

**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 March 31, 2025

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 001-40798



DUTCH BROS INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

300 N Valley Dr

Grants Pass, Oregon

(Address of Principal Executive Offices)

87-1041305

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

97526

(Zip Code)

(877) 899-2767

(Registrant's telephone number, including area code)

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

Title of Each Class	Trading Symbol	Name of Exchange on which Registered
Class A Common Stock, par value \$0.00001 per share	BROS	The New York Stock Exchange

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 Act). Yes ☐ No ☒

As of May 1, 2025, the registrant’s outstanding shares of common stock were as follows:

Class A common stock	126,924,124
Class B common stock	35,210,946
Class C common stock	2,347,346

DUTCH BROS INC.
QUARTERLY REPORT ON FORM 10-Q
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GLOSSARY

As used in this Quarterly Report on Form 10-Q (this Form 10-Q), the terms identified below have the meanings specified below unless otherwise noted or the context requires otherwise. References in this Form 10-Q to “Dutch Bros,” the “Company,” “we,” “us” and “our” refer to Dutch Bros Inc. and its consolidated subsidiaries unless the context indicates otherwise.

TERM	DEFINITION
2022 Credit Facility	Has the meaning set forth in NOTE 9 — Debt to the condensed consolidated financial statements, included elsewhere in this Form 10-Q
AOCI	Accumulated Other Comprehensive Income
ASU	Accounting Standards Update
AUV	Average Unit Volume
BPS or bps	Basis points, which is used to express differences in rates. One basis point is the equivalent of 1/100 of one percent.
CEO	Chief Executive Officer
CODM	Chief Operating Decision Maker
Co-Founder	Travis Boersma, our Executive Chairman and Co-Founder, and affiliated entities over which he maintains voting control.
Continuing Members	The Co-Founder and the Sponsor
Dutch Bros OpCo	Dutch Mafia, LLC, a Delaware limited liability company and direct subsidiary of Dutch Bros Inc.
Dutch Bros Inc.	A Delaware corporation, the Class A common stock of which is publicly traded on the New York Stock Exchange under the symbol “BROS”.
FASB	Financial Accounting Standards Board
GAAP	U.S. Generally Accepted Accounting Principles
IPO	Initial Public Offering
N/A	Not applicable
N/M	Not meaningful
OpCo LLC Agreement	The Fifth Amended and Restated Limited Liability Company Agreement of Dutch Bros OpCo.
OpCo Units	Class A common units, Class B voting units and Class C voting units of Dutch Bros OpCo, each as further defined in the OpCo LLC Agreement, collectively.
PSU	Performance-Based Stock Units
RSA	Restricted Stock Awards
RSU	Restricted Stock Units
Same Shop Sales	The estimated percentage change in year-over-year sales, for the comparable shop base, which we define as shops open for 15 complete months or longer as of the first day of the reporting period.
SEC	Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
Sponsor	TSG Consumer Partners, L.P. and certain of its affiliates.
Tax Receivable Agreements and TRAs	The Tax Receivable Agreement (Exchanges) that Dutch Bros Inc. entered into with the Continuing Members and the Tax Receivable Agreement (Reorganization) that Dutch Bros Inc. entered into with TSG7 A AIV VI Holdings-A, L.P. and DG Coinvestor Blocker Aggregator, L.P. or their assignees or successors, in connection with the IPO.
TSR	Relative Total Shareholder Return

Dutch Bros, our Windmill logo () , *Dutch Bros Blue Rebel*, and our other registered and common law trade names, trademarks and service marks are the property of Dutch Bros Inc. All other trademarks, trade names, and service marks appearing in this Form 10-Q are the property of their respective owners. Solely for convenience, the trademarks and trade names in this Form 10-Q may be referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert their rights thereto.

FORWARD-LOOKING STATEMENTS

Certain statements in this Form 10-Q, including those in the section titled “Management’s Discussion and Analysis,” that are not historical facts, including those regarding the impact of inflation, increased minimum wages, interest rate risk, and general macroeconomic conditions on our results of operations, supply chain, or liquidity, the potential impact of actions we have taken to mitigate the impact of unforeseen circumstances, taxes and tax rates, our expectations regarding the number of new shops we may open, anticipated future revenues and earnings, consumer demand, and our expectations to generate positive cash flow in the foreseeable future are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. We use words such as “anticipate,” “believe,” “could,” “should,” “estimate,” “expect,” “intend,” “may,” “predict,” “project,” “target,” and similar terms and phrases, including references to assumptions, to identify forward-looking statements. In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These forward-looking statements are based on information available to us as of the date of this Form 10-Q, and we assume no obligation to update these forward-looking statements. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those described in the statements. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Form 10-Q.

You should read the following unaudited condensed consolidated financial statements and the related notes in this Form 10-Q together with our analysis and discussion of our financial condition and results of operations and other financial information included elsewhere in this Form 10-Q. You should also read our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission on February 13, 2025 (2024 Form 10-K).

While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect actual results. You should evaluate all forward-looking statements made in this report in the context of the factors that could cause outcomes to differ materially from expectations. These factors include, but are not limited to, those listed under the “Risk Factors” section of this Form 10-Q, and in our 2024 Form 10-K, as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the Securities and Exchange Commission.

Website Disclosure

We use our website as a distribution channel of material company information. Financial and other important information regarding our company is routinely posted on and accessible through our website at <https://investors.dutchbros.com>. In addition, you may automatically receive email alerts and other information about our company when you subscribe your email address by visiting the “Investor Email Alerts” section of our investor relations page at <https://investors.dutchbros.com/resources>. The information on our website is not incorporated herein or otherwise a part of this Form 10-Q.



PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

DUTCH BROS INC.

Condensed Consolidated Balance Sheets

(in thousands, except per share amounts; unaudited)		March 31, 2025	December 31, 2024
Assets			
Current assets:			
Cash and cash equivalents	\$	316,441	\$ 293,354
Accounts receivable, net		11,635	10,598
Inventories, net		38,225	36,488
Prepaid expenses and other current assets		16,583	17,501
Total current assets		382,884	357,941
Property and equipment, net		705,879	683,971
Finance lease right-of-use assets, net		377,837	374,623
Operating lease right-of-use assets, net		340,137	315,256
Intangibles, net		2,444	2,947
Goodwill		21,629	21,629
Deferred income tax assets, net		930,155	742,126
Other long-term assets		4,255	2,592
Total assets	\$	2,765,220	\$ 2,501,085
Liabilities and Equity			
Current liabilities:			
Accounts payable	\$	31,609	\$ 32,225
Accrued compensation and benefits		32,694	49,778
Other accrued liabilities		22,152	26,516
Other current liabilities		14,108	7,067
Deferred revenue		39,711	42,868
Current portion of tax receivable agreements liability		5,212	71
Current portion of finance lease liabilities		13,992	13,256
Current portion of operating lease liabilities		14,642	13,979
Current portion of long-term debt		22,625	17,311
Total current liabilities		196,745	203,071
Deferred revenue, net of current portion		7,985	8,015
Finance lease liabilities, net of current portion		374,307	369,297
Operating lease liabilities, net of current portion		334,853	309,311
Long-term debt, net of current portion		260,774	219,755
Tax receivable agreements liability, net of current portion		794,246	627,763
Other long-term liabilities		8	8
Total liabilities		1,968,918	1,737,220
Commitments and contingencies (Note 15)			



DUTCH BROS INC.

Condensed Consolidated Balance Sheets (continued)

(in thousands, except per share amounts; unaudited)

	March 31, 2025	December 31, 2024
Preferred stock, \$0.00001 par value per share - 20,000 shares authorized; zero shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	—	—
Class A common stock, \$0.00001 par value per share - 400,000 shares authorized; 125,174 and 115,432 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	1	1
Class B common stock, \$0.00001 par value per share - 144,000 shares authorized; 35,211 and 35,227 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	—	—
Class C common stock, \$0.00001 par value per share - 105,000 shares authorized; 2,347 and 3,545 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	—	—
Additional paid-in capital	563,600	517,074
Accumulated other comprehensive income	438	628
Retained earnings	35,019	19,666
Total stockholders' equity attributable to Dutch Bros Inc.	599,058	537,369
Non-controlling interests	197,244	226,496
Total equity	796,302	763,865
Total liabilities and equity	\$ 2,765,220	\$ 2,501,085

See accompanying notes to condensed consolidated financial statements.



DUTCH BROS INC.

Condensed Consolidated Statements of Operations

	Three Months Ended March 31,	
	2025	2024
(in thousands, except per share amounts; unaudited)		
Revenues		
Company-operated shops	\$ 326,421	\$ 248,085
Franchising and other	28,731	27,014
Total revenues	355,152	275,099
Costs and Expenses		
Cost of sales	265,159	203,326
Selling, general and administrative	58,921	46,194
Total costs and expenses	324,080	249,520
Income from operations	31,072	25,579
Other expense		
Interest expense, net	(7,115)	(6,393)
Other income (expense), net	(18)	5,801
Total other expense	(7,133)	(592)
Income before income taxes	23,939	24,987
Income tax expense	1,459	8,772
Net income	22,480	16,215
Less: Net income attributable to non-controlling interests	7,127	9,153
Net income attributable to Dutch Bros Inc.	\$ 15,353	\$ 7,062
Net income per share of Class A and Class D common stock:		
Basic	\$ 0.13	\$ 0.08
Diluted	\$ 0.13	\$ 0.08
Weighted-average shares of Class A and Class D common stock outstanding:		
Basic	120,810	83,328
Diluted	121,508	83,410

See accompanying notes to condensed consolidated financial statements.



DUTCH BROS INC.

Condensed Consolidated Statements of Comprehensive Income

(in thousands; unaudited)	Three Months Ended March 31,	
	2025	2024
Net income	\$ 22,480	\$ 16,215
Other comprehensive income (loss):		
Unrealized gain (loss) on derivative securities, effective portion, net of income tax expense (benefit) of \$(93) and \$79, respectively	(349)	674
Comprehensive income	22,131	16,889
Less: comprehensive income attributable to non-controlling interests	6,968	9,446
Comprehensive income attributable to Dutch Bros Inc.	\$ 15,163	\$ 7,443

See accompanying notes to condensed consolidated financial statements.



DUTCH BROS INC.

Condensed Consolidated Statements of Stockholders' Equity

Three Months Ended March 31, 2025

(in thousands; unaudited)	Dutch Bros. Inc. Stockholders' Equity										
	Class A Common Stock		Class B Common Stock		Class C Common Stock		Additional Paid-in- Capital	Accumulated Other Comprehensive Income	Retained Earnings	Non- Controlling Interests	Total Equity
	Shares	Amount	Shares	Amount	Shares	Amount					
Balance, December 31, 2024	115,432	\$ 1	35,227	\$ —	3,545	\$ —	\$ 517,074	\$ 628	\$ 19,666	\$ 226,496	\$ 763,865
Net income	—	—	—	—	—	—	—	—	15,353	7,127	22,480
Unrealized loss on derivative securities, effective portion, net of income tax benefit of \$93	—	—	—	—	—	—	(96)	(190)	—	(159)	(445)
Equity-based compensation expense	—	—	—	—	—	—	2,900	—	—	1,294	4,194
Issuance of Class A common stock pursuant to vesting of equity awards, net of stock withheld for tax and forfeitures	295	—	—	—	—	—	(7,771)	—	—	(3,247)	(11,018)
Issuance of Class A common stock for conversion of Dutch Bros OpCo Class A common units, and for surrender and cancellation of Class C common stock, pursuant to exchange transactions	9,447	—	—	—	(1,197)	—	—	—	—	—	—
Effect of equity transactions of Dutch Bros OpCo Class A common units	—	—	—	—	—	—	34,267	—	—	(34,267)	—
Impacts of Tax Receivable Agreements	—	—	—	—	—	—	17,226	—	—	—	17,226
Reverse Split transaction pursuant to OpCo Recapitalization	—	—	(16)	—	(1)	—	—	—	—	—	—
Balance, March 31, 2025	125,174	1	35,211	—	2,347	—	563,600	438	\$ 35,019	\$ 197,244	\$ 796,302



DUTCH BROS INC.

Condensed Consolidated Statements of Stockholders' Equity (continued)

Three Months Ended March 31, 2024

	Dutch Bros. Inc. Stockholders' Equity												
	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock						
(in thousands; unaudited)	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-in- Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Non- Controlling Interests	Total Equity
Balance, December 31, 2023	69,958	\$ 1	60,629	\$ 1	35,864	\$ —	10,669	\$ —	\$ 379,391	\$ 544	\$ (15,592)	\$ 311,576	\$ 675,921
Net income	—	—	—	—	—	—	—	—	—	—	7,062	9,153	16,215
Unrealized gain on derivative securities, effective portion, net of income tax expense of \$79	—	—	—	—	—	—	—	—	(135)	381	—	293	539
Equity-based compensation expense	—	—	—	—	—	—	—	—	991	—	—	942	1,933
Issuance of Class A common stock pursuant to vesting of equity awards, net of stock withheld for tax and forfeitures	58	—	—	—	—	—	—	—	1,867	—	—	(2,742)	(875)
Issuance of Class A common stock in exchange for surrender and cancellation of Class D common stock, and conversion of Dutch Bros OpCo Class A common units for surrender and cancellation of Class B and C common stock, pursuant to exchange transactions	16,559	—	(558)	—	(11,985)	—	(4,016)	—	—	—	—	—	—
Effect of equity transactions of Dutch Bros OpCo Class A common units	—	—	—	—	—	—	—	—	40,377	—	—	(40,377)	—
Impacts of Tax Receivable Agreements	—	—	—	—	—	—	—	—	2,230	—	—	—	2,230
Balance, March 31, 2024	86,575	1	60,071	1	23,879	—	6,653	—	424,721	925	\$ (8,530)	\$ 278,845	\$ 695,963

See accompanying notes to condensed consolidated financial statements.



DUTCH BROS INC.

Condensed Consolidated Statements of Cash Flows

(in thousands; unaudited)	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 22,480	\$ 16,215
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	26,430	21,253
Non-cash interest expense	278	278
Gain (loss) on disposal of assets	58	(1)
Equity-based compensation	4,194	1,933
Deferred income taxes	985	8,395
Remeasurement gain on TRAs	—	(5,687)
Non-cash operating lease cost	4,635	3,320
Changes in operating assets and liabilities:		
Accounts receivable, net	(1,037)	(2,535)
Inventories, net	(1,737)	1,560
Prepaid expenses and other current assets	792	483
Other long-term assets	(2,240)	84
Accounts payable	(1,026)	8,299
Accrued compensation and benefits	(17,084)	(8,344)
Other accrued liabilities	(1,097)	768
Other current liabilities	7,041	(810)
Deferred revenue	(3,187)	(1,602)
Operating lease liabilities	(2,601)	(2,416)
Net cash provided by operating activities	36,884	41,193
Cash flows from investing activities:		
Purchases of property and equipment	(45,551)	(57,462)
Proceeds from disposal of fixed assets	23	—
Net cash used in investing activities	(45,528)	(57,462)
Cash flows from financing activities:		
Payments on finance lease liabilities	(3,400)	(2,094)
Proceeds from long-term debt	50,000	150,000
Payments on long-term debt	(3,780)	(1,590)
Tax withholding payments upon vesting of equity awards	(11,018)	(873)
Payments under tax receivable agreements	(71)	—
Net cash provided by financing activities	31,731	145,443
Net increase in cash and cash equivalents	23,087	129,174
Cash and cash equivalents, beginning of period	293,354	133,545
Cash and cash equivalents, end of period	\$ 316,441	\$ 262,719



DUTCH BROS INC.

Condensed Consolidated Statements of Cash Flows (continued)

(in thousands; unaudited)	Three Months Ended March 31,	
	2025	2024
Supplemental disclosure of cash flow information		
Interest paid	\$ 9,823	\$ 8,413
Income taxes paid	183	—
Supplemental disclosure of noncash investing and financing activities		
Additions of property and equipment accrued as of end of period	9,778	15,131

See accompanying notes to condensed consolidated financial statements.



DUTCH BROS INC.

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DUTCH BROS INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 1 — Organization and Background

Business

Dutch Bros Inc., a Delaware corporation, together with its subsidiaries (the Company, we, us, or our, collectively) is in the business of operating and franchising drive-thru coffee shops as well as the wholesale and distribution of coffee, coffee-related products, and accessories. As of March 31, 2025, there were 1012 shops in operation in 18 U.S. states, of which 695 were company-operated and 317 were franchised.

Organization

Dutch Bros Inc. is the sole managing member of Dutch Bros OpCo and operates and controls all of the business and affairs of Dutch Bros OpCo. As a result, Dutch Bros Inc. consolidates the financial results of Dutch Bros OpCo and reports a non-controlling interest representing the economic interest in Dutch Bros OpCo held by the other members of Dutch Bros OpCo. The Company's fiscal year end is December 31. As of March 31, 2025, Dutch Bros Inc. held 100.0% of the voting interest and 70.5% of the economic interest of Dutch Bros OpCo. The Continuing Members held none of the voting interest and the remaining 29.5% of the economic interest of Dutch Bros OpCo.

Dutch Bros OpCo Recapitalization

From time to time, Dutch Bros Inc. receives cash distributions from Dutch Bros OpCo pursuant to the OpCo LLC Agreement. Dutch Bros Inc. may then loan any cash in excess of its liabilities back to Dutch Bros OpCo for operations, under the open-ended balance Subordinated Intercompany Note, between Dutch Bros OpCo and Dutch Bros Inc., dated February 28, 2022 (the Intercompany Note).

On February 7, 2025, Dutch Bros Inc. entered into a subscription agreement with Dutch Bros OpCo, pursuant to which Dutch Bros OpCo issued 51,942 newly authorized Dutch Bros OpCo Class A common units to Dutch Bros Inc. in exchange for satisfaction of the outstanding balance of the Intercompany Note, which at that time was approximately \$3.5 million.

In accordance with the OpCo LLC Agreement, all outstanding Dutch Bros OpCo Class A common units were then recapitalized through a reverse unit split (the Reverse Split) in order to maintain a one-to-one ratio between the number of Dutch Bros OpCo Class A common units owned by Dutch Bros Inc. and the number of outstanding shares of Class A common stock. Consequently, 15,734 outstanding shares of Class B common stock, and 1,220 outstanding shares of Class C common stock, that were paired with Dutch Bros OpCo Class A common units eliminated as a result of the Reverse Split, were cancelled.

NOTE 2 — Basis of Presentation and Summary of Significant Accounting Policies

Financial Statements Presentation

Our condensed consolidated financial statements as of March 31, 2025 and for the three months ended March 31, 2025 and 2024 have been prepared in accordance with GAAP and pursuant to the rules and regulations of the SEC, consistent in all material respects with those applied in the 2024 Form 10-K and as updated by this Form 10-Q.

We have made estimates and judgments affecting the amounts reported in its condensed consolidated financial statements and the accompanying notes. Although management bases its estimates on historical experience and assumptions that are believed to be reasonable under the circumstances, actual results could differ from those estimates. This report should be read in conjunction with the consolidated financial statements in the 2024 Form 10-K that includes additional information on accounting estimates, policies, and the methods and assumptions used in its estimates.



In the opinion of management, the accompanying condensed consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments, necessary to present fairly our consolidated financial statements for the periods presented. Operating results for the three months ended March 31, 2025 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2025.

Significant Accounting Policies Updates

There have been no material updates to our significant accounting policies during the three months ended March 31, 2025 from those previously reported in the 2024 Form 10-K.

Recently Issued Accounting Standards

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments in this 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 disaggregation 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, and should be applied on a prospective basis. Early adoption is permitted for annual financial statements that have not yet been issued. We expect to provide additional detail and disclosures under the new guidance in our Form 10-K to be filed for the year ending December 31, 2025.

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 expense; and research and development expense). 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 our consolidated statements 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. We are currently assessing potential impacts of this standard on our business processes and future disclosures.

NOTE 3 — Revenue Recognition

Revenue

The following table disaggregates revenue by major component:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Company-operated shops	\$ 326,421	\$ 248,085
Franchising	27,091	25,771
Other	1,640	1,243
Total revenues	\$ 355,152	\$ 275,099

Deferred Revenue

Components of our deferred revenue liability are as follows:

(in thousands)	March 31, 2025	December 31, 2024
Gift card and loyalty programs	\$ 45,025	\$ 48,265
Other deferred revenue, net ¹	2,671	2,618
Total deferred revenue	\$ 47,696	\$ 50,883

¹ Other deferred revenue, net, includes initial unearned franchise fees and performance obligations that have not been satisfied related to sales to distributors.

Deferred revenue activity was as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Beginning balance	\$ 50,883	\$ 37,025
Revenue deferred ¹	126,012	89,394
Revenue recognized ²	(129,253)	(91,057)
Other deferred revenue, net ³	54	61
Ending balance	47,696	35,423
Less: current portion	(39,711)	(29,110)
Deferred revenue, net of current portion	\$ 7,985	\$ 6,313

¹ Revenue deferred includes gift card activations, loyalty app loads and loyalty points and rewards earned.

² Revenue recognized includes redemptions of gift cards, loyalty app and loyalty rewards, and breakage.

³ Other deferred revenue, net, includes activity related to initial unearned franchise fees and sales to distributors where the performance obligation has not been satisfied.

Revenue recognized during the three months ended March 31, 2025 and 2024 that was included in the respective deferred revenue liability balances at the beginning of the period are shown below.

(in thousands)	Three Months Ended March 31,	
	2025	2024
Gift card redemptions ¹	\$ 5,092	\$ 4,017
Earned franchise fees	114	113

¹ Amounts exclude cash loads and transactions related to our loyalty rewards program.



Future recognition of initial unearned franchise fees as of March 31, 2025 is as follows:

(in thousands)

Remainder of 2025	\$	330
2026		403
2027		358
2028		309
2029		264
Thereafter		920
Total	\$	2,584

NOTE 4 — Organization Realignment and Restructuring

On January 29, 2024, our Board of Directors approved an organizational realignment and restructuring plan to expand support operations at our Phoenix, Arizona office. As part of this large-scale initiative, we relocated certain support center staff from our Grants Pass, Oregon headquarters to the Phoenix office. As of March 31, 2025, approximately 40% of our total support operations staff were located in Phoenix, Arizona. We have incurred total aggregate charges of approximately \$19.1 million related to this initiative, consisting of (i) approximately \$16.6 million in employee-related costs, including relocation, retention and transition costs, termination benefits, and duplicate transition wages and benefits; and (ii) approximately \$2.5 million in other costs, including building donation, consulting fees and costs and duplicate rent. Substantially all of the estimated charges have resulted in current or expected future cash expenditures.

During the three months ended March 31, 2025 and 2024, we recorded restructuring charges for employee-related and other costs in selling, general and administrative expenses on the condensed consolidated statements of operations as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Relocation and travel costs	\$ 531	\$ 2,429
One-time termination benefits	478	196
Total employee-related costs	1,009	2,625
Duplicate rent	244	—
Consulting	(25)	—
Total other costs	219	—
Total restructuring costs incurred	\$ 1,228	\$ 2,625



As of March 31, 2025 and December 31, 2024, the accruals for corporate restructuring costs are included in accounts payable, accrued compensation and benefits, and accrued expenses on the condensed consolidated balance sheets. The following table summarizes the activity for the restructuring liability during the three months ended March 31, 2025:

(in thousands)	Liability, December 31, 2024	Charges	Cash Payments	Liability, March 31, 2025
Relocation and travel costs	\$ 698	\$ 531	\$ (1,066)	\$ 163
One-time termination benefits	2,028	478	(1,262)	1,244
Total employee-related costs	2,726	1,009	(2,328)	1,407
Duplicate rent	—	244	(244)	—
Consulting	55	(25)	(30)	—
Total other costs	55	219	(274)	—
Totals	\$ 2,781	\$ 1,228	\$ (2,602)	\$ 1,407

As of March 31, 2025, our organizational realignment and restructuring plan to expand our support operations in Phoenix, Arizona was substantially complete.

NOTE 5 — Inventories

Inventories, net consist of the following:

(in thousands)	March 31, 2025	December 31, 2024
Raw materials	\$ 19,059	\$ 14,594
Finished goods	19,166	21,894
Total inventories	\$ 38,225	\$ 36,488

NOTE 6 — Property and Equipment

Property and equipment, net consists of the following:

(in thousands)	Useful Life (Years)	March 31, 2025	December 31, 2024
Software	3	\$ 10,981	\$ 10,666
Equipment and fixtures	3 — 7	237,482	229,307
Leasehold improvements	5 — 15	57,909	54,535
Buildings	10 — 39	521,538	487,060
Land	N/A	7,022	7,022
Construction-in-progress ¹	N/A	66,689	71,951
Property and equipment, gross		901,621	860,541
Less: accumulated depreciation		(195,742)	(176,570)
Property and equipment, net		\$ 705,879	\$ 683,971

¹ Construction-in-progress primarily consists of construction and equipment costs for new and existing shops.



Depreciation expense included in our condensed consolidated statements of operations was as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Cost of sales	\$ 18,965	\$ 13,918
Selling, general, and administrative	387	248
Total depreciation expense	\$ 19,352	\$ 14,166

NOTE 7 — Intangible Assets

The details of the intangible assets are as follows:

(in thousands)	Weighted-average amortization period (in years)	Three Months Ended March 31,	
		March 31, 2025	December 31, 2024
Reacquired franchise rights	3.0	\$ 27,049	\$ 27,049
Less: accumulated amortization		(24,605)	(24,102)
Intangibles, net		\$ 2,444	\$ 2,947

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

(in thousands)	Three Months Ended March 31,	
	2025	2024
Cost of sales	\$ 503	\$ 800

NOTE 8 — Leases

The components of lease costs, excluding short-term lease costs and sublease income (both immaterial for the periods presented), were as follows:

(in thousands)	Statements of Operations Classification	Three Months Ended March 31,	
		2025	2024
Finance lease costs			
Amortization of right-of-use assets	Cost of sales	\$ 6,560	\$ 6,272
Amortization of right-of-use assets	Selling, general, and administrative	15	15
Interest on lease liabilities	Interest expense	5,609	5,452
Total finance lease costs		12,184	11,739
Operating lease costs			
Lease expenses	Cost of sales	8,663	5,944
Lease expenses	Selling, general, and administrative	700	47
Total operating lease costs		9,363	5,991
Variable lease costs	Cost of sales	2,115	1,559
Total lease costs		\$ 23,662	\$ 19,289



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

(in thousands)	Three Months Ended March 31,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases	\$ 5,609	\$ 5,452
Operating cash flows from operating leases	7,330	5,087
Financing cash flows from finance leases	3,400	2,094
Right-of-use assets obtained in exchange for lease obligations		
Finance leases	9,145	3,715
Operating leases	28,855	37,815

NOTE 9 — Debt

Credit Facility

On August 4, 2023, we amended our senior secured credit facility, dated February 28, 2022, with JPMorgan Chase Bank, N.A. (as amended, the 2022 Credit Facility) to increase borrowing capacity by \$150 million to a total of \$650 million. The 2022 Credit Facility consists of a \$350 million revolving credit facility, a term loan facility of up to \$100 million, and a delayed draw term loan facility of up to \$200 million. The 2022 Credit Facility also includes sublimits for letters of credit and swingline loans of up to \$50 million and \$15 million, respectively. The 2022 Credit Facility expires on February 28, 2027 (the Maturity Date).

On February 20, 2024 and February 4, 2025, we drew \$150 million and \$50 million, respectively, on our delayed draw term loan facility before these portions expired on February 28, 2024 and February 4, 2025, respectively.

Interest on borrowings under the 2022 Credit Facility is based on (a) the Alternate Base Rate plus an applicable margin, or (b) the Adjusted Term SOFR plus an applicable margin, and is payable in accordance with the selected interest rate period (at least quarterly) and upon maturity. Principal payments for the term loans are required on a quarterly basis in accordance with an amortization schedule up through and including the Maturity Date.

We are required to pay a commitment fee on a quarterly basis, at a per annum rate of between 0.20% and 0.45% (depending on our maximum net lease-adjusted total leverage ratio) based on the (i) average daily unused portion of the revolving credit facility, and (ii) the daily undrawn amount of the delayed draw term loan facility. These fees are recorded as interest expense on our condensed consolidated statements of operations.

The 2022 Credit Facility contains financial covenants that require us to not exceed a maximum net lease-adjusted total leverage ratio and maintain a minimum fixed charge coverage ratio. The 2022 Credit Facility also contains certain negative covenants that, among other things, limit our ability to incur additional debt, grant liens on assets, merge with or acquire other companies, make other investments, dispose of assets, and make restricted payments. Obligations under the 2022 Credit Facility are guaranteed by Dutch Bros OpCo and certain of its subsidiaries, and secured by a first priority perfected security interest in substantially all of the assets of the guarantors.

As of March 31, 2025, no amounts were outstanding on our revolving credit facility, and \$342.3 million was available for borrowing, net of \$7.7 million in letters of credit, and approximately \$280.9 million of principal was outstanding on the term loan facilities. The term loans bear interest at approximately 6.17% as of March 31, 2025, excluding the impact from our interest rate swap. We were in compliance with our financial covenants as of that date.



Long-Term Debt

Our long-term debt consisted of the following for the periods presented:

(in thousands)	March 31, 2025	December 31, 2024
Term loans under credit facility	\$ 280,938	\$ 234,688
Finance obligations ¹	3,022	3,022
Unsecured note payable	269	299
Total debt	284,229	238,009
Less: loan origination fees	(830)	(943)
Less: current portion	(22,625)	(17,311)
Total long-term debt, net of current portion	\$ 260,774	\$ 219,755

¹ Represents failed sale-leaseback arrangements.

Future annual maturities of long-term debt as of March 31, 2025 are as follows:

(in thousands)	
Remainder of 2025	\$ 16,968
2026	43,256
2027	220,983
2028	—
2029	—
Thereafter	3,022
Total	\$ 284,229

NOTE 10 — Derivative Financial Instruments

We have a receive-variable (Receive Leg), pay-fixed (Pay Leg) interest rate swap with JPMorgan Chase Bank, N.A. As of March 31, 2025, the interest rate swap had a notional amount of approximately \$63.0 million and hedges interest rate risk on the term loan under the 2022 Credit Facility. The interest rate swap matures on February 28, 2027, and has a fixed rate of 2.67% per annum for the Pay Leg. The variable rate on the Receive Leg of the interest rate swap is the one-month adjusted term SOFR plus an applicable margin. As of March 31, 2025, the one-month adjusted term SOFR was 4.32%.

Our interest rate swap has been designated as a cash flow hedge, and as such, we record the change in fair value for the effective portion of the interest rate swap in AOCI rather than in current period earnings until the underlying hedged transaction affects earnings. As of March 31, 2025, we expect to reclassify a gain of approximately \$0.8 million from AOCI to earnings within the next twelve months.

Designated as a Level 2 instrument within the fair value hierarchy, the fair value and effect of the derivative instrument included in our condensed consolidated financial statements was as follows:

(in thousands)	Balance Sheets Classification	March 31, 2025	December 31, 2024
Derivative instrument designated as cash flow hedge			
Interest rate swap contract	Prepaid expenses and other current assets	\$ 827	\$ 953
Interest rate swap contract	Other long-term assets	419	832
Total derivative instrument designated as cash flow hedge		\$ 1,246	\$ 1,785

(in thousands)	Financial Statements Classification	Three Months Ended March 31,	
		2025	2024
Derivative instrument designated as cash flow hedge			
Income (loss) recognized in other comprehensive income before reclassifications	Statements of Comprehensive Income	\$ (160)	\$ 1,222
Reclassification from accumulated other comprehensive income to earnings for the effective portion	Statements of Operations - Interest expense, net	(282)	(469)
Income tax benefit (expense)	Statements of Operations - Income tax expense	93	(79)

NOTE 11 — Income Taxes

(dollars in thousands)	Three Months Ended March 31,	
	2025	2024
Income tax expense	\$ 1,459	\$ 8,772
Effective tax rate	6.1 %	35.1 %

The effective tax rate for the quarter ended March 31, 2025, was 6.1%, which reflects the US federal statutory rate of 21% on pre-tax income, offset with the tax benefits of federal tax credits, income attributable to non-controlling interests, and tax deductions related to stock-based compensation.

The decrease in the effective tax rate from 35.1% in the same period in 2024 is due to tax deductions related to stock-based compensation, as well as a change in state earnings mix that occurred in 2024.

Tax Receivable Agreements

In connection with our IPO, we executed two TRAs which require payment to certain Dutch Bros OpCo owners of 85% of the income tax benefits, if any, that we actually realize or in some cases is deemed to realize (calculated using certain assumptions) as a result of certain tax attributes and benefits covered by the TRAs.

The TRAs-related liabilities are classified on our condensed consolidated balance sheets as current or non-current based on the expected date of payment under the captions “Current portion of tax receivable agreements liability” and “Tax receivable agreements liability, net of current portion,” respectively.

As of March 31, 2025, our total TRAs-related liabilities were \$799.5 million. The changes related to these liabilities were as follows:

(in thousands)	March 31, 2025	December 31, 2024
Beginning balance	\$ 627,834	\$ 290,920
Additions (reductions) to TRAs:		
Exchange of Dutch Bros OpCo Class A common units for Class A common stock	171,695	341,161
Payments under TRA	(71)	—
TRAs remeasurements ¹	—	(4,247)
Ending balance	\$ 799,458	\$ 627,834
Less: current portion	(5,212)	(71)
TRAs liability, net of current portion	\$ 794,246	\$ 627,763

¹ Impact primarily related to state tax rates and adjustments from previous estimates upon finalization of the tax attributes subject to the TRAs.

NOTE 12 — Equity-Based Compensation

Restricted Stock Units

RSU activity was as follows:

(in thousands, except per share amounts)	Restricted Stock Units	Weighted-average grant date fair value per share
Balance, December 31, 2024	1,211	\$ 32.38
New grants	233	82.03
Vested	(434)	33.90
Forfeitures	(80)	36.31
Balance, March 31, 2025	930	\$ 43.76

Performance-Based Stock Units

During the three months ended March 31, 2025, we granted PSUs for the first time to a small group of senior employees. Our PSUs are subject to a three-year plus maximum 90-day service period and a market condition. The number of shares of Dutch Bros Inc.'s Class A common stock to be received at vesting range from 0% to 200% of the target amount. The payout percentage is based on TSR performance measured during a three-year performance period that commences on the grant date of any given award and ends three years from that date. TSR performance is measured based on Dutch Bros Inc.'s stock price appreciation compared to peer companies' stock price appreciation during the performance period. Forfeitures are recognized as they occur.



We estimate the fair value of PSUs using a Monte Carlo simulation model at the grant date. The estimated grant date fair value of \$132.96 was derived from inputs and assumptions utilized in the valuation model as follows:

	Three Months Ended March 31,	
	2025	2024
Grant date stock price	\$ 82.03	N/A
Beginning average price ¹	\$ 67.71	N/A
Risk-free interest rate	4.2 %	N/A
Volatility	63.1 %	N/A

¹ Beginning average price is calculated as the volume-weighted average daily closing stock price over the 30 trading days preceding the start of the PSU performance period.

PSU activity was as follows:

(in thousands, except per share amounts)	Performance - Based Stock Units	Weighted-average grant date fair value per share
Balance, December 31, 2024	—	\$ —
New grants	63	132.96
Forfeitures	(2)	132.96
Balance, March 31, 2025	61	\$ 132.96

Total release date fair value of vested equity awards for the three months ended March 31, 2025 and 2024 are presented below:

(in thousands, except per share amounts)	Three Months Ended March 31,			
	2025		2024	
	Awards/units	WA vest date fair value	Awards/units	WA vest date fair value
RSAs	—	\$ —	38,665	\$ 31.06
RSUs	34,297	79.01	2,664	30.49

Equity-Based Compensation

Equity-based compensation expense is recognized on a straight-line basis and is included in our condensed consolidated statements of operations as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Cost of sales	\$ 400	\$ 94
Selling, general, and administrative expenses	3,794	1,839
Total stock-based compensation expense	\$ 4,194	\$ 1,933



As of March 31, 2025, total unrecognized stock-based compensation related to unvested RSUs and PSUs was \$43.3 million, which will be recognized as follows:

(in thousands)

Remainder of 2025	\$	14,335
2026		16,624
2027		10,556
2028		1,832
2029		—
Thereafter		—
Total unrecognized stock-based compensation	\$	43,347

NOTE 13 — Non-Controlling Interests

Dutch Bros Inc. is the sole managing member of Dutch Bros OpCo, and, as a result, consolidates the financial results of Dutch Bros OpCo. We report a non-controlling interest representing the economic interest in the Dutch Bros OpCo held by the other members of Dutch Bros OpCo. The OpCo LLC Agreement provides that holders of Dutch Bros OpCo Class A common units may, from time to time, require Dutch Bros OpCo to redeem all or a portion of their Dutch Bros OpCo Class A common units for newly issued shares of Class A common stock on a one-for-one basis. In connection with any redemption or exchange, Dutch Bros Inc. will receive a corresponding number of Dutch Bros OpCo Class A common units, increasing Dutch Bros Inc.'s total ownership in Dutch Bros OpCo. Changes in Dutch Bros Inc.'s ownership in Dutch Bros OpCo, while Dutch Bros Inc. retains its controlling interest in Dutch Bros OpCo, will be accounted for as equity transactions. As such, future redemptions or direct exchanges of Dutch Bros OpCo Class A common units by the other members of Dutch Bros OpCo will result in a change in ownership and reduce the amount recorded as non-controlling interest and increase additional paid-in-capital.

The following table summarizes the ownership interest in Dutch Bros OpCo¹:

(in thousands)	March 31, 2025	
	OpCo Units	Ownership %
Dutch Bros OpCo Class A common units held by Dutch Bros Inc.	125,174	70.5 %
Dutch Bros OpCo Class A common units held by non-controlling interest holders	52,298	29.5 %
Total Dutch Bros OpCo Class A common units outstanding	177,472	100.0 %

¹ Dutch Bros OpCo effected a recapitalization on February 7, 2025. For additional information, refer to NOTE 1 — Organization and Background.

The following table summarizes the effect of changes in ownership of Dutch Bros OpCo on our equity for the periods presented:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Net income attributable to Dutch Bros Inc.	\$ 15,353	\$ 7,062
Other comprehensive income (loss):		
Unrealized gain (loss) on derivative securities, effective portion, net of income tax impacts	(190)	381
Transfers from (to) non-controlling interests:		
Increase in additional paid-in capital as a result of equity-based compensation	2,900	991
Increase (decrease) in additional paid-in capital as a result of common stock issuances pursuant to vesting of equity awards, net of stock withheld for tax	(7,771)	1,867
Increase in additional paid-in capital as a result of the acquisition of Dutch Bros OpCo Class A common units	34,267	40,377
Total effect of changes in ownership interest on equity attributable to Dutch Bros Inc.	\$ 44,559	\$ 50,678

The weighted-average ownership percentage for the applicable reporting period is used to attribute net income to Dutch Bros Inc. and the non-controlling interest holders. The non-controlling interest holders' weighted-average ownership percentage were as follows for the periods presented:

	Three Months Ended March 31,	
	2025	2024
Weighted-average ownership percentage of non-controlling interest holders	31.9 %	53.0 %

NOTE 14 — Income Per Share

The following tables set forth the numerators and denominators used to compute basic and diluted net income per share of Class A and Class D common stock for the periods presented:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Numerator:		
Net income	\$ 22,480	\$ 16,215
Less: Net income attributable to non-controlling interests	7,127	9,153
Net income attributable to Dutch Bros Inc.	\$ 15,353	\$ 7,062



(in thousands, except per share amounts)	Three Months Ended March 31,	
	2025	2024
Basic net income per share attributable to common stockholders		
Numerator:		
Net income attributable to Dutch Bros Inc.	\$ 15,353	\$ 7,062
Denominator:		
Weighted-average number of shares of Class A and Class D common stock outstanding - basic ¹	120,810	83,328
Basic net income per share attributable to common stockholders ¹	\$ 0.13	\$ 0.08

¹ Class D common shares were included in net income per share and weighted-average number of shares calculations in periods prior to June 2024. As of June 2024, all Class D common shares were converted to Class A common shares.

(in thousands, except per share amounts)	Three Months Ended March 31,	
	2025	2024
Diluted net income per share attributable to common stockholders		
Numerator:		
Undistributed net income for basic computation	\$ 15,353	\$ 7,062
Increase in net income attributable to common stockholders upon conversion of potentially dilutive instruments	28	4
Allocation of undistributed net income	\$ 15,381	\$ 7,066
Denominator:		
Number of shares used in basic computation	120,810	83,328
Add: weighted-average effect of dilutive securities		
RSAs	—	44
RSUs	698	38
Weighted-average number of shares of Class A and Class D common stock outstanding used to calculate diluted net income per share ¹	121,508	83,410
Diluted net income per share attributable to common stockholders ¹	\$ 0.13	\$ 0.08

¹ Class D common shares were included in net income per share and weighted-average number of shares calculations in periods prior to June 2024. As of June 2024, all Class D common shares were converted to Class A common shares.

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

(in thousands)	Three Months Ended March 31,	
	2025	2024
PSUs	43	—
RSUs	100	146
Total anti-dilutive securities	143	146



NOTE 15 — 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 its green coffee purchase commitments.

Guarantees

We periodically provide guarantees to franchise partners for lease payments. Annually, we determine if a liability needs to be recorded related to these guarantees. As of March 31, 2025 and December 31, 2024, we had guaranteed approximately \$8.1 million and \$8.2 million, respectively, in franchise partners' lease payments and have not established a liability for these guarantees as any liability arising from the guarantees is not material to the condensed consolidated financial statements.

Legal Proceedings

The Company is a party to routine legal actions arising in the ordinary course of and incidental to its business. These claims, legal proceedings, and litigation principally arise from alleged casualty, employment, and other disputes.

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 a liability has been incurred and when the amount of loss can be reasonably estimated.

Because litigation is inherently unpredictable, assessing contingencies is highly subjective and requires judgments about future events. When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, developments in legislation or regulations that affect the validity of certain claims and defenses, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matter.

Any claim, proceeding or litigation has an element of uncertainty, and an unfavorable outcome may have a material adverse effect on the Company's financial condition, results of operations, or cash flows.

Liabilities Under Tax Receivable Agreements

Under the TRAs, Dutch Bros Inc. is contractually committed to pay the non-controlling interest holders 85% of the amount of any tax benefits that Dutch Bros Inc. actually realizes, or in some cases is deemed to realize, as a result of certain transactions. As of March 31, 2025, Dutch Bros Inc. recognized \$799.5 million of liabilities related to its obligations under the TRAs. Refer to NOTE 11 — Income Taxes for additional information.

NOTE 16 — Segment Reporting

Segment information is prepared on the same basis that our CEO, who is the CODM, manages the segments, evaluates financial results and makes key operating decisions. Our CEO evaluates financial performance based on two operating segments, which offer distinct products and services to different customers: Company-operated shops and Franchising and other. The Company-operated shops segment includes retail coffee shop sales to end consumers. The Franchising and other segment includes bean and product sales to franchise partners, initial franchise fees, royalties, and marketing fees related to the franchise partners, as well as sales of products through our website.



The CODM reviews segment performance and allocates resources based upon segment contribution, which is defined as segment gross profit before depreciation and amortization. Segment contribution is used to monitor and assess segment results compared to prior periods, forecasted results, and our annual operating plan.

All segment revenue is earned in the United States. All intercompany sales amongst the Dutch Bros entities are fully eliminated in consolidation. Further, there are no intersegment revenues. The CODM does not evaluate operating segments using discrete asset information.

Selling, general and administrative expenses primarily consist of unallocated corporate expenses. Unallocated corporate expenses include corporate administrative functions that support the segments but are not directly attributable to or managed by any segment and are not included in the reported financial results of the segments.

No changes have been made to our segments during the three months ended March 31, 2025. In addition, no customer represented 10% or more of total revenue for the three months ended March 31, 2025 and 2024.

Financial information for our reportable segments was as follows for the periods presented:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Revenues		
Company-operated shops	\$ 326,421	\$ 248,085
Franchising and other	28,731	27,014
Total revenues	355,152	275,099
Cost of sales		
Company-operated shops		
Beverage, food & packaging	81,379	63,716
Labor costs	89,439	65,427
Occupancy & other costs	53,927	41,496
Pre-opening costs	5,611	3,447
Franchising and other	8,775	8,251
Segment cost of sales ¹	239,131	182,337
Segment contribution		
Company-operated shops	96,065	73,999
Franchising and other	19,956	18,763
Total segment contribution	\$ 116,021	\$ 92,762
Segment depreciation and amortization	(26,028)	(20,989)
Selling, general and administrative	(58,921)	(46,194)
Interest expense, net	(7,115)	(6,393)
Other income (expense), net	(18)	5,801
Income before income taxes	\$ 23,939	\$ 24,987

¹ Segment cost of sales for this presentation excludes impact of depreciation and amortization.



ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Index to Management's Discussion and Analysis of Financial Condition and Results of Operations

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Overview

Dutch Bros is a high growth operator and franchisor of drive-thru shops that focus on serving high QUALITY, hand-crafted beverages with unparalleled SPEED and superior SERVICE. Founded in 1992 by brothers Dane and Travis Boersma, Dutch Bros began with a double-head espresso machine and a pushcart in Grants Pass, Oregon. Today, we believe that Dutch Bros is one of the fastest-growing brands in the quick service beverage industry in the United States.

Impact of Global Events

General Macroeconomic Uncertainties

As a retailer that is dependent upon consumer discretionary spending, our results of operations are sensitive to changes in macroeconomic conditions. Inflation may have a material adverse effect on our business, financial condition or results of operations. Our customers may have or in the future may have less money available for discretionary purchases and may reduce or stop their purchases of our products.

On a macro level, conditions, including changes in tariffs, interest rates, inflation, bank failures and other events affecting financial institutions, geopolitical conflicts, and significant weather events (such as the recent wildfires in California), have created significant uncertainty in the global economy. While we are not able to fully predict the potential impacts of these conditions, we do not currently believe any potential impacts of these macroeconomic conditions would be material to our business.

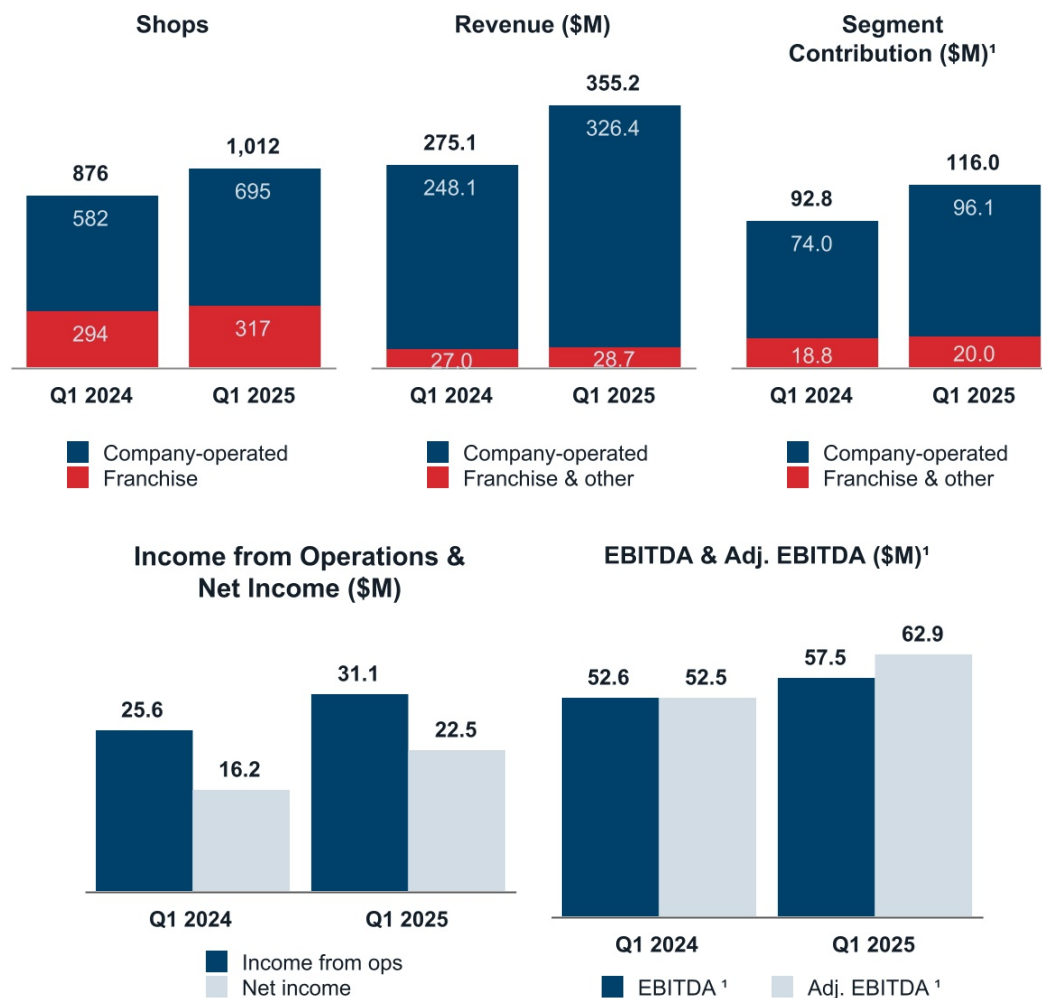
Minimum Wage Increases

We continued to experience the effects of legislated minimum wage increases that took effect in 2024 in certain states. We expect these pressures to continue to affect our operating results in the foreseeable future. For example, California's minimum wage increased to \$20 per hour effective April 2024 for covered employees in our industry. Additionally, several other states that we operate in have increased their minimum wage requirements in 2025. While these pressures have impacted our operating results, we have taken measures to gradually increase our menu prices, adjust our Dutch Rewards loyalty program, and make operating adjustments that increase productivity to help offset them. Menu price increases may lead to decreases in consumer demand. We will continue to evaluate further pricing actions to protect our operating results, however, if there is a time lag between increasing costs and our ability to increase menu prices or take other action in response, or if we choose not to pass on the cost increases by increasing menu prices, our operating results could be negatively affected.



Results of Operations

As of March 31, 2025, we had 1,012 company-operated and franchised shops in 18 states, an increase of approximately 15.5% from the same period in the prior year. For the three months ended March 31, 2025, we generated \$355.2 million of revenue, \$22.5 million net income, and \$0.13 income per diluted share. We have two reportable operating segments: Company-operated shops and Franchising and other.



¹ Reconciliation of GAAP to non-GAAP results is provided in the section "Non-GAAP Financial Measures" in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations".

2025 vs 2024	
Increase in total shops	15.5 %
Increase in total revenue	29.1 %

Key Performance Indicators

The key performance indicators that we use to effectively manage and evaluate our business are as follows:

	Three Months Ended March 31,	
	2025	2024
(dollars in thousands; unaudited)		
Shop count, beginning of period		
Company-operated	670	542
Franchised	312	289
Total shop count	982	831
Company-operated new openings	25	40
Franchised new openings	5	5
Shop count, end of period		
Company-operated	695	582
Franchised	317	294
Total shop count	1,012	876
Systemwide AUV ¹	\$ 2,026	\$ 1,995
Company-operated shops AUV ¹	\$ 1,950	\$ 1,915
Systemwide same shop sales ^{2, 3}	4.7 %	10.0 %
Ticket	3.4 %	8.8 %
Transactions	1.3 %	1.2 %
Company-operated same shop sales ²	6.9 %	10.9 %
Ticket	3.2 %	8.2 %
Transactions	3.7 %	2.7 %
Systemwide sales ³	\$ 489,672	\$ 397,553
Company-operated shops operating weeks ⁴	8,737	7,274
Franchising shops operating weeks ⁴	4,011	3,779
Dutch Rewards transactions as a percentage of total transactions ⁵	71.8 %	66.5 %



	Three Months Ended March 31,			
	2025		2024	
	\$	%	\$	%
(dollars in thousands; unaudited)				
Company-operated shops revenues	326,421	100.0	248,085	100.0
Company-operated shops gross profit	71,498	21.9	54,305	21.9
Company-operated shops contribution ⁶	96,065	29.4	73,999	29.8
Selling, general, and administrative expenses	58,921	16.6	46,194	16.8
Adjusted selling, general, and administrative expenses ⁶	53,497	15.1	40,430	14.7
Net income	22,480	6.3	16,215	5.9
Adjusted EBITDA ⁶	62,906	17.7	52,540	19.1

¹ AUVs are determined based on the net sales for any trailing twelve-month period for systemwide and company-operated shops that have been open a minimum of 15 months. AUVs are calculated by dividing the systemwide and company-operated shops net sales by the total number of systemwide and company-operated shops, respectively. Management uses these metrics as an indicator of shop growth and future expectations of mature locations.

² Same shop sales represents the estimated percentage change in year-over-year sales, for the comparable shop base, which we define as shops open for 15 complete months or longer as of the first day of the reporting period. Same shop sales can be impacted by changes in customer transaction counts and by changes in the per-ticket amounts. Management uses these metrics as an indicator of shop growth and future expansion strategy. The number of shops included in the systemwide and company-operated comparable bases for the respective periods are presented in the following table.

(unaudited)	Three Months Ended March 31,	
	2025	2024
Systemwide shop base	794	641
Company-operated shops base	510	370

³ Systemwide sales and systemwide same shop sales are operating measures that include sales at company-operated shops and sales at franchised shops during the comparable periods presented. Franchise sales represent sales at all franchise shops and are revenues to our franchise partners. We do not record franchise sales as revenues; however, our royalty revenues and advertising fund contributions are calculated based on a percentage of franchise sales. As these metrics include sales reported to us by our non-consolidated franchise partners, these metrics should be considered as a supplement to, not a substitute for, our results as reported under GAAP. Management uses these metrics as indicators of our system's overall financial health, growth and future expansion prospects.

⁴ Company-operated and franchise shops operating weeks are calculated based on the number of operating days for the shop base and dividing by 7. Our shop base is defined as shops opened as of the period end date. The operating weeks calculations reflect re-acquired franchises through 2022. Management uses these metrics as indicators of our system's overall financial health, growth and future expansion prospects.

⁵ Dutch Rewards is our digitally based rewards program available exclusively through the Dutch Rewards app. Management uses this metric as an indicator of customer loyalty adoption of our Dutch Rewards app and future promotional plans.

⁶ Reconciliation of GAAP to non-GAAP results is provided in the section "Non-GAAP Financial Measures" in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations."



Company-operated Shops Results

Results for our company-operated shops segment were as follows:

	Three Months Ended March 31,			
	2025		2024	
	\$	%	\$	%
(dollars in thousands; unaudited)				
Company-operated shops revenues	326,421	100.0	248,085	100.0
Beverage, food, and packaging costs	81,379	25.0	63,716	25.7
Labor costs	89,439	27.4	65,427	26.4
Occupancy and other costs	53,927	16.5	41,496	16.7
Pre-opening costs	5,611	1.7	3,447	1.4
Depreciation and amortization	24,567	7.5	19,694	7.9
Company-operated shops costs and expenses	254,923	78.1	193,780	78.1
Company-operated shops gross profit	71,498	21.9	54,305	21.9
Company-operated shops contribution ¹	96,065	29.4	73,999	29.8

¹ Reconciliation of GAAP to non-GAAP results is provided in the section "Non-GAAP Financial Measures" in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Company-operated Shops Segment Performance

Company-operated Shops Revenue

	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
(dollars in thousands; unaudited)				
Company-operated shops revenue	\$326,421	\$248,085	\$78,336	31.6%

Three Months Ended March 31, 2025 v. 2024

The company-operated shops revenue increase was driven by \$62.1 million from newly opened shops not yet in the comparable shop base and \$16.2 million from an increase in same shop sales within the comparable shop base.

Comparable Same Shop Sales



¹ The comparable same shop bases were 510 and 370 for the three months ended March 31, 2025 and 2024, respectively.



Beverage, Food, and Packaging Costs

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Beverage, food and packaging costs	\$81,379	\$63,716	\$17,663	27.7%
As a percentage of company-operated shops revenues	25.0%	25.7%	N/A	(70) bps

Three Months Ended March 31, 2025 v. 2024

As a percentage of company-operated shops revenues, beverage, food and packaging costs decreased by 70 basis points. This was primarily due to a 90 basis point decrease for the impact of pricing on the comparable shop base.

Labor Costs

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Labor costs	\$89,439	\$65,427	\$24,012	36.7%
As a percentage of company-operated shops revenues	27.4%	26.4%	N/A	100 bps

Three Months Ended March 31, 2025 v. 2024

As a percentage of company-operated shops revenues, labor costs increased by 100 basis points. This was primarily due to 180 basis points from increased wages partially offset by a decrease of 90 basis points from the impact of pricing.

Occupancy and Other Costs

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Occupancy and other costs	\$53,927	\$41,496	\$12,431	30.0%
As a percentage of company-operated shops revenues	16.5%	16.7%	N/A	(20) bps

Three Months Ended March 31, 2025 v. 2024

As a percentage of company-operated shops revenues, occupancy and other costs decreased by 20 basis points. This decrease was primarily due to the impact of pricing.

Pre-opening Costs

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Pre-opening costs	\$5,611	\$3,447	\$2,164	62.8%
As a percentage of company-operated shops revenues	1.7%	1.4%	N/A	30 bps
New company-operated shops opened	25	40	(15)	(37.5)%
Pre-opening costs per new company-operated shop	\$224	\$86	\$138	160.5%

Three Months Ended March 31, 2025 v. 2024

The increase in pre-opening costs was primarily driven by increased travel for setup and training teams, and lease expense related to unopened shops, in the three months ended March 31, 2025 as compared to the same period in 2024.



Depreciation and Amortization

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Depreciation and amortization	\$24,567	\$19,694	\$4,873	24.7%
As a percentage of company-operated shops revenues	7.5%	7.9%	N/A	(40) bps

Three Months Ended March 31, 2025 v. 2024

The increase in depreciation and amortization was primarily driven by the increase in the number of company-operated shops in the current period compared to the prior period.

Company-operated Shops Gross Profit and Contribution¹

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Company-operated shops gross profit	\$71,498	\$54,305	\$17,193	31.7%
As a percentage of company-operated shops revenues	21.9%	21.9%	N/A	— bps
Company-operated shops contribution ¹	\$96,065	\$73,999	\$22,066	29.8%
As a percentage of company-operated shops revenues	29.4%	29.8%	N/A	(40) bps

¹ Reconciliation of GAAP to non-GAAP results is provided in the section “Non-GAAP Financial Measures” in Part I, Item 2 “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Three Months Ended March 31, 2025 v. 2024

The company-operated shops gross profit margin was flat. This was driven primarily by a 230 basis point increase due to the impact of pricing on the comparable shop base, offset by a 160 basis point decrease due to increased labor costs.

Franchising and Other Segment Performance

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Franchising and other revenue	\$28,731	\$27,014	\$1,717	6.4%
Franchising and other gross profit	\$18,495	\$17,468	\$1,027	5.9%
As a percentage of franchising and other revenue	64.4%	64.7%	N/A	(30) bps

Three Months Ended March 31, 2025 v. 2024

The franchising and other gross profit increase of \$1.0 million was driven by newly opened franchised shops not in the comparable shop base.

Selling, General, and Administrative

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Selling, General, and Administrative	\$58,921	\$46,194	\$12,727	27.6%
As a percentage of total revenues	16.6%	16.8%	N/A	(20) bps



[Three Months Ended March 31, 2025 v. 2024](#)

The selling, general, and administrative increase of approximately \$12.7 million was primarily driven by increased expenses of \$6.6 million consisting of investments in human capital to support our revenue growth and higher performance-based compensation; an increase of \$2.0 million due to higher equity-based compensation; and \$6.5 million of increased professional fees and technology services to support our growing business. These increases were partially offset by lower realignment and restructuring charges of \$1.4 million and nonrecurring equity offering expenses of \$1.0 million.

Other Expense

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Interest expense on finance leases	\$ (5,609)	\$ (5,452)	\$ (157)	2.9%
Other interest expense, net	(1,506)	(941)	(565)	60.0%
Interest expense, net	\$ (7,115)	\$ (6,393)	\$ (722)	11.3%
Other income (expense), net	(18)	5,801	(5,819)	(100.3)%
Total other expense	\$ (7,133)	\$ (592)	\$ (6,541)	N/M

[Three Months Ended March 31, 2025 v. 2024](#)

The increase in interest expense, net was primarily driven by higher interest expense on debt and additional interest on finance leases for new shop builds.

The decrease in other income was primarily driven by remeasurement gains in the same period in the prior year related to the TRAs liability, compared to none in the latest period.

Income Tax Expense

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Income tax expense	\$1,459	\$8,772	\$ (7,313)	(83.4)%
Effective tax rate	6.1%	35.1%	N/A	N/M

[Three Months Ended March 31, 2025 v. 2024](#)

The effective tax rate for the quarter ended March 31, 2025, was 6.1%, which reflects the US federal statutory rate of 21% on pre-tax income, offset with the tax benefits of federal tax credits, income attributable to non-controlling interests, and tax deductions related to stock-based compensation.

The decrease in the effective tax rate from 35.1% in the same period in 2024 is due to tax deductions related to stock-based compensation, as well as a change in state earnings mix that occurred in 2024.

Liquidity and Capital Resources

[Cash Overview](#)

We had cash and cash equivalents of \$316.4 million and \$293.4 million as of March 31, 2025 and December 31, 2024, respectively.

For the three months ended March 31, 2025, our principal sources of liquidity were cash flows from operations and our delayed draw term loan facility. Our principal uses of liquidity for the three months ended March 31, 2025 were to fund our new shop builds and other working capital needs.



Cash Flows

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

(dollars in thousands; unaudited)	Three Months Ended March 31,			
	2025	2024	2025 v. 2024	
Net cash provided by operating activities	\$ 36,884	\$ 41,193	\$ (4,309)	(10.5)%
Net cash used in investing activities	(45,528)	(57,462)	11,934	(20.8)
Net cash provided by financing activities	31,731	145,443	(113,712)	(78.2)%
Net increase in cash and cash equivalents	\$ 23,087	\$ 129,174	\$ (106,087)	(82.1)%
Cash and cash equivalents at beginning of period	293,354	133,545	159,809	119.7
Cash and cash equivalents at end of period	\$ 316,441	\$ 262,719	\$ 53,722	20.4%

Operating Activities

The decrease in operating activities cash flows was primarily driven by payment of higher performance-based compensation in the current period compared to the same period in the prior year.

Investing Activities

The decrease in investing activities cash outflows was primarily driven by lower investment in capital expenditures due to fewer new company-operated shop openings in the current period compared to the same period in the prior year.

Financing Activities

The decrease in financing activities cash flows was primarily driven by lower proceeds received on our delayed draw term loan facility in the current period compared to the same period in the prior year.

Cash Requirements

We believe that cash provided by operating activities and proceeds from our 2022 Credit Facility are adequate to fund our debt service requirements, lease obligations, cash distributions required by the OpCo LLC Agreement and the TRAs, and working capital obligations for at least the next 12 months.

Our future capital requirements may vary materially from period to period and will depend on many factors, primarily our expansion and growth by opening additional company-operated shops and/or reacquiring existing franchised shops. Further, the payments that we may be required to make under the TRAs may be significant. We currently expect to fund our current and long-term material capital requirements with operating cash flows and, as needed, additional proceeds from our 2022 Credit Facility, but we may also seek additional debt or equity financing. From time to time, we may explore additional financing sources which could include equity, equity-linked, and debt financing arrangements.

As of March 31, 2025, cash requirements for the following items have materially changed from our 2024 Form 10-K:

- **Operating lease liabilities** — increased approximately \$52 million from newly commenced leases.
- **Debt obligations** — increased approximately \$46 million on a net basis primarily due to the proceeds from the delayed draw term loan under our 2022 Credit Facility.



Credit Facility

JPMorgan Credit Facility

On August 4, 2023, we amended our senior secured credit facility, dated February 28, 2022 with JPMorgan Chase Bank, N.A. (as amended, the 2022 Credit Facility) to increase borrowing capacity by \$150 million to a total of \$650 million. The 2022 Credit Facility consists of a \$350 million revolving credit facility, a term loan facility of up to \$100 million, and a delayed draw term loan facility of up to \$200 million. The 2022 Credit Facility also includes sublimits for letters of credit and swingline loans of up to \$50 million and \$15 million, respectively. The 2022 Credit Facility expires on February 28, 2027 (the Maturity Date).

On February 20, 2024 and February 4, 2025, we drew \$150 million and \$50 million on our delayed draw term loan facility before these portions expired on February 28, 2024 and February 4, 2025, respectively.

Interest on borrowings under the 2022 Credit Facility is based on (a) the Alternate Base Rate plus an applicable margin, or (b) the Adjusted Term SOFR plus an applicable margin, and is payable in accordance with the selected interest rate period (at least quarterly) and upon maturity. Principal payments for the term loans are required on a quarterly basis in accordance with an amortization schedule up through and including the Maturity Date.

Obligations under the 2022 Credit Facility are guaranteed by each of Dutch Bros Inc.'s subsidiaries, and secured by a first priority perfected security interest in substantially all of the assets of the guarantors.

Interest Rate Swap Contract

We have an interest rate swap with JPMorgan Chase Bank, N.A. As of March 31, 2025, the interest rate swap had a notional amount of approximately \$63 million and hedges interest rate risk on the term loan under the 2022 Credit Facility. The purpose of the floating-to-fixed interest rate swap is to fix the interest base rate charged on the term loan at 2.67% for the notional amount. The interest rate swap matures on February 28, 2027.

See NOTE 9 — Debt and NOTE 10 — Derivative Financial Instruments for additional details related to our 2022 Credit Facility and interest rate swap contract.

Seasonality

Our business is subject to seasonal fluctuations that impact our revenue and company-operated shops gross profit margins. We typically experience higher nominal system sales in the summer months, which impacts revenue and company-operated shops gross profit margins in the second and third quarters of our fiscal year.

Critical Accounting Estimates

The methods, assumptions, and estimates that we use in applying our accounting policies may require us to apply judgments regarding matters that are inherently uncertain. We consider an accounting policy to be a critical estimate if: (1) we must make assumptions that were uncertain when the judgment was made, and (2) changes in the assumptions, or selection of a different methodology, could have a significant impact on our financial position and the results that we report in our condensed consolidated financial statements. While we believe that our estimates, assumptions, and judgments are reasonable, they are based on information available when the estimate was made.

There have been no material changes to our critical accounting estimates from those disclosed in our 2024 Form 10-K.



Non-GAAP Financial Measures

In addition to disclosing financial results in accordance with GAAP, this document contains references to the non-GAAP financial measures below. We believe these non-GAAP financial measures provide investors with useful supplemental information about our operating performance, enable comparison of financial trends and results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating our business and measuring our performance.

Our non-GAAP financial measures reflect adjustments based on one or more of the following items, as well as the related income tax effects where applicable. Income tax effects have been calculated based on the combined total non-GAAP adjustments using our total effective tax rate. These non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations from these results should be carefully evaluated.

Segment contribution

Definition and/or calculation

Segment gross profit, before depreciation and amortization.

Usefulness to management and investors

This non-GAAP measure is used by our management in making performance decisions without the impact of non-cash depreciation and amortization charges. This is a standard metric used across our industry by investors.

EBITDA, Adjusted EBITDA

EBITDA — definition and/or calculation

Net income before interest expense (net of interest income), income tax expense, and depreciation and amortization expense.

Adjusted EBITDA — definition and/or calculation

Defined as EBITDA, excluding equity-based compensation, expenses associated with equity offerings, executives transitions costs, (gain) loss on the remeasurement of the liability related to the TRAs, and organization realignment and restructuring costs.

Usefulness to management and investors

These non-GAAP measures are supplemental operating performance measures we believe facilitate comparisons to historical performance and competitors' operating results. We believe these non-GAAP measures presented provide investors with a supplemental view of our operating performance that facilitates analysis and comparisons of our ongoing business operations because they exclude items that may not be indicative of our ongoing operating performance.

Adjusted selling, general, and administrative

Definition and/or calculation

Selling, general, and administrative expenses, excluding depreciation and amortization, equity-based compensation expense, expenses associated with equity offerings, executive transitions costs, and organization realignment and restructuring costs.



[Usefulness to management and investors](#)

This non-GAAP measure is used as a supplemental measure of operating performance that we believe is useful to evaluate our performance period over period and relative to our competitors. We believe the non-GAAP measure presented provides investors with a supplemental view of our operating performance that facilitates analysis and comparisons of our ongoing business operations because it excludes items that may not be indicative of our ongoing operating performance.

[Non-GAAP adjustments](#)

Below are the definitions of the non-GAAP adjustments that are used in the calculation of our non-GAAP measures, as described above.

[Equity-based compensation](#)

Non-cash expenses related to the grant and vesting of stock awards, including RSAs, RSUs and PSUs, in Dutch Bros Inc. to certain eligible employees.

[Expenses associated with equity offerings](#)

Costs incurred as a result of our equity offerings, including secondary offerings by our Sponsor. These costs include, but are not limited to, legal fees, consulting fees, tax fees, and accounting fees.

[Executive transitions](#)

Employee severance and related benefit costs, as well as sign-on bonus(es) for several executive-level transitions occurring in 2022 and 2023, and amortized through the first quarter of 2024.

[TRAs remeasurements](#)

(Gain) loss impacts related to adjustments of our TRAs liabilities.

[Organization realignment and restructuring](#)

Fees and costs, including consulting, employee-related and other costs, in connection with our comprehensive initiative to develop and implement a long-term strategy involving changes to our organizational structure to support our growth. This initiative resulted in realignment activities that occurred in 2023, and restructuring activities that commenced in 2024, and were substantially completed in March 2025. Given this strategic initiative's magnitude and scope, we do not expect such costs will recur in the foreseeable future, and do not consider such costs reflective of the ongoing costs necessary to operate our business.

The following are reconciliations of the most comparable GAAP metric to non-GAAP metrics (presented in dollars and as a percentage of revenue):

	Three Months Ended March 31,			
	2025		2024	
	\$	%	\$	%
(dollars in thousands; unaudited)				
Company-operated shops gross profit	71,498	21.9	54,305	21.9
Depreciation and amortization	24,567	7.5	19,694	7.9
Company-operated shops contribution	96,065	29.4	73,999	29.8

	Three Months Ended March 31,			
	2025		2024	
	\$	%	\$	%
(dollars in thousands; unaudited)				
Franchising and other gross profit	18,495	64.4	17,468	64.7
Depreciation and amortization	1,461	5.1	1,295	4.8
Franchising and other contribution	19,956	69.5	18,763	69.5



	Three Months Ended March 31,			
	2025		2024	
	\$	%	\$	%
(dollars in thousands; unaudited)				
Net income	22,480	6.3	16,215	5.9
Depreciation and amortization	26,430	7.4	21,253	7.7
Interest expense, net	7,115	2.1	6,393	2.3
Income tax expense	1,459	0.4	8,772	3.2
EBITDA	57,484	16.2	52,633	19.1
Equity-based compensation	4,194	1.2	1,933	0.7
Expenses associated with equity offerings	—	—	961	0.3
Executive transitions	—	—	75	—
TRAs remeasurement	—	—	(5,687)	(2.0)
Organization realignment and restructuring:				
Employee-related costs	1,009	0.3	2,625	1.0
Other costs	219	—	—	—
Total organization realignment and restructuring	1,228	0.3	2,625	1.0
Adjusted EBITDA	62,906	17.7	52,540	19.1

	Three Months Ended March 31,			
	2025		2024	
	\$	%	\$	%
(dollars in thousands; unaudited)				
Selling, general, and administrative	58,921	16.6	46,194	16.8
Depreciation and amortization	(402)	(0.1)	(264)	(0.1)
Equity-based compensation	(3,794)	(1.1)	(1,839)	(0.7)
Expenses associated with equity offerings	—	—	(961)	(0.3)
Executives transition	—	—	(75)	—
Organization realignment and restructuring:				
Employee-related costs	(1,009)	(0.3)	(2,625)	(1.0)
Other costs	(219)	—	—	—
Total organization realignment and restructuring	(1,228)	(0.3)	(2,625)	(1.0)
Adjusted selling, general, and administrative	53,497	15.1	40,430	14.7



ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Commodity Risks

Our profitability is dependent on, among other things, our ability to anticipate and react to changes in the costs of key operating resources, including beverage commodities, energy, and other commodities. We have been able to partially offset cost increases resulting from several factors, including market conditions, shortages or interruptions in supply due to weather or other conditions beyond our control, governmental regulations, and inflation by increasing our menu prices over the past year, and making operational adjustments that increase productivity. However, tariffs, sustained inflation of, or substantial increases in costs and expenses, including dairy, coffee, fuel, sugar, cocoa, and packaging commodities pricing, could impact our operating results to the extent that such costs and expenses remain elevated or increase and cannot be offset by menu price increases. Additionally, if there is a time lag between increasing commodity prices and our ability to increase menu prices or take other action in response, or if we choose not to pass on the cost increases by increasing menu prices, our operating results could be negatively affected.

Labor Costs

We have experienced minimum wage increases, which directly affect our labor costs, and other upward pressure on wage rates in several states, including in California beginning in April 2024. Additionally, several other states that we operate in have increased their minimum wage requirements in 2025. In the future, we may or may not be able to offset these cost increases with operational efficiencies, menu price increases, or other adjustments. As of March 31, 2025, we employed approximately 18,000 hourly workers in our company-operated shops.

Interest Rate Risk

We have historically been exposed to interest rate risk through fluctuations in interest rates on our debt obligations. Our 2022 Credit Facility carries interest at a floating rate. We seek to manage exposure to adverse interest rate changes through our normal operating and financing activities, including through the use of interest rate swaps to mitigate the potential impacts of changes in benchmark interest rates on interest expense and cash flows. As of March 31, 2025, we had no revolving loans outstanding, and \$280.9 million was outstanding on our term loan facilities. A hypothetical increase of interest rates up to 1% on our outstanding term loan as of March 31, 2025 would result in an increase in our annual interest expense of approximately \$2.8 million, excluding any potential impacts of interest rate swaps.

Impact of Inflation

The primary inflation factors affecting our operations are commodity and supply costs, energy costs, labor costs, and construction costs of company-operated shops. Increases in the minimum wage requirements directly affect our labor costs. Our leases require us to pay taxes, maintenance, repairs, insurance, and utilities, all of which are generally subject to inflationary increases. Finally, the total cost to build our shops is impacted by inflation. Specifically, increases in sitework and permitting, construction materials, labor, and equipment may increase our overall development costs and capital expenditures, and potentially result in higher rent expenses for new shops. We continue to encounter current commodity inflation, known or pending legislation that will increase minimum wages in certain states, and labor market forces that at times may cause us to increase wages in order to adequately staff our shops. We expect these to affect our operating results in the foreseeable future. While these cost increases have impacted our operating results, we have taken measures to gradually increase our menu prices, adjust our Dutch Rewards loyalty program, and make operating adjustments that increase productivity to help offset these pressures. Price increases and other inflationary pressures may lead to decreases in consumer demand.



ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of March 31, 2025, under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13(a)-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act). Based on the evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of that date.

Changes in Internal Control over Financial Reporting

There have been no changes during the three months ended March 31, 2025 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

We may, from time to time, be party to litigation and subject to claims incident to the ordinary course of business. As our company matures, we may become party to an increasing number of litigation matters and claims. The outcome of litigation and claims cannot be predicted with certainty, and the resolution of these matters could materially adversely affect our business, financial condition, results of operations, and growth prospects.

Please refer to NOTE 15 — Commitments and Contingencies under the heading “Legal Proceedings” for further information.

ITEM 1A. RISK FACTORS

Except for the items noted below, there have been no material changes in our risk factors from those disclosed in Part I, Item 1A of our 2024 Form 10-K. The risk factors described in our 2024 Form 10-K, as well as other information set forth in this Quarterly Report on Form 10-Q, could materially adversely affect our business, financial condition and results of operations, and should be carefully considered. The risks and uncertainties that we face, however, are not limited to those described in the 2024 Form 10-K. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business and the trading price of our Class A common stock.

International trade policies, including tariffs, sanctions and trade barriers may adversely affect our business, financial condition, results of operations and prospects.

The recent announcements of substantial new U.S. tariffs and other restrictive trade policies have created a dynamic and unpredictable trade landscape, which may adversely impact our business.

Current or future tariffs or other restrictive trade measures may raise the costs of our imported green coffee beans and other goods, which may adversely impact our product offerings, operational expenses, and construction costs. Such cost increases may reduce our margins and require us to increase prices, which could harm our competitive position, reduce customer demand, and damage customer relationships. Our suppliers and distribution channels are also affected by the current trade environment, and we and they may experience supply chain disruptions as a result of increased costs and uncertainty, as well as risks to the long-term viability of key suppliers, which may impact our ability to meet customer demand or manage inventory efficiently. Tariff and other trade-related cost pressures and supply chain disruptions may lead to reputational harm if we are unable to supply our shops with sufficient products or supply products on expected timelines, or if any price increases are poorly received by customers. In addition, evolving trade policies, including tariffs and trade restrictions, may decrease consumer discretionary spending and result in decreased demand for our products.

Trade disputes, trade restrictions, tariffs and other political tensions between the U.S. and other countries may also exacerbate unfavorable macroeconomic conditions including inflationary pressures, foreign exchange volatility, financial market instability, and economic recessions or downturns, which may also necessitate pricing actions and result in a negative impact on customer demand for our products, limit expansion opportunities, limit our access to capital, or otherwise negatively impact our business and operations. Ongoing tariff, trade restrictions and macroeconomic uncertainty may contribute to volatility in the price of our Class A common stock.

Ongoing uncertainty regarding trade policies may also complicate our short- and long-term strategic planning, and that of our suppliers and distributors, including decisions regarding hiring, product strategy, capital investment, supply chain design, and geographic expansion.



While we continue to monitor trade developments, the ultimate impact of these risks remains uncertain and any prolonged economic downturn, escalation in trade tensions, or deterioration in international perception of U.S.-based companies could materially and adversely affect our business, results of operations, financial condition and prospects. In addition, tariffs and other trade developments have and may continue to heighten the risks related to the other risk factors described in our 2024 Form 10-K.

Legislation and regulations requiring the display and provision of nutritional information for our menu offerings, and new information, attitudes, or regulations regarding additives, diet and health or adverse opinions about the health effects of consuming our menu offerings, could affect consumer preferences and negatively impact our business, financial condition, and results of operations.

Government regulation and customer consumption habits may impact our business as a result of changes in attitudes regarding diet and health (including use of weight-loss or appetite-suppressing drugs) or new information regarding the health effects of consuming our menu offerings. These changes have resulted in, and may continue to result in, the enactment of laws and regulations that impact the ingredients and nutritional content of our menu offerings, or laws and regulations requiring us to disclose the nutritional content of our food offerings.

For example, a number of states, counties, and cities have enacted menu labeling laws requiring multi-unit restaurant operators to disclose certain nutritional information to customers, or have enacted legislation restricting the use of certain types of ingredients in food sold at restaurants. Furthermore, the Patient Protection and Affordable Care Act of 2010 (the PPACA) establishes a uniform, federal requirement for certain restaurants to post certain nutritional information on their menus. Specifically, the PPACA amended the Federal Food, Drug and Cosmetic Act to require certain chain restaurants to publish the total number of calories of standard menu items on menus and menu boards, along with a statement that puts this calorie information in the context of a total daily calorie intake. The PPACA also requires covered restaurants to provide to consumers, upon request, a written summary of detailed nutritional information for each standard menu item, and to provide a statement on menus and menu boards about the availability of this information. The PPACA further permits the Food and Drug Administration to require covered restaurants to make additional nutrient disclosures, such as disclosure of trans-fat content. More recently, U.S. regulatory authorities, including the Food and Drug Administration, have indicated their intent to restrict or prohibit the use of certain food dyes currently permitted for lawful use in the food supply. Should such regulatory change affect the ingredients currently used in our products and we are unable to identify or secure comparable and cost-effective alternative ingredients, such change could have an adverse effect on our results of operations and financial position. An unfavorable report on, or reaction to, our current or future menu ingredients, the size of our portions, or the nutritional content of our menu items could negatively influence the demand for our offerings.

We cannot make any assurances regarding our ability to effectively respond to changes in customer health perceptions or our ability to successfully implement nutrient content disclosure requirements or other resulting regulations, including potential regulations around the use of certain ingredients, dyes, or other additives, or to adapt our menu offerings to trends in drinking and consumption habits. The imposition of menu-labeling laws, additional restrictions on certain food additives, and such other regulations could have an adverse effect on our results of operations and financial position, as well as the food service and restaurant industry in general.

We may be unable to identify all potential allergens present in our products at the time of purchase, whether they may have been introduced by us or by our third party vendors. This could result in the inability of some customers to purchase our products, or could result in negative health consequences for individuals sensitive to such allergens who choose to purchase our products regardless. A potentially serious allergic reaction to our products may result in negative public perception and could harm our business and results of operations.



In addition, social media has contributed to an increase in “secret menu” style drinks that are not created or marketed by us. Such drinks can be ordered by customers, for example, by asking for specific combinations of flavors or ingredients. We have no control over such trends, may not become timely aware of them, and may be unable to provide nutritional information for them. Such trends may also result in the mixture of ingredients in ways that could be perceived negatively, including with regard to health effects, and such perception could harm our business.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table summarizes purchases of Class A common stock during the three months ended March 31, 2025:

Period	Total Number of Shares Purchased ¹	Weighted- Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
January 1 - 31, 2025	—	\$—	N/A	N/A
February 1 - 28, 2025	—	\$—	N/A	N/A
March 1 - 31, 2025	139,183	\$79.16	N/A	N/A

¹ In connection with the vesting of RSUs granted pursuant to the Dutch Bros Inc. 2021 Equity Incentive Plan, as amended, shares of Class A common stock are delivered to Dutch Bros by employees to satisfy tax withholding obligations.

Unregistered Sales of Equity Securities

On February 10, 2025, pursuant to Section 3(a)(9) of the Securities Act, we made an unregistered issuance of Dutch Bros Inc.’s Class A common stock via exchange of 8.25 million Dutch Bros OpCo Class A common units held by entities controlled by our Co-Founder for shares of our Class A common stock on a one-for-one basis. Such shares of Class A common stock were then reserved for sale directly by entities controlled by our Co-Founder pursuant to a Rule 10b5-1 trading arrangement, and we received no proceeds.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.



ITEM 6. EXHIBITS

(a) Exhibits.

The following exhibits are included herein or incorporated herein by reference:

Exhibit Number	Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	<u>Amended and Restated Certificate of Incorporation of Registrant</u>	8-K	001-40798	3.1	September 17, 2021	
3.2	<u>Amended and Restated Bylaws of Registrant</u>	S-1	333-258988	3.4	August 20, 2021	
4.1	<u>Form of Common Stock Certificate</u>	S-1/A	333-258988	4.1	September 13, 2021	
10.1	<u>Fifth Amended and Restated Limited Liability Company Agreement of Dutch Mafia, LLC, dated February 7, 2025.</u>	10-K	001-40798	10.1	February 13, 2025	
10.2†	<u>Offer Letter, dated as of January 24, 2025, by and between Dutch Bros Inc. and Kory Marchisotto</u>	8-K	001-40798	10.1	February 18, 2025	
31.1	<u>Certification of Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>					X
31.2	<u>Certification of Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>					X
32.1*	<u>Certifications of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page with Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101)					X

† Management contract or compensatory plan or arrangement.

* The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

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.

DUTCH BROS INC.
(Registrant)

May 7, 2025

Date

By: **/s/ Christine Barone**
Christine Barone
Chief Executive Officer and President
(Principal Executive Officer)

May 7, 2025

Date

By: **/s/ Joshua Guenser**
Joshua Guenser
Chief Financial Officer
(Principal Financial and Accounting Officer)

DUTCH BROS INC.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) OF
THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Christine Barone, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2025 of Dutch Bros 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (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.

May 7, 2025

Date

/s/ Christine Barone

Christine Barone
Chief Executive Officer and President
(Principal Executive Officer)



DUTCH BROS INC.

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) OF
THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Joshua Guenser, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2025 of Dutch Bros 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (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.

May 7, 2025

Date

/s/ Joshua Guenser

Joshua Guenser

Chief Financial Officer

(Principal Financial and Accounting Officer)



DUTCH BROS INC.

CERTIFICATIONS OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
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 of Dutch Bros Inc. (the Company) on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date of the signatures below (the Report), Christine Barone, Chief Executive Officer and President of the Company, and Joshua Guenser, Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of their respective knowledge:

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

May 7, 2025

Date

/s/ Christine Barone

Christine Barone

Chief Executive Officer and President
(Principal Executive Officer)

May 7, 2025

Date

/s/ Joshua Guenser

Joshua Guenser

Chief Financial Officer
(Principal Financial and Accounting Officer)

This certification accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Dutch Bros Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.

