



PRELIMINARY ANNOUNCEMENT



FOR THE
YEAR ENDED
31 MARCH 2016



COOKS GLOBAL FOODS INVESTS FOR GROWTH

NEW SHAREHOLDERS AND CAPITAL RAISING UNDERPIN GROWTH ASPIRATIONS;
UNDERLYING STRONG PERFORMANCE

KEY POINTS

Esquires Coffee store network³ annual sales increase 22% to \$39.1 million due to growth in store numbers and store performance improvements.

Esquires Coffee store network increases to 87 from 71 a year earlier, but short of 120 store target as Cooks Global Foods restructuring delays expansion. Same store sales, transaction values and transaction numbers all show improvements.

Cooks Global Foods Group sales rise 37.7% to \$12.3 million as Esquires network sales drive increases in royalties, coffee, product and other retail sales and master franchise and design fees.

EBITDAA¹ loss of \$4.1 million reflecting a full year of China operations and investment for growth in other territories.

Net losses after tax of \$7.1 million from \$6 million after one-off restructuring costs.

Operational performance for China improves 38% from prior year although only partially reported in FY15 due to acquisition completed during Q4 of FY15.

Rest of system improved from EBITDAA loss of \$2.4 million to \$1.5 million as scale increases.

Equity raising introduces new strategic investor with interests aligned with shareholders and new directors with perspectives particularly useful to assist growth in China

Confident of growth in the 2017 financial year as brand improvements and store growth lift financial performance.

Cooks Global Foods (NZX:CGF) today reports growing momentum in its business as the expansion of its Esquires Coffee house footprint and a refocusing of the global business on the core Organic & Fairtrade brand values delivers performance improvements.

Total revenue in the year to 31 March 2016 rose 37% to \$12.3 million from \$8.9 million in the prior year. A 22% increase in Esquires Coffee store network sales to \$39.1 million from \$32.1 million in the prior year delivered increases in royalties, coffee, product and other retail sales and design fees.

EBITDAA losses for the 2016 financial year increased on the prior year's loss of \$3 million. This result understates the company's achievements as the 2015 financial year included only three months from the Chinese master franchise², where the company is investing for growth. Excluding the \$2.6

million EBITDAA losses from China, group EBITDAA losses narrowed from \$2.4 million to \$1.5 million. Meanwhile, head-office costs were contained.

Esquires Coffee store numbers grew 21% to 87 at the end of the financial year from 71 at the same time a year ago. Store numbers fell short of the 120 store target Cooks Global Foods set out at the start of the year as management focussed on restructuring the business, including a capital raising and the exit from the business of two of the company's Directors and largest shareholders.

¹ Earnings or losses before interest, tax, depreciation, amortisation, foreign exchange gains and losses and abnormal items. EBITDAA is a non-GAAP measure of financial performance. It is reconciled to the GAAP measure of financial performance of net profit before tax on page 6 of this release.

² The Chinese master franchise was acquired in January 2015

³ All references to Esquires Coffee store network financial performance are expressed in constant currency terms, where the prior year's figures expressed in the currencies prevailing in the current financial year.



KEITH JACKSON

Executive Chairman

In line with our strategy, we are growing the Esquires Coffee brand in existing and strategically important markets and we are growing the supply chain to service this ever increasing store footprint. Progress is in line with our strategic plan.

The international Esquires Coffee brand³ is taking advantage of the third wave of evolution in café culture from international brands to artisan style independent coffee specialists. It has the authentic and artisanal New Zealand coffee experience at its heart, giving the company access to a highly attractive premium market around the world.

Over the last year the international Esquires Coffee network has delivered strong performance improvements with increases in sales, transactions and average transaction values. This performance confirms the Esquires brand resonates with customers and gives us great confidence in our growth aspirations

Net loss before tax increased 60.3% to \$71 million from \$4.4 million in the prior year. This difference reflected a number of one-off costs including restructuring costs of \$1.1 million associated with the exit of the Executive Directors and the company's largest shareholder, which included a share-based payment of \$512,000.

Meanwhile, the company also incurred \$0.1 million of costs associated with the equity capital raising completed at the start of this year, and \$0.2 million related to the earn-out arrangements from prior acquisitions.

Additionally, higher interest charges and \$0.7 million of non-cash items including share-based incentive payments contributed to the fall, but were partially

offset by a \$0.2 million foreign exchange gain. Depreciation charges decreased on the prior year with higher depreciation on the Chinese stores being more than offset by lower depreciation in the UK, where the company rebranded and then sold two stores to franchisees, with a resulting loss on disposal of the relevant fixed assets.

The current year audit is substantially complete and we do not expect any material change in these results apart from any further adjustments that may arise from the assessment of carrying value of intangible assets.

ESQUIRES COFFEE SUMMARY OPERATING METRICS*

Year to 31 March	2016	2015	Changes
Esquires Coffee network sales**	\$39.1 million	\$32.1 million	22%
Transactions**	3.9 million	3.4 million	17%
Average transaction value**	\$9.90	\$9.49	4%

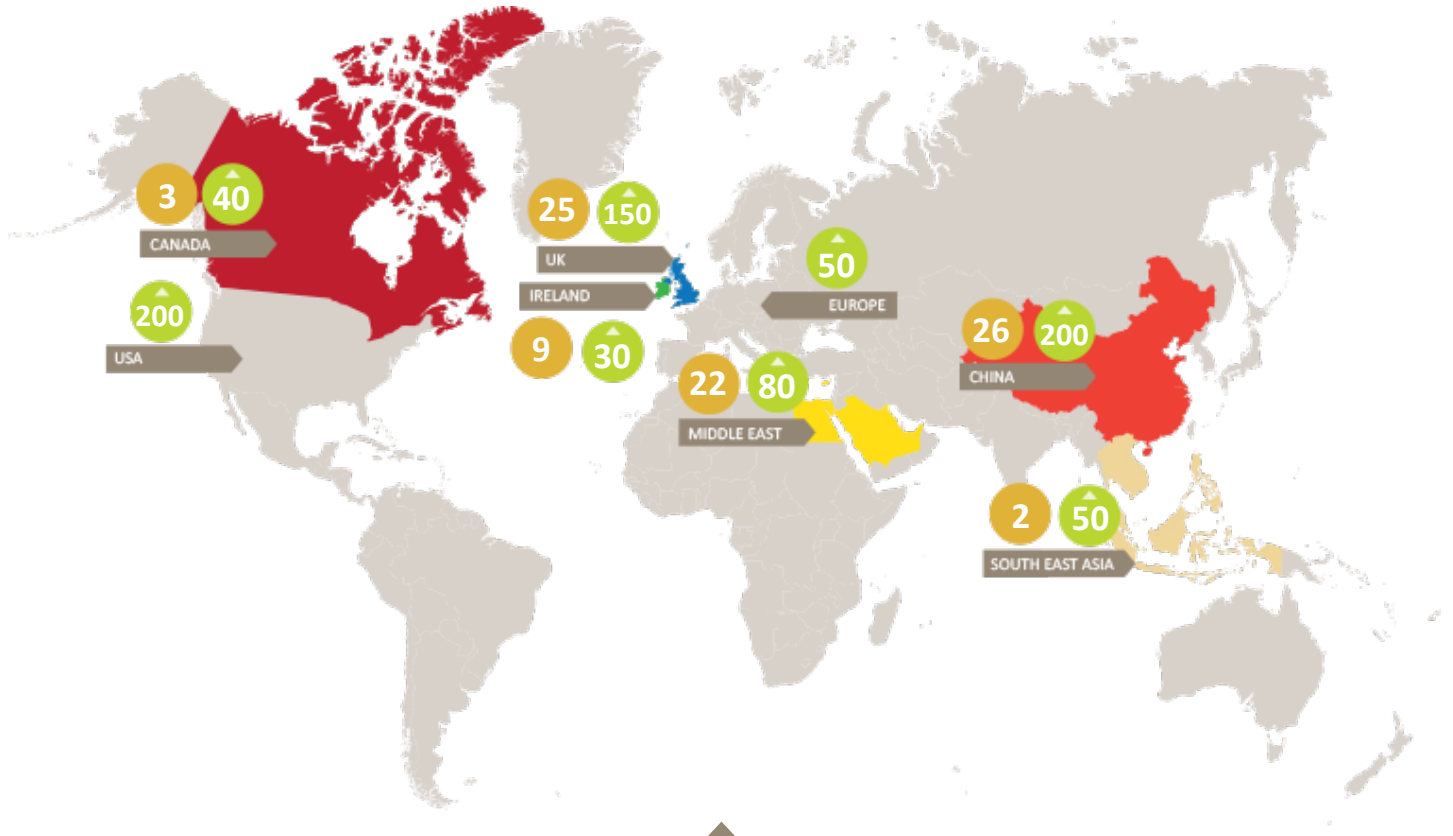
*Includes the contribution of three Canadian stores from July 2015.

Same store operating metrics	2016	2015	Changes
Esquires Coffee network sales**	\$28.1 million	\$27.7 million	1%
Transactions**	2.9 million	2.9 million	-
Average transaction value**	\$9.81	\$9.42	4%

**Constant currency.

³ Cooks Global Foods owns the intellectual property and master franchising rights to Esquires Coffee Houses worldwide excluding New Zealand and Australia.

ESQUIRES COFFEE STORE NUMBERS



Market year to 31 March	2016	Opened	Closed	2015	2021**
China***	26	9	4	21	200
UK***	25	1	-	24	150
Middle East	22	6	5	21	80
Southeast Asia	2	2	-	-	50
Ireland	9	4	-	5	30
Canada	3	3	-	-	40
USA	-	-	-	-	200
Europe	-	-	-	-	50
Total	87	25	9	71	800

** Target

*** Cooks Global Foods had full ownership of 13 stores in China and 2 stores in the UK at the period end.

“The Esquires Coffee store network has performed well over the last year. Total network sales grew by 22% to \$39.1 million from \$32.1 million in the prior year. Brand and operational improvements are resonating with customers and have lifted average transaction values across the network by 4% to \$9.90,” Mr Jackson said.

“Steps to better align older stores with the global brand are also delivering improvements to the existing network. Same store sales increased 1.5% due to an increase in same store average transaction values and we expect further improvement in the coming year as rebranded stores generate a greater share of network same store sales. Transaction volumes have declined marginally, in part reflecting the higher average transaction values.”



IRELAND

The standout region in the Esquires network is Ireland, where sales grew 59%, generating 22% of total store revenue in the 2016 financial year. Store numbers have grown to 9 from 5 a year earlier.

The Irish business offers a broader food service than the rest of the Esquires Coffee network, with most stores operating an on-site kitchen. This operating model is serving as a template for many parts of the Esquires Coffee network, particularly China. Indeed, due to their broader format, the Esquires Coffee stores in Ireland consistently deliver some of the highest store sales figures in the network.



CHINA

The company has also made progress in China, where sales grew 18% and store numbers grew to 26 from 21 a year earlier. The Chinese business generated around 16% of total revenue.

As part of the capital raising, Jiayue Group (JJY) - the company's joint venture partner in the Shandong province - has taken a 25% stake in Cooks Global Foods. Meanwhile, the Yunnan Metropolitan Construction Investment Group (YMCI), an existing substantial shareholder and major property developer owned by the Yunnan provincial government, increased its economic interest to 18.8% from 15.7%. Both companies have also appointed directors to the Cooks Global Foods Board.

These alliances, which complement Cook's joint venture with the Shenzhen-listed retail and property group BuBuGao (Better Life) Group (BBG) to develop Esquires Coffee houses in the Hunan Province, align the interests of strategic partners with shareholders.

The agreements further incentivise these organisations to accelerate growth in China, while their on-the-ground experience will be highly valuable on the Cooks Global Foods Board as the company develops its strategies both in China and further afield. Cooks Global Foods and JJY, for instance, have recently established a joint venture, Crux Products, to export New Zealand agricultural and other products to China.

The company is reviewing the structure and organisation of its Chinese business and the format of the stores in light of these new alliances and a desire to accelerate growth in this important market.



UNITED KINGDOM

Sales in the UK grew by 1.2% reflecting a rationalisation of the business to align the local brand and service offering with the global Organic, Fairtrade and sustainability brand values. At the end of the financial year, 12 stores had been rebranded, and we expect the rebranding process to be complete by early 2017.

Sales from the rebranded stores have been very encouraging, showing average 9% sales growth over the prior year compared to stores that are still to be rebranded, which showed no sales growth over the same period.

Operating losses narrowed in the business, which generates around 39% of total store sales, and the company is making good progress towards breakeven. The company is seeing strong demand from franchisees and has identified sufficient sites to open several new stores in the current financial year.

THE MIDDLE EAST

The Middle East business grew sales by 33% due to the opening of new stores in Saudi Arabia, Egypt, Dubai, Bahrain and Kuwait and improvements in store performance.

Kuwait was the fastest growing region internationally during 2015. Additionally the establishment of two stores at Jeddah Airport, Saudi Arabia, was extremely successful. The airport is the major gateway to Mecca for pilgrims and today these stores are the busiest in the global system. Cooks Global Foods also signed a master franchise for Jordan with the first store anticipated to open in late 2016 in the capital of Amman.

The Middle East, which generated 21% of sales in 2016, has a solid program of new store openings planned to continue to build the regional business. Cooks Global Foods is working with franchisees to align local branding with the global vision and values. It has installed new management to continue to grow the business and is also looking to improve logistical support for the region.

OTHER MARKETS

In Indonesia two stores have been opened and will start to contribute to the group this financial year. Progress has not been as fast as the company would have hoped, but the company is confident growth will accelerate in the coming year. Meanwhile, three stores in Alberta, Canada joined the Esquires network during the year.

SUPPLY BUSINESSES

Scarborough Fair and Progressive Processors, respectively a supplier of Organic and Fairtrade coffee and tea and a manufacturer of value-added horticulture products delivered results largely in line with the prior year. Both will grow their contribution to the Cooks Global Foods business as the Esquires network grows.

BALANCE SHEET

Gearing (net debt to net debt and equity) declined to 19%, reflecting the issue of \$9 million in new equity and the repayment of debt including a loan from one of the company's major shareholders YMCI. As at year end, the company's cash position was \$4 million down from the prior year's \$4.7 million, while debt declined to \$1.7 million from \$4.6 million (excluding the group's bank overdraft).

"We continue to enjoy a strong relationship with the group's strategic investors and continue to explore a range of options to fund the significant opportunities we see for the Esquires Coffee brand," Mr Jackson said.

OUTLOOK

"Cooks Global Foods is working hard to achieve its global growth plans. Although the restructuring during the last financial year has meant that we have not grown as fast as we would have hoped, we are encouraged by the improvements we have seen in group performance and now have a strengthened shareholder register and a Board and management that are fully aligned with the future direction and plans," Mr Jackson said.

"Cooks Global Foods continues to target 800 stores by March 2021. We do not expect this growth to occur smoothly, with the achievement of this target dependent on the continued development of the existing operations and the growth of strategically important new markets such as the USA where we see a huge potential.

"Within the current network a major focus will be in China where the potential is enormous and we already have a strong base together with an excellent network of business partners with whom we will work closely to deliver the potential of the market.

"We are confident we have in place the right structure to achieve this goal and we are looking ahead to the remainder of the financial year with confidence."

FOR FURTHER INFORMATION:

INVESTORS

Keith Jackson
Executive Chairman
Tel: +64 21 702 509

MEDIA

Richard Inder
The Project
Tel: +64 21 645 643



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. Cooks currently operates or franchises Esquires Coffee Houses in the United Kingdom, Ireland, the Middle East, South East Asia and China. Related businesses within the group include New Zealand-based supply companies Progressive Processors and Scarborough Fair, which supply product into both Esquires Coffee stores and other third party customers.
See: www.cooksglobalfoods.com

NON-GAAP FINANCIAL INFORMATION

Cooks Global Foods' standard profit measure prepared under New Zealand GAAP is net profit before tax (NPBT). Cooks Global Foods has used a non-GAAP profit measure of earnings (or losses) before interest, tax, depreciation, amortisation, foreign exchange gains and losses and abnormals (EBITDAA), when discussing financial performance in this document. The directors and management believe this measure provides useful information as it is used internally to evaluate performance of business units, to establish operational goals and to allocate resources.

Non-GAAP profit measures are not prepared in accordance with NZ IFRS (New Zealand International Financial Reporting Standards) and are not uniformly defined, therefore the non-GAAP profit measures reported in this document may not be comparable with those that other companies report and should not be viewed in isolation from, or considered as a substitute for, measures reported by Cooks Global Foods in accordance with NZ IFRS.

GAAP TO NON-GAAP RECONCILIATION

12 months to 31 March	Unaudited March 2016 \$NZ '000	Unaudited March 2015 \$NZ '000
Loss after tax attributable to shareholders of parent	(7,188)	(4,419)
Add back: income tax expense	105	-
Reported net loss before tax	(7,083)	(4,419)
Add back: finance costs	346	217
Operating loss	(6,737)	(4,202)
Add back: Depreciation and amortisation	556	857
Operating loss before depreciation and amortisation	(6,181)	(3,345)
Add back:		
Exchange loss/(gain)	(169)	8
Abnormal items		
-Restructuring costs	1,115	-
-Acquisition & Capital related costs	420	360
-Share-based incentive schemes	713	-
EBITDAA	(4,102)	(2,977)

APPENDIX 1 RELEASE

COOKS GLOBAL FOODS LIMITED

14 JUNE 2016

This document covers Cooks Global Food Limited's unaudited financial results for the year ended 31 March 2016

A (CGF) : COOKS GLOBAL FOODS LIMITED

Results for announcement to the market

Reporting Period 12 months ended 31 March 2016
 Previous Reporting Period 12 months ended 31 March 2015

	Amount (\$NZ'000)	Percentage change
Revenue from continuing ordinary activities	\$12,294	37.7%
Net loss attributable to security holders	-\$7,188	62.7%

Interim Dividend	Amount per security	Imputed amount per security
No interim dividend has been declared for this reporting period.	\$0.0000	\$0.0000

CGF has no dividend reinvestment plan currently in operation.

Record Date	N/A
Dividend Payment Date	N/A

Comments

Please refer to the attached Commentary.

B COOKS GLOBAL FOODS LIMITED PRELIMINARY ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2016

Preliminary unaudited full year report on consolidated results (including the results for the previous corresponding year) in accordance with Listing Rule 10.4.2.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates and is based on unaudited financial statements.

The accounting policies used in the preparation of these financial statements are consistent with those used in the interim financial statements for the six months ended 30 September 2015 and in the audited financial statements for the year ended 31 March 2015.

The Listed Issuer has a formally constituted Audit & Risk Committee of the Board of Directors.



CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

	Unaudited March 2016 \$NZ'000	Up/ Down %	Audited March 2015 \$NZ'000
Revenue	12,294	37.7%	8,931
Cost of sales	(4,350)		(2,856)
Gross profit	7,944	30.8%	6,075
Operating expenses and staff costs	(14,466)	49.3%	(9,691)
Other income	341	25.8%	271
Operating profit before depreciation and amortisation	(6,181)	84.8%	(3,345)
Depreciation and amortisation	(556)		(857)
Operating loss	(6,737)	60.3%	(4,202)
Finance costs	(346)		(217)
(Loss)/profit before income tax	(7,083)	60.3%	(4,419)
Income tax benefit/(expense)	(105)		-
Loss after tax attributable to shareholders of the parent	(7,188)	62.7%	(4,419)
<hr/>			
Earnings Per Share (Cents per share):	(2.04)		(1.55)



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited March 2016 \$NZ'000	Up/ Down %	Audited March 2015 \$NZ'000
ASSETS			
Cash and cash equivalents	778		4,710
Trade and other receivables	4,635		1,255
Inventories	831		1,013
Other assets	3,450		2,061
Property, plant and equipment	1,207		1,105
Total tangible assets	10,901	7.5%	10,144
Intangible assets	10,277	-1.5%	10,429
Total assets	21,178	2.9%	20,573
LIABILITIES			
Trade and other payables	2,680		2,968
Bank overdraft	1,807		1,198
Borrowings and other liabilities	6,915		8,012
Total liabilities	11,402	-6.4%	12,178
Net assets	9,776	16.4%	8,395
EQUITY			
Share capital	35,628		27,536
Accumulated losses	(26,340)		(19,152)
Foreign currency translation reserve	488		11
Total equity attributable to equity holders of the Company	9,776	16.4%	8,395
Total equity	9,776	16.4%	8,395
<hr/>			
	Cents		Cents
Net tangible assets per share	2.64		3.00

E STATEMENT OF CHANGES IN EQUITY

	Unaudited March 2016 \$NZ'000	Up/ Down %	Audited March 2015 \$NZ'000
Loss for the period	(7,188)	62.7%	(4,419)
Net increase in issued share capital	8,092		11,827
Foreign currency translation reserve	477		11
Movements in equity for the period	1,381	-81.4%	7,419
Equity at start of the period	8,395		976
Equity at end of the period	9,776	16.4%	8,395

F CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited March 2016 \$NZ'000	Up/ Down %	Audited March 2015 \$NZ'000
Loss for period	(7,188)	62.7%	(4,419)
Add/(Less):			
Depreciation & loss on disposal of property, plant and equipment	444		509
Provision for doubtful debts	180		205
Impairment/amortisation of intangible assets	215		430
Share based incentive schemes	713		-
Acquisition and capital related costs	205		-
Net movements in working capital	(969)		1,276
Net cash flow from operating activities	(6,400)	220.2%	(1,999)
Net cash flow from investing activities	(575)	-76.7%	(2,470)
Net cash flow from financing activities	2,434	-68.3%	7,677
Net (decrease)/increase in cash held	(4,541)	-241.6%	3,208
Opening bank balance	3,512	1098.6%	293
Effect of exchange rate changes on foreign currency balances	-		11
Closing bank balance	(1,029)	-129.3%	3,512
Made up as follows:			
Cash and cash equivalents	778		4,710
Bank overdraft	(1,807)		(1,198)
Total	(1,029)	-129.3%	3,512

G MATERIAL ACQUISITION OF SUBSIDIARIES

N/A

H MATERIAL DISPOSAL OF SUBSIDIARIES

N/A

I MATERIAL INVESTMENT IN JOINTLY CONTROLLED ENTITY

N/A

J ISSUED AND QUOTED SECURITIES AT END OF CURRENT PERIOD

Category of Securities Issued	Number	Quoted
ORDINARY SHARES:		
Total number of shares in issue	412,666,151	412,666,151
Issued during the current period	74,312,500	-

K COMMENTS BY DIRECTORS

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

A. Material factors affecting the revenues and expenses of the group for the current full year or half year

Refer to Commentary.

B. Significant trends or events since the end of the current full year or half year

Refer to Commentary.

C. Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed

None. For detailed accounting policies please refer to Note 3 in the 2015 Annual Report.

D. Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain

None.

E. Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty

Refer to Commentary.

.....
(signed by) Authorised Officer of Listed Issuer

.....
(Date)

COOKS GLOBAL FOODS LIMITED
SEGMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2016

	Unaudited Global franchising & design \$'000	Unaudited UK franchising & retail \$'000	Unaudited Ireland franchising & retail \$'000	Unaudited China franchising & retail \$'000	Unaudited Supply \$'000	Unaudited Corporate \$'000	Unaudited Total \$'000
Global operational splits							
Revenue	3,150	1,773	594	4,752	2,025	-	12,294
Other income	-	16	-	14	308	3	341
Cost of inventories sold	(408)	(285)	-	(2,286)	(1,371)	-	(4,350)
Depreciation and amortisation	(40)	(33)	-	(143)	(82)	(16)	(314)
Impairment of intangible assets	-	(56)	(32)	(154)	-	-	(242)
Other expenses	(2,717)	(2,630)	(1,135)	(5,121)	(714)	(2,149)	(14,466)
Operating loss	(15)	(1,215)	(573)	(2,938)	166	(2,162)	(6,737)
Non-current assets							
Intangible assets	107	1,043	530	6,637	478	1,482	10,277
Property, plant and equipment	37	86	9	457	520	98	1,207

FOR THE YEAR ENDED 31 MARCH 2015

	Unaudited Global franchising & design \$'000	Unaudited UK franchising & retail \$'000	Unaudited Ireland franchising & retail \$'000	Unaudited China franchising & retail \$'000	Unaudited Supply \$'000	Unaudited Corporate \$'000	Unaudited Total \$'000
Global operational splits							
Revenue	2,029	3,201	527	1,022	2,152	-	8,931
Other income	30	190	27	-	20	4	271
Cost of inventories sold	(396)	(584)	-	(446)	(1,430)	-	(2,856)
Depreciation and amortisation	(17)	(278)	(26)	-	(96)	(10)	(427)
Impairment of intangible assets	-	-	-	-	(430)	-	(430)
Other expenses	(1,742)	(3,220)	(712)	(1,161)	(720)	(2,136)	(9,691)
Operating loss	(96)	(691)	(184)	(585)	(504)	(2,142)	(4,202)
Non-current assets							
Intangible assets	107	1,099	561	6,702	478	1,482	10,429
Property, plant and equipment	54	171	-	331	522	27	1,105