



The Ultimate Ice Cream Experience®



COLD STONE CREAMERY®

The **KAHALA** BRANDS™ Family



This advertisement is not an offering. An offering can only be made by a prospectus filed first with the Department of Law of the State of New York. Such filing does not constitute approval by the Department of Law.



COLD STONE CREAMERY®

WELCOME TO COLD STONE CREAMERY!

Cold Stone Creamery® is one of the most talked about ice cream concepts in the world today. And that's just the way we like it! Renowned for offering super-premium ice cream creatively customized on a frozen granite stone, our guests delight in the Ultimate Ice Cream Experience at Cold Stone® and are more likely to be repeat customers because of it.

For over 30 years we've served up smooth & creamy super-premium ice cream. Our ice cream creations, cakes, shakes, and more are all made fresh, in-store, using only the highest quality ingredients. And of course, it wouldn't be a classic Cold Stone experience without our quintessential process of preparing your Signature Creation™ on a frozen granite stone.

How good is our ice cream? Well, let's just say that on a scale of 1 to 10, we're somewhere around an 11.5. But we're about more than just serving up amazing ice cream. We like to think we're really in the business of making people happy...

It's all about what we call the *10-Minute Vacation*®... that 10-minute getaway you deserve from the world outside our doors. Just head inside any Cold Stone Creamery, and that's what you'll get. From enthusiastic, singing crew members, to the shared laughter of a family enjoying a treat together — if it's making you, your friends, or your loved ones happy, then Cold Stone Creamery is doing its job right!



COLD STONE CREAMERY®

Recent Accolades

RANKED TOP 50

Nation's Restaurant
News
"Beloved Brands"

RANKED TOP 50

Entrepreneur®
Franchise 500

CONSUMER PICK

Nation's
Restaurant News

BEST ICE CREAM

Ventura County
Readers' Choice Awards
Camarillo, CA

BEST COLD TREAT IN UNION CITY

Union City Patch
Readers' Choice

BEST ICE CREAM

Best of Summer
Viewers' Choice
Contest

BEST ICE CREAM

Dayton Business
Journal Readers'
Choice



COLD STONE CREAMERY®

Our Products

We offer Signature Creations™ and Shakes with mix-ins of nuts, fruits and candy – or you can Create Your Own Creation™! Cold Stone Creamery also offers cakes and novelties!

Our top Signature Creations™ include:

- Birthday Cake Remix™
- Chocolate Devotion®
- OREO® Overload
- Founder's Favorite®
- Peanut Butter Cup Perfection®
- Cookie Doughn't You Want Some®





COLD STONE CREAMERY®

Unique Selling Points

Perceived USP's	USP Drivers
Quality	<ul style="list-style-type: none">• Super-Premium Ice Cream• Made fresh daily in-store• Fresh made waffle cones & bowls• Handcrafted cakes and novelties
Variety & Customization	<ul style="list-style-type: none">• Unique flavors of ice cream• Infinite combinations of ice cream & mix-ins
Store Environment	<ul style="list-style-type: none">• Happy, friendly employees• Singing and entertainment



COLD STONE CREAMERY®

Franchisee Testimonials

“I’ve been a multi-unit Cold Stone Creamery franchisee for 12 years.

Cold Stone Creamery is the original “create your own” food concept that has always focused on top product quality and service excellence. I’ve found that those key elements along with progressive ideas and support at the local level have been key to my success as a Cold Stone Franchisee. Owning a Cold Stone Creamery has been a very rewarding experience.” -Jeffrey S., Colorado



COLD STONE CREAMERY®

Menu Boards

CREATE YOUR OWN

1 SELECT A FLAVOR & SIZE

Like It	Love It	Gotta Have It
small	regular	large
160-190 cal	250-330 cal	380-1090 cal

2 CHOOSE MIX-INS
\$0.50 for 1st mix-in, 99¢ for 2nd mix-in
Additional Mix-ins: each

3 ADD A WAFFLE CONE OR BOWL
Plain: \$0.50
Dipped or Sprinkled: \$0.50

SIGNATURE CREATIONS

BIRTHDAY CAKE REMIX
Cake Batter Ice Cream
Rainbow Sprinkles
Brownie & Fudge
\$20.99/1090 cal

CHOCOLATE DEVOTION
Chocolate Ice Cream
Chocolate Chips, Brownie & Fudge
\$10.99/720 cal

FOUNDER'S FAVORITE
Sweet Cream Ice Cream
Peanut, Brownie, Fudge & Caramel
\$20.99/1090 cal

DREAM OVERLOAD
Sweet Cream Ice Cream
Chocolate Chips, Brownie & Fudge
\$20.99/1090 cal

MINT MINT CHOCOLATE CHOCOLATE CHIP
Mint Ice Cream
Chocolate Chips, Brownie & Fudge
\$20.99/1090 cal

OUR STRAWBERRY BLONDE
Strawberry Ice Cream
Chocolate Chips, Brownie & Fudge
\$20.99/1090 cal

ICE CREAM MADE FRESH

COOKIE DOUGH
Cookie Dough Ice Cream
Cookie Dough Mix-ins
\$10.99/720 cal

CAKE BATTER ICE CREAM
Cake Batter Ice Cream
Cake Batter Mix-ins
\$10.99/720 cal

SHAKES

OH FUDGE!
\$10.99/720 cal

VERY VANILLA
\$10.99/720 cal

SAVORY STRAWBERRY
\$10.99/720 cal

MILK & OREO COOKIES
\$10.99/720 cal

CAKE BATTER 'N' SHAKE
\$10.99/720 cal

CREATE YOUR OWN
Choose 1st flavor, 2nd flavor, 3rd mix-in
\$10.99/1540-2050 cal

SMOOTHIES

STRAWBERRY BANANA
\$10.99/720 cal

BLUEBERRY BANANA
\$10.99/720 cal

PINEAPPLE BLUEBERRY
\$10.99/720 cal

STRAWBERRY MANGO
\$10.99/720 cal

MANGO PINEAPPLE
\$10.99/720 cal

SHARE COLD STONE

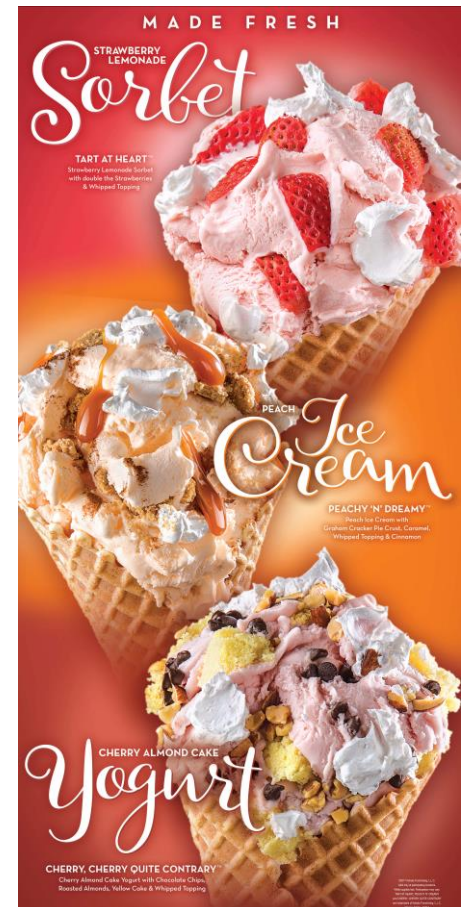
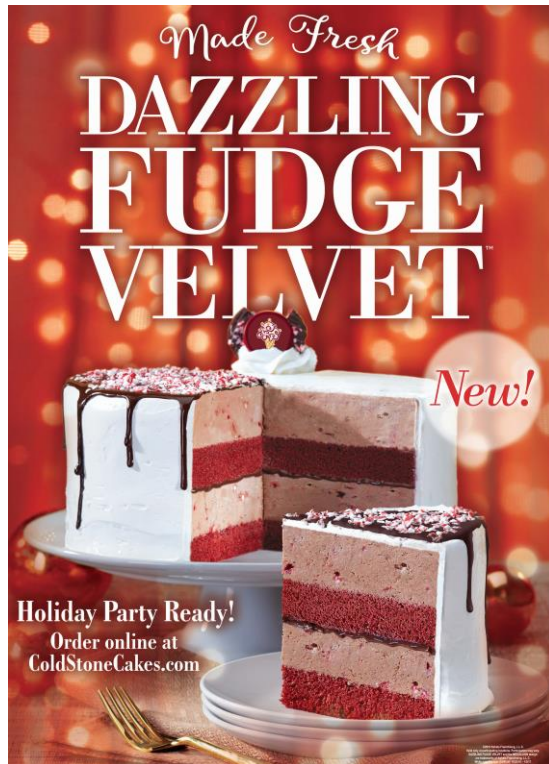
Frappés
\$10.99/720 cal

Custom Cakes available with a Cold Stone Creamery



COLD STONE CREAMERY®

POP & Product Innovation





COLD STONE CREAMERY®

Olo / Online Ordering

First brand in the ice cream industry to launch online ordering with online payment. We use the company Olo out of NYC. Reaching over \$31 million dollars in sales in seven years. Another program that helps drive incremental sales as sales happen even during hours our stores are closed or crew are too busy to take phone orders. Cold Stone Creamery is proud to offer our FULL menu via the Olo platform ensuring every craving or need our guests may have, from cakes to their own customized Creation, is just a few clicks away.

www.ColdStoneCakes.com

CELEBRATE
EVERY DAY WITH
COLD STONE®

Address, City and State, or Postal Code **GO**

Online Ordering by **Olo.com** | Participating Locations | User Agreement | Privacy Policy | Contact Us | Online-Tracking Opt Out Guide



COLD STONE CREAMERY®

Demographics

- Frequent visits by people ages 25-54
- Skews female
- Population of 50,000 within 3 mile trade area
- Median household income of \$55,000





COLD STONE CREAMERY®

Franchisee Testimonials

“My experience in the thirteen years since I opened my first Cold Stone Creamery has been nothing but positive. As a multi-store owner teamwork and support is crucial to our success. The support that I receive from my Area Developer and Corporate is outstanding. The franchise provides many resources from different levels to help you succeed. Besides, who doesn't want to put a smile on people's face every day!” -**Esther W., California**

“The Cold Stone Brand has been a great fit for me and will be a good fit for any franchisee willing to work hard at building a successful business for their future.” -**Jim M., Colorado**



COLD STONE CREAMERY®

Development Process Overview





COLD STONE CREAMERY®

Start

Disclosure,
Franchise
Agreement
signed!



Site authorized to
proceed

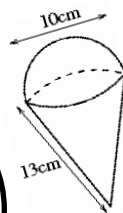
Draft lease
submitted with
Kahala
addendum



Receive lease &
Addendum back

Space turned
over from LL to
Franchisee for
build out

Begin initial
design process



Funding
completed



Final Lease
Approved

Construction
documents
completed



Select General
Contractors /
Signage



Equipment
estimate
completed

Equipment
ordered / build
out begins



Grand Opening!



Final punch list /
Build out
complete



Attend in-store
training & KTEC



Grand Opening
marketing
begins





COLD STONE CREAMERY®

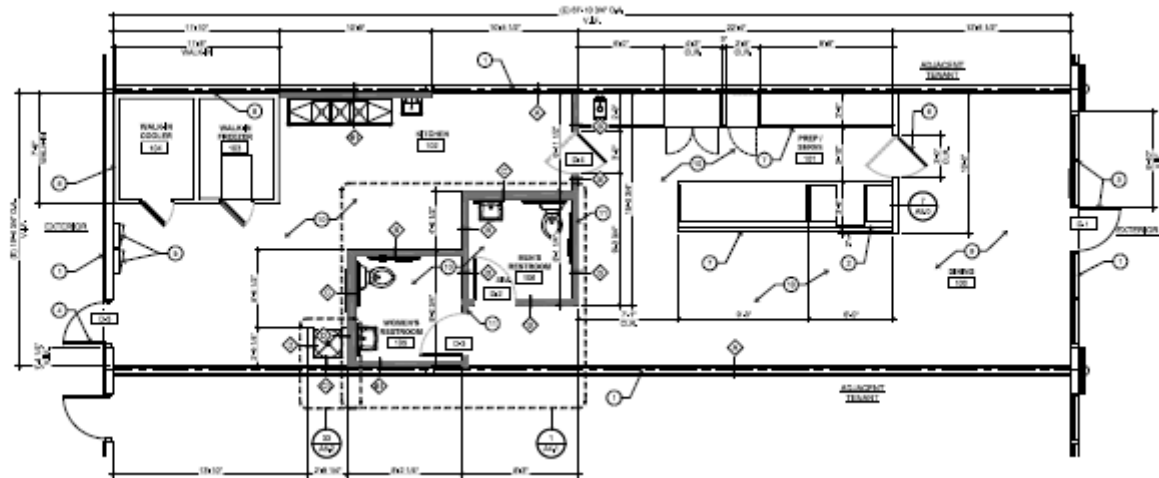
Site Selection & Real Estate

- The Cold Stone® Real Estate team works with our franchisees to help secure some of the best locations in each city once a Franchise Agreement has been signed
- Average 1,100 square feet adaptable to smaller sizes in appropriate spaces
- Evening traffic areas – Entertainment complexes / lifestyle centers
- Store front visibility a must
- End cap preferred / ability to have large signage on store and monument signage at center
- High population densities are best
- Exclusive use in center
- High Schools and Universities in close proximity



Design & Construction

- Preliminary floor plan design
- Furniture and equipment list
- Project management assistance





COLD STONE CREAMERY®

Store Design





COLD STONE CREAMERY®

Store Design





COLD STONE CREAMERY®

Store Design





COLD STONE CREAMERY®

Franchisee Testimonials

“I’ve owned other franchises and worked in several brands. What drew me to Cold Stone Creamery? It’s the Ultimate Ice Cream Experience®. When people come into our store, they come in happy. They are celebrating — an anniversary, birthday, soccer game, a first date, whatever it may be — and they leave even happier because we serve them the best ice cream in the world.

So first, the amazing customer experience really drew me in. Second, we make the ice cream fresh every day using an Italian ice cream machine in the back of the store. Everyone that comes in the store believes that Cold Stone Creamery is the best ice cream, and it’s the freshness factor that sets us apart. Cold Stone Creamery is unlike any other brand.”

-Kyle W., Multi Unit Operator



COLD STONE CREAMERY®

Training

Brand In-Store Training (IST)

Cold Stone Creamery “Ops” Training

- 10 days (80 hours)
- Franchisee of record required to attend*
- Conducted at a Certified Training Store[^], which is an open/operating Cold Stone Creamery to provide a first-hand "taste" of real store operations, while under the expert instruction of a Certified Trainer
- Train during a variety of opening, mid-day and closing shifts to learn brand skills & knowledge, the range of store operations and serving guests
- Successful completion and attendance of the full program and 85% on the Final Exam is required before taking possession of store

* Same trainee must attend both IST and KTEC because the programs dovetail with one another.

[^] Franchisees, in most cases, must travel to reach a Certified Training Store (CTS)



COLD STONE CREAMERY®

KTEC Classroom Training (KTEC)

Training the key concepts to partner most successfully with Kahala

- 5 days*
- Conducted from Kahala Headquarters in Scottsdale, AZ
- Multi-brand training class open to all brands under the Kahala banner
- Franchisee (+manager) audience
- Small business principles and concepts critical to our ever-adapting hospitality industry
- Q&A with Kahala Leadership
- “Successful completion” is 100% attendance and 85% or greater on the Final Exam

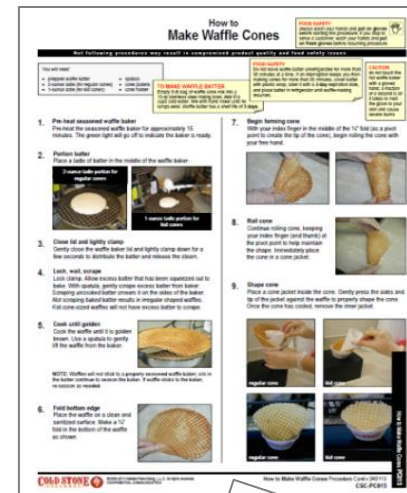
** With the evolving COVID-19 situation, temporary adjustments may be in place that affect KTEC Training—specifically, the method of delivery and participation (i.e., online vs in-person), which may further extend the KTEC scheduled commitment from 5 days to 6 days. Either way, the program does not exceed 40 hours.*



COLD STONE CREAMERY®

Operational Support

- Operational support by dedicated Area Developer or Regional Director of Operations (Depending on location)
- Continuous support from pre-opening to grand opening
- On-going support through phone/email and store visits
- Liaison between you, our suppliers and Kahala Brands™ Headquarters
- Operations Manual and Operations Toolkit outline in great detail procedures and systems – online resources available through KTEC online





COLD STONE CREAMERY®

Franchisee Testimonials

“I’m amazed it’s been 20 years! Five stores, and we’ve got a good business. Our story is an indication that you just never know. If opportunities avail themselves — and you’re lucky enough to see them as opportunities — you embrace them.”

-Ruth Spiegel, Florida

“Cold Stone Creamery has been an excellent way of providing for my family for the last 14 years. Growth is definitely good, and I very much enjoy the freedom I have with three stores. Time with family and quality of life are important to me, and I have a very good balance right now.” **-Greg Cropp, Texas**



COLD STONE CREAMERY®

Marketing

- Local store marketing (LSM) toolkit
- Grand opening marketing program
- Nationally-coordinated and locally driven LSM
- National marketing fund
- Regional media plans
- Marketing materials website





COLD STONE CREAMERY®

Franchisee Testimonials

“The support both locally and in Corporate has been outstanding since day one. The best part of opening your own business with Cold Stone is having experts in every department helping with your questions and providing on-going support. “ -

Sharon G., Southern California

“Owning a Cold Stone Creamery has been a very rewarding experience.”

—Jeffrey S., Colorado



COLD STONE CREAMERY®

Financing

Cold Stone Creamery does not currently offer financing, however we can provide a contact list of suggested lenders





COLD STONE CREAMERY®

Investment

- Initial Franchise Fee of \$27,000 (1st Traditional Location)
- Initial Investment of \$310,375 - \$580,650 (Traditional)
- Required Liquid Capital is \$125,000
- Net Worth Requirement of \$250,000

Please see current FDD for more information



COLD STONE CREAMERY®

Royalty and Advertising Fees

Royalty fee – 6% of gross sales

Advertising fee – 3% of gross sales



Current FDD Item 7 (Traditional)

Column 1 Type of Expenditure	Column 2 Traditional Low Amount	Column 3 Traditional High Amount	Column 4 Method of Payment	Column 5 When Due	Column 6 To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	\$12,000	\$27,000	Lump Sum	At Signing of Franchise Agreement	Us
Rent/Security Deposit (for 3 months) (Note 2)	\$9,750	\$19,500	As Incurred	Prior to Opening	Landlord(s)

Column 1 Type of Expenditure	Column 2 Traditional Low Amount	Column 3 Traditional High Amount	Column 4 Method of Payment	Column 5 When Due	Column 6 To Whom Payment is to be Made
Travel and Living Expenses (2 persons) while training, not including salaries, if any, for you and your employees	\$3,000	\$7,500	As incurred	As incurred	Airlines, hotels, car rental agency & restaurants
Real Estate	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)

Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



COLD STONE CREAMERY®

Current FDD Item 7 Continued

Lease Review Fee	\$0	\$2,500	Lump Sum	When you request review by Kahala Management's real estate department	Us
Architectural Fees	\$7,000	\$20,000	As incurred	Prior to Opening	Licensed and Approved Architect
Leasehold Improvements (Note 3)	\$97,500	\$250,000	As incurred	Prior to Opening	Approved Contractors and Vendors
Exterior Signage	\$9,700	\$15,000	As Incurred	Prior to Opening	Approved Sign Company
Equipment (Note 4)	\$123,000	\$185,375	Lump Sum	Prior to Opening	Approved Vendors and Suppliers
PCI Compliance Costs	\$150	\$1,300	As billed by third party vendor	As billed by third party vendor	Approved Vendor
Opening Inventory (Note 5)	\$8,000	\$8,000	Lump sum	Before opening	Vendors & suppliers
Employee Uniforms	\$500	\$800	Lump sum	Before opening	Vendors

Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



Current FDD Item 7 Continued

Grand Opening Marketing Advertising (Note 6)	\$10,000	\$10,000	Lump sum	Earlier of; prior to execution of a lease or prior to construction of premise	US
Insurance Premiums (Note 7)	\$500	\$2,500	Lump sum	Before opening	Insurance carrier
Permits and Licenses	\$2,000	\$3,000	Lump sum	Before opening	Governmental entities
Telephone and Utility Deposits and Hookups (Note 8)	\$250	\$1,000	Lump sum	Before opening	Utility companies
Insurance Premiums (Note 7)	\$500	\$2,500	Lump sum	Before opening	Insurance carrier
Permits and Licenses	\$2,000	\$3,000	Lump sum	Before opening	Governmental entities
Telephone and Utility Deposits and Hookups (Note 8)	\$250	\$1,000	Lump sum	Before opening	Utility companies

Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



Current FDD Item 7 Continued

Column 1 Type of Expenditure	Column 2 Traditional Low Amount	Column 3 Traditional High Amount	Column 4 Method of Payment	Column 5 When Due	Column 6 To Whom Payment is to be Made
Computer Training and Food Safety Certification Course	\$100	\$250	As needed	As incurred	Vendors, Suppliers
Miscellaneous (Note 9)	\$3,925	\$3,925	As incurred	As incurred	Vendors, etc.
Depository Account (Note 10)	\$3,000	\$3,000	Lump Sum(must be replenished on a regular basis)	Signing of Franchise Agreement	Your bank (we have the right to withdraw from this account)
Additional Funds -3 month initial period (Note 11)	\$20,000	\$20,000	As incurred	As incurred	Us, Employees, Various Third Parties
Total (Note 12)	\$310,375	\$580,650	<i>(Does not include real estate costs, construction of the building or rent for the business location except for the initial security deposit.)</i>		

Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



COLD STONE CREAMERY®

Current FDD Item 7 (Non-Traditional)

Column 1 Type of Expenditure	Column 2 Low Amount	Column 3 High Amount	Column 4 Method of Payment	Column 5 When Due	Column 6 To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	\$8,000	\$20,000	Lump Sum	At Signing of Franchise Agreement	Us
Rent/Security Deposit (for 3 months) (Note 2)	\$0	\$19,500	As Incurred	Prior to Opening	Landlord(s)
Travel and Living Expenses (2 persons) while training, not including salaries, if any, for you and your employees	\$3,000	\$7,500	As incurred	As incurred	Airlines, hotels, car rental agency & restaurants
Real Estate	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)

Non-Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



Current FDD Item 7 Continued

Column 1 Type of Expenditure	Column 2 Low Amount	Column 3 High Amount	Column 4 Method of Payment	Column 5 When Due	Column 6 To Whom Payment is to be Made
Lease Review Fee	\$0	\$2,500	Lump Sum	When you request review by Kahala Management's real estate department	Us
Architectural Fees	\$1,000	\$15,000	As incurred	Prior to Opening	Licensed Design Architect
Leasehold Improvements (Note 3)	\$0	\$180,000	As incurred	Prior to Opening	Approved Contractors and Vendors
Exterior Signage	\$1,500	\$15,000	As Incurred	Prior to Opening	Approved Sign Company
Equipment (Note 4)	\$8,000	\$150,000	Lump Sum	Prior to Opening	Approved Vendors and Suppliers
PCI Compliance Costs	\$150	\$1,300	As billed by third party vendor	As billed by third party vendor	Approved Vendor

Non-Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



Current FDD Item 7 Continued

Opening Inventory (Note 5)	\$1,000	\$8,000	Lump sum	Before opening	Vendors & suppliers
Employee Uniforms	\$200	\$800	Lump sum	Before opening	Vendors
Grand Opening Marketing Advertising (Note 6)	\$5,000	\$5,000	Lump sum	Earlier of; prior to execution of a lease or prior to construction of premise	US
Insurance Premiums (Note 7)	\$500	\$2,500	Lump sum	Before opening	Insurance carrier
Permits and Licenses	\$500	\$3,000	Lump sum	Before opening	Governmental entities
Telephone and Utility Deposits and Hookups (Note 8)	\$250	\$1,000	Lump sum	Before opening	Utility companies

Non-Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



Current FDD Item 7 Continued

Computer Training and Food Safety Certification Course	\$100	\$250	As needed	As incurred	Vendors, Suppliers
Miscellaneous (Note 9)	\$1,000	\$3,925	As incurred	As incurred	Vendors, etc.
Depository Account (Note 10)	\$3,000	\$3,000	Lump Sum (must be replenished on a regular basis)	Signing of Franchise Agreement	Your bank (we have the right to withdraw from this account)
Column 1 Type of Expenditure	Column 2 Low Amount	Column 3 High Amount	Column 4 Method of Payment	Column 5 When Due	Column 6 To Whom Payment is to be Made
Additional Funds -3 month initial period (Note 11)	\$20,000	\$20,000	As incurred	As incurred	Us, Employees, Various Third Parties
Total (Note 12)	\$53,200	\$458,275	<i>(Does not include real estate costs, construction of the building or rent for the business location except for the initial security deposit.)</i>		

Non-Traditional Cold Stone Creamery Restaurant, please see current FDD for full details



THANK YOU!

© 2022 Kahala Franchising, LLC.

9311 E Via de Ventura, Scottsdale, AZ 85258

The information provided herein is for informational purposes only and is not intended as an offer to sell, or the solicitation of an offer to buy, a franchise; nor is it directed to the residents of any particular jurisdiction within the U.S. or elsewhere. Filing of an application for registration of a franchise offering does not constitute approval by the requisite regulatory agency. The following states currently regulate the offer and sale of franchises: CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, and WI. If you are a resident of one of these states, or of a jurisdiction that has similar requirements, we will not offer you a franchise until we have completed the applicable registration (or obtained the exemption from registration) and complied with any other applicable pre-sale registration and/or disclosure requirements in the applicable jurisdiction. Regardless of what state you reside in, an offering can only be made by a franchise disclosure document. The Minnesota registration number for this franchise system is F-9249.