \$1.1 million due to increased borrowings in the quarter.

Our net asset value per share at the end of the period was \$2.92.

For the remainder of the year, we are hopeful that the Group's businesses will meet expectations. However, with predictions of a slowing down of the global economy in 2023, increasing geopolitical tensions in Europe, rising interest rates and the expectation of inflation to persist, uncertainty remains. Management continues to be focused on the execution of the strategy while being watchful of world events and will be proactive in our responses against any risks or challenges faced.

Our third dividend for the 2022 financial year of 1.5 cents will be paid on 28 February 2022.

A. Charles Herbert
Chair

Anthony H. Ali
Managing Director