

2. COGS included in Table 1 above are approximately 25.6% of Gross Sales for the Measurement Period. “COGS” herein means the cost of goods sold, which includes cost of inventory, products, supplies, and packaging cost of all food, beverage, and retail products. COGS do not include any cost of equipment or furniture you will need for your Franchised Business.
3. Labor Costs included in Table 1 above are approximately 30.9% of Gross Sales for the Measurement Period. The term “Labor Costs” includes salaries and wages for all hourly and salary employees excluding payroll taxes.
4. The corporate coffee shop included in this financial performance representation does not reflect royalty fees and other fees, that you may pay under the terms of your signed Franchise Agreement. Additionally, the corporate coffee shop in this Item does not include debt service that you may incur, nor does it include any information about federal, state, or local taxes you will be required to pay.
5. As of the issuance date, the affiliate owned coffee shop was not operating for the full month of March 2024 and therefore, data from the month of March 2024 was excluded from Table 2 in this financial performance representation.

Some stores have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

~~We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors prior to executing the franchise agreement.~~

We have written substantiation in our possession to support the information appearing in this Item 19, and this information will be made available to you on reasonable request.

Other than the preceding financial performance representation we do not make any 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 your future income, you should report it to the franchisor’s management by contacting Faris Almatrahi, President, 3211 Preston Road, Suite 1, Frisco, Texas 75034, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

**Table 1
Systemwide Outlet Summary
For years 2021 to 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0