

Cooks Coffee Company Limited
Preliminary announcement for the year ended 31 March 2025

Preliminary unaudited full year report on consolidated results (including the results for the previous corresponding year) in accordance with Listing Rule 3.5.1 are recorded below.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates, and is based on unaudited financial statements.

The accounting policies used in the preparation of these financial statements are consistent with those used in the interim statements for the six months ended 30 September 2024, and in the audited financial statements for the year ended 31 March 2024.

The Listed Issuer has a formally constituted Audit & Risk Committee of the Board of Directors.

| Consolidated Statement of Financial Performance | | Unaudited | | Unaudited |
|--|--|------------------|------------------|------------------|
| | | Mar-25 | Up / Down | Mar-24 |
| | | \$NZ '000 | % | \$NZ '000 |
| Revenue | | 6,728 | 44.2% | 4,667 |
| Cost of sales | | (176) | 43.2% | (123) |
| Gross profit | | 6,552 | 44.2% | 4,544 |
| Operating expenses and staff costs | | (5,431) | 21.4% | (4,474) |
| Impairment loss on receivables | | (106) | (20.1%) | (133) |
| Other income | | 252 | (5.4%) | 266 |
| Operating profit/(loss) before depreciation and amortisation | | 1,267 | 524.0% | 203 |
| Depreciation expense | | (117) | 386.2% | (24) |
| Operating profit/(loss) | | 1,150 | 542.5% | 179 |
| Interest Income on leases | | 1,624 | 20.5% | 1,347 |
| Amortisation of intangible assets | | - | | - |
| Impairment of Goodwill | | - | | - |
| Finance costs on leases | | (1,701) | 26.2% | (1,347) |
| Finance costs on loans | | (390) | (27.1%) | (535) |
| Share of profit/loss of joint ventures accounted for using the equity method | | 176 | 0.0% | - |
| Profit/(Loss) before income tax | | 859 | (341.4%) | (356) |
| Income tax benefit/(expense) | | - | 0.0% | - |
| Net Profit/(Loss) for the year from continuing operations | | 859 | (341.4%) | (356) |
| Net Profit/(Loss) for the year from discontinued operations | | - | (100.0%) | (6,003) |
| Net Profit/(Loss) for the year | | 859 | (113.5%) | (6,359) |
| Earnings Per Share (Cents per share): | | 1.33 | | (10.84) |

| Consolidated Statement of Financial Position | | Unaudited | | Unaudited |
|---|--|----------------|----------------|----------------|
| | | Mar-25 | Up / Down | Mar-24 |
| | | \$NZ '000 | % | \$NZ '000 |
| | | | | |
| Assets | | | | |
| Cash and cash equivalents | | 2,686 | | 1,174 |
| Trade and other receivables | | 1,879 | | 1,718 |
| Other current assets | | 696 | | 918 |
| Assets classified as held-for-sale | | - | | 9 |
| Property, plant and equipment | | 415 | | 92 |
| Right-of-use assets | | 2,449 | | - |
| Lease receivables | | 25,696 | | 23,055 |
| Other non-current assets | | 28 | | 137 |
| Total tangible assets | | 33,849 | 24.9% | 27,103 |
| Goodwill | | 0 | | - |
| Intangible assets | | 2,831 | | 2,831 |
| Total assets | | 36,680 | 22.5% | 29,934 |
| | | | | |
| Liabilities | | | | |
| Trade and other payables | | 6,153 | | 7,797 |
| Lease liabilities | | 28,307 | | 23,055 |
| Borrowings - Loans | | 4,336 | | 3,035 |
| Other liabilities | | 798 | | 48 |
| Deferred tax liabilities | | - | | - |
| Total liabilities | | 39,594 | (16.7%) | 33,935 |
| | | | | |
| Net assets/(liabilities) | | (2,914) | 27.2% | (4,001) |
| | | | | |
| Equity | | | | |
| Share capital | | 59,306 | | 58,845 |
| Accumulated losses | | (64,055) | | (64,914) |
| Foreign currency translation reserve | | 1,835 | | 2,068 |
| Share based equity reserve | | 0 | | - |
| Total equity attributable to equity holders of the Company | | (2,914) | 27.2% | (4,001) |
| | | | | |
| | | Cents | | Cents |
| Net tangible assets per share | | (8.87) | | (11.39) |

| Statement of Changes in Equity | | Unaudited | | Unaudited |
|---|--|----------------|-----------------|----------------|
| | | Mar-25 | Up / Down | Mar-24 |
| | | \$NZ '000 | % | \$NZ '000 |
| | | | | |
| Profit/(Loss) for the period | | 859 | (631.5%) | (6,359) |
| Net increase in issued share capital | | 461 | | 500 |
| Foreign currency translation reserve | | (233) | | 1,097 |
| Movements in equity for the period | | 1,087 | (122.8%) | (4,762) |
| Equity at start of the period | | (4,001) | | 761 |
| Share based payment reserve | | - | | - |
| Equity at end of the period | | (2,914) | (27.2%) | (4,001) |

| Consolidated Statement of Cash Flows | | Unaudited | | Unaudited |
|--|--|--------------|-----------------|----------------|
| | | Mar-25 | Up / Down | Mar-24 |
| | | \$NZ '000 | % | \$NZ '000 |
| | | | | |
| Profit/(Loss) for the period | | 859 | 113.5% | (6,359) |
| | | | | |
| Add/(Less): | | | | |
| Depreciation expense | | 117 | | 24 |
| Impairment loss on receivables | | 106 | | 133 |
| Net foreign exchange (losses)/gains | | 14 | | 29 |
| Revaluation of contingent consideration payable | | - | | - |
| Impairment of goodwill | | - | | - |
| Amortisation of intangible assets | | - | | - |
| Net movements in working capital | | (674) | | 1,984 |
| Loss on disposal of subsidiaries | | 0 | | 5,262 |
| Net cash flow from operating activities | | 422 | (60.6%) | 1,073 |
| | | | | |
| Net cash flow from investing activities | | (440) | 8893.6% | 5 |
| | | | | |
| Net cash flow from financing activities | | 1,762 | (604.9%) | (349) |
| | | | | |
| Net (decrease)/increase in cash held | | 1,745 | 139.3% | 729 |
| | | | | |
| Opening bank balance | | 1,174 | | 445 |
| Effect of exchange rate changes on foreign currency balances | | (233) | | - |
| Closing bank balance | | 2,686 | | 1,174 |
| | | | | |
| Made up as follows: | | | | |
| Cash and cash equivalents | | 2,686 | 128.8% | 1,174 |

Material Acquisition of Subsidiaries

N/A

Material Disposal of Subsidiaries

N/A

Material Investment in Associate

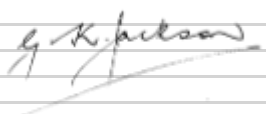
N/A

Issued and Quoted Securities at End of Current Period

| Category of Securities Issued | Number | Quoted | | |
|---|------------|------------|--|--|
| ORDINARY SHARES: | | | | |
| Total number of shares on issue | 64,738,670 | 64,238,670 | | |
| Shares issued during the current period | 4,736,222 | 4,736,222 | | |
| Shares converted from non-voting to voting during the current period | 707,000 | 707,000 | | |
| Shares cancelled during the current period | - | - | | |
| Shares bought back during the current period | - | - | | |
| On 31 March 2025, Cooks Coffee Company Limited has 64,238,670 quoted shares and 500,000 non-voting shares on issue. | | | | |

Comments by Directors

| | | | | |
|-----|--|--|--|--|
| (a) | Material factors affecting the revenues and expenses of the group for the current full year or half year | | | |
| | Refer to Commentary. | | | |
| (b) | Significant trends or events since the end of the current full year or half year | | | |
| | Refer to Commentary. | | | |
| (c) | Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed: | | | |
| | Nil | | | |
| (d) | Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain | | | |
| | <ul style="list-style-type: none"> • Treatment of Leases • Revenue from Contracts with Customers • Discontinued Operations • Impairment of Assets • Amortisation of Intangibles and Goodwill • Contingent Consideration | | | |
| | NZ IFRS 16 "Leases" | | | |
| | a) As a lessee | | | |
| | The Group recognises a right-of-use asset and a lease liability at the lease commencement date. 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. | | | |
| | The lease liability 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, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. | | | |
| | The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal or termination options. The assessment of whether the Group is reasonably certain to exercise such options impact the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised. | | | |
| | b) As a lessor | | | |
| | When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. | | | |
| | To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, or the right-of-use asset in the case of a sublease. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset. | | | |
| | Where the lease is classified as an operating lease, the Group recognises the lease payments from the operating lease as income on a straight-line basis. | | | |

| | | | |
|---|--|--|-------------|
| NZ IFRS 15 "Revenue from Contracts with Customers" | | | |
| Under NZ IFRS 15 Revenue from Contracts with Customers, revenue 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. | | | |
| 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 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. Payment is received upfront upon signing the franchise contract. | | | |
| The transaction price includes a variable price consideration for the possible transfer of franchise rights. This is unknown until and if the transaction is completed. Given the high uncertainty of this transfer, the transaction price for franchise contracts is not adjusted for these transferred franchise rights. Revenue from the sale of individual café franchises is recognised over time. | | | |
| The Group recognises Franchise Fees derived from the franchise agreement entered by Triple Two Coffee at the point in time when the | | | |
| The Group recognises the Territory Fee 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. Payment is received upon signing the franchise contract. | | | |
| Revenue from Contracts with Suppliers | | | |
| The Group recognises revenue derived from supplier contracts relating to coffee supply purchases over the period of the contract. | | | |
| Regional Developer Agreements | | | |
| The Group recognises revenue derived from regional development sales over the life of the contract, which is generally 10 years. | | | |
| Other Revenue | | | |
| Other revenue includes services to independent franchisees or third parties received by the Group. | | | |
| | | | |
| | | | |
|  | | | 30 May 2025 |
| | | | |
| (signed by) Authorised Officer of Listed Issuer | | | (date) |

| | Continuing Operations | | | |
|--|-----------------------------|----------------------|----------------|--------------|
| | Unaudited | Unaudited | Unaudited | |
| | Global Franchising & Retail | UK & IRE Franchising | New Zealand | Total |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 31/03/2025 | | | | |
| Global operational splits | | | | |
| Revenue | 138 | 6,591 | - | 6,729 |
| Grant and other income | - | 251 | - | 251 |
| Release of liabilities | - | - | - | - |
| Raw materials and consumables used | (2) | (174) | - | (176) |
| Depreciation expense | - | (116) | (1) | (117) |
| Impairment loss on receivables | (40) | (66) | - | (106) |
| Net foreign exchange (losses)/gains | 9 | 5 | (28) | (14) |
| Employee costs | - | (2,403) | (93) | (2,496) |
| Property related costs | - | (80) | - | (80) |
| Other expenses | 1,362 | (2,985) | (1,218) | (2,841) |
| Operating profit/(loss) | 1,467 | 1,023 | (1,340) | 1,150 |
| Interest Income on leases | - | 1,624 | - | 1,624 |
| Interest Expense on leases | - | (1,701) | - | (1,701) |
| Finance costs on loans | - | (25) | (365) | (390) |
| Loss on disposal of subsidiary | - | - | - | - |
| Amortisation of intangible assets | - | - | - | - |
| Impairment of goodwill | - | - | - | - |
| Share of profit/loss of joint ventures accounted for using the equity method | 176 | - | - | 176 |
| Profit/(loss) before income tax | 1,643 | 921 | (1,705) | 859 |
| Income tax (expense)/credit | - | - | - | - |
| Profit/(loss) for the year from continuing operations | 1,643 | 921 | (1,705) | 859 |
| Non-current assets | | | | |
| Intangible assets | 42 | 1,481 | 1,308 | 2,831 |
| Property, plant and equipment | - | 414 | 1 | 415 |
| Right of use assets | - | 2,449 | - | 2,449 |
| Goodwill | - | - | - | - |
| There were no discontinuing operations in FY2025. | | | | |

| | Continuing Operations | | | |
|--|-----------------------------|----------------------|----------------|--------------|
| | Unaudited | Unaudited | Unaudited | |
| | Global Franchising & Retail | UK & IRE Franchising | New Zealand | Total |
| 31/03/2024 | | | | |
| Global operational splits | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenue | 76 | 4,593 | 34 | 4,703 |
| Grant and other income | - | 230 | - | 230 |
| Release of liabilities | - | - | - | - |
| Raw materials and consumables used | - | (123) | - | (123) |
| Depreciation expense | - | (22) | (1) | (23) |
| Impairment loss on receivables | - | (133) | - | (133) |
| Net foreign exchange (losses)/gains | 2 | - | (32) | (30) |
| Employee costs | - | (1,846) | (133) | (1,979) |
| Property related costs | - | (69) | - | (69) |
| Other expenses | (90) | (990) | (1,317) | (2,397) |
| Operating profit/(loss) | (12) | 1,640 | (1,449) | 179 |
| Interest Income on leases | - | 1,347 | - | 1,347 |
| Finance costs on leases | - | (1,347) | - | (1,347) |
| Finance costs on loans | - | (23) | (512) | (535) |
| Loss on disposal of subsidiary | - | - | - | - |
| Amortisation of intangible assets | - | - | - | - |
| Impairment of goodwill | - | - | - | - |
| Share of profit/loss of joint ventures accounted for using the equity method | - | - | - | - |
| Profit/(loss) before income tax | (12) | 1,617 | (1,961) | (356) |
| Income tax (expense)/credit | - | - | - | - |
| Profit/(loss) for the year from continuing operations | (12) | 1,617 | (1,961) | (356) |
| Non-current assets | | | | |
| Intangible assets | 42 | 1,308 | 1,481 | 2,831 |
| Property, plant and equipment | - | 91 | 1 | 92 |
| Right of use assets | - | - | - | - |
| Goodwill | - | - | - | - |

| | Discontinued Operations | | | |
|---|-------------------------|--|----------------|----------------|
| | | | Unaudited | |
| | | | UK Retail | Total |
| 31/03/2024 | | | | |
| Global operational splits | | | \$'000 | \$'000 |
| Revenue | | | 1,303 | 1,303 |
| Grant and other income | | | 29 | 29 |
| Release of liabilities | | | - | - |
| Raw materials and consumables used | | | (334) | (334) |
| Depreciation expense | | | (8) | (8) |
| Impairment loss on receivables | | | (109) | (109) |
| Net foreign exchange (losses)/gains | | | - | - |
| Employee costs | | | (608) | (608) |
| Property related costs | | | - | - |
| Other expenses | | | (837) | (837) |
| Operating loss | | | (564) | (564) |
| Interest Income on leases | | | - | - |
| Finance costs on leases | | | - | - |
| Finance costs on loans | | | (13) | (13) |
| Loss on disposal of subsidiary | | | (5,262) | (5,262) |
| Write off intercompany balances on disposal of subsidiary | | | (164) | (164) |
| Impairment of goodwill | | | - | - |
| Loss before income tax | | | (6,003) | (6,003) |
| Income tax (expense)/credit | | | - | - |
| Loss for the year from discontinued operations | | | (6,003) | (6,003) |
| Non-current assets | | | | |
| Property, plant and equipment | | | - | - |
| Assets held for Sale | | | - | - |