



CAR

Carreras Limited (CAR);

Opening price— \$20.53;

Price to book— 31.56 times;

P/E— 15.11 times

Week to Date: -6.31%

Month to Date: -6.31%

Quarter to Date: 13.33%

Year to Date: 13.33%

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

Carreras Limited, established in 1962 and headquartered in Kingston, Jamaica, is the country's leading marketer and distributor of cigarettes and nicotine products. The company distributes a portfolio of well-known brands including Craven A, Dunhill, Rothmans, Pall Mall, Matterhorn, and Newport. With British American Tobacco plc as the ultimate parent through Rothmans Holdings (Caricom) Limited, Carreras remains a dominant player in Jamaica's tobacco industry, supported by strong brand equity, efficient distribution networks, and disciplined pricing strategies.

For the twelve months ended 31 December 2025, Carreras delivered another year of resilient earnings growth despite ongoing industry headwinds, including currency pressures and structural volume challenges. Operating revenue increased by 6.9% to J\$20.90 billion, compared with J\$19.55 billion in 2024, reflecting the continued impact of pricing adjustments and stable consumer demand.

Cost of goods sold rose moderately to J\$8.96 billion, up from J\$8.66 billion in the prior year. As a result, gross profit improved to J\$11.94 billion, representing a 9.6% year-on-year increase, while gross margins remained among the strongest on the Jamaica Stock Exchange.

Including other operating income of J\$230.4 million, total operating income reached J\$12.17 billion. Administrative, distribution, and marketing expenses increased by 7.9% to J\$3.28 billion, largely reflecting higher business support costs, security expenses, and professional services. Despite these increases, Carreras maintained strong operating leverage due to its highly efficient distribution model.

Consequently, profit before taxation increased to J\$8.81 billion, up from J\$8.19 billion in the prior year. After accounting for a tax charge of J\$2.21 billion, net profit for the year rose to J\$6.60 billion, compared with J\$6.23 billion in 2024. Earnings per share improved to 135.89 cents, up from 128.35 cents in the prior year.

Strategically, Carreras continues to focus on protecting its core brand portfolio, maintaining disciplined pricing, and strengthening its distribution network, while actively supporting initiatives aimed at combating illicit trade within the tobacco industry. These efforts are critical in preserving industry stability and protecting legal market share. The company's capital-light operating model and strong cash generation also support its long-standing commitment to consistent shareholder returns through dividends, reinforcing its position as one of the highest dividend-yielding equities on the Jamaica Stock Exchange.

Overall, Carreras' full-year performance highlights the resilience of its business model. Through strong pricing power, disciplined cost management, and efficient distribution, the company continues to generate robust profitability and cash flows despite structural industry pressures.

CAR (as at Tuesday March 3rd, 2026) was trading at 31.56 times its book value with a P/E of 15.11 times.