



**cooks**  
coffee company

Proposed dual listing on the  
Aquis Stock Exchange Growth  
Market in November 2022

**ESQUIRES**  
THE ORGANIC COFFEE CO.

**TRIPLE TWO**  
REAL FOOD, AWESOME COFFEE

Investor  
Presentation

# Company Management



**Keith Jackson**  
*Executive Chairman*



**Craig Brown**  
*Chief Financial Officer*



**Aiden Keegan**  
*Managing Director,  
Great Britain*

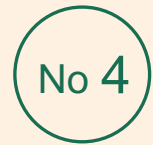


**Tony McVerry**  
*Managing Director,  
Ireland and Europe*



**David Hodgetts**  
*Managing Director,  
Triple Two Coffee*

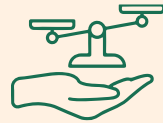
# Cooks Coffee Company Introduction



**Cooks** Coffee Company is the fourth largest coffee focused café chain (behind Starbucks, Costa and Caffè Nero) and the largest solely franchisor focused café chain in the UK & Ireland.



**Cooks** owns the international IP and master franchising rights to the **Esquires Coffee** brand globally\*, and owns the UK-based **Triple Two** business one of the fastest-growing coffee focused brands in the UK market.



**Cooks** is building a business of ethical coffee brands with community spirit.



The **Cooks** franchise model promotes individual entrepreneurship and local community engagement.



**Cooks** growing estate currently comprises 111 stores worldwide.



The strategy of the business is to build further scale through organic growth and synergistic acquisitions.



**Cooks** is currently listed on the New Zealand Stock Exchange (NZX: CCC) and will conduct a fundraising to accelerate growth and list on the Aquis Exchange in London in November 2022 under the ticker “Cook”.

*\* (excluding Australia and New Zealand)*



## Cooks Positioning

The company is building a group of ethical coffee chains with community spirit. CCC has an ongoing commitment to establish objectives that will manage the organisation's impact directly and actively on society and environmental sustainability. The very specific USP's within this include:

### Localised community spirit

- Franchisees are local and own their own business.
- Bespoke offerings at individual outlets to meet local needs.
- Specialty coffee & delicious food locally sourced where practical.

### Ethical Practices

- Certified Coffee, Fairtrade, Organic and Rainforest Alliance plus direct to farmer purchases.
- Focus on using and increasing the use of ethical and renewable packaging & design materials.
- The group is committed to establishing specific ESG purpose & policies and to identify sustainability targets and monitor these and report on progress through a specific Board process.

The Directors believe **Cooks** provides a unique offering.



# ESQUIRES

---

## THE ORGANIC COFFEE CO.

91  
cafes

**Esquires Coffee** has 91 cafés, with 50 in the UK, 15 in Ireland as at 30th September 2022.

The brand is positioned as premium mainstream and has a strong reputation for its organic coffee, contemporary food offering and its local franchisee ownership.

Its certified carbon neutral roastery has direct links to coffee farmers.

Delivery partnerships have been established with Just Eat, Deliveroo & Uber Eats.





# TRIPLE TWO

## REAL FOOD, AWESOME COFFEE

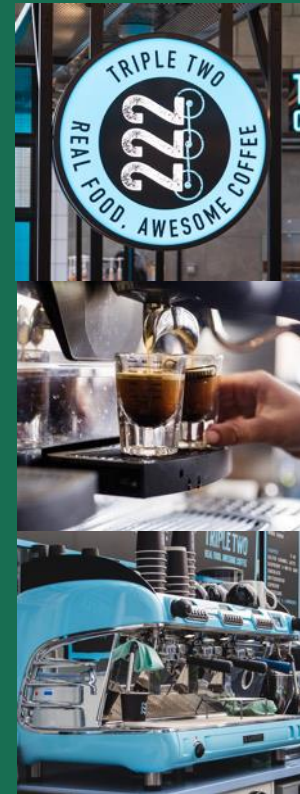
**Triple Two** has seen rapid expansion since being founded in 2016, starting with a kiosk in the Brunel Centre, Swindon.

**Triple Two** brand is positioned as a premium boutique coffee provider that offers a high quality food offering.

Delivery partnerships with Deliveroo, Uber Eats, Just Eat and Too Good To Go.

**Triple Two** has rapid expansion plans, with a number of new locations identified.

In June 2020, **Triple Two** was acquired by **Cooks**. There were 20 franchised-operated **Triple Two** cafés as at 30th September 2022.





## The UK Coffee Sector

- Allegra estimates the UK branded coffee shop segment to be valued at £4.4 billion with the industry demonstrating a significant bounce back close to pre-Covid levels of trading.
- As of January 2022, the branded UK coffee shop market consists of 9,540 outlets, a net increase of 324 over the last year.
- The market is projected to grow to £5.8 billion by 2026 at 5.8% CAGR, with outlets due to exceed 10,500 at 2.1% CAGR.

*\*Allegra Strategies is a leading strategic research consultancy focusing on food, retail, hospitality, health and wellness.*

## UK Coffee Trends

The main trends driving coffee shop development are:

- **Working from home** is seeing more demand in the suburbs.
- **Sustainability** – reusable cups, eco-friendly packaging and ethically sourced products.
- **Diversity of offering** – milk alternatives, vegan options, improved food options.
- **Digital integration** – online ordering, loyalty schemes, and deals and offers.
- **Diverse formats** – Drive-thru's, click-and-collect, delivery working zones.

# UK & Ireland Locations



As at the end of September 2022, **Cooks'** brands collectively had 111 cafés across the UK, Europe, the Middle East, and South Asia, and the company forecasts the number of cafés to grow to more than 200 by FY25.

**Cooks** had a total of 70 cafés in the UK making it the fourth largest coffee focused brand by number of cafés based on Allegra data.

**Esquires Coffee** has 50 cafes in the UK & 15 in Ireland.

**Triple Two** has 20 cafés currently which has almost doubled in the last 12 months.



Working from home is driving growing demand outside of city centres.

**More, bigger,  
& better cafes.**



## Growth Plans

Considerable opportunities for expansion of brand formats and channels via **organic development** of existing real estate footprint and via **acquisitions** of businesses already operating in channels currently not represented in the network.

- **Cooks** existing 70 cafes in the UK represents less than 1% of the branded café market & the opportunity to grow share is significant. In Ireland, the share of 654 branded outlets is 2.3% currently.
- **Triple Two** is rapidly expanding and has been identified by IGD\* in its coffee sector report of June 2021 as being one of the 7 “Rising Stars” of the UK Café market. The brand has almost doubled its footprint in the last year and has a strong pipeline of new cafes.
- Increasing pace of net openings as the property market offers greater availability as the industry emerges from the pandemic.
- Acquisition and rebranding of existing independent cafes.

### Grow existing outlets via additional transactions & spend

- Extended trading into the evening using existing cafe base and extending the food & alcohol offerings.
- Continue to build the food offering to support additional sales
- Build delivery service and click & collect throughout the network.
- Expand APP loyalty membership and develop a more personalised approach to marketing.
- Build the digital channels including delivery and click & collect.

The estimated number of outlets by FY25 is over 200, at a CAGR of 24%.

\* IGD Research

# Outlet Economics NZD

## Store - Capital

| Indicative investment for a 160 sqm new store fit out |                  |
|---|------------------|
| Franchise Fee   | \$39,000         |
| Professional Fee(Legal, Design etc)                   | \$20,000         |
| Equipment   | \$100,000        |
| Furniture & Smallwares                                | \$70,000         |
| Construction & Fit Out                                | \$310,000        |
| <b>TOTAL</b>  | <b>\$539,000</b> |

Fit out costs will be subject to condition of the unit to be fitted and will be determined by the nature of the works to be carried out. The above figures represent the average of a range but are provided to illustrate cost

## Store - Revenue

| Indicative key store financials |                 |              |
|---------------------------------|-----------------|--------------|
| Sales p.a.                      | \$700,000       |              |
| Cost of Goods                   | \$196,000       | 28.0%        |
| Labour                          | \$182,000       | 26.0%        |
| Occupancy                       | \$126,000       | 18.0%        |
| Other Costs                     | \$52,500        | 7.5%         |
| Royalty                         | \$42,000        | 6.0%         |
| Marketing                       | \$14,000        | 2.0%         |
| <b>NET PROFIT</b>               | <b>\$87,500</b> | <b>12.5%</b> |
| <b>RETURN ON INVESTMENT</b>     | <b>16.2%</b>    |              |

The figures contained in these projections are estimates only. They are not warranted as representing the actual outcome. No allowance has been made for depreciation, interest or tax.



# Revenue Mix

The Key sources of Revenue for Cooks are:

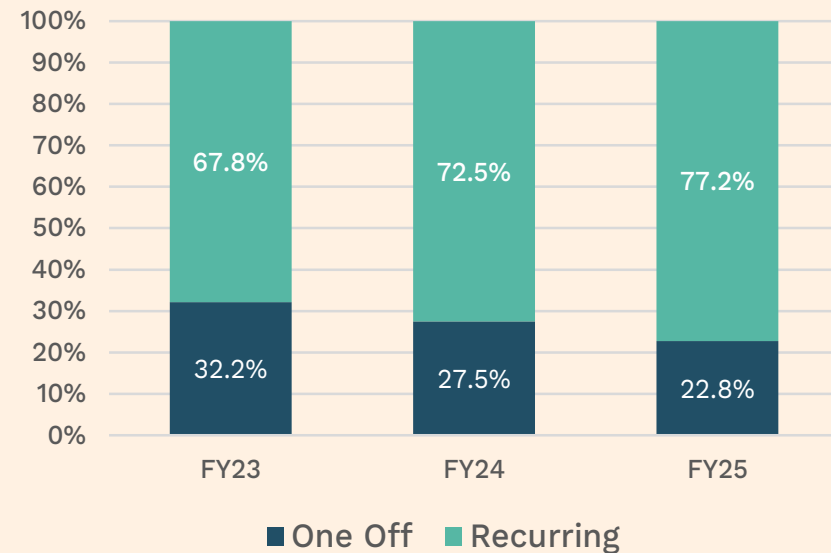
### Recurring Operational Revenues:

- Royalties
- Marketing Fees that are used to support the brand
- Supplier incentives

### Capital Revenues:

- Sale of café franchises
- Sale of regions in the UK (EUK)
- Property Search & Project Management Fees (Triple Two only)
- Design Fees
- Construction & Fit Out Fees (Triple Two only)

## Revenue Mix FY23 - FY25



The above chart illustrates the trends between recurring revenue growing as the café numbers increase and the proportion of one-off revenue reducing over FY23-FY25



# CCC - 111 Cafés at 30 September 2022

**Board Of Directors**  
Keith Jackson, Michael Hutcheson, Paul Elliott,  
Peihuan Wang, Michael Ambrose.

**Craig Brown**  
Chief Financial Officer





# Resilient Performance April - August 2022



## ESQUIRES COFFEE UK

performing well April- August  
FY22 v FY19 (Pre-Covid)

- ☉ Café sales were up 46.9%, & LFL stores were up 2.4% v 2019 pre Covid levels.
- ☉ Store sales were up 25.9% & LFL sales were up 20.6% v April to August 2021.
- ☉ 50 cafés in operation at 31 August 2022.

## TRIPLE TWO expanding rapidly

- ☉ Triple Two business was acquired in June 2020.
- ☉ Store sales for the April – August period in 2022 were up 77.3% on 2021 and LFL store sales were up 29.2%.

## ESQUIRES COFFEE IRELAND

now back to pre-Covid  
trading patterns

- ☉ Longer periods of restriction in Ireland, normal trading resumed in mid-February 2022.
- ☉ Sales for April – August 2022 were up 135.4% on the comparable 2021 period, and 0.6% on the comparable 2019 period. LFL store sales were up 135.9% on 2021 and 5.0% on the comparable 2019 period.
- ☉ 15 cafés in operation at March 2022.

- ☉ The brand has grown from 11 cafés as at 1 April 2021 to 20 cafés at 31 August 2022 and plan on ending FY23 with 30 cafés.

# Fundraising

The Company is aiming to raise £1.5 million from the New Zealand open offer and UK placing at a fundraising price of NZ\$0.36 (£0.18) per new share.

The fundraising will enable **Cooks Coffee Company** to accelerate the opening of new stores, expand its offering, and bring greater value to customers and shareholders.

**Cooks** further intends to use the capital from the fundraising to progress its plans for an expanded digital marketing capability and for general working capital purposes, with the aim of expanding their client base and improving the Company's overall product offering.

**Cooks** is also actively seeking to acquire dynamic brands with a unique offering. The Company will focus on targeting well-run firms with strong sustainability credentials who can provide synergies with **Cooks'** existing **Esquires** and **Triple Two** brands.



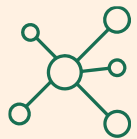
# Investment Summary

No 4

**Cooks Coffee's brands** make up the fourth largest coffee focused chain and the largest solely franchisor focused café chain in the UK & Ireland.



**Cooks** is building a business of “ethical coffee chains with community spirit” – based around the current **Esquires** and **Triple Two** brands, with further complementary acquisitions planned.



Expanding the footprint of the **Esquires** and **Triple Two** business with major focus on the core business of building the store network in the UK and Ireland.



Benefiting from a resilient recovery from the Covid-19 period and the change with the growth of working from home.



Expanding revenue streams within existing café estate to include enhanced, click and collect capability, improved loyalty programs plus delivery options and new product offerings.



Capital raising to facilitate the opening of new outlets, complete near-term acquisitions, and enhance digital functionality and growth.



Dual listing on the Aquis Exchange in November 2022 alongside existing listing in New Zealand.

# appendix



**cooks**  
coffee company

**ESQUIRES**  
THE ORGANIC COFFEE CO.

**TRIPLE TWO**  
REAL FOOD, AWESOME COFFEE



# Historical Financial Results

In FY22 the business has recovered well post Covid lockdowns.

Positive EBITDA shows recovery to the pre-Covid trend following period of restructuring & simplification of the business.

Capital raised during FY22 has been used to reduce debt, and reduce interest cost.

Debtors, creditors and deferred revenue initially increased following the addition of the **Triple Two** business in FY21. FY22 reflects a more normal structure as one off integration factors were concluded.

Current Liabilities for FY21 included the provision for earn-out consideration as part of the acquisition of **Triple Two**.

This has now been concluded and the balance written back with greater certainty as the earn out period is almost completed. There was a consequential revision of the Goodwill provision.

Significant increase in Net Assets from FY20 onward are due to the impact of changes in the IFRS 15 & 16 accounting standards relating to the treatment of leases.

*September numbers are in line with the previous 5 months trend.  
Forex rate NZ\$2.00 - £1.00*

| Summary Statement of Financial Performance    |                |                |              |
|---|----------------|----------------|--------------|
| FYE 31 March                                  | FY2020         | FY2021         | FY2022       |
| NZ\$'000s                                     | Actual         | Actual         | Actual       |
| <b>Revenue - Continuing Op's</b>              | <b>4,202</b>   | <b>2,727</b>   | <b>7,821</b> |
| <b>EBITDA</b>                                 | <b>480</b>     | <b>(909)</b>   | <b>814</b>   |
| <i>EBITDA Margin</i>                          | 11.4%          | (33.3%)        | 10.4%        |
| <b>EBIT</b>                                   | <b>(222)</b>   | <b>(1,728)</b> | <b>233</b>   |
| <i>EBIT Margin</i>                            | (5.3%)         | (63.4%)        | 3.0%         |
| <b>Finance Costs</b>                          |                |                |              |
| Finance Costs                                 | 687            | 892            | 881          |
| Impairment of Investment in Associate         | 2,520          | -              | 5,893        |
| Share of Net Loss of Associate                | 168            | -              |              |
| Reduction of Contingent Consideration Payable |                |                | (6,431)      |
| <b>NPBT for Continuing Op's</b>               | <b>(3,597)</b> | <b>(2,620)</b> | <b>(200)</b> |
| Tax Expense / (Credit)                        | (7)            | (80)           | (110)        |
| <b>NPAT for Continuing Op's</b>               | <b>(3,590)</b> | <b>(2,540)</b> | <b>(90)</b>  |
| NPAT for Discontinued Op's                    | (1,593)        | (7)            | (348)        |
| Other Income/(Loss)                           | (99)           | 58             | (120)        |
| <b>Net Profit/(Loss) After Tax</b>            | <b>(5,282)</b> | <b>(2,489)</b> | <b>(558)</b> |
| <i>NPAT %</i>                                 | (125.7%)       | (91.3%)        | (7.1%)       |

| Summary Statement of Financial Position |                |                |                |
|---|----------------|----------------|----------------|
| As at 31 March                          | FY2020         | FY2021         | FY2022         |
| NZ\$'000s                               | Actual         | Actual         | Actual         |
| Debtors                                 | 951            | 4,615          | 1,244          |
| Lease Receivables                       | 1,670          | 2,085          | 2,755          |
| Other Current Assets                    | 1,083          | 1,303          | 606            |
| Creditors                               | (3,996)        | (5,401)        | (4,518)        |
| Current Deferred Revenue                | (211)          | (5,196)        | (1,119)        |
| Other Current Liabilities               | -              | (7,073)        | (627)          |
| <b>Net Working Capital</b>              | <b>(503)</b>   | <b>(9,667)</b> | <b>(1,659)</b> |
| Intangible Assets                       | 2,840          | 19,064         | 12,719         |
| Fixed Assets                            | 2,613          | 793            | 1,792          |
| Lease Receivables                       | 16,653         | 16,198         | 16,488         |
| Other Non Current Assets                | 15             | 15             | 15             |
| <b>Total Non Current Assets</b>         | <b>22,121</b>  | <b>36,070</b>  | <b>31,014</b>  |
| <b>Total Non Current Liabilities</b>    | <b>1,192</b>   | <b>3,066</b>   | <b>3,084</b>   |
| <b>Total Net Operating Assets</b>       | <b>20,426</b>  | <b>23,337</b>  | <b>26,271</b>  |
| <b>Total Capital Employed</b>           |                |                |                |
| Overdraft/(Cash)                        | (255)          | (886)          | (1,156)        |
| Debt                                    | 5,522          | 6,865          | 3,883          |
| Lease Liabilities                       | 20,870         | 19,079         | 21,146         |
| <b>Net Debt</b>                         | <b>26,137</b>  | <b>25,058</b>  | <b>23,873</b>  |
| <b>Equity</b>                           | <b>(5,711)</b> | <b>(1,721)</b> | <b>2,398</b>   |

# Franchised Regions



Cooks has 26 cafes operated by its Master Franchise partners in 7 countries. The strategy is to support the existing Master Franchise partners as they build their networks.

**Saudi Arabia** has 12 cafes and has opened in a prestigious location in the new airport terminal at the Jeddah Airport (pictured).

**Kuwait** 3 cafes

**Bahrain** 5 cafes

**Jordan** 1 cafe in Amman.

**Pakistan** 3 cafes in Pakistan, based in Karachi.

**Portugal** 1 cafe in Porto

**Indonesia** 1 cafe



Official opening day at Jeddah Airport

# Board



**Keith Jackson**  
*Executive  
Chairman*

Keith has an extensive background in management and governance with particular emphasis on the food and dairy industries. In 2008 he founded Cooks via a merger of four companies.



**Mike Hutcheson**  
*Independent Director*

Mike co-founded leading NZ advertising agencies Colenso BBDO, Hutcheson Knowles Marinkovich and was MD of Saatchi and Saatchi. He is an author and award winning columnist and a member of the Marketing Hall of Fame.



**Michael Ambrose**  
*Independent Director*

Michael is an experienced Company Director with a broad range of governance, financial, strategic & IPO skills. He is also the Chairman and independent Director of a number of companies in the food, finance, hospitality and retirement sectors.



**Paul Elliott**  
*Independent Director*

Paul Elliott has extensive experience as CEO and CFO of major corporates. He has served as a director of both publicly-listed and privately held companies. He continues to provide corporates and high-net-worth individuals as a partner in Time Capital.



**Peihuan Wang**  
*Director*

Peihuan Wang is the Chairman and General Manager of Shandong Jiajiayue Investment Holdings Co. Ltd, owners of 20% of CCC. Mr Wang has received a number of awards in China – including ‘Person of the Year - Chinese Retail Industry’.

# Management Team



**Craig Brown**  
*Chief Financial Officer*

Craig has extensive experience in senior financial roles providing targeted support to owners and managers to help facilitate business improvement, change or transformation. Craig has experience in senior commercial leadership roles encompassing audit, project financial and general management working with a wide range of enterprises.



**Aiden Keegan**  
*Managing Director,  
Esquires, Great Britain*

Aiden has more than 20 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 14 years and was Operations Manager in Ireland before taking up his current role.



**Tony McVerry**  
*Managing Director,  
Esquires, Ireland*

Tony is the former master franchise holder in Ireland. He grew the Irish **Esquires Coffee** franchise business from a standing start in 2000 to a total of five stores before selling the master franchise to Cooks Coffee Company in 2013. Prior to that Tony had a long career in banking. Starting with the Bank of Ireland in 1972, he then moved to First Active Bank in a variety of senior roles.



**David Hodgetts**  
*Managing Director –  
Triple Two Coffee*

David is the co-Founder of **Triple Two Coffee**, which was started in 2015. He has been responsible for building the business to where it is today regarded as one of the fastest-growing café brands in the UK. **Triple Two** was recognised by IGD in 2021 as one of the “rising stars” of the UK Coffee Industry.

# Contact Us



**VSA Capital London**  
Park House, 16-18 Finsbury Circus  
London, EC2M 7EB  
United Kingdom

**t** +44 (0)20 3005 5000  
**e** [mail@vsacapital.com](mailto:mail@vsacapital.com)

*Disclaimer: In order to participate in the fundraising of the Company via your broker or VSA Capital you will need to be a Qualified Investor in accordance with the FCA Rules.*



**ESQUIRES**  
THE ORGANIC COFFEE CO.

**TRIPLE TWO**  
REAL FOOD, AWESOME COFFEE



## Disclaimer

This Teaser is being issued by **Cooks Coffee Company** Limited (the "Company") for information purposes only. No reliance may be placed for any purpose whatsoever on the information contained and the completeness or accuracy of such information.

No representation or warranty, express or implied, is given by or on behalf of the Company, VSA Capital Limited or their respective shareholders, directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in the document, and no liability is accepted for any such information or opinions (including in the case of negligence, but excluding any liability for fraud).

This document has not been approved by a person authorised under the Financial Services and Markets Act 2000 ("FSMA") for the purposes of section 21 FSMA. In the United Kingdom, this document is exempt from the general restriction in section 21 of the FSMA on

the communication of invitations or inducements to engage in investment activity pursuant to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order") on the grounds that it is directed only at the following, being persons who the Company reasonably believes to be: a) persons having professional experience relating to investments (being "Investment Professionals" within the meaning of article 19(5) of the Financial Promotion Order), b) persons who fall within article 49 of the Financial Promotion Order (high net worth companies, unincorporated associations or partnerships or the trustees of high value trusts) and any other persons who fall within other applicable exemptions under the Financial Promotions Order, or c) other persons who have professional experience in matters relating to investments and to whom this document may otherwise be lawfully communicated (all such persons together being referred to as "Relevant Persons"). Any investment or investment activity to which this document relates is available only to, and will be engaged in only with,

Relevant Persons. Any person who is not a Relevant Person should not rely upon or act upon this document.

The distribution of this document in certain non-UK jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any such distribution could result in a violation of the law of such jurisdictions. Neither this document nor any copy of it may, subject to certain exemptions, be taken or transmitted into Australia, Canada, Japan, South Africa, Singapore, or the US or distributed to these countries or to any national, citizen or resident thereof or any corporation, partnership or other entity created or organised under the laws thereof. If you are in any doubt as to what action you should take you are recommended to see your own financial advice immediately from your stockbroker, bank, solicitor, accountant or other independent financial adviser who is authorised under the Financial Services and Markets Act 2000.

**ESQUIRES**  
THE ORGANIC COFFEE CO.

**TRIPLE TWO**  
REAL FOOD, AWESOME COFFEE

**thank you**

**Contact Details:**  
[cookscoffee@investor-focus.co.uk](mailto:cookscoffee@investor-focus.co.uk)