

Provision	Section in Development Agreement	Summary
		made in the Franchise Disclosure Document, its exhibits and amendments.
(u) Dispute resolution by arbitration or mediation	Sections 12 and 13	<p>You must first submit all dispute and controversies arising under the Development Agreement to our President and make every effort to resolve the dispute internally.</p> <p>At our option, all claims or disputes arising out of the Development Agreement must be submitted to non-binding mediation, which will take place in Palm Harbor, Florida. You must notify us of any potential disputes and we will provide you with notice as to whether we wish to mediate the matter or not (subject to state law).</p>
(v) Choice of forum	Section 15	Except for our right to seek injunctive relief in any court of competent jurisdiction, all claims and causes of action arising out of the Development Agreement must be initiated and litigated to conclusion (unless settled) in the state court of general jurisdiction that is closest to Palm Harbor, Florida or, if appropriate, the USDC for the Middle District of Florida (subject to state law).
(w) Choice of law	Section 11	The Development Agreement is governed by the laws of the state of Florida, without reference to this state's conflict of laws principles (subject to state law).

The provisions summarized in this Item are subject to any applicable state specific addenda (See Exhibit "H" of this Disclosure Document and Exhibit "E" to the Franchise Agreement).

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 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 certain circumstances.

HISTORICAL FINANCIAL PERFORMANCE REPRESENTATION

This Item sets forth certain historical data submitted by our franchisees. We have not audited information nor independently verified this information. Written substantiation for the financial performance representations will be made available to the prospective franchisee upon reasonable request.

Section I – All Comparable Units

The information below sets forth historical data collected from our franchisees and the single company-owned unit. The single criteria for inclusion was that the store be in operation for the full calendar under continuous ownership during the year reported. This criterion ensures that each data set is represented by all active units in each chart outlined below. This resulted in 8 of a total 94 units excluded from 2024 data, 9 of a total 90 units being excluded from 2023 data, and 12 of a total 87 units being excluded from 2022 data.

Gross Sales are defined as total retail sales per unit less returns or discounts. Gross Margin is defined as Gross Sales less cost of goods. Cost of Goods is defined as the cost of items acquired for resale including inbound shipping costs.

Chart I-A – Comparable Gross Sales for Full Calendar Years

	2024	2023	2022
Average Gross Sales – All Franchised Units	\$542,747	\$534,445	\$482,812
<i>All Franchised Units Change vs Prior Yr</i>	+1.5%	+10.7%	N/A
Gross Sales – Company Owned Unit	\$2,630,879	\$2,501,593	\$2,486,603
<i>Company Unit Change vs Prior Yr</i>	+4%	+1%	N/A

Chart I-A – Notes

1. In 2024 the following statistics hold true for the data included in Chart 1-A. Maximum of \$2,630,879, Minimum of \$65,247, Median of \$486,926. Of the 84 units included, 31 fell above average and 53 fell below average.
2. In 2023 the following statistics hold true for the data included in Chart I-A. Maximum of \$2,501,593, Minimum of \$73,788, Median of \$470,662. Of the 79 units included, 32 fell above average and 47 fell below average.
3. In 2022 the following statistics hold true for the data included in Chart I-A. Maximum of \$2,486,602, Minimum of \$62,249, Median of \$402,957. Of the 75 units included, 27 fell above

average and 48 fell below average.

Chart I-B – Comparable Gross Margins for Full Calendar Years

	All Stores		
	2024	2023	2022
Average Gross Margin (dollars)	\$374,571	\$368,767	\$323,934
Average Gross Margin (% of Gross Sales)	69.6%	69.6%	67.7%
<i>Change vs Prior Yr</i>	<i>0%</i>	<i>2%</i>	<i>N/A</i>

Chart I-B – Notes

1. In 2024 the following statistics hold true for the data included in Chart I-B. Maximum of \$1,524,584, Minimum of \$47,166, Median of \$331,119. Of the 84 units included, 36 fell above average and 48 fell below average.
2. In 2023 the following statistics hold true for the data included in Chart I-B. Maximum of \$1,449,490, Minimum of \$47,907, Median of \$309,069. Of the 79 units included, 32 fell above average and 47 fell below average.
3. In 2022 the following statistics hold true for the data included in Chart I-B. Maximum of \$1,312,002, Minimum of \$39,149, Median of \$262,780. Of the 75 units included, 27 fell above average and 48 fell below average.

Section II – Multi-Unit Owned Stores

The information below sets forth historical data collected from our franchisees. The two criteria for inclusion were that the store be in continuous operation for the full calendar year reported and that the owner of any included store owns a minimum of 2 units during each year reported. This criterion ensures that each data set is represented by active multi-unit owner units in each chart outlined below. This resulted in 59 of a total 94 units excluded from 2024 data, 63 of a total 90 units being excluded from 2023 data represented below, and 65 of a total 87 units excluded from 2022 data.

Gross Sales are defined as total retail sales per unit less returns or discounts. Gross Margin is defined as Gross Sales less cost of goods. Cost of Goods is defined as the cost of items acquired for resale including inbound shipping costs.

Chart II-A – Comparable Gross Sales for Full Calendar Years

	Multi-Unit Stores		
	2024	2023	2022
Average Gross Sales	\$630,091	\$672,271	\$606,727
<i>Change vs Prior Yr</i>	-6.2%	10.8%	N/A

Chart II-A – Notes

1. In 2024 the following statistics hold true for the data included in Chart II-A. Maximum of \$1,210,984, Minimum of \$65,247, Median of \$563,537. Of the 35 units, 16 fell above average and 19 fell below average.
2. In 2023 the following statistics hold true for the data included in Chart II-A. Maximum of \$1,336,526, Minimum of \$73,788 Median of \$691,600. Of the 27 units, 15 fell above average and 12 fell below average.
3. In 2022 the following statistics hold true for the data included in Chart II-A. Maximum of \$1,269,739, Minimum of \$87,970, Median of \$589,459. Of the 22 units, 10 fell above average and 12 fell below average.

Chart II-B – Comparable Gross Margins for Full Calendar Years

	Multi-Unit Stores		
	2024	2023	2022
Average Gross Margin (dollars)	\$443,657	475,642	423,132
Average Gross Margin (% of Gross Sales)	69.7%	69.5%	68.6%
<i>Change vs Prior Yr</i>	+ .2%	+1.3%	N/A

Chart II-B – Notes

1. In 2024 the following statistics hold true for the data included in Chart II-B. Maximum of \$881,875, Minimum of \$247,166, Median of \$386,200. Of the 35 units, 19 fell above average and 16 fell below average.
2. In 2023 the following statistics hold true for the data included in Chart II-B. Maximum of \$986,915, Minimum of \$247,907, Median of \$438,456. Of the 29 units, 15 fell above average and 14 fell below average.
3. In 2022 the following statistics hold true for the data included in Chart II-B. Maximum of \$884,055, Minimum of \$62,525, Median of \$397,085. Of the 28 units, 10 fell above average and 18 fell below average.

General Notes to Item 19

Some outlets have sold/earned this amount. Your individual results may differ. There is no assurance that you'll sell/earn as much.

1. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state, and local income taxes and any other applicable taxes that you may incur in operating a Franchised Business.
2. The information provided pertaining to Reporting Stores is based on data provided to us by the franchise-owners of these Stores. We have not verified the accuracy of the data provided, nor have they been audited by independent certified public accountants.
3. Other than the preceding financial performance representation, The Spice & Tea Exchange Franchising, LLC does 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 the Franchise Administration Department, Attn: Amy Freeman, 727-240-3221, franchising@spiceandtea.com, 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 2022, 2023 and 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	81	86	+5
	2023	86	89	+3
	2024	89	93	+4
Company-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	82	87	+5
	2023	87	90	+3
	2024	90	94	+4

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022, 2023 and 2024

State	Year	Number of Transfers
Arizona	2022	0
	2023	1
	2024	0
California	2022	0
	2023	0
	2024	0
Florida	2022	2
	2023	2
	2024	0
Georgia	2022	1
	2023	0
	2024	1
Idaho	2022	0
	2023	0
	2024	1