Creightons, one of the hygiene product winners during Covid-19, is now having to adjust to post-pandemic normality. And the personal care, beauty, and fragrance products producer said Tuesday its transition has been successful, replacing the previous year’s “one-off” hygiene sales with growth across each of the branded, private label and contract manufacturing business units.

And its preliminary results for the year ended 31 March showed just that in the core business sales column. Revenue here, excluding hygiene and two acquisitions (Emma Hardie and Brodie & Stone), increased 21.8% year-on-year to £57.3 million for the 12 months ended 31 March.

Own branded sales (excluding hygiene) grew 37.7%; sales of retailer own label products increased 9.5%; contract manufacturing sales jumped 29.3%; and total overseas sales were up an even better 45.6% to £10 million.

However, total revenue was still down, albeit by just 0.7% to £61.2 million.

Unsurprisingly, the costs of Covid-19 defences were significantly reduced compared to the previous year. Sales of hygiene products, which were a significant feature of last year’s activities with a turnover of £14.6 million, have reduced to £0.3 million and are not expected to recur in the future.
reduced to £0.3 million and are not expected to recur in the future.

And the earnings column still has some way to go. EBITDA slipped to £5.9 million from £6.9 million last year while operating profit dipped 19.1% to £4.37 million. Operating profit margin also slid to 7.1% from 8.8% in 2021. Meanwhile, post-tax profit for the year declined to £3.1 million from £4.3 million.

Creightons also said its balance sheet remains strong and includes new intangible assets of £10.1 million arising from acquisitions. “We have continued to invest in working capital, product development and fixed assets to support the growth and efficiency of the business”, it noted.

Managing director Bernard Johnson added: “The team across the group has performed exceptionally well in the face of challenges presented by Covid-19 and the global supply chain and inflationary pressures. We will continue to work closely with our customers while robustly embarking on a programme of overhead cost reduction and improving manufacturing efficiencies. We are confident that our vertically integrated model continues to give us a competitive advantage.”

By Nigel Taylor

Copyright © 2022 FashionNetwork.com All rights reserved.