

	ADA: Section 10(F); Appendix E	law, Illinois law applies (subject to applicable state law).
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## **ITEM 18.** **PUBLIC FIGURES**

We do not currently use any public figures to promote our franchise.

## **ITEM 19** **FINANCIAL PERFORMANCE PRESENTATIONS**

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.

### **Brick-and-Mortar Business – PART I**

#### **Background**

During the calendar year ended December 31, 2024, our affiliated entity, Craft & Q, LLC d/b/a Tapville Social-Naperville f/k/a Red Arrow Taproom-Naperville ("Craft & Q" or the "Affiliated Entity"), which is listed in Item 1 of this Franchise Disclosure Document, operated a business similar to the Brick-and-Mortar Tapville Social Franchised Business offered pursuant to this Franchise Disclosure Document. This business traded as "Tapville Social" in Naperville, Illinois. Our Affiliated Entity founded this business in 2017 and operated the business from a single location from 2018 through the present (defined below as "Location 1").

Location 1 is located at 216 S. Washington Street, Naperville, Illinois 60540. Location 1 opened in August 2018. Location 1 is first-floor storefront unit with approximately 4,500 square feet of restaurant space and 250 square feet of patio space (from approximately June-September) in a multitenant, downtown commercial property. Location 1 is representative of the Brick-and-Mortar Tapville Social Franchised Business offered by way of this Franchise Disclosure Document.

The information contained in this Financial Performance Representation presents the results of our Affiliated Entity-owned Location 1, which is substantially similar in size and product offerings to the Brick-and-Mortar Tapville Social Franchised Business franchise offered in this disclosure document, for the periods January 1, 2024 through December 31, 2024. Additionally, the Financial Performance Representation presents the results of the only Brick-n-Mortar Business that operated for the entire period January 1, 2024 through December 31, 2024.

Two of Three Brick-and-Mortar Tapville Social Franchised Business did not operate for the entire period of January 1, 2024 through December 31, 2024 and was excluded from this Financial Performance Representation.

### **Part I: Definitions**

1. “Affiliated Entity” means Craft & Q, which is solely owned by our CEO, Joseph Tota, operates a business similar to the Brick-and-Mortar Tapville Social Franchised Business offered by way of this Franchise Disclosure Document, in Naperville, Illinois under the trade name “Tapville Social.” Craft & Q operates the business pursuant to a Franchise Agreement with Tapville, effective as of October 1, 2020.

2. “Gross Revenue” means the total selling price of all services and products sold at Location 1 and all income and revenue of every other kind related to Location 1, whether for cash or credit, but excluding tips and taxes collected from customers and paid to taxing authority, and reduced by the amount of any documented refunds, credits, allowances, and chargebacks Location 1 gave to customers.

### **Part I: 2024 Performance of Our Affiliated Entity-Owned Business**

During 2024, our Affiliated Entity-owned and operated a business similar to the Brick-and-Mortar Tapville Social Franchised Business offered by way of this Franchise Disclosure Document for the full twelve (12) months of 2024. The Gross Revenue of our Affiliated Entity-location for the year 2024 is set forth in the table below. Also reflected below is the total annual percentage (reflected as a proportion of cost to total profit) of certain operating costs and costs of goods sold, but does not reflect all costs encountered by our Affiliated Entity.

<b>Location</b>	<b>Gross Revenue</b>
Tapville Social - Naperville	\$ 2,423,605

### **Disclosure of Revenue per Category as a Percentage of Gross Revenue**

**Beverage Sales: 50.1%**

**Food Sales: 47.7%**

**Merchandise & Event Sales: 2.6%**

### **Disclosure of Certain Costs as a Percentage of Category**

**Beverage Costs: 16.2%**

Beverage costs include all costs associated with sourcing and purchasing all required beverage costs including beer, wine, liquor, soda, and water. It includes products in kegs as well as canned products.

**Food Costs: 31.1%**

Food costs include all costs associated with sourcing and purchasing all required food products.

**Direct Labor Costs: 21.0%**

Direct Labor includes all non-managerial labor, whether employee or contracted. This includes all front of house and back of house staff.

**Prime Costs: 43.9%**

Prime costs are calculated by adding Beverage Costs, Food Costs, and Direct Labor Costs.

**Part I: Notes**

1. The above Gross Revenues and costs represent the results achieved by our Affiliated Entity, Craft & Q, in calendar year 2024, at a single location.
2. Location 1 is the only location that operated for the full twelve-months of 2024 and is the only results of a Brick-and-Mortar location reflected in Item 19. Location 1 is owned by Craft & Q, which our CEO, Joseph Tota, is the sole owner of. Craft & Q operates the business pursuant to a Franchise Agreement with Tapville, effective as of October 1, 2020, pursuant to which Craft & Q pays Tapville royalty payments.
3. These results are unaudited.
4. These results represent sales of products and services similar to those that will be available to a Brick-and-Mortar Tapville Social Franchised Business franchisee to sell.
5. Our Affiliated Entity has been operating a Brick-and-Mortar Tapville Social Franchised Business since August 2018 and has extensive experience operating a full-service restaurant, including an established customer base and significant ordering and inventory experience.
6. Tapville has omitted the disclosure of financial performance information of two Tapville Brick-and-Mortar franchise location as the business was not operating for the entire period January 1, 2024 through December 31, 2024.

**Kiosk Business – PART II****Background**

The information contained in this Financial Performance Representation presents the results of our eight (8) Kiosk Tapville Social Franchised Business that operated for the entire period January 1, 2024 through December 31, 2024 (the “Kiosk Business”). Additionally, these locations are Kiosk Tapville Social Franchised Businesses.

Three of Eleven Kiosk Tapville Social Franchised Business were not open for the entire period of January 1, 2024 through December 31, 2024 and were accordingly excluded from this Financial Performance Representation.

<b>Location</b>	<b>Type</b>	<b>2024 Gross Revenue</b>
A	Strolling, Kiosk	\$685,627
B	Strolling, Kiosk	\$342,745
C	No-Strolling, Kiosk	\$269,513
D	Strolling, Kiosk	\$259,672
E	Strolling, Kiosk	\$211,643
F	Strolling, In-line	\$183,961
G	No-Strolling, Kiosk	\$104,126
H	No-Strolling, Kiosk	\$84,579

Type	2024 Gross Average Revenue by Type	2024 Gross Median Revenue by Type
Strolling Kiosk	\$374,922	\$301,208.50
Strolling, Inline Kiosk	\$183,961	\$183,961
No-Strolling, Kiosk	\$152,739	\$104,126

### **Beverage Costs: 20.2%**

Beverage costs include all costs associated with sourcing and purchasing all required beverage costs including beer, wine, liquor, soda, and water. It includes products in kegs as well as canned products.

### **Definitions**

1. “Gross Revenue” means the total selling price of all services and products sold at and all income and revenue of every other kind related, whether for cash or credit, but excluding tips and taxes collected from customers and paid to taxing authority, and reduced by the amount of any documented refunds, credits, allowances, and chargebacks gave to customers.
2. “Strolling” means locations where a customer can purchase an alcoholic beverage and consume it throughout the common areas of the shopping center, airport or non-leased areas
3. “Inline” means a location that is not a stand-alone location that is located within the confines of three walls within a shopping center, airport or entertainment facility. Inline locations require customers to enter the location.

## **Mobile Business – PART III**

### **Operational Variability Disclaimer**

The operation and revenue potential of a Mobile Tap Room Business may vary significantly based on geographic location, climate, and the individual franchisee’s business model. In certain regions, particularly in northern states subject to seasonal weather conditions, franchisees may elect to suspend operations during colder months, typically from November through February. Additionally, some franchisees operate the Mobile Tap Room Business as an extension of an existing enterprise, such as a restaurant or catering business, while others may choose to operate the Mobile Tap Room Business on a part-time basis or as a supplementary endeavor. These variations in use and operating frequency may materially impact the financial performance of the business. Due to the wide range of business models, operational frequency, and use cases, Tapville does not disclose revenue or financial performance representations for Mobile Tap Room Businesses.

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

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. 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 Joseph Tota, 216 S. Washington Street, Naperville, Illinois 60540; 877.312.8277, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20.**  
**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE 1**  
**SYSTEMWIDE OUTLET SUMMARY**  
**FOR YEARS 2022 TO 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	2	9	+7
	2023	9	20	+11
	2024	20	32	+12
Company-Owned*	2022	3	3	0
	2023	3	3	0
	2024	3	4	+1
<b>Total Outlets</b>	2022	5	12	+7
	2023	12	23	+11
	2024	23	36	+13

\*Company-Owned refers to outlets run by our Affiliates.

**TABLE 2**  
**TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS**  
**FOR YEARS 2022 TO 2024**

State	Year	Number of Transfers
Connecticut	2022	0
	2023	0
	2024	1
Illinois	2022	0
	2023	0
	2024	1
Pennsylvania	2022	0
	2023	0
	2024	2
Texas	2022	0
	2023	0
	2024	3
All States	2022	0
	2023	0
	2024	7
<b>Total</b>	2022	0