

# Vimto and Slush Puppie maker warns of 'challenging year' ahead as it returns to the black

The maker of Vimto and Slush Puppie returned to the black during its latest financial year.

Newton-le-Willows-headquartered Nichols plc has posted a pre-tax profit of £13.8m for 2022, up from a loss of £17.7m in 2021.

Its revenue also increased from £144.3m to £164.9m over the same period.

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UK revenue rose by 13.7% to £127m while international sales grew by 16.1% to £38m.

Non-executive chairman John Nichols said: "Vimto continues to perform well both in the UK and internationally and despite ongoing inflationary pressures, which accelerated during the second half, the brand has ensured a robust financial performance for the group.

"In the UK we have again seen the brand outperform in dilutes and continued to make significant progress in the ready to drink subcategory.

"Internationally, we continued to see solid growth across all regions. In particular, it was pleasing to see strong underlying growth in both the Middle East and Africa given the importance of these markets to the group.

“The board currently expects FY23 adjusted PBT to be in line with FY22 and market expectations, with International ahead and OoH behind initial market forecasts.

“The board remains confident of significant progress in FY24 as inflationary pressures abate and the benefits of the Out of Home Strategic Review are realised.

“With a long-term track record of growth, a proven and diversified strategy in the UK and internationally, a quality range of brands and a strong balance sheet, the board remains highly confident that the group is very well positioned to deliver its long-term growth plans.”

He added: “The group has a proven, diversified, and international business model.

“However, it is not immune to the significant and accelerating inflationary pressures impacting the wider consumer and soft drinks markets.

“Whilst FY23 will be a challenging year as cost of living pressures impact consumer demand across all routes to market, the group will continue to seek to mitigate these pressures through both cost efficiency and revenue management.

“Throughout FY22, this has helped the Vimto brand continue to grow in the UK and internationally, which the board is confident will continue in FY23.”

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