

<b>Provision</b>	<b>Section in MSD Agreement</b>	<b>Summary</b>
r. Non-competition covenants after the franchise is terminated or expires	Section 6.2	No interest in competing business for 2 years within 10 miles of any former Stores, in the Development Area, or within a 10 mile radius of any other Store at the time of termination, expiration, or transfer.
s. Modification of the agreement	Section 8.7	No modifications generally
t. Integration/merger clause	Section 8.8	Only terms of MSD Agreement and Franchise Agreement are binding (subject to applicable state law) But this provision is not intended to disclaim any representations we made in this FDD.
u. Dispute resolution by arbitration or mediation	Section 8.1	Same as Franchise Agreement
v. Choice of forum	Section 8.1	Omaha, Nebraska (subject to applicable state law).
w. Choice of law	Section 8.3	Nebraska law (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 Stores**

This Item 19 provides historical financial performance information only for our franchised Kiosk drive-thru Stores (“Kiosk Stores”) and End Cap drive-thru Stores (“End Cap Stores”) for the periods identified in Sections A through E below. This Item 19 does not provide financial information for any of our franchised Non-traditional Stores or our “Coffeehouse Stores” as we currently are not actively marketing these store types. However, we did provide the total Store count for these Stores in the table below as “Other Stores.” Additionally, this Item 19 also does not include any financial performance information for any of our affiliate-owned Stores.

## **All Stores as of December 31, 2024**

The following table provides information on the number of total Stores in our System as of December 31, 2024, broken out by Kiosk Stores, End Cap Stores, and all other Stores:

Store Type	Franchised Stores	Affiliate-Owned Stores	Total Stores
Kiosk	717	16	733
End Cap	55	1	56
Other Stores	53	7	60
Total	825	24	849

We have excluded from the Stores identified below any Stores that did not report their financial data to us for any of the periods measured. In 2024, this resulted in the exclusion of 8 franchised Kiosk Stores.

### **Kiosk Stores**

The following table provides information on the number of Kiosk Stores in our System as of December 31 of each of our last five fiscal years (each a “Measurement Period”) and information on our “Participating Kiosk Stores”, which are those Stores that were open and operating for the entire 12-month period ended on December 31 of each Measurement Period:

#### **Participating Kiosk Stores During Each Measurement Period**

Measurement Period	Total Franchised Kiosk Stores Operating at Year End	Participating Kiosk Stores
2024	717	605
2023	618	424
2022	421	275
2021	275	186
2020	187	140

For each of the Measurement Periods we have excluded any Kiosk Stores that permanently closed during that Measurement Period. For the 2020-2024 Measurement Periods, we excluded 0, 0, 2, 2, and 14 Stores respectively that had permanently closed during the applicable Measurement Period. Of the Stores that permanently closed, all of these Stores had been operating for more than 12-months before closing except for 1 Store in the 2023 Measurement Period, and 1 Store in the 2024 Measurement Period. The earliest of the Participating Kiosk Store in the 2024 Measurement Period opened on December 12, 2001 and the latest on December 31, 2023.

### **End Cap Stores**

The following table provides information on the total number of End Cap Stores in our System as of December 31 of each Measurement Period, and on our “Participating End Cap Stores”, which are those Stores that were open and operating for the entire 12-month period ended on December 31 of each Measurement Period:

## **Participating End Cap Stores During Each Measurement Period**

Measurement Period	Total Franchised End Cap Stores Operating at Year End	Participating End Cap Stores
2024	55	51
2023	53	52
2022	53	53
2021	53	52
2020	52	52

For each of the Measurement Periods we have excluded any End Cap Stores that permanently closed during that Measurement Period. For the 2024 Measurement Period we excluded 2 Stores that had permanently closed. All of the Stores that permanently closed in the 2024 Measurement Period were open for more than 12-months before closing. The earliest of the Participating End Cap Stores in the 2024 Measurement Period opened on December 1, 2001 and the latest on May 18, 2020.

### **Information Measured**

This Item 19 is separated into five sections:

- **Section A** – Discloses average Gross Sales of Participating Kiosk Stores and Participating End Cap Stores for each of the 2020-2025 Measurement Periods.
- **Section B** – Discloses the average Customer Ticket Sale of the Stores in Section A for each of the 2020-25 Measurement Periods.
- **Section C** – Discloses average Sales, Expenses, and Earning for subsets of the Participating Kiosk Stores and Participating End Cap Stores for the 2024 Measurement Period.
- **Section D** – Discloses Same Store Net Sales for the Kiosk Stores and End Cap Stores described in Section D for the periods described in Section D.
- **Section E** – Discloses average Gross Sales for first full calendar month of operation for those Kiosk Stores and End Cap Stores that opened in the 2024 Measurement Period and were open as of December 31, 2024.

Each of these Sections also includes important additional information as discussed in each Section.

#### **A. STATEMENT OF AVERAGE GROSS SALES**

This Section A discloses average Gross Sales of Participating Kiosk Stores and Participating End Cap Stores. For the purpose of this Item 19, the term Gross Sales means Net Sales (as described in Item 6) plus Discounts (as defined in the Additional Notes Applicable to Item 19 at the end of this Item).

#### **Participating Kiosk Stores**

The table below discloses the average Gross Sales for Participating Kiosk Stores for each of the past five Measurement Periods. It includes the number and percentage of stores that attained or exceeded the average, the median Gross Sales, and the low and highest Gross Sales amounts for the Participating Kiosk Stores included in each of the Measurement Periods.

#### **Average Gross Sales – Participating Kiosk Stores**

<b>Measurement Period</b>	<b>Average Gross Sales</b>	<b>Number and Percentage that Attained or Exceeded the Average</b>	<b>Median Gross Sales</b>	<b>Low / High</b>
2024	\$914,719	281 / 46%	\$880,794	\$240,038 / \$2,130,325
2023	\$877,495	206 / 49%	\$869,610	\$204,124 / \$1,902,593
2022	\$876,519	131 / 48%	\$855,908	\$193,807 / \$1,763,134
2021	\$796,655	90 / 48%	\$776,635	\$209,923 / \$1,569,308
2020	\$637,104	59 / 42%	\$587,723	\$161,902 / \$1,299,039

#### **Participating End Cap Stores**

The table below discloses the average Gross Sales for Participating End Cap Stores for each of the past five Measurement Periods. It includes the number and percentage of stores that attained or exceeded the average, the median Gross Sales, and the low and highest Gross Sales amounts for the Participating End Cap Stores included in each Measurement Period.

#### **Average Gross Sales – Participating End Cap Stores**

<b>Measurement Period</b>	<b>Average Gross Sales</b>	<b>Number and Percentage that Attained or Exceeded the Average</b>	<b>Median Gross Sales</b>	<b>Low / High</b>
2024	\$991,552	27 / 53%	\$998,022	\$207,880 / \$2,207,609
2023	\$946,918	27 / 52%	\$978,221	\$213,614 / \$2,083,248
2022	\$951,900	24 / 45%	\$935,698	\$222,731 / \$2,022,167
2021	\$877,293	26 / 50%	\$884,852	\$218,550 / \$1,808,214
2020	\$687,037	29 / 56%	\$711,581	\$142,198 / \$1,357,300

## **B. STATEMENT OF AVERAGE CUSTOMER TICKET**

This Section B discloses the Average Customer Ticket of Participating Kiosk Stores and Participating End Cap Stores for each of the five Measurement Periods. For purposes of this Section B, the term “Average Customer Ticket” means the total amount of Gross Sales during the Measurement Period, divided by the total amount of customer transactions.

#### **Participating Kiosk Stores**

The table below discloses the Average Customer Ticket for Participating Kiosk Stores over the past five Measurement Periods. It includes the number and percentage of Stores that attained or exceeded the average, and the median Customer Ticket.

### **Statement of Average Customer Ticket – Participating Kiosk Stores**

<b>Measurement Period</b>	<b>Average Customer Ticket</b>	<b>Number and Percentage that Attained or Exceeded the Average</b>	<b>Median</b>
2024	\$9.83	287 / 47%	\$9.79
2023	\$9.32	207 / 49%	\$9.30
2022	\$9.11	127 / 46%	\$9.07
2021	\$8.56	96 / 52%	\$8.56
2020	\$7.98	66 / 47%	\$7.95

### **Participating End Cap Stores**

The table below discloses the Average Customer Ticket for Participating End Cap Stores over the past five Measurement Periods. It includes the number and percentage of stores that attained or exceeded the average, and the median Customer Ticket.

### **Statement of Average Customer Ticket – Participating End Cap Stores**

<b>Measurement Period</b>	<b>Average Customer Ticket</b>	<b>Number and Percentage that Attained or Exceeded the Average</b>	<b>Median</b>
2024	\$9.40	22 / 43%	\$9.29
2023	\$8.93	21 / 40%	\$8.80
2022	\$8.76	23 / 43%	\$8.72
2021	\$8.34	24 / 46%	\$8.31
2020	\$7.87	23 / 44%	\$7.79

### **Notes:**

1. Average and median Customer Ticket in the tables above were rounded to the nearest cent.

## **C. STATEMENT OF SALES, EXPENSES AND EARNINGS**

This Section C discloses Sales, Expenses and Earnings for Reporting Kiosk Stores and Reporting End Cap Stores based upon reported results and actual and estimated expenses as defined in the Notes in this Section C. A “Reporting Kiosk Store” is any Participating Kiosk Store that was open and operating for the entire 2024 Measurement Period and provided us with the cost and expense data we requested for that Measurement Period. A “Reporting End Cap Store” is any Participating End Cap Store that was open and operating for the entire 2024 Measurement Period and provided us with complete data for that Measurement Period. We refer to Reporting Kiosk Stores and Reporting End Cap Stores together as the “Reporting Stores.”

The Gross Sales, Discounts, Cost of Goods Sold, Labor Costs and Rental Expenses are based upon the information provided by the Reporting Stores. The Card Processing and Overhead Expenses are estimated expenses as discussed in the Notes in this Section C. We imputed a 6% Royalty and a 2% Marketing and Advertising Contribution on the total Net Sales of the Reporting Stores as these are the royalty and advertising contribution obligations under the Franchise Agreement. We also imputed a monthly \$350 Technology Fee for each month in the 2024 Measurement Period as that is the monthly amount required to be paid under the Franchise Agreement.

The Reporting Kiosk Stores and the Reporting End Cap Stores were each segregated into quartiles based upon Gross Sales in descending order from highest to lowest. The average of the group of Stores in each quartile was obtained for each of the categories in the table below.

### **Reporting Kiosk Stores**

As disclosed in the initial table to this Item 19, there were 717 franchised Kiosk Stores in our System as of December 31, 2024. Of these 717 Stores, 605 of them operated for the entire 2024 Measurement Period. We excluded 50 Kiosk Stores from the 605 Stores because these Stores did not provide us with complete cost and expense data for the 2024 Measurement Period, leaving 555 Reporting Kiosk Stores whose information was used to determine the Statements of Sales, Expenses and Earnings disclosed in the table below. The earliest of the Reporting Kiosk Store in the 2024 Measurement Period opened on June 1, 2002 and the latest on December 31, 2023.

### **Statement of Sales, Expenses and Earnings – Reporting Kiosk Stores**

<b>Kiosk</b>	<b>All Reporting Kiosk Stores (555)</b>	<b>Top 1/4 of Reporting Kiosk Stores (139)</b>	<b>Second 1/4 of Reporting Kiosk Stores (138)</b>	<b>Third 1/4 of Reporting Kiosk Stores (139)</b>	<b>Bottom 1/4 of Reporting Kiosk Stores (139)</b>
<b>Gross Sales<sup>1</sup></b>	919,085	1,323,095	1,005,605	794,795	553,466
Discounts <sup>2</sup>	79,019	115,278	85,282	67,672	47,889
<b>Net Sales<sup>4</sup></b>	840,066	1,207,817	920,324	727,123	505,577
Cost of Goods Sold <sup>3</sup>	283,990	401,950	308,161	245,361	180,661
<b>Gross Profit<sup>5</sup></b>	556,076	805,867	612,162	481,762	324,916
Labor Costs <sup>6</sup>	237,778	302,839	248,056	219,751	180,539
Rental Expense <sup>7</sup>	43,965	46,100	44,054	42,751	43,154
Royalty	50,404	72,469	55,219	43,627	30,335
Marketing and Advertising Contributions	16,801	24,156	18,406	14,542	10,112
Technology Fee	4,200	4,200	4,200	4,200	4,200
Card Processing <sup>8</sup>	23,896	34,400	26,146	20,665	14,390
Overhead <sup>9</sup>	49,800	49,800	49,800	49,800	49,800
<b>Total Expenses</b>	426,844	533,964	445,881	395,336	332,530
<b>EBITDA<sup>10</sup></b>	<b>129,232</b>	<b>271,903</b>	<b>166,281</b>	<b>86,426</b>	<b>-7,613</b>

<b>Kiosk</b>	<b>All Reporting Kiosk Stores (555)</b>	<b>Top 1/4 of Reporting Kiosk Stores (139)</b>	<b>Second 1/4 of Reporting Kiosk Stores (138)</b>	<b>Third 1/4 of Reporting Kiosk Stores (139)</b>	<b>Bottom 1/4 of Reporting Kiosk Stores (139)</b>
Net Profit Margin <sup>10</sup>	14.06%	20.55%	16.54%	10.87%	-1.38%
<b>Gross Sales:</b>					
Median	883,961	1,278,068	1,012,271	797,714	572,775
High	2,130,325	2,130,325	1,125,325	883,961	700,988
Low	240,038	1,125,358	886,758	703,427	240,038
Stores/% exceeded avg.	259 / 47%	54 / 39%	72 / 52%	73 / 53%	78 / 56%
<b>Gross Profit:</b>					
Median	535,660	781,860	614,514	480,300	336,881
High	1,320,168	1,320,168	723,943	545,034	439,103
Low	125,046	492,682	488,774	395,293	125,046
Stores/% exceeded avg.	256 / 46%	55 / 40%	71 / 51%	69 / 50%	74 / 53%
<b>Total Expenses</b>					
Median	421,143	530,297	440,577	390,740	328,383
High	865,756	865,756	645,212	653,993	553,125
Low	193,791	389,446	312,165	272,901	193,791
Stores / % Ex. Avg.	268 / 48%	66 / 47%	64 / 46%	67 / 48%	65 / 47%
<b>EBITDA</b>					
Median	119,993	251,246	171,751	88,833	-2,900
High	631,779	631,779	369,558	219,146	146,770
Low	-296,663	11,593	-156,437	-147,672	-296,663
Stores/% exceeded avg.	265 / 48%	59 / 42%	74 / 54%	70 / 50%	79 / 57%

### **Reporting End Cap Stores**

As disclosed in the initial table to this Item 19, there were 55 franchised End Cap Stores in our System as of December 31, 2024. Of these 55 Stores, 51 of them operated for the entire 2024 Measurement Period. We excluded 4 End Cap Stores from the 51 Stores because these Stores did not provide us with the cost and expense data we requested for the 2024 Measurement Period, leaving 47 Reporting End Cap Stores, whose information was used to determine the Statements of Sales, Expenses and Earnings disclosed in the table below. The earliest of the Reporting End Cap Stores in the 2024 Measurement Period opened on December 1, 2001 and the latest on May 18, 2020.

### **Statement of Sales, Expenses and Earnings – Reporting End Cap Stores**

<b>End Cap</b>	<b>All Reporting End Cap Stores (47)</b>	<b>Top 1/4 of Reporting End Cap Stores (12)</b>	<b>Second 1/4 of Reporting End Cap Stores (11)</b>	<b>Third 1/4 of Reporting End Cap Stores (12)</b>	<b>Bottom 1/4 of Reporting End Cap Stores (12)</b>
<b>Gross Sales<sup>1</sup></b>	988,050	1,449,192	1,107,981	874,608	530,414
Discounts <sup>2</sup>	86,380	128,938	99,540	73,764	44,375
<b>Net Sales<sup>4</sup></b>	901,670	1,320,254	1,008,441	800,844	486,039
Cost of Goods Sold <sup>3</sup>	296,633	420,771	333,531	268,123	167,184
<b>Gross Profit<sup>5</sup></b>	605,037	899,483	674,910	532,721	318,855
Labor Costs <sup>6</sup>	256,277	322,117	291,235	246,249	168,421
Rental Expense <sup>7</sup>	56,127	55,260	59,458	61,094	48,324
Royalty	54,100	79,215	60,506	48,051	29,162
Marketing and Advertising Contributions	18,033	26,405	20,169	16,017	9,721
Technology Fee	4,200	4,200	4,200	4,200	4,200
Card Processing <sup>8</sup>	25,689	37,679	28,808	22,740	13,791
Overhead <sup>9</sup>	49,800	49,800	49,800	49,800	49,800
<b>Total Expenses</b>	464,226	574,676	514,176	448,151	323,419
<b>EBITDA<sup>10</sup></b>	<b>140,811</b>	<b>324,807</b>	<b>160,734</b>	<b>84,570</b>	<b>-4,564</b>
Net Profit Margin <sup>10</sup>	14.25%	22.41%	14.51%	9.67%	-0.86%
<b>Gross Sales:</b>					
Median	998,022	1,378,332	1,104,208	881,497	548,912
High	2,207,609	2,207,609	1,182,966	998,022	692,148
Low	207,880	1,193,383	1,015,183	727,360	207,880
Stores/% exceeded avg.	26 / 55%	5 / 42%	5 / 45%	6 / 50%	6 / 50%
<b>Gross Profit:</b>					
Median	615,630	870,412	669,580	515,575	328,664
High	1,340,745	1,340,745	727,666	615,630	445,650
Low	108,824	729,467	620,748	440,304	108,824
Stores/% exceeded avg.	25 / 53%	4 / 33%	4 / 36%	5 / 42%	6 / 50%
<b>Total Expenses</b>					
Median	464,249	545,624	514,271	442,612	311,874
High	783,793	783,793	568,912	517,315	393,768
Low	249,694	455,970	449,115	344,171	249,694
Stores / % Ex. Avg.	24 / 51%	4 / 33%	6 / 55%	6 / 50%	6 / 50%
<b>EBITDA</b>					
Median	133,594	319,493	170,967	94,226	12,434

<b>End Cap</b>	<b>All Reporting End Cap Stores (47)</b>	<b>Top 1/4 of Reporting End Cap Stores (12)</b>	<b>Second 1/4 of Reporting End Cap Stores (11)</b>	<b>Third 1/4 of Reporting End Cap Stores (12)</b>	<b>Bottom 1/4 of Reporting End Cap Stores (12)</b>
High	598,612	598,612	278,551	167,317	172,425
Low	-140,870	185,585	68,907	-4,264	-140,870
Stores/% exceeded avg.	22 / 47%	6 / 50%	6 / 55%	8 / 67%	6 / 50%

Notes: Except as otherwise noted, the following notes only relate to this Section C:

1. The term “Gross Sales” means Net Sales (as defined in Item 6) plus Discounts.
2. The term “Discounts” includes the face value of coupons, free or reduced drink promotions, gift card promotions, mobile app promotions, refunds, and employee free drinks. In calculating the average Discount Expense, we determined the average total annual or annualized Discount Expenses for the applicable group Reporting Stores within each quartile and divided the result by average total annual or annualized Gross Sales for such Stores.
3. The term “Cost of Goods Sold” includes amounts for coffee beans, dairy, food items, syrups, tea, smoothies, cups, lids, paper products, and other direct products associated with serving food and beverage products. In calculating the average Cost of Goods Sold, we determined the average total annual or annualized Cost of Goods Sold for the applicable group of Reporting Stores within each respective quartile and divided the result by the average total annual or annualized Gross Sales for such Stores.
4. The term “Net Sales” has the meaning defined in Item 6.
5. The term “Gross Profit” means the Net Sales minus the Cost of Goods Sold.
6. The term “Labor Costs” includes wages for in-store employees including the manager and payroll taxes but does not include employee benefits. The costs of overhead employees, such as a regional manager, are not included in the labor calculations above. In calculating the average Labor Costs, we determined the average total annual Labor Costs for the Stores within each respective quartile and divided the result by average total annual or annualized Gross Sales for such Stores.
7. The term “Rental Expense” includes the total amount of payments to the franchisee’s landlord, including base rent, common area maintenance, real estate taxes and insurance. In calculating the average Rental Expense, we determined the average total annual Rental Expenses for the applicable group of Reporting Stores within each respective quartile and divided the result by average total annual or annualized Gross Sales for such Stores. During 2024, the range of annual rent paid for Kiosk was \$5,700 to \$134,107 and \$12,000 to \$93,772 for End Cap Stores.

8. The term “Card Processing” is the estimated cost of processing debit card, credit card and gift card payments on store sales, averaging 2.6% of Gross Sales. This fee is based on the use of our standard POS System from our Designated Supplier. We have used this figure in calculating the Card Processing expenses in the above tables.
9. The term “Overhead” is the estimated costs of other expenses including business insurance, licenses, accounting fees, banking fees, store supplies, service contracts, repairs, maintenance, uniforms, and other miscellaneous costs. In our experience, Overhead expense is an average of \$49,800 for Kiosk Stores and End Cap Stores. We have used these figures in calculating the Estimated Overhead expenses in the above charts. These amounts do not include Technology Fees as those are stated separately. These amounts do not include the Initial Opening Support Fee as these are not new Stores. The Initial Opening Support Fee under the Franchise Agreement is \$20,000.
10. The term “EBITDA” is the estimated earnings before deductions for payments and costs of borrowing to finance the Initial Fees in Item 5, Initial Investment in Item 7 and ongoing investments in the Reporting Store and before deductions for depreciation and amortization on the Initial Fees in Item 5, initial Investment in Item 7 and ongoing investments in the Store. Percentages were rounded to the nearest one-hundredth of a percent.

#### **D. SAME-STORE NET SALES GROWTH**

This Section D discloses the historic same-store net sales growth for Comparable Kiosk Stores and Comparable End Cap Stores between 2019 and 2024. A “Comparable Period” is each two-year period beginning on January 1, 2019 and ending on December 31, 2024. Total Stores in each Comparable Period are included in the table below. To be included in any Comparable Period, the Store was required to be open for the entire 24-month period in the Comparable Period. The term “same-store net sales growth” refers to the percentage change in Net Sales from one year to the next for all of the Stores in each Comparable Period.

##### **Comparable Kiosk Stores**

The table below provides the same-store net sales growth for Comparable Kiosk Stores in each of the Comparable Periods. The growth percentage is calculated by taking the total Net Sales for the most recent year in the applicable Comparable Period, and dividing it by the difference between the total Net Sales for the most recent year in such Comparable Period and the total Net Sales of the Comparable Kiosk Stores for the prior year in the Comparable Period. The earliest of the Comparable Kiosk Stores in the 2023-2024 Comparable Period opened on December 12, 2001 and the latest on December 31, 2022.