



# INTERIM REPORT

FOR THE 6 MONTHS TO  
30 SEPTEMBER 2016

# HIGHLIGHTS

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**REVENUE RISES TO \$5.3 MILLION SUPPORTED BY THE FIRST FULLY-ADJUSTED SIX-MONTH CONTRIBUTION FROM ESQUIRES CHINA, GROWTH IN ESQUIRES STORE NUMBERS AND IMPROVING STORE PERFORMANCE.**

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**ESQUIRES COFFEE STORE NUMBERS RISE 15% TO 90 AND CONSTANT CURRENCY<sup>1</sup> ESQUIRES COFFEE NETWORK SALES INCREASE 13% TO \$20.4 MILLION**

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**CONTINUED ALIGNING STORE FORMATS WITH ESQUIRES' ORGANIC & FAIRTRADE BRAND VALUES AND INTEGRATING OFFSHORE BACK-OFFICE SYSTEMS WITHIN THE GROUP**

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**TARGETING THE ESQUIRES COFFEE NETWORK TO REACH 100 STORES AT THE END OF THE 2017 FINANCIAL YEAR AND 140 BY THE END OF THE 2018 FINANCIAL YEAR**

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**NET LOSS OF \$3.6 MILLION REFLECTS CONTINUING INVESTMENT IN THE INFRASTRUCTURE AND SYSTEMS TO SUPPORT GROWTH AND A LARGER COST BASE FOLLOWING THE ACQUISITION OF THE CHINESE BUSINESS**

<sup>1</sup>To remove foreign exchange fluctuations, current and prior period sales and transaction values are calculated using a moving average exchange rate for the 12 months to 30 September 2016. As a result, the operating metrics above are not directly comparable with the 1Q 2017 metrics as disclosed to the NZX on 22 August 2016, which use a moving average exchange rate for the 12 Months to 30 June 2016.

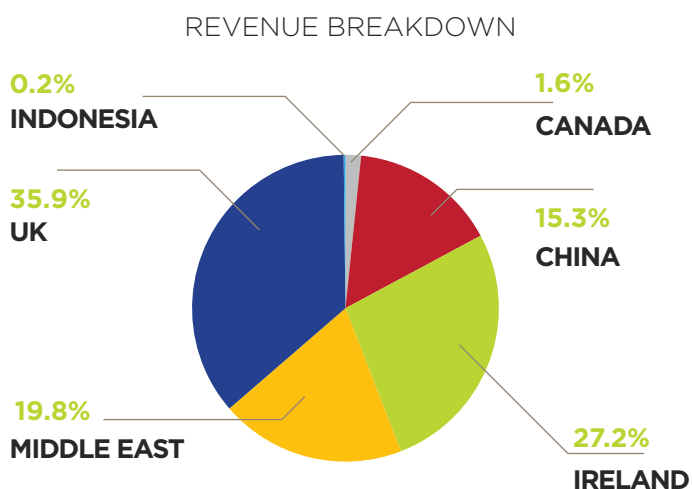
GROWTH IN THE GLOBAL ESQUIRES COFFEE NETWORK  
CONTINUES AS THE GROUP PUTS IN PLACE THE  
INFRASTRUCTURE THAT WILL FACILITATE ITS ASPIRATIONS  
FOR BRANDED COFFEE OUTLETS AROUND THE WORLD.

Over the last six months Cooks has continued to focus on aligning store formats in China and the UK in line with Esquires' Organic & Fairtrade brand values as well as integrating global back-office systems.

As disclosed in October, over the period the Esquires Coffee international network grew constant currency sales 13.0% to \$20.4 million, up from \$18.0 million in the same period of the prior year. Esquires' constant currency sales are a leading indicator of the revenue Cooks generates from recurring revenues.

The growth reflected a 15% uplift in stores to 90 stores from 78 at the same time a year ago and a resilient same-store sales performance.

Meanwhile, revenue was also bolstered by the first fully-adjusted six-month contribution to the group by Esquires China, which was acquired by Cooks in 2015.



However, these gains were diluted by a sharp appreciation in the New Zealand dollar and a weaker performance at our Progressive Processors subsidiary. Additionally, the result was impacted by accounting adjustments reflecting the integration of global back office systems.

Revenue for the six months to 30 September 2016 rose to \$5.3 million from \$4.5 million at the end of the same period in the prior year.

Net losses after tax increased to \$3.6 million from \$1.6 million in the same period a year ago.

The movement reflected: a foreign exchange loss of \$0.5 million (against a significant gain in the prior period); continuing investment in Cook's infrastructure; the company's larger cost base following its acquisition of the Chinese business and accounting adjustments as the Chinese operations adopted New Zealand accounting standards.

**ESQUIRES COFFEE**

	30 Sep 2016	Opened	Closed	31 Mar 2016
China	25	3	4	26
UK	26	2	1	25
Ireland	11	2	0	9
Middle East	23	2	0	21
Canada	3	0	0	3
Indonesia	2	0	0	2
<b>TOTAL</b>	<b>90</b>	<b>9</b>	<b>5</b>	<b>86</b>

Since the end of March 2016, Esquires has opened nine new outlets, including two in Ireland, two in the United Kingdom, one in Kuwait, one in Saudi Arabia and three in China.

The store openings were offset, by the closure of five stores over the last six months including four in China and one in the UK. Cooks is always assessing the performance of its portfolio of stores, ensuring it is always optimised for changing tastes, customer demands and changes in local markets.

TOTAL NETWORK	30 SEPT 2016	30 SEPT 2015	VARIANCE
Esquires coffee store sales**	NZD\$20,359,252	NZD\$18,009,393	13%
Transactions	2,134,189	1,935,194	10.3%
Average transaction value**	NZD\$9.63	NZD\$9.42	2.2%

SAME STORE	30 SEPT 2016	30 SEPT 2015	VARIANCE
Esquires coffee store sales**	NZD\$15,949,675	NZD\$15,833,582	0.7%
Transactions	1,685,898	1,734,785	-2.8%
Average transaction value**	NZD\$9.46	NZD\$9.13	3.7%

\*Includes contribution of three Canadian stores from July 2015  
 \*\*Constant currency figures use the conversion rate in the prior year as used in the current year to remove foreign exchange fluctuations.

In addition to growth in constant currency sales, the Esquires network is benefiting from the ongoing realignment of stores towards Esquires' Global Organic & Fairtrade branding and a focus on extending the range of food and beverage choices.

In the UK, sales from 12 rebranded stores have grown by 9% on a constant currency basis over the prior year. Meanwhile, the network has seen an increase in constant currency average transaction values to \$9.46 from \$9.13 a year ago.

The improvements in these operating metrics indicate the potential of the Esquires brand in global markets. Ireland, which grew constant currency sales by 35% over the same period a year ago and same store sales by 18%, remains the standout territory for the Esquires network. Its strong food and beverage offering is providing a model for Esquires globally.

In addition to the potential from extending the Esquires network, we see opportunity to accelerate growth in the existing network.

The recent mutual recognition by the Chinese and New Zealand governments of organic food certification labels, the first such mutual recognition agreement China has signed with another country, represents a significant step for the business.

It will further allow the Esquires Coffee brand to differentiate itself in the China market, which offers the strongest growth prospects across our worldwide portfolio.

## OTHER OPERATING SUBSIDIARIES

### PROGRESSIVE PROCESSORS LTD

Progressive Processors has faced a challenging six months as it has been seeking to broaden its base of customers.



Scarborough Fair continues to deliver a stable performance and it is working on additional revenue generating initiatives for the new financial year.



Design Environments continues to be heavily committed to the pipeline of Esquires stores under development. However, it continues to secure work with external clients as well. Most recently it completed the design for the highly-acclaimed Auckland Rugby League Hall of Fame.



Crux Products, which was set up to export agricultural products to China, is making good progress. It expects to focus initially on the export of wine, water and meat. It has made its first shipment and will make a modest contribution to the group this financial year.

## BALANCE SHEET AND FUNDING

Gearing, (net interest-bearing debt to net interest-bearing debt and equity) rose to 48%, while at the end of the half year we had just under \$1 million of cash on hand. In November the company launched an offer to raise \$6 million with the issue of Redeemable Convertible Notes (RCN) to wholesale and Eligible investors.

The capital will be used to fund growth in the Esquires network, primarily in China and provide Cooks with working capital. The RCNs will pay a 9% per annum coupon for a term of three years and are redeemable for cash or convert into ordinary shares.

We are currently in advanced discussions with our key Chinese shareholders JiaJiaYue Holding Group Limited (JJY; formerly known as Shandong Jiajiayue Investment Holding Co. Limited) and YunNan Metropolitan Construction Investment Group. Ltd (YMCI) to secure their support for a new equity raising by Cooks. We believe that we are close to securing agreement for this and will update the market in due course.

## OUTLOOK

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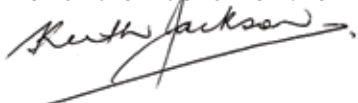
Cooks Global Foods has made a good start to the 2017 financial year. Restructuring to focus the branded coffee business on Esquires' Organic & Fairtrade brand values is drawing to a close and this will allow us to focus fully on the programme of new stores.

We continue to be excited about the performance improvements we are seeing from the new Esquires store formats and the pipeline of opportunities we see emerging around the world.

We expect our store network to extend to 100 stores by the end of March 2017 and then add a further 40 stores over the 2018 financial year.

Cooks has a strong brand, a highly-capable team, a network of committed franchisees, regional partners and shareholders. We are looking to the remainder of the financial year with confidence.

For and on behalf of the Board of Directors



Keith Jackson  
Chairman  
Cooks Global Foods Limited

**COOKS GLOBAL FOODS LIMITED**  
**UNAUDITED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

	<b>Unaudited 6 months ended 30 September 2016 \$'000</b>	Unaudited 6 months ended 30 September 2015 \$'000	Audited 12 months ended 31 March 2016 \$'000
Revenue	5,255	4,513	12,436
Other income	235	7	318
Cost of inventories sold	(1,836)	(1,334)	(4,443)
Depreciation and amortisation	(471)	(326)	(417)
Impairment of intangible assets	-	(43)	(501)
Property related costs	(1,361)	(262)	(543)
Employee costs	(2,958)	(2,609)	(5,747)
Other expenses	(2,465)	(1,357)	(8,506)
<b>Operating loss</b>	<b>(3,601)</b>	<b>(1,411)</b>	<b>(7,403)</b>
Finance costs	(204)	(149)	(510)
<b>Loss before income tax</b>	<b>(3,805)</b>	<b>(1,560)</b>	<b>(7,913)</b>
Income tax expense	-	-	(29)
<b>Loss for the year</b>	<b>(3,805)</b>	<b>(1,560)</b>	<b>(7,942)</b>
<b>Loss attributable to:</b>			
- Shareholders of the parent	(3,632)	(1,560)	(7,877)
- Non-controlling interest	(173)	-	(65)
	<b>(3,805)</b>	<b>(1,560)</b>	<b>(7,942)</b>
<b>Other comprehensive income</b>			
<b>Items that may be subsequently reclassified to profit or loss</b>			
Change in foreign currency translation reserve	1,933	363	(16)
Other comprehensive income after tax	1,933	363	(16)
<b>Total comprehensive loss for the year</b>	<b>(1,872)</b>	<b>(1,197)</b>	<b>(7,958)</b>
<b>Attributable to:</b>			
- Shareholders of the parent	(1,699)	(1,197)	(7,893)
- Non-controlling interest	(173)	-	(65)
	<b>(1,872)</b>	<b>(1,197)</b>	<b>(7,958)</b>
<b>Loss per share:</b>			
Basic loss per share (New Zealand Cents):	<b>(0.92)</b>	(0.46)	(2.25)
Diluted loss per share (New Zealand Cents):	<b>(0.92)</b>	(0.46)	(2.25)

**COOKS GLOBAL FOODS LIMITED**  
**UNAUDITED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

	Attributable to Equity holders of the Company				Non-controlling interest	
	Share Capital \$'000	Foreign currency translation reserve \$'000	Accumulated Losses \$'000	Total \$'000	\$'000	Total Equity \$'000
<b>Balance at 1 April 2015</b>	27,536	11	(19,152)	8,395	-	8,395
<b>Comprehensive loss for the period</b>						
Loss for the period	-	-	(1,560)	(1,560)	-	(1,560)
<b>Other comprehensive income</b>						
<b>Items that may be subsequently reclassified to profit or loss:</b>						
Change in foreign currency translation reserve	-	363	-	363	-	363
<b>Total comprehensive income/(loss) for the period</b>	-	363	(1,560)	(1,197)	-	(1,197)
<b>Transactions with owners of the Company</b>						
<b>Total contributions by owners of the Company</b>	-	-	-	-	-	-
<b>Balance at 30 September 2015</b>	27,536	374	(20,712)	7,198	-	7,198
<b>Balance at 1 April 2015</b>	27,536	11	(19,152)	8,395	-	8,395
<b>Comprehensive loss for the year</b>						
Loss for the year	-	-	(7,877)	(7,877)	(65)	(7,942)
<b>Other comprehensive income</b>						
<b>Items that may be subsequently reclassified to profit or loss:</b>						
Change in foreign currency translation reserve	-	(16)	-	(16)	-	(16)
<b>Total comprehensive income/(loss) for the year</b>	-	(16)	(7,877)	(7,893)	(65)	(7,958)
<b>Transactions with owners of the Company</b>						
Issue of ordinary shares	9,512	-	-	9,512	-	9,512
Share issue expenses	(676)	-	-	(676)	-	(676)
<b>Total contributions by owners of the Company</b>	8,836	-	-	8,836	-	8,836
Non-controlling interest arising on business formation	-	-	-	-	374	374
<b>Balance at 31 March 2016</b>	36,372	(5)	(27,029)	9,338	309	9,647
<b>Balance at 1 April 2016</b>	36,372	(5)	(27,029)	9,338	309	9,647
<b>Comprehensive loss for the period</b>						
Loss for the period	-	-	(3,632)	(3,632)	(173)	(3,805)
<b>Other comprehensive income</b>						
<b>Items that may be subsequently reclassified to profit or loss:</b>						
Change in foreign currency translation reserve	-	1,933	-	1,933	-	1,933
<b>Total comprehensive income/(loss) for the period</b>	-	1,933	(3,632)	(1,699)	(173)	(1,872)
<b>Transactions with owners of the Company</b>						
<b>Total contributions by owners of the Company</b>	-	-	-	-	-	-
Non-controlling interest arising on business formation	-	-	-	-	-	-
<b>Balance at 30 September 2016</b>	36,372	1,928	(30,661)	7,640	136	7,776

**COOKS GLOBAL FOODS LIMITED**  
**UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2016**

	<b>Unaudited 6 months ended 30 September 2016 \$'000</b>	Unaudited 6 months ended 30 September 2015 \$'000	Audited 12 months ended 31 March 2016 \$'000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	978	1,372	1,032
Trade and other receivables	4,114	3,439	4,635
Inventories	885	891	828
Other current assets	5,488	2,742	3,302
Current tax assets	47	-	4
<b>Current Assets</b>	<b>11,512</b>	<b>8,444</b>	<b>9,801</b>
<b>Non-Current Assets</b>			
Intangible assets	9,513	10,402	9,575
Property, plant and equipment	1,294	1,034	1,476
Deferred tax assets	(20)	-	(29)
Other non-current financial assets	-	-	129
<b>Non-Current Assets</b>	<b>10,787</b>	<b>11,436</b>	<b>11,151</b>
<b>Total Assets</b>	<b>22,299</b>	<b>19,880</b>	<b>20,952</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5,464	4,543	6,042
Bank overdraft	1,592	1,814	1,807
Current tax liabilities	-	-	16
Borrowings and other liabilities	2,279	6,325	2,178
<b>Current Liabilities</b>	<b>9,335</b>	<b>12,682</b>	<b>10,043</b>
<b>Non-Current Liabilities</b>			
Borrowings and other liabilities	5,188	-	1,262
<b>Non-Current Liabilities</b>	<b>5,188</b>	<b>-</b>	<b>1,262</b>
<b>Total Liabilities</b>	<b>14,523</b>	<b>12,682</b>	<b>11,305</b>
<b>Net Assets</b>	<b>7,776</b>	<b>7,198</b>	<b>9,647</b>
<b>Equity</b>			
Share capital	36,372	27,536	36,372
Accumulated losses	(30,661)	(20,712)	(27,029)
Foreign currency translation reserve	1,928	374	(5)
<b>Equity attributable to owners of the parent</b>	<b>7,640</b>	<b>7,198</b>	<b>9,338</b>
Non-controlling interests	136	-	309
<b>Total Equity</b>	<b>7,776</b>	<b>7,198</b>	<b>9,647</b>
<b>Net tangible assets per share (cents)</b>	<b>(0.42)</b>	<b>0.02</b>	<b>(0.95)</b>

The attached notes form part of, and are to be read in conjunction with these financial statements.



**COOKS GLOBAL FOODS LIMITED**  
**UNAUDITED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

	<b>Unaudited 6 months ended 30 September 2016 \$'000</b>	Unaudited 6 months ended 30 September 2015 \$'000	Audited 12 months ended 31 March 2016 \$'000
<b>Operating activities</b>			
<i>Cash was provided from:</i>			
Receipts from customers	5,256	4,160	12,421
<i>Cash was applied to:</i>			
Interest cost	(204)	(149)	(237)
Payments to suppliers & employees	(7,666)	(5,376)	(18,315)
<b>Net cash applied to operating activities</b>	<b>(2,614)</b>	<b>(1,365)</b>	<b>(6,131)</b>
<b>Investing activities</b>			
<i>Cash was provided from:</i>			
Sale of Assets classified as held-for-sale	-	-	305
<i>Cash was applied to:</i>			
Purchase of property, plant and equipment	(12)	(195)	(291)
Acquisition of subsidiaries or investment in joint ventures	(68)	-	(605)
<b>Net cash applied to investing activities</b>	<b>(80)</b>	<b>(195)</b>	<b>(591)</b>
<b>Financing activities</b>			
<i>Cash was provided from:</i>			
Proceeds from borrowings	2,855	-	484
Proceeds from share issue	-	-	3,473
<i>Cash was applied to:</i>			
Repayment of loans	-	(2,394)	(1,522)
<b>Net cash provided from financing activities</b>	<b>2,855</b>	<b>(2,394)</b>	<b>2,435</b>
<b>Net decrease in cash and cash equivalents held</b>	<b>161</b>	<b>(3,954)</b>	<b>(4,287)</b>
Cash & cash equivalents at beginning of the year	(775)	3,512	3,512
<b>Cash &amp; cash equivalents at end of the period</b>	<b>(614)</b>	<b>(442)</b>	<b>(775)</b>
<b>Composition of cash and cash equivalents:</b>			
Bank balances	978	1,372	1,032
Overdraft balances	(1,592)	(1,814)	(1,807)
	<b>(614)</b>	<b>(442)</b>	<b>(775)</b>

**COOKS GLOBAL FOODS LIMITED**  
**UNAUDITED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

The following is a reconciliation between loss after taxation for the period shown in the statement of comprehensive income and net cash flows from operating activities.

	<b>6 months</b> <b>30 September</b> <b>2016</b> <b>\$'000</b>	6 months 30 September 2015 \$'000	12 months 31 March 2016 \$'000
<b>Loss after tax</b>	<b>(3,805)</b>	(1,560)	(7,942)
<b>Add non-cash items:</b>			
Depreciation and amortisation	<b>471</b>	326	417
Share based payments	-	-	748
Provision for doubtful debt	-	-	188
Impairment of intangible assets	-	43	501
Warranty recoveries	-	-	(222)
<b>Add/(Less) movements in working capital:</b>			
Inventories	<b>(57)</b>	122	185
Trade and other receivables	<b>468</b>	(1,897)	(58)
Other short-term assets	<b>(646)</b>	26	(1,110)
Trade and other payables	<b>(578)</b>	1,593	1,400
Other liabilities	<b>1,533</b>	(18)	(238)
<b>Net cash flow applied to operating activities</b>	<b>(2,614)</b>	(1,365)	(6,131)

**COOKS GLOBAL FOODS LIMITED**  
**UNAUDITED SEGMENT INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

Management currently identifies the Groups products and service lines in various geographical locations as its operating segments.

The Esquires franchising & retail segment, receives two main income streams: Retail Sales from owned stores (UK, Ireland and China) and Royalties from and Product Sales to Franchisees (UK, Ireland, Middle East and China). The supply segment represents the supply of tea/coffee/beverages and fresh produce.

Segment information for the reporting period is as follows:

<b>30 September 2016</b>	<b>Global franchising &amp; design</b>	<b>UK franchising &amp; retail</b>	<b>Ireland franchising &amp; retail</b>	<b>China franchising &amp; retail</b>	<b>Canada franchising &amp; retail</b>	<b>Supply</b>	<b>Corporate</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Global operational splits</b>								
Revenue	679	1,265	359	2,493	13	446	-	5,255
Other income	-	6	72	157	-	-	-	235
Cost of inventories sold	(293)	(92)	(3)	(1,017)	-	(431)	-	(1,836)
Depreciation and amortisation	(15)	(45)	(16)	(350)	-	(38)	(7)	(471)
Other expenses	(838)	(1,026)	(308)	(3,073)	(57)	(451)	(1,031)	(6,784)
<b>Operating loss</b>	<b>(467)</b>	<b>108</b>	<b>104</b>	<b>(1,790)</b>	<b>(44)</b>	<b>(474)</b>	<b>(1,038)</b>	<b>(3,601)</b>
<b>Non-current assets</b>								
Intangible assets	107	1,015	514	5,897	20	478	1,482	9,513
Property, plant and equipment	100	67	13	596	-	488	30	1,294
<b>30 September 2015</b>								
	<b>Global franchising &amp; design</b>	<b>UK franchising &amp; retail</b>	<b>Ireland franchising &amp; retail</b>	<b>China franchising &amp; retail</b>	<b>Supply</b>	<b>Corporate</b>	<b>Total</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Global operational splits</b>								
Revenue	1,378	1,343	426	344	1,022	-	-	4,513
Cost of inventories sold	(309)	(172)	-	(134)	(719)	-	-	(1,334)
Depreciation and amortisation	(17)	(196)	-	(77)	(36)	-	-	(326)
Impairment of intangible assets	-	(28)	(15)	-	-	-	-	(43)
Other expenses	(489)	(1,364)	(331)	(439)	(407)	(1,191)	(1,191)	(4,221)
<b>Operating profit/(loss)</b>	<b>563</b>	<b>(417)</b>	<b>80</b>	<b>(306)</b>	<b>(140)</b>	<b>(1,191)</b>	<b>(1,191)</b>	<b>(1,411)</b>
<b>Non-current assets</b>								
Intangible assets	23	-	-	6,345	478	3,556	-	10,402
Property, plant and equipment	49	61	10	343	535	36	-	1,034
<b>31 March 2016</b>								
	<b>Global franchising &amp; design</b>	<b>UK franchising &amp; retail</b>	<b>Ireland franchising &amp; retail</b>	<b>China franchising &amp; retail</b>	<b>Supply</b>	<b>Corporate</b>	<b>Total</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Global operational splits</b>								
Revenue	3,150	1,773	594	4,894	2,025	-	-	12,436
Other income	-	16	-	14	285	3	-	318
Cost of inventories sold	(408)	(285)	-	(2,332)	(1,418)	-	-	(4,443)
Depreciation and amortisation	(17)	(90)	(31)	(124)	(139)	(16)	-	(417)
Impairment of intangible assets	-	-	-	-	(478)	(23)	-	(501)
Other expenses	(2,815)	(2,630)	(1,315)	(5,269)	(714)	(2,053)	-	(14,796)
<b>Operating loss</b>	<b>(90)</b>	<b>(1,216)</b>	<b>(752)</b>	<b>(2,817)</b>	<b>(439)</b>	<b>(2,089)</b>	<b>(2,089)</b>	<b>(7,403)</b>
<b>Non-current assets</b>								
Intangible assets	107	1,043	530	5,935	478	1,482	-	9,575
Property, plant and equipment	37	86	9	726	520	98	-	1,476

**COOKS GLOBAL FOODS LIMITED**  
**NOTES TO AND FORMING PART OF THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

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**1. GENERAL INFORMATION**

Cooks Global Foods Limited (“Company” or “Parent”), together with its subsidiaries (the “Group”) operate in the food and beverage industry.

The Company is a limited liability company incorporated and domiciled in New Zealand and is listed on the NZX Alternative Market board of the New Zealand stock exchange.

**STATUTORY BASE**

The Company is registered under the Companies Act 1993 and is a FMC reporting entity under part 7 of the Financial Markets Conduct Act 2013.

**REPORTING FRAMEWORK**

The unaudited interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (“IFRS”) and other applicable New Zealand Reporting Standards as appropriate for profit oriented entities. The financial statements comply with IFRS. These policies have been consistently applied to all periods presented, unless otherwise noted. These financial statements for the six months ended 30 September 2016 have been prepared in accordance with NZ IAS 34, Interim Financial Reporting and should be read in conjunction with the financial statements published in the Annual Report for the year ended 31 March 2016. They also comply with the International Accounting Standard 34 interim Financial Reporting (IAS 34).

**KEY ACCOUNTING POLICIES**

There have been no changes in accounting policies since the last Annual Report, for detailed accounting policies please refer to Note 3 in the 2016 Annual Report.

DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD  
 N/A

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES ENTERED INTO DURING THE PERIOD  
 N/A

**2. LOSS PER SHARE**

The calculation of basic loss per share was based on the weighted average number of ordinary shares on issue.

	<b>Group 30 September 2016</b>	Group 30 September 2015	Group 31 March 2016
Weighted average ordinary shares issued	<b>412,666,151</b>	338,353,651	353,012,555
Basic loss per share (cents)	<b>(0.92)</b>	(0.46)	(2.25)
Diluted loss per share (cents)	<b>(0.92)</b>	(0.46)	(2.25)

At 30 September 2016, there were no financial instruments that carried any shareholder dilution rights or characteristics (30 September 2015: \$nil, 31 March 2016: \$nil). Accordingly, basic and diluted earnings per share are identical in all accounting periods being reported on.

**COOKS GLOBAL FOODS LIMITED**  
**NOTES TO AND FORMING PART OF THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

**3. RELATED PARTY TRANSACTIONS**

The Group's related parties include the directors and senior management personnel of the Group and any associated parties as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Keith Jackson is a director of Cooks Investment Holdings Limited, Dairyland Products Limited, Jackson & Associates Limited and Tasman Capital Limited, and a trustee of Nikau Trust.

Andrew Kerslake and Graeme Lee are directors of ADG Investments Limited.

Mike Hutcheson is a director of Image Centre Limited, Light House Idea Company and Lighthouse Ventures Holdings Limited.

Peihuan Wang is a director of Jiajiayue Holding Group Limited.

Tony McVerry is a director of Esquires Coffee Houses Ireland Limited.

Shu Xin ("Ellen") Zhang is a director of Esquires Beijing Management Co. Limited.

**TRANSACTIONS WITH RELATED PARTIES**

The value of transactions with related parties during the periods were:

	<b>6 months</b> <b>30 September</b> <b>2016</b> <b>\$'000</b>	6 months 30 September 2015 \$'000	12 months 31 March 2016 \$'000
Cooks Investment Holdings Limited	<b>3,133</b>	-	3,133
Image Centre Holdings Limited	<b>3</b>	15	84
Jackson & Associates	<b>36</b>	21	217
Light House Ideas Company	-	-	57
The Nikau Trust	<b>750</b>	-	-
Jiajiayue Holding Group Limited	<b>1,000</b>	-	-

**BALANCES OUTSTANDING WITH RELATED PARTIES**

	<b>Unaudited</b> <b>6 months</b> <b>30 September</b> <b>2016</b> <b>\$'000</b>	Unaudited 6 months 30 September 2015 \$'000	Audited 12 months 31 March 2016 \$'000
Beijing Yunnan Building Hotel Co Ltd	<b>1,167</b>	-	1,167
Cooks Investment Holdings Limited	<b>3,133</b>	-	3,133
Image Centre Holdings Limited	<b>3</b>	-	-
Jackson & Associates	<b>40</b>	107	4
Light House Ideas Company	-	17	-
The Nikau Trust	<b>750</b>	-	-
Jiajiayue Holding Group Limited	<b>1,000</b>	-	-

**4. CAPITAL COMMITMENTS, CONTINGENT LIABILITIES**

There were no capital commitments as at 30 September 2016 (30 September 2015: \$nil, 31 March 2016: \$nil).

There were no changes in capital commitments, contingent liabilities and contingent assets that would require disclosure for the six months ended 30 September 2016 (30 September 2015: \$nil, 31 March 2016: \$nil).

**5. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the six month period ended 30 September 2016 that would require disclosure.

## DIRECTORY

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### Directors

Keith Jackson (Chairman)  
Peihuan Wang  
Hui Zhe  
Michael Hutcheson  
Andrew Kerlake

### Registered Office

Level 5, 3 City Road  
Grafton  
Auckland 1010

Telephone: 09 304 0567  
Email: keith.jackson@cooksglobalfoods.com  
Website: www.cooksglobalfoods.com

### Share Registrar

Link Market Services Limited  
PO Box 91976  
Auckland 1142  
New Zealand  
Phone: +64 9 375 5998

### Solicitor

Duncan Cotterill, Wellington

### Auditor

PricewaterhouseCoopers, Auckland

### Bankers

ANZ Bank, Auckland

### Company number

2089337

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### About Cooks Global Foods

Cooks Global Foods operates in world markets and is listed on the New Zealand Stock Exchange under the code CGF. It owns the intellectual property and master franchising rights to Esquires Coffee Houses worldwide excluding New Zealand and Australia. CGF's Esquires currently operates coffee houses in Canada, the United Kingdom and Ireland, the Middle East and China. Related businesses within the group include Design Environments that provides design services to the Esquires network and external parties and New Zealand-based supply companies Progressive Processors Ltd and Scarborough Fair Limited which supply product into both Esquires stores and other third party customers.

## Appendix 1 Release

9 December 2016



### Cooks Global Foods Limited

This document covers Cooks Global Food Limited's unaudited financial results for the six months ended 30 September 2015.

<b>(CGF) : Cooks Global Foods Limited</b>	
<b>Results for announcement to the market</b>	
Reporting Period	6 months to 30 September 2016
Previous Reporting Period	6 months to 30 September 2015

	<b>Amount (\$NZ'000)</b>	<b>Percentage change</b>
Revenue from continuing ordinary activities	\$5,255	16.4%
Loss from continuing activities after tax attributable to security holders	-\$3,632	-132.8%
Profit from discontinued activities after tax attributable to security holders	\$0	
Net loss attributable to security holders	-\$3,632	-132.8%

	<b>Amount per security</b>	<b>Imputed amount per security</b>
Interim Dividend		
No interim dividend has been declared for this reporting period.	\$0.0000	\$0.00000
CGF has no dividend reinvestment plan currently in operation.		

Record Date	N/A
Dividend Payment Date	N/A

	<b>30 September 2016</b>	<b>30 September 2015</b>
Earnings Per Share (Cents per share):	-0.92	-0.46
Net Tangible Assets Per Share (Cents per share):	-0.42	-0.95