

Profit plunge at IG Design amid challenges, yet firm eyes second-half rebound

IG Design, the world's largest producer of greeting cards, wrapping paper and gift bags, has seen a significant cut in its profit. However, the company is now generating cash and anticipates a recovery in the second half of the year.

As predicted, group revenue dropped by 11 per cent in the six months leading up to September, resulting in an adjusted profit decrease of 62 per cent in the first half compared to the same period last year, as per a post-close trading update, as reported by [City AM](#).

However, as of 30 September, 2024, IG Design was in a stronger cash position than the previous year, with net cash of \$7.4m (£5.7m), compared to a net debt of \$15.1m after the first half of 2023.

The London-listed firm, which also specialises in [Christmas crackers](#), expects an improvement in profit in the second half of the year as it embarks on a "business simplification, efficiency and cost-saving initiatives" drive.

This year, the company has closed a [Chinese](#) manufacturing facility and carried out a significant restructuring within its Americas business to reduce costs.

Earlier this year, it attributed a loss in revenue to underperformance in the Americas and "continuing softness" in demand in the UK and Australia.

The company stated that it believes its trading results for the full year 2025 remain in line with its expectations, which were downgraded last month, causing a hit to the stock price.

However, brokerage Panmure Liberum said today that the shares are trading at a “crazy low” price and rated IG Design a ‘buy’.

The company noted that it has “significantly changed its prospects, is now profitable throughout the year, is fundamentally cash flow generative in H1 when it never used to be and continues to execute its change strategy well despite what has been a challenging backdrop”.

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