




# GK

GraceKennedy Limited (GK);

Opening price— \$74.04;

Price to book— 0.89 times;

P/E— 9.18 times

Week to Date: -0.09% 

Month to Date: 0.17% 

Quarter to Date: -0.32% 

Year to Date: -6.78% 

Our weekly pick features a stock currently held in the Mayberry Managed Equity Portfolio (MMEP). For more information on the MMEP, please contact your investment advisor today.

GraceKennedy, established in Jamaica in 1922, stands as a prominent Caribbean conglomerate renowned for its dual focus on food and financial services. Operating across the Caribbean, North and Central America, the United Kingdom, and Africa, GraceKennedy manufactures and distributes a wide array of products under the Grace brand and represents international brands. Beyond food, its portfolio encompasses diverse financial services such as cambio, remittance, bill payment, insurance, banking, investments, consumer lending, and life and health insurance, reflecting its robust and integrated business model catering to both local and international markets.

GraceKennedy Group Ltd (GK) for the six months ended June 30, 2024, reported an 8% increase in Revenues totalling \$84.39 billion compared to \$78.23 billion in the corresponding period last year. Revenues for the second quarter had a 7% increase to close at \$42.04 billion compared to \$39.14 billion for the comparable quarter of 2023. Direct and operating expenses amounted to \$79.87 billion (2023: \$73.89 billion), this represents an increase of 8% year over year. Consequently, profit before other income increased by 2% to \$4.28 billion compared to \$4.20 billion for the six months ended June 30, 2023. The company booked profit before other income of \$2.41 billion for the second quarter versus \$2.24 billion reported for the similar quarter of 2023. Other Income increased by 14% to close at \$2.18 billion (2023: \$1.90 billion). As such, profit from operations increased from \$6.11 billion to \$6.45 billion in the period under review. Interest Income - non-financial services increase by 31% from \$313.77 million in 2023 to \$409.98 million in the period under review while, interest expense - non-financial services for the six months ended June 30, 2024, amounted to \$965.57 million, a 21% increase relative to \$799.04 million reported in 2023. Share of Results of Associates & Joint Ventures for the six months ended June 30, 2024, amounted to \$560.40 million, a 7% increase relative to \$523.90 million reported in 2023. Profit Before Taxation totalled \$6.46 billion a 5% increase from the corresponding period last year. (2023: \$6.14 billion). Taxation for the six months ended June 30, 2024, amounted to \$1.74 billion, a 5% decrease relative to \$1.66 billion reported in 2023. Net Profit for the six months ended June 30, 2024, had a 5% increase to reach \$4.71 billion (2023: \$4.48 billion). Net profit attributable to shareholders for the six months amounted to \$4.44 billion, a 6% increase from the \$4.19 billion reported in 2023. For the second quarter, Net profit attributable to shareholders was \$2.28 billion (2023: \$2.07 billion).

GK (as at Friday August 2, 2024) closed at \$74.04 and was trading at 0.89 times its book value with a P/E of 9.18 times.

