




## LUMBER

Lumber Depot Limited (LUMBER)

Opening price— \$2.76

Price to book— 2.87 times

P/E— 13.64 times

Week to Date: -0.78% 

Month to Date: -1.45% 

Quarter to Date: -1.45% 

Year to Date: 9.46% 

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.

Lumber Depot Limited is a full service, hardware and building materials company that has been in operation in the Jamaican building supplies sector since 1998. Lumber Depot Limited carries an extensive inventory of construction materials, hardware, plumbing and electrical fixtures. The site includes purpose-built warehousing, loading bays, retail space and office facilities.

Lumber Depot Limited (LUMBER), for the twelve months ending April 30, 2024, reported a 0.09% decrease in revenue totalling \$1.521 billion compared to \$1.522 billion in the corresponding period last year. Cost of Sales amounted to \$1.21 billion (2023: \$1.23 billion). Consequently, gross profit increased by 7% to \$311.82 million compared to \$290.82 million for the twelve months ended April 30, 2023. Impairment gains on trade receivables increased by 7% to close at \$3.43 million (2023: \$3.19 million), while Administrative & Other Expenses increased by 17% from \$153.09 million in 2023 to \$179.24 million in the period under review. As a result, profit from operations amounted to \$136.04 million, a 3% decrease relative to \$140.94 million reported in 2023. Other income was \$10.92 million, a 32% rise from the \$8.27 million reported in 2023. Profit before net finance costs and taxation totalled \$146.96 million, a 2% decrease from last year's corresponding period. (2023: \$149.21 million). Net Financial cost amounted to \$4.07 million, a 1% increase relative to \$4.04 million reported in 2023. Profit before taxation decreased 2% to \$142.88 million (2023: \$145.17 million). Profit attributable to members, the total comprehensive income for the twelve months, also decreased 2% to \$142.88 million, a 2% decrease from the \$145.17 million reported in 2023.

Management noted, "Immediately after the end of the 2024 financial year, Lumber Depot closed on the acquisition of a 35% interest in Atlantic Hardware & Plumbing Limited (Atlantic). Atlantic is a 30-year-old Jamaican company that is engaged in the wholesaling and distribution of hardware, building materials, plumbing, electrical, tools, and supplies to hardware stores, contractors, and developers across Jamaica. The business is located at Ashenheim Road in Kingston and is led by Managing Director, Deanall Barnes, an experienced business leader in the whole-sale and distribution of building materials. There will be no change to the business strategy of Atlantic, and it will continue to operate as a dedicated hardware wholesaler and distributor. Lumber Depot will be represented on its board of directors and will account for Atlantic as an associated company. "

LUMBER (as at Friday July 12, 2024) was trading at 2.87 times its book value with a P/E of 13.64 times.