

|    | Provision                                      | Section in Multi-Unit Development Agreement | Summary  |
|----|--|---|--|
|    |  |   | Development Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.  |
| u. | Dispute resolution by arbitration or mediation | Sections 10.1, 10.2, 10.3, and 10.4         | At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, and then to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, possession of the Franchised Business premises and post-termination obligations. Subject to state law. |
| v. | Choice of forum                                | Section 10.5                                | Litigation takes place in Pennsylvania, subject to applicable state law.   |
| w. | Choice of law                                  | Section 10.5                                | Pennsylvania law applies, subject to applicable state law.   |

See the state addenda to this Franchise Disclosure Document and the Franchise Agreement for special state disclosures.

#### **ITEM 18: PUBLIC FIGURES**

We do not currently use any public figures 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 the 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.

The following representation is an historic financial performance representation of our existing outlets that were in operation in calendar year 2025. As of December 31, 2025, we had 144 franchised outlets and 1 affiliate-owned outlet operating in the Duck Donuts System. The data below represents performance of 105 franchised outlets and our 1 affiliate-owned outlet, which were open as of January 1, 2025, and operated continuously throughout calendar year 2025. We have excluded 42 franchised outlets because they did not operate for the full calendar year. We have also excluded 6 food trucks which are non-traditional outlets and, and 1 arena, which are non-traditional outlets, and 16 international outlets.

#### **Gross Sales – Franchised Outlets January 1 – December 31, 2025**

|  |               |
|--|---------------|
| Top 25% Performers (25 Outlets) – Average Gross Sales    | \$792,9892.45 |
| Middle 50% Performers (49 Outlets) – Average Gross Sales | \$466,950.37  |
| Bottom 25% Performers (25 Outlets) – Average Gross Sales | \$306,498     |

**Gross Sales – Affiliate-Owned Outlet  
January 1 – December 31, 2025**

|   |              |
|---|--------------|
| Affiliate-Owned Outlet                      | \$798,793.35 |
| <b>Cost as a Percentage of Gross Sales:</b> |              |
| Food Cost                                   | 20.2%        |

“Gross Sales” is defined as the total revenue derived from the sale of goods and services less sales tax and customer refunds or adjustments.

Our affiliate-owned outlet operates in substantially the same manner as franchise outlets; however, our affiliate-owned outlet is not subject to the same fees which a franchisee will experience. Item 6 of this Disclosure Document outlines the fees to which a franchisee will be subject, such as royalty fees and brand fund contributions.

Written substantiation will be made available to you upon reasonable request.

**Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.**

Other than the above disclosure, we do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. 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 Devon Mailey at Duck Donuts Holdings, LLC, 261 West Chocolate Avenue, Hershey, Pennsylvania, 17033, or 717-298-6096, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20: OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1  
System-wide Outlet Summary  
For Years 2023 to 2025**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|-------------|------|----------------------------------|--------------------------------|------------|
| Franchised  | 2023 | 111                              | 133                            | +22        |
|             | 2024 | 133                              | 143                            | +10        |