



NZAX RELEASE

30 September 2015

Cooks Global Foods signs Agreements for \$9 million equity injection

Cooks Global Foods Limited (CGF) today confirms, following its announcement of 13 August 2015, that it has entered a formal, conditional agreement to secure the \$4.5 million equity commitment from China's Jiajiayue Group Co. Ltd (JJY).

CGF can also confirm that it has entered a conditional agreement to secure a further \$4.5 million in new equity from a consortium of strategic investors that is headed up by Executive Chairman Mr. Keith Jackson. The consortium will invest through a special purpose vehicle that has been incorporated in New Zealand, Cooks Investment Holdings Limited (CIH).

The new capital totalling \$9 million will underpin the long-term future of the business.

CIH is a group of strategic investors who include Mr Jackson, a number of franchisee managers and members of the CGF senior management team. Included in the strategic investors is Yunnan Metropolitan Construction and Investment Company (YMCI), an already 15.75% shareholder in CGF who have agreed to join CIH and are in the process of formalising this commitment. YMCI is a company with a capital value in excess of US\$800 million and has subsidiaries listed on the Shanghai Stock Exchange.

As part of the transaction, JJY and CIH will together also acquire an existing 40.3% stake in CGF from DSL Management, an entity controlled by Stuart Deeks and Lewis Deeks, for \$0.05 cents per share. CGF has entered a share sale agreement with DSL Management where it has agreed to procure this sale.

The transactions are subject to conditions as are further described below, including non-associated shareholder approval under the Takeovers Code and the listing rules.

CGF Executive Chairman Keith Jackson said: "We are delighted to have secured offshore funding via our strategic partner JJY and the further investment from an already supportive shareholder, YMCI."

"We also welcome new investors to the company who have joined as part of the pre-market capital raising. Having key staff, franchisees and strategic partners as investors strongly aligns their interests with shareholders and thereby helps to ensure we can realise our vision of being the world's largest Organic and Fairtrade Coffee retailer."

Terms of Agreements

Together, JJY and CIH have agreed to:

1. Subscribe for 70,312,500 new shares in CGF at \$0.128 per share, to a total value of \$9.0 million;
2. Acquire 136,348,909 existing shares from DSL Management at \$0.050, for a total value of \$6.8 million.

Once complete, JJY will hold 103,330,705 ordinary shares, 25.28% of the shares of CGF. Mr Jackson through existing holdings and CIH will control the largest shareholding in CGF, with a 34.96% stake.

JJY will be invited to nominate one director to the Board of CGF following the completion of the transaction. Similarly in light of YMCI's continued support of CGF, YMCI will be invited to nominate one director to the Board of CGF following the completion of the transaction.

Approvals Required

In addition, JJY's participation is conditional on the approval of a purchase of a New Zealand farm by the Overseas Investment Office (OIO). A decision from the OIO on the farm purchase is expected imminently. The farm purchase is not otherwise related to the CGF investment however, understandably, JJY is linking these together as comprising its total New Zealand investment.

JJY's agreement and YMCI's commitment to invest in CIH are both subject to the necessary Chinese Government approvals..

In order to comply with the Takeovers Code and NZAX Listing Rules, the transactions are subject to shareholder approval. CGF has already announced that the Directors intend to call a special meeting to be held in Auckland in late October 2015. At that special meeting shareholders will be asked to consider and if thought fit to pass resolutions approving the capital raising and share sale transactions outlined in this announcement. Further information outlining the terms for that special meeting will be released in due course. Shareholders will also receive an independent report on the transactions as required by the Takeovers Code.

Public offer

Associated with this transaction and as previously announced, CGF intends to launch a public offer for new shares, to raise up to an additional \$9 million to further accelerate the growth of the Esquires Coffee brand worldwide. Details of the planned public offer will be released to the market before it is launched and any such offer is subject to a final offer document being prepared and all necessary approvals being obtained.

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About Cooks Global Foods:

Cooks Global Foods operates in world markets and is listed on the NZAX market operated by NZX Limited in New Zealand under the code CGF. It owns the intellectual property and master franchising rights to Esquires Coffee Houses worldwide excluding New Zealand and Australia. CGF currently operates or franchises Esquires Coffee Houses in the United Kingdom, Ireland, the Middle East and China. Related businesses within the group include New Zealand-based supply companies Progressive Processors and Scarborough Fair, which supply product into both Esquires stores and other third party customers. See: www.cooksglobalfoods.com

About Jiajiayue Group Co. Ltd:

Founded in June 1981, Jiajiayue Group Co. Ltd (JJY) is wholly owned by Jiajiayue Investment Holding Co. Ltd as its core subsidiary company. JJY's main business focus is as a supermarket chain with integrated agriculture products processing; wholesaling and retailing; and logistics distributing services.

At the end of 2014, JJY employed almost 18,000 staff and owned more than 550 directly managed supermarkets in China, and aims to reach 1,000 supermarkets by the end of 2017. In 2013, JJY's sales reached more than CNY10.0 billion (NZ\$2.4 billion) with total capital assets of CNY5.7 billion (NZ\$1.4 billion).

It also owns over 1 million square metres of business land area. JJY's network reaches more than 40 cities and counties in Shandong with a comprehensive structure of farmers' markets, department stores, supermarkets and village stores.

The company's vision is "becoming the best Retail Company in China" and the company's mission is "creating value for society, customers and employees". Through regional intensity and a simultaneous multi-business format developing strategy, JJY is able to strengthen its logistics chain in fresh and grocery goods distribution while also gaining scale advantages and obtaining the leading industry position in the Shandong retail market.

Online shopping website (Online supermarket) <http://www.jiajiayue.com/index.htm>