

Provision	Section in Franchise or Other Agreement	Summary
t. Integration/merger clause	Section 24.2 of FA; Section 8.6 of MUDA	Only terms of the Franchise Agreement and Development Agreement are binding (subject to state law). Any representations or promises outside of the Franchise Agreement or Development Agreement may not be enforceable. Nothing in the Franchise Agreement or Development Agreement is intended to disclaim any representations made by us in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	Article 22 of FA; Section 8.1 of DA	Arbitration or litigation in Denver, Colorado (subject to state law).
v. Choice of forum	Section 22.5 of FA; Section 8.1 of DA	Arbitration or litigation in Denver, Colorado (subject to state law).
w. Choice of law	Section 22.5 of FA; Section 8.1 of DA	Except for federal law, Colorado law applies (unless prohibited by laws of the state where the Coffee Shop is located).

ITEM 18

PUBLIC FIGURES

We do not presently use any public figures to promote our franchise. You may use the name of a public figure or celebrity in your promotional efforts or advertising only with our approval.

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 Franchise 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.

TABLES OF AFFILIATED COMPANY COFFEE SHOP **2024 ACTUAL ANNUAL GROSS PROFITS**

The tables below show the actual annual gross profits for the Drive Thru and Café with Drive Thru ZIGGI'S Coffee Shops operated by our affiliated companies for calendar year 2024. Our affiliates operated four Drive Thru Coffee Shops and two Café with Drive Thru Coffee Shop models for the entire calendar year 2024. Of the two Café with Drive Thru Coffee Shops operated by our affiliate, one is located in a freestanding facility and one is located in an endcap facility. Each of these units are operated similar to a ZIGGI'S Coffee Shop like the kind you will operate, depending on the model you choose. One of our affiliates also operates a café without a drive-through. We are not showing the results of that café since we are not promoting that model under this Disclosure Document.

TABLE A
2024
ACTUAL ANNUAL GROSS PROFITS
AFFILIATES WITH DRIVE THRU MODEL

	Coffee Shop A	Coffee Shop B	Coffee Shop C	Coffee Shop D
Total Sales	\$ 1,188,136	\$ 1,136,240	\$ 1,284,014	\$ 877,335
Discounts	\$ 87,710	\$ 86,138	\$ 109,004	\$ 68,237
Actual Gross Sales	\$ 1,100,426	\$ 1,050,102	\$ 1,175,010	\$ 809,098
Cost of Goods Sold	\$ 390,683	\$ 374,765	\$ 445,382	\$ 292,136
Labor Costs	\$ 299,491	\$ 300,200	\$ 340,332	\$ 245,276
Gross Profits	\$ 410,252	\$ 375,137	\$ 389,296	\$ 271,685
Franchise Costs Not Incurred by Our Affiliates				
Royalty (6% of Actual Gross Sales)	\$ 66,026	\$ 63,006	\$ 70,501	\$ 48,546

TABLE B
2024
ACTUAL ANNUAL GROSS PROFITS
AFFILIATE WITH CAFÉ WITH DRIVE THRU MODEL

	Coffee Shop A	Coffee Shop B
Total Sales	\$ 883,481	\$ 1,076,929
Discounts	\$ 57,390	\$ 117,280
Actual Gross Sales	\$ 826,091	\$ 959,649
Cost of Goods Sold	\$ 317,798	\$ 382,420
Labor Costs	\$ 240,001	\$ 298,530
Gross Profits	\$ 268,292	\$ 278,699
Franchise Costs Not Incurred by Our Affiliates		
Royalty (6% of Actual Gross Sales)	\$ 49,565	\$ 57,579

TABLES OF FRANCHISED COFFEE SHOP
2024 ANNUAL TOTAL SALES

The tables below show the 2024 average annual total sales for the Drive Thru ZIGGI'S Coffee Shops and Café with Drive Thru Coffee Shops operated by those franchisees of ours who operated those models of Coffee Shops for the entire or substantially the entire calendar year 2024. There are 40 franchised Drive Thru ZIGGI'S Coffee Shops whose results were included in Table C. There were 29 franchised Café with Drive Thru ZIGGI'S Coffee Shops whose results were included in Table D. We had one franchisee who operated a café model Coffee Shop for the entire calendar year 2024. We are not showing the results of this Coffee Shop as we do not promote that model to franchisees.

TABLE C 2024 AVERAGE ANNUAL TOTAL SALES FRANCHISEES WITH DRIVE THRU MODEL					
No. of Outlets	Average	No. & % Met or Exceeded the Average	Median	High	Low
40	\$ 794,739	15/38%	\$ 733,663	\$ 1,362,119	\$ 217,974

TABLE D 2024 AVERAGE ANNUAL TOTAL SALES FRANCHISEES WITH CAFÉ WITH DRIVE THRU MODEL					
No. of Outlets	Average	No. & % Met or Exceeded the Average	Median	High	Low
29	\$ 802,361	16/55%	\$ 829,299	\$ 1,158,420	\$ 427,408

TABLE OF
AVERAGE DAILY TOTAL SALES OF
AFFILIATED AND FRANCHISED COFFEE SHOPS
FOR CALENDAR YEARS 2019, 2020, 2021, 2022, 2023 AND 2024

The table below shows the average daily total sales for affiliate-owned and franchisee-owned Coffee Shops for each calendar year of 2019, 2020, 2021, 2022, 2023, and 2024. The table breaks the total sales by affiliate-owned Drive Thru ZIGGI'S Coffee Shops, franchisee-owned Drive Thru ZIGGI'S Coffee Shops, affiliate-owned Café with Drive Thru Coffee Shops, and franchisee-owned Café with Drive Thru Coffee Shops. Since the information is based on daily total sales, Coffee Shops that operated at any time during the calendar year, even for less than a full calendar year, are included in this table. The number of Coffee Shops shown in each group is stated in the table. Only the Drive Thru model ZIGGI'S Coffee Shops and Café with Drive Thru model ZIGGI'S Coffee Shops are shown in the table. We are not showing the daily results of our affiliate café model ZIGGI'S Coffee Shops or of our one franchisee who also operates a café model ZIGGI'S Coffee Shop, as we do not promote that model to franchisees.

TABLE E
2019, 2020, 2021, 2022, 2023 AND 2024
AVERAGE DAILY TOTAL SALES

Model	Year	No. of Outlets	Average	No. & % Met or Exceeded the Average	Median	High	Low
Affiliate-owned Drive Thru ZIGGI'S Coffee Shops	2019	4	\$ 1,899	2/50%	\$ 1,932	\$ 2,224	\$ 1,509
	2020	4	\$ 2,641	2/50%	\$ 2,604	\$ 3,356	\$ 2,002
	2021	4	\$ 3,164	2/50%	\$ 3,119	\$ 3,937	\$ 2,481
	2022	4	\$ 3,036	2/50%	\$ 3,027	\$ 3,390	\$ 2,700
	2023	4	\$ 2,925	2/50%	\$ 2,969	\$ 3,336	\$ 2,426
	2024	4	\$ 3,077	3/75%	\$ 3,193	\$ 3,518	\$ 2,404
Franchisee-owned Drive Thru ZIGGI'S Coffee Shops	2019	11	\$ 1,358	3/27%	\$ 1,337	\$ 2,064	\$ 903
	2020	12	\$ 1,866	6/50%	\$ 1,862	\$ 2,360	\$ 1,232
	2021	20	\$ 2,214	12/60%	\$ 2,296	\$ 2,976	\$ 1,314
	2022	30	\$ 2,242	13/43%	\$ 2,191	\$ 4,078	\$ 1,037
	2023	40	\$ 2,214	15/38%	\$ 2,103	\$ 5,295	\$ 668
	2024	58	\$ 2,332	22/38%	\$ 2,064	\$ 5,283	\$ 599
Affiliate-owned Café with Drive Thru Coffee Shops	2019	1	\$ 2,426	1/100%	\$ 2,426	\$ 2,426	\$ 2,426
	2020	1	\$ 2,250	1/100%	\$ 2,250	\$ 2,250	\$ 2,250
	2021	2	\$ 3,172	1/50%	\$ 3,172	\$ 3,254	\$ 3,090
	2022	2	\$ 2,896	1/50%	\$ 2,896	\$ 2,947	\$ 2,845
	2023	2	\$ 2,765	1/50%	\$ 2,765	\$ 3,006	\$ 2,523
	2024	2	\$ 2,685	1/50%	\$ 2,685	\$ 2,950	\$ 2,420
Franchisee-owned Café with Drive Thru Coffee Shops	2019	2	\$ 1,525	1/50%	\$ 1,525	\$ 1,874	\$ 1,175
	2020	6	\$ 2,219	3/50%	\$ 2,325	\$ 2,813	\$ 1,469
	2021	14	\$ 2,445	5/36%	\$ 2,356	\$ 3,229	\$ 2,024
	2022	23	\$ 2,520	9/39%	\$ 2,417	\$ 6,101	\$ 1,312
	2023	29	\$ 2,209	17/59%	\$ 2,307	\$ 3,703	\$ 1,208
	2024	34	\$ 2,217	20/59%	\$ 2,299	\$ 3,173	\$ 873

The following Notes explain the data included in the tables and you should review them carefully.

NOTES TO TABLES:

1. Tables A and B show the actual annual Gross Profits generated by our affiliated companies by the type of models we offer under this Disclosure Document for the calendar year 2024. We offer two different Coffee Shop models, Drive Thru and Café with Drive Thru, with the Café with Drive Thru model being offered as either a freestanding location or as an end-cap location. See Item 1 for a more detailed description of each model.

2. Tables C and D show the average annual Total Sales generated by our franchisees who operated for all or substantially all of calendar year 2024 using the Drive Thru model Coffee Shop (Table C) and the Café with Drive Thru model Coffee Shops (Table D). Further, Tables C and D show the

number and percentage of those Coffee Shops who met or exceeded the average shown, together with the median annual Total Sales, and the Total Sales of the highest and lowest performing Coffee Shops in each group.

3. Table E shows the average daily Total Sales generated by our affiliates and franchisees who operated during the applicable calendar year of 2019, 2020, 2021, 2022, 2023 and 2024, respectively, using the Drive Thru model Coffee Shop and the Café with Drive Thru model Coffee Shop. Further, Table E shows the number and percentage of those Coffee Shops in each group who met or exceeded the average shown, together with the median annual Total Sales, and the Total Sales of the highest and lowest performing Coffee Shops in each group.

4. The “**median**” for purposes of Tables C, D and E means the results of the Coffee Shop falling in the middle of the group or groups of Coffee Shops shown in the applicable table, or, where there is an even number of Coffee Shops, the average of the results of the two Coffee Shops falling in the middle of the group.

5. “**Total Sales**” as used in this Item 19 means the total receipts of each of the Coffee Shops shown in the tables, but does not include sales tax or equivalent taxes. It includes revenue from the redemption of ZIGGI’S gift certificates, customer loyalty cards, gift cards and other prepaid cards.

6. “**Actual Gross Sales**” as used in this Item 19 means Total Sales minus the value of discounts and complementary products given to employees. This is the amount on which franchisees pay Royalty Fees and other fees.

7. “**Gross Profits**” as used in this Item 19 means Actual Gross Sales minus cost of goods sold and labor costs.

8. Tables A, B, C and D show a historic financial performance representation about our existing affiliate-owned Coffee Shops and of our franchisee-owned Coffee Shops that operated for the entire calendar year 2024.

9. Table E shows a historic financial performance representation about our existing affiliate-owned Coffee Shops and of our franchisee-owned Coffee Shops that operated at any time during the applicable calendar year of 2019, 2020, 2021, 2022, 2023 and 2024. This table includes Coffee Shops that may have operated for less than a full calendar year.

10. At the end of calendar year 2024, we had seven ZIGGI’S Coffee Shops operated by our affiliates, one of which is a café without a drive-thru, which is a model we do not offer under this Disclosure Document and therefore is not shown in the tables. Tables A and B show four Drive Thru model Coffee Shops and two Café with Drive Thru model Coffee Shops, respectively, that our affiliates operated for the entire calendar year 2024.

11. At the end of calendar year 2024, we had 93 ZIGGI’S Coffee Shops operated by franchisees of ours. One franchisee operates a café model Coffee Shop, which we are not showing in the tables since we do not promote that model to franchisees. Of the remaining 92 Coffee Shops, 69 operated for the entire calendar year 2024, 40 of which operated our Drive Thru model Coffee Shop and are shown in Table C, and 29 of which operated our Café with Drive Thru model Coffee Shop and are shown in Table D. We had 25 franchisee-owned ZIGGI’S Coffee Shops that commenced operations during calendar year 2024 and therefore are not shown in Tables C and D. We also had three franchisee-owned Coffee Shops close during calendar year 2024, two of which opened and closed in calendar year 2024 and therefore were opened for less than 12 months.

12. The number of Coffee Shops shown in Table E for each group are shown in that table. The total numbers of franchised outlets as of the end of each of the years covered by Table E are as follows: 2019 (14 outlets), 2020 (20 outlets), 2021 (37 outlets), 2022 (57 outlets), 2023 (71 outlets), and 2024 (93 outlets).

13. The Coffee Shops included in these tables sell substantially the same products and services as will be offered by the franchised Coffee Shops offered pursuant to this Disclosure Document.

14. The information for the Coffee Shops included in Tables A and B is information as reported by our affiliates. The information for the Coffee Shops included in Tables C and D is information as reported by our franchisees. The information for the Coffee Shops included in Table E is information as reported by our affiliates and franchisees. None of the information has been audited or otherwise verified by us.

15. We do not show any operating expense nor non-operating income or expenses, or resulting net profit for any of the Coffee Shops shown in any of the tables.

16. Our affiliates operate their Coffee Shops in the same manner as you will operate your ZIGGI'S Coffee Shop. However, our affiliates do not and will not going forward operate their Coffee Shops as franchised outlets. While many of the operating and non-operating expenses incurred by our affiliates are similar to what you will incur in your ZIGGI'S Coffee Shop, our affiliates do not and will not pay Royalty Fees to us in the same manner as you will pay to us. However, Tables A and B contain supplemental disclosures to show the Royalty Fee that would be paid if our affiliates operated as franchisees and were required to pay those fees. Other than the fact our affiliates' Coffee Shops have operated for a longer period of time, there are no other material financial or operational differences between our affiliate Coffee Shops and an operational franchise Coffee Shop.

17. You should review the other Items of this Disclosure Document, including Items 5, 6, and 7, regarding the fees you will be required to pay and the expenses you might incur in operating a ZIGGI'S Coffee Shop.

Some ZIGGI'S Coffee Shops have sold this amount. Your individual results may differ. There is no assurance you will sell as much.

Written substantiation for this financial performance representation will be made available to you at our company headquarters in Mead, Colorado upon your 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 our management by contacting Brandon Knudsen, President, 241 Welker Avenue, Mead, Colorado 80542, telephone: (303) 682-5120, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

ITEM 20 TABLE NO. 1 Systemwide Outlet Summary For Years 2022 to 2024

Column 1 Outlet type	Column 2 Year	Column 3 Outlets at the Start of the year	Column 4 Outlets at the End of the year	Column 5 Net Change
Franchised	2022	37	57	+20
	2023	57	71	+14
	2024	71	93	+22
Company- Owned ⁽¹⁾	2022	8	8	0
	2023	8	7	-1
	2024	7	7	0
Total Outlets	2022	45	65	+20
	2023	65	78	+13
	2024	78	100	+22

⁽¹⁾ These ZIGGI'S Coffee Shops are owned and operated by our affiliates as disclosed in Item 1. These include the Drive Thru model and Café with Drive Thru model Coffee Shops of the type being offered in this Disclosure Document, as well as the café model that is similar to a Café with Drive Thru model but without the drive through window. As described in Item 1, our affiliates also operate other retail coffee shop businesses under the "ZIGGI'S COFFEE" name, which are not included in this table.

ITEM 20 TABLE NO. 2 Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For Years 2022 to 2024

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Arizona	2022	0
	2023	0
	2024	1
Colorado	2022	0
	2023	0
	2024	7
Oklahoma	2022	1
	2023	0
	2024	0
Totals	2022	1
	2023	0
	2024	8