

Obligation	Provision in Franchise Agreement	Summary
		American Arbitration Association in the State of Utah, subject to applicable state law.
v. Choice of forum	Franchise Agreement Section 32.3	Arbitration must be in Utah, subject to applicable state law.
	AD Agreement Section 10.1	Arbitration must be in Utah, subject to applicable state law.
w. Choice of law	Franchise Agreement Section 29.6	Utah law applies, subject to applicable state law.
	AD Agreement Section 10.1	Utah law applies, subject to applicable state law.

ITEM 18 PUBLIC FIGURES

We currently 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 particular circumstances.

The following tables present unaudited information about the revenues and certain expenses of certain Cookie Cutters franchise operations for the calendar year 2024.

TABLE 1 Franchises Operating for More than 1 Year

The numbers in Table 1 below represent 99 of 99 or 100% of the eligible Cookie Cutters franchised locations in the United States that have been operating for at least one full calendar year as of December 31, 2024. Eight franchised locations operating in 2024 were open for less than one calendar year. Seven franchised locations transferred within the 2024 calendar year. One location had some form of temporary

disruption in continuous operations that prohibited full year reporting of 2024 data. Three franchises ceased operations during 2024 and are not included in Table 1. None of these franchises closed after being open less than 12 months.

Forty-four of the 99 (or 43.3%) franchisees represented in the table below actually attained or surpassed the average gross revenues. Fifty-five of the 99 (or 55.5%) franchisees represented in the table below actually attained or surpassed the average net profits. Eighty-nine of the 99 reporting stores (or 90%) were profitable in the calendar year 2024.

Gross Revenue	# of Stores	Avg Gross Rev	Median Gross Rev	High Gross Revenue	Low Gross Revenue
Greater than \$369K	25	\$452,821	\$422,317	\$637,785	\$369,870
\$302K-\$368K	25	\$323,081	\$314,825	\$368,588	\$302,240
\$230K-302K	25	\$270,830	\$273,866	\$301,909	\$230,349
Less than \$230K	24	\$176,361	\$187,001	\$226,640	\$105,110
	99	\$307,080	\$302,240	\$637,785	\$105,110

Gross Revenue	# of Stores	Avg Net Profit	Median Net Profit	High Net Profit	Low Net Profit	Avg Net Profit %	# Stores Profitable	% Profitable
Greater than \$369K	25	\$107,817	\$108,577	\$209,220	\$(10,093)	23.8%	23	92%
\$302K-\$368K	25	\$70,536	\$73,726	\$119,384	\$14,587	21.8%	25	100%
\$230K-302K	25	\$56,612	\$65,101	\$98,600	\$(19,494)	20.9%	24	96%
Less than \$230K	24	\$16,198	\$9,082	\$64,724	\$(23,809)	9.2%	17	71%
	99	\$62,744	\$64,724	\$209,220	\$(23,809)	20.4%	89	90%

TABLE 2
Company-Owned Location

Table 2 presents unaudited information about the revenues and certain expenses of the Cookie Cutters company-owned location for the calendar year 2024. No company-owned outlets closed during 2024.

<u># of Stores</u>	<u>Gross Revenues</u>	<u>Net Profit</u>	<u>Net Profit %</u>
1	\$462,655	\$135,689	29.3%

Because the company-owned location did not pay royalties, an expense of 5% of Gross Revenues is built-in for comparison purposes.

Item 19 Notes

- (1) **Expenses.** As used in Item 19, “**Expenses**” means the actual cost for products (customer refunds, cash discounts, charges for damaged products and other waste, as well as drop charges, packaging and shipping charges, certain supplies and other goods), labor and employee costs, marketing and advertising (radio, print, television ad other advertising media as well as fliers, point of sale advertising, etc.), cost of utilities (water, gas, disposal, HVAC, telephone, etc.), franchise fees (royalties, ad fund, etc.), bank charges, computer equipment, rental fees, fines, rental costs, postage, property, insurance, uniforms, employee recruitment, and other costs not hereinafter excluded. Expenses does not include compensation paid in cash distributions or salary taken by the owner(s) of each Cookie Cutters franchise, debt payments, interest, amortization, depreciation, taxes and other extraordinary owner expenses.
- (2) **Gross Revenues.** As used in Item 19, “**Gross Revenues**” means that aggregate amount of all sales of Cookie Cutters services and products made and rendered in connection with the operation of a Cookie Cutters franchise, excluding all federal, state or municipal sales or use taxes collected from customers and paid to the appropriate taxing authority.
- (3) **Net Profit.** As used in Item 19, “**Net Profit**” means Gross Revenues minus Expenses as such terms are defined and described herein.
- (4) **Percentage of Net Profit.** As used in Item 19, “**Percentage of Net Profit**” means the Net Profit divided by Gross Revenues.

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

Written substantiation for this financial performance representation will be made available upon request.

Other than the preceding financial performance representation, we do not make any financial performance 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 future income, you should report it to Franchisor's management by contacting Neal Courtney, 8 East Broadway, Suite 201, Salt Lake City, Utah 84111, (317) 334-1680, 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 to 2024

Outlet Type	Year	Outlets at Start of the Year	Outlets at End of the Year	Net Change
Franchised	2022	106	107	+1
	2023	107	110	+3
	2024	110	115	+5
Company Owned	2022	2	1	-1
	2023	1	1	0
	2024	1	1	0
Total	2022	108	108	0
	2023	108	111	+3
	2024	111	116	+5

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

State	Year	Number of Transfers
California	2022	1
	2023	0
	2024	0
Colorado	2022	0
	2023	0
	2024	1
Florida	2022	2
	2023	2
	2024	0
Georgia	2022	1
	2023	0
	2024	0
Illinois	2022	1
	2023	0
	2024	0