



**CARRERAS LIMITED**





# CAR

Carreras Limited (CAR),

Opening price— \$8.03

Price to book— 19.08 times;

P/E— 10.42 times

Week to Date:	0.00%	
Month to Date:	0.88%	
Quarter to Date:	0.88%	
Year to Date:	-5.64%	

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.

Carreras Limited (CAR) is the leading marketer and distributor of cigarettes and tobacco related products in Jamaica.

Carreras Limited, for the year ended March 31, 2023, reported Operating Revenue of \$16.23 billion, a 3% increase relative to \$15.75 billion booked in 2022. Revenue for the quarter declined 8% to \$3.70 billion (2022: \$4.03 billion). Cost of Operating Revenue also increased year over year by 6%, amounting to \$8.67 billion from \$8.18 billion booked twelve months earlier. Gross Operating Profit was relatively unchanged to total \$7.55 billion relative to the \$7.58 billion in 2022. Gross operating profit for the quarter declined 10% to \$1.75 billion (2022: \$1.94 billion). Total Operating expenses for the twelve months increased 18% to \$2.76 billion compared to the \$2.33 billion reported in 2022. Of these expenses the most significant was administrative, distribution and marketing expenses which increased 17% to \$2.72 billion (2022: \$2.32 billion). Profit before income tax amounted to \$4.86 billion (2022: \$5.43 billion) for the year ended March 2023. Profit before income tax for the quarter reflected a 13% decline to \$1.18 billion compared to \$1.35 billion reported as at March 2022. Consequently, Net Profit for the year fell by 11% to \$3.64 billion relative to \$4.07 billion booked in 2022. Net profit for the quarter closed at \$894.99 million, down 12% from the \$1.02 billion booked for the similar quarter of 2022.

Notably, Carreras Limited has committed \$30 million in support to Project STAR's work in communities across Jamaica. Managing Director, Franklin Murillo, said his organisation has a rich legacy of nation-building and that over the past 60 years it has been their mandate to give back to communities in which they operate. "As such, we were drawn to get on board with Project STAR from the beginning. We see our involvement as an integral part of creating a better tomorrow for Jamaica," he explained.

CAR (as at Friday July 21, 2023) was trading at 19.08 times its book value with a P/E of 10.42 times. The Company continues to grow and is one of the best dividend paying stocks, with a 9.17% dividend yield in 2022.