

Cake Box Holdings PLC

09:00 24 Jun 2019

Cake Box's 50% dividend hike puts cherry on top of record first year on AIM

Cake Box Holdings PLC (LON:CBOX) has hiked its final dividend by 50%, putting the cherry on top of a successful first year as a listed company.

The cake shop chain listed on London's AIM market last summer, when it was valued at £45m.

Since then, the company has shaken off the wider retail woes to grow sales and profits as it pushes ahead with plans to more than double its store estate.

READ: Cake Box guides for 30% jump in full-year revenue
Revenue climbed by a third in the year ended 31 March to a record £16.9m (2018: £12.7m), helped by the opening of 27 new shops, taking the total to 113. Longer-term, bosses want that figure to hit 250.

Pre-tax profits zipped 14% higher to £3.8m (2018: £3.3m), although that would have been higher but for £600,000 worth of IPO costs.

Given the strong performance, Cake Box has recommended a final dividend of 2.4p a share - 50% higher than the 1.6p it paid out last year. Including the interim dividend, shareholders will have received 3.6p this year.

New year off to solid start

"These results demonstrate the continuing appeal of the Cake Box brand, to both customers and franchises, combined with the financial strength of the group, particularly the strong cash generative nature of our business model," said chief executive and co-founder Sukh Chamdal.

"In the past financial year, we have made good progress with our strategic priorities of new store growth, growing our existing stores, introducing new products lines and developing our digital marketing.

"We are pleased that our geographical spread has increased but there remain plenty of regions where we are confident there is still significant scope for expansion."

Chamdal added that the new financial year has "started well", with four new stores having already opened and two more due this week.

Shares rose 3.5% in early deals on Monday to 172.3p, valuing the company at £67m.

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Price: 165

Market Cap: £66 m

1 Year Share Price Graph



Share Information

Code: CBOX

Listing: LSE

52 week	High	Low
	185	135

Sector: Food & drink

Website: www.eggfreecake.co.uk

Company Synopsis:

Cake Box is a franchise retailer of cakes with a growing store base across the UK. The first concept store opened in East London in 2008 from which the Group has grown to a franchise estate of 86 stores as at 31 March 2018. The group specialises in making high quality, individually-crafted and personalised fresh cream cakes for purchase on demand or ordered in advance in store or online.

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