

**Schedule 2
FORM ECSRC-OR**

(Select One)

QUARTERLY FINANCIAL REPORT for the period ended 31, December 2023
Pursuant to Section 98(2) of the Securities Act, 2001

OR

TRANSITION REPORT
for the transition period from to
Pursuant to Section 98(2) of the Securities Act, 2001
(Applicable where there is a change in reporting issuer's financial year)

Issuer Registration Number: SLH120119112KN

S. L. HORSFORD & COMPANY LIMITED
(Exact name of reporting issuer as specified in its charter)

(Territory or jurisdiction of incorporation)

1 WEST INDEPENDENCE SQUARE STREET, BASSETERRE
(Address of principal executive Offices)

Reporting issuer's:
Telephone number (including area code): 869 465 2616
Fax number: 869 465 1042
Email address: HEADOFFICE@HORSFORDS.COM

(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuers classes of common stock, as of the date of completion of this report 1.

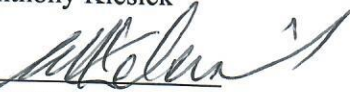
CLASS	NUMBER
Ordinary Shares	0

SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.


The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:
Anthony Klesick


Signature:


6/2/2024
Date

Name of Director:
Andrew Kelsick


Signature:

Feb 6 2024
Date

Name of Chief Financial Officer:
Bernard Malcolm


Signature

6/2/2024
Date

1. Financial Statements.

Provide Financial Statements for the period being reported in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

1. Condensed Balance Sheet as of the end of the most recent financial year and just concluded reporting period.
2. Condensed Statement of Income for the just concluded reporting period and the corresponding period in the previous financial year along with interim three, six and nine months of the current financial year and corresponding period in the previous financial year.
3. Condensed Statement of Cash Flows for the just concluded reporting period and the corresponding period in the previous financial year along with the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.
4. By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

2. Management's Discussion and Analysis of Financial Condition and Results of Operation.

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the reporting period. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim report.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures taken or to be taken to address unfavourable trends; key performance indicators; and non-financial indicators.

General Discussion and Analysis of Financial Condition

For the Quarter ending December 2023, group sales were \$49.8M, only \$73K above the previous year. While there was an increase in sales in St. Kitts, this was offset by a decrease in sales in Nevis.

The Profit Before Tax was \$5.2M, which was a decline of 3% when compared to the prior year.

The Group asset base remains strong with a Current Ratio of 1 : 3.197 and a debit-to-equity ratio of 0.18 : 1

Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

- i. The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.
- ii. Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.
- iii. The issuer's internal and external sources of liquidity and any material unused sources of liquid assets
- iv. Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.
- v. Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.
- vi. Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.
- vii. The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.
- viii. The issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.
- ix. Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering

changes between debt, equity and any off-balance sheet financing arrangements.

Discussion of Liquidity and Capital Resources

The Group's cash position is liquid and continues to meet all of its commitments as they become due.

While the overdraft has increased by \$2.6M, the net cash position of \$8.2M has decreased by only \$350K.

The Group has unutilized loan facilities of \$25M.

There are no capital commitments.

Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

- i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.
- ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.
- iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the offbalance sheet arrangements.
- iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

There are no off-balance sheet arrangements.

Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

- i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.
- ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.
- iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.
- v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.
- vi) Matters that will have an impact on future operations and have not had an impact in the past.
- vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations
- viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.
- ix) Performance goals, systems and, controls.

Overview of Results of Operations

The results for the Quarter of 2023 are on par with the prior year, and there is no systematic risk within the local or regional economy that may adversely affect the results for the financial year.

However, the country and the region may be exposed to systematic risk due to international geopolitical factors. The extent to which these factors will affect interest rates, inflation, the supply chain, and regional security is unpredictable, but their effect will reverberate in the local economy.

Management will continue to monitor the impact of these risks and implement strategies to mitigate the effects.

3. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

Supply chain logistics for the acquisition of products

Inflation driven by international geopolitical factors

Reduction in demand from the tourism sector

Local and regional security

4. Legal Proceedings.

A legal proceeding need only be reported in the ECSRC – OR filed for the period in which it first became a reportable event and in subsequent interim reports in which there have been material developments. Subsequent Form ECSRC – OR filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

None

5. Changes in Securities and Use of Proceeds

(a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

N/A

(b) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

Offer opening date (provide explanation if different from date disclosed in the registration statement)

Offer closing date (provide explanation if different from date disclosed in the registration statement)

Name and address of underwriter(s)

Amount of expenses incurred in connection with the offer

Net proceeds of the issue and a schedule of its use

Payments to associated persons and the purpose for such payments

(c) Report any working capital restrictions and other limitations upon the payment of dividends.

There are no working capital restrictions.

6. Defaults upon Senior Securities.

(a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund installment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund installment, state the amount of the default and the total arrears on the date of filing this report.

The Group currently has no loans.

(b) If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

An interim dividend of \$ 4,576,532 for the year ending September 2023 was declared and paid in October 2023.

There are no arrears of dividends.

7. Submission of Matters to a Vote of Security Holders

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

(a) The date of the meeting and whether it was an annual or special meeting.

(e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

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8. Other Information.

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report (used to report material changes), with respect to which information is not otherwise called for by this form, provided that the material change occurred within seven days of the due date of the Form ECSRC-OR report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC – OR report.

S.L. Horsford & Company Limited**Group Consolidated Balance Sheet As at December 2023**

	December 2023	September 2023
Current Assets		
Cash & Bank Balances	10,820,269	8,596,489
Trade Receivables (Note 1)	13,609,081	12,869,092
Inventory	32,781,645	39,399,260
	57,210,995	60,864,841
Non Current Assets		
Fixed Assets	99,786,084	98,411,705
Accounts Receivable (Note 1)	14,615,594	13,460,655
Investment & Long Term Loans	17,933,325	17,933,325
Available For Sale Investment	486,619	486,619
Intangibles	171	412
	132,821,793	130,292,716
Total Assets	190,032,788	191,157,557
Current Liabilities		
Overdraft	2,574,119	
Trade Payables	14,020,599	17,289,808
Provision For Income Tax	1,301,665	1,142,938
	17,896,383	18,432,746
Long Term Liabilities		
Defined Benefit Obligation	4,522,040	4,476,374
Deferred Taxation	6,663,139	6,663,139
	11,185,179	11,139,513
Total Liabilities	29,081,562	29,572,259
Equity		
Share Capital	60,296,860	60,296,860
Retained Earnings (Note 3)	50,943,311	51,577,381
Reserves	49,711,055	49,711,057
Shareholders' Funds	160,951,226	161,585,298
Total Liabilities And Equity	190,032,788	191,157,557

S.L. Horsford Group of Companies
Group Income Statement for the period October 2023 to December 2023

	Oct 2023 - Dec 2023	Oct 2022 - Dec 2022	Oct 2022 - Sept 2023	Oct 2021 - Sept 2022
SALES	49,808,855	49,735,618	162,749,016	147,498,080
Gross Margin	13,228,883	12,952,371	40,699,923	34,917,409
Other Income	2,224,502	2,499,534	10,911,554	10,793,458
GROSS REVENUE	15,453,385	15,451,905	51,611,477	45,710,867
EXPENSES				
Occupancy	1,051,884	969,561	4,225,777	3,587,068
Insurance	307,376	305,846	1,230,182	1,200,882
Office	594,329	536,729	2,353,715	2,330,277
Employment	5,247,682	5,166,182	21,094,289	18,948,866
Advertising	860,883	950,785	1,157,456	973,504
Selling & Distribution	571,505	527,479	2,101,890	2,330,792
Depreciation	997,250	1,005,819	3,959,840	3,960,746
Sundry Expenses	527,866	553,587	1,878,038	1,481,253
Interest Expenses	37,190	11,786	34,944	110,336
TOTAL EXPENSES	10,195,965	10,027,774	38,036,131	34,923,724
Income Before Associated Companies	5,257,420	5,424,131	13,575,346	10,787,143
Share Of Associated Company Results			1,695,002	2,476,108
PROFIT BEFORE TAX	5,257,420	5,424,131	15,270,348	13,263,251
Less Provision For Tax	(1,314,958)	(1,463,226)	(3,971,610)	(2,754,911)
PROFIT AFTER TAX	3,942,462	3,960,905	11,298,738	10,508,340

S. L. Horsford And Company Limited
Group Statement Of Cash Flows EC\$

	Oct 2023 - Dec 2023	Oct 2022 - Dec 2022	Oct 2022 - Sept 2023	Oct 2021 - Sept 2022
CASH FLOW FROM OPERATING ACTIVITIES				
Income before Taxation	5,257,420	5,424,131	15,270,348	13,263,251
Adjustments for:				
Depreciation and Amortization	997,250	1,005,819	3,959,840	3,960,746
Gain on disposal of Property, Plant and Equipment	(15,130)	(143,198)	(289,617)	(680,109)
Impairment	77,109	225,198	34,904	(65,999)
Finance Costs incurred	37,190	11,786	34,944	110,336
Pension Plan Expenses	101,619	101,619	510,654	406,476
Share of Income from Associated Companies			(1,695,002)	(2,476,108)
Operating profit before working capital changes	6,455,458	6,625,355	17,826,071	14,518,593
Net change in non-cash working capital balances related to Operations	1,774,352	4,749,740	1,764,207	326,238
	8,229,810	11,375,095	19,590,278	14,844,831
Finance Costs Paid	(37,190)	(11,786)	(34,944)	(110,336)
Pension Payments Made	(55,954)	(49,291)	(217,407)	(197,165)
Taxation Paid	(1,156,231)	(1,315,430)	(4,224,661)	(2,211,012)
Net cash inflow from Operating activities	6,980,435	9,998,588	15,113,266	12,326,318
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment	(2,415,556)	(2,034,787)	(3,283,990)	(3,019,483)
Proceeds on disposal of Property, Plant and Equipment	59,297	354,153	966,395	2,973,573
Purchase of Intangibles				
Dividend Received from Associated Companies			1,225,075	1,457,583
Net cash used in investing activities	(2,356,259)	(1,680,634)	(1,092,520)	1,411,673
CASH FLOWS FROM FINANCING ACTIVITIES				
Non-current Receivables	(397,983)	(310,817)	179,779	(11,564)
Long-term loans received/paid				(4,928,073)
Dividends paid to Shareholders	(4,576,532)	(4,017,250)	(8,801,016)	(4,711,205)
Net cash used in financing activities	(4,974,515)	(4,328,067)	(8,621,237)	(9,650,842)
Net Increase/(decrease) in cash and cash equivalents	(350,339)	3,989,887	5,399,509	4,087,149
Cash and cash equivalents - beginning of period	8,596,489	3,196,980	3,196,980	(890,169)
Cash and cash equivalent - end of period	8,246,150	7,186,867	8,596,489	3,196,980
Cash	10,820,269	9,294,810	8,596,489	3,596,446
Bank Overdraft	(2,574,119)	(2,107,943)		(399,466)
	8,246,150	7,186,867	8,596,489	3,196,980

S.L. Horsford & Company Limited

Notes To The Financial Statements As At December 2023

Note 1 :- ACCOUNT RECEIVABLE	
Trade and Instalment Receivables	31,619,466
Less: Provision for Impairment	(4,792,192)
	<hr/>
Sundry Receivables and Prepayments	26,827,274
	1,397,401
	<hr/>
	28,224,675
Less: Non Current portion of Receivables	(14,615,594)
	<hr/>
CURRENT RECEIVABLE	<u>13,609,081</u>
Note 2 :- LOANS & BANK OVERDRAFT	
Overdrafts	2,574,119
	<hr/>
TOTAL CURRENT LOANS AND OVERDRAFTS	<u>2,574,119</u>
Loans - Current	2,574,119
Note 3 :- Retained Earnings	
As at September 2023	51,577,381
Less Dividend For The Quarter	(4,576,532)
Profit/(Loss) After Tax For The Quarter	3,942,462
	<hr/>
	<u>50,943,311</u>
Note 4 :- PROVISION FOR TAXATION AT 25%	
Profit Before Tax	5,257,420
Not Taxable Income	
	<hr/>
Taxable Profit/(Loss)	5,257,420
Estimated Tax Charge For The Quarter	(1,314,958)
Current Quarter Profit/(Loss) After Tax	3,942,462