



GK

GraceKennedy Limited (GK);

Opening price— \$74.16;

Price to book— 0.82 times;

P/E— 8.71 times

Week to Date: 3.09%

Month to Date: 3.44%

Quarter to Date: 2.18%

Year to Date: -6.06%

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

GraceKennedy Limited, founded in Jamaica in 1922, is a prominent Caribbean conglomerate with a strong presence in both the food and financial services sectors. Operating across the Caribbean, North and Central America, the United Kingdom, and Africa, the company manufactures and distributes a wide range of products under the Grace brand and represents various international brands. Its financial services portfolio includes commercial banking, insurance, remittance, investment banking, payment services, and cambio operations, reflecting a robust and integrated business model that caters to both local and international markets.

GraceKennedy Group Ltd (GK), for the first quarter ended March 31, 2025, reported a 4% increase in revenues, totaling \$44.22 billion compared to \$42.35 billion in the corresponding three months of the previous year.

Direct and operating expenses amounted to \$42.28 billion (2024: \$40.35 billion), representing a 5% year-over-year increase. Consequently, profit before other income declined by 4% to \$1.79 billion, compared to \$1.87 billion for the first quarter ended March 31, 2024.

Other income rose by 5% to \$1.18 billion (2024: \$1.12 billion), while interest income from non-financial services increased by 21%, moving from \$175.28 million in 2024 to \$212.69 million for the three-month period. Interest expense for non-financial services amounted to \$510.24 million, reflecting a 10% increase relative to \$463.10 million reported in 2024.

Share of results from associates and joint ventures for the three months amounted to \$489.13 million, a 10% increase compared to \$444.61 million in 2024.

Profit before taxation totaled \$3.16 billion, showing a marginal increase over the corresponding period last year (2024: \$3.15 billion).

Taxation for the first quarter ended March 31, 2025, amounted to \$852.97 million, compared to \$849.54 million reported in 2024.

Net profit for the three months saw a slight increase, reaching \$2.31 billion (2024: \$2.30 billion).

GK's management reported in their Q1 2025 report to stakeholders, "We continue to make steady progress in expanding our presence in the food service channel and are working to enhance supply chain efficiency and service delivery across our food business. In January we finalized an agreement to acquire the remaining 30% stake in Catherine's Peak Bottling Company Limited, which is now a wholly owned subsidiary of GraceKennedy. This move further strengthens our presence in Jamaica's spring water market, aligning with our strategy to build a portfolio of leading Jamaican brands with global potential."

GK (as at Friday May 30th, 2025) was trading at 0.82 times its book value with a P/E of 8.71 times.