



GODDARD ENTERPRISES LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE SIX MONTHS ENDED 31 MARCH 2020

UNAUDITED

Consolidated Statement of Income Highlights

	% Change	6 Months ended 31/03/20 Bds \$000's	6 Months ended 31/03/19 Bds \$000's	Audited Year ended 30/09/19 Bds \$000's
Revenue from contracts with customers	8.0%	494,618	458,191	868,300
Profit from operations				
before the following:	-6.3%	30,003	32,008	48,529
Other gains/(losses) – net	-38.3%	5,051	8,183	15,877
Profit from operations	-12.8%	35,054	40,191	64,406
Finance costs	-2.0%	(6,100)	(6,226)	(12,171)
	-14.8%	28,954	33,965	52,235
Share of income of associated companies	20.8%	7,587	6,279	9,917
Income before taxation	-9.2%	36,541	40,244	62,152
Taxation	-25.8%	(5,874)	(7,921)	(15,570)
Net income for the period	-5.1%	30,667	32,323	46,582
Attributable to:				
Equity holders of the Company	-9.5%	19,713	21,777	31,347
Non-controlling interests	3.9%	10,954	10,546	15,235
	-5.1%	30,667	32,323	46,582
Earnings per share – basic and diluted	-9.4%	8.7¢	9.6¢	13.8¢

Consolidated Statement of Financial Position Highlights

	As at 31/03/20 Bds \$000's	As at 31/03/19 Bds \$000's	Audited As at 30/09/19 Bds \$000's
Current assets	377,849	383,184	371,950
Current liabilities	(242,102)	(225,874)	(234,535)
Working capital	135,747	157,310	137,415
Property, plant & equipment, financial investments & other non-current assets	710,981	675,959	694,146
Long term liabilities	(147,786)	(141,742)	(149,026)
Net assets employed	698,942	691,527	682,535
Equity			
Share capital	47,757	46,686	47,421
Other reserves	74,883	75,415	80,035
Retained earnings	462,461	452,681	449,559
	585,101	574,782	577,015
Non-controlling interests	113,841	116,745	105,520
	698,942	691,527	682,535

Consolidated Statement of Comprehensive Income Highlights

	6 Months ended 31/03/20 Bds \$000's	6 Months ended 31/03/19 Bds \$000's	Audited Year ended 30/09/19 Bds \$000's
Net income for the period	30,667	32,323	46,582
Other comprehensive (loss)/income:			
Items net of tax that may be recycled to income in the future:			
Unrealised losses on available-for-sale investments	–	(113)	–
Gains transferred to income on disposal of financial investments	–	(313)	–
Currency translation differences	(5,922)	4,806	3,609
Hyperinflationary adjustments	(161)	(1,008)	1,026
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	(878)	–	90
Decrease in revaluation surplus	–	–	(82)
Remeasurement of employee benefits	–	–	(765)
Other comprehensive (loss)/income for the period, net of tax	(6,961)	3,372	3,878
Total comprehensive income for the period	23,706	35,695	50,460
Attributable to:			
Equity holders of the Company	14,561	23,004	33,985
Non-controlling interests	9,145	12,691	16,475
	23,706	35,695	50,460

Consolidated Statement of Cash Flows Highlights

	6 Months ended 31/03/20 Bds \$000's	6 Months ended 31/03/19 Bds \$000's	Audited Year ended 30/09/19 Bds \$000's
Income before taxation	36,541	40,244	62,152
Adjustments for non-cash items	10,117	10,257	26,064
	46,658	50,501	88,216
Non-cash working capital changes	(18,775)	(13,026)	25
	27,883	37,475	88,241
Net interest, taxation and pension contributions paid	(13,132)	(12,005)	(28,022)
Net cash from operating activities	14,751	25,470	60,219
Net cash (used in)/from investing activities	(26,363)	11,526	(29,956)
Net cash used in financing activities	(6,016)	(13,769)	(14,635)
Net (decrease)/increase in cash and cash equivalents	(17,628)	23,227	15,628
Cash and cash equivalents – beginning of year	63,250	47,622	47,622
Cash and cash equivalents – end of period	45,622	70,849	63,250

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 2018	46,353	76,550	432,456	110,383	665,742
Net income for the year	–	–	31,347	15,235	46,582
Other comprehensive income/(loss)	–	3,277	(639)	1,240	3,878
Acquisition of a subsidiary company	–	–	–	(8,282)	(8,282)
Decrease in advances to non-controlling interests	–	–	–	(1,694)	(1,694)
Value of employee services	–	208	–	–	208
Issue of common shares	1,068	–	–	–	1,068
Dividends declared	–	–	–	(11,362)	(11,362)
Dividends paid	–	–	(13,605)	–	(13,605)
Balance as at 30 September 2019 (audited)	47,421	80,035	449,559	105,520	682,535
Net income for the period	–	–	19,713	10,954	30,667
Other comprehensive loss	–	(5,152)	–	(1,809)	(6,961)
Decrease in advances to non-controlling interests	–	–	–	(163)	(163)
Issue of common shares	336	–	–	–	336
Dividends declared	–	–	–	(661)	(661)
Dividends paid	–	–	(6,811)	–	(6,811)
Balance as at 31 March 2020 (unaudited)	47,757	74,883	462,461	113,841	698,942

BOARD REVIEW FOR THE SIX MONTHS ENDED 31 MARCH 2020

The current COVID-19 pandemic facing the world has placed us all in uncharted and very uncertain waters. The impact of this disease on the Group began in the last month of the period of this report as a reduction in airline travel during March negatively impacted the Catering Division. The results of the other divisions however, included in this report, are mainly based on routine operations.

For the six months ended 31 March 2020, Goddard Enterprises Limited recorded a Net Income of \$30.7m, a decline of 5.1% below that recorded for the comparative period.

Revenues increased by 8.0% for the period as top-line growth was achieved in all divisions across the Group. However, Profit from operations before other gains/(losses)-net was \$30.0m, compared with \$32.0m in the prior year. This represents a decline of 6.3% and is attributable to an 11.0% reduction in the Catering Division from the initial effects of COVID-19.

Other gains/(losses)-net fell by \$3.1m as the prior year's number includes insurance refunds and a gain on disposal of an associate.

Our Share of income of associated companies increased by 20.8% as our distribution businesses recorded an increase in profitability for the period.

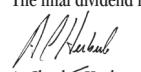
Reductions in taxable income and of the tax rate in Barbados resulted in a decline in taxation of 25.8%.

The economic fallout from COVID-19 has affected our businesses and various countries in different ways due to the diverse nature of the Group. The Group's main area of concern however is our Catering and Ground Handling Division. The closure of the borders and the global stoppage of air travel have resulted in a significant decline in this business. We anticipate a material financial impact as the future of this business, the timing of recovery and the post-recovery levels are very uncertain at this time. Management however is working on deploying its resources and capabilities in other directions as well as restructuring the business to reduce costs.

There is likely to be a significant impairment of our investment in Mireux Biotechnologies Inc. Ecuador has been hit very hard by the pandemic with many infections and deaths. However, Ecuakao Kakao Processing Procuakao S.A. has managed to maintain good production levels and has capitalized on good cocoa prices. Our food production related businesses have been holding their own as consumers continue to stock up. The pandemic has also presented some opportunities for us; as our Aerosol and Disinfectant plant has seen an increase in business with the launch of new products in demand at this time.

The outlook for the second half of the year is not known but we anticipate a very poor result. Management has adopted strategies for cash preservation and therefore there is no concern for adequacy of cash reserves to run the Group's operations. The Group's Balance Sheet is expected to remain strong.

The final dividend for 2019 of 0.5 cents will be paid at the end of May.


A. Charles Herbert
Chair
18 May 2020


Anthony H. Ali
Managing Director