

24 July 2025

The following immaterial amendment has been made to the 'Final Results' announcement released on 15 July 2025 at 07:00 under RNS No 0394R:

In the Consolidated Statement of Financial Position, the Trade and other receivables as at 30 March 2025 should have stated £5,415,395 rather than £5,328,345.

All other details remain unchanged.

The full amended text is shown below.

Cake Box Holdings plc

("Cake Box" the "Company" or the "Group")

Audited Full Year Results for the 52 weeks ended 30 March 2025

Increases in revenue and underlying EBITDA ahead of expectations as Cake Box continues to expand its store estate which now surpasses 250 stores

Cake Box Holdings plc, the UK's largest retailer of fresh cream celebration cakes, announces its audited full year results for the 52 weeks ended 30 March 2025.

Financial Highlights

	52 weeks ended 30 March 2025	2024	Change***
Group revenue	£42.78m	£37.84m	13.0%
Gross profit	£22.46m	£19.94m	12.6%
EBITDA*	£7.81m	£7.70m	1.5%
Underlying EBITDA**	£8.73m	£7.46m	17.1%
Profit before tax	£6.16m	£6.27m	(1.8%)
Underlying profit before tax**	£7.08m	£6.03m	17.4%
Underlying basic earnings per share	13.18p	11.04p	19.4%
Final dividend recommended	6.80p	6.10p	11.5%
* EBITDA is calculated as operating profit before depreciation and amortisation			
** Underlying EBITDA and pre-and post-tax profits are after adjusting for exceptional items			
*** % change is based on amounts in the Consolidated Statement of Comprehensive Income			

- Gross margin decreased marginally to 52.5% (2024: 52.7%), as the Group absorbed certain input price increases through the financial period
- Underlying EBITDA** increased 17.1% to £8.73m (2024: £7.46m)
- Group's net debt position was £9.0m (2024: net cash of £7.3m) following £22m acquisition of Ambala Foods Limited ("Ambala")
- Full year dividend per share increased 13.3% to 10.2p (2024: 9.0p)

Operational Highlights

- Successful acquisition of Ambala, a leading manufacturer and retailer of Asian sweets (Mithai) in the UK since 1965, currently operating 19 corporate stores and three franchised stores, for a total consideration of £22m
- Total number of Cake Box franchise stores across the UK increased to 251 (2024: 225), entering new locations such as Belfast, Hastings and Worthing
- 19.0% growth in online sales to £19.1m (2024: £16.1m) following increased investment in digital marketing and e-commerce capabilities

- Launched a number of new products to capture latest trends, including an exclusive partnership with Ferrero UK to launch a Nutella range, and the popular Dubai Chocolate range, with lines specifically for Valentine's Day, Mother's Day and Eid
- The Board has been strengthened by the appointments of Malar Velaigam, Catherine Nunn, and Andrew Boteler, all joining as Non-Executive Directors

Franchisee Highlights

- Franchisee total turnover increased 9.5% to £86.3m (2024: £78.8m)
- Like-for-like¹ sales growth of 3.0% in franchise stores (2024: 4.4%)
- Number of multi-site franchisees increased to 54 (2024: 47)

Current Trading and Outlook

- Trading in the 2026 financial year has started positively and in line with market expectations, supported by continued momentum in franchise store performance and growing online sales
- The integration of the Ambala acquisition is progressing well and on track to achieve identified cost savings and efficiencies
- Whilst it remains a challenging consumer environment, the Group is well positioned for continued growth, with an expanding store estate, growing customer loyalty and increasing online sales

¹ Like-for-like: Stores trading for at least one full financial year prior to 30 March 2025.

Sukh Chamdal, Chief Executive Officer, said: "In the past year, we achieved significant operational growth and are pleased to report growing sales and underlying EBITDA ahead of market expectations. This success was due to strong franchise store performance, expansion of our store network, and the effectiveness of our multi-channel sales strategy. Notably, we celebrated the opening of our 250th store in Hastings, progressing toward our target of 400 locations.

"Our strategic acquisition of Ambala Foods in March 2025 enhances our product portfolio and diversifies revenue streams, focusing on celebratory and indulgent treats. Ambala's rich heritage and popular products align seamlessly with our brand, creating opportunities for synergies, accelerated organic growth in new regions and reaching new customers.

"Looking ahead, we have entered the new financial year with positive trading momentum and are making good progress in integrating Ambala. We remain dedicated to growth, innovation, and solidifying our position as the UK's leading retailer of fresh cream celebration cakes."

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Operational Review

It has been another excellent year of strong growth for Cake Box with increases in revenue and underlying EBITDA ahead of expectations. The strategic initiatives implemented by management, including an expanding store estate, revamped e-commerce platform, and successful brand refresh, alongside the acquisition of Ambala, provides an excellent platform for further growth.

These initiatives have collectively strengthened the Group's operational platform and extended Cake Box's market presence. The combination of the enhanced online performance and growing high street presence positions Cake Box for sustained growth.

Delivering on the Group's Growth Ambitions

Expanding store estate

The Group's success is driven by its franchisees. Cake Box opened 26 new stores during 2025, exceeding managements target at the start of the year, taking the total to 251 Cake Box stores as of 30 March 2025. The Group saw a 9.5% increase in total franchise store sales and like-for-like sales increase of 3.0%, reflecting successful store openings and strong customer demand.

In addition, 19 corporate and three franchised Ambala stores were added to the store estate following the acquisition in March 2025. As part of the Group's expanding footprint, Cake Box reached new regions including Northern Ireland, and in the first half of the 2026 financial year, the Group opened its first international store in Paris.

Cake Box is focused on growing its store estate, with a target to reach 400 locations and there remains strong demand for new stores both within the franchisee base and from new potential franchisees. As of 30 March 2025, Cake Box has 109 franchisees of which 54 operate more than one Cake Box store.

The Group continued to work closely with external property consultants to identify and secure high-potential locations, which led to the successful identification of additional areas suitable for either new Cake Box stores or to strengthen the Group's presence in existing regions. Encouraging progress continues as the Group builds towards its long-term expansion goals.

The positive downward trends for utility costs combined with the stabilisation of food costs has had a positive impact of franchisee margins and profitability.

Marketing and multi-channel approach driving growth

The Group's enhanced marketing strategy continues to deliver strong results, further increasing brand awareness, driving customer acquisition and loyalty. Investment in digital marketing and e-commerce capabilities remains central to the Group's growth strategy, with online sales increasing by 19.0% year-on-year, and online transactions now accounting for 23.5% of franchise store sales for the 52 weeks ended 30 March 2025, with some weeks exceeding 25.0% of franchise sales.

The launch of a customer loyalty programme, Cake Club, in June 2024 has been well received, and has reached the landmark of surpassing 100,000 members. In addition, there has been a significant uplift in the marketing database, a 100% increase to 768k subscribers and SMS database growth of 78% to 348k. These developments allow for more personalised and impactful customer engagement.

Website performance has remained strong, with total visits reaching five million in 2025, a 39.4% increase year-on-year, with over 250,000 new online customers.

The increasing online sales also reflect Cake Box's online 'click-and-collect' feature, which allows customers to order personalised, fresh cream cakes for collection within the hour, and continues to grow in popularity.

The annual central marketing fund with the franchisees is designed to increase digital and social media reach, grow the brand and attract new customers. All the new stores opened during the financial year have the new refreshed branding and 78 of the total estate now carry the new look, which continues to be rolled out across the business.

Strategic acquisition of Ambala to expand product range and market reach

In March 2025, Cake Box completed the acquisition of Ambala, a well-established manufacturer and retailer of traditional Asian sweets and snacks, for a total of £22.0m, which included £16.0m for Ambala and £6.0m for Ambala's industrial freehold building located in Welwyn Garden City. Ambala broadens the Group's product portfolio and diversifies its revenue streams while remaining aligned with Cake Box's core focus on celebratory and indulgent treats.

The Board has identified cost savings and efficiency benefits of at least £1m in both the near and medium term. These benefits are expected to be delivered over the next 18 to 24 months, through a number of efficiency initiatives.

Operational efficiencies will be achieved through greater automation and improved utilisation at Ambala's manufacturing facility, reducing production costs and enhanced productivity. The Group is also streamlining head office functions by merging certain Group functions to reduce overhead costs and enhance administrative efficiency.

Further savings are expected from economies of scale as consolidation of the supply chain enables better pricing on materials and packaging. By leveraging Cake Box's scale and supplier relationships, the Group aims to significantly reduce input costs. In addition, integrating Ambala's logistics into Cake Box's existing delivery network will unlock routing efficiencies and reduce transportation costs.

These operational synergies form part of a comprehensive integration plan. This plan is progressing well, with initial focus on aligning systems and leveraging the significant operational efficiencies and cost savings while enhancing the Group's opportunities to accelerate revenue growth.

The acquisition was supported by a successful £7.2m equity fundraise, underlining strong shareholder support for the Group's growth strategy with both the institutional placing and retail offer substantially oversubscribed.

Continuing to invest in growth

In the first half, Cake Box completed the purchase of land adjacent to its Bradford depot for £0.7m. This is to support new store growth in the north of England and Scotland. Cake Box also improved its IT and e-commerce capabilities to capitalise on its significant growth opportunities, with a total capex spend of £1.0m, and a further £1.0m was spent on depots during the period.

Board changes

During the period, Cake Box was pleased to welcome several highly capable individuals to the Board. Malar Velaigam joined as a Non-Executive Director and Chair of the Remuneration Committee, Catherine Nunn as a Non-Executive Director and Chair of the ESG Committee, and Andrew Boteler as a Non-Executive Director and Chair of the Audit Committee.

These appointments reflect the Group's continued commitment to strong governance and experienced leadership, aligned with Cake Box's long-term strategic objectives. Each brings valuable expertise and perspective that will be instrumental as the Group enters its next phase of growth.

Financial review

	52 weeks ended 30 March 2025*	2024	Change***
	£m	£m	
Group Revenue	42.78	37.84	13.0%
Gross Profit	22.46	19.94	12.6%
Operating expenses before exceptional items	(15.10)	(13.76)	(9.7%)
Exceptional items	(0.92)	0.24	
Operating profit	6.44	6.42	0.2%
Net finance cost	(0.28)	(0.15)	(80.2%)
Profit before tax	6.16	6.27	(1.8%)
Underlying profit before tax**	7.08	6.03	17.4%
Taxation	(1.78)	(1.61)	(10.8%)
Profit for the period	4.38	4.66	(6.1%)
Underlying profit for the period**	5.30	4.42	19.8%
Revaluation of freehold property	0.15	0.22	
Deferred taxation on revaluation	(0.04)	(0.06)	
Total comprehensive income for the year	4.49	4.82	(6.9%)
EBITDA	7.81	7.70	1.5%
Underlying EBITDA**	8.73	7.46	17.1%
* EBITDA is calculated as operating profit before depreciation and amortisation			
** Underlying EBITDA and pre-and post-tax profits are after adjusting for exceptional items			
*** % change is based on amounts in the Consolidated Statement of Comprehensive Income			

Acquisition of Ambala Foods Limited

The Group completed the acquisition of Ambala on 21 March 2025. Ambala has been a leading manufacturer and retailer of Asian sweets, also known as Mithai, since 1965 in the UK, establishing itself as a prestigious, well-known brand within UK Asian communities.

Ambala provides significant growth opportunities, both through store estate, with Ambala currently operating 19 corporate stores, three franchised stores, and a diversified product range. The Group plans to expand the Ambala brand in the future through franchising.

The acquisition comprised £16.0m for the business and £6.0m for the industrial freehold property of Ambala. The acquisition was funded through a new £15.2m term loan facility and £7.2m new equity raise.

Ambala's balance sheet as at 30 March 2025 is consolidated in the Group's Consolidated Statement of Financial Position for the 52 weeks ended 30 March 2025, as well as the trading from the date of acquisition, 21 March 2025, until the end of the financial period, 30 March 2025.

Cake Box Franchise Sales

A key metric for measuring the revenue performance of the Group is franchise sales. This is the sales of finished products to the customers of the franchisees. These sales are either generated instore or online through Cake Box's e-commerce platform. Total franchise sales increased by 9.5% to £86.3m (2024: £78.8m). The increase was a result of a 3.0% increase in franchise store like-for-like sales, additional sales from stores opened during 2024 and sales from the 26 new stores opened during 2025 (2024: 20).

Reported Group Revenue

Group revenue consists of products and ingredients sold to franchisees, revenue invoiced for new store builds, recharges to franchisees and sales of Asian confectionary and savoury products through the Ambala corporately owned stores.

Reported Group revenue (including Ambala) for the 52 weeks ended 30 March 2025 increased by 13.0% to £42.8m (2024: £37.8m). This was due to the increase in franchise store sales as well as the addition of 26 new franchise stores opening in the period. This positive outcome was achieved despite the continued challenging economic and consumer environment, with consumer's disposable income impacted by high interest rates, utility costs and inflation. Excluding the sales contribution from the Ambala stores of £0.8m, Group revenue increased by 10.8%.

Gross Profit

Gross profit as a percentage of Group revenue at 52.5%, 0.2% below 2024. Product margins, for food and non-food items sold to franchisees, marginally decreased to 53.2% (2024: 53.5%), as the Group absorbed certain input price increases through the financial period. Overall, raw material costs were stable during the year, as the Group benefitted from having multiple suppliers for its main ingredients, which enabled it to maintain competitive pricing amongst its suppliers.

Maintaining its cost basis enabled the Group to minimise the increase in pricing to its franchisee partners, which in turn benefited the margins of the franchisees, as they were able to maximise price increases to customers. Pricing increases to customers were carefully reviewed to ensure Cake Box remained competitive in the continued challenging and tough economic climate throughout the year. The Group benefits through increased volumes from new customers drawn to the brand, which in turn increases the operational gearing of the depots.

Underlying EBITDA

Underlying EBITDA increased 17.1% to £8.7m (2024: £7.46m) as a result of the increased operational gearing of the Group during the period, as well as £0.1m EBITDA from Ambala for the period since completion of the acquisition. This was due to the increase in overheads for the Group of 9.7%, being well below the increase in Group revenues of 13.0% and gross profit of 12.6%.

Overheads excluding Ambala were up 5.8%, compared to revenue up 10.8% (excluding Ambala).

Reported EBITDA was £7.8m compared to £7.7m for 2024. The difference between Reported and Underlying EBITDA is due to the exceptional items reported in both periods. The Group incurred £0.7m of one-off costs relating to the acquisition of Ambala in March 2025 and £0.2m impairment of historical website development costs, which have been classified as exceptional items. The exceptional item in 2024 related to the reversal of a £0.2m provision created in prior years for a website data breach.

	52 weeks ended 30 March 2025	2024	Change
	£m	£m	
Reported operating profit	6.44	6.42	0.2%
Depreciation & Amortisation	1.37	1.28	
Reported Group EBITDA	7.81	7.70	1.5%
Exceptional items	0.92	(0.24)	
Underlying Group EBITDA	8.73	7.46	17.1%
Underlying Group EBITDA attributable to:			
Cake Box	8.64	7.46	15.8%
Ambala Foods Limited	0.09	-	
Underlying Group EBITDA	8.73	7.46	17.1%

Although the Group only acquired Ambala on 21 March 2025, Ambala generated £0.1m of EBITDA for the short period from acquisition until the end of the financial period. This was due to Ramadan falling during March 2025, with Eid at the end of the financial period, on 30 March 2025. The celebration of Eid is one of the most profitable periods for Ambala.

Exceptional items

The exceptional item of £0.9m for the period, relates to £0.7m of professional fees, due diligence and other fees incurred in relation to the acquisition of Ambala, which completed on 21 March 2025 and £0.2m for the impairment of historical website costs.

The exceptional item for 2024 comprised solely of a £0.2m provision made in FY21 following a website data breach. During 2024, the Information Commissioner's Office ("ICO") informed the Group that it would not be pursuing any enforcement action relating to the case and considered the case closed. As a result, the Group released this provision in line with the treatment of the original provision.

Balance sheet

The Group's net assets have grown from £19.3m to £27.0m, mainly due to the impact of the acquisition of Ambala. Non-current assets have increased from £15.0m to £44.5m, due to the Goodwill of £13.8m from the acquisition, the £4.0m increase in the Right-of-Use assets from Ambala store leases and £6.3m purchase of the Ambala industrial freehold (including stamp duty).

The non-current liabilities have increased from £5.2m to £21.7m, as a result of the £15.2m new term loan to partly finance the purchase of Ambala and £4.0m lease liabilities in Ambala.

Cash balances of £6.3m at 30 March 2025 are £2.2m lower than prior period (31 March 2024: £8.5m). The Group's net debt of £9.0m (2024: net cash of £7.3m) at 30 March 2025, was 1.03x underlying EBITDA.

As the Group operates a franchise model, it has relatively low capital expenditure requirements and a flexible cost base.

The Board is confident that the Group's cash levels, and liquidity are sufficient for the operational requirements of the Group, despite the continued tough macroeconomic climate.

Property

At each year end, surveyors are instructed to value the Company's three freehold depots, Enfield, Bradford and Coventry, to ensure a consistent value base. The new valuation has resulted in a further uplift of £0.2m in the reported values of the three sites for the consolidated report and accounts.

In addition to a professional valuation at the financial period end, the industrial freehold for Ambala was valued as part of the acquisition due diligence as well as in conjunction with the term loan facility provided by banks.

Taxation

The effective rate of taxation was 28.9% (2024: 25.6%). The effective tax rate was higher than the statutory rate due to expenses not allowable for tax purposes and adjustments relating to prior periods.

Earnings per share ("EPS")

Reported basic and diluted earnings per share were 6.4% and 7.1% below the prior financial period respectively, at 10.90p (2024: 11.65p) and 10.63p (2024: 11.44p). Reported profit after tax was 6.1% below the prior year.

Underlying basic and diluted earnings per share was 13.18p (2024: 11.04p) and 12.85p (2024: 10.84p), 19.4% and 18.6% ahead of the prior financial period respectively. This is after the adjustment for the exceptional items of £0.9m in the current financial period, compared to an exceptional income item of £0.2m, in the prior period.

The number of shares in issue as at 30 March 2025, was 44,000,000. This is 4,000,000 above the Company's IPO in June 2018, due to the share issue to partly fund the acquisition of Ambala in March 2025.

Dividend

As a result of the significant profit growth and cash generation reported for the 2025 financial period, the Board is pleased to recommend a final dividend of 6.8p per share (2024: 6.1p). The proposed total dividend for the year will total 10.2p (2024: 9.0p), a 13.3% increase year on year, continuing the progressive dividend policy employed by the Board. The dividend cover is 1.29x (2024: 1.23x) based on underlying basic earnings per share.

If approved by the shareholders at the Company's AGM on 29 August 2025, the final dividend of 6.8p will be paid on 5 September 2025. The record date for shareholders on the register will be 8 August 2025, with an ex-dividend date of 7 August 2025. The Group's ISIN and TIDM are GB00BDZWB751 and CBOX, respectively.

Cash position

	52 weeks ended 30 March 2025	2024
	£m	£m
EBITDA	7.81	7.70
Exceptional items (see Note 10)	0.92	(0.24)
Underlying EBITDA	8.73	7.46
Add back:		
Working capital	0.19	(0.44)
Share-based charge	0.22	0.09
Net interest	(0.28)	(0.16)
Corporation tax	(1.79)	(0.83)
Free cash flow	7.07	6.12
Capex	(3.07)	(1.35)
Proceeds on sale of assets	0.02	0.05
Ambala freehold	(6.32)	-
Acquisition of subsidiary - Ambala	(15.94)	-
Acquisition costs	(0.74)	-
New share issue	7.20	-
Costs directly attributable to share issue	(0.47)	-
Dividends	(3.80)	(3.36)
Repayment of finance leases	(0.28)	(0.27)
Movement in net surplus cash	(16.33)	1.19
Opening net surplus cash	7.31	6.12
Closing net (debt)/ surplus cash	(9.02)	7.31

Underlying EBITDA of £8.7m was £1.3m above the prior financial period (2024: £7.46m). Free cash flow was impacted by an increase of £1.0m in corporation tax paid, offset by £0.6m improvement in working capital.

Free cash flow generated was £7.1m (2024: £6.1m), this was offset by £3.1m of capital expenditure (2024: £1.4m), which included £1.1m for the new Bradford warehouse, classified under assets-under-construction, and returns to shareholders through dividends of £3.8m (2024: £3.4m).

The Group had £6.3m of cash and cash equivalents at year end, a £2.2m decrease on the prior financial period (2024: £8.5m). The Group's net debt position was £9.0m (2024: net cash of £7.3m), a £16.3m decrease on the prior financial period. This decrease is primarily due to the acquisition of Ambala which was partly funded through a new £15.2m term loan facility from banks.

Net cash position is calculated by taking the cash and cash equivalents less the outstanding mortgage debt relating to the Group's freehold properties and term loans from banks.

Capital employed and balance sheet

	52 weeks ended 30 March 2025	2024
	£m	£m
Goodwill	13.76	-
Intangible assets	2.41	0.73
Property, plant and equipment	20.64	11.48
Right-of-use-assets	5.97	2.27
Other financial assets	3.06	1.05
Lease liabilities	(6.15)	(2.43)
Provisions	(0.34)	-
Working capital	0.53	1.85
Net (debt)/surplus cash	(9.02)	7.31
Tax	(3.87)	(2.96)
Net assets	26.99	19.30

Goodwill addition in the financial period relates to the Ambala acquisition. Intangible assets have increased by £1.7m on the prior financial period, due to the capitalisation of costs relating to the new ERP system and website development and the Brand intangible asset identified as part of the Ambala acquisition. Property, plant and equipment has increased by £9.2m, due to additions of £1.1m for assets under construction, £6.3m for the Ambala industrial freehold as part of the acquisition and a further £0.2m increase in the valuations of the Group's three freehold properties, offset by £0.9m of depreciation charged for the year. Right-of-use assets has increased by £3.7m, as a result of the £4.0m additional Ambala store leases, marginally offset by the amortisation charge for the year.

Loans to franchisees increased by £2.0m during the year, predominantly due to short term bridging loans to franchisees for new store openings until their bank finance is approved and funds released by their banks.

Provisions relate to the dilapidation provision in Ambala, for future dilapidation charges under the store lease agreements.

Working capital decreased by £1.3m, due to an increase of £1.1m in inventories, £1.2m in accounts receivable, offset by an increase of £3.6m in accounts payable, predominantly due to the consolidation of Ambala.

Outlook and current trading

Trading to date in the new financial year has been positive, with total franchise sales and like-for-like sales increasing compared with the same period in FY25, and the Group is well positioned to meet market expectations for FY26.

Cake Box operates as a cash-generative, asset-light business, with a strong balance sheet. The Group continues to invest in marketing initiatives aimed at boosting customer engagement, while the store expansion strategy remains on track with a strong pipeline of new openings ahead.

The integration of an improved digital infrastructure with the Group's growing high street estate positions Cake Box well for continued growth. Management believes the acquisition of Ambala strengthens the Group's position as a multi-brand, multi-channel food business with further potential to grow both organically and through carefully considered strategic opportunities.

The Board remain focused on building long-term value through disciplined execution and strategic investment, reinforcing the Group's market position and supporting sustainable future performance.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 52 WEEKS ENDED 30 MARCH 2025
Company Registration No. 08777765

	Note	52 weeks ended 30 March 2025	2024
		£	£
Revenue	3	42,780,626	37,844,963
Cost of sales		(20,323,680)	(17,905,058)
Gross profit		22,456,946	19,939,905
Administrative expenses before exceptional items		(15,105,112)	(13,947,694)
Impairment of receivables - writeback/(charge)	4	5,000	187,856
Exceptional items	4	(919,722)	243,100
Administrative expenses	4	(16,019,834)	(13,516,738)
Operating profit		6,437,112	6,423,167
Finance income	6	149,395	153,145
Finance expense	6	(433,567)	(310,885)
Profit before income tax		6,152,940	6,265,427
Income tax expense	11	(1,779,648)	(1,606,742)
Profit after income tax		4,373,292	4,658,685
Other comprehensive income for the year			
Items that will not be subsequently reclassified to profit or loss:			
Revaluation of freehold property	13	154,907	223,178
Deferred tax on revaluation of freehold property	12	(38,727)	(55,795)
Total other comprehensive income for the year		116,180	167,383
Total comprehensive income for the year		4,489,472	4,826,068
Attributable to:			
Equity holders of the parent		4,489,472	4,826,068
Earnings per share			
Basic - pence	34	10.90	11.65
Diluted - pence	34	10.63	11.44

The notes on form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 MARCH 2025

	Note	As at 30 March 2025	As at 31 March 2024
		£	£
Assets			
Non-current assets			
Goodwill	14	13,763,142	-
Intangible assets	14	2,412,202	727,783
Property, plant and equipment	13	20,636,295	11,480,193
Right-of-use-assets	15	5,974,944	2,274,550
Other financial assets	18	1,721,900	564,535
		44,508,483	15,047,061
Current assets			
Inventories	16	3,657,778	2,592,838
Trade and other receivables	17	5,415,395	4,154,184
Other financial assets	18	1,335,998	487,652
Cash and cash equivalents	32	6,325,774	8,454,265
		16,734,945	15,688,939
Total Assets		61,243,428	30,736,000
Equity and liabilities			
Equity			
Issued share capital	19	440,000	400,000
Capital redemption reserve	20	40	40
Share premium account	20	6,691,995	-
Share option reserve	20	365,479	95,266
Revaluation reserve	20	3,733,218	3,617,038
Retained earnings	20	15,761,637	15,188,345
Equity attributable to the owners of the parent company		26,992,369	19,300,689
Current liabilities			
Trade and other payables	24	8,546,315	4,892,228
Lease liabilities	15	688,363	280,425
Short-term borrowings	23	2,053,091	146,544
Current tax payable		953,949	948,523
Provisions	25	335,864	-
		12,577,582	6,267,720
Non-current liabilities			
Lease liabilities	15	5,461,384	2,149,413
Borrowings	23	13,293,581	997,050
Deferred tax liabilities	12	2,918,512	2,021,128
		21,673,477	5,167,591
Total Equity and liabilities		61,243,428	30,736,000

The notes form an integral part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 52 WEEKS ENDED 30 MARCH 2025**

	Note	52 weeks ended 30 March 2025	2024
		£	£
Cash flows from operating activities			
Profit before income tax		6,152,940	6,265,427
Adjusted for:			
Depreciation of property, plant, and equipment	4 & 13	939,499	856,282
Amortisation of intangible assets	4 & 14	136,621	106,810
Depreciation of right-of-use assets	4 & 15	299,940	299,940
Impairment of website costs		176,935	-
(Profit)/Loss on disposal of property, plant, and equipment		(21,390)	13,606
Share based payment expense		215,381	93,445
Finance income		(149,395)	(153,145)
Finance costs		433,567	310,885
Decrease/(increase) in inventories		296,596	197,886
(Increase)/decrease in trade and other receivables		(192,348)	(1,470,563)
(Increase)/decrease in other financial assets		(2,005,711)	(297,775)
Increase/(decrease) in trade and other payables		2,105,455	1,125,815
(Decrease)/increase in provisions		-	(243,100)
Cash generated from operations		8,388,090	7,105,513
Taxation paid		(1,791,721)	(829,251)
Net cash inflow from operating activities		6,596,369	6,276,262
Cash flows from investing activities			
Acquisition of subsidiary net of cash acquired	21	(15,935,058)	-
Net assets on acquisition		(1,788,044)	-
Goodwill on acquisition		(13,763,142)	-
Intangible assets on acquisition		(742,254)	-
Acquisition subsidiary – cash balance		358,382	-
Purchase of new subsidiary freehold	13	(6,319,860)	-
Purchases of property, plant and equipment	13	(1,004,971)	(892,226)
Additions in intangible assets	14	(1,008,303)	(453,920)
Purchase of assets under construction	13	(1,052,175)	-
Proceeds from sale of property, plant and equipment		25,031	51,620
Finance income		149,395	153,145
Net cash outflow from investing activities		(25,145,941)	(1,141,381)
Cash flows from financing activities			
New share issue		7,200,000	-
Costs directly attributable to share issue		(468,005)	-
Repayment of finance leases		(280,425)	(270,118)
Repayment of borrowings		(740,788)	(93,196)
New borrowings		14,943,866	-
Dividends paid	8	(3,800,000)	(3,360,000)
Finance cost		(433,567)	(310,885)
Net cash inflow / (outflow) from financing activities		16,421,081	(4,034,199)
Net (decrease) / increase in cash and cash equivalents		(2,128,491)	1,100,682
Cash and cash equivalents at 1 April 2024		8,454,265	7,353,583
Cash and cash equivalents at 30 March 2025	32	6,325,774	8,454,265

The notes form an integral part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEKS ENDED 30 MARCH 2025**

	Attributable to the owners of the Parent Company						
	Share capital	Capital redemption reserve	Share premium account	Share option reserve	Revaluation reserve	Retained earnings	Total
	£	£	£	£	£	£	£
At 31 March 2023	400,000	40	-	-	3,449,655	13,889,660	17,739,355
Profit for the year	-	-	-	-	-	4,658,685	4,658,685
Revaluation of freehold property	-	-	-	-	223,178	-	223,178
Deferred tax on revaluation of freehold property	-	-	-	-	(55,795)	-	(55,795)
Total comprehensive income for the year	-	-	-	-	167,383	4,658,685	4,826,068
Transactions with the owners in their capacity as owners							
Share-based payments	-	-	-	93,445	-	-	93,445
Deferred tax on share-based payments	-	-	-	1,821	-	-	1,821
Dividends paid	-	-	-	-	-	(3,360,000)	(3,360,000)
At 31 March 2024	400,000	40	-	95,266	3,617,038	15,188,345	19,300,689
Profit for the year	-	-	-	-	-	4,373,292	4,373,292
Revaluation of freehold property	-	-	-	-	154,907	-	154,907
Deferred tax on revaluation of freehold property	-	-	-	-	(38,727)	-	(38,727)
Total comprehensive income for the year	0	-	-	-	116,180	4,373,292	4,489,472
Transactions with the owners in their capacity as owners							
Share-based payments	-	-	-	215,381	-	-	215,381
Deferred tax on share-based payments	-	-	-	54,832	-	-	54,832
Shares issued during the financial period	40,000	-	7,160,000	-	-	-	7,200,000
Costs directly attributable to share issue	-	-	(468,005)	-	-	-	(468,005)
Dividends paid	-	-	-	-	-	(3,800,000)	(3,800,000)
At 30 March 2025	440,000	40	6,691,995	365,479	3,733,218	15,761,637	26,992,369

The notes form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 30 MARCH 2025

1. General information

Cake Box Holdings Plc is a listed company limited by shares, incorporated in England and Wales, with company number 08777765 and domiciled in the United Kingdom. Its registered office is 20 – 22 Jute Lane, Enfield, Middlesex, EN3 7PJ.

The financial statements cover Cake Box Holdings Plc ('Company') and the entities it controlled at the end of, or during, the financial year (referred to as the 'Group').

The principal activity of the Group is a specialist retailer of fresh cream cakes, Asian confectionary and savoury products and franchise operator.

2. Material accounting policy information

2.1 Basis of preparation of financial statements

The financial information set out in this statement does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. This set of financial results was approved by the Board on 14 July 2025. The financial information for the 52 weeks ended 30 March 2025 and the year ended 31 March 2024 have been extracted from the statutory accounts for each year. The auditor's report on the 2025 statutory accounts was (i) unqualified, (ii) did not include references to any matters to which the auditor drew attention by way emphasis without qualifying its reports and (iii) did not contain statements under section S498(2) or S498(3) of the Companies Act 2006.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards, this announcement does not itself contain sufficient information to comply with those standards. The Company expects to publish full financial statements that comply with International Financial Reporting Standards in August 2025.

The consolidated financial statements for the 52 weeks ended 30 March 2025 have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (UK adopted IFRS) and those parts of the Companies Act 2006 that are applicable to companies which apply UK adopted IFRS.

The consolidated financial statements have been prepared under the historical cost convention, other than freehold land and buildings which are measured at fair value.

The numbers presented in the financial statements have been rounded to the nearest pound (£) unless otherwise stated.

Acquisition costs that are directly attributable to the business combination are expensed in the income statement.

Goodwill and other intangible assets arising from business combinations

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill is capitalised on the balance sheet and subject to an annual impairment test, or more frequently if there are indicators of impairment. Impairments to goodwill are charged to the income statement in the period in which they arise.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The Group determines whether a particular set of activities and assets is a business by assessing whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each period end at the same time.

Acquisition costs that are directly attributable to the business combination are expensed in the income statement.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Judgements

The preparation of financial statements under IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis and any revision to estimates or assumptions are recognised in the period in which they are revised and in future periods affected.

Expected Credit Loss Allowance

The Group exercises judgement in relation to the calculation of expected credit losses on trade receivables and franchisee loans. This includes ascertaining what constitutes a significant increase in credit risk, what is defined as loan default and how forward-looking information has been incorporated into the simplified approach for trade receivables. Please see Note 28 for further details.

Key areas of estimation uncertainty

The following areas of estimation uncertainty which have had the most significant effect on amounts recognised in the financial statements:

Provisions

The Group had previously recognised provisions following a data breach which impacted the Group's website payment system. The provision related to the fine received by the merchant service provider, and estimated costs associated including potential fines from the ICO in respect of GDPR breaches and associated legal and professional fees. Management used judgement in respect of potential fees and fines and estimates to calculate the quantum of costs.

Freehold property

Freehold properties are held at valuation. When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio every 12 months.

Goodwill and other intangible assets arising from business combinations

On 21 March 2025 the Group acquired 100% of the voting equity instruments of Ambala Food Limited. Accounting for the acquisitions has required management to exercise judgement and make estimations in several areas as set out below. When the Group obtains control of a business, the business combination is accounted for using the acquisition method of accounting. By applying this method all assets acquired, and liabilities assumed are to be measured at fair value at acquisition date. The excess of the purchase consideration over the fair value of the identifiable assets, liabilities and contingent liabilities acquired (if any) is recognised as goodwill.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised but is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination.

Impairment is determined by comparing the recoverable amount of a CGU with the carrying amount, including goodwill. If the recoverable amount is less than the carrying amount, an impairment loss is recognised immediately in the income statement and is not reversed in subsequent periods. If the fair values of the net assets and liabilities assumed are more than the purchase consideration, the excess is recognised as a bargain purchase gain immediately in profit or loss.

The process followed involved:

- Purchase price allocation - the allocation of the purchase considerations across group operations, which involves estimation as to the value of each of the acquired group's operations, considering longer term growth forecasts for each significant element of the business. This allocation also involves performing cross-checks to ensure the integrity of the valuation as a whole.
- Identifying the assets and liabilities acquired- identifying those assets, both tangible and intangible, that existed at the time of the transaction.
- Valuing individual assets and liabilities - depending on the nature of the assets and liabilities, different valuation techniques were adopted to value each in turn.

The most significant area where management have exercised judgement and made estimations was in valuing the acquired brand and intellectual property. A relief from royalty method was used taking account of an appropriate royalty rate, UEL and discount rate, as well as cashflows from existing customers and expected future growth.

2.2 Functional and presentation currency

The currency of the primary economic environment in which the Parent and its subsidiaries operate (the functional currency) is Pound Sterling ("GBP or £") which is also the presentation currency.

2.3 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

A list of the significant investments in subsidiaries, including the name, country of incorporation and proportion of ownership interest is given in Note 30 to the Company's separate financial statements.

2.4 Application of New and Revised IFRS's

At the date of authorisation of these financial statements the following Standards and Interpretations were in issue and have been applied in these financial statements. There has not been a material impact on the Group following their application:

		Effective Date
IAS 1	Amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.	1 January 2024
IAS 16	Amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction.	1 January 2024

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective and are not expected to have a material impact on the Group:

		Effective Date
IAS 21	Amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction.	1 January 2025
IFRS 18	IFRS 18 is the future standard that replaces IAS 1 in its entirety and will thus deal with presentation of primary statements and notes. Some key impacts are as follows: - Improving structure of the statement of profit or loss by requiring information to be classified in either operating, investing, financing, taxation, or discontinued categories. - Improving the requirements over the level of aggregation and disaggregation of line items and the information in notes in order to provide more useful information. - Providing specific requirements over the reporting of additional sub-totals, line items, and other aspects of presentation that relate to alternative performance measures (for example non-IFRS measures).	1 January 2027
IFRS 19	IFRS 19 is a new standard that enables reduced disclosures in the IFRS accounts of subsidiaries that do not have public accountability. IFRS 19 is not relevant at this level of the Group as the Company is a parent and not a subsidiary.	1 January 2027

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ('CODM'). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that make strategic decisions. Whilst the Group's trading has numerous components, following the acquisition of Ambala, the CODM is of the opinion that there are two operating segments. This is in line with internal reporting provided to the executive directors.

2.6 Going concern

The Directors pay careful attention to the cost base of the Group ensuring not only that it is kept at a level to satisfy the commercial requirements but also that it remains appropriate to the level of activity of the Group and the financial resources available to it.

The current cash balance was as at 30 March 2025 £6.3m (FY24: £8.5m), and the Group continues to be cash generative.

Based on the current working capital forecast, there is no need to raise additional funds as the Group considers that it is in a position where the scenario of not meeting liabilities is remote. After making enquiries and considering the assumptions upon which the forecasts have been based, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period of at least twelve months from the date of approval of these financial statements. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.7 Revenue recognition

The Group recognises revenue from the following major sources:

- Sale of sponges, fresh cream and other foods and goods to franchisees
- Online commission on the sales of cakes and related products to customers
- Franchise packages
- National marketing levy
- Sales of Asian confectionary and savoury products

Sale of sponges and related ingredients to franchisees

For sales of goods to franchisees, revenue is recognised when control of the goods has transferred, being at the point at which the goods are dispatched and delivered, which occurs on the same day. Payment of the transaction price is due within seven days after statements are forwarded to franchisees. The Group actively works with its franchisees to ensure credit terms are met and if terms are required to be extended a suitable debt recovery plan is agreed.

Online commission on the sales of cakes and related products to customers

Online sales which include click and collect sales, where the franchisee has the primary responsibility for the fulfilment of the order and the Group is collecting the consideration paid by the customers on behalf of the franchisee as agent, are not recognised as revenue of the Group. Only the net commission amount is recognised. Revenue is recognised at the date of order and payment is taken at this point.

Franchise packages

The franchise packages consist of revenues which relate to pre- and post-opening costs mainly for store fit-out; and initial set up costs for pre-opening support, and franchisee and staff training.

The pre- and post-opening costs are required to get the new franchisee trading and are therefore recognised at a point in time which is at the end of the month in which trading commences. Each package is tailored to a specific franchisee's needs and elements can be added or removed as appropriate which will affect the price. The performance obligation of the Group is met, when the store is handed over to the franchisee and he/she accepts it and commences trading. The franchisee is then obligated to settle the invoices raised by the Group for the costs incurred by the Group in getting the store in a position where it can start trading. Included in the franchise packages, is a franchise fee, the amount of which will depend on whether it is a new or existing franchisee opening the new store.

Holding deposits received from franchisees for new stores are not treated as revenue when received. The deposits are held under 'Other Payables' in the Group's financial statements. If the new store is completed and the franchisee accepts it and commences trading, the deposit is allocated against the costs associated with the new store and recognised as revenue at this point. If the new store does not proceed, the deposit is refunded to the franchisee.

National marketing Levy

Franchisees contribute a percentage of their franchise sales to the National Marketing Fund managed by the Group. The purpose of the fund is to build franchise sales through increased awareness of the Cake Box brand and the website. For the funds received, the Group provides national marketing initiatives and services. These performance obligations are considered to constitute a revenue stream, and the contributions received by the Group are therefore recognised as revenue. Revenue recognition is measured on an input basis as the costs of providing the services are incurred. The Group provides the services on a break-even basis, such that the fund does not retain a long-term surplus or deficit. As such, the level of revenue and costs recognised in respect of fulfilling the national marketing obligations are equal. Any timing difference between contributions received and costs incurred are held as a contract asset or liability on the Consolidated Statement of Financial Position.

Sales of Asian confectionary and savoury products

For sales of Asian confectionary and savoury products, revenue is recognised in the Point-Of-Sale software in stores, when payment (cash or credit/debit card) is received from the customer. Online sales are recognised when payment is received via credit and debit cards from customers. For wholesale sales to stockists, sales are recognised when invoiced to third parties.

2.8 Current and deferred taxation

Current tax liabilities

Current tax for the current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of the current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

No material uncertain tax positions exist as at 30 March 2025. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. To the extent that the final tax outcome of these matters is different from the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Current taxes are calculated using tax rates and laws that are enacted or substantively enacted at the reporting date.

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which the Company expects the deferred tax asset to be realised or the deferred tax liability to be settled.

Deferred taxes are calculated using tax rates and laws that are enacted or substantively enacted at the reporting date that are expected to apply as or when the temporary differences reverses.

A deferred tax asset is recognised in respect of share-based payments to the extent that the tax deduction is probable, and it relates to services already received.

The asset is measured based on the expected future tax deduction under the applicable tax rules (e.g. intrinsic value of share options at exercise), even if the expense is recognised in equity for accounting purposes. Any excess between the tax deduction and accounting expense is recognised in equity.

In a business combination, deferred tax is recognised on identifiable assets acquired and liabilities assumed, where there is a difference between the fair value and tax base at acquisition. For example, deferred tax liabilities have been recognised on acquired intangible assets where the fair value uplift exceeds their tax base. These

liabilities are recognised as part of the business combination accounting and increase the net identifiable liabilities, which in turn increases the amount of goodwill recognised.

Deferred tax is not recognised on:

- the initial recognition of goodwill, because goodwill is a residual and not an identifiable temporary difference
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to income taxes levied by the same taxation authority on the same taxable entity.

Tax Expense

Income tax expense represents the sum of the tax currently payable and deferred tax movement for the current period. The tax currently payable is based on taxable profit for the year.

Income taxes are recognised in profit or loss unless they relate to items recognised in other comprehensive income or equity, in which case the income tax is recognised in other comprehensive income or equity respectively.

2.9 Property, Plant and Equipment – held at cost

Property, plant and equipment, other than freehold properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following annual basis:

Freehold buildings	- Over 40 to 50 years
Freehold property improvements	- Over 4 to 30 years
Plant & machinery	- Over 4 - 15 years
Motor vehicles	- 4 years
Fixtures & fittings	- Over 4 to 12 years
Assets under construction	- Not depreciated

Assets under the course of construction are carried at cost less any recognised impairment loss. Depreciation of these assets commences when the assets become available for use.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss.

2.10 Property, plant and equipment – held at valuation

Individual freehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at each Consolidated Statement of Financial Position date.

Fair values are determined by an independent valuer and updated by the Directors from market-based evidence.

Revaluation gains are recognised in Other Comprehensive Income. Revaluation losses are recognised in the profit and loss, unless the losses relate to previously recognised gains, in which case it will be recognised in Other Comprehensive Income. Any excess losses are recognised in the profit or loss.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

2.12 Financial instruments

Recognition of Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes party to the contractual provisions of the instrument.

Trade and other receivables

Trade and other receivables without a significant financing component are initially measured at transaction price which approximates fair value at the transaction date. All sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. All trade receivables are subsequently measured at amortised cost. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed. Impairment allowance for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such allowances are recorded in a separate allowance account with the loss being recognised in the statement of profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Other financial assets

Included in other financial assets are loans to franchisees. These loans are interest free, however include an arrangement fee, at the discretion of the Group, which is spread over the term of the loan. These loans have been discounted to fair value using a market rate. The impact of this discounting has been recognised in finance costs. At the end of each reporting period, the carrying amounts of other financial assets are reviewed on an individual balance basis and appropriate impairments are made if losses are anticipated. If a previously impaired balance is subsequently received, the impairment is reversed through the profit and loss. See notes 27 and 28 for further details.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently at amortised cost. Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into Sterling using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

2.13 Financial instruments

Bank loans and overdrafts

All borrowings are initially recorded at fair value, net of transaction costs. Borrowings are subsequently carried at amortised cost under the effective interest method (EIR). The EIR method amortises transaction costs and spreads interest expense over the relevant period, so that the interest expense in each period represents a constant rate on the carrying amount of the liability. Interest expense on the term loan is recognized in profit or loss within finance costs using the EIR.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.14 Finance costs and income

Finance costs are charged to the profit and loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Transaction costs are deducted from the amount of the borrowing at initial recognition and are part of the effective interest recognised in profit or loss.

Finance income is charged to the profit and loss on receipt or accrued if there is a signed agreement in place.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits with maturities of three months or less from inception, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash in transit, such as deposits sent to the bank, but not yet cleared or settled at the reporting date, is included in cash and cash equivalents where the Group retains the risks and rewards of ownership.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

2.17 Leases

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Consolidated Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (at a constant rate) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using a revised discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the

costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. Right-of-use assets currently in use are depreciated over 10 years, which is the term of the lease.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

2.18 Employee benefits

Short Term Employee Benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution pension plan

The Group operates a defined contribution plan for its staff. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

Termination benefits

The entity recognises the expense and corresponding liability for termination benefits when it is demonstrably committed to either of the following scenarios:

- a. The termination of the employment of an employee or group of staff before the normal retirement age, or
- b. The provision of termination benefits in relation to an offer made to encourage voluntary redundancy.

The value of such benefit is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

2.19 Provisions and contingencies

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event; it is probable that the Group will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks to a specific obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed if the possibility of an outflow of resources embodying economic benefit is remote. A contingent asset is not recognised in the consolidated financial statements but disclosed when an inflow of economic benefit is probable.

2.20 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2.21 Research and development

Research and development expenditure is charged to the Consolidated Statement of Comprehensive Income in

the year in which it is incurred. The expenditure does not meet the definition of 'Development' under IAS 38.

2.22 Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

2.23 Share-based payments

Where share options are awarded to staff, the fair value of the options (measured using the Black-Scholes model) at the date of grant is charged to the profit and loss over the vesting period. Non-market vesting conditions are considered by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also considers non-vesting conditions. These are either factors beyond the control of either party or factors which are within the control of one or another of the parties. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Lapsed share options are derecognised as soon as it is known that vesting conditions will not be met. Previous charges to the Statement of Comprehensive Income are credited back to this statement.

2.24 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.25 Impairment of non-financial assets

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows or other assets of CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any

goodwill allocated to the CGU, and then to reduce the carrying amounts of the other asset in the CGU on a pro rate basis. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.26 Intangible assets

Intangible Assets Policy

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

2.26.1. Recognition and Initial Measurement:

a. Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the acquisition-date fair value of the consideration transferred over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination.

b. Externally acquired Brand and Intellectual Property

Brands and intellectual property (including trademarks, patents, copyrights, and proprietary technologies) acquired separately or through a business combination are recognised as intangible assets when they meet the recognition criteria: identifiability, control over the asset, and the existence of future economic benefits. The fair value is derived based on discounted cash flows from estimated recurring revenue streams. The carrying value is stated at fair value at acquisition less accumulated amortisation and impairment losses.

c. Website Costs

Expenditures related to developing or acquiring a website should be capitalised when they meet the following criteria:

- It is probable that the future economic benefits associated with the website will flow to the organisation.
- The costs of the website can be reliably measured.
- Website costs should be amortised over their estimated useful life or expensed if they have a short useful life.

d. Software

Software costs should be capitalised if they meet the following criteria:

- The software is intended for internal use.
- It is probable that the organisation will derive future economic benefits from the software.
- The costs of the software can be reliably measured.
- Capitalised software costs should be amortised over their estimated useful life or expensed if they have a short useful life.

e. ERP Systems

The costs related to acquiring, implementing, and customising an Enterprise Resource Planning (ERP) system should be capitalised if they meet the following criteria:

- The ERP system is intended for internal use.
- It is probable that the organisation will derive future economic benefits from the ERP system.
- The costs of the ERP system can be reliably measured.
- Capitalised ERP system costs should be amortised over their estimated useful life or expensed if they have a short useful life.

2.26.2. Subsequent Expenditure

Subsequent expenditures related to intangible assets, such as enhancements, upgrades, or additions, should be evaluated to determine if they meet the criteria for capitalisation. If the subsequent expenditure enhances the future economic benefits or extends the useful life of the asset, it should be capitalised and added to the carrying amount of the asset. Otherwise, the expenditure should be expensed as incurred.

2.26.3. Amortisation

Intangible assets subject to amortisation are amortised over their estimated useful lives. The amortisation method is applied consistently and reflects the pattern in which the asset's economic benefits are consumed or utilised. The amortisation expense is recorded in the organisation's financial statements.

The estimated useful lives for current and comparative periods are as follows:

- | | |
|-------------------------|---|
| - Goodwill | - not amortised, tested annually for impairment |
| - Brand | - 20 years |
| - Intellectual Property | - 20 years |
| - Website | - 4 years |
| - Software | - 4 years |
| - ERP | - 4 years |

2.26.4. Monitoring and Impairment Testing

a. Regular Reviews:

Periodic reviews are conducted to assess the ongoing value and useful life of intangible assets. Changes in market conditions, technology advancements, or other factors are considered during these reviews.

b. Impairment Testing:

If indicators of impairment exist, such as a significant decline in the asset's market value or changes in the asset's usefulness, an impairment test is performed. If an impairment is identified, the asset's carrying amount is reduced to its recoverable amount, and an impairment loss is recognised in the financial statements.

3. Segment reporting

Following the acquisition of Ambala Foods Limited, cash generating units reported to the CODM are separately identifiable and as such the Group considers there to be two reporting segments, Cake Box and Ambala. These are considered the Group's operating segments as the information provided to the Board, is based on these two business units. Revenue included in each segment includes all sales made to franchise stores and by corporate stores located in that segment. All sales occurred in the United Kingdom for both segments and financial periods. The Group was not reliant upon any major customer during 2025 or 2024.

Segment assets and liabilities

	At 30 March 2025			At 31 March 2024		
	Cake Box	Ambala	Total	Cake Box	Ambala	Total
	£	£	£	£	£	£
Segment assets						
Segment current assets	13,143,397	3,591,548	16,734,945	15,688,939	-	15,688,939
Segment non-current assets	38,947,740	5,560,743	44,508,483	15,047,061	-	15,047,061
Total assets	52,091,137	9,152,291	61,243,428	30,736,000	-	30,736,000
Segment liabilities						
Segment current liabilities	9,256,186	3,321,396	12,577,582	6,267,720	-	6,267,720
Segment non-current liabilities	17,553,718	4,119,759	21,673,477	5,167,591	-	5,167,591
Total liabilities	26,809,904	7,441,155	34,251,059	11,435,311	-	11,435,311

Segment performance

	52 weeks ended 30 March 2025			2024		
	Cake Box	Ambala	Total	Cake Box	Ambala	Total
	£	£	£	£	£	£
Segment Revenue	41,939,913	840,713	42,780,626	37,844,963	-	37,844,963
Results						
Underlying result	7,268,975	87,859	7,356,834	6,180,067	-	6,180,067
Exceptional items	(919,722)	-	(919,722)	243,100	-	243,100
Profit before income tax	6,349,253	87,859	6,437,112	6,423,167	-	6,423,167
Net finance costs	(284,172)	-	(284,172)	(157,740)	-	(157,740)
Profit before income tax	6,065,081	87,859	6,152,940	6,265,427	-	6,265,427
Income tax expense	(1,726,006)	(53,642)	(1,779,648)	(1,606,742)	-	(1,606,742)
Profit after income tax	4,339,075	34,217	4,373,292	4,658,685	-	4,658,685
Effective tax rate	28.5%	61.1%	28.9%	25.6%	-	25.6%
Other segment information:						
- Depreciation	1,232,520	6,919	1,239,439	1,156,222	-	1,156,222
- Amortisation	136,621	-	136,621	106,810	-	106,810
Total depreciation and amortisation	1,369,141	6,919	1,376,060	1,263,032	-	1,263,032
EBITDA	7,718,394	94,778	7,813,172	7,686,199	-	7,686,199
Underlying EBITDA	8,638,116	94,778	8,732,894	7,443,099	-	7,443,099
Revenue disclosures						
Sales of sponge	17,699,493	-	17,699,493	14,983,166	-	14,983,166
Sales of food	7,436,112	-	7,436,112	6,700,487	-	6,700,487
Sales of fresh cream	4,223,739	-	4,223,739	4,082,584	-	4,082,584
Sales of other goods	8,745,817	-	8,745,817	7,824,308	-	7,824,308
Franchise packages	3,834,752	-	3,834,752	2,484,043	-	2,484,043
Online sales commission	-	-	-	1,100,711	-	1,100,711
Marketing levy	-	-	-	669,664	-	669,664
Sales from Corporate Stores	-	785,157	785,157	-	-	-
Online sales direct to customers	-	31,760	31,760	-	-	-
Wholesale sales	-	23,796	23,796	-	-	-
Total segment revenue	41,939,913	840,713	42,780,626	37,844,963	-	37,844,963

4. Expenses by nature

The Administrative expenses have been arrived at after charging/(crediting):

	52 weeks ended 30 March 2025	2024
	£	£
Wages and salaries	8,454,223	7,609,081
Travel and entertaining costs	635,387	613,284
Supplies costs	819,764	801,291
Professional costs	1,019,830	1,236,911
Depreciation of property, plant, and equipment	939,499	856,282
Amortisation of intangible assets	136,621	106,810
Depreciation of right-of-use assets	299,940	299,940
Rates and utilities costs	590,256	657,601
Property maintenance costs	317,398	328,279
Advertising costs	1,824,621	1,377,584
Other costs	67,573	60,631
	15,105,112	13,947,694
Impairment of receivables (see Note 27)	(5,000)	(187,856)
Exceptional items (see Note 10)	919,722	(243,100)
	16,019,834	13,516,738

5. Operating profit

The operating profit is stated after charging/(crediting):

	52 weeks ended 30 March 2025	2024
	£	£
Depreciation of property, plant, and equipment	939,499	856,282
Amortisation of intangible assets	136,621	106,810
Depreciation of right-of-use assets	299,940	299,940
Inventory recognised as an expense	20,323,680	17,905,058
Loss/(Profit) on disposal of property, plant & equipment	(21,390)	13,606
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	200,000	105,000
Fees payable to the Group's auditor and its associates for the audit of the Group's prior year annual financial statements	-	17,600
Fees payable to the Group's auditor and its associates for the audit of the Group's interim financial statements	13,000	13,000
Share based payment expense	215,381	93,445

6. Net finance costs

	52 weeks ended 30 March 2025	2024
	£	£
Finance expenses		
Bank loan interest	110,170	82,050
Finance lease interest	84,575	94,881
Other interest paid	36,092	14,704
Finance cost of discounted other financial assets	202,730	119,250
	433,567	310,885
Finance income		
Bank interest receivable	(148,802)	(153,145)
Other interest receivable	(593)	-
	(149,395)	(153,145)
Net finance costs	284,172	157,740

7. Staff costs

Staff costs, including directors' remuneration, were as follows:

	52 weeks ended 30 March 2025	2024
	£	£
Wages and salaries	7,253,015	6,638,952
Social security costs	750,003	670,237
Pension costs	98,970	84,208
Private health	136,854	122,239
	8,238,842	7,515,636
Share-based payment expense	215,381	93,445
	8,454,223	7,609,081

The average monthly number of staff, including directors, for the year was 185 (2024:173).

The breakdown by department is as follows:

	52 weeks ended 30 March 2025	2024
Directors	7	7
Administration	47	42
Maintenance	19	20
Production & Logistics	112	104
	185	173

8. Dividends

	52 weeks ended 30 March 2025	2024
	£	£
Interim dividend of 3.4p per ordinary share	1,360,000	-
Final dividend of 6.1p per ordinary share proposed and paid during the year relating to the previous year's results	2,440,000	-
Interim dividend of 2.9p per ordinary share	-	1,160,000
Final dividend of 5.5p per ordinary share proposed and paid during the year relating to the previous year's results	-	2,200,000
	3,800,000	3,360,000

9. Directors' remuneration and key management personnel

The Directors' remuneration is disclosed within the Directors' Remuneration Report. The Executive Directors and Non-Executive directors are considered key management personnel. Employers NIC paid on Directors' remuneration in the year was £165,384 (2024: £110,431).

10. Exceptional items

	52 weeks ended 30 March 2025	2024
	£	£
Reversal of provision relating to website data breach	-	(243,100)
Impairment of website costs	176,935	-
Professional fees and costs relating to the acquisition of Ambala Foods Limited	742,787	-
	919,722	(243,100)

During the period, the Group acquired 100% of the share capital of Ambala Foods Limited, a producer and retailer of Asian confectionary and savoury products. As part of the process, the Group incurred one-off professional fees and costs relating to the transaction.

As a result of the Group launching its new website during the period, a one-off impairment of the costs to develop the previous website has been accounted for.

The prior year exceptional item relates to a provision for estimated costs and fines with regards to a website data breach during 2021. During the 2024 financial year, based on the information submitted to the Information Commissioner's Office ("ICO") regarding the Group's security measures in place to prevent similar breaches, the ICO informed the Company that it would not be pursuing enforcement action in this case and consider the case closed.

11. Taxation

	52 weeks ended 30 March 2025	2024
	£	£
Corporation tax		
Current tax on profits for the year	1,615,776	1,483,512
Adjustments in respect of previous periods	14,466	-
Deferred tax		
Arising from origination and reversal of temporary differences	259,814	62,065
Adjustments in respect of previous periods	(110,408)	61,165
Taxation on profit on ordinary activities	1,779,648	1,606,742

Factors affecting tax charge for the year

The effective tax rate for the financial period is 29.8% (2024: 25.6%), which is higher than the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%). The differences are explained below:

	52 weeks ended 30 March 2025	2024
	£	£
Profit on ordinary activities before tax	6,152,940	6,265,427
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (FY24: 25%)	1,538,235	1,566,357
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	390,451	35,882
Income not taxable	-	(56,662)
Share options	(53,096)	-
Adjustments to tax in respect of prior periods	(95,942)	61,165
Total tax charge for the year	1,779,648	1,606,742

12. Deferred taxation

	52 weeks ended 30 March 2025	2024
	£	£
Balance brought forward	2,021,128	1,843,924
Charged to other comprehensive income:		
Deferred tax on revalued freehold property	38,727	55,795
On acquisition of subsidiary		
Accelerated capital allowances	516,665	-
Intangible asset	247,418	-
Charged directly to reserves:		
Employee benefits (including share-based payments)	(54,832)	(1,821)
Charged to profit and loss:		
Accelerated capital allowances	311,042	82,681
Tax rate changes	-	-
Share-based payments	(53,096)	(23,361)
Adjustments in respect of prior periods	(110,408)	64,734
Other short-term timing differences	1,868	(824)
Balance carried forward	2,918,512	2,021,128

	52 weeks ended 30 March 2025	2024
	£	£
Deferred tax liabilities		
Accelerated capital allowances	1,439,006	717,772
Acquisition of subsidiary – intangible asset (note 21)	247,418	-
Other short-term timing differences	(7,118)	(5,052)
Share-based payments	(133,111)	(25,182)
Property valuations (including indexation)	1,372,317	1,333,590
	2,918,512	2,021,128

Movements in deferred tax in direct relation to freehold property revaluation are recognised immediately in the Consolidated Statement of Comprehensive Income, under other comprehensive income for the year.

13. Property, plant, and equipment

	Assets under construction	Freehold Land and Buildings	Freehold improvements	Plant & machinery	Motor vehicles	Fixtures & fittings	Total
	£	£	£	£	£	£	£
Cost or valuation							
At 1 April 2023	-	9,214,099	788,130	943,386	1,402,416	2,399,519	14,747,550
Additions	-	-	193,672	91,101	251,422	356,031	892,226
Disposals	-	-	-	(53,492)	(105,585)	-	(159,077)
Revaluations	-	(339,099)	-	-	-	-	(339,099)
At 31 March 2024	-	8,875,000	981,802	980,995	1,548,253	2,755,550	15,141,600
Depreciation							
At 1 April 2023	-	499,099	121,132	841,936	699,881	1,317,719	3,479,767
Charge for the year	-	63,178	168,109	56,801	305,705	262,489	856,282
Disposals	-	-	-	(25,896)	(86,469)	-	(112,365)
Revaluations	-	(562,277)	-	-	-	-	(562,277)
At 31 March 2024	-	-	289,241	872,841	919,117	1,580,208	3,661,407
Net book value							
At 31 March 2024	-	8,875,000	692,561	108,154	629,136	1,175,342	11,480,193

	Assets under construction	Freehold Land and Building	Freehold improvements	Plant & machinery	Motor vehicles	Fixtures & fittings	Total
	£	£	£	£	£	£	£
Cost or valuation							
At 1 April 2024	-	8,875,000	981,802	980,995	1,548,253	2,755,550	15,141,600
Additions	1,052,175	6,319,860	198,894	39,715	347,889	418,473	8,377,006
Acquisition of subsidiary	-	-	331,802	2,910,477	161,079	-	3,403,358
Disposals	-	-	-	-	(130,515)	-	(130,515)
Revaluations	-	154,907	-	-	-	-	154,907
At 30 March 2025	1,052,175	15,349,767	1,512,498	3,931,187	1,926,706	3,174,023	26,946,356
Depreciation							
At 1 April 2024	-	-	289,241	872,841	919,117	1,580,208	3,661,407
Charge for the year	-	69,907	177,745	65,230	328,437	298,180	939,499
Acquisition of subsidiary	-	-	19,736	1,735,898	80,396	-	1,836,030
Disposals	-	-	-	-	(126,875)	-	(126,875)
At 30 March 2025	-	69,907	486,722	2,673,969	1,201,075	1,878,388	6,310,061
Net book value							
At 30 March 2025	1,052,175	15,279,860	1,025,776	1,257,218	725,631	1,295,635	20,636,295

The Freehold Land and Building column in the above note has been disclosed on a net basis as this gives a clearer

understanding of the revaluation effect on the asset class in the year and for the future periods.

As at 30 March 2025, all freehold property was valued by independent third party qualified valuers, in accordance with the RICS Valuation - Global Standards 2017 (the Red Book). During their valuation, the valuers have considered the various geographical areas the properties are located in and the market values of similar properties in the same areas. The Directors believe these valuations to be representative of the fair value as at 30 March 2025.

The fair value of freehold property is categorised as a level 3 recurring fair value measurement.

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

	Fair value at 30 March 2025	Valuation technique	Sq ft	Rate per sq ft - average
	£			
Property				
Enfield	7,050,000	Vacant possession	39,121	180
Coventry	1,285,000	Vacant possession	13,000	92
Bradford	625,000	Vacant possession	9,358	67
Welwyn Garden City	6,319,860	Vacant possession	41,975	150
Total	15,279,860			

If the Freehold properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	52 weeks ended 30 March 2025	2024
	£	£
Historic cost		
As at 01 April 2024 and 01 April 2023	3,433,746	3,433,746
Additions	6,319,860	-
As at 30 March 2025 and 31 March 2024	9,753,606	3,433,746

14. Intangible assets

	Goodwill	Brand	Website	Software	ERP system	Total
	£	£	£	£	£	£
Cost						
At 1 April 2023	-	-	434,102	78,628	121,498	634,228
External design work	-	-	133,881	111,000	209,039	453,920
Disposals	-	-	(22,215)	-	-	(22,215)
At 31 March 2024	-	-	545,768	189,628	330,537	1,065,933
Amortisation						
At 1 April 2023	-	-	136,572	59,101	39,369	235,042
Charge for the year	-	-	83,293	9,201	14,316	106,810
Impairments	-	-	(3,702)	-	-	(3,702)
At 31 March 2024	-	-	216,163	68,302	53,685	338,150
Balance at 31 March 2024	-	-	329,605	121,326	276,852	727,783

	Goodwill	Brand	Website	Software	ERP system	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	-	-	545,768	189,628	330,537	1,065,933
External design work	-	-	577,193	115,221	315,889	1,008,303
Acquisition of subsidiary	13,763,142	989,672	-	-	-	14,752,814
Impairments	-	-	(327,561)	-	-	(327,561)
At 30 March 2025	13,763,142	989,672	795,400	304,849	646,426	16,499,489
Amortisation						
At 1 April 2024	-	-	216,163	68,302	53,685	338,150
Charge for the year	-	-	108,422	24,620	3,579	136,621
Impairments	-	-	(150,626)	-	-	(150,626)
At 30 March 2025	-	-	173,959	92,922	57,264	324,145
At 30 March 2025	13,763,142	989,672	621,441	211,927	589,162	16,175,344

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs, to which goodwill has been allocated are

aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group completed the acquisition of 100% of the shareholding in Ambala Foods Limited on 21 March 2025, resulting in the recognition of goodwill of £13,763,142. The goodwill is attributable to the expected synergies, workforce and future growth potential of Ambala.

As the acquisition occurred close to the financial period end, a full detailed impairment testing of goodwill has not been completed as at 30 March 2025. The Board considers this a reasonable approach given the proximity of the acquisition to the financial period end reporting date. A detailed purchase price allocation ('PPA') was completed, and goodwill has been allocated to the Ambala CGU.

As the acquisition occurred shortly before the financial period reporting date, no impairment indicators were identified. The Group will perform its first formal impairment test of the goodwill no later than the end of the following financial period, ending on 29 March 2026.

When performed, the impairment review will be based on value-in-use calculations derived from management-approved forecasts. Key assumptions will include:

- **Discount rate** – 22.2%, based on the Group's internal weight of return adjusted for CGU-specific risks.
- **Growth rate** – 2.3%, reflecting long-term market growth expectations.
- **Forecast period** – 5 years, consistent with internal strategic plans.
- **Revenue growth assumptions** – based on past performance and future expectations specific to the CGU/market.

The assumptions are subject to change as more detailed forecasts and integration planning are completed.

At the time of reporting, the sensitivity analysis has not been conducted as the impairment test was not yet performed. Upon completion of the impairment review, sensitivity analysis will be disclosed, including:

- The impact of a +/- 1% change in the discount rate.
- The impact of a +/- 1% change in the growth rate.
- The headroom under the base-case assumptions.
- The amount by which key assumptions must change for goodwill impairment to occur.

This analysis will be included in the following annual report for the financial period ending on 29 March 2026.

There have been no events after the reporting date that indicate impairment of goodwill is likely.

15. Leases

The Consolidated Statement of Financial Position shows the following amounts in relation to leases:

	Properties
	£
Cost	
At 1 April 2024	2,999,405
Additions – Acquisition of subsidiary	4,000,334
At 30 March 2025	6,999,739
Depreciation	
At 1 April 2024	724,855
Charge for the year	299,940
At 30 March 2025	1,024,795
Net book value	
At 31 March 2024	2,274,550
At 30 March 2025	5,974,944

	52 weeks ended 30 March 2025	2024
	£	£
Lease liabilities		
Current	688,363	280,425
Non-Current	5,461,384	2,149,413
	6,149,747	2,429,838

The Group's obligations are secured by the lessor's title to the leased assets for such leases.

Amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

	52 weeks ended 30 March 2025	2024
	£	£
Amortisation expense of right-of-use assets	299,940	299,940
Interest expense on lease liabilities	84,575	94,881

The total cash outflow for leases amount to £365,000 (2024: £365,000).

16. Inventories

	52 weeks ended 30 March 2025	2024
	£	£
Raw materials	1,152,318	361,842
Goods held for resale	2,505,460	2,230,996
	3,657,778	2,592,838

Inventories are charged to cost of sales in the Consolidated Statement of Comprehensive Income. Inventories have been disclosed between raw materials for production purposes and goods held for resale.

17. Trade and other receivables

	52 weeks ended 30 March 2025	2024
	£	£
Trade receivables	2,572,825	3,532,253
Impairment allowance	(87,569)	(92,569)
Trade receivables net of impairment allowance	2,485,256	3,439,684
Other receivables	894,393	266,508
	3,379,649	3,706,192
Current tax receivable	506,276	-
Prepayments	1,529,470	447,992
	5,415,395	4,154,184

The fair value of those trade and other receivables classified as financial assets at amortised cost are disclosed in the financial instruments note (note 27).

The Group's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other receivables, is disclosed in the financial risk management and impairment of financial assets note (note 28).

Trade receivables are non-interest bearing, are generally on 14-day terms and are shown net of impairment allowance. Management's assessment is that a loss allowance of £87,569 (FY24: £92,569) is required against some receivables from franchisees.

The age profile of the trade receivables is shown in note 27.

18. Other financial assets

	52 weeks ended 30 March 2025	2024
	£	£
Current	1,335,998	487,652
Non-current	1,721,900	564,535
	3,057,898	1,052,187

	52 weeks ended 30 March 2025	2024
	£	£
Total loans to franchisees	3,057,898	1,052,187

Other financial assets consist of loans to franchisees. Loans are interest free and payable in equal monthly instalments. All non-current assets are due within five years of the statement of financial position date. The carrying amount of the loans are valued at fair value at market rates. See note 27 (Financial Instruments) and 28 (Financial Risk Management) for further information regarding the impairment of Other Financial Assets.

19. Share capital

	52 weeks ended 30 March 2025		2024	
	Number	£	Number	£
Ordinary shares of £0.01 each				
At 01 April 2024 and 01 April 2023	40,000,000	400,000	40,000,000	400,000
Share issue during the period	4,000,000	40,000	-	-
At 30 March 2025 and 31 March 2024	44,000,000	440,000	40,000,000	400,000

During the financial period, the Company issued 4,000,000 new shares of £0.01p each, for a total consideration of £7,200,000, for the purpose of part funding the acquisition of Ambala Foods Limited. The excess of £7,160,000 above the par value of the shares issued, has been reflected in the share premium account.

All of the ordinary shares of £0.01 each carry voting rights, the right to participate in dividends, and entitle the shareholders to a pro-rata share of assets on a winding up.

20. Reserves

The following describes the nature and purpose of each reserve within equity:

Capital redemption reserve

Amounts transferred from share capital on redemption of issued shares. Balance as at 30 March 2025 £40 (2024: £40).

Share premium account

The share premium account arose during the financial period in connection with the acquisition of Ambala Foods Limited, a wholly owned subsidiary acquired partly through the issue of 4,000,000 new equity shares at £1.80 each. Costs of £468,005, directly attributable to the new equity issue have been offset against the share premium account. Balance as at 30 March 2025 £6,691,995 (2024: £NIL).

Revaluation reserve

Gain/(losses) arising on the revaluation of the Group's properties (other than investment property). Balance as at 30 March 2025 £3,733,218 (2024: £3,617,038).

Retained earnings

All other net gains and losses and transactions with owners (e.g. dividends, fair value movements of investment property) not recognised elsewhere. Balance as at 30 March 2025 £15,761,637 (2024: £15,188,345).

Share option reserve

The share option reserve represents the movement in cost of equity-settled transactions in relation to the long-term incentive plans. See note 22 for more information. Balance as at 30 March 2025 £365,479 (2024: £95,266).

21. Business combinations

On 21 March 2025 the Group acquired 100% of the voting equity instruments of Ambala Food Limited, a company whose principal activity is the production and sale of Asian confectionery and savoury brands.

Recognisable amounts of identifiable assets acquired, and liabilities assumed:

	Book value	IFRS 16 leases	Other fair value adjustments	Fair value
	£	£	£	£
Property, plant and equipment	2,775,797	-	(1,208,470)	1,567,327
Right-of-use-assets	-	4,000,334	-	4,000,334
Brand	-	-	989,672	989,672
Inventories	1,227,026	-	134,510	1,361,536
Accounts receivables	3,916,152	-	(1,986,917)	1,929,235
Cash and cash equivalents	358,382	-	-	358,382
Accounts payables	(1,559,755)	-	-	(1,559,755)
Corporation tax	(166,904)	-	-	(166,904)
Provisions	(335,864)	-	-	(335,864)
Lease liabilities	-	(4,000,334)	-	(4,000,334)
Deferred tax liability	(516,665)	-	(247,418)	(764,083)
Total net assets	5,698,169	-	(2,318,623)	3,379,546
Consideration:				£
Cash consideration				9,672,948
Equity instruments (4,000,000 shares)				7,200,000
Directly attributable costs				269,740
				17,142,688
Goodwill (note 14)				13,763,142

On acquisition Ambala held trade receivables with a book and fair value £50,902, which are expected to be fully recovered.

The fair value of the ordinary shares issued was based on the listed share price of the Company on 18 March 2025 of £1.80 per share.

Goodwill arises as a result of the surplus of consideration over the fair value of the separately identifiable assets acquired. The main reason leading to the recognition of Goodwill is the future economic benefits arising from assets which are not capable of being individually identified and separately recognised, this includes the value of the workforce acquired and expected synergies to be obtained by the Group following the acquisition. The goodwill is not expected to generate tax deductions.

The acquisition took place very close to the end of the financial year and the results of the acquired entity were fully in line with the expectations supporting the purchase price hence management were satisfied that there was no impairment of goodwill at the end of the reporting period. The goodwill arising will continue to be reviewed at least annually for impairment using value in use calculations.

Since the acquisition, Ambala has contributed £0.8m of Group revenue and profit before tax of £0.1m.

Measurement of fair values	
Assets acquired	Valuation technique
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible assets	Relief-from-royalty method and multi-period excess earnings method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents being owned. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.
Inventories	Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

22. Share-based payments

The expense recognised for share-based payments in respect of employee services received during the financial period ended 30 March 2025 was £215,381 (2024: £93,445).

Long Term Incentive Plan ('LTIP')

All employees and full-time Executive Directors of the Group are eligible to participate in the LTIP at the discretion of the Remuneration Committee. Share awards may be granted subject to objective performance conditions and vest over a vesting period determined by the Remuneration Committee at the time of grant.

During the financial period ended 30 March 2025 the Remuneration Committee approved the grant of the following share options under the LTIP scheme. All grants are in the form of equity settled share options.

Enterprise Management Incentive Scheme ('EMI')

It was proposed and agreed by the Remuneration Committee to issue a total of 61,086 share options under the EMI scheme to one Executive Director. These options are capable of vesting on the third anniversary of the grant of the options, based on the following performance criteria being met:

- 25% of the option vests if an aggregate Earnings Per Share of 16.15p is achieved over the three financial years starting from the financial year in which the date of the grant occurs in.
- An additional 0.1% of the option vests for every 0.0033p achieved above an aggregate EPS of 16.15p, up to a maximum of 100% of the option held.
- In full if an aggregate EPS of 18.65p is achieved over the three financial years starting from the financial year in which the date of grant occurs in.

The options may not be exercised later than on the tenth anniversary of the date of grant.

Unapproved Share Option Scheme

It was proposed and agreed by the Remuneration Committee to issue a total of 313,200 share options under the EMI scheme to three Executive Directors. These options are capable of vesting on the third anniversary of the grant of the options, based on the following performance criteria being met:

- 25% of the option vests if an aggregate Earnings Per Share of 16.15p is achieved over the three financial years starting from the financial year in which the date of the grant occurs in.
- An additional 0.1% of the option vests for every 0.0033p achieved above an aggregate EPS of 16.15p, up to a maximum of 100% of the option held.
- In full if an aggregate EPS of 18.65p is achieved over the three financial years starting from the financial year in which the date of grant occurs in.

The options may not be exercised later than on the tenth anniversary of the date of grant.

	Exercise price	Outstanding at 31 March 2024	Granted during the period	Exercised during the period	Forfeited during the period	Outstanding at 30 March 2025	Weighted average remaining life	Exercisable at 31 March 2024
		Number	Number	Number	Number	Number	Years	Number
EMI Scheme								
2024 LTIP - granted 20/11/2023	1p	242,653	-	-	-	242,653	8.6	-
2024 LTIP - granted 30/01/2024	162p	292,189	-	-	69,444	222,745	8.8	-
2025 LTIP - granted 30/07/2024	1p	-	61,086	-	-	61,086	9.3	-
		534,842	61,086	-	69,444	526,484	8.8	-
Unapproved share option scheme								
2024 LTIP - granted 20/11/2023	1p	199,876	-	-	-	199,876	8.6	-
2025 LTIP - granted 30/07/2024	1p	-	313,200	-	-	313,200	9.3	-
		199,876	313,200	-	-	513,076	9.1	-
Total		734,718	374,286	-	69,444	1,039,560	8.9	-
Weighted average exercise price		65.0p	1.0p	-	162p	37.7p		-

The following table summarises the inputs used in the fair value models for grants made in the financial period ended 30 March 2025, together with the fair values calculated by those models:

	EMI Scheme	Unapproved share option scheme
Weighted average fair value - pence	103.0	103.0
Weighted average share price at grant - pence	180.0	180.0
Weighted average exercise price - pence	1.0	1.0
Number of periods to exercise - years	10.0	10.0
Dividend yield - %	5.5	5.5
Risk-free rates - %	4.1	4.1
Expected volatility - %	40.3	40.3

For options granted the volatility reflects the historical volatility based on share transactions since listing. Daily closing share prices from since 27 June 2018 to the grant dates were reviewed and the standard deviation of the percentage movements in share price calculated and utilised in determining the expected volatility.

The risk-free rate is the interest rate on a debt instrument that has zero risk, specifically default and reinvestment risk. The interest rate on zero-coupon government securities, such as Treasury bills, notes, and bonds in the UK, is treated as a proxy for the risk-free rate. The interest rate on a 10-year government bond on the date of grant has been used in the fair value calculations of the options.

23. Borrowings

	52 weeks ended 30 March 2025	2024
	£	£
Current borrowings		
Bank loans	2,053,091	146,544
Non-current borrowings		
Bank loans	13,293,581	997,050
Total borrowings	15,346,672	1,143,594

	52 weeks ended 30 March 2025	2024
	£	£
Bank loans		
At 01 April 2024 and 01 April 2023	1,143,594	1,236,790
Repayment of bank loans	(740,788)	(93,196)
	402,806	1,143,594
New bank loans	15,200,000	
Less: costs directly attributable to the new loans	(256,134)	-
	14,943,866	-
At 30 March 2025 and 31 March 2024	15,346,672	1,143,594

At the start of the financial period, the Group had two existing term loans outstanding. As part of the terms for the new £15,200,000 term loan with our Corporate bankers, one of the existing loans was repaid in full, without any penalties. The remaining loan has fixed charges over the property to which it relates and interest of 2.15% above Bank of England base rate is charged on the loan. The loan is repayable in monthly instalments with final payment due on May 2029.

The new term loan taken out to part fund the acquisition of Ambala Foods Limited, is split into two facilities:

- Facility A - £11,200,000 for payment towards the purchase price of the acquisition, acquisition costs and/or refinancing of certain indebtedness of the Group.
- Facility B - £4,000,000 for the acquisition of the freehold property and any costs relating to the acquisition of the freehold property.

Both Facility A and B loans are charged interest of 2.75% above SONIA. £256,134 of costs directly attributable to the new term loans, have been deducted from the loan proceeds on initial recognition and are amortised over the loan term using the EIR method. Facility A loan is repayable in equal quarterly payments over a period of seven years, and the Facility B loan is repayable in equal quarterly payments over a period of 10 years. The loans are secured by fixed and floating charges over the properties and assets of the Group.

24. Trade and other payables

	52 weeks ended 30 March 2025	2024
	£	£
Trade payables	4,927,614	2,953,202
Other taxation and social security	1,151,717	246,417
Other payables	284,578	399,605
	6,363,909	3,599,224
Accruals	2,182,406	1,293,004
	8,546,315	4,892,228

The fair value of the trade and other payables classified as financial instruments are disclosed in the financial instruments (note 27).

The Group's exposure to market and liquidity risks related to trade and other payables is disclosed in the financial risk management and impairment of financial assets note (note 28). The Group pays its trade payables on terms and as such trade payables are not yet due at the statement of financial position dates.

25. Provisions

	52 weeks ended 30 March 2025	2024
	£	£
At 01 April 2024 and 01 April 2023	-	243,100
Released during the period	-	(243,100)
Acquisition of subsidiary	335,864	-
At 30 March 2025 and 31 March 2024	335,864	-

	52 weeks ended 30 March 2025	2024
	£	£
Website data breach		
Balance brought forward	-	243,100
Released during the period	-	(243,100)
	-	-
Dilapidation provision		
Acquisition of subsidiary	335,864	-

During the financial period ending 30 March 2025, the Group acquired 100% of the share capital of Ambala Foods Limited. Ambala Foods Limited has made provision for dilapidations under the leases it has for its nineteen trading stores.

During FY21 the Group made a provision with regards to an estimation of costs and potential fines relating to a website data breach. During the 2024 financial year, based on the information submitted to the ICO regarding the Group's security measures in place to prevent similar breaches, the ICO informed the Company that it would not be pursuing enforcement action in this case and consider the case closed, and the Company therefore released the balance of the provision (see Note 10 Exceptional items).

26. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £96,858 (2024: £84,208). Contributions totalling £53,557 (2024: £20,206) were payable to the fund at the statement of financial position date and are included in other payables (see note 23).

27. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. Related party transactions are considered to be at arms-length.

Key management personnel are only the Executive and Non-Executive Directors and details of the amounts paid to them are included within note 9 and the Directors Remuneration Report.

Key management personnel had an interest in dividends as follows:

	52 weeks ended 30 March 2025	2024
	£	£
Sukh Chamdal	965,477	853,685
Dr Jaswir Singh	59,478	52,591
Neil Sachdev (resigned 31 October 2023)	3,183	2,815
Alison Green (resigned 31 December 2024)	570	504
Martin Blair	1,900	1,680
	1,030,608	911,275

During the financial period the Group made sales to companies under the control of the Directors. All sales were made on an arms-length basis. These are detailed as follows with Director shareholding % shown in brackets:

	52 weeks ended 30 March 2025		2024	
Mr. Sukh Chamdal	Sales	Balance	Sales	Balance
	£	£	£	£
Cake Box (Crawley) Limited (0%)**	-	-	142,210	37,671
Cake Box CT Limited (0%)*	248,381	38,816	280,758	20,985
Cake Box (Strood) Limited (0%)*	128,453	(1,217)	133,116	19,449
	376,834	37,599	556,084	78,105

*100% owned by Mr Chamdal's daughter

**Store sold in January 2024

	52 weeks ended 30 March 2025		2024	
Dr Jaswir Singh	Sales	Balance	Sales	Balance
	£	£	£	£
Luton Cake Box Limited (10%)	406,315	2,637	445,802	18,618
Peterborough Cake Box Limited (30%)	234,478	1,629	230,447	9,827
Cream Cake Limited (30%)	270,074	14,766	285,131	13,574
MK Cakes Limited (0%***	222,711	3,251	222,777	9,258
Bedford Cake Box Limited (0%***	236,353	(295)	230,995	9,523
Ilford Cakes Limited (50%)	181,147	8,048	186,387	9,520
Eggless Cake Company Limited (50%)	178,481	5,902	193,378	7,610
	1,729,559	35,938	1,794,917	77,930

*** 100% owned by Dr Singh's son or wife

28. Financial instruments

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The material accounting policies regarding financial instruments are disclosed in note 2.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note (note 28).

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

Financial assets

	Held at amortised cost	
	52 weeks ended 30 March 2025	2024
	£	£
Cash and cash equivalents	6,325,774	8,454,265
Trade and other receivables	3,467,218	3,798,761
Impairment of trade receivables	(87,569)	(92,569)
	3,379,649	3,706,192
Other financial assets	3,057,898	1,052,187
	12,763,321	13,212,644

Financial liabilities

	Held at amortised cost	
	52 weeks ended 30 March 2025	2024
	£	£
Trade and other payables	6,363,909	3,599,224
Secured borrowings	15,346,672	1,143,594
	21,710,581	4,742,818

29. Financial risk management

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, while retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular reports from the Chief Financial Officer through which it reviews the effectiveness of processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk and impairment

Credit risk arises principally from the Group's trade and other receivables and its other financial assets (which includes loans to franchisees). It is the risk that the counter party fails to discharge its obligation in respect of the instrument. The maximum exposure to credit risk equals the carrying value of these items in the financial statements as the Group has the power to stop supplying the customer until payment is received in full.

Definition of default

The loss allowance on all financial assets is measured by considering the probability of default.

Receivables are considered to be in default when the principal or any interest is more than 90 days past due, based on an assessment of past payment practices and the likelihood of such overdue amounts being recovered.

Determination of credit-impaired financial assets

The Group considers financial assets to be 'credit-impaired' when the following events, or combinations of several events, have occurred before the year-end:

- significant financial difficulty of the counterparty arising from significant downturns in operating results and/or significant unavoidable cash requirements when the counterparty has insufficient finance from internal working capital resources, external funding and/or group support;
- a breach of contract, including receipts being more than 240 days past due; and
- it becoming probable that the counterparty will enter bankruptcy or liquidation.

Write-off policy

Receivables and other financial assets are written off by the Company when there is no reasonable expectation of recovery, such as when the counterparty is known to be going bankrupt, or into liquidation or administration. Receivables will also be written off when the amount is more than 300 days past due and is not covered by security over the assets of the counterparty or a guarantee.

Impairment of trade receivables and other financial assets

The Group calculates lifetime expected credit losses for trade receivables and other financial assets using a portfolio approach. All items are grouped based on the credit terms offered and the type of product sold. The probability of default is determined at the year-end based on the aging of the receivables and historical data about default rates on the same basis. That data is adjusted if the Group determines that historical data is not reflective of expected future conditions due to changes in the nature of its customers and how they are affected by external factors such as economic and market conditions.

The age profile of the trade receivables and expected credit loss is shown in the table below:

	Expected loss rate	52 weeks ended 30 March 2025	2024
		£	£
0 - 30 days	0.1%	1,837,690	2,370,195
30 - 60 days	0.2%	244,447	623,834
60 - 90 days	0.5%	99,128	132,591
More than 90 days	1.0%	391,560	405,633
		2,572,825	3,532,253
Impairment provision		(87,569)	(92,569)
		2,485,256	3,439,684

The Group applies the IFRS 9 simplified approach to measure credit losses using an expected credit loss provision for trade receivables.

The Group provides loans to franchisees as part of their financing for new store openings. The loans are interest free with an upfront arrangement fee included in the loan. The loans are unsecured however if loan repayment schedules are not adhered to, supply of product and ingredients are put on hold and franchisees are in breach of their franchise agreement. As a result, the Group has the option to resell the franchise to another interested party with the purchase price being used to first repay the loan and any outstanding trade receivables, with any excess going to the original franchisee. The loan periods are for periods of one or five years.

The Group uses three categories for loans which reflect their credit risk and how the loan loss provision is determined for each of those categories. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Group definition of category	Basis for recognition of expected credit loss provision
Performing	Loans whose credit risk is in line with original expectations.	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1).
Underperforming	Loans for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due (see above in more detail).	Lifetime expected losses (stage 2).
Non-performing (credit impaired)	Interest and/or principal repayments are 60 days past due, or it becomes probable a customer will enter bankruptcy.	Lifetime expected losses (stage 3).
Write-off	Interest and/or principal repayments are 120 days past due and there is no reasonable expectation of recovery.	Asset is written off.

Over the term of the loans, the group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates and adjusts for forward-looking macroeconomic data. The Group provides for credit losses against loans to franchisees as follows:

Group internal credit rating as at 31 March 2024	Expected credit loss	Gross carrying amount (stage 1)	Gross carrying amount (stage 2)	Gross carrying amount (stage 3)
		£	£	£
High	0.1%	1,052,187	-	-
Medium	10.0%	-	-	-
Low	20.0%	-	-	-

Group internal credit rating as at 30 March 2025	Expected credit loss	Gross carrying amount (stage 1)	Gross carrying amount (stage 2)	Gross carrying amount (stage 3)
		£	£	£
High	0.1%	3,057,898	-	-
Medium	10.0%	-	-	-
Low	20.0%	-	-	-

	Performing	Under-performing	Non-performing	Total
As at 31 March 2024	£	£	£	£
Individual financial assets transferred to underperforming (lifetime expected credit losses)	-	-	-	-

	Performing	Under-performing	Non-performing	Total
As at 30 March 2025	£	£	£	£
Individual financial assets transferred to underperforming (lifetime expected credit losses)	-	-	-	-

No significant changes to estimation techniques or assumptions were made during the reporting period. The Group has assessed the default risk as very low on franchisee loans as these loans are made to franchisees rather than a traditional third party. No expected credit loss has been recognised for Stage 1 loans in line with management's assessment.

The loss allowance for loans to franchisees as at 31 March 2024 and 30 March 2025 reconciles to the opening loss allowance for that provision as follows:

Out of the total impairment provision of £87,569 (2024: £92,569), £87,569 (2024: £92,569) relates to specifically impaired trade receivable debt and £NIL (2024: £NIL) relates to franchisee loans.

Liquidity risk

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Board receives cash flow projections on a regular basis which are monitored regularly. The Board will not commit to material expenditure in respect of its ongoing development programme prior to being satisfied that sufficient funding is available to the Group to finance the planned programmes.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	52 weeks ended 30 March 2025	2024
	£	£
Borrowings - due within one year	2,053,091	146,544
Borrowings - due within one to two years	2,059,042	158,337
Borrowings - due after more than two years	11,234,539	838,713
	15,346,672	1,143,594
Right-of-use assets - due within one year	688,363	280,425
Right-of-use assets - due within one to two years	718,225	291,123
Right-of-use assets - due within two - five years	2,262,302	941,720
Right-of-use assets - due after more than five years	2,480,858	916,570
	6,149,748	2,429,838

Trade and other payables

	52 weeks ended 30 March 2025	2024
	£	£
0 - 30 days	7,084,651	3,603,819
30 - 60 days	1,375,914	1,265,251
60 - 90 days	11,411	19,914
90 to 120 days	74,429	3,244
	8,546,315	4,892,228

Interest rate risk

The Group is exposed to interest rate risk due to entities in the Group borrowing funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining good relationships with banks and other lending providers and by ensuring cash reserves are high enough to cover the debt. Where possible fixed terms of interest will be sought.

The Group analyses the interest rate exposure on a regular basis. A sensitivity analysis is performed by applying a simulation technique to the liabilities that represent major interest-bearing positions. Various scenarios are run taking into consideration refinancing, renewal of the existing positions, alternative financing and hedging. Based on the simulations performed, the impact on profit or loss and net assets of a 100 basis-point shift (2024:100 basis-point shift) would be a change of £148,421 (2024: £11,436).

Capital risk management

The Group considers its equity capital to comprise its ordinary share capital and retained profits. In managing its capital, the Group's primary objective is to provide return for its equity shareholders through capital growth and future dividend income. The Group's policy is to seek to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues or the issue of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

Details of the Group's capital is disclosed in the Consolidated Statement of Changes in Equity.

There have been no other significant changes to the Group's management objectives, policies and procedures in the financial period nor has there been any change in what the Group considers to be capital.

Currency risk

The Group is not exposed to any significant currency risk. The Group manages any currency exposure by retaining a small holding in US Dollars and Euro's however, all other cash balances are held in Sterling.

30. Events after the reporting period

Final dividend

Post year end the directors have recommended a final dividend of 6.8p per share (2024:6.1p per share).

31. Subsidiary undertakings

Name	Country of incorporation	Class of shares	Holding	Principal activity
Eggfree Cake Box Limited	United Kingdom	Ordinary	100%	Franchisor of specialist cake stores
Chaz Limited	United Kingdom	Ordinary	100%	Property rental company
Ambala Foods Limited	United Kingdom	Ordinary	100%	Retail of Asian confectionary and savoury products

32. Note supporting statement of cashflows

	52 weeks ended 30 March 2025	2024
	£	£
Cash at bank available on demand	6,314,614	8,453,865
Cash on hand	11,160	400
	6,325,774	8,454,265

There were no significant non-cash transactions from financing activities (2024: none).

Non-cash transactions from financing activities are shown in the reconciliation of liabilities from financing transactions below:

	Non-current lease liabilities	Current lease liabilities	Non-current borrowings	Current borrowings	Total
	£	£	£	£	£
As at 31 March 2023	2,429,838	270,119	1,132,292	104,498	3,936,747
Cash flows					
Repayments	-	(365,000)	-	(175,246)	(540,246)
Non-cash flows					
Interest	-	94,881	11,302	70,748	176,931
Non-current liabilities becoming current during the year	(280,425)	280,425	(146,544)	146,544	-
As at 31 March 2024	2,149,413	280,425	997,050	146,544	3,573,432
Cash flows					
Repayments	-	(365,000)	(594,244)	(256,714)	(1,215,958)
Additions during the period	4,000,334	-	14,943,866	-	18,944,200
Non-cash flows					
Interest	-	84,575	-	110,170	194,745
Non-current liabilities becoming current during the period	(688,363)	688,363	(2,053,091)	2,053,091	-
As at 30 March 2025	5,461,384	688,363	13,293,581	2,053,091	21,496,419

33. . Ultimate controlling party

The Group considers there is no ultimate controlling party.

34. Earnings per share

	52 weeks ended 30 March 2025	2024
	£	£
Profit after tax attributable to the owners of Cake Box Holdings plc	4,373,292	4,658,685
Non-underlying items	914,722	(243,100)
Underlying profit after tax attributable to the owners of Cake Box Holdings plc	5,288,014	4,415,585
Number of ordinary shares in issue	Number	Number
Beginning of the period	40,000,000	40,000,000
Ordinary shares issued during the period	4,000,000	-
End of the period	44,000,000	40,000,000
Weighted average number shares	Number	Number
Weighted average number of ordinary shares	40,109,890	40,000,000
Dilutive effect of share options	1,039,560	734,718
Diluted weighted average number of ordinary shares	41,149,450	40,734,718
Earnings per share	Pence	Pence
Statutory earnings per share		
Basic earnings per share	10.90	11.65
Diluted earnings per share	10.63	11.44
Underlying earnings per share		
Basic earnings per share	13.18	11.04
Diluted earnings per share	12.85	10.84