

UK's Unibond maintains a profit despite 30% drop in sales

The UK importer remarked on various difficulties in international trade in 2023 -- a year in which Outlaw Ocean Project linked it to alleged coerced labor from China's Uyghur ethnic minority

By [Undercurrent News](#) | Sept. 24, 2024 10:20 BST



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UK seafood importer Unibond Seafood International managed to maintain a profit for its 2023 financial year, despite a 30% drop in sales.

It pointed to several factors that made trading difficult last year and noted that most of these factors persist in 2024.

Last year, it also faced allegations that forced Uyghur labor was used in a partner Chinese processing plant that supplied it Alaskan pollock fillets and loins between 2019 and 2022, according to a [report by the Outlaw Ocean Project](#).

Unibond said: "2023 was a year marked by changes and uncertainty. The price of headed and gutted (H&G) fish has steadily increased throughout 2023 as demand recovered from the lows experienced during the COVID-19 pandemic."

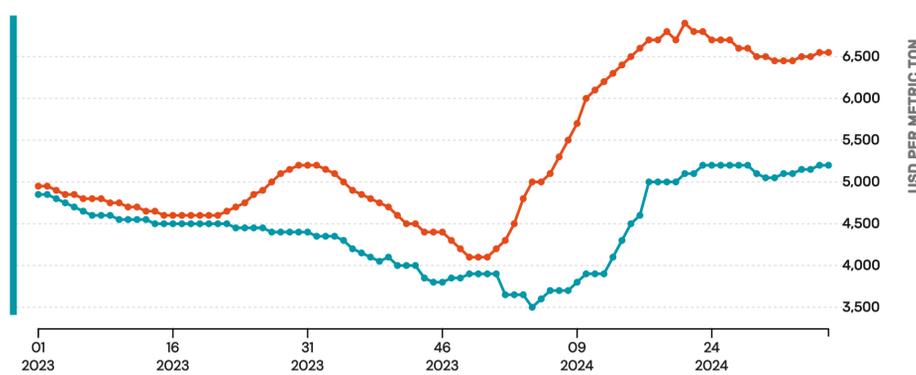
"Prices for H&G Atlantic cod continued to rise throughout 2023 and into 2024. The upward trend was driven by two primary factors: the implementation of previously agreed reductions in cod quotas, reducing the allowable catch, and various global political issues."



[VIEW GRAPH](#)

Barents Sea Russian H&G Atlantic cod, CFR China

■ Barents Sea Russian H&G Atlantic cod, CFR China ■ Barents Sea Norwegian H&G Atlantic cod, CFR China



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The reduction in cod quotas is expected to ensure a gradual rise in H&G prices over the long term, it added. "Additionally, significant changes in sanctions on Russia have resulted in Russian-caught fish being prohibited in the US."

Unibond also pointed to increased freight rates in 2023, which many ships opting to take the long route from China to Europe, around the Cape of Good Hope, to avoid the "uncertainty" in the Middle East.

"This shift has led to increased freight rates, impacting both our costs and those of our customers. This trend of rising freight rates has continued into 2024."

The consumption of seafood in Europe is still weak due to high inflation and the cost of living crises, particularly on the high prices of cod, it added.

Still, on a positive note, the relaxation of COVID control measures affecting Unibond's partner producers in China has resulted in reduced additional costs and supply chain disruptions, it said.

"The Brexit transition and recent implementation of import checks in the UK have not posed significant problems, as our imports to the UK have always been subject to checks and declarations. Our Dutch subsidiary continued its operations as our agent within the EU; while this arrangement has added to the overall costs of the group without generating additional sales, it has prevented major cost increases and potential loss of sales to some EU-based customers."

For the year ended Dec. 31, 2024, Unibond's turnover fell from £144 million the year before to £101.1m (\$134.7m).

However, it also cut the cost of its sales from £142.3m to £100.1m, meaning gross profit for 2023 was £1.04m (versus £1.7m the year before).

Operating profit eased from £966,324 to £325,107, and profit after tax was £460,964, compared with £667,858 in 2022.

"The market remains uncertain and challenging. A political solution to the ongoing global crises would provide the stability our markets need," it said. "We expect 2024 to present additional significant challenges to the whole seafood sector, the company, its customers and suppliers."

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