

Provision	Section in Franchise or Other Agreement	Summary
(u) Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable, with exceptions. In California, Idaho, Illinois, Iowa, Minnesota, Rhode Island and South Dakota, most disputes must be submitted to non-binding arbitration before either party can pursue a civil action against the other.
(v) Choice of forum	Section 22.1 of Franchise Agreement	Litigation in LaPlata County, Colorado (subject to state law).
(w) Choice of law	Section 22.1 of Franchise Agreement	Colorado law applies (subject to state law).

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in this Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

As of February 28, 2025, we had a total of 138 franchised Rocky Mountain Chocolate Businesses (“Franchised Locations”), and two affiliate-owned Rocky Mountain Chocolate Businesses (“Affiliate Locations”). The information in the tables below is a historical financial performance representation of the 134 Franchised Locations that were in operation for 12 months or longer as February 28, 2025 (“Reporting Group”) for the 2025 fiscal year (March 1, 2024 to February 28, 2025) (“Reporting Period”). The numbers below have not been audited, but we have no reason to doubt their accuracy.

All of the Rocky Mountain Chocolate Factory Businesses included in this financial performance representation offer similar services and face a similar degree of competition anticipated for the Rocky Mountain Chocolate Factory Businesses offered under this Disclosure Document.

We divided the Reporting Group into four quartiles based on their level of Gross Retail Sales (defined below).

GROSS RETAIL SALES PER STORE SQUARE FOOT FOR THE REPORTING PERIOD

	No. of Stores	Total Gross Retail Sales	Total Square Footage	Average Sales/Sq Ft	Median Sales/Sq Ft	Highest Sales/Sq Ft	Lowest Sales/Sq Ft	#/% That Met Or Exceeded The Average
1 st Quartile	33	\$32,757,575	24,059	\$1,522	\$1,100	\$6,973	\$803	33/100%
2 nd Quartile	34	\$21,879,954	32,965	\$671	\$650	\$786	\$558	11/32%
3 rd Quartile	34	\$16,439,412	36,203	\$545	\$457	\$557	\$369	0/0%
4 th Quartile	33	\$11,102,001	44,711	\$261	\$262	\$367	\$59	0/0%
All Stores	134	\$82,232,941	137,938	\$726	\$557	\$6,973	\$59	44/33%

EXPLANATORY NOTES

1. “**Gross Retail Sales**” is receipts and income of any kind from all products or services sold from or through the Rocky Mountain Chocolate Factory Business, including any such sale of products or services made for cash or upon credit, or partly for cash and partly for credit, regardless of collection of charges for which credit is given, less returns for which refunds are made, provided that the refund may not exceed the sales price and exclusive of discounts, sales taxes and other taxes, amounts received in settlement of a loss of merchandise, shipping expenses paid by the customer, revenue from the sale of gift cards and revenue from sales of non-inventory items.

2. Differences in Gross Retail Sales may be attributable to differences in the mix of Durango Product, Store Made Product or other non-edible items offered for sale at each Store, which is subject, in part, to the Franchisee’s discretion. Other differences may be attributed to the site selection and corresponding level of customer traffic.

3. The above information was prepared from royalty reports and sales data provided by each individual franchisee. A franchisee pays us a royalty based on sales. We know of no instance, and have no reason to believe, that any franchisee would overstate its level of sales receipts in its royalty report, however, these results have not been audited and we have not independently verified these results.

4. The gross sales figures do not reflect the costs of sales, operating expenses, taxes, refunded sales, settlements, non-inventory sales or shipping expenses charged to a customer that must be deducted from the gross sales figures to obtain net income, profit or loss. We do not disclose information about expenses or costs. You should conduct an independent investigation of the costs and expenses you will incur in operating your Rocky Mountain Chocolate Factory Business. We recommend that you consult with an accountant to assist you in your investigation of costs and expenses. Franchisees or former franchisees listed in this disclosure document may be one source of this information.



Some stores have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation for the financial performance representation (FPR) will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial information, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. If you are purchasing an existing store, however, we may provide you with the actual records of that store. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Brooke Lanier, at Rocky Mountain Chocolate Factory, 265 Turner Drive, Durango, Colorado 81303, (970) 247-4943 ext. 143, the Federal Trade Commission and the appropriate state regulatory agencies.

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OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

SYSTEMWIDE OUTLET SUMMARY FOR FISCAL YEARS 2023 TO 2025⁽¹⁾

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	154	53	-1
	2024	153	149	-4
	2025	149	138	-11
Company- Owned	2023	2	1	-1
	2024	1	2	+1
	2025	2	2	0
Total Outlets	2023	157	155	-2
	2024	155	151	-4
	2025	151	140	-11

- ⁽¹⁾ The numbers for 2025 are as of the fiscal year ending February 28, 2025, the numbers for 2024 are as of the fiscal year ending February 29, 2024, and the numbers for 2023 are as of the fiscal year ending February 28, 2023. We have not included three international locations in the Republic of the Philippines.