



NZAX & Media Release

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## **Cooks to establish JV for Middle East, Africa and West Asia**

*Term sheet establishes venture to drive regional branded coffee growth;  
JV partner to take a minority stake in Cooks*

Cooks Global Foods (NZAX.CGF) today announces it has agreed to establish a joint venture with its current Saudi Arabian Master Franchisee, Anasia Foods to drive the growth of its branded coffee outlets in the Middle East, North Africa, and West Asia (MENAWA).

Cooks has entered a term sheet with Anasia Foods that envisages:

- Anasia Foods, contributing Esquires Saudi Arabia (the Saudi Arabian master franchisee) into a new Dubai-based company.
- Cooks acquiring a half share in the new Dubai company for approximately NZ\$2.8 million (subject to exchange movements in the SAR/NZD cross rate).
- Cooks contributing to the joint venture the master franchise rights for Esquires Coffee in Bahrain, Kuwait and the United Arab Emirates for NZ\$945,951. This consideration will be offset against Cooks' payment for the 50% stake in the Dubai company.
- Anasia Foods will subscribe for Cooks shares at an issue price of 7.75 cents per share from the Cooks Investment Holdings Limited underwriting arrangement for the net amount.
- Anasia to appoint a Director to the Board of Cooks.

Following completion of the transactions, the new Dubai-based joint venture will be the Cooks Master Franchisee for all the MENAWA region.

Anasia Group is owned by Sheikh Anas Abudawood, Chairman of Abudawood Group which distributes products in the Middle East region for multinational companies such as Proctor & Gamble, Quaker Oats & Ferrero Rocher.

Cooks Executive Chairman Keith Jackson said: "The re-organisation follows well-signalled talks with our primary Middle East partners to revitalise growth in the region and to provide a strong platform for future growth and development.

"We are looking forward to extending our working relationship with Anasia Foods and the wider Abudawood group. The joint venture will be incentivised to drive the growth of the brand in the wider region."

“The Middle East, Africa, and West Asia represent a significant opportunity for the group. With branded coffee consumption in these markets still in its infancy and growing strongly we are excited about our prospects in partnership with Anasia Foods who already have business activities in a number of these countries,” Mr Jackson said.

The term sheet also envisages a reorganisation of supply logistics with the objective of improving service, quality and cost to regional business partners. The joint venture will establish its own roasting operation in the region to provide fresh coffee to regional franchisees and other local businesses.

Cooks will now work with Anasia towards completing definitive, legally binding documents to implement the transaction with a view to completing the transaction by the end of 2017.

**For further information:**

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**About Cooks Global Foods**

Cooks Global Foods operates in world markets and is listed, under the code CGF, on the NZAX market operated by NZX Limited in New Zealand. 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 in Canada, the United Kingdom, Ireland, Bahrain, Kuwait, Saudi Arabia, UAE, Indonesia, and China. For more information visit: [www.cooksglobalfoods.com](http://www.cooksglobalfoods.com)