



Media release

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### **Cooks concludes Indonesia deal**

[Cooks Global Foods](#) (NZX:CGF) has successfully signed the contract for an Esquires Coffee master franchise in the burgeoning Indonesian coffee market.

The formal agreement has been signed in Jakarta in a ceremony attended by New Zealand Trade Commissioner, Tim Anderson.

The master franchise deal will see 40 Esquires Coffee Houses open in the republic over 10 years. The first four are expected to be up and running in Jakarta (population of around 10.2 million) within 12 months.

Cooks executive director Stuart Deeks says the Indonesian deal had taken many months to conclude.

“We finalised terms last month but the entire agreement was subject to approval of Esquires as a franchisor by the Indonesian Ministry of Trade. That condition has now been satisfied and we are on our way.”

Deeks says Starbucks, Coffee Bean & Tea Leaf and Gloria Jean’s have created a burgeoning new industry in Indonesia. “However, the Indonesian market presents an exciting opportunity for a new, clearly differentiated brand such as Esquires, which has an organic and fair trade focus.

“We are entering the market while the coffee shop industry is still in its infancy. We have done a lot of work in the Middle East to ensure all our products have the proper Halal certifications and this will ensure we hit the ground running in Indonesia,” he says.

The master franchisee is PT Pangan Asri Indah. The investors behind this entity are the Purwantono family including Mr Hari Purwantono, Managing Partner of Ernst & Young for Indonesia and a Commissioner of the Jakarta Stock Exchange. The business will be operated by Mr Purwantono’s son, Mr Adi Prabowo.

Deeks says the new master franchisee visited China to see the Esquires operation there as part of the due diligence process and were impressed by all aspects of the operations. Of particular interest was the customisation of the food offering to suit Asian tastes and how this was dealt with in store.

According to a [January 2014 article](#) on the McKinsey & Company website, Indonesia has had one of the most consistent growth rates among global economies during the past 10 years with annual GDP growth averaging almost six percent. It is also the world's 16th largest economy with GDP at US\$878 billion.

"Indonesia is expected to account for nearly 40 percent of ASEAN growth by 2030," the McKinsey report says. "The country is rapidly urbanizing, fuelling a rise in incomes and the ability for consumers to increasingly spend on discretionary items."

Cooks' New Zealand subsidiary Design Environments will design all the stores.

The signing comes hot on the heels of last week's conditional agreement for Cooks to acquire all of the shares of its Esquires China franchisee and the recent signing of a new master franchise agreement in Northern Cyprus.

About Cooks Global Foods:

[Cooks Global Foods](#) (NZX:CGF) owns the Esquires Coffee Houses brand and system in the Canada, United Kingdom and Ireland, where it also directly franchises stores, and the Middle East and China where stores are franchised through master franchise holders.

**Issued for Cooks Global Foods by Pead PR**

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