

Prestige Holdings makes \$66.5m profit

RESTAURANT management group Prestige Holdings Ltd has reported a \$66.5 million profit after tax for the year ending November 30, 2024.

In its consolidated financial statements released yesterday, the group indicated that, for the same period in 2023, it recorded a \$55.9 million profit after tax.

In his report on the group's performance, chairman Christian Mouttet said fiscal year 2024 was a solid one for Prestige with improvements in profitability, customer service and employee engagement.

'It was also a year of investment in asset upgrades, innovation, and people capability, resulting in significant improvement in operational efficiencies,' he stated.

For the fiscal year 2024, the group reported an increase in revenue by 1.6% to \$1.35 billion from \$1.33 billion in the previous year, and this resulted in a profit before tax of \$100 million compared to \$84 million in 2023, an increase of 20%.

'During the period, our group generated \$143 million in operating cash flow, increased borrowings by \$9.7 million to \$58.9 million and ended the year with \$104 million in cash. The group deployed significant capital on new assets as well as asset improvement, innovation and technology, with \$102 million spent on investing activities, compared to \$57 million in 2023,' Mouttet stated.

He added that part of this investment was the strategic acquisition of the property at the interchange in Valsayn, where the KFC, Pizza Hut and Subway brands are located.

'At year-end, we operated 137 restaurants, including two new Starbucks cafes-at Independence Square, Trinidad and MovieTowne, Guyana. We completed eight major remodels (KFC-four; Pizza Hut four) with a further 18 minor remodels, and relocated our KFC and Subway restaurants in San Juan,' Mouttet added. He noted that most of the brands posted operational and financial improvements over the prior year, particularly Pizza Hut and Subway. 'The group's overall improvement in profitability is reflective of the efficiencies gained through the investments in our people, innovation and assets. The opening of the second Starbucks cafe in MovieTowne, Guyana, follows on from launching the Starbucks brand in the Guyana market in 2023 and the brand continues to perform well,' he stated.

He noted that while over the last two years, the company has worked on moving asmuchofitssupplychain to local producers as it can but foreign exchange availability continues to be a major challenge. 'We recognise that much of what is decided at the national and international level is beyond our control; however, we must be aware, vigilant and proactive to make ourselves as 'anti-fragile' as possible,' Mouttet said. Prestige also reported that its board approved a final dividend of 36 cents per common share compared to 30 cents in 2023 which with shareholders' approval, will bring the total dividends payable for the financial year 2024 to 52 cents compared to 45 cents in 2023. The final dividend will be paid on May 9 to shareholders whose names appear on the Register of Members on April 9.