



GODDARD ENTERPRISES LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE SIX MONTHS ENDED 31 MARCH 2021

UNAUDITED

Consolidated Statement of Income Highlights

	% Change	6 Months ended 31/03/21 Bds \$000's	6 Months ended 31/03/20 Bds \$000's	Audited Year ended 30/09/20 Bds \$000's
Revenue from contracts with customers	-25.6%	368,127	494,618	826,120
Profit from operations				
before the following:				
Other gains/(losses) – net	-70.1%	8,960	30,003	4,465
	-32.6%	3,403	5,051	8,664
Profit from operations	-64.7%	12,363	35,054	13,129
Finance costs	-2.8%	(5,929)	(6,100)	(13,015)
	-77.8%	6,434	28,954	114
Share of income of associated companies	12.5%	8,535	7,587	11,139
Income before taxation	-59.0%	14,969	36,541	11,253
Taxation	-62.4%	(2,209)	(5,874)	(7,120)
Net income for the period	-58.4%	12,760	30,667	4,133
Attributable to:				
Equity holders of the Company	-34.0%	13,011	19,713	7,073
Non-controlling interests	-102.3%	(251)	10,954	(2,940)
	-58.4%	12,760	30,667	4,133
Earnings per share – basic and diluted	-34.5%	5.7¢	8.7¢	3.1¢

Consolidated Statement of Financial Position Highlights

	As at 31/03/21 Bds \$000's	As at 31/03/20 Bds \$000's	Audited As at 30/09/20 Bds \$000's
Current assets	366,500	377,849	365,442
Current liabilities	(222,197)	(242,102)	(230,406)
Working capital	144,303	135,747	135,036
Property, plant & equipment, financial investments & other non-current assets	710,244	710,981	705,628
Long term liabilities	(183,877)	(147,786)	(185,898)
Net assets employed	670,670	698,942	654,766
Equity			
Share capital	48,764	47,757	48,552
Other reserves	59,739	74,883	56,091
Retained earnings	463,033	462,461	449,993
	571,536	585,101	554,636
Non-controlling interests	99,134	113,841	100,130
	670,670	698,942	654,766

Consolidated Statement of Comprehensive Income Highlights

	6 Months ended 31/03/21 Bds \$000's	6 Months ended 31/03/20 Bds \$000's	Audited Year ended 30/09/20 Bds \$000's
Net income for the period	12,760	30,667	4,133
Other comprehensive income/(loss):			
Items net of tax that may be recycled to income in the future:			
Currency translation differences	(586)	(5,922)	(5,895)
Hyperinflationary adjustments	53	(161)	(743)
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	2,340	(878)	(19,143)
Increase/(decrease) in revaluation surplus	1,663	–	(162)
Remeasurement of employee benefits	–	–	1,635
Other comprehensive income/(loss) for the period, net of tax	3,470	(6,961)	(24,308)
Total comprehensive income/(loss) for the period	16,230	23,706	(20,175)
Attributable to:			
Equity holders of the Company	16,688	14,561	(15,606)
Non-controlling interests	(458)	9,145	(4,569)
	16,230	23,706	(20,175)

Consolidated Statement of Cash Flows Highlights

	6 Months ended 31/03/21 Bds \$000's	6 Months ended 31/03/20 Bds \$000's	Audited Year ended 30/09/20 Bds \$000's
Income before taxation	14,969	36,541	11,253
Adjustments for non-cash items	14,813	10,117	36,680
	29,782	46,658	47,933
Non-cash working capital changes	(10,689)	(18,775)	14,408
	19,093	27,883	62,341
Net interest, taxation and pension contributions paid	(11,437)	(13,132)	(25,574)
Net cash from operating activities	7,656	14,751	36,767
Net cash used in investing activities	(8,676)	(26,363)	(19,852)
Net cash used in financing activities	(1,975)	(6,016)	(11,372)
Net (decrease)/increase in cash and cash equivalents	(2,995)	(17,628)	5,543
Cash and cash equivalents – beginning of year	68,793	63,250	63,250
Cash and cash equivalents – end of period	65,798	45,622	68,793

BOARD REVIEW FOR THE SIX MONTHS ENDED 31 MARCH 2021

For the first six months of its financial year, the Group recorded net income attributable to its equity holders of \$13.0m and an earnings per share of 5.7 cents. The impact of COVID-19 on Goddard Enterprises Limited started in the third quarter of the last financial year. This resulted in the Group incurring a net loss of \$26.5m and a loss per share of 5.6 cents during the last two quarters of financial year 2020. The most significant impact was on our Catering and Ground Handling Division and to a lesser extent on the smaller Auto Division, where sales collapsed and have not yet shown significant signs of recovery. These two divisions were also impacted by high restructuring costs during that time. During the first quarter of this current financial year, there was an improvement, as the Group earned net income of \$12.2m. However, during the second quarter, our profitability fell again as we only earned an additional \$0.6m. With most countries experiencing contractions in their economies, high unemployment levels, renewed lockdowns and the imposition of international travel restrictions across Europe and Canada, the Group recorded \$368.1m in its top line for the first six months. These Revenues earned translated into a Profit from operations of \$12.4m with an overall Net income of \$12.8m for the six-month period.

Our diversity allowed us to balance the effects of the pandemic as the fall-out felt in our two mostly impacted divisions, Catering and Ground Handling and Auto, was cushioned by credible performances in the others. We are anticipating that these two divisions will start to show slow but steady recovery thereby steadily improving Group results.

Despite seeing a marginal increase in business during this period after the collapse in the second half of the prior year, our Catering and Ground Handling Division where we have a 51% shareholding, was negatively impacted by low passenger loads and curtailment of travel worldwide. The cost reduction measures undertaken in the prior year and our continued efforts on diversification however are slowly bearing fruit.

The 19.8% contraction in the Barbados economy during the last quarter and an unemployment rate of 13.6% in Barbados where most of our Manufacturing businesses operate, did not dampen the performance of the division as all the entities were deemed as “essential services”. With our cocoa manufacturing plant in Ecuador surpassing expectations with good cocoa prices and increased sales, the Division had an exceptional performance during the period.

The National Pause in Barbados and the economic conditions in our operating territories resulted in the Auto Division producing a disappointing result for the first half of this year.

Our Building Supplies Division gave a very good showing during the six-month period despite also being negatively impacted by the National Pause.

Our Services Division performed credibly but our Shipping Division was below expectations.

Share of income of associated companies increased by 12.5% as our food and consumer goods joint venture, Caribbean Distribution Partners Limited, recorded an increase in profitability above the prior period.

The continuation of the roll-out of the vaccination is expected to have a favorable impact on worldwide travel and recovery of global economies. However, there is still uncertainty as to the pace of the recovery. The Group expects the performance during the next six months to be better than that of the second half of the prior year, as there were \$25.1m in pre-tax one-off adjustments at the end of the last year and we anticipate a gradual increase in passenger loads and increased flights. The recent eruption of the La Soufriere volcano in St. Vincent will have mixed fortunes for our businesses but we remain hopeful of a future recovery for all our businesses negatively impacted by current events.

A. Charles Herbert
Chair
17 May 2021

Anthony H. Ali
Managing Director

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 2019	47,421	80,035	449,559	105,520	682,535
Net income/(loss) for the period	–	–	7,073	(2,940)	4,133
Other comprehensive (loss)/income	–	(24,057)	1,378	(1,629)	(24,308)
Decrease in advances to non-controlling interests	–	–	–	(160)	(160)
Value of employee services	–	113	–	–	113
Issue of common shares	1,131	–	–	–	1,131
Dividends declared	–	–	–	(661)	(661)
Dividends paid	–	–	(8,017)	–	(8,017)
Balance as at 30 September 2020 (audited)	48,552	56,091	449,993	100,130	654,766
Net income/(loss) for the period	–	–	13,011	(251)	12,760
Other comprehensive income/(loss)	–	3,648	29	(207)	3,470
Fair value of net liabilities disposed of by non-controlling interests	–	–	–	256	256
Issue of common shares	212	–	–	–	212
Dividends declared	–	–	–	(794)	(794)
Balance as at 31 March 2021 (unaudited)	48,764	59,739	463,033	99,134	670,670