

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	Up / Down	Unaudited
	Mar-25		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

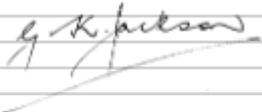
N/A

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	Total
		UK Retail	
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		-	-