



GODDARD ENTERPRISES LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 30 SEPTEMBER 2023 AUDITED

Consolidated Statement of Income Highlights

	% Change	Year ended 30/09/23 Bds \$000's	Year ended 30/09/22 Bds \$000's
Continuing operations:			
Revenue from contracts with customers	12.3%	1,088,262	968,831
Profit from operations before the following:	36.7%	84,356	61,697
Other gains/(losses) – net	207.9%	15,571	5,057
Profit from operations	49.7%	99,927	66,754
Finance costs	74.1%	(20,346)	(11,687)
	44.5%	79,581	55,067
Share of income of associated companies	15.0%	28,725	24,973
Income before taxation from continuing operations	35.3%	108,306	80,040
Taxation	38.9%	(18,455)	(13,282)
Net income for the year from continuing operations	34.6%	89,851	66,758
Discontinued operations:			
Income after tax for the year from discontinued operations	-52.8%	683	1,446
Net income for the year	32.7%	90,534	68,204
Attributable to:			
Equity holders of the Company	35.3%	67,902	50,179
Non-controlling interests	25.6%	22,632	18,025
	32.7%	90,534	68,204
Earnings per share – basic and diluted	35.0%	29.7¢	22.0¢

Consolidated Statement of Comprehensive Income Highlights

	Year ended 30/09/23 Bds \$000's	Year ended 30/09/22 Bds \$000's
Net income for the year	90,534	68,204
Other comprehensive income:		
Items net of tax that may be recycled to income in the future:		
Currency translation differences	1,149	(1,391)
Hyperinflationary adjustments	217	(379)
Cash flow hedge	10,200	(4,871)
Items net of tax that will not be recycled to income in the future:		
Unrealised gains/(losses) on investments at fair value through other comprehensive income	115	(3,070)
Increase in revaluation surplus	8,436	36,367
Remeasurement of employee benefits	(2,434)	(3,990)
Other comprehensive income for the year, net of tax	17,683	22,666
Total comprehensive income for the year	108,217	90,870
Attributable to:		
Equity holders of the Company	84,713	70,654
Non-controlling interests	23,504	20,216
	108,217	90,870

BOARD REVIEW FOR THE YEAR ENDED 30 SEPTEMBER 2023

The financial year 2023 was a barrier-breaking year for Goddard Enterprises Limited as we crossed the \$1bn in Revenues and the 25 cents earnings per share marks for the first time in our history. The record-breaking performance is evidence of the transformational work undertaken across the Group in the execution of our strategy which began pre-Covid but was slowed by the negative effects of the pandemic. This has resulted in another successful year for the Group with a net income attributable to equity holders of \$67.9m and an earnings per share of 29.7 cents; up 35.0% on prior year.

Top-line growth from our continuing operations of 12.3% resulted in Revenues from contracts with customers of \$1.1bn and a Profit from Operations before other gains/(losses) - net of \$84.4m; an increase of \$22.7m or 36.7%.

Our Catering and Ground Handling Division delivered a remarkable performance as it marginally surpassed Caribbean Distribution Partners Limited (CDP) to become our top contributor to our earnings per share for the year. During the period, the division continued the implementation of its diversification and growth strategy with the acquisition of International Meals Company Panama, which operates food and beverage concessions in Tocumen International Airport in Panama. The sales from this business along with an increase in airline catering sales during the period resulted in top-line growth for the division of 31.0% and an increase in its net income by 43.2%.

CDP, our fast-moving consumer goods joint venture (JV) with Agostini's Limited gave another good performance with growth in revenue and net income of 11.1% and 8.9% respectively. The division, the results of which are included within the Share of income of associated companies, was able to endure margin pressures as careful focus on its brands and expense management led to an improved result. During the year, the JV acquired 80% of Chinook Trading Canada Limited, a Canadian-based consumer product trading company that operates primarily in the Caribbean.

The Building Supplies Division gave a solid performance to surpass the good result it produced in the prior year. The division was able to overcome some sales challenges during the year by evaluating and adjusting its pricing strategy to improve its margins while delivering an affordable product for the customer.

Our Manufacturing Division experienced mixed performances among its mainly Barbadian-based subsidiaries. The division was able to achieve top-line growth of 13.3%. However a significant increase in Finance Costs incurred during the year to fund the syndicated loan facility arranged for plant expansion, resulted in a decline in its net income of 5.7% below a below-par performance given in the prior year.

The Services Division gave a commendable performance with an increase in Revenues and net income. During Q4, we divested of M&C General Insurance Limited in St. Lucia; the results of which are included in Income from discontinued operations, to RF&G Insurance Limited in Belize. There was a gain on disposal of \$0.8m which is included in other gains/(losses)-net.

The Automotive Division overcame supply challenges experienced in the first half of the year to deliver an improved result above the prior year. Improved margins, even though on lower sales, resulted in an increase in net income for the period. During the year, we launched a range of Nissan X-Trail E-powered vehicles.

The Shipping Division's performance during the year was disappointing as we experienced delays in the launch of some initiatives. The nationalization of the stevedoring services in Barbados and continued losses in Xpress Freight Services Inc. in Miami negatively impacted the division.

During the year we recovered \$5.7m from our investment in Mirexus Biotechnologies Inc which was previously fully written off.

An increase in borrowings to fund acquisitions and an increase in interest rates on our USD denominated borrowings resulted in an increase in finance costs. Taxation increased as a result of an increase in profitability, however our effective tax rate was lower as a higher percentage of profits was incurred in low tax jurisdictions.

Of note, there is a cash flow hedge gain of \$10.2m included within Other Comprehensive income. This represents the movement of the hedging reserve from the end of the last financial year to the end of the current year. Our cocoa manufacturing entity uses future commodity contracts as well as forward currency contracts to hedge against any exposure to volatility in the commodity prices and foreign currency risk in forecast transactions and firm commitments. The reserve represents the market value of open positions for forward contracts.

The cash reserves of the Group remain healthy and our interest-bearing debt-to-equity ratio was 31:69 at the end of the year. Our net assets value per share was \$3.10. We are excited about the future of the Company as we have demonstrated our resilience in overcoming the challenges of the recent past to deliver on our strategy. We are mindful of the tumultuous global environment in which we operate, however, with a clear focus on our core businesses and optimal capital allocation, we are optimistic about continued success.

The Board would like to take the opportunity to thank all stakeholders for their support during the year.

A third interim dividend of 2.0 cents has been declared and will be paid at the end of February 2024.

A. Charles Herbert
Chair
11 December 2023

Anthony H. Ali
Managing Director

Consolidated Statement of Financial Position Highlights

	As at 30/09/23 Bds \$000's	As at 30/09/22 Bds \$000's
Current assets	544,010	492,717
Current liabilities	(288,281)	(284,065)
Working capital	255,729	208,652
Property, plant & equipment, financial investments & other non-current assets	863,020	746,457
Long-term liabilities	(272,332)	(202,213)
Net assets employed	846,417	752,896
Equity		
Share capital	50,686	49,906
Other reserves	118,693	104,017
Retained earnings	539,531	484,254
	708,910	638,177
Non-controlling interests	137,507	114,719
	846,417	752,896

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	-	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	49,906	104,017	484,254	114,719	752,896
Net income for the year	-	-	67,902	22,632	90,534
Other comprehensive income	-	14,576	2,235	872	17,683
Increase in advances to non-controlling interests	-	-	-	342	342
Value of employee services	-	100	-	-	100
Issue of common shares	780	-	-	-	780
Dividends declared	-	-	-	(1,058)	(1,058)
Dividends paid	-	-	(14,860)	-	(14,860)
Balance as at 30 September 2023	50,686	118,693	539,531	137,507	846,417

Consolidated Statement of Cash Flows Highlights

	Year ended 30/09/23 Bds \$000's	Year ended 30/09/22 Bds \$000's
Income before taxation from continuing operations	108,306	80,040
Income before taxation from discontinued operations	993	1,993
Income before taxation	109,299	82,033
Adjustments for non-cash items	30,872	21,259
	140,171	103,292
Non-cash working capital changes	(33,161)	(11,861)
	107,010	91,431
Net interest, taxation and pension contributions paid	(38,479)	(24,981)
Net cash from operating activities	68,531	66,450
Net cash used in investing activities	(78,350)	(17,837)
Net cash from financing activities	6,736	2,752
Net (decrease)/increase in cash and cash equivalents	(3,083)	51,365
Cash and cash equivalents – beginning of year	103,762	52,397
Cash and cash equivalents – end of year	100,679	103,762



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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Goddard Enterprises Limited

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 30 September 2023, the summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Goddard Enterprises Limited ("the Company") and its subsidiaries ("the Group") for the year ended 30 September 2023.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the basis described in Note 1.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRS"). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 13 December 2023. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

Responsibilities of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRS.

Auditor's Responsibilities for the Audit of the Summary Consolidated Financial Statements

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Ernest & Young Ltd

BARBADOS
13 December 2023

Note 1 to the Summary Consolidated Financial Statements

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. The summary financial statements are derived from the audited consolidated financial statements of Goddard Enterprises Limited and its subsidiaries for the year ended 30 September 2023 which are prepared in accordance with International Financial Reporting Standards.