Unigel Group plc

(the "Group" or the "Company")

Interim Results

Unigel Group plc (AQSE: UNX), the manufacturer and supplier of materials used in the manufacture of telecommunication fibre optic cables announces its unaudited half-year results for the period ended 30 June 2025. Comparative data is for the period ended 30 June 2024 and the year ended 31 December 2024.

OPERATIONAL HIGHLIGHTS

The Group continues to make good progress in various business areas:

- Successful transition and ramp up of Unigel UK's partner plant in Malaysia
- Continued cost and operational improvements in Unitape's operations in the US
- Market share gains in our steel tape business with additional mandates from established market base
- Profit margin enhancement through higher margins product mix, cost controls and productivity gains in our supply chain

FINANCIAL HIGHLIGHTS

Key figures for the six months to 30 June 2025 with comparatives for the six months to 30 June 2024 and the year to 31 December 2024 were as follows:

	6 months 30.06.25	6 months 30.06.24	Year 31.12.24
Revenue	£18.89m	£14.80m	£29.17m
Gross profit	£3.70m	£3.01m	£5.90m
Gross profit percentage	19.6%	20.3%	20.2%
Administrative expenses	£1.92m	£1.78m	£3.82m
Profit after tax	£1.53m	£0.93m	£1.66m

Dividends of 1.5p and 2.0p per share were distributed in November 2024 and April 2025 respectively.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

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NOTES TO EDITORS

Unigel Group plc is the holding company whose operating subsidiaries, Unigel (UK) Limited ("Unigel") and Unitape Limited ("Unitape") manufacture and distribute materials used in the manufacture of telecommunication fibre optic cables.

Unigel, a wholly owned subsidiary of the Group, formulates, manufactures, and markets thixotropic gels primarily to the fibre optic cable industry. In addition, it also makes specialty gel products for the construction, green energy, and high voltage transmission apparatus markets.

Unitape, a wholly owned subsidiary of the Group, is one of the largest domestic manufacturers and suppliers of laminated steel tapes to the fibre optic cable industry in North America.

CHIEF EXECUTIVE OFFICER'S REVIEW

Despite continued global uncertainties and a continued anaemic global fibre optic cable market, our businesses outperformed expectations in the first half of 2025. Most of our gains were in the steel tape segment in the US, however we also saw strong sales coming through in our thixotropic gel and cable components trading business in certain selected markets.

The Group continued to see lethargic demand growth across most major markets in the first half of 2025 in the markets where it operates. Sentiment remains weak with continued slowdown in telecommunications network deployment as major telco operators remain cautious due to persistent high interest rates and weak and uncertain economic recovery in most markets.

Our business initiatives to improve overall engagement with our customer base and focus on operational efficiency had brought tangible results to our margin contribution in the first half of 2025 despite increased logistics and tariff cost due to geopolitical development. We continue to be focused on cost and operational efficiency across all business areas.

In addition, the Group had invested in capacity growth and new product introduction in the first half of the year. All these initiatives will strengthen our future business prospects. I am also happy to report that we had successfully ramped up production with our Malaysian tolling plant which will contribute to our bottom-line for the rest of 2025.

The Group is maintaining an optimistic but cautious outlook for the remainder of 2025.

BUSINESS REVIEW

Turnover for the six months to 30 June 2025 grew by 27.7% compared to the previous six months, gross margin improved significantly as raw material prices and logistics costs continued to become more stable. Administrative overheads rose by 7.6% compared to the previous six months mainly due to an increase in staff costs as a result of a higher level of activity. Profit after tax rose by 65.3% to £1.53m in the six months to 30 June 2025. The Group balance sheet showed net assets of £6.03m as at 30 June 2025 compared to £4.40m on 30 June 2024.

OUTLOOK

With so many uncertainties brought about by tariff and non-tariff policies of the US during the period under review, the outlook on the global economy remains cautious due to geopolitical conflicts, trade tensions, inflation pressure and a longer than anticipated high-interest rate environment dominating the business headlines. In our industry, the proliferation of AI and AI investment together with broadband infrastructure investments has provided optimism to the Group and its customer base.

Chairman
Sven Janne Sjoden

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

PERIOD ENDED 30 JUNE 2025

	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 December 2024
	£	£	£
TURNOVER	**18,887,468**	14,795,303	29,172,801
Cost of sales	**(15,189,310)**	(11,784,680)	(23,273,536)
Gross profit	**3,698,158**	3,010,623	5,899,265
Administrative expenses	**(1,920,041)**	(1,784,890)	(3,816,214)
OPERATING PROFIT	**1,778,117**	1,225,733	2,083,051
Other income			
Interest receivable and similar income	**285,849**	77,323	109,319
Interest payable and similar charges	**(30,634)**	(24,142)	(63,153)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	**2,033,332**	1,278,914	2,129,217
Tax on profit on ordinary activities	**(499,064)**	(350,602)	(466,036)
PROFIT FOR THE FINANCIAL PERIOD FOR THE GROUP	**1,534,268**	928,312	1,663,181
Other comprehensive income for the period			
(Loss)/gain on foreign exchange	**(141,367)**	7,908	22,230
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,392,901**	936,220	1,685,411
Minority interest	**-**	(58,403)	(58,403)
TOTAL COMPREHENSIVE INCOME FOR THE GROUP	**1,392,901**	877,817	1,627,008

CONTINUING OPERATIONS

All amounts were derived from continuing operations.

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 JUNE 2025

	Notes	**30 June 2025**	30 June 2024	31 December 2024
		£	£	£
Fixed assets				
Intangible assets		**555,774**	611,001	583,032
Tangible assets		**1,679,330**	1,237,626	1,180,255
		2,235,104	1,848,627	1,763,287
CURRENT ASSETS				
Stocks		**6,755,972**	5,973,809	6,354,253
Debtors		**6,235,201**	5,707,802	4,211,623
Cash at bank and in hand		**2,409,393**	1,242,385	324,168
		15,400,566	12,923,996	10,890,044
CREDITORS				
Amounts falling due within one year		**11,429,057**	10,103,802	7,539,707
NET CURRENT ASSETS		**3,971,509**	2,820,194	3,350,337
TOTAL ASSETS LESS CURRENT LIABILITIES		**6,206,613**	4,668,821	5,113,624
CREDITORS				
Amounts falling due after more than one year		**10,524**	20,478	15,543
PROVISION FOR LIABILITIES				
Deferred tax		**161,950**	250,262	167,681
Net assets		**6,034,139**	4,398,081	4,930,400
CAPITAL AND RESERVES				
Called up share capital	**3**	**72,291**	72,291	72,291
Share premium		**2,483,933**	2,483,933	2,483,933
Profit & loss account		**3,572,401**	1,865,693	2,389,093
Translation reserve		**(94,486)**	(23,836)	(14,917)
SHAREHOLDERS' FUNDS		**6,034,139**	4,398,081	4,930,400

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

30 JUNE 2025

	Share capital	Share premium	Retained earnings	Translation reserve	Minority interest	Total equity
	£	£	£	£	£	£
At 1 January 2024	56,425	469,011	992,961	(28,921)	1,080,659	2,570,135
Upon issue of shares	15,866	2,014,922				2,030,788
Upon acquisitions					(1,139,062)	(1,139,062)
Comprehensive income for the period						
Profit for the period			928,312			928,312
Minority interest in profit/(loss) for the period			(58,403)		58,403	-
Other comprehensive income for the period			2,823	5,085		7,908
Total comprehensive income for the period at 30 June 2024	72,291	2,483,933	1,865,693	(23,836)	-	4,398,081
At 1 January 2025	72,291	2,483,933	2,389,093	(14,917)	-	4,930,400
Comprehensive income for the period						
Profit for the period			1,534,268			1,534,268
Other comprehensive income for the period			(61,798)	(79,569)		(141,367)
Dividends paid			(289,162)			(289,162)
Total comprehensive income for the period at 30 June 2025	72,291	2,483,933	3,572,401	(94,486)	-	6,034,139

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

PERIOD ENDED 30 JUNE 2025

	Note	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 December 2024
		£	£	£
Net cash inflow/(outflow) from operating activities	1	**3,379,612**	575,781	1,382,971
Return on investments and servicing of finance	2	**(33,947)**	(16,819)	(1,476,505)
Taxation		**(24,786)**	(159,938)	(380,099)
Capital expenditure	2	**(695,153)**	(44,084)	(68,550)
		2,625,726	354,940	(542,183)
Financing	2	**(540,501)**	484,877	463,783
Increase/(decrease) in cash in the period		**2,085,225**	839,817	(78,400)
Reconciliation of net cash flow to movement in net debt	3			
Increase/(decrease) in cash in the period		**2,085,225**	839,817	(78,400)
Cash inflow/(outflow) from movement in debt		**540,501**	239,411	(463,783)
Change in net debt resulting from cash flows		**2,625,726**	1,079,228	(542,183)
Opening net cash balances		**(670,243)**	(128,060)	(128,060)
Closing net cash balances		**1,955,483**	951,168	(670,243)

NOTES TO THE UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

PERIOD ENDED 30 JUNE 2025

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30 June 2025	30 June 2024	31 December 2024
	£	£	£
Operating profit	**1,778,117**	1,225,733	2,083,051
Depreciation and amortisation charges	**109,982**	107,474	215,404
Loss on fixed asset disposals	**-**	65	6,750
(Increase)/decrease in stocks	**(401,719)**	(994,782)	(1,375,226)
(Increase)/decrease in debtors	**(2,026,679)**	(2,996,506)	(1,448,391)
Increase/(decrease) in creditors	**3,919,911**	3,233,797	1,901,383
Net cash inflow from operating activities	**3,379,612**	575,781	1,382,971

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30 June 2025	30 June 2024	31 December 2024
	£	£	£
Returns on investments and servicing of finance			
Proceeds on sale of fixed assets	**-**	-	701
Purchase of minority interest	**-**	-	(1,306,500)
Interest received and similar income	**285,849**	77,323	109,319
Interest paid and similar charges	**(30,634)**	(24,142)	(63,153)
Dividends paid	**(289,162)**	(70,000)	(216,872)
Net cash outflow for returns on investments and servicing of finance	**(33,947)**	(16,819)	(1,476,505)
Capital expenditure			
Purchase of intangible fixed assets	**(23,121)**	(7,922)	(26,453)
Purchase of tangible fixed assets	**(672,032)**	(36,162)	(42,097)
Net cash outflow for capital expenditure	**(695,153)**	(44,084)	(68,550)
Financing			
Proceeds from issue of shares	**-**	2,030,788	-
Acquisition of minority interest in subsidiary	**-**	(1,306,500)	

(Loan repaid)/new loan received	**(540,501)**	(239,411)	463,783
Net cash inflow from financing	**(540,501)**	484,877	463,783

3. ANALYSIS OF CHANGES IN NET DEBT

	At 01/01/25	Cash flow	At 30/06/25
	£	£	£
Net cash:			
Cash at bank and in hand	324,168	2,085,225	2,409,393
Debt:			
Loan	(994,411)	540,501	(453,910)
Cash at bank and in hand	(670,243)	2,625,726	1,955,483

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

PERIOD ENDED 30 JUNE 2025

1. ACCOUNTING POLICIES

Company information

The company is a public limited company incorporated in England and Wales (registered number 13934232) and its registered office is Unigel House, 7 Park View, Alder Close, Eastbourne, BN23 6QE.

The principal activity of the group is the manufacture and sale of cable filling and flooding compounds, associated pumping and delivery equipment, and tapes.

Accounting convention and basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of the consolidated financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies. Information is given in the accounting policies noted below.

2. EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of ordinary shares in issue during the period.

	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 December 2024
	£	£	£
Profit after tax	**1,534,268**	928,312	1,663,181
Weighted average ordinary shares in issue	**14,458,106**	12,746,537	13,955,264
Earnings per share	**10.61p**	7.28p	11.92p

3. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number	Class:	Nominal value:	**30 June 2025**	30 June 2024	31 December 2024
			£	£	£
14,458,106	Ordinary	£0.005	**72,291**	72,291	72,291

4. FORWARD-LOOKING STATEMENTS

Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Group's current expectations, estimates and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Group's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecast in the forward-looking statements. The Group cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Group only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Group will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.