



## ECL

Express Catering Limited (ECL);

Opening price— \$2.95;

Price to book— 3.17 times;

P/E— 12.05 times

Week to Date: 16.88%

Month to Date: 2.43%

Quarter to Date: 2.43%

Year to Date: -2.25%

**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.**

# Featured Stock

Express Catering Limited (ECL), established in 2001, caters to the food and beverage needs of visitors and employees at Sangster International Airport (SIA). As a subsidiary of Margaritaville St. Lucia and part of the Margaritaville Caribbean Group (MCG), ECL operates a variety of international franchises and proprietary brands, including Quiznos Subs, Cinnabon, Auntie Anne's Pretzels, Dairy Queen Grill & Chill, Air Margaritaville, Domino's Pizza, Wendy's, Starbucks, Jamaican Bobsled Café, The Groovy Grouper, Viva Gourmet Market, Tastee, Juici Patties, and Bob Marley One Love Restaurant.

Express Catering Limited (ECL) reported a 1% increase in revenue, totaling \$18.89 million for the nine months ended February 28, 2025, compared to \$18.67 million in the corresponding period last year.

The cost of sales amounted to \$5.31 million, representing a 14% year-over-year decrease from \$6.17 million in 2024. Consequently, gross profit increased by 9% to \$13.57 million, compared to \$12.50 million for the nine months ended February 28, 2024.

Depreciation and amortization rose by 28%, closing at \$2.82 million, up from \$2.21 million in 2024. Meanwhile, administrative expenses decreased by 10%, from \$5.97 million in 2024 to \$5.35 million in the period under review. As a result, total expenses for the nine months ended February 28, 2025, amounted to \$8.41 million, a 1% decrease relative to \$8.46 million reported in 2024.

Operating profit for the nine months ended February 28, 2025, amounted to \$5.10 million, a 27% increase from \$4.02 million reported in 2024. Finance costs totaled \$1.89 million, a slight 1% decrease from \$1.92 million in the corresponding period last year.

Foreign exchange gain for the nine months ended February 28, 2025, amounted to \$11,574, a significant 150% increase relative to the foreign exchange loss of \$22,990 reported in 2024.

Overall, profit for the year, representing total comprehensive income for the nine months, amounted to \$3.22 million, a substantial 54% increase from the \$2.09 million reported in 2024.

ECL's management team states, "Despite the decline in passenger totals, total revenue and spend rate improved. The improvement in spend rate is particularly important as the increase was significant and is a result of the strategic measures that the company has been implementing over time. Additionally, of all the cost categories, Cost of Sales (COS) continues to be our best area of savings for the Quarter and year-to-date positions. The improvement was a combination of price increases, better portion controls, as well as improved supply chain agreements. The team intends to build on the trend for the rest of the year."

ECL (as at Friday April 25<sup>th</sup>, 2025) was trading at 3.17 times its book value with a P/E of 12.05 times.