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FRANCHISE DISCLOSURE DOCUMENT

SUPER MAGNIFICENT COFFEE COMPANY IRELAND LIMITED

a corporation organized under Irish law
1800 Vine Street
Los Angeles, California 90028
(310) 237-2326
www.coffeebean.com

You will develop one or more "The Coffee Bean & Tea Leaf" Stores or Kiosks featuring premium coffee beverages, espresso drinks, premium teas, roasted coffee beans and blends, prepackaged coffees, prepackaged teas, baked goods, snacks and other food items and products, which may include but are not limited to coffee making equipment, cups, hats, t-shirts, miscellaneous branded items and other novelty items.

The total investment necessary to begin operation of a single "The Coffee Bean & Tea Leaf" store is $359,500 to $785,500 (including $55,500 to $132,000 which must be paid to the franchisor or its affiliates) for a full service store and $192,250 to $425,500 (including $52,500 to $81,000 which must be paid to the franchisor or its affiliates) for a Kiosk. This includes your initial franchise fee ($15,000 for a Kiosk, and either $12,500 or $25,000 for a full service Store).

The total investment for an Area Development Agreement is the sum of (i) $12,500 multiplied by the number of stores that you must open within the initial term of your Area Development Agreement (this amount does not include the costs to construct and open each of your "The Coffee Bean & Tea Leaf" Stores), plus (ii) reimburse us for our legal, accounting and other professional fees to the extent they exceed $10,000 to negotiate and sign the Area Development Agreement (including any exhibits, addenda or attachments), provided that the reimbursement will not exceed $25,000.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like an attorney or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1–877–FTC–HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance date: June 20, 2023.

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How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only "The Coffee Bean" business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a "The Coffee Bean" franchisee?	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

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What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit G.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

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Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.

2. **Mandatory Minimum Payments.** You must make mandatory minimum royalty payments or advertising contributions regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.

3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

4. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

5. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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EXHIBITS

Exhibit “A” Franchise Agreement (including Lease Addendum)
Exhibit “B” Area Development Agreement
Exhibit “C” Guaranty
Exhibit “D” Financial Statements
Exhibit “E” Table of Contents of Operations Manual
Exhibit “F” Lists of Franchisees and Developers
Exhibit “G” List of State Regulatory Agencies and Administrators and Agents for Service of Process
Exhibit “H” State Addenda
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ITEM 1.
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language of this Disclosure Document the words "***SMCC Ireland***," "***we***," "***our***," and "***us***" refer to Super Magnificent Coffee Company Ireland Limited, the franchisor. "***You***," "***your***" and "***Developer***" means the person or entity who buys the franchise.

As required by law, this Disclosure Document has been prepared in "plain English." To fully understand all of your and our rights and obligations to each other, you must still carefully review the actual agreements that you will sign. The actual agreements will control if there is any dispute between us.

The Franchisor, its Affiliates and Predecessors

We were organized in Ireland on August 22, 2019. We do business under our corporate name, and the name "The Coffee Bean & Tea Leaf"®. Our principal business address in the United States is 1800 Vine Street, Los Angeles, California 90028 and our registered address is Gray Office Park, Headford Road, Galway, Ireland. We have offered "The Coffee Bean & Tea Leaf" franchises in certain jurisdictions within the United States of America and internationally since our formation, but do not offer franchises in any other line of business. Our agent for service of process is HMP Secretarial Limited. Our and HMP Secretarial Limited's principal business address is Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland, D02 X576.

Prior to our formation, our affiliate, International Coffee & Tea, LLC ("***ICT***"), a Delaware limited liability company which was organized in Delaware on December 10, 1998, offered "The Coffee Bean & Tea Leaf" franchises in the United States of America from February 17, 2000 to March 2001, and outside of the United States of America from August 1999 to March 2001. ICT again began offering "The Coffee Bean & Tea Leaf" franchises in the United States on March 31, 2012, when our affiliate, CBTL Franchising, LLC ("***CBTL***") transferred all of its domestic franchises and area development agreements to ICT, until October 1, 2019, when ICT transferred all of its franchises and area development agreements to us, as explained below. ICT has owned and operated "The Coffee Bean & Tea Leaf" stores since 1998 and continues to provide franchise operational support and services to "The Coffee Bean & Teal Leaf" franchises system-wide. ICT has not offered franchises for any other line of business.

In September 2019, all of ICT's ownership interests were purchased pursuant to a Unit Purchase Agreement that resulted in Super Magnificent Coffee Company Pte Ltd., a Singapore private limited company ("***SMCC SG***"), being the parent of ICT (the "***2019 Transaction***"). SMCC SG is owned 80% by Jollibee Worldwide Pte Ltd. ("***Jollibee***") and 20% by Brewheal Pte Ltd. ("***Brewheal***"). SMCC SG's principal business address is 80 Robinson Road, #02-00, Singapore (068898). SMCC SG has not and does not offer franchises in any line of business.

Jollibee is a Singapore private limited company and its principal business address is 80 Robinson Road, #02-00, Singapore (068898). Jollibee is wholly owned by Jollibee Foods Corporation ("***JFC***"), a publicly traded Filipino corporation**.** Jollibee offers franchises for "Jollibee" fast food restaurants in the Philippines and has been offering franchises since 1979. As of December 31, 2022, Jollibee has 878 franchised stores. Jollibee does not operate any "The Coffee Bean & Tea Leaf" store or kiosks. Brewheal Pte Ltd. is a Singapore private limited company and its principal business address is 140 Paya Lebar Road #1-09 AZ @ Paya Lebar Singapore (409015). Brewheal has not and does not offer franchises in any line of business.

Following the 2019 Transaction, there was a company restructuring that resulted in our formation and the formation of Super Magnificent Coffee Company Hungary Kft., a Hungary limited company ("***SMCC Hungary***"), on September 11, 2019, with both entities being wholly owned by SMCC SG.

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As part of the restructuring, ICT became a wholly owned subsidiary of SMCC Hungary. SMCC Hungary's principal business address is 1139 Budapest, Vaci ut 99.2.emelet, Budapest, Hungary. SMCC Hungary has not and does not offer franchises in any line of business.

Also as part of the restructuring, on October 1, 2019, ICT and CBTL assigned all of their then-existing "The Coffee Bean & Teal Leaf" franchises, area development agreements, trademarks and related intellectual property to us. As a result of this transfer, we became the master franchisor for the "The Coffee Bean & Tea Leaf" brand in the United States and internationally. On October 1, 2019, ICT and CBTL each entered into Master Franchise Agreements with SMCC Ireland (each a "***Master Franchise Agreement***") which grant ICT and CBTL the right to offer and sell "The Coffee Been & Tea Leaf" franchises (or "subfranchisees") in the United States and internationally, respectively.

CBTL was organized in Delaware on March 23, 2001 and its principal business address is 1800 Vine Street, Los Angeles, California 90028. CBTL offered franchises in the United States of America for businesses similar to the business we are offering pursuant to this Disclosure Document from 2001 until March 31, 2012, and continued to offer franchises internationally from 2001 until October 1, 2019, when all of its franchises and area development agreements were transferred to us. CBTL currently offers "The Coffee Bean & Tea Leaf" subfranchises in certain jurisdiction internationally under a Master Franchise Agreement with SMCC Ireland. Starting in 2011, CBTL began developing a full-service restaurant concept which has dedicated seating and wait staff service, and a full breakfast, lunch and dinner menu, and which are identified on exterior signs primarily as "Beanstro," though one or more of the Marks that you will be licensed to use may also appear in conjunction with "Beanstro" (e.g., "CBTL" and/or "The Coffee Bean & Tea Leaf logo"), and these restaurants' menus may include some of the same coffees, espressos, teas and other products which you will be licensed to sell. As of December 30, 2022, there is one Franchise Agreement for a "Beanstro "Restaurant.

ICT acquired the assets of International Coffee & Tea, Inc. ("***ICTI***") on December 17, 1998. ICTI was incorporated in California on July 26, 1968 under the name "International Coffee & Tea, Inc.," and changed its name to MMH Holdings, Inc. on December 24, 1998. ICTI operated businesses similar to the type offered in this Disclosure Document since 1968 and offered franchises for these businesses in Singapore and Malaysia from 1996 to 1998. Herbert B. Hyman, ICTI's founder, began operating The Coffee Bean & Tea Leaf Stores in California in 1963. To our knowledge, neither Herbert Hyman nor MMH Holdings, Inc. offered franchises in any other line of business. After acquiring the assets of ICTI, we acquired SunVic Food & Beverage Sdn. Bhd, which changed its name to The Coffee Bean & Tea Leaf (Singapore) Pte Ltd ("***CBTL Singapore***"), and its subsidiary, DeSunvic Food & Beverage Sdn Bhd, which changed its name to The Coffee Bean & Tea Leaf (Malaysia) Sdn. Bhd ("***CBTL Malaysia***"). The principal place of business of CBTL Malaysia is No. 87 Jalan 10/91, Taman Shamelin Perkasa, 56100 Kuala Lumpur and the principal place of business of CBTL Singapore is 211 Henderson Road #06-04 Industrial Park, Singapore 159552.

As part of the Restructuring, CBTL Singapore and CBTL Malaysia were transferred and became subsidiaries of SMCC SG. These two entities operate "The Coffee Bean & Tea Leaf" Stores in Singapore and Malaysia, originally as franchisees of ICTI, and may provide products, training and other support services to international franchisees located outside the United States.

ICT and our affiliate, Magnificent Coffee Trading Pte. Ltd. ("***MCT***"), sell certain goods, including roasted coffee beans and blends and teas to "The Coffee Bean & Tea Leaf" franchisees. ICT and MCT currently sell roasted coffee beans and blends and teas to wholesale accounts, who in some but not all cases use one or more trademarks to indicate to the public that the coffee has been roasted or supplied by "The Coffee Bean & Tea Leaf." ICT and MCT also sell coffee beans, blends, ground coffee, teas and various other products in connection with servicing offices and other businesses that do not sell our products at retail. MCT does not presently offer franchises in any line of business. MCT is a Singapore Private

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Company Limited by Shares and its principal business address is 80 Robinson Road, #02-00, Singapore (068898).

Since 2010, our affiliate, CBTL Ventures, LLC, ("***CBTL Ventures***") has offered franchises internationally, and may also in the future offer franchises in the U.S.A., to develop stores featuring single-serve brewing machines and single-serve coffee, espresso, tea and/or powder capsules for sale under the name "The Coffee Bean & Tea Leaf," "CBTL" or another name. CBTL Ventures does not presently offer franchises in any other line of business. CBTL Ventures may offer and sell single-serve brewing machines and related capsules to you. CBTL Venture's principal business address is 1800 Vine Street, Los Angeles, California 90028.

As a result of our ultimate majority ownership and control by Jollibee, we are now under common control with other entities offering franchises. These affiliates are listed below.

Our affiliate Honeybee Foods Corporation ("***Honeybee Foods***"), a Delaware corporation with its principal place of business at 16125 East Valley Boulevard, City of Industry, CA 91744, franchises a quick-service restaurant concept under the "Jollibee" trademarks, offering a specialized menu of hamburgers, chicken, pasta, assorted sides and beverages, and other products and services. Honeybee Foods began offering franchises for the "Jollibee" concept in 2018, and as of December 31, 2022, Honeybee Foods has sold 1 franchise for a "Jollibee" area development territory in Guam (though as of the end of our most recent fiscal year, no restaurants have yet opened for business in that territory).

Our affiliate Smashburger Franchising, LLC ("***Smashburger***"), a Delaware limited liability company formed on March 5, 2008, is also a wholly-owned subsidiary of Jollibee. Smashburger's principal business address is 3900 East Mexico Avenue, Suite 1100, Denver, Colorado 80210 and has been offering "Smashburger" restaurant franchises since 2008. As of December 31, 2022, Smashburger has 108 franchises.

Our affiliate Blue Sky Holdings Limited ("***Blue Sky***") has a principal business address of 17/F., Siu Ying Commercial Building, 151-155 Queen's Road Central, Hong Kong and has offered franchises in the Philippines for F&B –Highlands Coffee, a coffee tea and bread restaurant/store ,since 2011. As of December 31, 2022, Blue Sky has 50 of these franchises. Blue Sky has also offered franchises for F&B-Pho24, a Vietnamese noodle shop in the Philippines, since 2019. As of the date of this Disclosure Document, all Pho24 stores in the Philippines are temporarily closed.

Another of our affiliates, Services Joint Stock Company (Highlands Coffee) ("***Highland Coffee Company***") has a principal business address of 135/37/50 Nguyen Huu Canh Street, Ward 22, Binh Thanh District, Ho Chi Minh City, Vietnam and has offered franchises in Vietnam for F&B –Highlands Coffee, a coffee, tea and bread restaurant/store since 2013. As of December 31, 2022, Highland Coffee Company has 58 of these franchise stores.

Another of our affiliates, Pho24 Service Trade Manufacture Corporation ("***Pho24***") has a principal business address of 135/37/50 Nguyen Huu Canh Street, Ward 22, Binh Thanh District, Ho Chi Minh City, Vietnam and has offered franchises in Indonesia for F&B-Pho24, a Vietnamese noodle shop since 2005. As of December 31, 2022, Pho24 has 16 franchises.

Prior to 2017, another of our affiliates, Jollibee (China) Food and Beverage Management Co., Ltd. which has a principal business address of 7F, Building MT 1, Lane 3999, Hongxin Road, Minhang District, Shanghai had offered franchises of "Yonghe King" brand in China. After January, 2017, the franchise business was transferred to Shenzhen Yong He King Food and Beverage Co., Ltd. ("***SZ YHK***") which has a principal business address of 9E, East Tairan Jinsong Buiding, Tairan Avenue, Futian District, Shenzhen. The franchise agreements signed before 2017 had also been transferred to SZ YHK. Currently, only SZ YHK offers franchises of "Yonghe King" brand in China. Its registered address and principal address is at

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9E, East Tairan Jinsong Building, Tairan Avenue, Futian District, Shenzhen. As of December 31, 2022, SZ YHK has 116 franchises.

Another of our affiliates, Mang Inasal Philippines Inc. ("***Mang Insasal***") a Stock Corporation formed in the Philippines which has a principal business address of Unit 613, 6th Floor Pioneer Highlands Condo Tower 2, Pioneer cor. Madison St. Mandaluyong City and has offered franchises for "Mang Inasal" a barbecue fast food restaurant in the Philippines since 2003. As of December 31, 2022, Mang Inasal has 59 franchises.

Another of our affiliates, Red Ribbon Bakeshop Inc. ("***Red Ribbon***") a Stock Corporation formed in the Philippines which has a principal business address of 14/F Jollibee Plaza Building, 10 F. Ortigas Jr. Ave., Ortigas Center, Pasig City, Philippines and has offered franchises for "Red Ribbon" a bakery store selling cakes and pastries since 1999. As of December 31, 2022, Red Ribbon has 350 franchises.

Another of our affiliates, Fresh N' Famous Foods Inc. ("***Fresh N' Famous***"), is a Stock Corporation formed in the Philippines and has a principal business address of 14/F Jollibee Plaza Building, 10 F. Ortigas Jr. Ave., Ortigas Center, Pasig City, Philippines. Fresh N' Famous has offered franchises for "Chowking." an Asian quick service restaurant in the Philippines, since 1990 and as of December 31, 2022, has 413 franchised "Chowking" restaurants. Fresh N' Famous has also offered franchises for "Greenwich," a Filipino pizza and pasta quick service restaurant, since 1995 and as of December 31, 2022, has 138 franchised "Greenwich" restaurants.

Other than as described above, neither we nor any of our affiliates offers franchises for any other concept, nor do they operate or intend to operate any "The Coffee Bean & Tea Leaf" stores or kiosks, though they may do so in the future.

The Business

"The Coffee Bean & Tea Leaf" stores ("***Stores***") offer for general consumption premium coffees, espresso coffees, roasted coffee beans and blends, premium teas, baked goods, snacks and other food items and ancillary products, which may include coffee making equipment, cups, hats, t-shirts and novelty items.

We offer Area Development Agreements under which you must develop and operate a specified minimum number of Stores within a specified period of time (the "***Minimum Development Obligation***") and a defined geographic area (the "***Development Area***"). The Development Area may be one city, one or more counties, one or more states, or some other defined area. If you participate in this program, you will sign the Area Development Agreement, in the form attached as Exhibit "B," which will describe your Development Area, Minimum Development Obligation and other obligations.

For each Store you open, whether pursuant to the Area Development Agreement, or on a stand-alone basis, you will sign a separate Franchise Agreement on our then current form which may be materially different from the form attached to this disclosure document (attached as Exhibit "A" is our current form). Despite changes in the form of Franchise Agreement, if you sign an Area Development Agreement, certain terms in each Franchise Agreement you sign will remain fixed. For example, the Initial Franchisee Fee (see Item 5) for each Franchise Agreement you sign will be set forth in your Area Development Agreement, even if in the future we charge a higher initial fee to new franchisees.

We may also offer Area Development Agreements and single unit franchises for stores in institutional settings, including hotels, airports, colleges, universities, schools, grocery stores, supermarkets, hospitals, military and other governmental facilities, office or in-plant food service facilities, department stores, duty free shops, shopping mall food courts operated by a master concessionaire, and any venue in which food service is or may be provided by a master concessionaire or contract food service provider ("***Special Distribution Stores***"), which may be on substantially different terms than those described in this Disclosure Document. Special Distribution Stores are not offered pursuant to this Disclosure Document.

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In this Disclosure Document, we describe the typical terms and conditions relating to agreements for Stores and Kiosks, subject, if applicable, to changes that we may negotiate.

Stores of less than 300 square feet or that have less than 6 seats ("***Kiosks***"), which are generally located in office complexes, shopping malls or at specific street locations, are not included in the determination of whether or not you have opened the required number of Stores. You may not develop a Kiosk without our express prior written consent, which we may grant or withhold in our sole discretion, and which, if granted, may be subject to additional terms and conditions. Kiosks may only be able to sell a portion of the approved product line due to space limitations.

We believe that the market for specialty coffees, espresso coffees, roasted coffee beans and blends, premium teas, and baked goods is growing and highly competitive. You must compete with other coffee shops, coffeehouses, coffee bars, carts and stores, fast food and non-fast food restaurants, cafes, nationwide chains (including "store-in-store" cafes in supermarkets, donut shops and department stores) and other food vendors. Stores will be operated year round, although sales may fluctuate during the year. Authorized Coffee Bean Products are offered for sale to the general public. As with all retail food service businesses, your choice of location is critical to your success, no matter how good the concept.

Special Industry Regulation

The Federal government, California and other states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your Store, including those which (a) establish general standards, specifications and requirements for the construction, design and maintenance of the Store; (b) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements for restaurants; employee practices concerning the storage, handling, and preparation of food; special health, food service and frozen dessert machine licensing requirements; restrictions on smoking and exposure to tobacco smoke or other carcinogens or reproductive toxicants and saccharin; availability of and requirements for public accommodations, including restrooms; (c) set standards pertaining to employee health and safety; (d) set standards and requirements for fire safety and general emergency preparedness, (e) govern the use of vending machines, (f) regulate the proper use, storage and disposal of waste, insecticides, and other hazardous materials, (g) establish general requirements or restrictions on advertising containing false or misleading claims, or health and nutrient claims on menus or otherwise, such as "low calorie" or "fat free," (h) establish requirements for the disclosure of caloric, nutritional, and other information about the contents of food and beverage items you will offer and sell; (i) establish requirements concerning withholdings and employee reporting of taxes on tips; and (j) establish requirements concerning consumer privacy and data protection, including without limitation the European Union's General Data Protection Regulation.

Agent for Service of Process

Our agents for service of process are listed on Exhibit "G."

ITEM 2.
BUSINESS EXPERIENCE

Sanjiv Kumar Razdan – President, CBTL Americas & India

Mr. Razdan has been the President, CBTL Americas & India since March 2021. Prior to joining the company, Mr. Razdan was the Chief Operations Officer of Sweetgreen, a food and beverage company in Los Angeles, California from April 2018 until June 2020. From December 2014 until September 2017, Mr. Razdan was the Senior Vice President, Chief Operations Officer of Dine Grands Global, a food and beverage company in Los Angeles, California. Mr. Razdan has also served as Strategic Advisor for Ono Food Company in Los Angeles, California since October 2020. He is also Founder and Chair of GLEAM Network, a leadership and mentorship non-profit organization in Los Angeles, California, since April 2020.

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John in de Braekt – Chief Executive Officer

Mr. in de Braekt has been our Chief Executive Officer since August 2022. Prior to that, he served as President of Mars Veterinary Health Group Business in Portland, Oregon from June 2017 until April 2021.

Peter Vavra – Director of Franchise Operations

Mr. Vavra has been the Director of Franchise Operations of ICT since June 2016. Prior to that, he served as a Franchise Business Consultant for ICT from August 2014 until June 2016.

Jay Isais – Vice President of Roasting & Distribution

Mr. Isais has been Vice President of Roasting & Distribution of ICT since October 5, 2015. Prior to his promotion to Vice President, Mr. Isais was ICT's Senior Director of Coffee & Manufacturing for over 15 years.

Prabashinee Moodley (Prabs) - Head/VP of Business Development, Americas

Ms. Moodley joined as Head/VP of Business Development, Americas in January 2023. From September 2019 until January 2023, Prabs was Director and later VP of Development Planning for Inspire Brands, parent company of Arby's, Buffalo Wild Wings (BWW), BWW GO, Dunkin', Jimmy John's, Baskin-Robbins, Sonic and Rusty Taco. Prior to that, she served as Chief Executive Officer of Grand Parade Investments Limited in Cape Town, South Africa of from August 2018 until March 2019.

Michelle Reap - Senior Manager Non-Traditional Franchise Sales and Portfolio Management, Americas

Ms. Reap joined as Senior Manager Non-Traditional Franchise Sales and Portfolio Management, Americas in June 2023. From January 2022 until June 2023, Michelle was Senior Franchise Development Manager for A&W Restaurants in Lexington, Kentucky. From December 2015 until January 2022, she was Senior Manager, Franchise and Non-Traditional Development for Le Duff America in Dallas, Texas.

As of the date of this disclosure document, the following are SMCC Ireland's directors:

1. Tony Tan Caktiong – Mr. Caktiong has been a member of the Board of Managers of SJBF, LLC since October 2015. Mr. Caktiong has also been the Chairman of the Board of Jollibee Foods Corporation in Pasig City, Philippines since 1978.

2. Richard Chong Woo Shin – Mr. Shin is the Chief Financial Officer of Jollibee Foods Corporation (JFC). He joined JFC in 2022. Previously, Mr. Shin was Group CFO for Grobest Group from June 2020 to March 2022. He was also Asia Pacific CFO for William Grant & Sons; Ralph Lauren; Bacardi-Martini and held various senior roles for Altria/Philip Morris International.

3. Mary Ann Say – Ms. Say has been the Global Chief Financial Officer for *The Coffee Bean & Tea Leaf*® brand since March 2020. Prior to her current role, Ms. Say was the Director, Revenue Management & Analytics at Hong Kong Disneyland from November 2017 to February 2020. From November 2014 to October 2017, Ms. Say was the Controller and Head of Business Development for Phillip Morris Fortunate Tobacco Corporation.

4. Frank Sheng – Mr. Sheng has been the Internal Audit Head, International Business of Jollibee Foods Corporation in Pasig City, Philippines since June 2018. Prior to joining JFC, he was head of internal audit and internal control of Yum! China.

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5. Julie Larochelle – Ms. Larochelle has been a director of Thai Kieu Co Ltd in Vietnam since June 2010. She has also been an executive at Viet Thai International Joint Stock Company, a privately held company based in Vietnam, since 1997.

6. Neil Squires - Neil Squires has been Head of the Corporate Division of Vistra Ireland since January 2022. Prior to that, he was Managing Director of Vistra Assurance (Ireland) Limited since February 2018.

7. David John France – Mr. France is the Alternate Director to Julie Larochelle. Mr. France has been the Managing Director and Supply Chain Director of Viet Thai International Joint Stock Company since 2008.

8. Joliza Janelle D. Salgado – Ms. Salgado is the Alternate Director to Tony Tan Caktiong. Ms. Salgado has worked in the legal department of Jollibee Foods Corporation since May 2018 and serves as the General Counsel for the Brand. Prior to joining Jollibee Foods Corporation, Ms. Salgado was an associate at Picazo, Buyco, Tan, Fider & Santos Law Firm in Manilla, Philippines since January 2015.

9. Julie Fe Del Rosario – Ms. Del Rosario is the Alternate Director to Richard Chong Woo Shin. Ms. Del Rosario has worked in the Global Comptrollership and Tax Department of Jollibee Foods Corporation since 2016.

10. Celina Leonardo – Ms. Leonardo has been the Director for Financial Planning and Reporting for The Coffee Bean & Tea Leaf® brand since April 2020. Prior to her current role, Ms. Leonardo was the Manager, Revenue Management & Analytics for F&B and Merchandise at Hong Kong Disneyland from August 2018 to April 2020. From June 2013 to July 2018, Ms. Leonardo held various positions under the Finance team of Phillip Morris Fortunate Tobacco Corporation.

ITEM 3.
LITIGATION

Concluded Litigation

New Amsterdam Coffee & Tea Co., LLC, et al. v. International Coffee & Tea, LLC, et al. (American Arbitration Association, Case No. 72-20-1400- 0138)

Between January 12, 2011 and May 25, 2012, CBTL entered into four area development agreements with New Amsterdam Coffee & Tea, LLC, NACT Southern Connecticut, LLC; NACT Northern New Jersey, LLC; and NACT Boroughs, LLC (referred to collectively as the "NACT Developers") for the development of 200 Stores over 20-years in New York City, Southern Connecticut and Northern New Jersey. The agreements were later assigned by CBTL to ICT.

On January 30, 2014, the NACT Developers and their principal owners, Ira Smedra ("Smedra") and Jeffrey Srulowitz ("Srulowitz") (collectively, "NACT" or "Claimants"), filed a demand for arbitration with the American Arbitration Association against ICT, CBTL and certain of their former owners and/or former officers: Sunny Sassoon, Robert Kaufman and Melvin Elias (collectively, the "Respondents"). NACT's arbitration demand asserted claims for intentional misrepresentation, negligent misrepresentation, breach of contract and the implied covenant of good faith and fair dealing, and unfair and fraudulent business practices in connection with their purchase of the area development agreements and franchise operations. NACT also asserted claims for violations of the registration and disclosure requirements of the California Franchise Investment Law and New York Franchise Sales Act, which were dismissed by the arbitration panel on January 21, 2016. In their arbitration demand, Claimants identified their claim amount as $22,000,000, and sought actual, compensatory and punitive damages, rescission of their agreements, declaratory relief, and costs and attorneys' fees.

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On May 12, 2014, NACT filed a lawsuit in Los Angeles County Superior Court – Case No. BC545396, against the individual Respondents (the "Lawsuit"). The Lawsuit asserted the same claims as those alleged in the arbitration demand. On June 30, 2014, the individual Respondents moved for an ordering compelling the Claimants to pursue their claims exclusively through the arbitration. The motion was granted on January 20, 2015, and the Lawsuit was stayed pending the outcome of the arbitration.

On June 16, 2014, ICT filed a Counter-Demand in the arbitration against each of the Claimants asserting counter-claims for (1) breach of contract; (2) breach of contract—guaranty; (3) declaratory and injunctive relief and (4) intentional interference with prospective economic advantage.

On January 5, 2017, the parties entered into a Settlement Agreement and Mutual General Release, by which Smedra and Srulowitz agreed to pay ICT $4,050,000 over a 32-month period and stipulated to an arbitration award in ICT's favor for the same amount. In addition, NACT dismissed the arbitration and Lawsuit with prejudice, the parties mutually released all claims, all development and franchise agreements between the parties were acknowledged terminated, and ICT agreed to a limited waiver of the post-termination non-competition covenants allowing Smedra and Srulowitz to each own no more than 7.5% in a competitive business going forward.

Robert Azinian v. CBTL Franchising, LLC; International Coffee and Tea, LLC; Robert "Bob" Kaufman; Los Angeles Superior Court Case No. BC 581158.

On May 7, 2015, plaintiff Robert Azinian filed a lawsuit against ICT, CBTL and their former Vice President – Business Development & Franchises (collectively, the "Defendants"). The plaintiff, a former one-third owner of a "The Coffee Bean & Tea Leaf" franchisee, asserted claims for breach of fiduciary duty, fraudulent concealment, intentional interference with contract, and unfair competition; arising from the sale of his interest in the franchisee. On February 16, 2016, the court granted, in part, the Defendants' demurrer to the plaintiff's first amended complaint dismissing the claims for breach of fiduciary duty and fraudulent concealment. On August 17, 2016, the parties entered into a Settlement Agreement and Mutual General Release, pursuant to which ICT made a $10,000 donation to charity and plaintiff dismissed his remaining claims, with prejudice.

Viet Café Trading Company Limited v. CBTL Franchising, LLC and International Coffee & Tea, LLC; International Chamber of Commerce – International Court of Arbitration, Case No. 25568/PDP.

In July 2008, CBTL entered into an area development agreement with Viet Café Trading Company Limited ("Viet Café") for the development of 25 stores over five years in Vietnam. Although Viet Café opened certain stores in Vietnam pursuant to individual franchise agreements, the area development agreement expired on its terms in July 2013 on account of Viet Café not meeting its development obligation.

On August 11, 2020, Viet Café initiated an arbitration with the International Chamber of Commerce against us and CBTL. Viet Café's request for arbitration asserted claims for breach of its franchise agreements, breach of the implied covenant of good faith and fair dealing, violation of the California Franchise Relations Act and Franchise Investment Law, intentional interference with prospective business advantage, and violation of the California Business and Professions Code § 17200 *et seq.;* all arising from CBTL not providing its consent to Viet Café transferring its existing franchise agreements to a proposed third party. On November 2, 2020 and prior to the formal appointment of the arbitration panel, Viet Café voluntarily and unilaterally withdrew all of its claims. The arbitration was formally dismissed on November 11, 2020.

Concluded Franchisor Initiated Litigation – Royalty Collection and De-Identification

Super Magnificent Coffee Company Ireland Limited v. House of Coffee For Food and Beverage SAE and International Trading Consultants Group – American Arbitration Association – International

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Centre for Dispute Resolution, Case No. 01-22-0000-3530. This case was filed on January 24, 2022 and settled on September 1, 2022.

Affiliate Litigation

Andre Galvan et al v. Smashburger IP Holder LLC, Smashburger Franchising LLC, and Jollibee Foods Corporation, Case No. 2:19-cv-0093, United States District Court, Central District of California (filed February 8, 2019). Plaintiff Andrew Galvan filed a class action lawsuit against our affiliate Smashburger Franchising LLC, Smashburger IP Holder LLC and JFC, alleging that they engaged in deceptive trade practices advertising the Smashburger Triple Double Burger. Plaintiff alleges the use of the phrases "Triple Double Burger" and "Double the Beef" is misleading because it suggests the burger had more meat than a standard burger. Plaintiffs asserted claims for false advertising, unfair competition, fraud, breach of express warranty and unjust enrichment. Plaintiffs seek an order certifying a class of plaintiffs and seeking an unspecified amount of monetary damages, and such other relief as the court may deem proper. JFC was dismissed from the action, and the Smashburger entities intend to defend against the plaintiff's claims.

Except for the above items, no other litigation is required to be disclosed in this Item.

ITEM 4.
BANKRUPTCY

There are no bankruptcies required to be disclosed in this Item.

ITEM 5.
INITIAL FEES

Area Development Agreement

Initial Development Fee. You must pay us an "Initial Development Fee" equal to $12,500 multiplied by the number of Stores you must open during the initial term of the Area Development Agreement, payable on execution of the Area Development Agreement. The Initial Development Fee is fully earned when paid and is not refundable under any circumstances.

Initial Franchise Fee. Each time you sign a Franchise Agreement for a Store pursuant to the Area Development Agreement, you must pay an Initial Franchise Fee (see below).

Professional Fees. You must also reimburse us for our legal, accounting and other professional fees to the extent they exceed $10,000 to negotiate and sign the Area Development Agreement (including any exhibits, addenda or attachments), provided that the reimbursement will not exceed $25,000.

Franchise Agreement

Initial Franchise Fee. Each time you sign a Franchise Agreement for a Store, you must pay an Initial Franchise Fee. The Initial Franchise Fee for each Store required by your Minimum Development Obligation under your Area Development Agreement is $12,500. The Initial Franchise Fee for each Store in excess of the number of Stores required by your Minimum Development Obligation, or if you do not have an Area Development Agreement, is $25,000. The Initial Franchise Fee for a Kiosk is $15,000. Kiosks do not count towards the satisfaction of your Minimum Development Obligation. The Initial Franchise Fee is fully earned when paid and is not refundable under any circumstances. If you are signing your Franchise Agreement for one of your first 2 Stores or your first Kiosk, at our request, you may be required to retain a consultant, designated or approved by us, at your cost (not to exceed $30,000 for a Store or $20,000 for a Kiosk, exclusive of travel, accommodations and out-of-pocket expenses) to supervise the operational establishment of your Store or Kiosk.

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If you signed an earlier form of Area Development Agreement which differs from our current form, your Initial Franchise Fees will be determined in accordance with your Area Development Agreement. You and we may negotiate any or all of the fees described in this Item 5. In addition, as described in Item 1, we may also offer area development agreements or single unit franchise agreements for Special Distribution Stores, which may be on different terms than those disclosed in this Disclosure Document. In 2022, franchisees paid us or CBTL initial franchise fees ranging from $0 to $25,000.

Store Technology Initial Fee. Each time you sign a Franchise Agreement for a Store, you must pay a Store Technology Initial Fee for the initial installation, deployment and set-up of the POS system and related payment platforms and hardware. This fee ranges from $15,000 to $35,000 depending on the number of payment terminals in your Store and the complexity of the deployment and installation of the POS system and supporting platforms and software.

Opening Inventory. You must also purchase an opening inventory of products from us or our affiliates. The amount generally ranges, and in 2022 ranged between $8,000 and $25,000.

Lease Review Fee. Under the Franchise Agreement, you may be required to pay us or our designated supplier (which may be an affiliate of ours) a lease review fee of $1,500 for each lease agreement that you submit to us for our approval. The lease review fee covers the expenses we incur to review your lease and lease addendum. We only review the terms of your lease and lease addendum for our sole benefit, to determine whether they meet our then-current criteria. You are responsible for evaluating and negotiating the terms of any lease you wish to sign, and the lease review fee does not entitle you to any assistance from us with evaluating or negotiating the terms of any lease. The lease review fee is uniform, is paid in a lump sum, and is not refundable.

* * *

We may require that you pay any of the above fees to us directly, or to an affiliate or other designee.

ITEM 6.
OTHER FEES[1]

Area Development Agreement

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Additional Training Fee and Optional Training Courses[2]	Then-current reasonable training fee (currently $150-$450 per day) plus our out-of-pocket expenses (including travel, meals and lodging, but excluding salary) (currently, up to $2,000).	On demand	There is no fee for initial training of your Director of Operations, Certified Training manager and the General Manager of your first Store. In addition to the Initial Training, at no additional charge we shall provide you with a 5 day training program for one owner and one other person designated by you and accepted by us. You must pay our then-current fee for training additional personnel, or if you request additional

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Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
			training or if you elect to attend optional training courses which we may provide in our discretion. We do not charge for mandatory training courses.
Initial On-site Assistance	Then-current reasonable training fee (currently $150-$450 per day) plus our out-of-pocket expenses (including travel, meals and lodging, but excluding salary) (currently, up to $20,000).	On demand	Expense reimbursement applies, but no training fee for us to send 1 to 3 members of the training or operations staff to your Development Area for 15 days on or around the opening of your 1st Store (or 1 to 2 staff members for 10 days before the opening of your 2nd and 3rd Stores). Training fees apply to the 4th and subsequent Stores.
Operational Visit Fee[2]	Our out-of-pocket expenses (including travel, meals and lodging, but excluding salary) to send 1 staff member to inspect your performance under the Agreement (currently, not to exceed $2,000 per store visit).	On demand	May occur up to four times during each year of the Initial Term of the Area Development Agreement.
Ongoing Advice	Our out-of-pocket expenses (including travel, meals and lodging, but excluding salary) to send 1 staff member to your Development Area for up to 14 days (currently, not to exceed $350 per day plus the actual cost of transportation).	On demand	Each calendar year during the Initial Term of your Area Development Agreement, we will send 1 training staff member to your Development Area for up to 14 consecutive days to provide ongoing advice and assistance.
Advertising Materials	Our reasonable charges for advertising	On demand	We will provide you copies or samples of certain of standard advertising materials. We will

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Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
	materials, plus, if we engage one or more third parties in connection with the advertising materials, you must pay the third party's charges plus a handling and administrative charge		charge you only if you request additional advertising assistance or materials.
Manuals	We will loan one copy of the franchise manuals to you. Or, we will make an electronic copy available to you. You must pay shipping and production charges if we send you a hardcopy of the manuals.	On demand	Only payable if we send you a hardcopy of the manuals.
Review of revised entity information	Our direct and indirect costs, including attorneys' fees, to review revised entity information (currently, not to exceed $1,000).	On demand	If Developer is a business entity, you must provide information concerning the owners and directors of Developer and advise us within 10 days of any change in the information previously provided.
Failure to Meet Minimum Development Obligations	An amount equal to the product of: (i) 150% of the Guaranteed Minimum Royalty (for Stores other than Kiosks), multiplied by (ii) the difference between the number of Stores required as of the end of the preceding Development Period and the number of Stores (excluding	On demand	Payable to avoid termination (or other of our remedies) of your Area Development Agreement if you fail to open at least 75% of the Stores required to be development under your Area Development Agreement.

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Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
	Kiosks) actually open and operating during that month		
Interest and Late Charge for Late Payments [5]	1.5% per month interest or the maximum amount permitted by law for each month the payment is delinquent. We may also charge a late fee of up to $100 for each delinquent payment	Continues to accrue until paid	Payable only if any sums due us or our affiliates are not paid promptly when due.
Transfer Fee	$5,000	Upon Transfer	Due upon transfer.
Reimbursement of Our Attorneys' and Accounting Fees and Expenses	As incurred	On demand	Payable only (i) if you do not comply with the Area Development Agreement, or (ii) if we incur other professional fees in excess of $10,000 to negotiate and execute the Area Development Agreement (up to a reimbursement of $25,000).
Indemnification	Varies	As incurred	You must pay for our and our affiliates' losses and costs.

Franchise Agreement

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty Fee [2]	5.5% of Gross Revenues, or the monthly Guaranteed Minimum Royalty (1/12th of $25,000 for a full service store, or $12,500 for a Kiosk)	You pay within 10 days following the end of each Accounting Period. If you fail to report any Gross Revenues, or if we are unable to access and accurately determine the Gross	Gross Revenues includes all sales (including tips and service charges, except for tips paid directly by the customer to one of your employees and not entered into the cash register), from the Store, but does not include all national,

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Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
		Revenues for your Store over a given reporting period, then we may, at our option, estimate your Gross Revenues, calculate the corresponding fees that you must pay us based on the estimated Gross Revenues, and debit or otherwise collect and recover those fees, based on (a) an average of the Gross Revenues during the last prior twelve reporting periods for which a report of Gross Revenues was provided to us (or during all reporting periods for which a report of Gross Revenues was provided to us if fewer than twelve in total have been reported), or (b) the information for the applicable reporting period(s) that we are able to retrieve from your computer system and point-of sale software. There are 12 Accounting Periods in each of our fiscal years (which ends the Sunday closest to December 31 each year). Each Accounting Period begins on a Monday. The first Accounting Period of each quarter consists of 5 weeks. The second and third Accounting Periods of	Federal, state or municipal sales, use, value added or service taxes collected from customers and paid to the appropriate agency. If you are signing your Franchise Agreement pursuant to an existing Area Development Agreement which differs from our current form, your Royalty Fee and/or Guaranteed Minimum Royalty will be modified if and as required by your Area Development Agreement.

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