

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 001-42844

Black Rock Coffee Bar, Inc.
(Exact name of registrant as specified in its charter)

Texas

(State or other jurisdiction of
incorporation or organization)

33-5053729

(I.R.S. Employer Identification No.)

9170 E. Bahia Drive, Suite 101, Scottsdale, AZ

(Address of Principal Executive Offices)

85260

(Zip Code)

(458) 256-9668

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.00001 per share	BRCB	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of August 10, 2026, the number of outstanding shares of each class of the registrant's common stock was as follows:

Class A common stock 22,207,657
Class B common stock 22,299,956
Class C common stock 5,565,066

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q ("Form 10-Q") contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management, expected market conditions and growth, expected store development and expansion, expected capital resources and expenditures, and liquidity, are forward-looking statements. We caution you that the foregoing list does not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "shall," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential," "goal," "objective," "seeks," or "continue," or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions. Important factors beyond our control could cause our actual results, financial condition, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, the following:

- our inability to successfully identify and secure appropriate sites and timely develop and expand our operations;
- our inability to protect our brand and reputation;
- our inability to secure, protect, and enforce our intellectual property rights;
- our dependence on a small number of suppliers and two roasting facilities;
- our dependence on third-party information technology systems and services;
- our and our vendors' vulnerability to security breaches, including breaches that may impact confidential customer information;
- our expectations regarding our future operating and financial performance;
- the size of our addressable markets, market share, and market trends;
- our ability to compete in our industry;
- changes in consumer tastes and nutritional and dietary trends;
- our ability to effectively manage the continued growth of our workforce and operations;
- our inability to open profitable stores;
- our failure to generate projected same store sales growth;
- the sufficiency of our cash, cash equivalents, and investments to meet our liquidity needs;
- our dependence on long-term non-cancelable leases;
- our relationship with our employees and the status of our workers;
- the effects of seasonal trends on our results of operations;
- our vulnerability to global financial market conditions, including inflation and other macroeconomic factors; including, without limitation, due to the ongoing conflict in the Middle East;
- our ability to attract, retain, and motivate skilled personnel, including key members of our senior management;
- our vulnerability to adverse weather conditions in local or regional areas where our stores are located;
- our realization of any benefit from the Tax Receivable Agreements and our organizational structure;
- the increased expenses associated with being a public company; and
- other factors set forth in Part II, Item 1A. "Risk Factors" in this Quarterly Report on Form 10-Q.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations, estimates, forecasts, and projections about future events and trends that we believe may affect our business, results of operations, financial condition, and prospects. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report on Form 10-Q, we cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors described above, in “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made herein to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

GLOSSARY

As used in this Quarterly Report on Form 10-Q, unless the context otherwise requires, references to:

- “Average Unit Volume” or “AUV” represents the total trailing twelve-month store revenue of operating stores in the comparable store base, divided by the number of stores in the comparable store base.
- “Basis Adjustments” means increases in Black Rock Coffee Bar, Inc.’s allocable share of the tax basis in Black Rock OpCo’s assets resulting from (a) any redemptions or exchanges of LLC Units from the TRA Parties and (b) certain distributions (or deemed distributions) by Black Rock OpCo.
- “Black Rock,” the “Company,” “our company,” “we,” “us” and “our” means (i) prior to the consummation of the Transactions, Black Rock OpCo and its subsidiaries and (ii) after the Transactions, Black Rock Coffee Bar, Inc. and its consolidated subsidiaries.
- “Black Rock OpCo” means Black Rock Coffee Holdings, LLC, a Delaware limited liability company and, following the Transactions, a subsidiary of Black Rock Coffee Bar, Inc.
- “Black Rock OpCo LLC Agreement” means the Seventh Amended and Restated Limited Liability Company Agreement of Black Rock OpCo.
- “Blocker Companies” refers to certain entities that were owners of LLC Units in Black Rock OpCo prior to the Transactions that are taxable as corporations for U.S. federal income tax purposes.
- “Class A common stock” means Class A common stock, par value \$0.00001 per share, of Black Rock Coffee Bar, Inc.
- “Class B common stock” means Class B common stock, par value \$0.00001 per share, of Black Rock Coffee Bar, Inc.
- “Class C common stock” means Class C common stock, par value \$0.00001 per share, of Black Rock Coffee Bar, Inc.
- “Co-Founders” means, collectively, Daniel Brand, Jeff Hernandez, Jake Spellmeyer and Bryan Pereboom.
- “Co-Founder Contribution” means the purchase, in connection with our IPO, by an entity affiliated with our Co-Founders of 3,118,938 LLC Units (and corresponding shares of Class C common stock) from Black Rock OpCo.
- “Continuing Equity Owners” means, collectively, the owners of LLC Units in Black Rock OpCo immediately prior to the consummation of the Transactions (excluding the Blocker Companies), which became holders of LLC Units and our Class B common stock or Class C common stock immediately following consummation of the Transactions, including our Co-Founders and certain of their affiliates, and any permitted transferee of such LLC Units and Class B or Class C common stock, that may exchange, at each of their respective options, in whole or in part from time to time, their LLC Units for, at our election (determined solely by our independent directors (within the meaning of Nasdaq rules) who are disinterested), cash or newly issued shares of our Class A common stock. In connection with an exchange of LLC Units, a corresponding number of shares of Class B common stock or Class C common stock, as applicable, shall be immediately and automatically transferred to Black Rock Coffee Bar, Inc. for no consideration and canceled.
- “IPO” refers to our initial public offering, which we completed on September 15, 2025, and through which we offered 16,911,764 shares of our Class A common stock at a price to the public of \$20.00 per share, which includes the exercise in full by the underwriters of their option to purchase an additional 2,205,882 shares of our Class A common stock.
- “LLC Units” means the membership units of Black Rock OpCo.
- “New Credit Agreement” means the credit agreement entered into with JP Morgan Chase Bank, N.A., as the administrative agent, and various lenders, on September 15, 2025.

- "New Term Loan" means the \$50.0 million term loan connected to the New Credit Agreement.
- "New Revolving Credit Facility" means the \$25.0 million revolving credit facility connected to the New Credit Agreement.
- "New Credit Facilities" means the New Revolving Credit Facility together with the New Term Loan under the New Credit Agreement.
- "Prior Credit Facility" means our former term loan credit facilities that were governed by that certain Credit Agreement, dated as of April 29, 2022 (as amended by that certain first amendment to the Credit Agreement, dated of November 11, 2022, as further amended by that certain second amendment to the Credit Agreement, dated as of January 13, 2023, as further amended by that certain third amendment to the Credit Agreement, dated as of May 8, 2023, as further amended by that certain fourth amendment and limited waiver to the Credit Agreement, dated as of May 31, 2024, as further amended by that certain fifth amendment to Credit Agreement, dated as of April 24, 2025, and as further amended, amended and restated, extended, supplemented or otherwise modified in writing from time to time), by and among the Company, the guarantors party thereto, the lenders party thereto, RCS Agent, LLC, as administrative agent, and TCW Asset Management Company, LLC, as collateral agent.
- "Refinancing" means the refinancing of our Prior Credit Facility and entering into the New Credit Facilities, which occurred as part of the Transactions.
- "Reverse build-to-suit" means lease arrangements in which the Company acts as the developer and manages construction of the building, while the landlord retains legal ownership of the land and resulting building.
- "Sponsor" means The Cynosure Group, LLC and its affiliates.
- "Tax Receivable Agreement" or "TRA" means the tax receivable agreement, dated September 11, 2025, entered into with Black Rock OpCo and the TRA Parties.
- "TRA Parties" refers to, collectively, our Co-Founders and certain of their affiliates, including Viking Cake, our Sponsor, certain of our current executive officers and Richard Federico and Sarah Goldsmith-Grover, each a director, and any future party to the Tax Receivable Agreement.
- "Transactions" refers to the organizational transactions described in The Transactions below and the application of the net proceeds therefrom.
- "Viking Cake" means Viking Cake BR, LLC, an entity controlled by affiliates of Daniel Brand and Jeff Hernandez and, prior to March 18, 2026, the Co-Founders.

THE TRANSACTIONS

Black Rock Coffee Bar, Inc. was originally incorporated as a Delaware corporation on May 2, 2025 and, in June 2025, re-domiciled to be incorporated in Texas. Black Rock Coffee Bar, Inc. is a holding company and the sole managing member of Black Rock OpCo, and its principal asset consists of LLC Units. Prior to our IPO and the Transactions described below, all of our business operations were conducted through Black Rock OpCo, and the Continuing Equity Owners and the Blocker Companies were the only members of Black Rock OpCo. In connection with the consummation of the IPO, we undertook certain organizational transactions, including:

- We amended and restated the Black Rock OpCo LLC Agreement to, among other things, (i) recapitalize its capital structure by creating a single new class of units, (ii) appoint Black Rock Coffee Bar, Inc. as the sole managing member of Black Rock OpCo, and (iii) provide certain redemption rights to the Continuing Equity Owners.
- We amended and restated Black Rock Coffee Bar, Inc.'s certificate of formation to, among other things, provide (i) for Class A common stock, with each share of our Class A common stock entitling its holder to one vote per share on all matters presented to our shareholders generally, (ii) for Class B common stock, with each share of our Class B common stock entitling its holder to one vote per share on all matters presented to our shareholders generally, (iii) for Class C common stock, with each share of our Class C common stock entitling its holder to ten votes per share on all matters presented to our shareholders generally, subject to certain sunset provisions, and (iv) for preferred stock, which can be issued by our Board of Directors in one or more series without shareholder approval.
- We issued 23,460,312 shares of our Class B common stock to the Continuing Equity Owners, which is equal to the number of LLC Units held by such Continuing Equity Owners, for nominal consideration; we issued 19,618,915 shares of our Class C common stock to our Co-Founders and certain of their affiliates, which is equal to the number of LLC Units held by such Co-Founders and certain of their affiliates, for nominal consideration.
- We entered into the Tax Receivable Agreement with Black Rock OpCo and the TRA Parties that provides for the payment by Black Rock Coffee Bar, Inc. to the TRA Parties of 85% of the amount of tax benefits, if any, that Black Rock Coffee Bar, Inc. actually realizes, or in some circumstances is deemed to realize, as a result of Basis Adjustments and certain tax benefits (such as interest deductions) arising from payments made under the Tax Receivable Agreement.
- We issued 16,911,764 shares of our Class A common stock, which includes the exercise in full by the underwriters of their option to purchase an additional 2,205,882 shares of our Class A common stock, in exchange for net proceeds of approximately \$314.6 million at the IPO price of \$20.00, less the underwriting discounts and commissions.
- An affiliate of our Co-Founders purchased 3,118,938 newly issued LLC Units from Black Rock OpCo for approximately \$62.4 million;
- We used the net proceeds from the IPO to purchase (i) 3,857,642 newly issued LLC Units for approximately \$71.8 million directly from Black Rock OpCo; and (ii) purchase 13,054,122 LLC Units from certain Continuing Equity Owners for approximately \$242.8 million, in each case, at the IPO price of \$20.00 per share less the underwriting discounts and commissions, excluding offering expenses of approximately \$8.0 million payable by Black Rock OpCo.
- Concurrently with the closing of the IPO, we refinanced our Prior Credit Facility and entered into the New Credit Facilities.
- Upon closing of the IPO on September 15, 2025, there were 17,478,452 shares of Class A common stock, 10,377,136 shares of Class B common stock, 22,200,219 shares of Class C common stock and 50,055,807 LLC Units outstanding.
- Black Rock OpCo used or intends to use the proceeds from the sale of its LLC Units to us, together with proceeds from the Refinancing and the Co-Founder Contribution, (i) to repay all \$113.2 million of outstanding borrowings under the Prior Credit Facility, (ii) to pay offering expenses of \$8.0 million and (iii) for general corporate purposes.

Part I - Financial Information

Item 1. Financial Statements

BLACK ROCK COFFEE BAR, INC.

Condensed Consolidated Balance Sheets (Unaudited)

(in thousands, except share data)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 15,975	\$ 28,406
Receivables, net	4,910	3,450
Inventories	3,392	2,898
Prepaid expenses and deposits	4,539	5,363
Total current assets	28,816	40,117
Property and equipment, net	127,608	101,207
Operating lease right-of-use assets, net	147,858	126,903
Other assets	1,150	277
Goodwill	9,360	9,360
Deferred income tax asset	72,691	52,764
Intangible assets, net	4,885	5,808
Total assets	\$ 392,368	\$ 336,436
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 10,096	\$ 12,126
Accrued expenses	10,471	7,986
Accrued payroll and benefits	7,228	6,549
Gift card and loyalty program liability	2,009	2,126
Current portion of long-term debt	1,206	835
Current portion of operating lease liabilities	9,722	8,960
Total current liabilities	40,732	38,582
Tax receivable agreement liability	61,993	38,893
Long-term debt, net of current portion	29,382	25,917
Operating lease liabilities, net of current portion	150,732	128,338
Total liabilities	282,839	231,730
Commitments and Contingencies (Note 13)		
Preferred stock, par value \$0.00001 per share; 20,000,000 shares authorized, no shares issued or outstanding as of June 30, 2026 or December 31, 2025, respectively	—	—
Class A common stock, par value \$0.00001 per share; 500,000,000 shares authorized, 22,207,657 and 17,478,452 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	—	—
Class B common stock, par value \$0.00001 per share, 200,000,000 shares authorized, 22,299,956 and 10,916,155 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	—	—
Class C common stock, par value \$0.00001 per share, 50,000,000 shares authorized, 5,565,066 and 21,661,200 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	53,096	45,735
Retained earnings (Accumulated deficit)	1,536	(60)
Total shareholders' equity attributable to Black Rock Coffee Bar, Inc.	54,632	45,675
Noncontrolling interest	54,897	59,031
Total shareholders' equity	109,529	104,706
Total liabilities and shareholders' equity	\$ 392,368	\$ 336,436

See accompanying notes to the condensed consolidated financial statements

BLACK ROCK COFFEE BAR, INC.

Condensed Consolidated Statements of Operations (Unaudited)

(in thousands, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Store revenue	\$ 62,933	\$ 50,336	\$ 118,317	\$ 95,110
Other	66	58	136	104
Total revenue	62,999	50,394	118,453	95,214
Store operating costs and expenses (exclusive of depreciation and amortization presented separately below):				
Beverage, food and packaging costs	16,968	14,673	31,981	27,355
Labor and related expenses	13,235	10,384	24,710	19,803
Occupancy and related expenses	5,069	3,859	9,794	7,607
Other store operating expenses	8,636	6,565	16,418	12,804
Total store operating costs and expenses	43,908	35,481	82,903	67,569
Selling, general and administrative expenses	9,805	7,860	19,047	14,740
Depreciation and amortization	3,932	2,943	7,385	5,826
Pre-opening costs	1,252	843	2,340	1,561
Total operating expenses	58,897	47,127	111,675	89,696
Income from operations	4,102	3,267	6,778	5,518
Interest expense, net	(525)	(3,115)	(947)	(6,157)
Other income (expense), net	(258)	(1,069)	(610)	(1,084)
Income (loss) before income taxes	3,319	(917)	5,221	(1,723)
Income tax expense	101	144	204	222
Net income (loss)	3,218	(1,061)	5,017	(1,945)
Less: Net loss attributable to Black Rock OpCo prior to the Transactions	—	(1,061)	—	(1,945)
Less: Net income attributable to noncontrolling interest	2,000	—	3,421	—
Net income attributable to Black Rock Coffee Bar, Inc.	\$ 1,218	\$ —	\$ 1,596	\$ —
Net income per share of Class A common stock: ⁽¹⁾				
Basic	\$ 0.06	N/A	\$ 0.08	N/A
Diluted	\$ 0.06	N/A	\$ 0.08	N/A
Weighted-average shares of Class A common stock outstanding				
Basic	21,216,632	N/A	19,399,560	N/A
Diluted	21,219,382	N/A	19,400,935	N/A

(1) Basic and diluted net loss per share of Class A common stock is applicable only for the period subsequent to September 12, 2025, which is the period effective with and following the IPO and Transactions (as defined in Note 1 to the Condensed Consolidated Financial Statements, unaudited).

See accompanying notes to the condensed consolidated financial statements

BLACK ROCK COFFEE BAR, INC.

Condensed Consolidated Statements of Changes in Temporary Equity, Members' Deficit and Shareholders' Equity (Unaudited) (in thousands)

Three Months Ended June 30, 2026										
Black Rock Coffee Bar, Inc. Shareholders' Equity										
	Class A Common stock		Class B Common stock		Class C Common stock		Additional Paid-In Capital	Retained Earnings	Noncontrolling Interest	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of March 31, 2026	18,017	\$ —	10,377	\$ —	21,661	\$ —	\$ 46,952	\$ 318	\$ 60,213	\$ 107,483
Net income	—	—	—	—	—	—	—	1,218	2,000	3,218
Equity-based compensation	—	—	—	—	—	—	506	—	634	1,140
Issuance of Class A common stock pursuant to vesting of equity awards	17	—	—	—	—	—	18	—	(18)	—
Transfer of ownership interests	—	—	12,043	—	(12,043)	—	—	—	—	—
Impact of Tax Receivable Agreement	—	—	—	—	—	—	(2,312)	—	—	(2,312)
Noncash redemption of LLC Units	4,173	—	(120)	—	(4,053)	—	7,932	—	(7,932)	—
Balance as of June 30, 2026	22,208	\$ —	22,300	\$ —	5,565	\$ —	\$ 53,096	\$ 1,536	\$ 54,897	\$ 109,529

Six Months Ended June 30, 2026										
Black Rock Coffee Bar, Inc. Shareholders' Equity										
	Class A Common stock		Class B Common stock		Class C Common stock		Additional Paid-In Capital	Retained Earnings	Noncontrolling Interest	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2025	17,479	\$ —	10,916	\$ —	21,661	\$ —	\$ 45,735	\$ (60)	\$ 59,031	\$ 104,706
Net income	—	—	—	—	—	—	—	1,596	3,421	5,017
Equity-based compensation	—	—	—	—	—	—	934	—	1,393	2,327
Issuance of Class A common stock pursuant to vesting of equity awards	17	—	—	—	—	—	18	—	(18)	—
Transfer of ownership interests	—	—	12,043	—	(12,043)	—	—	—	—	—
Impact of Tax Receivable Agreement	—	—	—	—	—	—	(2,521)	—	—	(2,521)
Noncash redemption of LLC Units	4,712	—	(659)	—	(4,053)	—	8,930	—	(8,930)	—
Balance as of June 30, 2026	22,208	\$ —	22,300	\$ —	5,565	\$ —	\$ 53,096	\$ 1,536	\$ 54,897	\$ 109,529

BLACK ROCK COFFEE BAR, INC.

Condensed Consolidated Statements of Changes in Temporary Equity, Members' Deficit and Shareholders' Equity (Unaudited)
(in thousands)

Three Months Ended June 30, 2025

	Temporary Equity			Members' Deficit
	Series A	Series A-1	Series A-2	
Balance as of March 31, 2025	\$ 3,429	\$ 215,322	\$ 30,773	\$ (267,069)
Net loss	—	—	—	(1,061)
Deemed distribution for Series A-1 Preferred Units	—	8,369	—	(8,369)
Unitholder distributions	\$ (3,429)	\$ (150)	\$ —	\$ (450)
Balance as of June 30, 2025	\$ —	\$ 223,541	\$ 30,773	\$ (276,949)

Six Months Ended June 30, 2025

	Temporary Equity			Members' Deficit
	Series A	Series A-1	Series A-2	
Balance as of December 31, 2024	\$ 3,429	\$ 206,973	\$ 30,773	\$ (257,836)
Net loss	—	—	—	(1,945)
Deemed distribution for Series A-1 Preferred Units	—	16,718	—	(16,718)
Unitholder distributions	\$ (3,429)	\$ (150)	\$ —	\$ (450)
Balance as of June 30, 2025	\$ —	\$ 223,541	\$ 30,773	\$ (276,949)

See accompanying notes to the condensed consolidated financial statements

BLACK ROCK COFFEE BAR, INC.

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities:		
Net income (loss)	\$ 5,017	\$ (1,945)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	7,385	5,826
Loss on disposal of property and equipment	165	—
Amortization of debt issuance costs and loan fees	120	728
Accrued paid-in-kind interest	—	146
Interest income from related party	—	(74)
Equity-based compensation	2,327	—
Deferred income taxes	44	—
TRA remeasurement loss	608	—
Non-cash operating lease costs	5,508	4,613
Changes in operating assets and liabilities:		
Receivables, net	(11)	(210)
Inventories	(494)	(589)
Prepaid expenses and deposits	824	367
Other assets	(231)	(77)
Accounts payable	(1,154)	(70)
Accrued payroll and benefits	679	(960)
Deferred compensation	—	1,734
Accrued expenses	1,795	1,346
Gift card and loyalty program liability	(117)	(114)
Operating lease liabilities	(3,278)	(2,302)
Net cash provided by operating activities	19,187	8,419
Cash flows from investing activities:		
Purchases of property and equipment	(33,151)	(15,033)
Purchase of intangible assets	(63)	(110)
Payments of initial direct costs for operating leases	(671)	—
Net cash used in investing activities	(33,885)	(15,143)
Cash flows from financing activities:		
Proceeds from long-term debt	2,651	16,000
Payments on long-term debt	(384)	(528)
Payments of debt issuance costs and loan fees	—	(160)
Payments for redemption of outstanding Series A units	—	(3,429)
Unitholder distributions	—	(600)
Deferred offering costs paid	—	(146)
Net cash provided by financing activities	2,267	11,137
Net increase (decrease) in cash and cash equivalents	(12,431)	4,413
Cash and cash equivalents, beginning of period	28,406	10,227
Cash and cash equivalents, end of period	\$ 15,975	\$ 14,640
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest, net of capitalized interest	\$ 1,020	\$ 5,306
Income taxes paid, net of refunds	250	180
Supplemental disclosure of noncash investing and financing activities:		
Deferred offering costs not yet paid	—	2,532
Property and equipment accrued in accounts payable and accrued expenses	8,104	1,667
Noncash recognition of finance obligations	3,350	—

See accompanying notes to the condensed consolidated financial statements

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Note 1 – Organization and Nature of Operations

Nature of Operations

Black Rock Coffee Bar, Inc. was organized as a Delaware corporation on May 2, 2025, and in June 2025 re-domiciled to be incorporated in Texas for the purpose of facilitating an initial public offering (the "IPO") and other related transactions in order to carry on the business of Black Rock Coffee Holdings, LLC ("Black Rock OpCo") and its consolidated subsidiaries (together with Black Rock Coffee Bar, Inc., the "Company") as a publicly-traded entity.

The Company is a high-growth operator of guest-centric, drive-thru and lobby coffee bars offering premium caffeinated beverages and an elevated in-store experience. As of June 30, 2026, there were 200 stores operating in seven U.S. states.

Initial Public Offering and Reorganization Transactions

Black Rock Coffee Bar, Inc. successfully closed an IPO of 16,911,764 shares of Class A common stock at a public offering price of \$20.00 per share on September 15, 2025, which included 2,205,882 shares of Class A common stock issued pursuant to the underwriters' option to purchase additional shares of Class A common stock. The net proceeds from the IPO aggregated to approximately \$306.5 million, after deducting underwriting discounts and commissions and expenses payable in connection with the offering. Shares of Class A common stock began trading on the Nasdaq under the ticker symbol "BRCB" on September 12, 2025.

In connection with the IPO, Black Rock OpCo amended and restated its existing limited liability company agreement to, among other things, (i) recapitalize all existing ownership interests in Black Rock OpCo into 43,079,227 membership units of Black Rock OpCo ("LLC Units") (before giving effect to the use of proceeds from the IPO, as described below), (ii) appoint Black Rock Coffee Bar, Inc. as the sole managing member of Black Rock OpCo, and (iii) provide certain redemption rights to the owners of the LLC Units in Black Rock OpCo, exclusive of the Company (the "Continuing Equity Owners").

Simultaneously, Black Rock Coffee Bar, Inc. amended and restated its certificate of formation to, among other things, provide (i) for Class A common stock, with each share of Class A common stock entitling its holder to one vote per share on all matters presented to the shareholders generally; (ii) for Class B common stock, with each share of Class B common stock entitling its holder to one vote per share on all matters presented to the shareholders generally; (iii) for Class C common stock, with each share of Class C common stock entitling its holder to ten votes per share on all matters presented to the shareholders generally, until the earlier of (a) September 15, 2035, and (b) with respect to each Co-Founder ("Co-Founder" refers to each of Daniel Brand, Jeff Hernandez, Jake Spellmeyer or Bryan Pereboom), the date on which the aggregate number of shares of Class C common stock held by such Co-Founder or certain of their affiliates is less than thirty-three percent (33%) of the shares of Class C common stock held by such Co-Founder and certain of their affiliates as of the closing of the IPO, each such holders' Class C common stock will convert to fully paid non-assessable shares of Class B common stock; (iv) that shares of Class B and Class C common stock may only be held by the Continuing Equity Owners and their respective permitted transferees; and (v) for preferred stock, which can be issued by the board of directors in one or more series without shareholder approval. As a result, Black Rock Coffee Bar, Inc. became a holding company and the sole managing member of Black Rock OpCo and controls the business affairs of Black Rock OpCo.

Concurrently with the consummation of the IPO, an affiliate of the Company's Co-Founders purchased 3,118,938 newly issued LLC Units (and corresponding shares of the Company's Class C common stock) from Black Rock OpCo for approximately \$62.4 million at a price per unit equal to \$20.00 per share (the "IPO price"). Further, Black Rock Coffee Bar, Inc. used the net proceeds from the IPO to: (i) purchase 3,857,642 newly issued LLC Units for approximately \$71.8 million directly from Black Rock OpCo at a price per unit equal to the IPO price of Class A common stock less the underwriting discount; and (ii) purchase 13,054,122 LLC Units from certain Continuing Equity Owners for approximately \$242.8 million at a price per unit equal to the IPO price per share of Class A common stock less the underwriting discount.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Note 2 – Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America ("GAAP"), since the Continuing Equity Owners control the Company after the Transactions (i.e., there was no change in control of Black Rock OpCo), the financial statements of the combined entity represent a continuation of the financial position and results of operations of Black Rock OpCo. Accordingly, the historical cost basis of assets, liabilities, and equity of Black Rock OpCo are carried over to the condensed consolidated financial statements of the combined company as a common control transaction.

The accompanying unaudited condensed consolidated financial statements for the periods prior to the Transactions have been presented to combine the previously separate entities. These unaudited condensed and consolidated financial statements have been prepared in accordance with GAAP and the applicable rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim financial information. Certain information and footnote disclosures normally included in annual financial statements presented in accordance with GAAP have been omitted pursuant to rules and regulations of the SEC. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair statement of the results for the interim periods presented have been included.

The unaudited interim financial information should be read in conjunction with the audited consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 4, 2026.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of Black Rock Coffee Bar, Inc. and Black Rock OpCo. Black Rock OpCo is a variable interest entity and Black Rock Coffee Bar, Inc. is the primary beneficiary and sole managing member of Black Rock OpCo and has decision making authority that significantly affects the performance of the entity. Accordingly, the Company consolidates Black Rock OpCo and reports noncontrolling interest representing the economic interest in Black Rock OpCo held by the Continuing Equity Owners. All intercompany balances and transactions have been eliminated in consolidation.

The noncontrolling interests in the condensed consolidated statement of operations for the three and six months ended June 30, 2026 represents the portion of earnings attributable to the economic interest in Black Rock OpCo held by the Continuing Equity Owners. The noncontrolling interest in the condensed consolidated balance sheets as of June 30, 2026 represents the portion of the net assets of the Company attributable to the Continuing Equity Owners, based on the portion of the LLC Units owned by such unit holders. As of June 30, 2026, the noncontrolling interest holders' economic ownership percentage was 55.6%.

Concentrations

For the three months ended June 30, 2026 and 2025, three suppliers accounted for approximately 92% and 93% of purchases, respectively.

For the six months ended June 30, 2026 and 2025, three suppliers accounted for approximately 90% of purchases.

Significant Accounting Policies Update

There have been no material updates to the Company's significant accounting policies during the six months ended June 30, 2026 from those previously reported in the Company's Form 10-K for the year ended December 31, 2025.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Recent Accounting Pronouncements

Under the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), the Company meets the definition of an emerging growth company. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the Company is no longer an emerging growth company or until the Company affirmatively and irrevocably opts out of the extended transition period. As a result, the Company's financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Recently Issued Accounting Standards

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments in the update are intended to enhance the transparency and decision usefulness of income tax disclosures, primarily through improvements to the rate reconciliation and income taxes paid information, specifically requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation, and (2) income taxes paid disaggregated by jurisdiction. These amendments are effective for public business entities' annual periods beginning after December 15, 2024 and interim periods within fiscal years beginning after December 15, 2025. Furthermore, these amendments are effective for private business entities' annual periods beginning after December 15, 2025 and interim periods within fiscal years beginning after December 15, 2026. The application of these amendments should be applied on a prospective basis. Early adoption is permitted for annual financial statements that have not yet been issued. The Company is currently assessing the potential impacts of this standard on its income tax disclosures and expects to provide additional detail and disclosures under the new guidance.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)*. The intent of this ASU is to improve public entity financial footnote disclosures around types of expenses in commonly presented expense categories (i.e. cost of sales, selling, general and administrative expenses, and research and development). The amendments in this ASU do not change or remove current expense disclosure requirements, but rather 1) impact where this information appears in the notes to the consolidated financial statements and 2) add additional disclosure requirements for certain expense line items appearing on the face of the consolidated statement of operations. ASU 2024-03, as amended, is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company will assess potential impacts of this standard on its disclosures in future periods.

Note 3 – Revenue Recognition

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Store revenue	\$ 62,933	\$ 50,336	\$ 118,317	\$ 95,110
Other	66	58	136	104
Total revenue	\$ 62,999	\$ 50,394	\$ 118,453	\$ 95,214

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

The Company's gift card and loyalty program liability activity was as follows:

<i>(in thousands)</i>	Six Months Ended June 30,	
	2026	2025
Beginning balance	\$ 2,126	\$ 1,186
Revenue deferred - card activations and rewards earned	8,427	8,018
Revenue recognized - card and rewards redemptions and breakage	(8,544)	(8,132)
Ending balance	\$ 2,009	\$ 1,072

Note 4 – Supplemental Balance Sheet Information

The components of Receivables, net were as follows:

<i>(in thousands)</i>	June 30, 2026	December 31, 2025
Tenant improvement allowance receivables	\$ 4,598	\$ 3,285
Trade receivables	—	23
Other receivables	312	142
Receivables, net	\$ 4,910	\$ 3,450

The components of Inventories were as follows:

<i>(in thousands)</i>	June 30, 2026	December 31, 2025
Coffee beans and product inventory	\$ 2,972	\$ 2,478
Merchandise and supplies	142	140
Other	278	280
Inventories	\$ 3,392	\$ 2,898

The components of Property and equipment, net were as follows:

<i>(in thousands)</i>	Estimated Useful Lives	June 30, 2026	December 31, 2025
Manufacturing equipment	3-7 years	\$ 41,169	\$ 35,366
Leasehold improvements	7-15 years	66,253	58,688
Buildings	15-39 years	26,762	16,103
Furniture and fixtures	5-7 years	13,393	11,388
Vehicles	5-7 years	487	482
Software	5 years	239	239
Construction in progress		20,484	13,789
Property and equipment, gross		168,787	136,055
Less accumulated depreciation		(41,179)	(34,848)
Property and equipment, net		\$ 127,608	\$ 101,207

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Depreciation expense was approximately \$3.4 million and \$2.5 million for the three months ended June 30, 2026 and 2025, respectively, and was approximately \$6.4 million and \$4.8 million for the six months ended June 30, 2026 and 2025, respectively. Depreciation expense is included in operating expenses on the condensed consolidated statements of operations.

Note 5 – Intangible Assets

The Company has intangible assets that are being amortized over 3 to 15 years consisting of the following:

<i>(in thousands)</i>	June 30, 2026	December 31, 2025
Reacquired franchise rights	\$ 13,504	\$ 13,504
Other intangible assets	3,452	3,389
Less accumulated amortization	(12,071)	(11,085)
Total intangible assets, net	\$ 4,885	\$ 5,808

Amortization expense in the condensed consolidated statements of operations was as follows:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Reacquired franchise rights	\$ 393	\$ 455	\$ 786	\$ 863
Other intangible assets	101	35	200	126

Note 6 – Long-Term Debt

<i>(in thousands)</i>	June 30, 2026	December 31, 2025
Term loan with JPMorgan Chase Bank, N.A.	\$ 19,625	\$ 19,875
Finance obligations ⁽¹⁾	11,976	8,008
Less current portion	(1,206)	(835)
Less debt issuance costs	(1,013)	(1,131)
Total long-term debt	\$ 29,382	\$ 25,917

(1) Represents failed sale-leaseback arrangements related to certain reverse build-to-suit leases.

Concurrently with the closing of the IPO, Black Rock OpCo entered into a new credit agreement (the "New Credit Agreement") with JPMorgan Chase Bank, N.A., as the administrative agent, and other loan parties and lenders party thereto to provide for (i) a \$50.0 million term loan (the "New Term Loan") and (ii) a \$25.0 million revolving credit facility (the "New Revolving Credit Facility" and, together with the New Term Loan, the "New Credit Facilities"). As of the closing of the IPO, the aggregate principal amount borrowed under the New Credit Facilities was \$50.0 million from the New Term Loan which was used, together with proceeds from the Co-Founder Contribution and net proceeds from the IPO, to repay all amounts outstanding under the Company's amended Senior Credit Facility with RCS SBIC Fund II, L.P. and TCW Asset Management Company, LLC (the "Prior Credit Facility").

Pursuant to the New Credit Agreement, certain subsidiaries of Black Rock OpCo are guarantors of the obligations under the New Credit Agreement. Simultaneously with the execution of the New Credit Agreement, Black Rock OpCo and its subsidiaries entered into a pledge and security agreement. Pursuant to the pledge and security agreement, the New Credit Facilities are secured by liens on substantially all of the Company's assets, including the intellectual property of Black Rock OpCo and its subsidiaries and the equity interests of Black Rock OpCo's various subsidiaries.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

The New Credit Agreement contains certain affirmative and negative covenants, including, among other things, restrictions on indebtedness, liens on assets, fundamental changes and asset sales, investments, negative pledges, repurchase of stock, dividends and other distributions, and transactions with affiliates. In addition, the New Credit Agreement also contains financial covenants that require the Loan Parties (as defined in the New Credit Agreement) to not exceed a maximum net rent adjusted leverage ratio for any period of four consecutive fiscal quarters ending on the last day of any fiscal quarter, commencing with the fiscal quarter ending December 31, 2025, of 4.75 to 1.00 and to maintain a minimum fixed charge coverage ratio for any period of four consecutive fiscal quarters ending on the last day of any fiscal quarter, commencing with the fiscal quarter ending December 31, 2025, of no less than 1.20 to 1.00.

Borrowings under the New Credit Agreement are available as alternate base rate ("ABR") or term benchmark loans. ABR loans under the New Credit Agreement accrue interest at an alternate base rate plus an applicable rate, and term benchmark loans accrue interest at an adjusted Secured Overnight Financing Rate ("SOFR") plus an applicable rate. The ABR rate represents the greatest of (i) the prime rate, (ii) the Federal Reserve's Bank of New York overnight rate plus 0.5%, and (iii) the one-month adjusted term SOFR rate plus 1.0%. The applicable rate for the ABR and term benchmark loans is tied to a pricing grid tied to our net rent adjusted leverage ratio. The adjusted SOFR rate represents the term SOFR rate plus 0.10%. The applicable rate spread for ABR and term benchmark loans ranges from 0.50% to 1.75% and 1.50% to 2.75%, respectively. Interest on the New Credit Agreement is payable at least quarterly and upon maturity. As of June 30, 2026, the weighted-average interest rate on outstanding borrowings under the New Credit Facilities was approximately 5.99%.

Borrowings under the Prior Credit Facility bore interest at either (a) the SOFR, plus 6.00%, plus a 0.50% spread or (b) the greatest of (i) 2.50% per annum, (ii) the Federal Funds Rate plus 0.5%, (iii) the Prime Rate, and (iv) the Adjusted Term SOFR Rate for a one-month tenor in effect on such date plus 1.0%, in each case, plus 5.00% and a 0.5% spread, with the amount of spread in both scenarios based on a pricing grid tied to the Company's total net leverage ratio. As of June 30, 2025, the interest rate on outstanding borrowings was approximately 10.57%.

The New Revolving Credit Facility also has a variable commitment fee, which is payable quarterly based on Black Rock OpCo's net rent adjusted leverage ratio and ranges from 0.25% to 0.35% per annum. The Company is obligated to pay a fixed fronting fee for letters of credit of 0.125% per annum.

Amounts borrowed under the New Revolving Credit Facility may be repaid and re-borrowed through maturity of the New Credit Facilities in September 2030. The New Term Loan matures in September 2030. The New Term Loan may be repaid or prepaid but may not be re-borrowed. Borrowings under the New Credit Agreement are payable in quarterly principal installments and upon maturity. The Company was in compliance with all financial covenants as of June 30, 2026.

Future principal maturities of long-term debt as of June 30, 2026 are as follows:

(in thousands)

Remainder of 2026	\$	543
2027		1,356
2028		1,508
2029		2,058
2030		16,002
Thereafter		10,134
Total	\$	31,601

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Interest expense, net in the condensed consolidated statements of operations was as follows:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Interest expense	\$ 529	\$ 2,830	\$ 1,054	\$ 5,664
Amortization of debt issuance costs and capitalized modification fees	60	373	120	728
Interest income	(64)	(88)	(227)	(235)
Interest expense, net	\$ 525	\$ 3,115	\$ 947	\$ 6,157

Note 7 – Leases

The Company leases its stores, roasting and warehouse facilities, and corporate offices under operating leases, typically with initial terms of 10 to 15 years and multiple renewal options for additional periods of up to five years. Renewal options are generally not recognized as a part of the right-of-use assets and lease liabilities as it is not reasonably certain at the commencement date that the Company would exercise the renewal options.

The components of net lease costs, included in occupancy and related expenses, pre-opening costs as well as selling, general and administrative expenses in the condensed consolidated statement of operations, were as follows:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Operating lease cost	\$ 5,136	\$ 4,228	\$ 9,958	\$ 7,998
Variable lease cost	369	311	638	530
Less sublease income	(27)	(27)	(54)	(54)
Total lease cost	\$ 5,478	\$ 4,512	\$ 10,542	\$ 8,474

Supplemental cash flow information related to leases is as follows for the periods presented:

(in thousands)	Six Months Ended June 30,	
	2026	2025
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 7,938	\$ 5,698
Operating lease right-of-use assets obtained in exchange for lease obligations	26,729	19,485

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

As of June 30, 2026, future minimum lease payments for operating leases consisted of the following:

<i>(in thousands)</i>		
Remainder of 2026	\$	9,036
2027		20,826
2028		20,781
2029		20,183
2030		19,637
Thereafter		139,635
Total lease payments		230,098
Less imputed interest		(69,644)
Total operating lease liabilities		160,454
Less current portion		(9,722)
Total operating lease liability, net of current portion	\$	150,732

Note 8 – Noncontrolling Interest

Black Rock Coffee Bar, Inc. is the sole managing member of Black Rock OpCo and as a result consolidates the results of operations of Black Rock OpCo. The noncontrolling interest balance represents the LLC Units held by the Continuing Equity Owners. The Seventh Amended and Restated LLC Agreement provides that holders of Black Rock OpCo LLC Units may, from time to time, require Black Rock OpCo to redeem all or a portion of their LLC Units for newly issued Class A common stock in Black Rock Coffee Bar, Inc. on a one-for-one basis. In connection with any redemptions or exchange, Black Rock Coffee Bar, Inc. will receive a corresponding number of Black Rock OpCo LLC Units, increasing Black Rock Coffee Bar, Inc.'s total ownership in Black Rock OpCo. Changes in Black Rock Coffee Bar, Inc.'s ownership in Black Rock OpCo, while Black Rock Coffee Bar, Inc. retains controlling interest in Black Rock OpCo, will be accounted for as equity transactions. As such, future redemptions or direct exchanges of LLC Units by the Continuing Equity Owners will result in a change in ownership and reduce the amount recorded as noncontrolling interest and increase additional paid-on capital.

The following table summarizes the ownership interest in Black Rock OpCo as of June 30, 2026:

<i>(in thousands)</i>	LLC Units	Ownership %
LLC Units held by Black Rock Coffee Bar, Inc.	22,208	44.4 %
LLC Units owned by Continuing Equity Owners ⁽¹⁾	27,784	55.6 %
Total LLC Units outstanding ⁽¹⁾	49,992	100 %

(1) Excludes approximately 80.5 thousand restricted LLC Units still subject to time-based vesting requirements.

The weighted-average ownership percentage for the applicable reporting period is used to attribute net income (loss) to Black Rock Coffee Bar, Inc. and the noncontrolling interest holders. Net income (loss) prior to the Company's IPO close was allocated based on the respective ownership percentages at that time. The noncontrolling interest holders' weighted-average ownership percentage for the three and six months ended June 30, 2026 was 57.6% and 60.4%, respectively.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

The following table summarizes the effect of changes in ownership of Black Rock OpCo on the Company's equity for the periods presented:

<i>(in thousands)</i>	Three Months Ended June 30, 2026	Six Months Ended June 30, 2026
Net income attributable to Black Rock Coffee Bar, Inc.	\$ 1,218	\$ 1,596
Transfers from the noncontrolling interest		
Increase in additional paid-in capital as a result of the redemption of LLC Units	7,932	8,930
Increase in additional paid-in capital as a result of common stock issuances pursuant to vesting of equity awards	18	18
Change from net income attributable to Black Rock Coffee Bar, Inc. and transfers from noncontrolling interest	\$ 9,168	\$ 10,544

Note 9 – Equity-Based Compensation

Stock Options

During the six months ended June 30, 2026, the Company granted stock options under the 2025 Plan to purchase shares of Class A common stock at an exercise price equal to the Company's closing stock price on the grant date. The stock options will vest on May 14, 2029, subject to continued service through such date.

The following table summarizes the stock option activity for the six months ended June 30, 2026:

	Stock Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2025	647,862	20.00	9.7	\$ 1,458
Granted	95,240	\$ 7.16		
Forfeited	(25,406)	20.00		
Outstanding as of June 30, 2026	717,696	\$ 18.30	9.3	\$ 108

As of June 30, 2026, no options were vested or exercisable. The total unrecognized equity-based compensation related to the stock options was approximately \$4.7 million, which is expected to be recognized over a weighted-average period of 2.1 years.

The grant date fair value of stock options granted during the six months ended June 30, 2026 was determined using the Black-Scholes model with the following assumptions:

Dividend yield ⁽¹⁾	None
Volatility ⁽²⁾	50.3 %
Risk-free interest rate ⁽³⁾	4.17 %
Expected term (years) ⁽⁴⁾	6.5
Weighted-average grant date fair value per share	\$ 3.93

(1) The Company utilized a dividend yield of zero, as it had no history or plan of declaring dividends on its common stock in the foreseeable future.

(2) Volatility was based on a group of industry peers with sufficient history.

(3) The risk-free interest rate is based on the implied yield currently available on U.S. Treasury issues with terms approximately equal to the expected term of the options.

(4) Because the Company does not yet have sufficient historical exercise data to provide a reasonable basis for estimating future exercise patterns, the expected term was calculated using a simplified method averaging the contractual term and the vesting period of the option.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Restricted Stock Units

During the six months ended June 30, 2026, the Company granted restricted stock units ("RSUs") to employees and directors under the 2025 Plan. RSUs represent the right to receive shares of the Company's Class A common stock at a specified future date. RSUs under the 2025 Plan are generally subject to a service condition. The service condition for the employee grants is satisfied over 3 years, whereby one-third of the RSUs vest on each annual anniversary of the grant date, subject to continued service through the applicable vesting date. The service condition for directors is satisfied on the date of the annual meeting of shareholders to be held in 2027, or, if earlier, the first anniversary of the grant date, subject to continued service through the applicable vesting date.

The activity for RSUs for the six months ended June 30, 2026 was as follows:

	Number of RSUs	Weighted-Average Grant Date Fair Value
Nonvested as of December 31, 2025	341,246	\$ 20.00
Granted	113,228	\$ 7.82
Vested	(16,872)	20.00
Forfeited	(18,124)	20.00
Nonvested as of June 30, 2026	419,478	\$ 16.71

As of June 30, 2026, unrecognized compensation cost related to RSUs was approximately \$5.3 million, which is expected to be recognized over a weighted-average period of 2.3 years.

Equity-Based Compensation

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2026	2025	2026	2025
Selling, general and administrative expenses	\$ 1,140	\$ —	\$ 2,327	\$ —

Note 10 – Income Taxes and Tax Receivable Agreement

Black Rock Coffee Bar, Inc. is a Subchapter C corporation and is subject to federal and state income taxes. Black Rock Coffee Bar, Inc.'s sole material asset is its ownership interest in Black Rock OpCo, which is a limited liability company that is treated as a partnership for U.S. federal and certain state and local income tax purposes. Black Rock OpCo's net taxable income and related tax credits, if any, are passed through to its members and included in the members' tax returns. The income tax burden on the earnings taxed to the noncontrolling interest holders is not reported by the Company in its condensed consolidated financial statements under U.S. GAAP.

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2026	2025	2026	2025
Income tax expense	\$ 101	\$ 144	\$ 204	\$ 222
Effective tax rate	3.0 %	(15.7)%	3.9 %	(12.9)%

The effective tax rate differs from our statutory rate in the periods presented due to the effect of flow-through entity income and losses for which the taxable income or loss is allocated to the noncontrolling interests and discrete tax items.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

During the six months ended June 30, 2026, the Company's deferred tax assets increased \$19.9 million primarily due to exchanges of LLC Units for Black Rock Coffee Bar, Inc. Class A common stock and additional tax basis increases generated from expected future payments under the TRA. As of June 30, 2026, the Company recorded a deferred tax asset of \$72.7 million. The deferred tax assets are due to the tax effects of temporary differences in the book basis as compared to the tax basis of Black Rock Coffee Bar, Inc.'s investment in Black Rock OpCo. The Company recognizes deferred tax assets to the extent it believes these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies and recent results of operations.

As each of the Continuing Equity Owners elects to redeem their LLC Units into Class A common stock, Black Rock Coffee Bar, Inc. will assume their aggregate historical tax basis, which will create a net tax benefit for the Company. The Company will only recognize a deferred tax asset for financial reporting purposes when it is more-likely-than-not that the tax benefit will be realized.

Tax Receivable Agreement

In connection with the Transactions, the Company entered into a TRA with Black Rock OpCo and Continuing Equity Owners that provides for the payment by Black Rock Coffee Bar, Inc. to the Continuing Equity Owners of 85% of the amount of tax benefits, if any, that Black Rock Coffee Bar, Inc. realizes (or in some circumstances is deemed to realize) related to the tax basis adjustments.

During the six months ended June 30, 2026, the Company's TRA liability increased \$23.1 million due to exchanges of LLC Units for Black Rock Coffee Bar, Inc. Class A common stock and changes in the Company's statutory income tax rate. As of June 30, 2026, the Company had a liability of approximately \$62.0 million related to its projected obligations under the TRA and is classified as non-current on the condensed consolidated balance sheets based on the expected date of payment.

Note 11 – Net Income Per Share

Prior to the IPO, the Black Rock OpCo membership structure included common units, redeemable Series A Preferred Units, Series A-1 Preferred Units, Series A-2 Preferred Units, and profits interests units. The Company analyzed the calculation of net income (loss) per unit for the periods prior to the IPO and determined that it resulted in values that would not be meaningful to the users of the condensed consolidated financial statements. Therefore, net income (loss) per unit information has not been presented for the three and six months ended June 30, 2025.

The following tables set forth reconciliations of the numerators and denominators used to compute basic and diluted net income per share of Class A common stock for the three and six months ended June 30, 2026:

<i>(in thousands)</i>	Three Months Ended June 30, 2026	Six Months Ended June 30, 2026
Numerator:		
Net income	3,218	5,017
Less: net income attributable to noncontrolling interests	2,000	3,421
Net income attributable to Black Rock Coffee Bar, Inc.	\$ 1,218	\$ 1,596

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

	Three Months Ended June 30, 2026	Six Months Ended June 30, 2026
<i>(in thousands, except share and per share amounts)</i>		
Basic net income per share attributable to Class A common shareholders		
Numerator:		
Net income attributable to Black Rock Coffee Bar, Inc.	\$ 1,218	\$ 1,596
Denominator:		
Weighted-average number of shares of Class A common stock outstanding	21,216,632	19,399,560
Basic net income per share attributable to Class A common shareholders	\$ 0.06	\$ 0.08
Diluted net income per share attributable to Class A common shareholders		
Numerator:		
Net income attributable to Black Rock Coffee Bar, Inc.	\$ 1,218	\$ 1,596
Diluted net income attributable to Black Rock Coffee Bar, Inc.	\$ 1,218	\$ 1,596
Denominator:		
Number of shares used in basic computation	21,216,632	19,399,560
Add: Weighted-average effect of dilutive securities		
RSUs	2,750	1,375
Weighted-average number of shares of Class A common stock outstanding used to calculate diluted net income per share	21,219,382	19,400,935
Diluted net income per share attributable to Class A common shareholders	\$ 0.06	\$ 0.08

The following Class A common share equivalents were excluded from diluted net income per share in the periods presented because they were anti-dilutive:

	Three Months Ended June 30, 2026	Six Months Ended June 30, 2026
Stock options	717,696	717,696
RSUs	416,728	418,103
LLC Units	27,865,022	27,865,022
Total anti-dilutive securities	28,999,446	29,000,821

Shares of the Company's Class B and Class C common stock do not participate in income or losses of Black Rock Coffee Bar, Inc. and therefore are not participating securities. As such, separate presentation of basic and diluted net income per share of Class B and Class C common stock under the two-class method has not been presented.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Note 12 – Related Party Transactions

Too Sweet Cakes, LLC (“Too Sweet”), an Oregon bakery, offers a selection of their baked goods exclusively at certain of the Company’s stores. An affiliate of Clay Geyer, the Company’s Chief Operating Officer, and Viking Cake and its affiliates, which are affiliated with certain of the Co-Founders, are owners of and investors in Too Sweet. For the three months ended June 30, 2026 and 2025, the Company made purchases from Too Sweet of \$1.8 million. For the six months ended June 30, 2026 and 2025, the Company made purchases from Too Sweet of \$3.4 million and \$3.3 million, respectively.

On May 15, 2026, the Company entered into an irrevocable proxy (the “Proxy”) with Viking Cake Fuel, LLC, Viking Cake Fuel II, LLC, Jeffrey R. Hernandez 2021 Trust, Tiffany S. Hernandez 2021 Trust, Daniel J. Brand 2021 Trust, Tanya N. Brand 2021 Trust (collectively, the “Proxy Parties”), each of which is or was a Class C common shareholder of the Company.

The Proxy Parties are also parties to that certain Voting Agreement (the “Founders Voting Agreement”), dated September 11, 2025, by and among the Company, Cynosure Partners 2020, LP, Cynosure Partners 2020 PV, LP, Cynosure Partners 2020 Co-Investment, LLC, Cynosure Partners III, LP, and Cynosure Partners III Offshore, LP, Viking Cake Fuel, LLC, Viking Cake Fuel II, LLC, and Jeffrey R. Hernandez 2021 Trust, Tiffany S. Hernandez 2021 Trust, Daniel J. Brand 2021 Trust, Tanya N. Brand 2021 Trust, Jacob V. Spellmeyer 2021 Trust, Juliet A. Spellmeyer 2021 Trust, Bryan D. Pereboom 2021 Trust, and Nicole R. Pereboom 2021 Trust, Vahalda Fuel, LLC and Aureata Fuel, LLC (collectively, the “Founder Investors”). Pursuant to the Proxy and subject to the terms of the Founders Voting Agreement, the Company, the Chief Executive Officer of the Company and any other designee of the Company have been authorized and empowered by the Proxy Parties to serve as their attorney-in-fact and proxy to vote all shares of the Company’s Class A, Class B or Class C common stock held by the Proxy Parties or over which the Proxy Parties have voting control (the “Covered Shares”) and to exercise all voting, consent and similar rights of the Proxy Parties with respect to the Covered Shares until the later of (a) two years from May 15, 2026 and (b) the termination of the Founders Voting Agreement.

Note 13 – Commitments and Contingencies

Purchase Obligations

We enter into fixed-price and price-to-be-fixed green coffee purchase commitments. For both fixed-price and price-to-be-fixed purchase commitments, we expect to take delivery of green coffee and to utilize the coffee in a reasonable period of time in the ordinary course of business. Such contracts are used for the normal purchases of green coffee and not for speculative purposes. We do not enter into futures contracts or other derivative instruments related to our green coffee purchase commitments.

Legal Proceedings

The Company is subject to various legal actions in the ordinary course of business. In determining loss contingencies, the Company considers the likelihood of loss as well as the ability to reasonably estimate the amount of such loss or liability. An estimated loss is recognized when it is considered probable that the liability has been incurred and when the amount of loss can be reasonably estimated. While any claim, proceeding or litigation has an element of uncertainty, the Company believes the outcome of any of these matters that are pending or threatened will not have a material adverse effect on its financial condition, results or operations, or cash flows as of June 30, 2026.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Litigation Related to Securities Claims

On June 18, 2026, plaintiff Stephen Aiello filed a putative class action lawsuit in U.S. District Court for the Southern District of New York against Black Rock Coffee Bar, Inc. and its directors as well as Mark D. Davis, Chief Executive Officer, and Rodderick F. Booth, Chief Financial Officer, for alleged violations of U.S. federal securities laws. The plaintiff purports to bring claims on behalf of a class of acquirers of Black Rock Coffee Bar, Inc. securities between September 12, 2025 and May 12, 2026, and generally alleges that certain statements regarding the Company's store expansion strategy and the impact of new store openings on existing store performance were materially false or misleading. The complaint primarily seeks compensatory damages for all affected members of the purported class.

The Company intends to vigorously defend this lawsuit. Given the nature of this case, including that the proceeding is in its early stages, the Company is unable to predict the ultimate outcome of this case or estimate the range of potential loss, if any.

Note 14 – Segment Reporting

The Company uses the management approach for determining its reportable segments. The management approach is based upon the way that management reviews performance and allocates resources.

The Company's chief operating decision-maker (the "CODM") is its CEO. The Company has one operating and one reportable segment, as the CODM allocates resources and regularly reviews operations and financial performance at a consolidated level. The CODM uses consolidated net income to allocate resources for the single segment to make decisions regarding annual budget, new store openings, marketing decisions and driving the Company's mission. The measure of the single reportable segment's assets is reported as Total assets on the condensed consolidated balance sheets.

No changes have been made to the Company's segment during the three and six months ended June 30, 2026. In addition, no customer represented 10% or more of total revenue for the three or six months ended June 30, 2026 and 2025.

BLACK ROCK COFFEE BAR, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

For the Three and Six Months Ended June 30, 2026 and 2025

Financial information for the Company's reportable segment is as follows:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Segment revenue	\$ 62,999	\$ 50,394	\$ 118,453	\$ 95,214
Less:				
Beverage, food and packaging costs	16,968	14,673	31,981	27,355
Labor and related expenses	13,235	10,384	24,710	19,803
Occupancy and related expenses	5,069	3,859	9,794	7,607
Other store operating expenses ⁽¹⁾	8,636	6,565	16,418	12,804
Selling, general and administrative expenses	9,805	7,860	19,047	14,740
Depreciation and amortization	3,932	2,943	7,385	5,826
Pre-opening costs	1,252	843	2,340	1,561
Interest expense, net	525	3,115	947	6,157
Other expense (income), net	258	1,069	610	1,084
Income tax expense	101	144	204	222
Segment income (loss)	3,218	(1,061)	5,017	(1,945)
Reconciliation of profit or loss				
Adjustments and reconciling items	—	—	—	—
Consolidated net income (loss)	\$ 3,218	\$ (1,061)	\$ 5,017	\$ (1,945)

(1) Other store operating expenses consists of credit card fees, repairs and maintenance, utilities, software subscriptions, property taxes, and other operating expenses, incidental to operating the Company's stores, such as store supplies, insurance, business permits, and travel expense.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited interim condensed consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q ("Form 10-Q"), and audited consolidated financial statements included in our Annual Report on Form 10-K ("Form 10-K") for the year ended December 31, 2025 filed with the SEC on March 4, 2026. In addition to historical information, this discussion and analysis contains forward-looking statements based on current expectations that involve risks, uncertainties, and other factors outside the Company's control, as well as assumptions, such as our plans, objectives, expectations, and intentions. Our actual results may differ materially from those expressed or implied in the forward-looking statements as a result of various factors, including those described under the sections entitled "Forward-Looking Statements" above and "Risk Factors" elsewhere in this Form 10-Q, in the Form 10-K and our other filings with the SEC.

Overview

We are a high-growth operator of guest-centric, drive-thru coffee bars offering premium caffeinated beverages and an elevated in-store experience crafted by our engaging baristas. Black Rock Coffee Bar was founded in 2008 in Beaverton, Oregon, by our co-founders Daniel Brand and Jeff Hernandez. What started as a single 160 square foot coffee bar in 2008 is now one of the fastest growing beverage companies in the United States by revenue and the largest fully company-owned coffee retailer in the country, with 200 locations spanning seven states as of June 30, 2026, from the Pacific Northwest to Texas.

We were founded as a drive-thru only concept and evolved to include engaging seating areas, which we call "lobbies." All of our locations include efficient drive-thrus and approximately 75% of our locations include lobbies as of June 30, 2026. We expect most of our new locations to include both drive-thrus and lobbies as we continue to grow. Our modern, inviting store formats—paired with a robust digital platform—allow us to deliver a dynamic and multi-faceted guest experience.

Driven by a passion for Connection, Caffeine, and Community, Black Rock is a platform to do well by our baristas, guests, and the communities we serve. With a relentless focus on people and excellence, our culture has been key to our success.

These results demonstrate the strength and consistency of our model and highlight our genuine connection to our guests across diverse markets.

Recent Highlights

During the three months ended June 30, 2026, we demonstrated another strong quarter supported by total revenue growth, sustained Same Store Sales Growth, and an expansion of our Store-Level Profit Margin. Performance for the quarter reflected progress against our strategic priorities, including deepening customer engagement, strengthening our people-oriented culture, and continuing to expand our marketing presence.

For the three months ended June 30, 2026, we opened 10 net new stores across Colorado, Texas, Arizona, and Idaho, bringing our total store count to 200. As a result, Total revenue grew 25.0% for the three months ended June 30, 2026, compared to the three months ended June 30, 2025. Total revenue also saw contribution from 4.2% Same Store Sales Growth, supported by menu price increases and check growth during the three months ended June 30, 2026, compared to the three months ended June 30, 2025, partially offset by softer transaction volume for the three months ended June 30, 2026.

Income from operations margin remained flat at 6.5% for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. Further, Store-Level Profit Margin increased to 30.2% for the three months ended June 30, 2026 from 29.5% for the three months ended June 30, 2025. The increase in Store-Level Profit Margin was primarily driven by operational discipline, cost management and improving unit-level economics.

Future results will depend on our ability to continue expanding our store footprint and effectively manage external factors that may influence operating performance, including macroeconomic conditions affecting guest demand, commodity and wage inflation, and potential supply chain constraints.

Key Performance Measures and Non-GAAP Financial Measures

In assessing the performance of our business, in addition to considering a variety of measures in accordance with GAAP, our management team also considers a variety of key performance measures and non-GAAP financial measures. The key performance measures and non-GAAP financial measures used by our management to evaluate our performance are: Total Stores (End of Period), Net New Store Openings, Same Store Sales Growth, Average Unit Volume, Store revenue, Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA, Adjusted EBITDA Margin and Total store operating weeks.

We believe that these measures provide useful information to users of our financial statements in understanding and evaluating our results of operations in the same manner as our management team. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. See “Non-GAAP Financial Measures” below.

The following table sets forth our key performance measures for the periods presented:

(\$ in thousands)	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	2026	2025	Change
Total Stores (End of Period)	200	158	42	200	158	42
Net New Store Openings	10	4	6	19	9	10
Same Store Sales Growth ⁽¹⁾	4.2 %	10.9 %	(6.7)%	4.7 %	10.1 %	(5.4)%
Average Unit Volume	\$ 1,288	\$ 1,226	\$ 62	\$ 1,288	\$ 1,226	\$ 62
Store revenue	\$ 62,933	\$ 50,336	\$ 12,597	\$ 118,317	\$ 95,110	\$ 23,207
Income from operations ⁽³⁾	\$ 4,102	\$ 3,267	\$ 835	\$ 6,778	\$ 5,518	\$ 1,260
Income from operations margin ⁽³⁾	6.5 %	6.5 %	— %	5.7 %	5.8 %	(0.1)%
Store-Level Profit ⁽²⁾	\$ 19,025	\$ 14,855	\$ 4,170	\$ 35,414	\$ 27,541	\$ 7,873
Store-Level Profit Margin ⁽²⁾	30.2 %	29.5 %	0.7 %	29.9 %	29.0 %	0.9 %
Net income (loss) ⁽³⁾	\$ 3,218	\$ (1,061)	\$ 4,279	\$ 5,017	\$ (1,945)	\$ 6,962
Net income (loss) margin ⁽³⁾	5.1 %	(2.1)%	7.2 %	4.2 %	(2.0)%	6.2 %
Adjusted EBITDA ⁽²⁾	\$ 9,427	\$ 8,046	\$ 1,381	\$ 16,856	\$ 14,063	\$ 2,793
Adjusted EBITDA Margin ⁽²⁾	15.0 %	16.0 %	(1.0)%	14.2 %	14.8 %	(0.6)%
Total store operating weeks	2,510	2,015	495	4,867	3,959	908

(1) Same Store Sales Growth reflects the change in year-over-year sales for the comparable store base, which we define as stores open for 18 months or longer.

(2) See “Non-GAAP Financial Measures” for a discussion of Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA margin and reconciliation of each measure to its most directly comparable GAAP measure.

(3) The Company does not consider income (loss) from operations, income (loss) from operations margin, net income (loss) or net income (loss) margin to be key performance measures but has included such metrics in this table to provide the most directly comparable GAAP metric to Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin.

Net New Store Openings

Net New Store Openings reflect the number of stores opened during a particular reporting period, net of any permanent store closures during the same period. Before we open new stores, we incur pre-opening costs as described below. The opening of new stores has been and is expected to continue to be the primary driver of revenue growth. The total number of new store openings has, and will continue to have, an impact on our results of operations.

Same Store Sales Growth

Same Store Sales Growth is defined as the period-over-period sales comparison for stores in our comparable store base, which we define as stores that have been open for 18 months or longer. We use Same Store Sales Growth to assess the performance of existing stores that have been open for 18 months or longer, as the impact of new store openings is excluded.

As of June 30, 2026 and 2025, there were 149 stores and 125 stores, respectively, in our comparable store base.

Average Unit Volume

AUV represents total trailing twelve-month store revenue of operating stores in the comparable store base, divided by the number of stores in the comparable store base. We use AUV to assess and understand changes in spending patterns and overall performance. AUV is impacted by changes in guest traffic and the number of newer stores that are included in calculating AUVs.

Store revenue

Store revenue represents all revenue attributable to our stores in the specified period. We use store revenue to evaluate and track the aggregate beverage and food sales in our stores. Several factors affect store revenue in any given period, including number of stores open, same store sales and guest traffic.

Store-Level Profit and Store-Level Profit Margin

Store-Level Profit represents store revenue in the specific period less beverage, food and packaging, labor and related expenses, occupancy and related expenses, and other store operating expenses, excluding depreciation and amortization and pre-opening costs in the period.

Store-Level Profit Margin represents Store-Level Profit as a percentage of store revenue. We use Store-Level Profit and Store-Level Profit Margin in our evaluation of the performance and profitability of each store.

We use Store-Level Profit and Store-Level Profit Margin to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against that of other peer companies using similar measures. See “Non-GAAP Financial Measures” below for our reconciliation of Store-Level Profit to income from operations and Store-Level Profit Margin to income from operations margin.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA is net income (loss) adjusted to exclude interest expense, net, income tax expense, and depreciation and amortization, further adjusted to exclude certain items that we do not consider indicative of our ongoing operating performance, including transaction costs associated with our IPO, capital restructuring costs, equity-based compensation, gain (loss) on the remeasurement of the liability related to the TRA, certain litigation costs, net, and other non-core costs. Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of Total revenue. We use Adjusted EBITDA and Adjusted EBITDA Margin to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against that of other peer companies using similar measures. See “Non-GAAP Financial Measures” below for our reconciliation of Adjusted EBITDA to net loss and Adjusted EBITDA Margin to net loss margin.

Total store operating weeks

Total store operating weeks are calculated based on the number of operating days for the store base and dividing by seven. Our store base is defined as stores open as of the period end date. Management uses this metric as an indicator of our overall financial health, growth and future expansion prospects.

Components of Results of Operations

Store revenue represents the aggregate sales of beverages and food, net of discounts at our stores and gift card and loyalty breakage income.

Other includes sales of online retail products, net of discounts, and other non-store revenue.

Store operating costs and expenses

Our store operating costs and expenses consist of (i) beverage, food and packaging costs, (ii) labor and related expenses, (iii) occupancy and related expenses and (iv) other store operating expenses.

Beverage, food and packaging costs consists primarily of beverage, food and packaging costs, including manufacturing costs and costs associated with our production facilities. The components of beverage, food and packaging costs are variable by nature, change with sales volume, are impacted by menu mix and subject to increases or decreases in commodity costs.

Labor and related expenses includes all store-level management and hourly labor costs, including salaries, wages, benefits, bonuses, payroll taxes and other indirect labor costs. Factors that influence labor costs include the minimum wage in the jurisdictions in which we operate, payroll tax legislation, inflation, the strength of the labor market for hourly team members, benefit costs, health care costs, and the number, size, and location of stores.

Occupancy and related expenses consists of store-level occupancy including rent, common area expenses, real estate and other taxes. Occupancy excludes expenses associated with unopened stores, which are recorded in pre-opening costs. Occupancy varies from location to location and is impacted by macroeconomic conditions, including inflation.

Other store operating expenses includes credit card fees, repairs and maintenance, utilities, software subscriptions, property taxes, and other operating expenses, incidental to operating our stores, such as store supplies, insurance, business permits and travel expense.

Selling, general and administrative expenses includes expenses associated with our corporate function that supports the development and operation of stores, including compensation and benefits, equity-based compensation, insurance, professional fees, technology support, travel expenses, certain marketing and advertising costs, and other costs related to our corporate offices and support teams.

Depreciation and amortization consists of depreciation of fixed assets including all equipment and leasehold improvements and amortization of intangible assets such as reacquired franchise rights and trademarks.

Pre-opening costs consists of grand opening expenses and start-up and promotional costs incurred prior to opening a new store and are made up of labor, relocation costs, supplies, recruiting expenses, payroll and training costs, travel costs and marketing costs. Pre-opening costs also include occupancy costs recorded during the period between the date of possession and the date we begin operations at a location. Pre-opening costs are expensed as incurred.

Interest expense, net includes cash and non-cash charges related to our finance obligations, Prior Credit Facility and New Credit Facilities, including the amortization of debt issuance costs and loan modification fees, net of capitalized interest associated with borrowings related to eligible capital expenditures and interest income earned on our related party note receivable and cash and cash equivalents.

Other (income) expense, net consists of miscellaneous income and expenses.

Income tax expense consists of federal and state current and deferred income tax expense.

Results of Operations

Comparison of the three months ended June 30, 2026 and 2025

The following table summarizes our results of operations for the periods presented below:

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Store revenue	\$ 62,933	\$ 50,336	\$ 12,597	25.0 %
Other	66	58	8	13.8 %
Total revenue	62,999	50,394	12,605	25.0 %
Store operating costs and expenses (exclusive of depreciation and amortization presented separately below):				
Beverage, food and packaging costs	16,968	14,673	2,295	15.6 %
Labor and related expenses	13,235	10,384	2,851	27.5 %
Occupancy and related expenses	5,069	3,859	1,210	31.4 %
Other store operating expenses	8,636	6,565	2,071	31.5 %
Total store operating costs and expenses	43,908	35,481	8,427	23.8 %
Selling, general and administrative expenses	9,805	7,860	1,945	24.7 %
Depreciation and amortization	3,932	2,943	989	33.6 %
Pre-opening costs	1,252	843	409	48.5 %
Total operating expenses	58,897	47,127	11,770	25.0 %
Income from operations	4,102	3,267	835	25.6 %
Interest expense, net	(525)	(3,115)	2,590	(83.1)%
Other income (expense), net	(258)	(1,069)	811	(75.9)%
Income (loss) before income taxes	3,319	(917)	4,236	461.9 %
Income tax expense	101	144	(43)	(29.9)%
Net income (loss)	\$ 3,218	\$ (1,061)	\$ 4,279	403.3 %

Store revenue

Store revenue increased \$12.6 million, or 25.0%, to \$62.9 million for the three months ended June 30, 2026, compared to \$50.3 million for the three months ended June 30, 2025. The increase in store revenue was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025, which contributed \$9.8 million, in the three months ended June 30, 2026. The increase was also driven by 9 stores opened during the six months ended June 30, 2025 that are not yet in the comparable store base, which contributed an incremental \$0.8 million for the three months ended June 30, 2026, in addition to the \$1.8 million these 9 stores contributed for the three months ended June 30, 2025. The remainder of the increase was primarily driven by Same Store Sales Growth of 4.2%, that contributed \$2.0 million, which consists of 2.4%, or \$1.1 million, from menu price increases, and 3.8%, or \$1.8 million, from increased check size for the three months ended June 30, 2026, compared to the three months ended June 30, 2025, partially offset by a decrease of 2.0%, or \$0.9 million, as a result of decreased traffic.

Other

Other increased \$8 thousand, or 13.8%, to \$66 thousand for the three months ended June 30, 2026, compared to \$58 thousand for the three months ended June 30, 2025. The increase in other was primarily driven by an increase in online and subscription bean sales for the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Beverage, food and packaging costs

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Beverage, food and packaging costs	\$ 16,968	\$ 14,673	\$ 2,295	15.6 %
As a percentage of Total revenue	26.9 %	29.1 %	n/a	(2.2) %

Beverage, food and packaging costs increased \$2.3 million, or 15.6%, to \$17.0 million for the three months ended June 30, 2026, compared to \$14.7 million for the three months ended June 30, 2025. The increase in beverage, food and packaging costs was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025, which contributed approximately \$2.7 million of incremental expense.

As a percentage of Total revenue, beverage, food and packaging costs decreased for the three months ended June 30, 2026 primarily due to lower discounting and improvements in operating efficiencies.

Labor and related expenses

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Labor and related expenses	\$ 13,235	\$ 10,384	\$ 2,851	27.5 %
As a percentage of Total revenue	21.0 %	20.6 %	n/a	0.4 %

Labor and related expenses increased \$2.9 million, or 27.5%, to \$13.2 million for the three months ended June 30, 2026, compared to \$10.4 million for the three months ended June 30, 2025. The increase in labor and related expenses was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025, which contributed approximately \$2.4 million in incremental expense, as well as an increase in prevailing wage rates in three of our markets.

As a percentage of Total revenue, labor and related expenses increased for the three months ended June 30, 2026 primarily due to a higher concentration of stores in the early stages of maturation within the non-comparable store base which generally incur higher labor costs relative to revenue as staffing levels are established ahead of achieving normalized sales volumes.

Occupancy and related expenses

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Occupancy and related expenses	\$ 5,069	\$ 3,859	\$ 1,210	31.4 %
As a percentage of Total revenue	8.0 %	7.7 %	n/a	0.3 %

Occupancy and related expenses increased \$1.2 million, or 31.4%, to \$5.1 million for the three months ended June 30, 2026, compared to \$3.9 million for the three months ended June 30, 2025. The increase in occupancy and related expenses was primarily due to 42 Net New Store Openings subsequent to June 30, 2025, which contributed approximately \$1.2 million in incremental expense.

Other store operating expenses

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Other store operating expenses	\$ 8,636	\$ 6,565	\$ 2,071	31.5 %
As a percentage of Total revenue	13.7 %	13.0 %	n/a	0.7 %

Other store operating expenses increased \$2.1 million, or 31.5%, to \$8.6 million for the three months ended June 30, 2026, compared to \$6.6 million for the three months ended June 30, 2025. The increase in other store operating expenses was primarily driven by increased operating costs associated with 42 Net New Store Openings subsequent to June 30, 2025, higher delivery commissions and merchant processing fees associated with increased sales and transaction volumes, which contributed approximately \$0.5 million of incremental expense, and an increase in repairs and maintenance which contributed \$0.4 million of incremental expense.

As a percentage of Total revenue, other store operating expenses increased for the three months ended June 30, 2026 primarily due to higher property taxes, software subscription costs primarily driven by vendor price increases and higher repair and maintenance expenses, partially offset by lower merchant processing fees as a percentage of revenue.

Selling, general and administrative expenses

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Selling, general and administrative expenses	\$ 9,805	\$ 7,860	\$ 1,945	24.7 %
As a percentage of Total revenue	15.6 %	15.6 %	n/a	— %

Selling, general, and administrative expenses increased \$1.9 million, or 24.7%, to \$9.8 million for the three months ended June 30, 2026, compared to \$7.9 million for the three months ended June 30, 2025. The increase in selling, general, and administrative expenses was primarily driven by a \$1.1 million increase in equity-based compensation, \$0.8 million increase in our corporate payroll expenses as a result of increased headcount to support expected future growth and strategic initiatives, and \$0.9 million of incremental public company costs, partially offset by \$1.5 million of IPO-related expenses incurred during the three months ended June 30, 2025.

Depreciation and amortization

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Depreciation and amortization	\$ 3,932	\$ 2,943	\$ 989	33.6 %
As a percentage of Total revenue	6.2 %	5.8 %	n/a	0.4 %

Depreciation and amortization increased \$1.0 million, or 33.6%, to \$3.9 million for the three months ended June 30, 2026, compared to \$2.9 million for the three months ended June 30, 2025. The increase in depreciation and amortization was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025.

Pre-opening costs

(\$ in thousands)	Three Months Ended June 30,		Change	
	2026	2025	\$	%
Pre-opening costs	\$ 1,252	\$ 843	\$ 409	48.5 %
As a percentage of Total revenue	2.0 %	1.7 %	n/a	0.3 %

Pre-opening costs increased \$0.4 million, or 48.5%, to \$1.3 million for the three months ended June 30, 2026, compared to \$0.8 million for the three months ended June 30, 2025. The increase in pre-opening costs was primarily a result of increased wages and team costs as a result of 6 more Net New Store Openings for the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Interest expense, net

Interest expense, net decreased \$2.6 million, or 83.1%, to \$0.5 million for the three months ended June 30, 2026, compared to \$3.1 million for the three months ended June 30, 2025. The decrease in interest expense, net was primarily driven by repaying all outstanding borrowings under the Prior Credit Facility and entering into the New Credit Facilities, which carry a lower interest rate and less outstanding borrowings when compared to the Prior Credit Facility.

Other income (expense), net

The decrease of \$0.8 million in other expense, net to \$0.3 million for the three months ended June 30, 2026 from \$1.1 million of expense for the three months ended June 30, 2025 was primarily driven by \$1.1 million of capital restructuring fees incurred during the three months ended June 30, 2025, partially offset by \$0.3 million of remeasurement expense related to the TRA liability incurred during the three months ended June 30, 2026.

Income tax expense

Income tax expense was an immaterial amount for each of the three months ended June 30, 2026 and 2025.

Comparison of the six months ended June 30, 2026 and 2025

The following table summarizes our results of operations for the periods presented below:

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Store revenue	\$ 118,317	\$ 95,110	\$ 23,207	24.4 %
Other	136	104	32	30.8 %
Total revenue	118,453	95,214	23,239	24.4 %
Store operating costs and expenses (exclusive of depreciation and amortization presented separately below):				
Beverage, food and packaging costs	31,981	27,355	4,626	16.9 %
Labor and related expenses	24,710	19,803	4,907	24.8 %
Occupancy and related expenses	9,794	7,607	2,187	28.7 %
Other store operating expenses	16,418	12,804	3,614	28.2 %
Total store operating costs and expenses	82,903	67,569	15,334	22.7 %
Selling, general and administrative expenses	19,047	14,740	4,307	29.2 %
Depreciation and amortization	7,385	5,826	1,559	26.8 %
Pre-opening costs	2,340	1,561	779	49.9 %
Total operating expenses	111,675	89,696	21,979	24.5 %
Income (loss) from operations	6,778	5,518	1,260	22.8 %
Interest expense, net	(947)	(6,157)	5,210	(84.6)%
Other income (expense), net	(610)	(1,084)	474	(43.7)%
Income (loss) before income taxes	5,221	(1,723)	6,944	(403.0)%
Income tax expense	204	222	(18)	(8.1)%
Net income (loss)	\$ 5,017	\$ (1,945)	\$ 6,962	(357.9)%

Store revenue

Store revenue increased \$23.2 million, or 24.4%, to \$118.3 million for the six months ended June 30, 2026, compared to \$95.1 million for the six months ended June 30, 2025. The increase in store revenue was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025, which contributed \$16.4 million, in the six months ended June 30, 2026. The increase was also driven by 9 stores opened during the six months ended June 30, 2025 that are not yet in the comparable store base, which contributed an incremental \$2.5 million for the six months ended June 30, 2026, in addition to the \$2.4 million these 9 stores contributed for the six months ended June 30, 2025. The remainder of the increase was primarily driven by Same Store Sales Growth of 4.7%, which contributed \$4.2 million, which consists of 2.7%, or \$2.4 million, from menu price increases, and 3.3%, or \$3.0 million, from increased check size for the six months ended June 30, 2026, compared to the six months ended June 30, 2025, partially offset by a decrease of 1.4%, or \$1.2 million, as a result of decreased traffic.

Other

Other increased \$32 thousand, or 30.8%, to \$136 thousand for the six months ended June 30, 2026, compared to \$104 thousand for the six months ended June 30, 2025. The increase in other was primarily driven by an increase in online and subscription bean sales for the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Beverage, food and packaging costs

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Beverage, food and packaging costs	\$ 31,981	\$ 27,355	\$ 4,626	16.9 %
As a percentage of Total revenue	27.0 %	28.7 %	n/a	(1.7)%

Beverage, food and packaging costs increased \$4.6 million, or 16.9%, to \$32.0 million for the six months ended June 30, 2026, compared to \$27.4 million for the six months ended June 30, 2025. The increase in beverage, food and packaging costs was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025, which contributed approximately \$4.4 million of incremental expense.

As a percentage of Total revenue, beverage, food and packaging costs decreased for the six months ended June 30, 2026 primarily due to lower discounting and improvements in operating efficiencies.

Labor and related expenses

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Labor and related expenses	\$ 24,710	\$ 19,803	\$ 4,907	24.8 %
As a percentage of Total revenue	20.9 %	20.8 %	n/a	0.1 %

Labor and related expenses increased \$4.9 million, or 24.8%, to \$24.7 million for the six months ended June 30, 2026, compared to \$19.8 million for the six months ended June 30, 2025. The increase in labor and related expenses was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025, which contributed approximately \$4.1 million in incremental expense, as well as an increase in prevailing wage rates in three of our markets.

Occupancy and related expenses

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Occupancy and related expenses	\$ 9,794	\$ 7,607	\$ 2,187	28.7 %
As a percentage of Total revenue	8.3 %	8.0 %	n/a	0.3 %

Occupancy and related expenses increased \$2.2 million, or 28.7%, to \$9.8 million for the six months ended June 30, 2026, compared to \$7.6 million for the six months ended June 30, 2025. The increase in occupancy and related expenses was primarily due to 42 Net New Store Openings subsequent to June 30, 2025, which contributed approximately \$2.1 million in incremental expense.

Other store operating expenses

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Other store operating expenses	\$ 16,418	\$ 12,804	\$ 3,614	28.2 %
As a percentage of Total revenue	13.9 %	13.4 %	n/a	0.5 %

Other store operating expenses increased \$3.6 million, or 28.2%, to \$16.4 million for the six months ended June 30, 2026, compared to \$12.8 million for the six months ended June 30, 2025. The increase in other store operating expenses was primarily driven by increased operating costs associated with 42 Net New Store Openings subsequent to June 30, 2025, higher delivery commissions and merchant processing fees associated with increased sales and transaction volumes, which contributed approximately \$1.1 million, and an increase in repairs and maintenance which contributed \$0.4 million of incremental expense.

As a percentage of Total revenue, other store operating expenses increased for the six months ended June 30, 2026 primarily due to higher software subscription costs primarily driven by vendor price increases and higher property taxes, partially offset by lower merchant processing fees as a percentage of revenue.

Selling, general and administrative expenses

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Selling, general and administrative expenses	\$ 19,047	\$ 14,740	\$ 4,307	29.2 %
As a percentage of Total revenue	16.1 %	15.5 %	n/a	0.6 %

Selling, general, and administrative expenses increased \$4.3 million, or 29.2%, to \$19.0 million for the six months ended June 30, 2026, compared to \$14.7 million for the six months ended June 30, 2025. The increase in selling, general, and administrative expenses was primarily driven by a \$2.3 million increase in equity-based compensation, \$1.7 million increase in our corporate payroll expenses as a result of increased headcount to support expected future growth and strategic initiatives, \$1.8 million of incremental public company costs and an increased investment in marketing which contributed \$0.6 million of incremental expense for the six months ended June 30, 2026, partially offset by \$2.6 million of IPO-related expenses incurred during the six months ended June 30, 2025.

Depreciation and amortization

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Depreciation and amortization	\$ 7,385	\$ 5,826	\$ 1,559	26.8 %
As a percentage of Total revenue	6.2 %	6.1 %	n/a	0.1 %

Depreciation and amortization increased \$1.6 million, or 26.8%, to \$7.4 million for the six months ended June 30, 2026, compared to \$5.8 million for the six months ended June 30, 2025. The increase in depreciation and amortization was primarily driven by 42 Net New Store Openings subsequent to June 30, 2025.

Pre-opening costs

(\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Pre-opening costs	\$ 2,340	\$ 1,561	\$ 779	49.9 %
As a percentage of Total revenue	2.0 %	1.6 %	n/a	0.4 %

Pre-opening costs increased \$0.8 million, or 49.9%, to \$2.3 million for the six months ended June 30, 2026, compared to \$1.6 million for the six months ended June 30, 2025. The increase in pre-opening costs was primarily a result of increased wages and team costs as a result of 10 more Net New Store Openings for the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Interest expense, net

Interest expense, net decreased \$5.2 million, or 84.6%, to \$0.9 million for the six months ended June 30, 2026, compared to \$6.2 million for the six months ended June 30, 2025. The decrease in interest expense, net was primarily driven by repaying all outstanding borrowings under the Prior Credit Facility and entering into the New Credit Facilities, which carry a lower interest rate and less outstanding borrowings when compared to the Prior Credit Facility.

Other income (expense), net

The decrease of \$0.5 million in other expense, net to \$0.6 million for the six months ended June 30, 2026 from \$1.1 million for the six months ended June 30, 2025 was due to \$1.1 million of capital restructuring fees incurred during the six months ended June 30, 2025, partially offset by \$0.6 million of remeasurement expense related to the TRA liability incurred during the six months ended June 30, 2026.

Income tax expense

Income tax expense was an immaterial amount for each of the six months ended June 30, 2026 and 2025.

Non-GAAP Financial Measures

In addition to our condensed consolidated financial statements, which are prepared in accordance with GAAP, we present Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin in this Form 10-Q as supplemental measures of financial performance that are not required by, or presented in accordance with, GAAP. We believe that these non-GAAP financial measures assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our operating performance. Management believes Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin are useful to investors in highlighting trends in our operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate and capital investments. Management uses Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions and to compare our performance against that of other peer companies using similar measures. Management supplements GAAP results with non-GAAP financial measures to provide a more complete understanding of the factors and trends affecting our business than GAAP results alone provide.

Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin are not recognized terms under GAAP and should not be considered as alternatives to total revenue, net income (loss) and net income (loss) margin as measures of financial performance, or cash provided by operating activities as measures of liquidity, or any other performance measure derived in accordance with GAAP. Additionally, these measures are not intended to be measures of free cash flow available for management's discretionary use, as they do not consider certain cash requirements such as interest payments, tax payments, and debt service requirements. Because not all companies use identical calculations, the presentation of these measures may not be comparable to other similarly titled measures of other companies and can differ significantly from company to company.

Our Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. Some of these limitations are:

- Store-Level Profit and Adjusted EBITDA do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- Store-Level Profit and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- Store-Level Profit and Adjusted EBITDA do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;
- Store-Level Profit and Adjusted EBITDA do not reflect period to period changes in taxes, income tax expense or the cash necessary to pay income taxes;
- Store-Level Profit and Adjusted EBITDA do not reflect the impact of earnings or cash charges resulting from matters we consider not to be indicative of our ongoing operations;
- Store-Level Profit is not indicative of our overall results and does not accrue directly to the benefit of shareholders, as corporate-level expenses are excluded;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin differently than we do, limiting their usefulness as comparative measures.

Because of these limitations, Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin should not be considered as measures of discretionary cash available to invest in business growth or to reduce indebtedness.

The following tables provide reconciliations of net income (loss) to Adjusted EBITDA and net income (loss) margin to Adjusted EBITDA Margin as well as income from operations to Store-Level Profit and Store-Level Profit Margin for the periods presented:

(\$ in thousands; unaudited)	Three Months Ended June 30,	
	2026	2025
Net income (loss)	\$ 3,218	\$ (1,061)
<i>Non-GAAP Adjustments:</i>		
Interest expense, net	525	3,115
Income tax expense	101	144
Depreciation and amortization	3,932	2,943
Transaction costs ⁽¹⁾	—	1,505
Capital restructuring costs	—	1,071
Equity-based compensation	1,140	—
TRA remeasurements	257	—
Legal settlement, net ⁽²⁾	164	202
Other costs ⁽³⁾	90	127
Adjusted EBITDA	\$ 9,427	\$ 8,046
Net income (loss) margin	5.1 %	(2.1)%
Adjusted EBITDA Margin	15.0 %	16.0 %

(1) Includes non-recurring professional service fees and executive compensation related to our IPO.

(2) For the three months ended June 30, 2026 and 2025, includes non-recurring legal costs.

(3) Non-recurring professional service costs.

(\$ in thousands; unaudited)	Six Months Ended June 30,	
	2026	2025
Net income (loss)	\$ 5,017	\$ (1,945)
<i>Non-GAAP Adjustments:</i>		
Interest expense, net	947	6,157
Income tax expense	204	222
Depreciation and amortization	7,385	5,826
Transaction costs ⁽¹⁾	—	2,585
Capital restructuring costs	—	1,071
Equity-based compensation	2,327	—
TRA remeasurements	608	—
Legal settlement, net ⁽²⁾	232	(38)
Other costs ⁽³⁾	136	185
Adjusted EBITDA	\$ 16,856	\$ 14,063
Net income (loss) margin	4.2 %	(2.0)%
Adjusted EBITDA Margin	14.2 %	14.8 %

(1) Includes non-recurring professional service fees and executive compensation related to our IPO.

(2) For the six months ended June 30, 2026, includes non-recurring legal costs. For the six months ended June 30, 2025, includes legal costs, offset by insurance proceeds.

(3) Non-recurring professional service costs.

(\$ in thousands; unaudited)	Three Months Ended June 30,	
	2026	2025
Income from operations	\$ 4,102	\$ 3,267
Other	(66)	(58)
Selling, general and administrative expenses	9,805	7,860
Depreciation and amortization	3,932	2,943
Pre-opening costs	1,252	843
Store-Level Profit	\$ 19,025	\$ 14,855
Income from operations margin	6.5 %	6.5 %
Store-Level Profit Margin	30.2 %	29.5 %

(\$ in thousands; unaudited)	Six Months Ended June 30,	
	2026	2025
Income from operations	6,778	5,518
Other	(136)	(104)
Selling, general and administrative expenses	19,047	14,740
Depreciation and amortization	7,385	5,826
Pre-opening costs	2,340	1,561
Store-Level Profit	\$ 35,414	\$ 27,541
Income from operations margin	5.7 %	5.8 %
Store-Level Profit Margin	29.9 %	29.0 %

Liquidity and Capital Resources

Overview

We assess our liquidity in terms of our ability to generate adequate amounts of cash to meet current and future needs. Our primary requirements for liquidity are to fund our working capital needs, operating lease obligations, purchase obligations, capital expenditures and general corporate needs. Our requirements for working capital are generally not significant because our guests pay for their beverage and food purchases in cash or on debit or credit cards at the time of the sale and we are able to sell many of our inventory items before payments are due to the supplier of such items. Our ongoing capital expenditures are principally related to opening new stores, existing store capital investments for maintenance, as well as investments in our corporate technology infrastructure to support our corporate office, store locations and digital strategy. We have historically funded our operations primarily through cash provided by operating activities, draws under our New Credit Facilities and Prior Credit Facility as well as the issuance and sales of securities through private placements. Although we have no specific current plans to do so, if we decide to pursue one or more significant acquisitions, we may incur additional debt or sell additional equity securities to finance such acquisitions, which would result in additional expenses or dilution to our shareholders.

Black Rock Coffee Bar, Inc. is a holding company and has no material assets other than its ownership of LLC Units (which may be held indirectly through certain of our wholly-owned corporate subsidiaries). Black Rock Coffee Bar, Inc. has no independent means of generating revenue. The Black Rock OpCo LLC Agreement provides for the payment of certain distributions to the TRA Parties and to Black Rock Coffee Bar, Inc. in amounts sufficient to cover the income taxes imposed on such members with respect to the allocation of taxable income from Black Rock OpCo as well as to cover Black Rock Coffee Bar, Inc.'s obligations under the Tax Receivable Agreement and other administrative expenses.

The terms of our New Credit Facilities contain covenants that may restrict Black Rock OpCo from paying distributions from Black Rock OpCo to Black Rock Coffee Bar, Inc., subject to certain exceptions. Further, Black Rock OpCo is generally prohibited under Delaware law from making a distribution to a member to the extent that, at the time of the distribution, after giving effect to the distribution, Black Rock OpCo's liabilities (with certain exceptions), as applicable, exceed the fair value of Black Rock OpCo's assets.

We are obligated to make payments under the Tax Receivable Agreement. The actual timing and amount of any payments that may be made under the Tax Receivable Agreement will vary depending upon a number of factors, including the timing of redemptions or exchanges by the TRA Parties, the amount of gain recognized by the TRA Parties, the amount and timing of the taxable income we generate in the future, and the federal tax rates then applicable. However, we expect that the payments that we are required to make to the TRA Parties will be substantial. Any payments made by us to the TRA Parties under the Tax Receivable Agreement will generally reduce the amount of overall cash flow that might have otherwise been available to use and, to the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, the unpaid amounts generally will be deferred and will accrue interest until paid by us.

If we do not have sufficient funds to pay taxes, payments under the Tax Receivable Agreement or other liabilities or to fund our operations, we may have to borrow funds or otherwise raise capital, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders or equity holders. To the extent we are unable to make payments under the Tax Receivable Agreement for any reason, such payments generally will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and therefore accelerate payments due under the Tax Receivable Agreement. In addition, if Black Rock OpCo does not have sufficient funds to make distributions, the ability of Black Rock Coffee Bar, Inc. to declare and pay cash dividends will also be restricted or impaired.

In addition, we may require additional capital resources to execute strategic initiatives to grow our business in the future. We believe, however, that cash provided by operating activities and existing cash on hand, together with remaining amounts available under our New Credit Facilities and collections of tenant improvement allowances, will be sufficient to satisfy our anticipated cash requirements for the next twelve months and the foreseeable future, including our expected capital expenditures for expansion of our store base and production facilities and other growth and strategic initiatives, incremental public company costs, debt service requirements, Tax Receivable Agreement obligations, operating lease obligations, and working capital obligations. See Note 6 – Long-Term Debt, Note 7 – Leases, and Note 10 – Income Taxes and Tax Receivable Agreement to our condensed consolidated financial statements included elsewhere in this Form 10-Q for more information. Our sources of liquidity could be affected by factors described in Part I, Item 1A "Risk Factors" in our 10-K, and risk factors described in Part II, Item 1A "Risk Factors" and elsewhere in this Form 10-Q, depending on the severity and direct impact of these factors on us, we may not be able to secure additional financing on acceptable terms, or at all.

Cash Overview

We had cash and cash equivalents of \$16.0 million and \$28.4 million as of June 30, 2026 and December 31, 2025, respectively.

Cash Flows

The following table summarizes our cash flows for the periods presented:

Summary of Cash Flows (\$ in thousands)	Six Months Ended June 30,		Change	
	2026	2025	\$	%
Net cash provided by operating activities	\$ 19,187	\$ 8,419	\$ 10,768	127.9 %
Net cash used in investing activities	(33,885)	(15,143)	(18,742)	123.8 %
Net cash provided by financing activities	2,267	11,137	(8,870)	(79.6)%
Net increase (decrease) in cash and cash equivalents	\$ (12,431)	\$ 4,413	\$ (16,844)	(381.7)%

Operating Activities:

The increase in net cash provided by operating activities for the six months ended June 30, 2026, compared to the six months ended June 30, 2025, was primarily driven by an increase in revenue due to 42 Net New Store Openings subsequent to June 30, 2025 and Same Store Sales Growth of 4.7%, as well as improved operating performance as a result of improved operating efficiency and working capital management.

Investing Activities:

The increase in net cash used in investing activities for the six months ended June 30, 2026, compared to the six months ended June 30, 2025, was primarily driven by increased investments in capital expenditures as a result of Net New Store Openings and our growing development pipeline.

Financing Activities:

The decrease in net cash provided by financing activities for the six months ended June 30, 2026, compared to the six months ended June 30, 2025, was primarily driven by \$16.0 million in borrowings on long-term debt and \$3.4 million in payments related to the redemption of ownership interests during the six months ended June 30, 2025, offset by the collection of \$2.7 million in tenant improvement allowances associated with certain reverse build-to-suit arrangements during the six months ended June 30, 2026.

Material Cash Requirements

Material cash requirements from known contractual obligations arising in the normal course of business primarily consist of operating lease obligations, long-term debt and purchase obligations. In addition, we expect that we will require significant cash to make payments under the Tax Receivable Agreement, and we are currently unable to estimate the amounts and timing of the payments that may be due thereunder. The following table summarizes our current and long-term material cash requirements as of June 30, 2026:

(\$ in thousands)	Payments Due by Period				
	Total	Remainder of 2026	2027-2028	2029-2030	2031 and thereafter
Operating leases	\$ 230,098	\$ 9,036	\$ 41,607	\$ 39,820	\$ 139,635
Long-term debt ⁽¹⁾	45,070	1,630	7,003	21,540	14,897
Purchase obligations ⁽²⁾	3,956	2,711	1,245	—	—
Total	\$ 279,124	\$ 13,377	\$ 49,855	\$ 61,360	\$ 154,532

(1) Long-term debt includes the principal amount of borrowings outstanding under our New Credit Facilities and the interest payments on our New Credit Facilities, which are based on the weighted-average interest rate as of June 30, 2026. Long-term debt also includes total payments to be made under our finance obligations. As contractual interest rates and the amount of debt outstanding are variable in certain cases, actual cash payments may differ from the estimates provided.

(2) Purchase obligations include legally binding agreements to purchase green coffee, with some specifying a fixed-price, while others are structured as price-to-be-fixed purchase commitments. Until prices are fixed, we estimate the total cost of our price-to-be-fixed purchase commitments.

Credit Facilities

Concurrently with the consummation of the IPO, Black Rock OpCo and certain of its wholly-owned subsidiaries entered into the New Credit Agreement with JPMorgan Chase Bank, N.A., as the administrative agent, and other loan parties and lenders party thereto, to provide for (i) a \$50.0 million New Term Loan and (ii) a \$25.0 million New Revolving Credit Facility. As of the closing of the IPO, the aggregate principal amount borrowed under the New Credit Facilities was \$50.0 million from the New Term Loan which was used, together with proceeds from the Co-Founder Contribution and net proceeds from the IPO, to repay all amounts outstanding under the Prior Credit Facility. Subsequent to the IPO, we made principal payments in the amount of \$30.4 million thereby reducing the outstanding principal balance of the New Term Loan as of June 30, 2026 to \$19.6 million.

Pursuant to the New Credit Agreement, certain subsidiaries of Black Rock OpCo are guarantors of the obligations under the New Credit Agreement. Simultaneously with the execution of the New Credit Agreement, Black Rock OpCo and its subsidiaries entered into a pledge and security agreement. Pursuant to the pledge and security agreement, the New Credit Facilities are secured by liens on substantially all of our assets, including the intellectual property of Black Rock OpCo and its subsidiaries and the equity interests of Black Rock OpCo's various subsidiaries.

The New Credit Agreement contains certain affirmative and negative covenants, including, among other things, restrictions on indebtedness, liens on assets, fundamental changes and asset sales, investments, negative pledges, repurchase of stock, dividends and other distributions, and transactions with affiliates. In addition, the New Credit Agreement also contains financial covenants that require us not to exceed a maximum net rent adjusted leverage ratio and to maintain a minimum fixed charge coverage ratio.

Borrowings under the New Credit Agreement are available as alternate base rate ("ABR") or term benchmark loans. ABR loans under the New Credit Agreement accrue interest at an alternate base rate plus an applicable rate, and term benchmark loans accrue interest at an adjusted SOFR rate plus an applicable rate. The ABR rate represents the greatest of (i) the prime rate, (ii) the Federal Reserve's Bank of New York overnight rate plus 0.5% and (iii) the one-month adjusted term SOFR rate plus 1.0%. The applicable rate for the ABR and term benchmark loans is tied to a pricing grid tied to our net rent adjusted leverage ratio. The adjusted SOFR rate will represent the term SOFR rate plus 0.10%. The applicable rate spread for ABR and term benchmark loans ranges from 0.50% to 1.75% and 1.50% to 2.75%, respectively. Interest on the New Credit Agreement is payable at least quarterly and upon maturity. As of June 30, 2026, the weighted-average interest rate on outstanding borrowings under the New Revolving Credit Facility was approximately 5.99%.

The New Revolving Credit Facility also has a variable commitment fee, which is payable quarterly based on our net rent adjusted leverage ratio. We expect the commitment fee to range from 0.25% to 0.35% per annum. We are obligated to pay a fixed fronting fee for letters of credit of 0.125% per annum.

Amounts borrowed under the New Revolving Credit Facility may be repaid and re-borrowed through maturity of the New Credit Facilities in September 2030. The New Term Loan matures in September 2030. The New Term Loan may be repaid or prepaid but may not be re-borrowed. Borrowings under the New Credit Agreement are payable in quarterly principal installments and upon maturity. The Company was in compliance with all financial covenants as of June 30, 2026.

Seasonality

Our business is subject to seasonal fluctuations in that our sales are typically nominally higher during the spring and fall months affecting the second and third quarters.

Off Balance Sheet Arrangements

As of June 30, 2026, we did not have any off-balance sheet arrangements, except for operating leases entered in the normal course of business where we have not taken physical possession of the leased property and unrecorded purchase obligations related to our legally binding firm purchase commitments for inventory purchases.

Critical Accounting Policies and Use of Estimates

There have been no material changes to our critical accounting estimates from those disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies and Use of Estimates" in our Form 10-K.

JOBS Act Election

We are currently an "emerging growth company," as defined in the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We will remain an emerging growth company until the earliest of (i) December 31, 2030, (ii) the last day of the first fiscal year in which our annual gross revenue exceeds \$1.235 billion, (iii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act of 1934, as amended (the "Exchange Act"), which would occur if the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter, or (iv) the date on which we have issued more than \$1 billion in non-convertible debt during the preceding three-year period.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our quantitative and qualitative disclosures about market risk are described under the heading “Quantitative and Qualitative Disclosures About Market Risk” in Part II, Item 7A of our Form 10-K and there were no material changes to our quantitative and qualitative disclosures about market risk from those discussed in our Form 10-K.

Item 4. Controls and Procedures

Limitations on effectiveness of controls and procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2026, our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

The information required with respect to this Part II, Item 1 can be found under Note 13 (Commitments and Contingencies), to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed under Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 4, 2026. These factors could materially adversely affect our business, financial condition, liquidity, results of operations and capital position, and could cause our actual results to differ materially from our historical results or the results contemplated by any forward-looking statements contained in this Quarterly Report on Form 10-Q. Except for the items noted below, there have been no material changes in the risks affecting the Company since the filing of our Form 10-K, filed with the SEC on March 4, 2026.

The Board and Sponsor have significant influence over us, which could limit your ability to influence the outcome of matters submitted to shareholders for a vote.

Messrs. Hernandez and Brand and certain of their affiliates beneficially own approximately 55.6% of the combined voting power of our Class A common stock, Class B common stock and Class C common stock as of June 30, 2026. Each share of Class A common stock and Class B common stock entitles the holder to one vote per share and each share of Class C common stock entitles the holder to ten votes per share on all matters on which shareholders are entitled to vote generally.

On May 15, 2026, the Company entered into an irrevocable proxy (the “Proxy”) with Viking Cake Fuel, LLC, Viking Cake Fuel II, LLC, Jeffrey R. Hernandez 2021 Trust, Tiffany S. Hernandez 2021 Trust, Daniel J. Brand 2021 Trust, and Tanya N. Brand 2021 Trust (collectively, the “Proxy Parties”), each of which is or was a Class C common shareholder of the Company. The Proxy Parties are also parties to that certain Voting Agreement (the “Founders Voting Agreement”), dated as of September 11, 2025, by and among the Company, Cynosure Partners 2020, LP, Cynosure Partners 2020 PV, LP, Cynosure Partners 2020 Co-Investment, LLC, Cynosure Partners III, LP, and Cynosure Partners III Offshore, LP, Viking Cake Fuel, LLC, Viking Cake Fuel II, LLC, and Jeffrey R. Hernandez 2021 Trust, Tiffany S. Hernandez 2021 Trust, Daniel J. Brand 2021 Trust, Tanya N. Brand 2021 Trust, Jacob V. Spellmeyer 2021 Trust, Juliet A. Spellmeyer 2021 Trust, Bryan D. Pereboom 2021 Trust, and Nicole R. Pereboom 2021 Trust, Vahalda Fuel, LLC and Aureata Fuel, LLC (collectively, the “Founder Investors”). Pursuant to the Proxy and subject to the terms of the Founders Voting Agreement, the Company, the Chief Executive Officer of the Company and any other designee of the Company have been authorized and empowered by the Proxy Parties to serve as their attorney-in-fact and proxy to vote all shares of the Company’s Class A, Class B or Class C common stock held by the Proxy Parties or over which the Proxy Parties have voting control (the “Covered Shares”) and to exercise all voting, consent and similar rights of the Proxy Parties with respect to the Covered Shares until the later of (a) two years from May 15, 2026 and (b) the termination of the Founders Voting Agreement.

Thus the Board, through the Proxy Parties, who own all of our outstanding Class C common stock as of the date of this Form 10-Q, exercise control over all corporate actions requiring shareholder approval, irrespective of how our other shareholders may vote, including the election and removal of directors and the size of our Board, any amendment of our amended and restated certificate of formation or amended and restated bylaws or the approval of any merger or other significant corporate transaction, including a sale of substantially all our assets, and continue to have significant control over our business, affairs and policies, including the appointment of our management.

Upon the earlier of (i) September 15, 2035 and (ii) with respect to each Co-Founder, the date on which the aggregate number of shares of Class C common stock held by such Co-Founder or certain of their affiliates is less than thirty-three percent (33%) of the shares of Class C common stock held by such Co-Founder and certain of their affiliates as of the closing of the IPO, each such holder's Class C common stock will automatically convert to fully paid non-assessable shares of Class B common stock. The date on which no shares of Class C common stock are outstanding is referred to as the "Sunset Date". This concentrated control will limit or preclude the ability of holders of Class A common stock to influence corporate matters for the foreseeable future. The difference in voting rights could adversely affect the value of our Class A common stock by, for example, delaying or deferring a change of control or if investors view, or any potential future purchaser of our company views, the superior voting rights of the Class C common stock to have value.

The Continuing Equity Owners, including our Co-Founders, certain of their affiliates, and our Sponsor, own approximately 55.6% of the LLC Units as of June 30, 2026. Because they hold their ownership interest in our business directly in Black Rock OpCo, rather than through Black Rock Coffee Bar, Inc., the Continuing Equity Owners, including our Co-Founders, certain of their affiliates, and our Sponsor, may have conflicting interests with holders of shares of our Class A common stock. For example, if Black Rock OpCo makes distributions to Black Rock Coffee Bar, Inc., the non-managing members of Black Rock OpCo will also be entitled to receive such distributions pro rata in accordance with their ownership of LLC Units and their preferences as to the timing and amount of any such distributions may differ from those of our public shareholders. The Continuing Equity Owners, including our Co-Founders, certain of their affiliates, and our Sponsor, may also have different tax positions from us that could influence their decisions regarding whether and when to dispose of assets, especially in light of the existence of the Tax Receivable Agreement that we entered into in connection with the IPO with Black Rock OpCo and the TRA Parties, whether and when to incur new or refinance existing indebtedness and whether and when Black Rock Coffee Bar, Inc. should terminate the Tax Receivable Agreement and accelerate its obligations thereunder. In addition, the structuring of future transactions may take into consideration our pre-IPO owners' tax or other considerations even where no similar benefit would accrue to us.

Neither our shares of Class B common stock nor Class C common stock have economic rights. All of our Class B common stock is held by certain Continuing Equity Owners, including our Sponsor, and all our Class C common stock is held by Messrs. Hernandez and Brand and certain of their affiliates.

Furthermore, for so long as our Sponsor beneficially owns, on a collective basis, at least seven and one-half percent (7.5%) of our outstanding common stock, our amended and restated certificate of formation and amended and restated bylaws require, subject to certain limitations, that:

- the Cynosure Nominee is provided reasonable prior notice of material actions to be taken by the Board by written consent;
- any proposed transaction outside of the ordinary course of business that would be required to be disclosed by us pursuant to Item 404 of Regulation S-K of the Securities Act of 1933, as amended (the "Securities Act") be approved by a majority of the members of our Audit Committee;
- the size of our Board may not be increased to be greater than nine (9) directors without the approval of the Cynosure Nominee; and
- approval of at least 66 2/3% of the Board is required for (i) the incurrence, assumption or guarantee of any indebtedness outside of the ordinary course of business resulting in a net debt leverage ratio exceeding 2.0; (ii) the termination of our Chief Executive Officer; or (iii) material changes to the compensation of any Director.

Our amended and restated certificate of formation also requires us, for so long as our Sponsor beneficially owns, on a collective basis, at least seven and one-half percent (7.5%) of our outstanding common stock, to include one director designated by our Sponsor in the slate of nominees for election as a Class II director, or such other class to which our Sponsor may consent. Subject to certain limitations, our Sponsor has the exclusive right to replace its designee and to fill any vacancy created by reason of death, removal, or resignation of its designee.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Sales of Unregistered Securities

In reliance upon an exemption from registration under Section 3(a)(9) of the Securities Act, we made several unregistered issuances of Black Rock Coffee Bar, Inc.'s Class A common stock. During April 2026 and May 2026, we exchanged 3,555,422 and 498,000 LLC Units of Black Rock OpCo, respectively (and correspondingly cancelled the same number of shares of Class C common stock) held by certain of our Continuing Equity Holders for the same number of Class A common stock. Additionally, in May 2026, we exchanged 119,892 LLC Units of Black Rock OpCo (and correspondingly cancelled the same number of shares of Class B common stock) held by one of our Continuing Equity Holders for Class A common stock. No commission or other remuneration was paid or given directly or indirectly for soliciting the exchange of these securities.

Repurchases of Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) Not applicable.

(b) Not applicable.

(c) During the three months ended June 30, 2026, no directors or “officers” (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted, modified or terminated a “Rule 10b5-1 trading arrangement” and/or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Formation of Black Rock Coffee Bar, Inc.	8-K	001-42844	3.1	September 16, 2025	
3.2	Amended and Restated Bylaws of Black Rock Coffee Bar, Inc.	8-K	001-42844	3.2	September 16, 2025	
4.1	Specimen stock certificate evidencing the shares of Class A common stock.	S-1/A	333-289685	4.1	September 2, 2025	
10.1	Irrevocable Proxy, dated May 15, 2026	8-K	001-42844	10.1	May 20, 2026	
10.2	Amendment No. 1 to Registration Rights Agreement, dated May 15, 2026.	8-K	001-42844	10.2	May 20, 2026	
10.3	Termination Agreement dated May 2026 by and among Black Rock Coffee Bar, Inc and Investors of Voting Agreement dated September 11, 2025					Filed
31.1	Certification by Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Exchange Act Rules, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					Filed
31.2	Certification by Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Exchange Act Rules, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					Filed
32.1	Certification by Chief Executive Officer pursuant to Title 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.					Furnished
32.2	Certification by Chief Financial Officer pursuant to Title 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.					Furnished

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					Filed
101.SCH	XBRL Taxonomy Extension Schema Document.					Filed
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.					Filed
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.					Filed
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.					Filed
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.					Filed
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).					Filed

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

August 11, 2026

Date _____

August 11, 2026

Date _____

BLACK ROCK COFFEE BAR, INC.

(Registrant)

By: /s/ Mark D. Davis

Mark D. Davis

Chief Executive Officer

(Principal Executive Officer)

/s/ Rodderick F. Booth

Rodderick F. Booth

Chief Financial Officer

(Principal Financial Officer)

TERMINATION AGREEMENT

This TERMINATION AGREEMENT (this “Termination Agreement”) is made and entered into as of May 15, 2026, by and among Cynosure Partners 2020, LP, a Delaware limited partnership, Cynosure Partners 2020 PV, LP, a Delaware limited partnership, Cynosure Partners 2020 Co-Investment, LLC, a Delaware limited liability company, Cynosure Partners III, LP, a Delaware limited partnership, and Cynosure Partners III Offshore, LP, a Cayman Islands exempted limited partnership (collectively, the “Cynosure Investors”), the Founder Investors (as defined below), and Black Rock Coffee Bar, Inc., a Texas corporation (the “Company”).

RECITALS

WHEREAS, the Cynosure Investors and the Company are parties to that certain Voting Agreement, dated as of September 11, 2025, by and among the Cynosure Investors and the Company (the “Cynosure Voting Agreement”);

WHEREAS, the Founder Investors (as defined in that certain Voting Agreement, dated as of September 11, 2025 (the “Founder Investor Voting Agreement”) and including their respective Permitted Transferees as defined in the Founder Investor Voting Agreement), by and among the Founder Investors and the Company) are required parties to terminate the Cynosure Voting Agreement pursuant to Section 2(a) and Section 3.7 thereof;

WHEREAS, Section 2(a) of the Cynosure Voting Agreement provides that the Cynosure Voting Agreement shall terminate upon the mutual written agreement of the Company, the Cynosure Investors and the Founder Investors;

WHEREAS, Section 3.7 of the Cynosure Voting Agreement provides that the Cynosure Voting Agreement may be terminated by a written instrument executed by the Cynosure Investors, the Company and the Founder Investors; and

WHEREAS, the parties hereto desire to terminate the Cynosure Voting Agreement in its entirety in accordance with Section 2(a) and Section 3.7 thereof.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Termination. The Cynosure Voting Agreement is hereby terminated in its entirety, effective as of the date hereof, and shall be of no further force or effect. All rights and obligations of the parties under the Cynosure Voting Agreement are hereby extinguished and released.

2. Governing Law. This Termination Agreement shall be governed by the internal law of the State of Texas, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Texas.

3. Counterparts. This Termination Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

4. Entire Agreement. This Termination Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Termination Agreement as of the date first written above.

BLACK ROCK COFFEE BAR, INC.

By: /s/ Samuel J. Seiberling

Name: Samuel J. Seiberling

Title: Chief Legal Officer

CYNOSURE PARTNERS 2020, LP

a Delaware limited partnership

By: Cynosure Partners 2020 GP, LLC, its general partner

By: The Cynosure Group, LLC, its manager

By: /s/ Andrew Braithwaite

Name: Andrew Braithwaite

Title: Managing Director

CYNOSURE PARTNERS 2020 PV, LP

a Delaware limited partnership

By: Cynosure Partners 2020 GP, LLC, its general partner

By: The Cynosure Group, LLC, its manager

By: /s/ Andrew Braithwaite

Name: Andrew Braithwaite

Title: Managing Director

CYNOSURE PARTNERS 2020 CO-INVESTMENT, LLC, a Delaware limited liability company, for and on behalf of the Series A members

By: Cynosure Partners 2020 GP, LLC, its managing member

By: The Cynosure Group, LLC, its manager

By: /s/ Andrew Braithwaite

Name: Andrew Braithwaite

Title: Managing Director

CYNOSURE PARTNERS 2020 CO-INVESTMENT, LLC, a Delaware limited partnership, for and on behalf of the Series B members

By: Cynosure Partners 2020 GP, LLC, its managing member

By: The Cynosure Group, LLC, its manager

By: /s/ Andrew Braithwaite

Name: Andrew Braithwaite

Title: Managing Director

CYNOSURE PARTNERS III, LP
a Delaware limited partnership

By: Cynosure Partners III GP, LLC, its general partner

By: The Cynosure Group, LLC, its manager

By: /s/ Andrew Braithwaite

Name: Andrew Braithwaite

Title: Managing Director

CYNOSURE PARTNERS III OFFSHORE, LP
a Cayman Islands exempted limited partnership

By: Cynosure Partners III GP, LLC, its general partner

By: The Cynosure Group, LLC, its manager

By: /s/ Andrew Braithwaite

Name: Andrew Braithwaite

Title: Managing Director

VIKING CAKE FUEL, LLC

By: Viking Cake BR, LLC

Its: Member

By: /s/ Jeffrey Hernandez

Name: Jeffrey Hernandez

Title: Manager

VIKING CAKE FUEL II, LLC

By: Jeffrey R. Hernandez 2021 Trust

Its: Member

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Manager

JEFFREY R. HERNANDEZ 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

TIFFANY S. HERNANDEZ 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

DANIEL J. BRAND 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

TANYA N. BRAND 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

JACOB V. SPELLMEYER 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

JULIET A. SPELLMEYER 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

BRYAN D. PEREBOOM 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

NICOLE R. PEREBOOM 2021 TRUST

By: IconTrust, LLC

Its: Trustee

By: /s/ Andrew Tatay

Name: Andrew Tatay

Title: Trust Officer

CERTIFICATIONS

I, Mark D. Davis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Black Rock Coffee Bar, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) [omitted];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2026

By: /s/ Mark D. Davis

Mark D. Davis

Chief Executive Officer and Director

(Principal Executive Officer)

CERTIFICATIONS

I, Rodderick F. Booth, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Black Rock Coffee Bar, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) [omitted];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2026

By: /s/ Rodderick F. Booth

Rodderick F. Booth

Chief Financial Officer

(Principal Financial Officer)

CERTIFICATION

PURSUANT TO

18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Black Rock Coffee Bar, Inc. (the “Company”) for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Mark D. Davis, Chief Executive Officer of the Company, certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2026

By: /s/ Mark D. Davis

Mark D. Davis

Chief Executive Officer

{Chief Executive Officer}

CERTIFICATION

PURSUANT TO

18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Black Rock Coffee Bar, Inc. (the “Company”) for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Rodderick F. Booth, Chief Financial Officer of the Company, certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2026

By: /s/ Rodderick F. Booth

Rodderick F. Booth

Chief Financial Officer

{Chief Financial Officer}