

29 May 2025

Cooks Coffee Company Limited

("Cooks Coffee", the "Company" or the "Group")

Preliminary Results for the year ended 31 March 2025

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

Cooks Coffee Company (NZX:CCC; AQUIS:COOK), the international coffee focused café chain, is pleased to announce the Company's Preliminary Report for the financial year ended 31 March 2025 ("FY25").

Highlights

- Total franchisee store sales in UK & Ireland up 33% at NZ\$79.6m (FY24: NZ\$58.2m).
- Group revenue, which is highly correlated to store sales, up 49% at NZ\$7.0m (FY24: NZ\$4.7m). This includes NZ\$1.0m of sales through the Dairygold stores for the 3.5 months from mid-December 2024. Net Revenue excluding Dairygold store sales were NZ\$6.0m which was 28% up on FY24.
- EBITDA of NZ\$1.4m v NZ\$336k for FY24.
- UK store sales were up 38% 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\$19.9m), 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. As announced in December 2024, three cafes in Ireland are being operated by the Company which is a different model to the normal franchised store operations - the information below shows the impact on costs to provide a comparison with the prior year:
Cost of Goods for franchised businesses is \$78k v \$123 last year. For Dairygold the costs were \$98k with no comparable data.
Total costs for the year of \$5.5m include costs of \$1.1m that relate to the operations of the Dairygold stores and these costs include all costs of running the stores including labour. The net costs excluding Dairygold are \$4.4m compared to the last year amount of \$4.6m.
- The new banking arrangement with Bank of New Zealand (BNZ) will normalise the debt funding, reduce interest costs and has enabled the repayment of high cost second tier debt.
- Esquires Coffee Houses Ireland were awarded the Irish Enterprise Award for 2024 as the 'Best Modern Organic Coffee Shop Enterprise'.
- 89 Group sites in the UK and Ireland as at 31 March 2025, up from 73 as at 1 April 2024. and currently 93 stores as at 27 May in the network in UK & Ireland.

Aiden Keegan, CEO of Cooks Coffee Company, said: “FY25 has marked a pivotal step forward for our business, we have not only delivered strong financial results but also outperformed the broader industry by a significant margin. These results reflect the strength of our franchise model, our focus on community-driven locations like market towns and suburban hubs, and our commitment to quality. The focus on market towns, housing developments and suburban locations has been an important contributor along with the focus on organic coffee products and an enhanced food offering with local sourcing where possible, delivered by local owners of the franchised stores. In addition, the award of the Dairygold café contract and our recognition as Ireland’s ‘Best Modern Organic Coffee Shop Enterprise’ are milestones that reinforce our strategic direction.

“With 93 stores open as at late May, we are well on track toward our goal of 300 stores by 2034. Coupled with our new banking arrangement with BNZ, which has reduced interest costs and strengthened our capital structure, we are entering the new financial year with strong momentum and confidence in our long-term growth strategy.”

Operational Business Performance

United Kingdom

Esquires Coffee UK store numbers increased to 71 on 31 March 2025, from 58 as at 31 March 2024, with 16 new Esquires stores opened and three closed.

Growth has continued strongly with new six stores being opened to date with the stores located in Hertford, Clifton (Nottingham), Maidenhead, Shirley, Leighton Buzzard & Crowthorne. Sales for the first eight weeks of the FY26 financial year are 30% ahead of the same period last year with like for like sales up 3.3%.

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. Like for like store sales were up 4.3% versus FY24. Sales for the first eight weeks of the FY26 financial year are 22% ahead of the same period last year with like-for-like sales up 4.3%.

Outlet numbers at the end of the year were 18, a growth of 20%, with the addition of three stores that are based in Dairygold Co-op Super stores. The stores are in Midleton and Carrigaline near Cork and Raheen in Limerick. A new store is due to open in Mallow, County Cork in the last week of May 2025.

Global

Cooks operating revenue in the global segment was down on the previous financial year as the Middle East markets restructured with the closure of three stores as the leases expired together with 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. Sales in Portugal were up 31.5% and Pakistan sales were up 11.3%.

Post period end, the Company signed a Master Franchise Agreement (“MFA”) to develop its business into the rapidly growing Indian market. Under the terms of the MFA, the Franchisee will be responsible for the establishment and operation of the business in India, with ongoing support from Cooks Coffee. This support will include providing systems, processes, and best practices related to the Esquires brand, enabling the Franchisee to maintain the high standards synonymous with the brand. This is a very exciting development with significant potential.

Joint Venture – Black Goo

Cooks and 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.

Balance Sheet

Total equity in the Company was NZ\$(2.9)m reflecting primarily to prior period non-cash write downs in the past. The comparison for last year was NZ\$(4.0)m.

People

Katherine Scott joined the company as the London based CFO in July 2024 and joined Board later in the year. 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 decisions to relocate much of the business to the UK where the major business activity is based.

Environmental, Social & Governance (ESG)

Cooks Coffee’s mission is to deliver exceptional coffee experiences while leading with purpose. The Boards believes that profitability and sustainability go hand in hand, and its commitment to ESG principles is central to everything it does - from sourcing to community engagement.

Building a Sustainable Brand

Fairness, integrity, and environmental responsibility are embedded in the Group’s culture. It prioritises 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, the Group is proud to be setting high standards in its industry.

Sustainability in Action

- **Eco-Friendly Production:** All coffee is organic and grown without harmful chemicals, in harmony with nature.
- **Sustainable Sourcing:** Cooks partners with the world’s first Carbon Neutral Gold Standard roastery.
- **Eco-Friendly Disposables:** the packaging is fully recyclable or compostable, including cutlery, cups, and takeaway materials.

- **Food Waste Reduction:** the 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

Cooks continue to strengthen its 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:** hosting regular events for the deaf community and partner with organisations to reduce isolation and improve wellbeing.
- **Mum’s 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

The Group is addressing climate change and social impact through:

- Designing energy-efficient and eco-conscious stores.
- Partnering with suppliers who share the sustainability vision.
- Implementing operational practices to reduce the Group’s carbon footprint.

Vision for the Future

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

Market Leadership with Responsibility

The Company addresses climate change by:

- Designing eco-friendly stores.
- Partnering with like-minded suppliers.
- Reducing its carbon footprint through energy-efficient practices.

Outlook

The FY26 financial year has begun strongly with six new stores opened in the UK in the first eight weeks of the year.

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 the Group’s strong market position and the effectiveness of its customer engagement strategies.

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 long with their staff, supported by Regional Developers in the UK and the Company's great teams in both markets.

With 93 stores open as at late May, the Group is well on track toward its goal of 300 stores by 2034. Coupled with a new banking arrangement with BNZ, which has reduced interest costs and strengthened the capital structure, the Group is entering the new financial year with strong momentum and confidence in its long-term growth strategy,

The FY25 unaudited financial statements are appended to this announcement.

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