

Verimark FY profits dips as weaker rand weighs

Specialist retailer Verimark's (VMK) full-year profit dipped, thanks to a weaker rand that inflated the cost of imported costs.

The company, whose product range includes housewares, health and fitness, was also affected by weak consumer spending.

Revenue from continuing operations in the year to February was up 3.7% to R430.8m from a year ago, but pretax profit dipped 22.7% to R13.1m.

The foreign exchange loss in the year on review was R3.7m compared with a foreign exchange gain of R0.4m the previous year.

Verimark said it would continue to place emphasis on increasing the pace of new products and normalise margins that were eroded due to a weaker rand.

"Given the economic challenges and the uncertainty around the rand exchange rate, Verimark is exploring a number of diversification strategies locally, as well as internationally."

Source: BDpro via I-Net Bridge

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