

21 November 2022

**Wholesale Convertible Note issue**

Cooks Coffee Company Limited (NZX: CCC, Aquis: COOKS) advise that, following an unsolicited approach expressing interest in a convertible note offer, Cooks has approved the offer and issue of up to NZ\$2 million of convertible notes to selected wholesale investors in New Zealand, Australia or the United Kingdom, with the key terms summarised in the Appendix.

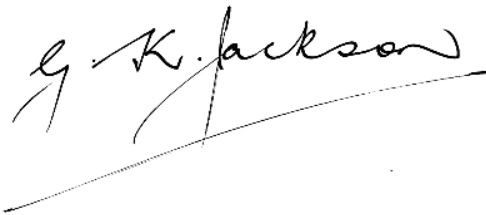
Funds raised from the notes offer would be applied to

- Growth of the existing café network
- Acquisitions
- Development of digital infrastructure
- Repayment of third party debt,

Wholesale applications must be for at least NZ\$25,000. There is no minimum amount sought.

**Contact:**

Keith Jackson  
Executive Chairman  
021 702 509

A handwritten signature in black ink that reads "G. K. Jackson". The signature is written in a cursive style and is positioned above a horizontal line that extends across the width of the signature.

**ESQUIRES**  
THE ORGANIC COFFEE CO.

**TRIPLE TWO**  
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## APPENDIX: KEY TERMS OF CONVERTIBLE NOTES

(a)	<b>Issuer</b>	Cooks Coffee Company Limited ( <b>Cooks</b> )
(b)	<b>Investors</b>	Wholesale Investors in New Zealand or Australia only
(c)	<b>Investment Amount / Principal Amount</b>	Minimum \$25,000; Total issue size up to \$2 million
(c)	<b>Consideration</b>	Cash payable on subscription
(e)	<b>Maturity Date</b>	22 December 2023 ( <b>2023 Notes</b> ); <b>OR</b> 22 December 2024 ( <b>2024 Notes</b> )
(f)	<b>Annual interest Rate</b>	7.5%per annum for 2023 Notes or 9.0%per annum for 2024 Notes, payable quarterly in cash  Interest shall be paid quarterly in arrears in equal amounts on 31 March, 30 June, 30 September, and 31 December in each year, (or if that day is not a Business Day, the next Business Day) until and including the Maturity Date, with the first interest payment date being for the period from the relevant issue date until 31 March 2023, and the last interest payment date being the relevant Maturity Date
(g)	<b>Conversion / Repayment</b>	The Notes will mandatorily convert to ordinary shares in Cooks at a 15% discount to the preceding 20 business day VWAP of the ordinary shares of the Company on the relevant Maturity Date, or at the discretion of the Company repaid in cash
(h)	<b>Security</b>	The Convertible Notes will be unsecured and rank pari-passu with other unsecured trade creditors of Cooks
(i)	<b>Ranking</b>	On a liquidation of Cooks, each Convertible Note will rank as unsecured and unsubordinated debt obligations of Cooks, ranking: <ul style="list-style-type: none"><li>➢ behind any secured liabilities and liabilities which are preferred by law;</li><li>➢ equally with other Convertible Notes and equally among the rights and claims of equal ranking obligations including all other unsecured, unsubordinated obligations, including trade creditors; and</li><li>➢ ahead of any holders of subordinated debt and ahead of Shareholders</li></ul>
(k)	<b>Business Day</b>	A day (other than Saturday or Sunday) on which registered banks are generally open for business in Auckland, except that in the context of the Listing Rules it means a day on which the NZX Debt Market is open for trading
(m)	<b>Governing Law</b>	New Zealand
(n)	<b>Eligible Investors</b>	Each Investor is a "Wholesale Investor" or an "Eligible Investor" as defined by Schedule 1 of the Financial Markets Conduct Act 2013 or a "Sophisticated Investor" or "Professional Investor" for the purposes of the Corporations Act 2001 (Australia)

**ESQUIRES**  
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