



GODDARD ENTERPRISES LIMITED

7 April 2025

Dear Goddard Enterprises Limited Shareholder:

Shareholder Statement

As a follow-up to the publication of our Consolidated Financial Highlights for the First Quarter (Q1) of the 2024/2025 financial year, the Board of Directors of Goddard Enterprises Limited (GEL) (the Board) takes this opportunity to update you on some issues:

Performance of the Manufacturing Division

In the Q1 Highlights, you would have noted the report on the performance of the Manufacturing Division related to its cocoa processing operation, Ecuador Kakao Processing Proecuakao S.A. (Ecuakao).

While the business would have posted an operating profit thus exceeding its target, included in the cash flow hedge in the Statement of Comprehensive Income for the quarter, was an unrealised mark-to-market loss of BBD\$29 million related to unmatched cocoa futures. The Board decided to cap this loss at a cost of BBD\$9.7 million, which means that the company's maximum loss from this exposure would be BBD\$38.7 million.

To provide further clarity we wish to note the following:

- The purchase of unmatched futures was outside of company policy and not in line with board decisions.
- The independent members of the Audit & Risk Committee of GEL have engaged external consultants, PricewaterhouseCoopers Caribbean (PwC), to investigate what transpired and to establish a strategy to mitigate its recurrence. The review has begun and a report is expected within 4-6 weeks.
- The Board decided to purchase a "call option" for BBD\$9.7 million which ensured that the mark-to-market loss could not increase beyond BBD\$29 million if prices rose but would reduce if the market fell.
- As of March month-end, the mark-to-market exposure had been reduced to a net unrealized loss of approximately BBD\$9.54 million.

Some shareholders have reached out to the Board raising questions about this situation and whether there may have been a breach of Ecuakao's hedging policy. We acknowledge their call for clarity and uphold the principles of transparency and accountability. The Board will however allow the review to be completed and the report submitted, before discussion on this matter.

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Change to the Board of Directors

The Board wishes to advise that Mr. Matthew Goddard has resigned from the Board effective 7 March 2025. Mr. Goddard indicated that his decision was due to his concern with the current decision making of the Board with respect to the independent investigation into the losses at Ecuakao. We thank Mr. Goddard for his contribution to the Board and wish him well.

Non-Payment of Interim Dividend

We take this opportunity to apologise for not formally notifying you, our valued shareholders, regarding the non-payment of an interim dividend at the end of February. In future, our quarterly releases will contain a statement on the declaration of dividends. The dividend paid for the financial year ended 30 September 2024 was four cents, which conformed with our policy of paying one-third of our earnings, as our earnings for the year were 13 cents.

As demonstrated in the Q1 Highlights, GEL continues to perform well, posting increasing profitability. Our commitment to future growth remains, as does our focus on executing our strategic plan to create value for our shareholders, deliver great products and services to our customers, and build a sustainable future for our employees and partners.

We thank our shareholders for your support and will continue to update you on developments as they occur.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in black ink, appearing to read 'A. Charles Herbert', with a horizontal line underneath.

A. Charles Herbert
Chair