cooks
coffee company

ANNUAL REPORT

2025

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CHAIRMAN'S REPORT

Results for the year ended 31 March 2025

Highlights

- Total franchisee store sales in UK & Ireland up 36% at NZ$79.6m (FY24: NZ$58.2m).

- Group revenue was up 43% at NZ$6.7m v NZ$4.7m in FY24. This includes NZ$1.0m of sales through the Dairygold stores for the 3.5 months from mid-December 2024. Like for like revenue (excluding Dairygold sales) was $5.7m, an increase of 22.1%.

- EBITDA excluding impairment loss of NZ$1.324m v NZ$0.336m for FY24.

- UK store sales were up 35% in local currency and plus 45% after allowing for currency conversion at NZ$55.6m (FY24: NZ$38.3m), compared to the industry average of 9%.

- Ireland store sales up 22% at NZ$24.1m, (FY24: NZ$19.9) compared to the industry growth of 1% in Ireland.

- The awarding of the contract to manage the cafes within the Dairygold garden centres is an important milestone for the Ireland business.

- 89 Group sites in the UK and Ireland as at 31 March 2025, up 19% from 75 as at 1 April 2024.

- Net store numbers growth in UK of 18% and 20% in Ireland versus industry growth of 4% in UK and 1% in Ireland.

- The new banking arrangement with Bank of New Zealand (BNZ) will normalise the debt funding and reduced interest costs and has enabled the full repayment of high cost second tier debt.

- The focus on market towns, housing developments, retail parks and suburban locations has been an important contributor along with the focus on organic coffee products and an enhanced food offering, delivered in a warm and sociable environment by local owners of the franchised stores.

Keith Jackson, Julie & John McIlhiney, Esquires Coffee, Caerphilly, UK

- Esquires Coffee Houses Ireland were awarded the Irish Enterprise Award for 2024 as the 'Best Modern Organic Coffee Shop Enterprise' & Esquires Caerphilly in Wales was recognised as the **"best ethical coffee enterprise** in Wales at the Welsh SME News Awards.

- Target store numbers for UK & Ireland by FY34 is 300 with a total of 89 as at the end of FY25 and as at 18th June there are 95 stores in the network in UK & Ireland.

- The industry continues to grow with independent research company Allegra World Coffee Portal predicting UK store numbers to grow at 3.0% and Ireland to grow at 2.4% over the next 5 years.

Operational Business Performance

UNITED KINGDOM

Esquires Coffee UK store numbers increased to 71 on 31 March 2025, from 60 as at 31 March 2024, with 14 new Esquires stores opened and 3 closed.

Growth has continued strongly with net 6 additional stores being opened to 18th June in FY26 with the stores being in Hertford, Clifton (Nottingham), Maidenhead, Shirley, Leighton Buzzard, Crowthorne & Camberly. Shepherds Bush closed at the end of March. Sales for the first 11 weeks of the FY26 financial year are 30% ahead of the same period last year with like for like sales up 3.4%.

Esquires Coffee, Pinner, UK

Esquires Coffee, Mallow, Ireland

IRELAND

Store sales increased by 22% in FY25, totalling NZ$24.1m (FY24 NZ$19.9m). The Dairygold stores joined the system in December and contributed 5.5% of the total annual sales for the full year. Like for like store sales were up 4.3% versus FY24.

Systemwide sales in Ireland for the first 11 weeks of the FY26 financial year are 23% ahead of the same period last year with like-for-like sales up 6.8%. The Esquires café in Galway that is rated the number one café in Galway on Tripadvisor, has grown 41% in the first 11 weeks of FY26.

Outlet numbers at the end of the year were 18, a growth of 20% with the addition of 4 stores that are based in Dairygold Co-op Super stores. The stores are in Midleton, Mallow and Carrigaline near Cork and Raheen in Limerick.

As Cooks manage the Dairygold stores we record actual store sales as revenue whereas in franchised stores we record only the royalty from the stores sales. The same situation applies to costs where employee and other costs are shown as they are incurred in the managed stores but for the franchise network the costs that are reported relate to the corporate activities of the small team.

From left to right: Barry Gardner - General Manager, Esquires Ireland, Brian Taylor – Regional Area Manager, Dairygold, Brendan Duigenan – Managing Director, Esquires Ireland

Signing of the Master Franchise Agreement,
From left to right: Keith Jackson, Jaspreet Singh, Mr. M.S. Aujla

GLOBAL

Cooks systemwide sales in the global segment was down on the previous financial year as the Middle East markets restructured with the closure of 3 stores in Saudi Arabia as the leases expired and the end of one of the Jeddah Airport contracts. The main airport store at Jeddah Airport continues to perform well with sales up 12.3% and is the second highest sales store in the network. Store sales in Portugal were up 31.5% and Pakistan store sales were up 11.3%.

The company signed a Master Franchise Agreement in May 2025 to develop into the rapidly growing Indian market. This is a very exciting development with significant potential.

JOINT VENTURE - BLACK GOO

Cooks & its key regional developer partner in the UK formed a joint venture to acquire the Black Goo brand. Black Goo stores are based in Thame in Oxfordshire & Tring in Hertfordshire. The stores offer freshly prepared foods and handmade cakes - all served in stylish eclectic interiors. The consumer positioning is complementary to the Esquires brand with typically a younger cohort of consumers.

Black Goo Cafe, Tring, UK

Black Goo Cafe, Thame, UK

BALANCE SHEET

Total equity in the Company was NZ$(2.891)m reflecting primarily to prior period non-cash write downs in the past. The comparison for last year was NZ$(4.001)m.

The BNZ facility was activated on 31st March and on that day the secured loans were repaid and a further $1.7m of debt other than Bank debt was repaid on 2nd April 2025.

PEOPLE

Katherine Scott joined the company as the London based CFO in July 2024 and joined the Board in October 2024. Gareth Lloyd-Jones and Gordon Robinson joined the Board as Non-Executive Directors based in London replacing Mike Hutcheson and Paul Elliot who retired as part of the strategic decision to relocate much of the business to the UK where the major business activity is based.

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Our mission is to deliver exceptional coffee experiences while leading with purpose. We believe profitability and sustainability go hand in hand, and our commitment to ESG principles is central to everything we do - from sourcing to community engagement.

BUILDING A SUSTAINABLE BRAND

Fairness, integrity, and environmental responsibility are embedded in our culture. We prioritise sustainably sourced ingredients, ethical partnerships and waste-conscious operations. Recognised for two consecutive years as Organic Coffee Chain of the Year in Ireland and recently awarded Best Ethical Coffee Enterprise in Wales, we are proud to be setting high standards in our industry.

SUSTAINABILITY IN ACTION

Eco-Friendly Production: All our coffee is organic and grown without harmful chemicals, in harmony with nature.

Sustainable Sourcing: We partner with the world's first Carbon Neutral Gold Standard roastery.

Eco-Friendly Disposables: Our packaging is fully recyclable or compostable, including cutlery, cups, and takeaway materials.

Food Waste Reduction: Our partnership with Too Good To Go has saved over 25,000 meals - equivalent to the carbon saved from charging 15 million smartphones.

SOCIAL IMPACT & COMMUNITY ENGAGEMENT

We continue to strengthen our ties to local communities, creating welcoming spaces that support inclusion and connection. As CEO Aiden Keegan said, "Working from home has been fantastic for us. Our suburban cafés have become the beating heart of their local communities."

- **Mental Health Support:** We host regular events for the deaf community and partner with organisations to reduce isolation and improve wellbeing.
- **Parent Coffee Groups:** Esquires locations offer welcoming spaces for mothers to connect, share and support one another.
- **Alzheimer's Coffee Mornings:** Held monthly to provide support and community for those affected by dementia.

MARKET LEADERSHIP WITH RESPONSIBILITY

We are addressing climate change and social impact through:

- signing energy-efficient and eco-conscious stores.
- Partnering with suppliers who share our sustainability vision.
- Implementing operational practices to reduce our carbon footprint.

VISION FOR THE FUTURE

We aim to lead the market with responsibly sourced coffee, fresh food, locally produced where practical, and eco-friendly practices.

OUTLOOK

The FY26 financial year has begun strongly with seven new additional stores opened in the UK in the first 11 weeks of the year with seven opening and one closing.

The expansion strategy, combined with strong like-for-like sales growth, demonstrates the Company's resilience and ability to attract and retain customers in both established and new locations, as well as Esquires Organic Coffee Company's strong market position and the effectiveness of its customer engagement strategies."

Aiden Keegan, CEO Cooks Coffee Company

SUMMARY

Growth for the Esquires brand continues to exceed reported industry growth in both core markets and the Board would like to acknowledge the dedicated performances of all the parties involved in the Group's activities driving the growth plans and delivering excellent service to our customers every day.

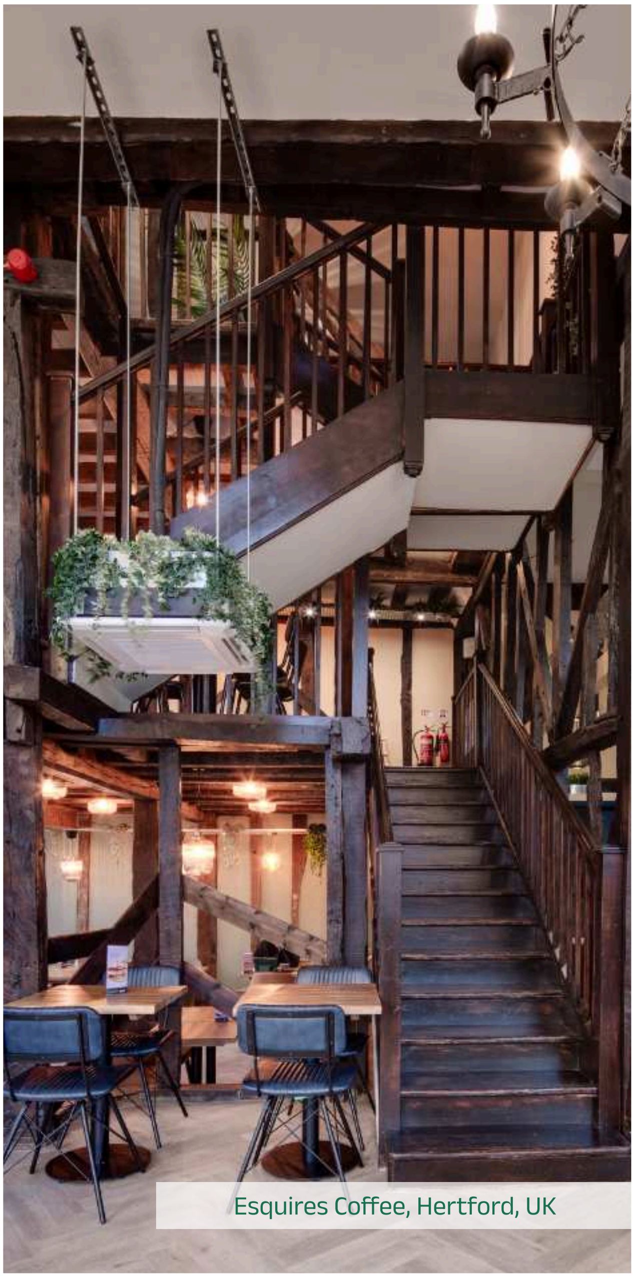
In the core markets of UK & Ireland around 250,000 customers are now being served each week by our great team led by our franchisees along with their staff, supported by Regional Developers in the UK and the company's great teams in both the UK & Irish markets.

The Company is expecting to continue to grow at this rate of stores being added per annum to have more than 300 stores operational in UK and Ireland by FY34.

G.K. Jackson
Executive Chairman

An ethical café group with great cafes owned and run by local people.

Esquires Coffee, Mullingar, Ireland



Esquires Coffee, Hertford, UK

DIRECTOR'S REPORT

The directors of Cooks Coffee Company Limited present to shareholders the Annual Report and consolidated financial statements for Cooks Coffee Company Limited and its controlled entities (together the "Group") for the year ended 31 March 2025.

The directors are responsible for presenting consolidated financial statements in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Group as at 31 March 2025 and their financial performance and cash flows for the year ended on that date.

The directors consider that the consolidated financial statements of the Group have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the consolidated financial statements with the Financial Markets Conduct Act 2013.

The directors consider they have taken adequate steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The directors note that there were no material changes in the nature of the business undertaken by the Company in the past year.

G.K. Jackson Executive Chairman	Gordon Robinson Chairman of the Audit Committee

Esquires Coffee, Chesterwell, UK

Independent auditor's report to the shareholders of Cooks Coffee Company Limited

Report on the audit of the consolidated financial statements

Our opinion on the consolidated financial statements

In our opinion, the accompanying consolidated financial statements of Cooks Coffee Company Limited (the Company) and its subsidiaries (the Group), present fairly, in all material respects:

- the consolidated financial position of the Group as at 31 March 2025, and
- its consolidated financial performance and its consolidated cash flows for the year then ended

in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards.

What was audited?

We have audited the consolidated financial statements of the Group, which comprise:

- the consolidated statement of financial position as at 31 March 2025,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended, and
- notes to the consolidated financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Company or any of its subsidiaries.

WilliamBuck
ACCOUNTANTS & ADVISORS

Material uncertainty related to going concern

We draw attention to Note 4 in the consolidated financial statements, which indicates that the Group reported a net profit from continuing operations of $813,000 for the year ended 31 March 2025 and, as of that date, the Group reported net liabilities of $2,891,000 and its current liabilities exceeded its current assets by $341,000. As stated in Note 4, these events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Intangible assets	**Area of focus (refer also to note 15)**	**How our audit addressed the key audit matter**
	The Group has $2.8m of intangible assets for Global IP rights related to the franchise system. Because of the significance to the financial statements of this balance and the judgements and assumptions which need to be applied in determining the recoverable amounts of the cash generating unit to which this intangible is allocated is the reason why we have given specific audit focus and attention to this area.	Our audit procedures included: — Analysed the key assumptions included in the Group's impairment assessment by comparison with historical data and trends — Completed sensitivity analysis on key assumptions including the discount rate applied and revenue growth rates Assessed that appropriate disclosure has been included in the financial statements

Other information

The directors are responsible for the other information. The other information comprises the Chairman's report, the Directors' report, and Statutory information and corporate governance for the year ended 31 March 2025, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibilities for the consolidated financial statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board's website: Audit Report 1-1 » XRB. This description forms part of our auditor's report.

The engagement director on the audit resulting in this independent auditor's report is Michael Wood.

Restriction on distribution and use

This independent auditor's report is made solely to the shareholders, as a body. Our audit work has been undertaken so that we might state to the shareholders those matters which we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders, as a body, for our audit work, this independent auditor's report, or for the opinions we have formed.

William Buck

William Buck Audit (NZ) Limited
Auckland

26 June 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	Notes	31 March 2025 $'000	31 March 2024 $'000
Continuing operations			
Revenue	5	**6,728**	4,703
Grant and other income	5.1	**251**	230
Franchisee Incentives and store consumables		**(387)**	(125)
Depreciation and amortisation	16, 21.1	**(117)**	(24)
Impairment loss on receivables	11	**(106)**	(133)
Net foreign exchange (losses)/gains		**(14)**	(29)
Employee costs	6	**(2,497)**	(1,979)
Release Director Fee Accrual	5.2	**166**	-
Other expenses	7	**(2,923)**	(2,464)
Operating profit/(loss)		**1,101**	179
Interest Income	21	**1,624**	1,347
Finance costs on leases	8	**(1,702)**	(1,347)
Finance costs on loans	8	**(386)**	(535)
Share of profit from joint venture accounted for using the equity method	22	**176**	-
Profit/(Loss) before income tax		**813**	(356)
Income tax (expense)/credit	9	**-**	-
Profit/(Loss) for the year from continuing operations		**813**	(356)
Net Loss for the year from discontinued operations	13.1	**-**	(6,003)
Net Profit/(Loss) for the year attributable to shareholders		**813**	(6,359)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Change in foreign currency translation reserve		**(232)**	1,097
Other comprehensive income after tax		**(232)**	1,097
Total comprehensive Profit/(Loss) for the year attributable to shareholders		**581**	(5,262)
Total comprehensive Profit/(Loss) for the year attributable to Shareholders of the parent arises from:			
- Continuing operations		**581**	866
- Discontinued operations		**-**	(6,128)
		581	(5,262)
Profit/(Loss) per share:			
Basic and diluted profit/(Loss) per share (New Zealand Cents) from continuing and discontinued operations:	20.2	**1.30**	(10.84)
Basic and diluted profit/(Loss) per share (New Zealand Cents) from continuing operations:	20.2	**1.30**	(0.61)
Basic and diluted profit/(Loss) per share (New Zealand Cents) from discontinued operations:	20.2	**-**	(10.23)

This statement should be read in conjunction with the notes to the consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

		Attributable to Equity holders of the Company				
	Notes	**Share Capital $'000**	**Foreign currency translation reserve $'000**	**Share based payment reserve $'000**	**Accumulated Losses $'000**	**Total Equity $'000**
Balance at 31 March 2023		58,345	971	2,401	(60,956)	761
Comprehensive loss for the year						
Profit/(Loss) for the year		-	-	-	(6,359)	(6,359)
Other comprehensive income						
Release of foreign currency translation reserve relating to Triple Two		-	(140)	-	-	(140)
Change in foreign currency translation reserve		-	1,237	-	-	1,237
Total comprehensive income/(loss) for the year		-	1,097	-	(6,359)	(5,262)
Transactions with owners of the Company						
Issue of ordinary shares	20.1	500	-	-	-	500
Change in foreign currency translation reserve		-	-	(2,401)	2,401	-
Total contributions by owners of the Company		500	-	(2,401)	2,401	500
Balance at 31 March 2024		**58,845**	**2,068**	**-**	**(64,914)**	**(4,001)**
Comprehensive loss for the year						
Profit/(Loss) for the year		**-**	**-**	**-**	**813**	**813**
Other comprehensive income						
Items that may be subsequently reclassified to profit or loss:						
Change in foreign currency translation reserve		-	(232)	-	-	(232)
Total comprehensive income/(loss) for the year		**-**	**(232)**	**-**	**813**	**581**
Transactions with owners of the Company						
Issue of ordinary shares	20.1	**529**	**-**	**-**	**-**	**529**
(Total contributions by owners of the Company		**529**	**-**	**-**	**-**	**529**
Balance at 31 March 2025		**59,374**	**1,836**	**-**	**(64,101)**	**(2,891)**

This statement should be read in conjunction with the notes to the consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	31 March 2025 $'000	31 March 2024 $'000
Current Assets			
Cash and cash equivalents	10	**2,686**	**1,174**
Trade and other receivables	11	**1,604**	**1,718**
Lease receivables	21.1	**4,072**	**2,892**
Other current assets	11	**696**	**1,049**
Current Assets		**9,058**	**6,833**
Non-Current Assets			
Property, plant and equipment	16	**415**	**92**
Right-of-use assets	21.1	**2,449**	**-**
Lease receivables	21.1	**21,624**	**20,163**
Intangible assets	15	**2,831**	**2,831**
Other non-current financial assets		**15**	**15**
Black Goo JV Investment		**13**	**-**
Non-current assets		**27,347**	**23,101**
Total Assets		**36,405**	**29,934**
Liabilities			
Current Liabilities			
Trade and other payables	17	**3,334**	**4,521**
Deferred revenue	18	**614**	**580**
Lease liabilities	21.1	**4,422**	**2,892**
Borrowings	19	**881**	**1,806**
Bank Loans	19	**148**	**-**
Current liabilities		**9,399**	**9,799**
Non-Current Liabilities			
Deferred Revenue	18	**2,198**	**2,696**
Lease liabilities	21.1	**23,885**	**20,163**
Borrowings	19	**900**	**1,277**
Bank Loans	19	**2,407**	**-**
Other Liabilities	19	**507**	**-**
Non-current liabilities		**29,897**	**24,136**
Total Liabilities		**39,296**	**33,935**
Net Assets/(Liabilities)		**(2,891)**	**(4,001)**

Equity			
Share capital	20.1	**59,374**	**58,845**
Accumulated losses		**(64,101)**	**(64,914)**
Foreign currency translation reserve		**1,836**	**2,068**
Total equity		**(2,891)**	**(4,001)**

The consolidated financial statements were approved for issue for and on behalf of the Board as at 24 June 2025.
This statement should be read in conjunction with the notes to the consolidated financial statements.

G.K. Jackson
Executive Chairman

Gordon Robinson
Chairman of the Audit Committee

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Notes	31-Mar 2025 $'000	31-Mar 2024 $'000
Operating activities			
Cash was provided from:			
Receipts from customers		**5,736**	6,784
Dividends received		**163**	-
Cash was applied to:			
Interest cost		**(386)**	(527)
Payments to suppliers		**(3,267)**	(2,117)
Payments to employees		**(2,520)**	(2,455)
Discontinued operations			(612)
Net cash provided from/(applied to) operating activities	24	**(274)**	1,073
Investing activities			
Cash was provided from:			
Disposal of property, plant and equipment		**-**	12
Cash was applied to:			
Purchase of property, plant and equipment		**(366)**	(5)
Acquisition of intangible assets			-
Principal elements of lease receipts		**564**	
Discontinued operations		**-**	(2)
Net cash provided from/(applied to) investing activities		**198**	5
Financing activities			
Cash was provided from:			
Proceeds from borrowings		**2,554**	810
Proceeds from share issue		**478**	107
Cash was applied to:			
Principal elements of lease payments		**(573)**	(24)
Repayment of borrowings		**(940)**	(1,047)
Discontinued operations		**-**	(195)
Net cash provided from/(applied to) financing activities		**1,519**	(349)
Net increase/(decrease) in cash and cash equivalents held		**1,443**	729
Cash & cash equivalents at beginning of the year		**1,174**	445
Effect of exchange rate changes on foreign currency balances		**69**	-
Cash & cash equivalents at end of the year	10	**2,686**	1,174
Composition of cash and cash equivalents:			
Bank balances	10	**2,686**	1,174

This statement should be read in conjunction with the notes to the consolidated financial statements.

Notes to the Consolidated Financial Statements

1. Nature of operations

Cooks Coffee Company Limited ("CCC" or the "Company) and its controlled entities (the "Group") principal activity is the food and beverage industry with the primary focus being on operating a network of cafes internationally via franchised operations.

2. General information and statement of compliance

Cooks Coffee Company Limited is the Group's ultimate parent company, is incorporated and domiciled in New Zealand and is listed on the Main board of the New Zealand stock exchange and is listed on the Aquis Stock Exchange in the United Kingdom.

The address of its registered office is 96 St Georges Bay Road, Parnell, Auckland, 1052, New Zealand.

Cooks Coffee Company Limited is a company registered under the Companies Act 1993 and is an FMC reporting entity under Part 7 of the Financial Markets Conduct Act 2013. The consolidated financial statements of the Group have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013 and the NZX Market Listing Rules.

The consolidated financial statements comprise the Company, its controlled entities and its associates (together the "Group"). See Note 14.

For the purposes of complying with NZ GAAP, the Group is a Tier 1 for-profit entity. The Company's consolidated financial statements comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS). They comply with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and IFRIC interpretations.

The information in the consolidated financial statements is presented in New Zealand dollars which is the functional currency of the ultimate parent company. Amounts in the consolidated financial statements have been rounded off to the nearest thousand, or in certain cases, the nearest dollar unless otherwise stated.

The consolidated financial statements for the year ended 31 March 2025 ("FY25") were approved and authorised for issue by the Board of Directors on 24 June 2025.

G.K. Jackson
Executive Chairman

Gordon Robinson
Chairman of the Audit Committee

3. Material accounting policy information

3.1. Going concern

The directors have prepared the consolidated financial statements on the going concern basis. In doing so significant judgement has been applied. For further details of these assumptions and associated material uncertainties refer to Note 4.

3.2. Overall considerations

The principal accounting policies applied in the preparation of these financial statements are set out in the accompanying notes where an accounting policy choice is provided by NZ IFRS, is new or has changed, is specific to the Group's operations or relates to material transactions, events or conditions.

These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements have been prepared using the historic cost basis. The measurement bases are more fully described in the accounting policies below.

3.3. New and amended standards adopted by the group

The Group has adopted all new or amended NZ IFRS standards and interpretations that are mandatory for the reporting period beginning on 1 April 2024. The following amendments are relevant to the Group:

NZ IAS 1 – Classification of Liabilities as Current or Non-current

The amendment to NZ IAS 1 clarifies the criteria for classifying a liability as current or non-current, particularly in relation to rights to defer settlement. The amendment has been applied retrospectively. As a result of adopting this amendment, the Group has reviewed the classification of its borrowings and other liabilities. There was no material impact on the financial statements.

No other new or amended standards had a material impact on the Group's financial performance or position.

Standards and Interpretations Issued but Not Yet Effective

Certain new accounting standards and interpretations have been issued but are not yet effective and have not been early adopted by the Group. These are summarised below:

NZ IFRS 18 – Presentation and Disclosure in Financial Statements

NZ IFRS 18 was issued in March 2024 and is effective for annual periods beginning on or after 1 January 2027, with early adoption permitted.

The Group is currently assessing the potential impact of NZ IFRS 18 on its financial statement presentation and disclosures. While the standard is expected to result in changes to the format and structure of the Group's primary financial statements, the quantitative impact has not yet been determined.

3.4. Basis of consolidation

The Group consolidated financial statements consolidate those of the parent company and all its controlled entities as of 31 March 2025. The Group controls an entity if it is exposed, 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.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the consolidated financial statements of controlled entities have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of controlled entities acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

3.5. Foreign currency translation

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the date of the transaction).

Foreign operations

In the Group consolidated financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the NZD are translated into NZD upon consolidation. The functional currencies of the entities in the Group have remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into NZD at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into NZD at the closing rate. Income and expenses have been translated into NZD at the average rate (the use of average rates is appropriate only if rates do not fluctuate significantly) over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal.

3.6. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the IRD. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis and, except for the GST components of investing and financing activities, are disclosed as operating cash flows.

3.7. Revenue

Revenue arises mainly from the franchise rights and royalty arrangements that the Group has in place with franchise holders. The Group also earns revenue from franchisees in the establishment of their stores.

Under NZ IFRS 15, revenue from Contracts with Customers is recognised either at a point in time or over time, or when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The transaction price for a contract excludes any amounts collected on behalf of third parties.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue in the statement of financial position.

Company operated stores

The Group recognizes revenue from its Company operated stores from direct till receipts for food and beverage sales at point of sale.

Royalty income from Franchise or Master Franchise Agreements ("MFAs")

The Group recognises royalty revenue derived from its Franchises and MFAs at a point in time, based on sales by Franchisees that are reported back to the Company on a monthly basis for sales that occurred in that month.

Franchise fees

The Group recognises revenue derived from its Country & Regional franchise operations on a straight-line basis over a period of time that the franchise agreement is in place, which is generally 10 years. This is the period of time over which the performance obligation is satisfied.

Supplier incentives

Supplier incentives are recognised in the period to which they relate. Where these have been received in advance of the period to which they relate, they are classified as deferred revenue and released in the relevant period.

Significant financing components

Using the practical expedient in NZ IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Other revenue

Other revenue includes services to independent franchisees or other third parties received by the Group. Other revenues are recognised when reliable estimates of the amounts due to the Group are deemed to be highly probable.

3.8. Income taxes

Tax expense recognised in the statement of profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income, or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to or claims from Tax authorities relating to the current or prior reporting periods, that are unpaid at the reporting date.

Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in controlled entities is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in the statement of profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

3.9. Employment benefits

Defined contribution plans

The Group pays fixed contributions into independent entities in relation to several state plans and insurance arrangements for individual employees. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

Short-term employee benefits

Short-term employee benefits, including annual leave entitlement, are current liabilities included in employee benefits, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

3.10. Impairment testing of other intangible assets, property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. Any reversal of an impairment loss will be limited to what the carrying amount would have been, net of depreciation or amortisation, if no impairment had taken place. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Impairment losses for cash-generating units are charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

3.11. Financial instruments

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Group's contractual rights to the cash flows from the financial assets expire or when the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Ordinary purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised when the Group's obligations specified in the contract expire or are discharged or cancelled.

Financial assets

Following NZ IFRS 9 treatment, the Group classifies its financial assets as those to be measured at amortised cost (loans, trade receivables and lease receivables), and those to be measured at fair value either through OCI or through profit or loss.

Financial assets that are stated at amortised cost are reviewed individually at balance date. In relation to the impairment of financial assets, NZ IFRS 9 requires an expected credit loss model ("ECL"). The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets i.e. a credit event does not have to have occurred before credit losses are recognised. The Group has adopted the simplified method for its ECL calculations. Refer to Note 29.2 Credit Risk.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade receivables, other debtors, cash and cash equivalents and loans and borrowings, which are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost.

Creditors and accruals are initially recognised at fair value and subsequently measured at amortised cost.

Interest income and expense

Interest income and expenses are reported on an accrual basis using the effective interest method.

3.12. Intangible assets

Recognition of intangible assets

Acquired intangible assets

Trademarks, global IP rights and rights acquired in a business combination that qualify for separate recognition are initially recognised as intangible assets at their fair values.

Subsequent measurement

Intangible assets not of an indefinite life are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 15. As of 31 March 2025, the remaining useful life for Trademarks is 3 years.

Intangible assets (Global IP rights) of an indefinite life are tested for impairment annually by comparing their carrying amount with their recoverable amount. An estimate of an assets recoverable amount made in a preceding period may be used in the impairment test for that asset in the current period provided certain criteria are met.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss within other income or other expenses.

3.13. Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of Group operations are presented separately in the statement of profit or loss.

3.14. Equity, reserves and dividend payments

Share capital represents the consideration received for shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Other components of equity include the following:

- Foreign currency translation reserve – comprises foreign currency translation differences arising on the translation of consolidated financial statements of the Group's foreign entities into NZD (see Note 3.5),
- Accumulated losses include all current and prior period results.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

All transactions with owners of the parent are recorded separately within equity.

3.15. Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses as follows:

Intangible assets

Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights under NZ IFRS 3. The amounts of intangibles are estimated by using appropriate valuation techniques. The useful economic life of externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives.

Going concern

The considered view of the Board of Directors of the Company is that, after making enquiries, we have a reasonable expectation that Cooks Coffee Company Limited (the Company) and Group have access to adequate resources to continue operations for the foreseeable future. For this reason, the Board of Directors considers the adoption of the going concern assumption in preparing the consolidated financial statements for the FY25 to be appropriate. *(See Note 4).*

Leases

Extension and termination options

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Incremental borrowing rates

Lease liabilities are measured by discounting the lease payments using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- Uses a build-up approach that starts with a risk-free interest rate, adjusted for the credit risk spread of the lessee. The credit risk spread is determined by reference to recent third-party financing received by the individual lessee, or indicative quotes obtained from the lessee's primary lender.
- Makes adjustments specific to the lease, e.g. term, security, country and currency.

Impairment testing of intangible assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on various valuation models as deemed appropriate. Estimation uncertainty relates to assumptions and judgements used as disclosed in Note 15.

Carrying value of receivables

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue and makes assumptions to allocate an overall expected credit loss rate for each group. In making this judgement, the Group evaluates amongst other factors whether there is objective evidence of significant financial difficulty of individual customers or customer groups, whether there has been breach of contract such as default in payment terms, whether it has become probable that the customer or other party will enter into bankruptcy or other financial reorganisation, the disappearance of an active market for that customer because of financial difficulties, and national or local economic conditions that could impact on the customer (see Notes 11 and 29.2). Apart from historical collection rates, the Group also evaluates forward-looking information that is available. The allowance for expected credit losses, as disclosed in Note 29.2, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

4. Going concern

The Group reported a profit for continuing operations of $813,000 and operating net cash inflows/(outflows) from continuing operations of $(283,000) for FY25.

As at 31 March 2025, the Group has reported Net Liabilities of $2,891,000 and current liabilities exceed current assets by $341,000. Included in current liabilities is $614,000 of Deferred Revenue. These factors indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The ability of the Group to pay its debts as they fall due and to realise their assets and extinguish their liabilities in the normal course of business at the amounts stated in the consolidated financial statements and to continue trading has been considered by the Directors in the adoption of the going concern assumption during the preparation of these financial statements.

The Directors forecast that the Group can manage its cash flow requirements at levels appropriate to meet its cash commitments for the foreseeable future being a period of at least 12 months from the date of authorisation of these consolidated financial statements. In reaching this conclusion, the Directors have considered the achievability of the plans and assumptions underlying those forecasts. The key assumptions include:

- The group is currently marketing the Regional Development rights for Scotland and Northern Ireland and expects to sell both regions in FY26.

- Regional Franchisees have contractual commitments to open a certain volume of new stores each year. The combination of these minimum performance obligations is 20 new stores per annum.
- Based on the company's current performances the average store sales in the UK are GBP£400,000 and the income that the Group derives per store in the first full year of trading is £20,000.
- The board notes that recent independent research reports show that the UK café industry grew at 5.2% in store numbers and 8.4% in sales value for the 12 months to January 2025 whilst Esquires Coffee UK grew at more than double the industry growth rate in both measures. In Ireland the reported increase in the café industry was 2.1% by store numbers. The UK market is expected to grow by 2.4% for the period to 2029 whilst in Ireland this growth is expected to be 2.4% CAGR.
- Budget for the FY26 projects a positive cash inflow of $2,843,000.

Additional information to note include:

- The success of the Regional Developer for the Southeast UK, London, East England & East Midlands region in establishing eleven (11) new outlets in FY25 compared to the annual Minimum Performance Obligation ("MPO") of ten (10) new outlets for the regions.
- The sale of the Master Franchise rights for India will contribute positively in terms of cash in FY26 with the first tranche of the Master Franchise agreed payments being made.
- Activity is underway to seek to sell further Master Franchises in targeted countries by leveraging the models in UK & Ireland.
- In Ireland the model is direct between the company and the franchisee and the average store sales are higher based on a larger average footprint. The average new store numbers are planned to be 3 per annum over the next ten (10) years. The average income that the company derives per store in the first full year of trading is €50,000.
- Improvement in economic activity in the United Kingdom and Ireland and targeting specific locations has seen the continued lift in store revenue levels with the average store sales in the UK increasing 5.8% in FY25 to £363k.
- The Group has a Cash position of $2,686,000 as at 31 March 2025. This was reduced by the repayment of debts on 4th April of $1,728,000. These repayments were planned as part of the debt consolidation with the BNZ funding but timing of the receipt of the funds did not allow for the funds to be repaid in FY25.

The Directors have reasonable expectation that the Group has sufficient headroom in its cash resources to allow the Group to continue to operate for the foreseeable future or alternatively it can manage its working capital requirements to create additional required headroom.

Whilst the Directors acknowledge that there are capital raising, credit, exchange and liquidity risks in the global economic market in which the Group operates. They note the Group has a track record of obtaining financial support from cornerstone investors and related parties and, where necessary, negotiating the deferment of debt repayments.

After considering all available information, the Directors have concluded that there are reasonable grounds to believe that the forecasts and plans are achievable, the Group will be able to pay its debts as and when they become due and payable, there is sufficient headroom in available cash resources, and the basis of preparation of the financial report on a going concern basis is appropriate.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the consolidated financial statements. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Group be unable to continue as a going concern and meets its debts as and when they fall due.

5. Revenue

The Group's revenue is analysed as follows for each major category:

	Continuing Operations		Discontinued Operations	
	31-Mar 2025	31-Mar 2024	31-Mar 2025	31-Mar 2024
	$'000	$'000	$'000	$'000
Recurring store franchise fees (royalties etc)	**3,494**	3,065	-	64
Supplier Incentives	**1,730**	1,178	-	-
New store construction & fitout income	**24**	5	-	618
Franchise fees	**493**	450	-	99
Sale of food & beverage	**987**	5	-	522
Group revenue	**6,728**	4,703	-	1,303

Recurring store franchise fees

The Group receives royalties from franchisees to cover central and marketing services delivered under the franchise agreements issued which are calculated as a % of store sales, usually on a weekly basis.

Company Operated Stores

The company operated stores opened in mid-December 2024 and are directly owned by Cooks and not operated by a Franchisee. Revenue arises from direct till receipts for food and beverage sales. A further store opened on the 5th June 2025 bringing the total to 4 stores operating under the company operated model.

Supplier Incentives

Incentives from suppliers are recognised in the period to which they relate.

Where there are incentives received in advance of the period to which they relate, these are classified as deferred revenue and released in the relevant period.

New store construction & fit-out income

For new stores where the Group manages and pays for the fit-out of the store, these costs are recharged along with design fees, project management fees and others relating to fit-out projects.

Franchise fees

Included in franchise fees is the amortisation of deferred revenue related to the sale of country and regional franchises and revenue from the sale of store franchises. During FY25, the Group's franchisees opened net 10 new stores (FY24: 11).

Sale of food & beverage

Purchases of food and beverages on behalf of franchisees are recharged along with marketing materials and sundry consumables.

5.1. Grant & other income

There was no Grant income in FY25 (FY24: nil). Other income of $251,000 in FY25 mainly relates to franchisee recharges for equipment and licenses.

5.2. Release of liabilities

No liabilities were released in FY24, $166,000 director fee accrual was released in FY25.

6. Employee costs

Expenses recognised for employee costs are analysed below:

	Continuing Operations		Discontinued Operations	
	31-Mar 2025 $'000	31-Mar 2024 $'000	**31-Mar 2025 $'000**	31-Mar 2024 $'000
Wages, salaries	**1,901**	1,484	**-**	595
Defined contribution funds	**380**	269	**-**	(9)
Other staff costs	**216**	226	**-**	22
Employee remuneration	**2,497**	1,979	**-**	608

7. Other expenses

Expenses recognised as other costs are analysed below:

	Continuing Operations		**Discontinued Operations**	
	31-Mar 2025 $'000	**31-Mar 2024** $'000	**31-Mar 2025 $'000**	**31-Mar 2024 $'000**
Administration and other costs	**430**	653	**-**	272
Directors' fees	**220**	181	**-**	-
Selling, marketing and distribution costs	**627**	462	**-**	24
Management fees*	**260**	240	**-**	-
Professional and consulting services	**1,018**	600	**-**	480
Travel costs	**369**	328	**-**	59
Other expenses	**2,923**	2,464	**-**	835

- *Refer to note 24.1* ***for management fee details***

8. Finance costs

Finance costs for the reporting periods consist of the following:

	Continuing Operations		Discontinued Operations	
	31-Mar 2025	**31-Mar 2024**	**31-Mar 2025**	**31-Mar 2024**
	$'000	**$'000**	**$'000**	**$'000**
Finance charges	**-**	15	**-**	5
Interest expense on leases	**1,702**	1,347	**-**	-
Interest on loans	**386**	520	**-**	7
Finance costs	**2,088**	1,882	**-**	12

9. Income Tax and Deferred Tax

The major components of tax expense and the reconciliation of the expected tax expense /credit based on the domestic effective tax rate of Cooks Coffee Company Limited at 28% and the reported tax expense/credit in profit or loss are as follows:

	31-Mar 2025	**31-Mar 2024**
	$'000	**$'000**
Profit/(Loss) before tax from continuing operations	**813**	**(356)**
Loss before tax from discontinuing operations	**-**	**(6,003)**
	813	**(6,359)**
Domestic tax rate for Cooks Coffee Company Limited	**28%**	**28%**
Expected tax expense (income) on continuing operations	**228**	**(100)**
Adjustment for tax-rate differences in foreign jurisdictions	**(81)**	**(40)**
Adjustment for non-deductible expenses:		
Relating to amortisation of intangible assets	**-**	**-**
Other non-deductible expenses	**72**	**10**
Actual tax expense (income)	219	(130)

Tax expense (income) comprises:		
Current tax expense (income)	**219**	**(130)**
Deferred tax expense (income):		
- Origination and reversal of temporary differences	**-**	**-**
- Temporary difference relating to amortisation of intellectual property on acquisition	**-**	**-**
- Tax losses adjustment to prior period	**141**	**53**
- Tax Losses not recognised	**-**	**77**
- Unrecognised Tax Losses	**(360)**	**-**
Income tax expense (income)	**-**	**-**
Income tax expense (income) is attributable to:		
Loss from continuing operations	**-**	**-**
Loss from discontinued operations	**-**	**-**
	-	**-**

At 31 March 2025, the Group has deferred tax liabilities of $nil (FY24: nil).

Tax losses

Unused tax losses for which no deferred tax asset has been recognised	21,259	22,592
Potential tax benefit @ 28%	5,953	6,325

No deferred tax asset has been recognised in respect of these tax losses due to the Group's history of recent losses and the uncertainty over the availability of sufficient future taxable profits to utilise these losses within a reasonable timeframe. While the Group generated a profit in the current year, this is the first year of profitability following several years of losses. The Group considers that further evidence of sustained profitability is required before recognising a deferred tax asset in respect of carried-forward losses.

10. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	31-Mar 2025 $'000	**31-Mar 2024 $'000**
Cash at bank and in hand denominated in:		
NZD	**1,993**	**45**
EUR	**417**	**108**
GBP	**276**	**1,021**
Cash and cash equivalents	**2,686**	**1,174**

There are no restrictions on the cash and cash equivalents.

The Group had no overdraft banking facilities as at 31 March 2025 (FY24: $NIL).

11. Trade and other receivables and other current assets

Trade and other receivables are initially recognised at the fair value of the amounts to be received, plus transaction costs (if any).

The Group has recognised expected credit losses in the Statement of Profit or Loss and Other Comprehensive Income by applying the simplified impairment approach, whereby upon initial measurement of the trade receivables, the Group considers all credit losses that are expected to occur during the lifetime of the receivable. The Group has reviewed the historical ageing analysis of gross trade receivables and considered forward looking macro-economic factors, by geographic region, to determine the expected credit loss rate. This rate is applied to outstanding gross trade receivables as at 31 March 2025 to calculate the allowance for expected credit losses.

Trade and other receivables consist of the following:

	31-Mar 2025 $'000	31-Mar 2024 $'000
Trade and other receivables		
Trade receivables	**1,672**	1,794
Less: allowance for expected credit losses	**(68)**	(76)
Net trade and other receivables	**1,604**	1,718
Movements in provision		
Opening Balance	**(76)**	(226)
Bad Debts write-off	**8**	-
Release/(Additional allowance) for expected credit losses	**-**	150
Closing Balance	**(68)**	(76)

	31-Mar 2025 $'000	31-Mar 2024 $'000
Impairment loss on receivables comprises of:		
Release/(Additional allowance) for expected credit losses	**8**	150
Bad debts written off	**(114)**	(283)
Impairment loss on receivables	**(106)**	(133)

Debtors are reviewed each quarter and an assessment made of recoverability of all balances 90 days or older. Consideration is taken of any corresponding creditor balances, discussions to date with the debtor, payment plans agreed and being honoured. Based on this review, a provision for doubtful debts from 15% to 50% of the outstanding debt may be applied. At subsequent quarterly debtor reviews further provisioning will be applied depending on an assessment of the likelihood of the debtor to clear the balance.

As at 31 March the ageing of trade receivables is as follows:

	31-Mar 2025 $'000	31-Mar 2024 $'000
Trade receivables		
Current	**190**	378
0 to 30 days	**286**	182
31 to 60 days	**135**	157
61 to 90 days	**80**	100

> 90 days	**981**	977
Trade receivables	**1,672**	1,794

(a) Other current assets consist of the following:

	31-Mar 2025 $'000	31-Mar 2024 $'000
Prepayments	**135**	123
Deferred Costs	**111**	122
Accrued Income	**429**	750
Other short-term assets	**21**	54
Other current assets	**696**	1,049

Other short-term assets consist mainly of accrued income for the regional developer agreements.

12. Deferred Costs

In FY25, this relates solely to shares issued to a regional developer deferred over the life of the relevant agreement.

13. Assets and liabilities classified as held-for-sale and discontinued operations

There are no remaining sites operated by the Group in the UK as the last one was exited in March 2024

13.1. Financial performance and cash flow information of discontinued operations

The financial performance and cash flow information presented are for the year ended FY25 and FY24. All discontinued operations were disposed of in FY24.

	31-Mar 2025 $'000	31-Mar 2024 $'000
Results of discontinued operation		
Revenue	-	1,303
Other income	-	29
Raw materials and consumables used	-	(334)
Depreciation and amortisation	-	(8)
Impairment loss on receivables	-	(109)
Employee costs	-	(608)
Other expenses	-	(837)
Operating loss	-	(564)
Finance costs	-	-
Interest on bank and other borrowings	-	(13)
Impairment goodwill	-	-
Loss on write off of intercompany balances with Triple two	-	(164)
Loss on disposal of subsidiary	-	(5,262)
Loss before income tax	-	(6,003)
Income tax (expense)/credit		-
Loss for the year from discontinued operation	-	(6,003)

Cash flows used in discontinued operation		
Net cash used in operating activities	-	(612)
Net cash used in investing activities	-	(2)
Net cash used in financing activities	-	(195)
Net cash flows for the year	-	(809)

14. Interests in other entities

Interests in material subsidiaries

	Country	% Holding 2025	% Holding 2024	Principal activity
Bishops Café Limited	England	100	100	Food and beverage
Franchise Development Limited	NZ	100	100	Black Goo UK, Master Franchisor
Esquires Coffee UK Limited	England	100	100	Store Lease Holdings, Food and beverage
Esquires Real Estate (UK) Limited	England	100	100	Store Lease Holding
Esquires Coffee Houses Ireland Limited	Ireland	100	100	Food and beverage
Esquires Franchising (UK) Ltd	England	100	100	Master Franchisor - Holding Master Franchise Agreement
Esquires Coffee Houses Europe Limited	Ireland	100	100	Master Franchisor - Holding Master Franchise Agreement

15. Intangible Assets

Management assessed the recoverable amounts of the Group's Global IP Rights asset using 'value in use' calculations to assess for any impairment.

Global IP rights were tested for impairment using discounted cash flow projections based on management approved forecasts for a 5-year period.

The Global IP rights relate to the Esquires franchise system, which is applied to all territories, and therefore the cash generating unit ("CGU") considered when assessing the 'value in use' of this asset includes all activity of the group that generates royalty income.

The key assumptions in the models for cash flow projections are those driving the sales forecast. These have been set based on management's previous experience of store openings and the franchisee markets in the UK and Ireland; multiple years of historical sales data for individual stores both in terms of revenue streams and geographical location and regional developer data on store openings per year.

Main assumptions in the UK sales forecast include:

- FY26 – 21 new stores @ average annualised store sales (adjusted for the projected opening date) of £400,000 p.a. (FY24: 21 new stores for FY26)
- FY27 – 21 new stores @ average annualised store sales (adjusted for the projected opening date) of £400,000 p.a. (FY24: 21 new stores for FY27)
- FY28 – 21 new stores @ average annualised store sales (adjusted for the projected opening date) of £400,000 p.a.
- The 3-year period is phased to equate to 60 new stores which is based on the contractual obligations of the 3 existing Regional Developers. This does not include any allowance for Scotland or Northern Ireland Regional Developers that are currently being advertised for. (FY24: 60 new stores for the 3-year period)
- All royalty rates for new stores based on 3.0% to the company and rebates are based on 1.8%. (FY24: royalty 3% & rebates 1.8%)

The sales forecast for Ireland was based on:

- 3 new stores each year at an average sales per store of €800,000 p.a. Store openings spread throughout the year. Please note that FY26 has 4 stores included due to the delay in opening of Bagenalstown which was due to open in September 2024.
- Royalty rates for new stores based on 7.0% to the company and rebates are based on 2.3%. (FY24: royalty 7% & rebates 2.4%).

Other key assumptions in the models for cash flow projections were:

- FY26 being a full year of "normal trading" in core markets and the benefits of the new store acquisition program.
- Long term growth rate of 2.0% per annum from FY29 onwards; (FY24: 2%)
- Pre-tax discount rate of 11.5% per annum increased by 1% to 12.5% (FY24: 13.2% per annum increased by 1% to 14.2%) to recognise intangible asset dependency.

Trademarks, Global IP Rights and Franchise Rights:

The Group acquired trademarks, Global Intellectual Property rights ("Global IP Rights") and Franchise Rights through business acquisitions.

	Trademarks $'000	Global IP Rights $'000	Franchise Rights $'000	Total $'000
Cost				
Balance at 1 April 2023	93	3,245	5,041	8,379
Disposal of subsidiary	-	-	(5,041)	(5,041)
Balance at 31 March 2024	93	3,245	-	3,338
Additions	-	-	-	-
Balance at 31 March 2025	**93**	**3,245**	**-**	**3,338**
Accumulated amortisation				
Balance at 1 April 2023	(73)	(434)	(991)	(1,498)
Disposal of subsidiary	-	-	991	**991**
Balance at 31 March 2024	**(73)**	**(434)**	**-**	**(507)**
Amortisation charge for the year	-	-	-	-
Balance at 31 March 2025	**(73)**	**(434)**	**-**	**(507)**
Carrying amounts				
At 31 March 2024	20	2,811	-	2,831
At 31 March 2025	**20**	**2,811**	**-**	**2,831**

Based on the 'value in use' calculations, the recoverable amount for Global IP rights was assessed by management to be above its existing carrying value with no impairment required. Management's assessment is that a change in a key assumption would not impact the carrying value to exceed the recoverable amount.

16. Property, plant and equipment

	Furniture & Fittings $'000	Plant & Equipment $'000	Computer Equipment $'000	Motor Vehicles $'000	Total $'000
Cost					
Balance at 1 April 2023	13	124	202	14	**353**
Additions	1	1	3	-	**5**
Disposals	(5)	(67)	(39)	(14)	**(125)**
Balance at 31 March 2024	**9**	**58**	**166**	**-**	**233**
Balance at 1 April 2024	**9**	**58**	**166**	**-**	**233**
Additions	71	62	233		**366**
Disposals			(2)		**(2)**
Balance at 31 March 2025	**80**	**120**	**397**	**-**	**597**
Accumulated depreciation					
Balance at 1 April 2023	(2)	(93)	(110)	(6)	**(211)**
Depreciation	(1)	(9)	(20)	(1)	**(31)**
Disposals	-	55	39	7	**101**
Balance at 31 March 2024	**(3)**	**(47)**	**(91)**	**-**	**(141)**
Balance at 1 April 2024	(3)	(47)	(91)	-	**(141)**
Depreciation	(1)	(3)	(27)		**(31)**
Disposals			(10)		**(10)**
Balance at 31 March 2025	**(4)**	**(50)**	**(128)**	**-**	**(182)**
Carrying amounts					
At 31 March 2024	6	11	75	**-**	**92**
At 31 March 2025	**76**	**70**	**269**	**-**	**415**

17. Trade and other payables

Trade and other payables recognised are all short-term and consist of the following:

Trade and other payables	**31-Mar 2025 $'000**	**31-Mar 2024 $'000**
- Trade payables	**1,651**	3,014
- Related party payables*	**818**	649
- Other payables	**865**	858
Trade and other payables	**3,334**	4,521

Trade payables		
Within Terms	337	701
Overdue	1,314	2,313
Trade payables	**1,651**	3,014

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value. Refer to Note 29.1 on foreign currency risk.
** Further information relating to related party loans and other related party liabilities are set out in Note 25.*

18. Deferred revenue

Below is the breakdown of the current and non-current deferred revenue as presented in the Balance Sheet.

	UK & Ireland Franchising	Global Franchising & Design	Total
	$'000	$'000	$'000
Opening balance as of 1 April 2023	2,972	40	3,012
Additions/(Decreases) during the year	2,186	-	2,186
Recognised as:			
Franchise fees during the year	(369)	-	(369)
Disposal of subsidiary	(1,553)	-	(1,553)
Closing balance as of 31 March 2024	3,236	40	3,276
- Current	570	10	580
- Non Current	2,666	30	2,696

	UK & Ireland Franchising	Global Franchising & Design	Total
	$'000	$'000	$'000
Opening balance as of 1 April 2024	3,236	40	3,276
Additions/(Decreases) during the year	-	(40)	(40)
Recognised as:			
Franchise fees during the year	(424)	-	(424)
Disposal of subsidiary	-	-	-
Closing balance as of 31 March 2025	2,812	-	2,812
- Current	614	-	614
- Non Current	2,198	-	2,198

The deferred revenue is made up of regional developer fees being recognised over the term of the agreement and loyalty bonuses from suppliers, also being recognised over the term of the agreement.

19. Borrowings and other liabilities

	Current 31-Mar 2025 $'000	Non-Current 31-Mar 2025 $'000	Current 31-Mar 2024 $'000	Non-Current 31-Mar 2024 $'000
Borrowings				
Finance Loans	**2**	**-**	921	210
Bank Loans**	**148**	**2,407**	-	-
Related Party Loans*	**879**	**900**	885	1,067
Other Liabilities	**-**	**507**	-	-
	1,029	**3,814**	1,806	1,277

** Further information relating to related party loans and other related party liabilities are set out in Note 25.*
*** This amount consists of 2 loans with BNZ:*

$1,000,000 - Business loan, term 5 years, Interest rate variable 8.37%, Principal and Interest payments over 60 months, Guarantor Keith Jackson and Patricia Frances Jackson and Philip Mack Picot in their capacity as trustees of Nikau Trust.

$1,600,000 – Housing term loan, term 15 years, Interest rate variable 6.94%, Interest only for 1 year then 168 monthly minimum payments of principal and Interest, Guarantor Keith Jackson and Patricia Frances Jackson and Philip Mack Picot in their capacity as trustees of Nikau Trust.

Fair value

The fair value of current borrowings approximates to the carrying amount and the impact of discounting is not significant.

20. Equity

20.1. Share Capital

The share capital of Cooks Coffee Company Limited consists of issued ordinary shares. All shares are equally eligible to receive dividends and the repayment of capital. The shares have no par value.

Movements of share capital	**31-Mar-25**	**31-Mar-24**
Number of Shares issued:	**No. of Shares**	**No. of Shares**
Ordinary shares opening balance	60,002,448	60,726,349
Ordinary shares issued	4,736,222	2,706,262
Ordinary shares cancelled	-	(3,388,837)
Ordinary shares buyback	-	(41,326)
Ordinary shares consolidation	-	-
Total ordinary shares authorised at 31 March	64,738,670	60,002,448

Movements of share capital	**31-Mar-25**	**31-Mar-24**
Value of Shares issued:	**$'000**	**$'000**
Ordinary shares opening balance	58,845	58,345
Ordinary shares buyback	-	(5)
Ordinary shares issued less share issue expenses	529	505
Total ordinary shares authorised at period end	59,374	58,845

During the year ended FY25, the company issued 4,736,222 new shares (FY24: 2,706,262), bought back nil shares and cancelled nil shares (FY24: 3,388,837) bringing the total issued shares to 64,738,670 (FY24: 60,002,448). The company now has 64,238,670 quoted shares and 500,000 non-voting shares on issues.

20.2. Profit/(Loss) per share

The calculation of basic and diluted Profit/(loss) per share for the year ended FY25 was based on the weighted average number of ordinary shares on issue. The calculation of diluted earnings per share for the year ended FY25 was based on the weighted average number of ordinary shares.

	31-Mar-25	31-Mar-24
Weighted average ordinary shares issued	**62,517,827**	58,526,330
Basic and diluted Profit/(loss) per share (New Zealand Cents) from continuing and discontinued operations:	**1.30**	(10.84)
Basic and diluted profit/(loss) per share (New Zealand Cents) from continuing operations:	**1.30**	(0.61)
Basic and diluted loss per share (New Zealand Cents) from discontinued operations:	**-**	(10.23)
Net tangible assets per share (New Zealand Cents)	**(9.06)**	(11.39)
Total Profit/(loss) attributable to shareholders	**813**	(6,359)
Profit/(Loss) from continuing operations	**813**	(356)
Loss from discontinued operations	**-**	(6,003)

The weighted average numbers of shares are calculated below:

Weighted average number of shares	31-Mar-25	31-Mar-24
Number of Shares issued:	No. of Shares	No. of Shares
Ordinary shares opening balance	**60,002,448**	60,726,349
Ordinary shares issued	**2,515,379**	422,569
Ordinary shares cancelled	**-**	(2,611,071)
Ordinary shares bought back on-market and cancelled	**-**	(11,517)
Total ordinary shares authorised at 31 March	**62,517,827**	58,526,330

20.3. Shares held by ESOP / Treasury shares

1,652,047 shares were issued in FY25 (FY24: 165,225). 1,004,611 were transferred during the year leaving 812,661 in treasury shares at year end.

21. Leases

The Group leases stores and office premises from various third-party landlords and subsequently re-leases them to the franchisees under separate lease contracts. This lease arrangement is limited to the franchises in the UK and Ireland only. Lease contracts are typically made for fixed periods of 5 to 10 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The Group has concluded that it retains control of the leased properties which have been sub-leased to franchisees.

Right-of-Use Assets

The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

Costs included in the measurement of the right-of-use asset comprise the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee; and
- an estimate of the restoration costs to be incurred by the lessee, recognised and measured applying NZ IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Depreciation is charged so as to write off the cost of assets, over the lease term using the straight-line method.

Lease Liabilities

The lease liability is initially measured at the present value of the future lease payments over the lease term that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

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

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a discount rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from:

- A change in an index or a discount rate;
- A change in the estimate of the amount expected to be payable under a residual value guarantee;
- Changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised; or
- A lease modification that is not accounted for as a separate lease.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Finance Lease Receivables

Where the sublease is classified as a finance lease, the Group recognises the assets held under a finance lease in its statement of financial position and presents them as a finance lease receivable at an amount equal to the net investment in the lease.

The net investment in the lease is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or in the case of a sublease, if the interest rate implicit in the sublease cannot be readily determined, the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease).

Lease payments included in the measurement of net investment comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives payable;
- variable lease payments that are based on an index or a rate;
- any residual value guarantees provided to the lessor;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The finance lease receivable is subsequently increased by the interest income on the finance lease receivable and decreased by lease payments received. It is remeasured when there is a lease modification that is not accounted for as a separate lease.

21.1. Amounts recognised in the Statement of Financial Position

The Statement of Financial Position shows the following amounts relating to leases:

Right-of-use assets

	31-Mar 2025 $'000	31-Mar 2024 $'000
Property		
Cost	-	3,196
Less: Accumulated depreciation	-	(1,592)
Net book value as at 1 April 2024	-	1,604
Additions	2,532	-
Remeasurement of lease liability	-	-
Movement in FX	-	-
Depreciation expense	(83)	-
Disposal	-	(1,604)
Net book value as at 31 March	**2,449**	-
Cost	2,532	-
Less: Accumulated depreciation	(83)	-
Net book value as at 31 March	**2,449**	-

The right-of-use assets relate to the Dairy Gold lease, 4 corporate-operated stores in Ireland.

Lease liabilities

	31-Mar	31-Mar

	2025 $'000	2024 $'000
Current	**4,422**	2,892
Non-current	**23,885**	20,163
Total lease liabilities	**28,307**	23,055

Finance lease receivables

	31-Mar 2025 $'000	31-Mar 2024 $'000
Current	**4,072**	2,892
Non-current	**21,624**	20,163
Total finance lease receivables	**25,696**	23,055

The average effective Incremental Borrowing Rate in FY25 is 5.7% per annum (FY24: 5.7% per annum).

21.2. Amounts recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income

The Consolidated Statement of Profit or Loss and Other Comprehensive Income shows the following amounts relating to leases:

	31-Mar 2025 $'000	31-Mar 2024 $'000
As a lessee:		
Interest expense on lease liabilities	**1,702**	1,347
Depreciation expense on right-of-use assets (included in depreciation and amortisation)	**83**	-
Interest income from subleases classified as finance leases	**1,624**	1,347

21.3. Maturity analysis of lease payments

Lease liabilities as the lessee:

	31-Mar 2025 $'000	31-Mar 2024 $'000
Less than one year	**4,422**	2,892
One to five years	**18,571**	12,429
More than five years	**5,314**	7,734
Total lease liabilities	**28,307**	23,055

Finance lease arrangements as the lessor:

	31-Mar 2025 $'000	31-Mar 2024 $'000
Year 1	**5,567**	4,296
Year 2	**5,656**	4,573
Year 3	**5,317**	4,517
Year 4	**4,631**	4,235
Year 5	**3,264**	3,599
Onwards	**8,729**	9,788
Lease payments	**33,164**	31,008
Gross investment in the lease	**33,164**	31,008
Less: unearned finance income	**(7,468)**	(7,953)
Present value of minimum lease payments receivable	**25,696**	23,055
Net investment in the lease	**25,696**	23,055

22. Black Goo Joint Venture

During the financial year, Franchise Development Limited (FDL) entered into a joint venture arrangement with Esquires Coffee Holdings to form Black Goo (UK) Limited. FDL holds a 50% interest in the Joint Venture, which is accounted for using the equity method in accordance with IAS28.

The Group's share of profit from the Joint Venture for the year ended 31st March 2025 was $176,000 (2024: nil), which has been recognised in the consolidated statement of profit under "Share of profit from joint venture accounted for using the equity method". Cash of £75,000 was paid out to both shareholders in the form of a dividend.

23. Fees paid to auditor

The Auditor of the Group for 31 March 2025 is William Buck Audit (NZ) Ltd. The sole auditor for UK firms is Rouse Partners LLP.

	31-Mar 2025 $'000	31-Mar 2024 $'000
Audit of financial statements		
- Statutory Audit	**86**	81
- Overseas firms Audit	**58**	37
Total fees paid to auditor	**144**	118

24. Reconciliation of cash flows from operating activities

	31-Mar 2025 $'000	31-Mar 2024 $'000
Profit/(Loss) after tax	**813**	(356)
Add non-cash items:		
Depreciation	**117**	24
Amortisation of intangible assets		
Impairment loss on receivables	**106**	133
Net foreign exchange gains/(losses)	**14**	29
Lease interest on right of use asset	**78**	-
Release of director fee accrual	**166**	-
Joint venture share of profits excluding actual dividends received	**(13)**	-
Add/(Less) movements in assets/liabilities:	**(1,555)**	1,855
Net cash flow applied to operating activities from continuing operations	**(274)**	1,685

25.Related party transactions

The Group's related parties include the directors and senior management personnel of the Group, and any associated parties as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

- **Keith Jackson** is a director of Cooks Investment Holdings Limited, Jackson & Associates Limited and Weihai Station Limited and a trustee of Nikau Trust.
- **Mike Hutcheson** is a director of Image Centre Limited and Lighthouse Ventures Holdings Limited, resigned 10 July 2024.
- **Paul Elliott** is a director of Elliott Capital Advisors Limited, resigned as director of CCC 30th September 2024.
- **Michael Ambrose** is a director of Ashville Consultancy Limited.
- **Peihuan Wang** is a director of Jiajiayue Holding Group Limited and Weihai Holding Limited, SPAR China Group Ltd & Jiajiayue Group Limited.
- **Elena Garside** is a director of Garside & Garside Ltd.
- **Tony McVerry** is a director of Esquires Coffee Houses Ireland Limited (ECHI), resigned as executive of ECHI 30th June 2024.
- **Aiden Keegan** is a director of Esquires Coffee UK Limited.
- **Gareth Lloyd-Jones** is a director of Argentine Steakhouse (BIDCO) Ltd, Buenasado (Reading) Ltd, High Road Restaurant Group BIDCO Ltd, High Road Restaurant Group HOLDCO Ltd & The Small & Friendly Pub Co Ltd.
- **Gordon Robinson** is a director of Sterling BAPC Ltd & KCR Residential REIT PLC.
- **Black Goo (UK) Ltd** joint venture arrangement with Esquires Coffee Holdings and Franchise Development Limited. Refer to Note 22 for more details of transactions in the year.

Number of shares held by directors and other related parties:

	31st March 2025	31st March 2024
Keith Jackson (including related parties)	13,315,845	13,316,049
Jiajiayue Holding Group (including related parties)	10,591,374	10,591,374
Yunan Health & Tourism Holdings	6,714,643	6,714,643

Crown Kj Nominees	4,086,769	4,086,769
CCC Employee Trust	812,661	165,225
Michael Ambrose	1,050,000	1,050,000
Paul Elliott	552,129	552,129
Michael Hutcheson (including related parties)	87,843	88,020
Aiden Keegan	114,166	114,166
Gareth Lloyd Jones	150,000	-
Gordon David Robinson	150,000	-

25.1. Transactions with related parties

The following transactions occurred with related parties during the year:

	31-Mar 2025 $'000	31-Mar 2024 $'000
Purchases of goods and services		
Purchase of management services*	**260**	240
Interest paid to related parties	**233**	282
Other transactions		
Related party receivables	**-**	-
Subscriptions for new ordinary shares	**50**	181
Funding loans advanced by related parties	**-**	210

During the year, the Company incurred management fees of $260,000 to Keith Jackson, in respect of management and advisory services provided. These fees were agreed on normal commercial terms and approved by the Board. These fees remained outstanding as at the date of signing of these accounts and are included in the related parties balance in note 25.2.

The above values are exclusive of GST or VAT if any.

25.2. Balances outstanding with related parties

	31-Mar 2025 $'000	31-Mar 2024 $'000
Outstanding balances arising from purchases of goods and services		
Entities controlled by key management personnel	**818**	649
Loans from related parties		
Balance beginning of the year	**1,952**	1,842
Loans advanced	**-**	210
Loans repaid	**(11)**	(60)
Net foreign exchange effects	**6**	8
Loan converted to shares	**(50)**	
Interest charged	**233**	234
Interest paid	**(351)**	(282)
Balance end of period	**1,779**	1,952

Other liabilities to related parties

Balance beginning of the year	**-**	560
Contingent liability disposed of	**-**	(560)
Net foreign exchange effects	**-**	-
Balance end of period	**-**	-
Other receivables from related parties		
Issued capital not yet received	**-**	-

The above values are inclusive of GST or VAT if any.

Related party loans and liabilities either have no interest or carry interest rates ranging from 10% - 15% pa. They have terms of either being on-call or subordinated debt and with an option of conversion to equity if mutually agreed. There is no security for these related party loans and liabilities, though one of the related parties has provided personal property as security to one of the third-party loans owed by the company.

During the year, the Nikau Trust converted $50,000 of it's loan into 250,000 ordinary shares.

25.3. Transactions with directors and senior management personnel

Key management of the Group are the executive members of Cooks Coffee Company Limited's Board of Directors and senior management. Directors and senior management personnel payments (exclusive of GST if any) made during the year includes the following expenses:

	31-Mar 2025 $'000	**31-Mar 2024 $'000**
Short-term employee benefits	**1,351**	1,079
Share based payments	**-**	-
	1,351	1,079

26. Segment reporting

The Group's reportable segments are business units deriving Royalties, Product Sales to Franchisees and managed café sales in geographical locations. The New Zealand segment represents head office operations for the Group.

During the current financial year, the Group revised the presentation of its operating segments to provide a more detailed breakdown of its geographical operations. Previously reported segments have been further disaggregated to reflect internal management reporting and decision-making more accurately. As a result, the comparative information for the year ended 31 March 2024 has been restated to conform to the current year's segment presentation. The restatement had no impact on the Group's total revenue, profit, or net assets for the comparative period.

Segment information for the reporting period is as follows:

31/03/2025	Global franchising & retail	UK franchising	New Zealand	IRE franchising	Managed Cafes	Total
Global operational splits	**$'000**	**$'000**	**$'000**	**$'000**	**$,000**	**$'000**
Revenue	137	3,285	-	2,319	987	**6,728**
Grant and other income	-	157	-	94	-	**251**
Release of liabilities	-	-	-	-	-	**-**
Franchisee rebates	(2)	(49)	-	(27)	-	**(78)**
Consumables used - food & Beverage	-	-	-	-	(309)	**(309)**
Depreciation and amortisation	-	(8)	(1)	(21)	(87)	**(117)**
Impairment loss on receivables	(40)	(45)	-	(21)	-	**(106)**
Net foreign exchange (losses)/gains	9	5	(28)	-	-	**(14)**
Employee costs	-	(1,228)	(93)	(710)	(466)	**(2,497)**
Other Expenses	(48)	(741)	(1,263)	(517)	(188)	**(2,757)**
Operating (loss)/profit	**56**	**1,376**	**(1,385)**	**1,117**	**(63)**	**1,101**
Finance costs, net	-	(13)	(365)	(8)	(78)	**(464)**
Share of profit of joint ventures	176	-	-	-	-	**176**
Profit/(Loss) before income tax	**232**	**1,363**	**(1,750)**	**1,109**	**(141)**	**813**
Income tax (expense)/credit	-	-	-	-	-	**-**
Profit/(Loss) for the year from continuing operations	**232**	**1,363**	**(1,750)**	**1,109**	**(204)**	**813**
Non-current assets						
Intangible assets	42	1,308	1,481	**-**	-	**2,831**
Property, plant and equipment	-	223	1	70	121	**415**

Continuing operations

31/03/2024	Global franchising & retail	UK franchising	New Zealand	IRE franchising	Total
Global operational splits	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue	76	2,539	34	2,054	**4,703**
Grant and other income	-	82	-	148	**230**
Franchisee rebates and consumables used	-	(21)	-	(102)	**(123)**
Depreciation and amortisation	-	(7)	(1)	(15)	**(23)**
Impairment loss on receivables	-	(133)	-	-	**(133)**
Net foreign exchange (losses)/gains	2	-	(32)	-	**(30)**
Employee Costs	-	(991)	(133)	(855)	**(1,979)**
Other expenses	(90)	(635)	(1,317)	(424)	**(2,466)**
Operating (loss)/profit	**(12)**	**834**	**(1,449)**	**806**	**179**

Finance costs, net	-	(14)	(512)	**(9)**	**(535)**
Profit/(Loss) before income tax	**(12)**	**820**	**(1,961)**	**797**	**(356)**
Income tax (expense)/credit	-	-	-		**-**
Non-current assets					
Intangible assets	42	1,308	1,481	**-**	**2,831**
Property, plant and equipment	-	17	1	**74**	**92**

27. Contingent Liabilities

There were no contingent liabilities as at 31 March 2025 (FY24: $nil).

28. Capital commitments

There were no capital commitments as at 31 March 2025 (FY24: $nil).

29. Financial risk management

Due to the broad range of the Group's activities, there is exposure to a variety of financial risks:

- Market risk (including currency risk and interest rate risk);
- Credit risk; and
- Liquidity risk

The Group's risk management programme focuses on minimising the potential adverse effects of these risks. The Group's business is primarily denominated in foreign currencies. The Group holds New Zealand dollars and other currencies to settle transactions in the normal course of business.

29.1. Market risk

Foreign Currency Risk

The Group operates internationally and is exposed to foreign currency risk arising from various currency exposures. Although the NZD remains the main currency for corporate funding and Group reporting, the number of transactions denominated in NZD is diminishing as the growth in the overseas market outweighs the operations in the New Zealand market. As disclosed in Note 26 Segment Reporting, there was no revenue generated from the New Zealand segment which indicates that the Group's exposure to foreign currency risk has increased.

A significant amount of the Group's transactions are carried out in currencies other than in New Zealand Dollars. The Group has debt or liabilities denominated in foreign currency which is not hedged. Exposures to currency exchange rates arise from the Group's overseas company holdings (Ireland and United Kingdom), and foreign currency denominated income for New Zealand domiciled companies (royalties, store openings, design and other franchise fees, product sales). These are primarily denominated in European currency (EURO) and Pounds Sterling (GBP).

As disclosed in Note 26 Segmental Reporting, global franchising and retail and UK & Ireland franchising are all primarily transacted in foreign currency.

Management has performed a sensitivity analysis for any potential foreign currency risk faced by the group. Based on the current year results, in the event that the NZD weakens against GBP and GBP/NZD exchange rate decreases by 5%, the impact on the group result is the profit will be decreased by $38,245. If the GBP/NZD exchange rate increases by 5%, the group profit will be increased by $76,491.

In the event that the NZD weakens against the Euro and EURO/NZD exchange rate increases or decreases by 5%, the impact on the group result is the profit will be decreased by $18,682. If the EUR/NZD exchange rate increases by 5%, the group profit will be increased by $37,364.

More significant is the revaluation of the intercompany balances on consolidation as these are denominated in GBP and Euro in the UK and Ireland companies and, due to the large balances involved, result in a large movement going through the foreign currency translation reserve. In FY25, both the GBP and Euro weakened against the NZD (by 6.8% and 3.6% respectively) resulting in a decrease to the foreign currency translation reserve of $232,000 (FY24: increase of $1,097,000).

29.2. Credit Risk

Credit risk is managed on a Group basis. The Group generally trades with franchises and banking counterparties who are well established. Receivables balances are managed by and reported regularly to senior management according to the Company's credit management policies and procedures. The amount outstanding at the reporting date represents the maximum exposure to credit risk.

Trade receivables

The Group applies the NZ IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 March 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has evaluated available forward-looking information and has concluded that there is no indication that historical loss rates should be adjusted.

Lease receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all lease receivables.

To measure the expected credit losses, lease receivables have been grouped based on shared credit risk characteristics.

The expected loss rates are based on the historical credit losses experienced for each credit risk group within a period of 24 months before 31 March 2025. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has evaluated available forward-looking information and has concluded that there is no indication that historical loss rates should be adjusted.

29.3. Liquidity Risk

The Group maintains regular forecasts of liquidity based on expected cash flows. The table below analyses the Group's financial liabilities into relevant groups based on the remaining period at the reporting date to the end of the contractual date. The amounts disclosed are the contractual undiscounted cash flows.

At 31 March 2025	Less than 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000	Carrying Amount $'000
Trade payables	1,651	-	-	**1,651**
Related party payables	818	-	-	**818**
Other payables	1,374			**1,374**
Finance loans	148	2,407	-	**2,555**
Related party loans	879	900	-	**1,779**
Lease Liabilities	4,422	18,571	5,314	**28,307**
	9,292	**21,878**	**5,314**	**36,484**

At 31 March 2024	Less than 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000	Carrying Amount $'000
Trade payables	3,014	-	-	**3,014**
Related party payables	649	-	-	**649**
Other payables	858			**858**
Short term finance loans	1,132	-	-	**1,132**
Related party loans	1,007	1,178	-	**1,852**
Lease Liabilities	4,279	16,149	9,851	**23,055**
	10,939	**17,327**	**9,851**	**30,560**

For further details in relation to the liquidity risk refer to Note 4.

29.4. Capital risk management

The Group's objectives when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure. The Group currently monitors capital based on cash requirements and, to maintain or adjust the capital structure, generally issues new shares to investors through share issues. The Group and the Company have not been subject to any externally imposed capital requirements during the period.

The Group is currently not in need of additional capital injections to be able to execute its strategy. It may continue to obtain injections in FY26 in addition to that raised and debt conversions in FY25 to assist with value enhancing strategies if opportunities arise for which capital is required but there are currently no specific plans to do this. For further details of this refer to Note 4.

30. Financial instruments by category

	31-Mar 2025 $'000	31-Mar 2024 $'000
Financial assets at amortised cost		
Cash and cash equivalents	**2,686**	1,174
Trade and other receivables	**1,604**	1,718
Lease receivables	**25,697**	23,055
	29,987	25,947
Financial liabilities at amortised cost		
Trade payables	**1,651**	3,014
Borrowings and other liabilities	**3,929**	3,083
Lease liability	**28,307**	23,055
Related party payables	**2,597**	649
	36,484	29,801

31. Post-reporting date events

Subsequent to the year end, on the 4^{th} April 2025 the Group repaid a loan of $878,000 to a related party, and an amount of $850,000 was repaid to another related party, the Nikau Trust. These repayments were made from the BNZ loan.

The Group entered into a Master Franchise Agreement ("MFA") for the country of India on the 7^{th} May 2025. The agreement has been signed with Sterling Coffee House Limited (the "Franchisee"), a Special Purpose Vehicle ("SPV"), that will manage the venture.

Statutory Information and Corporate Governance

Substantial Product Holders

The following information is provided in compliance with section 293 of the Financial Markets Conduct Act 2013 and is stated as at 31 March 2025. The total number of voting financial products of Cooks Coffee Company Limited at that date was 64,238,670 and ordinary shares are the only such product on issue.

Substantial Security Holder (Directors)	Shares Held
Graeme Keith Jackson, Patricia Frances Jackson & Philip Mack Picot	11,803,053
Jackson & Associates Limited	1,512,792
Michael Ambrose	1,050,000
Total Number of Shares Held:	14,365,845

Director Dealings in Company Securities

There have been the following transactions in respect of Cooks Coffee Company Limited (**CCC** or **Company**) securities by directors of the Company (Directors) in the 12 months ending 31 March 2025:

- Nikau Trust converted $50,000 into 250,000 ordinary shares.
- Nikau Trust converted 707,000 shares from Non-Voting to Voting shares

Interests Register

CCC has D&O insurance which ensures that generally, Directors and officers will incur no monetary loss as a result of actions undertaken by them. CCC has entered an indemnity in favour of its Directors for the purposes of Section 162 of the Companies Act 1993.

Use of Company Information

The Board received no notices from Directors wishing to use Company information received in their capacity as Directors which would not have been ordinarily available.

Other Director Interests

Other directorships held during the FY25 held by CCC Directors:

Graeme Keith Jackson	
Arana Holdings Limited	Cooks Investment Holdings Limited
Jackson & Associates Limited	Nikau Trust
Weihai Holding Limited	

Michael George Rae Hutcheson	
2 Life Limited	Image Centre Publishing Limited
Eschool Holdings Limited	Patiki Farm Limited
Eschool Limited	Raye Blumenthal Freedman Trust
Attain Limited	Hunch Limited

Hotfoot Retail Services Limited	Tangible Media Limited
Graeme Dingle Endowment Fund	The Lighthouse Ideas Company Limited
Image Centre Holdings Limited	Tradewinds Investment Trust

Michael George Ambrose	
Ashville Consultancy Limited	Australian Lobster Company (GP) Limited
Fiordland Lobster Company Limited	Deltop Holdings Limited
Senior Move Managers Limited	FLC Trustee Limited
Australia Quota Holdings GP Limited	Lobster Management GP Limited

Paul Valentine Mark Elliott	
Agribusiness Investments NZ Limited	Elliott Capital Advisors Limited
Agribusiness Solutions NZ Limited	Revive Finance Limited
Ignite Finance Limited	Restore Finance Limited
Ignite Solutions Limited	Ignite Nominees Limited

Peihuan Wang	
Jiajiayue Holding Group Limited (CHINA)	Spar China Group Limited (Hong Kong)
Jiajiayue Group Limited. (China)	Weihai Holding Limited

Elena Garside	
Garside & Garside Ltd	

Gareth Lloyd Jones	
Argentine Steakhouse (BIDCO) Limited	Buenasado (Reading) Limited
The Small & Friendly Pub Co Ltd	High Road Restaurants Group BIDCO Limited
High Road Restaurants Group HOLDCO Limited	

Gordon David Robinson	
Sterling BAPC Ltd	KCR Residential REIT PLC

Spread of Quoted Security Holders as at 31 March 2025 including voting and non-voting shares:

	Shareholders		Shares	
Range	Number	%	Number	%
1-1,000	7	2.49	4,211	0.01
1,001-5,000	114	40.57	252,443	0.39
5,001-10,000	31	11.03	229,760	0.35
10,001-50,000	71	25.27	1,598,080	2.47
50,001-100,000	19	6.76	1,368,246	2.11
100,001 and over	39	13.88	61,285,930	94.67
Total	281	100.00	64,738,670	100.00

20 Largest Holdings of Equity Securities as at 31 March 2025 including voting and non-voting shares:

Rank	Investor Name	Shares Held 31st March 2025	% Issued Capital
1	Keith Jackson Interests	13,315,845	20.57%
2	Jiajiayue Group	10,591,374	16.36%
3	Yunnan Health AND Tourism	6,714,643	10.37%
4	MUFG CORPORATE MARKETS TRUSTEES (UK Register)	4,620,624	7.14%
5	Graham Hodgetts	4,257,204	6.58%
6	Crown Kj Nominees Limited	4,086,769	6.31%
7	Adg Investments Limited	2,959,285	4.57%
8	Esquires Coffee Holdings	2,423,354	3.74%
9	Scott Francis Vernon &	1,242,812	1.92%
10	Michael John Ambrose &	1,050,000	1.62%
11	Suhua He	927,679	1.43%
12	PKB Trustees Limited	925,648	1.43%
13	CCC Employee Share Trust	812,661	1.26%
14	New Zealand Depository Nominee	687,300	1.06%
15	Trinity Portfolio Limited	624,000	0.96%
16	Weihai Holding Limited	617,599	0.95%
17	New Zealand Central Securities	580,571	0.90%
18	Imoya Investments Limited	559,397	0.86%
19	Paul Valentine Mark Elliott	552,129	0.85%
20	Peter James Kirton Interests (UK Register)	413,151	0.64%
Total top 20		**57,962,045.00**	**89.53%**

Employee Remuneration

During the accounting period, the following number of CCC's employees/independent contractors (not being a director) received remuneration and other benefits in that person's capacity as employee/independent contractor of CCC, the value of which exceeded $100,000 per annum:

Remuneration	Number of Employees 2025	Number of Employees 2024
$100,000-$120,000	7	1
$120,000-$140,000	-	1
$140,000-$160,000	2	-
$160,000-$180,000	1	2
$180,000-$200,000	-	1
$200,000-$220,000	1	-
$220,000-$240,000	1	-
$240,000-$260,000	-	-
$260,000-$280,000	-	1
$320,000-$340,000	1	-

Director Remuneration and Other Benefits

During the accounting period, the Directors of the Company received the following remuneration:

Remuneration	Directors' Fees	Executive Salary	Share based payments
Mike Hutcheson	13,004	-	-
Graeme Keith Jackson	-	260,000	-
Paul Elliot	20,000	-	-
Michael Ambrose	48,333	-	-
Elena Garside	53,669	-	-
Gareth Lloyd Jones	44,607	-	-
Gordon David Robinson	43,625	-	-
Aiden Keegan	-	328,006	-
Katherine Scott	-	134,691	-

Donations

No donations were made in the 12-month financial period ended 31 March 2025.

Corporate Governance Statement

Cooks Coffee Company Limited (CCC) believes in the benefit of good corporate governance and the value it provides for shareholders and other stakeholders. CCC is committed to ensuring that the company meets best practice corporate governance principles, to the extent that it is appropriate for the nature of CCC's operations.

The board of CCC is responsible for establishing and implementing the company's corporate governance frameworks and is committed to fulfilling this role in accordance with best practice having regard to applicable laws, the NZX Corporate Governance Code and the Financial Markets Authority Corporate Governance – Principles and Guidelines.

> CCC has implemented policies and processes to establish, shape and maintain appropriate governance standards and behaviours throughout CCC that aligns with the NZX Corporate Governance Code dated 17 June 2022 (Code). CCC has elected not to report against the updated NZX Corporate Governance Code dated 1 April 2023.

CCC's approach to applying the recommendations outlined in the Code is set out below. This statement is set out in the order of the principles detailed in the Code and explains how CCC is applying the Code's recommendations. CCC is in compliance with the Code, with the exception of recommendations 2.8 and 6.1 for the reasons explained below.

Principle 1 – Code of ethical behaviour

"Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation."

Code of Ethics

The Board Charter, Code of Ethics and Code of Conduct establish the standards of ethical behaviour expected of Directors and staff. The Board expects Directors, management and staff to personally subscribe to these values and use them as a guide to make decisions. The Audit and Risk Committee has responsibility for monitoring compliance with internal processes, including compliance with the Code of Ethics.

Directors are expected to ensure the potential for conflicts of interests is minimised by restricting involvement in other businesses or in private capacities that could lead to a conflict. In considering matters affecting the Company, Directors are required to disclose any actual or potential conflicts. Where a conflict or potential conflict is disclosed, the Director takes no further part in receipt of information or participation in discussions on that matter. The Board maintains an interests' register and it is reviewed at each board meeting.

Should any member of staff have concerns regarding practices that may conflict with the Code of Conduct they are able to raise the matter with the Chair, as appropriate, on a confidential basis. Directors would raise any concerns regarding compliance with the Code of Ethics with the Chair. The Chair of the Board and the Chair of the Audit and Risk Committee note there have been no financial matters raised in this respect in the 2023 financial year.

Financial Product Trading

Directors, officers, employees and contractors are restricted in their trading of Cooks Coffee Company securities and must comply with the Financial Products Trading Policy and Guidelines which is available on the Website.

Principle 2 – Board composition and performance

"To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives."

Board Charter

The Board of Directors of the Company is elected by the shareholders to supervise the management of the Company. The Board establishes the Company's objectives, overall policy framework within which the business of the Company is conducted and confirms strategies for achieving these objectives. The Board also monitors performance and ensures that procedures are in place to provide effective internal financial control.

The Board is responsible for guiding the corporate strategy and direction of the Company and has overall responsibility for decision making. The Board has delegated responsibility for implementing the Board's strategy and for managing the operations of the Company to the Chairman.

CCC's board operates under a written charter which defines the respective functions and responsibilities of the board, focusing on the values, principles and practices that provide the corporate governance framework. The charter complies with the relevant recommendations in the Code and is reviewed annually.

The board uses committees to address certain matters that require detailed consideration. The board retains ultimate responsibility for the function of its committees and determines their responsibilities.

Nomination and appointment of directors

In accordance with CCC's constitution and NZX Listing Rules, the directors are required to retire by rotation and may offer themselves for re-election by shareholders each year. Procedures for the appointment and removal of directors are also governed by the Board Charter. CCC does not maintain a separate nomination committee, given the current size and nature of CCC's business, director nominations and appointments are the responsibility of the full board.

Written Agreements with directors

CCC intends to enter written agreements with any newly appointed directors establishing the terms of their appointment.

Director Information and Independence

The Board currently comprises of eight Directors including the Chairman, Keith Jackson, CEO Aiden Keegan & CFO Katherine Scott. The Board met at least five times during the year on a formal basis and more often if required. The Audit and Finance Committee, Mergers & Acquisitions & ESG Committee meetings are held outside these meetings on a regular basis as required.

The board considers guidance provided under the NZX Listing Rules in determining the independence of directors. Director independence is considered annually. Directors are required to inform the board as soon as practicable if they think their status as an independent director has (or may have) changed.

The directors that the board considers are independent and information in respect of directors' ownership interests is contained in this annual report.

Diversity

Cooks recognises the wide-ranging benefits that diversity brings to an organisation and its workplaces. Cooks' endeavours to ensure diversity at all levels of the organisation to ensure a balance of skills and perspectives are available in the service of our shareholders and customers. To this end, the Board is committed to fostering a culture that embraces diversity.

The Board also has the responsibility of monitoring and promoting the diversity of staff and associated corporate culture, including requiring that recruitment and selection processes at all levels are appropriately structured so that a diverse range of candidates are considered and to avoid conscious and unconscious biases that might discriminate against certain candidates.

The gender balance of the Group's Directors and all employees were as follows:

	As at 31 March 2025			As at 31 March 2024		
	Directors	Cafe teams	Employees	Directors	Officers	Employees
Female	2	36	5	1	1	6
Male	6	19	6	5	-	7
Total	8	55	11	6	1	13

Director Training

All directors are responsible for ensuring they remain current in understanding their duties as directors. Where necessary, CCC will support directors to help develop and maintain directors' skills and knowledge relevant to performing their role.

Separation of the Chair and Managing Director

As reported in the Chairman's report above the company appointed a Group CEO with effect from 1st April 2024.

Principle 3 – Board Committees

"The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility."

The board currently has three standing committees, the Audit and Risk committee, ESG Committee and the Mergers & Acquisitions Committee. This committees operate under specific charters which are approved by the Board and which will be reviewed annually. Any recommendations made by these committees are recommendations to the Board.

Directors

Name	Status	Current/Resigned	Sub-committee membership	Attendance*
Keith Jackson	Chairman Not Independent	Appointed 18/8/08	Audit & Finance, ESG & Mergers & Acquisitions	5
Paul Elliott	Non-Executive Independent (Retired)	Appointed 30/5/19 Resigned 30/09/24	Audit & Finance	-
Mike Hutcheson	Non-Executive Independent (Retired)	Appointed 3/10/13 Resigned 10/07/24	Audit & Finance	-
Michael Ambrose	Non-Executive Independent	Appointed 29/11/21	Audit & Finance, Mergers & Acquisitions	5
Peihuan Wang	Non-Executive Not-Independent	Appointed 29/4/16	-	5
Elena Garside	Non-Executive Independent	Appointed 2/11/22	ESG	5
Aiden John Keegan	Not Independent	Appointed 23/07/24	Audit & Finance, ESG	4
Gareth Lloyd Jones	Non-Executive Independent	Appointed 10/07/24	Mergers & Acquisitions	4
Gordon David Robinson	Non-Executive Independent	Appointed 10/07/24	Audit & Finance, ESG	4
Katherine Scott	Not Independent	Appointed 10/10/24	Audit & Finance	3

Keith Jackson, Executive Chairman

Keith has an extensive background in management and governance with particular emphasis on the food and dairy industries. He was CEO of Tegel Foods for 16 years, Deputy Chairman of Ernest Adams and Managing Director of Independent Dairy Producers, a fresh milk company. He was a founding partner of Dairy Farm Investments and Dairyland Products. He was the Chairman of Sportstec Limited that was founded in 2000 and sold in 2016.

In 2008 he founded Cooks via a merger of four companies and the company acquired the global rights to the Esquires Coffee brand (excluding Australia and New Zealand) in 2013.

He has been the Chair of the Advisory Board of Pic's Peanut Butter from 2008 until he retired on 31st March 2025.

Michael Ambrose, Independent Director

Michael is an experienced Company Director, business consultant & Chartered Accountant with a broad range of governance, financial, general management, strategic & IPO skills.

Michael was the creator & founding Director of Arvida Group Ltd. This Public Company was listed in 2014 and is comprised of 32 Retirement Villages and Aged Care facilities.

He is also a Director of Fiordland Lobster Company & related Companies, Chairman of the international board of Garra International Limited, a meat & chicken trading company which has its head office in Brazil, Chairman of the Board of Deep Creek Fruits LP, a start-up Cherry operation that acquired 140 hectares of land in Central Otago which has now been planted & irrigated following the initial capital raise from 37 investors totalling $16.1 million. Chairman of the Board of Chateau Hotel

Marlborough Ltd, Chairman of Senior Move Managers Limited, which provides a complete relocation service to seniors moving house or into Retirement Villages or individual homes.

Elena Garside, Independent Director

Elena who is UK-based, has significant experience in financial and ESG communications with a focus on advising on current and emerging trends within these fields, including responsible investing, and sustainable finance.

Her clients have included FTSE 100 and FTSE 250 companies, as well as privately owned businesses and global corporations. Elena started her career in journalism before becoming a PR consultant with Bankside Consultants, Hudson Sandler, and New Century Media.

Elena is the founder and CEO of Garside & Garside Limited which consults on ESG, media relations and reputational matters. She holds a degree in journalism from St Petersburg State University and the London College of Communication.

Peihuan Wang, Director

Peihuan Wang is currently the Chairman and General Manager of Shandong Jiajiayue Investment Holdings Co. Limited and Vice President of the China Chain Store and Franchise Association. Mr Wang has been the recipient of a few awards in China including 'the National Quality Excellent Manager', 'Person of the Year - Chinese Chain Industry', 'Person of the Year - Chinese Retail Industry', and 'Weihai City Mayor's Quality Award'. Mr Wang is of Chinese nationality and resides in the Shandong Province. He brings a wealth of knowledge to the Board. JJY operates more than 1,000 supermarkets in China and employs more than 50,000 staff.

Gareth Lloyd Jones, Independent Director

Gareth Lloyd-Jones is a seasoned professional with over 22 years of experience in the leisure sector. His career began with Tie Rack in 1985, where he quickly became the youngest franchisee and expanded his network to 14 Central London shops within a year. During his time at Tie Rack, he met city advisors who introduced him to Howard Schultz of Starbucks.

He then co-purchased and rebranded two London coffee shops as Madisons Coffee, growing the business to 45 locations across the UK. Madisons Coffee was listed on the AIM stock market and included brands such as Richoux Coffee and Restaurants and Rendezvous Coffee shops, which sold to Starbucks Coffee and Out of Town Restaurants.

Gareth then went onto build a chain of five gastro pubs and four individual restaurants, which were subsequently sold into the trade. Currently, he co-runs the High Road Restaurant Group, which operates nine Argentinian steakhouses and four Thai restaurants, supported by private equity investment.

Gordon Robinson, Independent Director

Mr. Robinson is a highly experienced consultant specialising in Debt Advisory and Finance Brokering, with a distinguished banking career spanning over 38 years. He has a very broad business-sectors coverage in Corporate Governance (within finance) including quality Retail and Food & Beverage businesses. He also has expertise in Real Estate Finance including both development and investment-led projects. Throughout his career, which began with NatWest Bank in the 1980s, he has held various senior positions, established successful lending operations, and led business development teams. His extensive background encompasses setting up and managing lending operations, serving on credit committees, and holding senior front-line Director roles with multiple lenders.

Aiden John Keegan, Executive Director

Aiden has more than 25 years' experience in the food and beverage industry, with strong skills in franchisee and supplier relationship as well as optimisation of operational systems. Aiden has been with Esquires for more than 20 years and was Operations Manager in Ireland before taking the role of CEO for Esquires Coffee in the UK in October 2018 and he assumed his current role as Group CEO in April 2024.

Katherine Anne Scott, Executive Director

Katherine joins the Group with a track record in financial management, accounting, and strategic planning, bringing over 15 years of diverse experience across multiple industries to her new role.

Board Skills Matrix

The eight individuals who sit at the board table have diverse insights, backgrounds and views. As individuals they are each highly regarded with various specialist skills and wide experiences. The Board have a common vision for the future of the business with multiple disciplines and individual experiences in many sectors and markets that are bought to the table.

Directors followed the recommendations in the NZX Corporate Governance Code during the financial year to 31st March 2025.

Directors Fee Pool

The total pool of Directors fees is NZ$260,000. Total fees paid in FY25 were NZ$197,000. The prior year was overstated; this was reversed in this year showing a net result of $31,000. There are no additional benefits although it is planned to introduce a share options plan for Directors and Senior Managers in the future.

Audit and Risk Committee

The Audit and Risk Committee Charter sets out the objectives of the Audit and Risk Committee which are to provide assistance to the board in fulfilling its responsibilities in relation to the company's financial reporting, internal control's structure, risk management systems and the external audit function.

The audit committee currently comprises Gordon Robinson (as Chair), Keith Jackson, Katherine Scott and Michael Ambrose. Gordon Robinson and Michael Ambrose are considered Independent Directors for the purposes of NZX Listing Rule 2.1.1. All members of the Audit and Risk Committee have appropriate financial experience and an understanding of the industry in which CCC operates.

The Audit and Risk Committee focusses on audit and risk management and specifically addresses responsibilities relative to financial reporting and regulatory compliance. The Audit and Risk Committee is accountable for ensuring the performance and independence of the external auditor, including that CCC provides for 5-yearly rotation of either the external auditor or the lead audit partner.

The committee provides a forum for the effective communication between the board and external auditors. The responsibilities of the committee include:

- reviewing the appointment of the external auditor, the annual audit plan, and addressing any recommendations from the audit;

- reviewing any financial information to be issued to the public; and
- ensuring that appropriate financial systems and internal controls are in place.

The Audit and Risk Committee may have in attendance the Managing Director and/or others including the external auditor as required from time to time.

Audit Rotation

The company note that the lead Audit Managing Partner has now completed 5 years with Cooks and a new lead has been appointed.

ESG Committee

ESG is an important factor for the Group as its core values are based on a strong ethical base delivered by local people. The establishment of an ESG Committee is an important statement from the Board of the importance of this area.

The committee will review all aspects of ESG and provide specific measurements as objectives and monitor performance against the stated goals.

Mergers & Acquisitions Committee

This group has been established to review both internal and external business opportunities and to undertake detailed analysis of opportunities and make recommendations to the full Board.

This includes reviewing internal business development initiatives and the Committee works alongside Management to bring an independent view to opportunities.

All members have extensive industry and wider industry knowledge and this committee uses that expertise and knowledge for the group benefit.

Takeover Response Protocol

The board has protocols in place that set out the procedure to be followed if there is a takeover offer for CCC. This procedure is set out in the board charter.

Principle 4 – Reporting and Disclosure

"The board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures."

Continuous Disclosure

The board focusses on providing accurate, adequate and timely information both to existing shareholders and the market generally. This enables all investors to make informed decisions about CCC.

CCC, as a company listed on the NZX Main Board, has an obligation to comply with the disclosure requirements under the NZX Listing Rules, and the Financial Markets Conduct Act 2013. CCC has a Continuous Disclosure Policy designed to ensure this occurs. CCC recognises that these requirements aim to provide equal access for all investors or potential investors to material price-sensitive information concerning issuers or their financial products. This in turn promotes confidence in the market. The Continuous Disclosure Policy outlines the obligations for CCC in satisfying the disclosure requirements. CCC's Disclosure Officer (currently the Chair) is responsible for ensuring compliance with the NZX continuous disclosure requirements and overseeing and co-ordinating disclosure to the exchange.

Financial Reporting

The Board monitors:

- monthly financial performance against budget by business unit
- available cash in the Company to ensure there are sufficient funds available to satisfy debts as they fall due; and
- the continued support of the Company's principal creditors, to ensure their continued support of the Company and continued intention to not call up amounts owing to them.

The Board is committed to keeping the market and its shareholders informed of all material information relating to the Company through meeting the obligations imposed under the Listing Rules and relevant legislation such as the Financial Markets Conduct Act 2013.

CCC seeks to make disclosures in a timely and balanced way to ensure transparency in the market and equality of information for investors. The Company also recognises the benefits of providing other releases that broaden the market's knowledge of the Company's business and financial performance and seeks, where appropriate, to use communications that achieve this objective.

The website is a key channel for the distribution of Cooks' information and is updated after documents are disclosed on the NZX.

The Chair of the Board and the CEO are responsible for the day-to-day management of ensuring these obligations are met. The Board will review compliance with the continuous disclosure obligations at every board meeting.

Principle 5 – Remuneration

"The remuneration of directors and executives should be transparent, fair and reasonable."

Directors' Remuneration

The Remuneration Committee makes recommendations to the board on remuneration matters in keeping with the Remuneration Policy which outlines the key principles that influence CCC's remuneration practices. The committee is also responsible for making recommendations to the board on the remuneration of the Chair. Directors' fees are determined by the board on the recommendation of the committee within the aggregate director remuneration pool approved by shareholders.

Details of remuneration paid to directors are disclosed in this annual report.

Principle 6 – Risk Management

"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."

The board considers its material risks are any decision to realise or make new investments and to carefully manage cash flow. The Managing Director reports regularly to the full board on these key risks, and operating expenses are kept to a bare minimum.

Key risk management tools used by CCC include the Audit and Risk Committee function and outsourcing certain functions to service providers (such as legal and audit). CCC also maintains insurance policies that it considers adequate to meet insurable risks. The board of CCC will continue to regularly consider any potential risks and its risk management processes and adapt these should the nature and size of the business change in the future. While CCC is comfortable this approach to risk is sufficient, it does not comply with recommendation 6.1 of the Code as it does not have a formal risk management framework.

Health and Safety

The board does not consider it necessary to maintain a specific health and safety committee. The full board of CCC recognise the importance of health and safety considerations, and will continue to assess any risks, management and performance in this regard in the future.

Principle 7 – Auditors

"The board should ensure the quality and independence of the external audit process."

The Audit and Risk Committee makes recommendations to the board on the appointment of the external auditor as set out in Audit and Risk Committee Charter. The committee also monitors the independence and effectiveness of the external auditor and reviews and approves any non-audit services performed by the external auditor.

Principle 8 – Shareholder rights and relations

"The board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

Information for Shareholders

The Company aims to ensure that shareholders are informed of all major developments affecting the Company affairs. Information is communicated to shareholders in the Annual Report, Interim Report, and regular NZX announcements, including major share transactions, acquisitions, store expansion and any personnel changes of significance.

The company website provides an overview of the business and information about CCC. This information includes details of investments, latest news, investor information, key corporate governance information, and copies of significant NZX announcements. The website also provides profiles of the directors and the senior executive team. Copies of previous annual reports, financial statements, and results presentations are available on the website.

Shareholders have the right to vote on major decisions of the company in accordance with requirements set out in the Companies Act 1993 and the NZX Listing Rules.

Communicating with Shareholders

CCC endeavours to communicate regularly with its shareholders through its market updates and other investor communications. The company receives questions from time to time from shareholders and has processes in place to ensure shareholder communications are responded to in a timely and accurate manner.

CCC's website sets out appropriate contact details for communications from shareholders, including the phone number and email address of the Chair, Keith Jackson. CCC provides the opportunity for shareholders to receive and send communications by post or electronically.

CCC sends the annual shareholders notice of meeting and publishes it on the company website as soon as possible and at least 21 days before the meeting each year.

Company Directory

Company number:	2089337
Year of incorporation:	2008
Registered office:	Level 1, 96 St Georges Bay Road, Parnell, Auckland, 1052
Nature of business:	Food & beverage industry
Directors:	Graeme Keith Jackson Michael George Ambrose Peihuan Wang Elena Garside Aiden John Keegan Gareth Lloyd-Jones Gordon David Robinson Katherine Anne Scott
Solicitors:	Chapman Tripp, Auckland
Bankers:	BNZ Bank, Whanganui
Auditors:	William Buck Audit (NZ) Limited
Share registry:	MUFG Pension and Market Services (previously Link Market Services Limited), Auckland and Leeds.