

Plastics firm Coral Products brings back dividend and plots acquisitions

Plastics group Coral Products is reinstating its dividend after starting a business transformation following a profit warning earlier this year.

In [a trading update in January](#), Coral announced that customer orders had fallen and that profits would be below management and market expectations. It also suspended the interim dividend that it had previously announced.

Now the Wythenshawe firm has issued a new update confirming trading is in line with those updated expectations. It said revenue for the year to April 30 was set to come in at over £31m, down from £35.2m in 2023, while underlying EBITDA “is expected to be not less than £3.2m”, down from last year’s £3.9m.

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The group said it intended to reinstate an interim FY24 dividend of 25p to shareholders in August, and said it would also propose a final dividend.

Coral was founded in 1989 and was originally known as a manufacturer of VHS boxers and CD cases. Over the years it has acquired several businesses, including Ecodeck Recycled Plastics in May 2023 [and Manplas in September 2022](#).

CEO Lance Burn joined the group on January 2 and pledged a “comprehensive review” of its operations.

Today he said: “We quickly recognised and communicated the adverse commercial impact experienced in our industry towards

the end of 2023 and as a result, have been able to implement corrective commercial measures and organisational reform.

“We are pleased to say that we are beginning to see improvements in most of our markets, whilst being mindful of the continuing economic and geopolitical uncertainty.

“We have created a focused and accountable new two-division structure which is delivering performance and margin improvement through innovation, simplification and efficiency. We have exited low margin revenue streams in order to focus on profitability.

“Our recent investment of over £3m in new manufacturing capabilities is now fully commissioned serving new commercial channels and customers. This capital expenditure is expected to benefit the current financial year.

“We also continue to strengthen our organisation to support our four strategic pillars of growth:

- Successfully managing complex commercial, product and service solutions.
- Excelling at UK manufacturing and technical innovation.
- Greater margin efficiency through investment in technology and people.
- Accessing commercial opportunity, scale and synergy through M&A.

“I am pleased to see so much progress in such a brief time since I became CEO and I would like to thank my new colleagues for their support and effort as we accelerate a positive transformation of our business in pursuit of growth.”

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