

Grafenia Plc

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Grafenia still facing headwinds and red ink in printing

Grafenia Plc (LON:GRA) has seen mixed trading recently with revenues lower than expected and unrelenting pressure on print prices.

The print shop, supplies and website designer said revenues for 2017/18 will be just under £15m, 40% higher than the previous year but still below management forecasts.

READ: Mixed trading but Grafenia on track to hit revised expectations

Volumes and margins in trade business were below budget in December and January and fell away sharply last month.

As a result, losses for the year to March will be around £2.85m, or similar to 2016/17.

Grafenia's strategy has to be to shift away from the intensely competitive print shop business and regroup around Nettl, its web design operation, with add-on acquisitions such as signage to widen its offering.

Spending on the re-positioning may hit earning further in the short-term, Grafenia added, but is necessary for its long-term transformation.

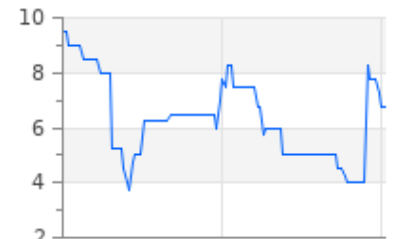
Cash generation is healthy said Grafenia, a trend it expects to continue.

Shares eased 3% to 12p.

Price: 6.5

Market Cap: £7.44 m

1 Year Share Price Graph



January 2020 July 2020 January 2021

Share Information

Code: GRA

Listing: AIM

52 week High Low
11.1 2.5

Sector: Media

Website: www.grafeniamedia.com

Company Synopsis:

The core capabilities of Grafenia plc are reflected in its online brands, the Manchester Production Hub, its supply chain expertise, the Group's SaaS platforms and the interconnectivity of all of these elements.

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