

Services Acquisition Corp. International
Form PRER14A
June 27, 2006
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No. 2)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

SERVICES ACQUISITION CORP. INTERNATIONAL

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common Stock and Preferred Stock of Jamba Juice Company

(2) Aggregate number of securities to which transaction applies:

Acquisition of all of the outstanding securities of Jamba Juice Company

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

\$265,000,000 cash is being paid for outstanding capital stock of Jamba Juice Company

(4) Proposed maximum aggregate value of transaction:

\$265,000,000

(5) Total fee paid:
\$53,000

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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SERVICES ACQUISITION CORP. INTERNATIONAL
401 East Olas Boulevard, Suite 1140
Fort Lauderdale, Florida 33301

PROXY STATEMENT FOR SPECIAL MEETING OF STOCKHOLDERS OF
SERVICES ACQUISITION CORP. INTERNATIONAL

To the Stockholders of Services Acquisition Corp. International (“SACI”):

You are cordially invited to attend a special meeting of the stockholders of Services Acquisition Corp. International, or SACI, relating to the proposed merger between Jamba Juice Company and SACI, which will be held at 10:00 a.m., Eastern Time, on [], 2006, at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., 666 Third Avenue, 25th Floor, New York, New York 10017 (the “Special Meeting”).

At this important meeting, you will be asked to consider and vote upon the following proposals:

- the merger proposal — to approve the merger with Jamba Juice Company, a California corporation, pursuant to the Agreement and Plan of Merger, dated as of March 10, 2006, by and among SACI, JJC Acquisition Company, SACI’s wholly-owned subsidiary, and Jamba Juice Company, and the transactions contemplated thereby, whereby SACI will acquire all of the outstanding securities of Jamba Juice Company and Jamba Juice Company will become a wholly-owned subsidiary of SACI (“Proposal 1”);
- the financing proposal — to approve the issuance of 30,879,999 shares of common stock at \$7.50 per share in a private placement financing for the purpose of raising gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of financing fees, substantially all of which will be used as a portion of the

consideration required to merge with Jamba Juice Company, as well as for working capital and expansion capital (“Proposal 2”);

- the stock option plan proposal — to approve the adoption of the SACI 2006 Employee, Director and Consultant Stock Plan (the “Plan”) pursuant to which SACI will reserve up to 5,000,000 shares of common stock for issuance pursuant to the Plan (“Proposal 3”);
- the amendment to the certificate of incorporation proposal — to approve an amendment to SACI’s amended and restated certificate of incorporation, or certificate of incorporation, to (i) increase the number of authorized shares of common stock from 70,000,000 shares to 150,000,000 shares, which, when taking into account the number of preferred shares currently authorized, will result in an increase of the total number of authorized shares of capital stock from 71,000,000 to 151,000,000 and (ii) change SACI’s name from “Services Acquisition Corp. International” to “Jamba, Inc.” (“Proposal 4”); and
- to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The board of directors of SACI has fixed the close of business on [], 2006, as the record date (the “Record Date”) for the determination of stockholders entitled to notice of and to vote at the Special Meeting and at any adjournment thereof. A list of stockholders entitled to vote as of the Record Date at the Special Meeting will be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of ten calendar days before the Special Meeting at SACI’s offices at 401 East Olas Boulevard, Suite 1140, Fort Lauderdale, Florida 33301, and at the time and place of the meeting during the duration of the meeting.

For purposes of Proposal 1, the affirmative vote of a majority of the shares outstanding as of the Record Date of SACI’s common stock that were issued in SACI’s initial public offering that are present in person or by proxy at the meeting is required to approve the merger proposal, and, less than 20% of the shares of SACI’s common stock issued in SACI’s initial public offering vote against the merger proposal and elect a cash conversion of their shares. For purposes of Proposal 2, the affirmative vote of a majority of the shares of SACI’s common stock issued and outstanding as of the

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Record Date that are present in person or by proxy at the meeting is required to approve the financing proposal. For purposes of Proposal 3, the affirmative vote of a majority of the shares of SACI’s common stock issued and outstanding as of the Record Date that are present in person or by proxy at the meeting is required to approve the stock option proposal. For purposes of Proposal 4, the affirmative vote of a majority of the shares of SACI’s common stock issued and outstanding as of the Record Date is required to approve the amendment to SACI’s amended and restated certificate of incorporation. Each of Proposals 1, 2 and 4 are conditioned upon the approval of the other and, in the event one of those proposals does not receive the necessary vote to approve that proposal, then SACI will not complete any of the transactions identified in any of the proposals. If Proposal 3 is not approved but Proposals 1, 2 and 4 are approved, we will still consummate the merger. In the event that none of the transactions are undertaken, it is likely that SACI will have insufficient time and resources to look for another suitable acquisition target and will most likely have to liquidate the trust.

In addition, each SACI stockholder who holds shares of common stock issued in SACI’s initial public offering or purchased following such offering in the open market has the right to vote against the merger proposal and, at the same time, demand that SACI convert such stockholder’s shares into cash equal to a pro rata portion of the proceeds in the trust account, including interest, in which a substantial portion of the net proceeds of SACI’s initial public offering is deposited, which as of March 31, 2006 is equal to \$7.48 per share. If the merger is not completed, then your shares

will not be converted to cash at this time, even if you so elected. However, if the holders of 3,450,000 or more shares of common stock issued in SACI's initial public offering, an amount equal to 20% or more of the total number of shares issued in the initial public offering, vote against the merger and demand conversion of their shares into a pro rata portion of the trust account, then SACI will not be able to consummate the merger. SACI's initial stockholders, including all of its directors and officers and their affiliates, who purchased or received shares of common stock prior to SACI's initial public offering, presently own an aggregate of approximately 17.8% of the outstanding shares of SACI common stock, and all of these stockholders have agreed to vote the shares acquired prior to the public offering in accordance with the vote of the majority in interest of all other SACI stockholders on the merger proposal.

SACI's shares of common stock, warrants and units are listed on the American Stock Exchange under the symbols SVI, SVI.WS and SVI.U, respectively. If the merger, the financing and the amendment to the certificate of incorporation proposals are approved, the operations and assets of Jamba Juice Company will become those of SACI, and SACI's name will be changed to "Jamba, Inc." upon consummation of the merger.

After careful consideration of the terms and conditions of the proposed merger with Jamba Juice Company, the financing, the adoption of a stock option plan, and the amendment to the certificate of incorporation, the board of directors of SACI has determined that such proposals and the transactions contemplated thereby are fair to and in the best interests of SACI and its stockholders. In connection with the merger proposal, the board of directors of SACI has received an opinion from North Point Advisors, or North Point, dated after the date that the merger agreement was signed, to the effect that as of the date of its opinion, and based on conditions that existed as of that date, upon and subject to the considerations described in its opinion and based upon such other matters as North Point considered relevant, the per share merger consideration to be paid by SACI in the merger pursuant to the merger agreement is fair to SACI from a financial point of view. The board of directors of SACI unanimously recommends that you vote or give instruction to vote (i) "FOR" the proposal to acquire Jamba Juice Company pursuant to the Agreement and Plan of Merger by and among SACI, Merger Sub and Jamba Juice Company; (ii) "FOR" the proposal to approve the private placement financing which will result in the issuance of 30,879,999 shares of common stock at \$7.50 per share to raise gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of financing fees, substantially all of which will be used for the payment of the merger consideration of Jamba Juice Company, as well as for working capital and expansion capital; (iii) "FOR" the proposal to adopt the Plan; and (iv) "FOR" the proposal to

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approve an amendment to the certificate of incorporation to increase the authorized shares of common stock and to change SACI's corporate name, all as described in Proposals 1, 2, 3 and 4, respectively.

Enclosed is a notice of special meeting and proxy statement containing detailed information concerning the merger, financing, adoption of the Plan and amendment to the certificate of incorporation. Whether or not you plan to attend the special meeting, we urge you to read this material carefully. I look forward to seeing you at the meeting.

Sincerely,

Steven R. Berrard
Chairman of the Board,
President and Chief Executive Officer

YOUR VOTE IS IMPORTANT. WHETHER YOU PLAN TO ATTEND THE SPECIAL MEETING OR NOT, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD AS SOON AS POSSIBLE IN THE

ENVELOPE PROVIDED. IF YOU RETURN YOUR PROXY CARD WITHOUT AN INDICATION OF HOW YOU WISH TO VOTE, SINCE IT IS NOT AN AFFIRMATIVE VOTE IN FAVOR OF A RESPECTIVE PROPOSAL, IT (I) WILL HAVE THE SAME EFFECT AS A VOTE AGAINST THE MERGER PROPOSAL BUT WILL NOT HAVE THE EFFECT OF CONVERTING YOUR SHARES INTO A PRO RATA PORTION OF THE TRUST ACCOUNT IN WHICH A SUBSTANTIAL PORTION OF THE NET PROCEEDS OF SACI'S INITIAL PUBLIC OFFERING ARE HELD, UNLESS AN AFFIRMATIVE ELECTION VOTING AGAINST THE MERGER PROPOSAL IS MADE AND AN AFFIRMATIVE ELECTION TO CONVERT SUCH SHARES OF COMMON STOCK IS MADE ON THE PROXY CARD, (II) WILL HAVE THE SAME EFFECT AS A VOTE AGAINST THE FINANCING PROPOSAL, (III) WILL HAVE THE SAME EFFECT AS A VOTE AGAINST THE STOCK OPTION PLAN PROPOSAL, AND (IV) WILL BE TREATED AS A VOTE AGAINST THE AMENDMENT TO THE CERTIFICATE OF INCORPORATION PROPOSAL.

SEE THE SECTION TITLED "RISK FACTORS" BEGINNING ON PAGE 19 FOR A DISCUSSION OF VARIOUS FACTORS THAT YOU SHOULD CONSIDER IN CONNECTION WITH THE MERGER WITH JAMBA JUICE COMPANY AND THE PROPOSED FINANCING SINCE, UPON THE MERGER WITH JAMBA JUICE COMPANY, THE OPERATIONS AND ASSETS OF SACI WILL LARGELY BE THOSE OF JAMBA JUICE COMPANY.

This proxy statement incorporates important business and financial information about Services Acquisition Corp. International and Jamba Juice Company that is not included in or delivered with this document. This information is available without charge to security holders upon written or oral request. The request should be sent to: Thomas Aucamp, 401 East OLas Boulevard, Suite 1140, Fort Lauderdale, Florida 33301, (954) 713-1190.

To obtain timely delivery of requested materials, security holders must request the information no later than five days before the date they submit their proxies or attend the special meeting. The latest date to request the information to be received timely is [], 2006.

We are soliciting the proxy represented by the enclosed proxy on behalf of the board of directors, and we will pay all costs of preparing, assembling and mailing the proxy materials. In addition to mailing out proxy materials, our officers may solicit proxies by telephone or fax, without receiving any additional compensation for their services. We have requested brokers, banks and other fiduciaries to forward proxy materials to the beneficial owners of our stock. We have engaged Morrow & Co., or Morrow, to solicit proxies for this special meeting. We are paying Morrow approximately \$7,000 for solicitation services, which amount includes a \$5,000 fixed solicitation fee and a per call fee estimated in the aggregate to be equal to \$2,000.

This proxy statement is dated [], 2006 and is first being mailed to SACI stockholders on or about [], 2006.

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SERVICES ACQUISITION CORP. INTERNATIONAL
401 East OLas Boulevard, Suite 1140
Fort Lauderdale, Florida 33301

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON [], 2006

TO THE STOCKHOLDERS OF SERVICES ACQUISITION CORP. INTERNATIONAL:

NOTICE IS HEREBY GIVEN that a special meeting of stockholders, including any adjournments or postponements thereof, of Services Acquisition Corp. International, a Delaware corporation, will be held at 10:00 a.m. Eastern Time, on [], 2006, at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., 666 Third Avenue, 25th floor, New York, New York 10017, for the following purposes:

- the merger proposal — to approve the merger with Jamba Juice Company, a California corporation, pursuant to the Agreement and Plan of Merger, dated as of March 10, 2006, by and among SACI, JJC Acquisition Company, SACI's wholly-owned subsidiary, and Jamba Juice Company, and the transactions contemplated thereby, whereby SACI will acquire all of the outstanding securities of Jamba Juice Company and Jamba Juice Company will become a wholly-owned subsidiary of SACI ("Proposal 1");
- the financing proposal — to approve the issuance of 30,879,999 shares of common stock at \$7.50 per share in a private placement financing for the purpose of raising gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of financing fees, substantially all of which will be used as a portion of the consideration required to acquire Jamba Juice Company, as well as for working capital and expansion capital ("Proposal 2");
- the stock option plan proposal — to approve the adoption of the 2006 Employee, Director and Consultant Stock Plan (the "Plan") pursuant to which SACI will reserve up to 5,000,000 shares of common stock for issuance pursuant to the Plan ("Proposal 3");
- the amendment to the certificate of incorporation proposal — to approve an amendment to SACI's amended and restated certificate of incorporation, or certificate of incorporation, to (i) increase the number of authorized shares of common stock from 70,000,000 shares to 150,000,000 shares, which, when taking into account the number of preferred shares currently authorized, will result in an increase of the total number of authorized shares of capital stock from 71,000,000 to 151,000,000 and (ii) change SACI's name from "Services Acquisition Corp. International" to "Jamba, Inc." ("Proposal 4"); and
- to consider and vote upon such other business as may properly come before the meeting or any adjournment or postponement thereof.

The board of directors of SACI has fixed the close of business on [], 2006 as the date for which SACI stockholders are entitled to receive notice of, and to vote at, the SACI special meeting and any adjournments or postponements thereof. Only the holders of record of SACI common stock on that date are entitled to have their votes counted at the SACI special meeting and any adjournments or postponements thereof.

SACI will not transact any other business at the special meeting, except for business properly brought before the special meeting, or any adjournment or postponement thereof, by SACI's board of directors.

Your vote is important. Please sign, date and return your proxy card as soon as possible to make sure that your shares are represented at the special meeting. If you are a stockholder of record of SACI common stock, you may also cast your vote in person at the special meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank on how to vote your shares.

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The board of directors of SACI unanimously recommends that you vote "FOR" Proposal 1, the merger proposal, "FOR" Proposal 2, the financing proposal, "FOR" Proposal 3, the stock option plan proposal and "FOR" Proposal 4, the amendment to the certificate of incorporation proposal.

By Order of the Board of Directors,

Steven R. Berrard
Chairman of the Board,
President and Chief Executive Officer
[], 2006

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PROXY STATEMENT FOR SPECIAL MEETING OF STOCKHOLDERS OF
SERVICES ACQUISITION CORP. INTERNATIONAL

The board of directors of Services Acquisition Corp. International (“SACI”) has unanimously approved the merger with Jamba Juice Company pursuant to an Agreement and Plan of Merger whereby SACI will acquire all of the outstanding securities held by the shareholders of Jamba Juice Company. In connection with the merger, the board of directors also approved the issuance of up to 30,879,999 shares of SACI common stock at \$7.50 per share for aggregate gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of financing fees, substantially all of which will be used to partially finance the merger with Jamba Juice Company. Since the funds from the anticipated private placement financing are necessary to merge with Jamba Juice Company, and the amendment to increase the authorized shares of common stock is necessary to provide for a sufficient number of shares in order to complete the financing and properly reserve shares underlying any options and warrants assumed in connection with the merger. If any of the merger proposal, the financing proposal or the amendment to the certificate of incorporation proposal is not approved, then none of the acquisition, the financing, or the amendment to the certificate of incorporation will be consummated. In such an event, it is likely that SACI will have insufficient time and resources to pursue an alternative acquisition target and in such an event SACI will most likely be forced to liquidate the trust.

If the merger is completed and you vote your shares for the merger proposal, you will continue to hold the SACI securities that you currently own. If the merger is completed but you have voted your shares against the merger proposal and have elected a cash conversion instead, your SACI shares will be cancelled and you will receive cash equal to a pro rata portion of the trust account, which, as of March 31, 2006, was equal to approximately \$7.48 per share. Because SACI is acquiring all of the outstanding securities of Jamba Juice Company, the shareholders (and certain optionholders and warrant holders) of Jamba Juice Company will receive cash in exchange for their shares (or applicable options or warrants) of capital stock of Jamba Juice Company.

SACI’s common stock, warrants and units are currently listed on the American Stock Exchange under the symbols SVI, SVI.WS and SVI.U, respectively. Upon consummation of the merger, the operations and assets of Jamba Juice Company will become SACI’s wholly-owned subsidiary, and SACI’s name will be changed to “Jamba, Inc.” SACI’s common stock, warrants and units will continue to be traded on the American Stock Exchange although we anticipate seeking to change our trading symbols.

We believe that, generally, for U.S. federal income tax purposes, the merger with Jamba Juice Company and the related financing will have no direct tax effect on stockholders of SACI. However, if you vote against the merger proposal and elect a cash conversion of your shares of SACI common stock into your pro-rata portion of the trust account and as a result receive cash in exchange for your SACI shares, there may be certain tax consequences, such as realizing a loss on your investment in SACI’s shares. **WE URGE YOU TO CONSULT YOUR OWN TAX ADVISORS REGARDING YOUR PARTICULAR TAX CONSEQUENCES.**

This proxy statement provides you with detailed information about the merger, related financing, the proposed stock option plan, the amendment to the certificate of incorporation, and the special meeting of stockholders. We encourage you to carefully read this entire document and the documents incorporated by reference, including the Agreement and Plan of Merger, the form of Securities Purchase Agreement, the form of Registration Rights Agreement, the Plan and the fairness opinion of North Point attached hereto as Annexes A, B, C, D and E, respectively. YOU SHOULD ALSO CAREFULLY CONSIDER THE RISK FACTORS BEGINNING ON PAGE 19.

The merger with Jamba Juice Company cannot be completed unless at least a majority of the shares of SACI's common stock issued in SACI's initial public offering, present in person or by proxy and entitled to vote at the special meeting as of [], 2006, approve the merger, and, less than 20% of the shares of SACI's common stock issued in SACI's initial public offering vote against the merger proposal and elect a cash conversion of their shares. In addition the merger with Jamba Juice

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Company will not be completed unless the financing and the amendment to the certificate of incorporation proposals are also approved.

Your board of directors unanimously approved and declared advisable the merger, financing, adoption of the stock option plan and amendment to the certificate of incorporation and unanimously recommends that you vote or instruct your vote to be cast "FOR" Proposal 1, the merger proposal, "FOR" Proposal 2, the financing proposal, "FOR" Proposal 3, the stock option plan proposal and "FOR" Proposal 4, the amendment to the certificate of incorporation proposal.

This proxy statement may incorporate important business and financial information about Services Acquisition Corp. International and Jamba Juice Company that is not included in or delivered with this document. This information is available without charge to security holders upon written or oral request. The request should be sent to:

Thomas Aucamp
Services Acquisition Corp. International
401 East Olas Boulevard, Suite 1140
Fort Lauderdale, Florida 33301
(954) 713-1190

To obtain timely delivery of requested materials, security holders must request the information no later than five days before the date they submit their proxies or attend the special meeting. The latest date to request the information to be received timely is [], 2006.

We are soliciting the enclosed proxy card on behalf of the board of directors, and we will pay all costs of preparing, assembling and mailing the proxy materials. In addition to mailing out proxy materials, our officers may solicit proxies by telephone or fax, without receiving any additional compensation for their services. We have requested brokers, banks and other fiduciaries to forward proxy materials to the beneficial owners of our stock. We are paying Morrow approximately \$7,000 for solicitation services which amount includes a \$5,000 fixed solicitation fee and a per call fee estimated in the aggregate to be equal to \$2,000.

THIS PROXY STATEMENT IS DATED [], 2006, AND IS FIRST BEING MAILED TO SACI STOCKHOLDERS ON OR ABOUT [], 2006.

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QUESTIONS AND ANSWERS ABOUT THE PROPOSALS

What is being voted on?

There are four proposals on which you are being asked to vote. The first proposal is to approve the merger with Jamba Juice Company pursuant to an Agreement and Plan of Merger whereby JJC Acquisition Company, a newly-formed subsidiary of SACI, will be merged with and into Jamba Juice Company. As consideration for such merger and as further described herein, the shareholders of Jamba Juice Company will receive an aggregate of \$265,000,000 (less \$16,000,000 for certain existing indebtedness and the amount of certain of Jamba Juice Company's transaction related expenses) in exchange for all of the issued and outstanding capital stock of Jamba Juice Company and the value of all shares of Jamba Juice Company capital stock issuable upon exercise of all "in-the-money" vested and unvested options and warrants of Jamba Juice Company which is estimated to be between \$6.00 and \$6.04 per share. We may also assume certain outstanding options and warrants. Following the merger, Jamba Juice Company will become a wholly-owned subsidiary of SACI. We refer to this proposal as the merger proposal. The second proposal is to approve, as required by the shareholder approval rules of the American Stock Exchange (AMEX) Company Guide, the issuance of 30,879,999 shares of common stock at \$7.50 per share in a private placement financing for the purposes of raising gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of financing fees, substantially all of which will be used as a portion of the consideration required to acquire Jamba Juice Company and to provide working capital and expansion capital for Jamba Juice Company. The third proposal is to approve the adoption of the 2006 Employee, Director and Consultant Stock Option Plan, or the Plan, pursuant to which 5,000,000 of shares of SACI common stock will be reserved for issuance in accordance with the terms of the Plan. The fourth proposal is to approve an amendment to SACI's certificate of incorporation increasing the authorized shares of SACI common stock from 70,000,000 to 150,000,000 and to change SACI's name to "Jamba, Inc." after the merger. It is important for you to note that, except for the stock option plan proposal, each of the proposals is conditioned upon the approval of the others and, in the event the merger proposal, the financing proposal or the amendment to certificate of incorporation proposal does not receive the necessary vote to approve such proposal, then SACI will not consummate any of those proposals. If the stock option plan proposal is not approved, SACI will still consummate the merger if the other three proposals are approved.

Why is SACI proposing the merger, the financing, the adoption of a stock option plan and amendment to SACI's certificate of incorporation?

SACI is a blank-check company formed specifically as a vehicle for the acquisition of or merger with a business whose net assets are at least 80% of the net assets of SACI. In the course of SACI's search for a business combination partner, SACI was introduced to Jamba Juice Company, a company the board of directors of SACI believes has growth potential. The board of directors of SACI is attracted to Jamba Juice Company because of its store economics, brand recognition, growth prospects and management team, among other factors. As a result, SACI believes that the merger with Jamba Juice Company will provide SACI stockholders with an opportunity to merge with, and participate in, a company with significant growth potential. The financing is being undertaken in order to raise a portion of the funds necessary to finance the merger with Jamba Juice Company and, since our shares of common stock are listed on the American Stock Exchange, the rules of such exchange require shareholder approval for such issuance. The adoption of the stock option plan is being undertaken because the board of directors of SACI deems it beneficial for the combined company going forward following the merger. The amendment to the certificate of incorporation is being undertaken since as a result of the proposed financing and adoption of the stock option plan, a greater number of shares of common stock may be required to be issued than is currently authorized and upon completion of the merger, management desires the name of the business to reflect its operations.

What vote is required in order to approve the merger proposal?

The approval of the merger with Jamba Juice Company will require the affirmative vote of a majority of the shares of SACI's common stock outstanding as of the Record Date that are present in

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person or by proxy at the special meeting. In addition, each SACI stockholder who holds shares of common stock issued in SACI's initial public offering or purchased following such offering in the open market has the right to vote against the merger proposal and, at the same time, demand that SACI convert such stockholder's shares into cash equal to a pro rata portion of the trust account in which a substantial portion of the net proceeds of SACI's initial public offering is deposited. These shares will be converted into cash only if the merger is completed. Based on the amount of cash held in the trust account as of March 31, 2006, without taking into account any interest accrued after such date, stockholders who vote against the merger proposal and elect to convert such stockholder's shares as described above will be entitled to convert each share of common stock that it holds into approximately \$7.48 per share. However, if the holders of 3,450,000 or more shares of common stock issued in SACI's initial public offering (an amount equal to 20% or more of the total number of shares issued in the initial public offering), vote against the merger and demand conversion of their shares into a pro rata portion of the trust account, then SACI will not be able to consummate the merger. SACI's initial stockholders, including all of its directors and officers, who purchased or received shares of common stock prior to SACI's initial public offering, presently, together with their affiliates, own an aggregate of approximately 17.8% of the outstanding shares of SACI common stock. All of these persons have agreed to vote all of these shares which were acquired prior to the public offering in accordance with the vote of the majority in interest of all other SACI stockholders on the merger proposal.

What vote is required in order to approve the financing proposal?

The approval of the issuance of the shares of common stock in the private placement financing, which is required by the AMEX Company Guide, will require the affirmative vote of a majority of the shares of SACI's common stock issued and outstanding as of the Record Date that are present in person or by proxy at the special meeting. The officers and directors at SACI intend to vote all of their shares of common stock in favor of this proposal.

What vote is required in order to approve the stock option plan proposal?

The approval of the adoption of the stock option plan will require the affirmative vote of a majority of the shares of SACI's common stock issued and outstanding as of the Record Date that are present in person or by proxy at the special meeting. The officers and directors at SACI intend to vote all of their shares of common stock in favor of this proposal.

What vote is required in order to approve the amendment to the certificate of incorporation?

The approval of the amendment to the certificate of incorporation will require the affirmative vote of a majority of the shares of SACI's common stock issued and outstanding as of the Record Date. The officers and directors at SACI intend to vote all of their shares of common stock in favor of this proposal.

If I am not going to attend the SACI special meeting of stockholders in person, should I return my proxy card instead?

Yes. After carefully reading and considering the information contained in this proxy statement, please complete and sign your proxy card. Then return the enclosed proxy card in the return envelope provided herewith as soon as

possible, so that your shares may be represented at the SACI special meeting.

What will happen if I abstain from voting or fail to vote?

An abstention, since it is not an affirmative vote in favor of a respective proposal but adds to the number of shares present in person or by proxy, (i) will have the same effect as a vote against the merger proposal but will not have the effect of converting your shares into a pro rata portion of the trust account in which a substantial portion of the net proceeds of SACI's initial public offering are

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held, unless an affirmative election voting against the merger proposal is made and an affirmative election to convert such shares of common stock is made on the proxy card, (ii) will have the same effect as a vote against the financing proposal, (iii) will have the same effect as a vote against the stock option plan proposal, and (iv) will be treated as a vote against the amendment to the certificate of incorporation proposal.

A failure to vote will have no impact upon the approval of the matters referred to in (i), (ii) and (iii) above, but, as the amendment to the certificate of incorporation requires a majority of all outstanding shares of common stock, will have the effect of a vote against such amendment. Failure to vote will not have the effect of converting your shares into a pro rata portion of the trust account.

What do I do if I want to change my vote?

If you wish to change your vote, please send a later-dated, signed proxy card to Thomas Aucamp at SACI prior to the date of the special meeting or attend the special meeting and vote in person. You also may revoke your proxy by sending a notice of revocation to Thomas Aucamp at the address of SACI's corporate headquarters, provided such revocation is received prior to the special meeting.

If my shares are held in "street name" by my broker, will my broker vote my shares for me?

No. Your broker can vote your shares only if you provide instructions on how to vote. You should instruct your broker to vote your shares in accordance with directions you provided to your broker.

Will I receive anything in the merger?

If the merger is completed and you vote your shares for the merger proposal, you will continue to hold the SACI securities that you currently own. If the merger is completed but you have voted your shares against the merger proposal and have elected a cash conversion instead, your SACI shares will be cancelled and you will receive cash equal to a pro rata portion of the trust account, which, as of March 31, 2006, was equal to approximately \$7.48 per share. Because SACI is acquiring all of the outstanding securities of Jamba Juice Company, the shareholders (and certain optionholders and warrant holders) of Jamba Juice Company will receive cash in exchange for their shares (or applicable options or warrants) of capital stock of Jamba Juice Company.

How is SACI paying for the merger?

SACI will use the proceeds from its recently completed initial public offering, as well as the proceeds from the contemplated private placement financing that is being voted on as Proposal 2, the financing proposal, in order to finance the merger with Jamba Juice Company. As the funds from the financing proposal are necessary to complete the merger with Jamba Juice Company, in the event the merger proposal is not approved, the financing will not be completed, and those funds will not be available to us to finance any future acquisition that may be contemplated. If the merger is approved, the balance of the net proceeds from the private placement will be used for working capital and expansion capital.

Do I have conversion rights in connection with the merger?

If you hold shares of common stock issued in SACI's initial public offering, then you have the right to vote against the merger proposal and demand that SACI convert your shares of common stock into a pro rata portion of the trust account in which a substantial portion of the net proceeds of SACI's initial public offering are held. These rights to vote against the merger and demand conversion of the shares into a pro rata portion of the trust account are sometimes referred to herein as conversion rights.

If I have conversion rights, how do I exercise them?

If you wish to exercise your conversion rights, you must vote against the merger and, at the same time, demand that SACI convert your shares into cash. If, notwithstanding your vote, the merger is

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completed, then you will be entitled to receive a pro rata share of the trust account in which a substantial portion of the net proceeds of SACI's initial public offering are held, including any interest earned thereon through the date of the special meeting. Based on the amount of cash held in the trust account as of March 31, 2006, without taking into account any interest accrued after such date, you will be entitled to convert each share of common stock that you hold into approximately \$7.48 per share. If you exercise your conversion rights, then you will be exchanging your shares of SACI common stock for cash and will no longer own these shares of common stock. You will only be entitled to receive cash for these shares if you continue to hold these shares through the closing date of the merger and then tender your stock certificate to SACI. If you convert your shares of common stock, you will still have the right to exercise the warrants received as part of the units in accordance with the terms thereof. If the merger is not completed, then your shares will not be converted to cash at this time, even if you so elected. See page 36.

What happens to the funds deposited in the trust account after completion of the merger?

Upon completion of the merger, any funds remaining in the trust account after payment of amounts, if any, to stockholders requesting and exercising their conversion rights, will be used to fund the merger.

Who will manage SACI upon completion of the merger with Jamba Juice Company?

Upon completion of the merger, SACI will be managed by the following persons: Paul E. Clayton, Donald D. Breen and Karen Kelley, who are currently and will remain Chief Executive Officer/President, Chief Financial Officer and Vice President of Operations respectively of Jamba Juice Company. It is anticipated that the board of directors of the combined company will consist of up to ten board members. The board of directors will initially consist of Steven R. Berrard (Chairman), Paul E. Clayton, Thomas C. Byrne, Richard L. Federico, Craig J. Foley and Robert C. Kagle, as

well as additional members that will be appointed immediately prior to or upon consummation of the merger.

What happens if the merger is not consummated?

If the merger is not consummated, the contemplated financing will not be completed, the stock option plan will not be adopted, SACI's certificate of incorporation will not be amended and SACI will continue to search for a service business to acquire. However, SACI will be liquidated if (i) it does not consummate a business combination by January 6, 2007 or, (ii) if a letter of intent, agreement in principle or definitive agreement is executed, but not consummated, by January 6, 2007, then by July 6, 2007. In any liquidation, the net proceeds of SACI's initial public offering held in the trust account, plus any interest earned thereon, will be distributed on a pro rata basis to the holders of SACI's common stock.

When do you expect the proposals to be completed?

It is currently anticipated that the transactions and actions contemplated discussed in the proposals will be completed simultaneously as promptly as practicable following the SACI special meeting of stockholders to be held on [].

Who can help answer my questions?

If you have questions about any of the proposals, you may write or call Services Acquisition Corp. International at 401 East Olas Blvd., Suite 1140, Ft. Lauderdale, Florida 33301, (954) 713-1190, Attention: Thomas Aucamp.

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SUMMARY

This summary is being provided with respect to each of the proposals, although the merger is the primary reason for the calling of the special stockholders meeting and (other than the stock option plan proposal) the other proposals are dependent upon approval of the merger proposal. All of the proposals are described in detail elsewhere in this proxy statement and this summary discusses the material items of each of the proposals. You should carefully read this entire proxy statement and the other documents to which this proxy statement refers you. See, "Where You Can Find More Information."

Merger Proposal — Merger with Jamba Juice Company

Jamba Juice Company

Jamba Juice Company is a retailer of premium quality blended-to-order fruit smoothies, squeezed-to-order juices, blended beverages, and healthy snacks. Founded in 1990, Jamba Juice Company has become a growing "next generation" lifestyle brand, positioned at the convergence of consumer demands for healthy living, convenience, and high-quality products. Jamba Juice Company's commitment to selling functional, yet great tasting, products has created a loyal and growing customer base for the brand. Furthermore, Jamba Juice Company has a veteran management team focused on creating opportunities for continued growth.

The principal executive office of Services Acquisition Corp. International is located at 401 East Olas Blvd., Suite 1140, Ft. Lauderdale, Florida 33301, (954) 713-1190. The principal executive office of Jamba Juice Company is located at 1700 17 th Street, San Francisco, CA 94103, (415) 865-1100, which will be the combined company's headquarters after the merger.

The Merger

The Agreement and Plan of Merger provides for the acquisition by SACI of all of the outstanding securities of Jamba Juice Company through the merger of JJC Acquisition Company, a wholly-owned subsidiary of SACI, or Merger Sub, with and into Jamba Juice Company and the assumption of certain options and warrants. The Agreement and Plan of Merger was executed on March 10, 2006. Following completion of the merger, Jamba Juice Company will be our wholly-owned subsidiary, and the business and assets of Jamba Juice Company will be our only operations. At the closing, and subject to certain reductions as hereafter described, the Jamba Juice Company shareholders will be paid an aggregate of \$265,000,000 in cash for all of the outstanding securities of Jamba Juice Company, including the value of all shares of Jamba Juice Company capital stock issuable upon exercise of all "in-the-money" vested and unvested options and warrants of Jamba Juice Company, subject to the optionholders and warrantholders, in certain instances, having the right to exchange their respective options and warrants into options and warrants of SACI, as further described herein. Assuming the merger closes on August 1, 2006 and a sale price of \$6.00 – \$6.04 per share, if option holders exchange 20% of their vested options for SACI options and warrant holders exchange all of their warrants for SACI warrants, the value of the "in-the-money" options and warrants as of March 9, 2006 is approximately \$10,400,000 (\$5.9 million for options and \$4.5 million for warrants). The amount to be paid to the Jamba Juice Company shareholders will be reduced by (i) \$16,000,000 for Jamba Juice Company's indebtedness, including its line of credit and (ii) all third-party fees and expenses incurred by Jamba Juice Company in connection with the merger, including, without limitation, all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties incurred by Jamba Juice Company in connection with the negotiation and completion of the Agreement and Plan of Merger and the transactions contemplated thereby, currently estimated to be \$3,425,000. The per share amount to be paid to the Jamba Juice Company shareholders is estimated to be between \$6.00 and \$6.04 per share. In addition, of the amount paid to the Jamba Juice Company shareholders, \$19,875,000 will be placed in an escrow account for one year as the sole and exclusive remedy to satisfy potential indemnification claims against Jamba Juice Company under the Agreement and Plan of Merger.

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The merger will be financed through a combination of the approximately \$129,066,348 raised in SACI's initial public offering and currently held in the trust fund, with the balance to be funded by the issuance in a private placement financing of 30,879,999 shares of common stock at a price per share of \$7.50, resulting in gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of certain fees. The balance of the net proceeds will be used for working capital and expansion capital.

At the effective time of the merger, Jamba Juice Company's obligations with respect to each outstanding unvested option (and unexercised vested option) and unexercised warrant (if amended in a manner reasonably acceptable to SACI) will be assumed by SACI, and SACI shall thereafter be obligated to issue SACI common stock upon exercise thereof. Each such Jamba Juice Company warrant shall be exercisable on the terms, and into the number of shares of SACI common stock, as set forth in the warrant, as so amended. Each such Jamba Juice Company option so assumed by SACI shall be subject to the same terms and conditions set forth in the respective Jamba Juice Company stock option plan, pursuant to which such option was issued, as in effect immediately prior to the merger, and (i) such

Jamba Juice Company option will be exercisable for that number of shares of SACI common stock equal to the product of the number of shares of Jamba Juice Company common stock that were issued pursuant to the exercise of such Jamba Juice Company option immediately prior to the merger multiplied by the Exchange Ratio (as defined below) rounded down to the nearest whole number of shares of SACI common stock, and (ii) the per share exercise price for the shares of SACI common stock issuable upon exercise of such assumed Jamba Juice Company option will be equal to the quotient determined by dividing the exercise price per share of Jamba Juice Company common stock at which such Jamba Juice Company option was exercisable immediately prior to the merger by the Exchange Ratio, and rounding the resulting exercise price up to the nearest whole cent. For purposes of the merger agreement, the “Exchange Ratio” shall be determined such that (a) the aggregate intrinsic value of the new SACI options is not greater than the aggregate intrinsic value of the Jamba Juice Company options immediately prior to the assumption and (b) the ratio of the exercise price per option to market value per share at the time of the exchange is unchanged. The parties have agreed that SACI will permit holders of vested Jamba Juice Company options to elect, on an individual basis, to either exercise such Jamba Juice Company options and participate in the merger or have those Jamba Juice Company options (up to one million options) assumed, on the same basis as the unvested Jamba Juice Company options, by SACI, unless there are, in the sole judgment and discretion of SACI, significant tax, accounting or securities laws issues (including any requirement of registering such securities on a form other than Form S-8) with treating vested options identically to unvested options. The parties have determined that all unvested Jamba Juice Company options will become options to acquire shares of SACI common stock on economically equivalent terms. Jamba Juice Company warrant holders will be given the option to exchange their warrants in Jamba Juice Company for economically equivalent warrants in SACI. The value of all “in-the-money” options and warrants assumed by SACI will reduce the \$265,000,000 cash payment to the Jamba Juice Company shareholders. Assuming the merger closes on August 1, 2006 and a sale price of \$6.00-\$6.04 per share, if option holders exchange 20% of their vested options for SACI options and warrant holders exchange all of their warrants for SACI warrants, the value of the “in-the-money” options and warrants as of March 9, 2006 is \$10,400,000 (\$5.9 million for options and \$4.5 million for warrants).

SACI, Merger Sub and Jamba Juice Company plan to complete the merger as promptly as practicable after the SACI special meeting, provided that:

- SACI’s stockholders have approved the Agreement and Plan of Merger, the related private placement financing, and the amendment to SACI’s certificate of incorporation;
- holders of less than 20% of the shares of common stock issued in SACI’s initial public offering vote against the merger proposal and demand conversion of their shares into cash; and
- the other conditions specified in the Agreement and Plan of Merger have been satisfied or waived.

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If SACI stockholder approval has not been obtained at that time, or any other conditions have not been satisfied or waived, the merger will be completed promptly after the stockholder approval is obtained or the remaining conditions are satisfied or waived.

The Agreement and Plan of Merger is included as “Annex A” to this proxy statement. We encourage you to read the Agreement and Plan if Merger in its entirety. See, “Agreement and Plan of Merger.”

Approval of Jamba Juice Company’s Shareholders

As indicated in the Agreement and Plan of Merger, the approval of the shareholders of Jamba Juice Company is required to consummate the merger. On March 14, 2006, Jamba Juice Company sent a letter to its shareholders discussing the merger and seeking the shareholders' approval and consent for such merger. By March 20, 2006, Jamba Juice Company had received written consents approving the merger from a sufficient number of its shareholders, pursuant to its articles of incorporation and the corporate law of the State of California. On March 22, 2006, Jamba Juice Company sent a notice and information statement to all of its shareholders announcing the approval of the merger. No further approval of Jamba Juice Company's shareholders is required.

Conversion Rights

Pursuant to SACI's amended and restated certificate of incorporation, a holder of shares of SACI's common stock issued in the initial public offering may, if the stockholder votes against the merger, demand that SACI convert such shares into cash. This demand must be made on the proxy card at the same time that the stockholder votes against the merger proposal. If properly demanded, SACI will convert each share of common stock as to which such demand has been made into a pro rata portion of the trust account in which a substantial portion of the net proceeds of SACI's initial public offering are held, plus all interest earned thereon. If you exercise your conversion rights, then you will be exchanging your shares of SACI common stock for cash and will no longer own these shares. Based on the amount of cash held in the trust account as of March 31, 2006, without taking into account any interest accrued after such date, you will be entitled to convert each share of common stock that you hold into approximately \$7.48 per share. You will only be entitled to receive cash for these shares if you continue to hold these shares through the closing date of the merger and then tender your stock certificate to SACI. If the merger is not completed, then these shares will not be converted into cash. If you convert your shares of common stock, you will still have the right to exercise the warrants received as part of the units in accordance with the terms thereof. If the merger is not completed, then your shares will not be converted to cash at this time, even if you so elected.

The merger will not be completed if the holders of 3,450,000 or more shares of common stock issued in SACI's initial public offering, an amount equal to 20% or more of such shares, vote against the acquisition proposal and exercise their conversion rights.

Appraisal or Dissenters Rights

No appraisal rights are available under the Delaware General Corporation Law for the stockholders of SACI in connection with the proposals.

Financing Proposal

The merger with Jamba Juice Company is being financed in part by the proceeds raised by SACI in connection with a private placement financing that is expected to result in gross proceeds to SACI of approximately \$231,600,000, and net proceeds of \$224,850,000 after deducting fees of \$6,750,000 payable to Broadband Capital Management, LLC. SACI's legal fees and expenses for the private placement financing, as well as the costs and expenses for the filing of a resale registration statement are incorporated within the total fees and expenses that SACI will pay for the merger. See discussion

on page 106 for detail on estimated transaction expenses. The private placement financing is being undertaken pursuant to identical Securities Purchase Agreements, dated March 10, 2006 and March 15, 2006, respectively between SACI and the investors identified therein, each of which is unaffiliated unless otherwise indicated, and such investors are receiving registration rights in connection with the shares of common stock they are receiving. Until such time as a resale registration statement is filed and declared effective by the Securities and Exchange Commission, the shares of common stock to be issued in the private placement financing will be restricted and not eligible for sale by the holders of such stock.

There were a total of 48 investors in the private placement. The following identifies such investors who have committed over \$5,000,000 to the private placement financing, as well as any investor in the private placement financing that is related to, affiliated with or has an ownership interest in either SACI or Jamba Juice Company:

- Tudor Investment Corporation(a)(j)
- Blue Ridge Capital(b)(j)
- Prentice Capital Management (PCM I, LLC)(c)
- Och Ziff Capital Management (d)
- Soros Fund Management (e)
- Benchmark Capital(f)
- Omega Advisors(g)
- Magnetar Capital(h)(j)
- Robert C. Kagle(f)
- Ronald Chez(k)
- Corsair(i)(j)
- Joseph Vergara(k)
- Jeffrey and Linda Olds(k)
- Craig J. Foley(k)(l)
- Amberbrook IV LLC(k)(m)
- Kevin Peters(k)
- Trevor H. Sanders(k)(n)
- Creative Juices, Inc.(k)(n)

One of the investors in the private placement financing, investing \$400,000, is Berrard Holding Limited Partnership, of which Steven R. Berrard, a current director and the Chief Executive Officer of SACI is the President. In addition, a family member of I. Steven Edelson, SACI's Vice Chairman and Vice President, has committed to investing \$50,000 in the private placement financing.

Robert C. Kagle, a director of Jamba Juice Company since 1994, is a founding general partner of Benchmark Capital, LLC. Benchmark Capital is an investor in Jamba Juice Company.

Jamba Juice Company shareholders participating in the private placement financing have committed to purchase 4,352,333 shares, which shares will represent approximately 8.4% of the issued and outstanding shares of SACI after completion of the merger. None of the Jamba Juice Company shareholders participating in the private placement financing was a stockholder of SACI prior to the signing of the Agreement and Plan of Merger.

Investors in the private placement financing who were stockholders of SACI prior to the signing of the Agreement and Plan of Merger, and to SACI's knowledge continue to be, have committed to purchase 14,453,333 shares in the private placement financing. The 14,453,333 shares to be purchased in the private placement financing will represent approximately 27.8% of the issued and outstanding

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shares of SACI after completion of the merger, while the aggregate shares of SACI such stockholders will hold after the closing will represent approximately 32.8% of the issued and outstanding shares of SACI after completion of the merger.

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- (a) Includes the Tudor Related Entities identified in footnote 1 on page 79, which may be deemed to be controlled by Paul Tudor Jones.
 - (b) Includes the Blue Ridge entities identified in footnote 2 on page 79, which may be deemed to be controlled by John Griffin.
 - (c) May be deemed to be controlled by Michael Zimmerman.
 - (d) Includes the Och Ziff Related Entities identified in footnote 3 on page 79, which may be deemed to be controlled by Daniel Och.
 - (e) Includes Soros Strategic Partners, L.P., which be may deemed to be controlled by George Soros.
 - (f) Includes the Benchmark entities identified in footnote 4 on page 79, which may be deemed to be controlled by Robert Kagle.
 - (g) May be deemed to be controlled by Leon G. Cooperman.
 - (h) May be deemed to be controlled by Alec Litowitz.
 - (i) May be deemed controlled by Jay Petschek and Steven Major.
 - (j) Shareholder of SACI.
 - (k) Shareholder of Jamba Juice Company
 - (l) Board member of Jamba Juice Company
 - (m) May be deemed to be controlled by Jerry Newman.
 - (n) A franchisee of Jamba Juice Company.

As of June 23, 2006 there are 21,000,000 shares of SACI common stock issued and outstanding. As a result of the issuance of shares of SACI common stock in the private placement financing, there are expected to be 51,879,999 shares, of SACI common stock issued and outstanding. As a result of the dilutive effect of the issuance, for purposes of illustration, a stockholder who owned approximately 5.0% of SACI's outstanding shares of common stock on March 10, 2006, would own approximately 2.02% of the outstanding shares of SACI's common stock immediately following the closing of the private placement financing (excluding dilution which may occur as a result of the assumption of Jamba Juice Company options and warrants as described in this proxy statement).

The SACI board of directors has determined that the private placement financing is fair to the current SACI stockholders because at the time of the marketing of the private placement financing and the initial sale pursuant to the March 10, 2006 Securities Purchase Agreement, the price being paid by investors was above the then current market price (which was \$7.48 at March 10, 2006), investors are not receiving warrants (as is sometimes, typical in a private placement transaction) and the shares being acquired are not immediately liquid. In determining the price, the board of directors of SACI also considered the fact that there would be no transaction unless the private placement financing was raised, the duration of the commitment to be made by the investors both in terms of time until investment and time until registration, liquidity, the traditional discounts from current market price associated with private placements for public companies and that the private placement financing was based on arms-length negotiation with the prospective investors.

The terms and conditions of the private placement financing which, if approved along with the approval of the merger, will be completed pursuant to the provisions of Securities Purchase Agreements and Registration Rights Agreements, a form of each of which is attached hereto as "Annex B" and "Annex C", respectively, is expected to be completed as

promptly as practicable following the special meeting. For more information, see Section “Proposal 2 — The Financing Proposal.”

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Stock Ownership

Of the 21,000,000 outstanding shares of SACI common stock, SACI’s initial stockholders, including all of its officers and directors and their affiliates, who purchased shares of common stock prior to SACI’s initial public offering and who own an aggregate of approximately 17.8% of the outstanding shares of SACI common stock, have agreed to vote such shares acquired prior to the public offering in accordance with the vote of the majority in interest of all other SACI stockholders on the acquisition proposal.

Based solely upon information contained in public filings, as of the Record Date, the following stockholders beneficially own greater than five percent of SACI’s issued and outstanding common stock, as such amounts and percentages are reflected in the public filing of such stockholder:

Name and Address of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership	Percentage of Outstanding Common Stock
John A. Griffin ⁽²⁾	1,490,000	7.1%
Steven R. Berrard ⁽³⁾⁽⁴⁾	937,535	4.5%
Thomas E. Aucamp ⁽⁴⁾⁽⁵⁾	562,493	2.7%
Thomas C. Byrne ⁽⁴⁾	562,493	2.7%
I. Steven Edelson ⁽⁴⁾⁽⁶⁾⁽⁷⁾	562,493	2.7%
Nathaniel Kramer ⁽⁴⁾⁽⁷⁾	562,493	2.7%
Cris V. Branden ⁽⁴⁾⁽⁸⁾	140,624	*
All directors and executive officers as a group (6 individuals)	3,328,131	15.8%

*Less than 1%

⁽¹⁾Unless otherwise indicated, the business address of each of the individuals is 401 East Olas Blvd, Suite 1140, Fort Lauderdale, Florida 33301.

⁽²⁾Includes 923,800 shares owned by Blue Ridge Capital Holdings LLC and 566,200 shares owned by Blue Ridge Capital Offshore Holdings LLC. Mr. Griffin is the Managing Member of Blue Ridge Capital Holdings LLC and Blue Ridge Capital Offshore Holdings LLC, and in that capacity directs their operations. Blue Ridge Capital Holdings LLC is the general partner of Blue Ridge Limited Partnership and has the power to direct the affairs of Blue Ridge Limited Partnership, including decisions respecting the receipt of dividends from and the proceeds from the sale of common stock. Blue Ridge Capital Offshore Holdings LLC is the general partner of Blue Ridge Offshore Master Limited Partnership and has the power to direct the affairs of Blue Ridge Offshore Master Limited Partnership, including decisions respecting the receipt of dividends from and the proceeds from the sale of common stock. The business address for this individual is 660 Madison Avenue, 20th Floor, New York, New York 10021. The foregoing information was derived from a Schedule 13G, as filed with the Securities and Exchange

Commission on February 3, 2006.

- (3)Mr. Berrard is our Chairman of the Board and Chief Executive Officer.
- (4)Each of these individuals is a director and such amounts do not include warrants to purchase shares of common stock which are held by certain of the directors, as such warrants are not exercisable until the later of the completion of the merger or June 29, 2006.
- (5)Mr. Aucamp is our Vice President and Secretary.
- (6)Includes 562,493 shares owned by The Edelson Family Trust, which is a trust established by Mr. Edelson for the benefit of his spouse and descendants, of which Mr. Edelson is the trustee. Mr. Edelson is our Vice Chairman and Vice President.
- (7)The business address for this individual is c/o Mercantile Capital Partners, 1372 Shermer Road, Northbrook, Illinois 60062.
- (8)The business address for this individual is 450 East Olas Blvd, Suite 1500, Fort Lauderdale, Florida 33301.

SACI's Board of Directors' Recommendation

After careful consideration, SACI's board of directors has determined unanimously that the merger proposal is fair to, and in the best interests of, SACI and its stockholders. Accordingly, SACI's board has unanimously approved and declared advisable the acquisition and unanimously recommends that you vote or instruct your vote to be cast "FOR" the approval of the merger proposal.

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The proposed private placement financing is required to consummate the merger with Jamba Juice Company. SACI's board of directors has determined unanimously that such financing is fair to, and in the best interests of, SACI and its stockholders. Accordingly, SACI's board of directors has unanimously approved and declared advisable the financing and unanimously recommends that you vote or instruct your vote to be cast "FOR" the approval of the financing proposal.

SACI's board of directors has determined unanimously that the adoption of a stock option plan is fair to, and in the best interests of, SACI and its stockholders. Accordingly, SACI's board of directors has unanimously approved and declared advisable the adoption of a stock option plan and unanimously recommends that you vote or instruct your vote to be cast "FOR" the approval of the stock option plan proposal.

Finally, the approval of the amendment to SACI's certificate of incorporation is a condition to the merger with Jamba Juice Company, the closing of the proposed financing and the adoption of the stock option plan. SACI's board of directors has determined unanimously that the amendment to the certificate of incorporation is fair to, and in the best interests of, SACI and its stockholders. Accordingly, SACI's board has unanimously approved and declared advisable the amendment to the certificate of incorporation and unanimously recommends that you vote or instruct your vote to be case "FOR" the approval of the amendment to the certificate of incorporation proposal.

Interests of SACI Directors and Officers in the Merger

When you consider the recommendation of SACI's board of directors that you vote in favor of the merger proposal, you should keep in mind that certain of SACI's directors and officers have interests in the merger that are different from, or in addition to, your interests as a stockholder. It is anticipated that after the consummation of the merger,

Steven R. Berrard will remain the Chairman of the Board and Thomas C. Byrne will remain a director. All other current SACI directors will resign. If the merger is not approved and SACI fails to consummate an alternative transaction within the time allotted pursuant to its certificate of incorporation, SACI is required to liquidate, and the warrants owned by SACI's executives and directors and the shares of common stock issued at a price per share of \$0.0078 prior to SACI's initial public offering to and held by SACI's executives and directors will be worthless because SACI's executives and directors are not entitled to receive any of the net proceeds of SACI's initial public offering that may be distributed upon liquidation of SACI. Additionally, SACI's officers and directors who acquired shares of SACI common stock prior to SACI's initial public offering at a price per share of \$0.0078 will benefit if the merger is approved.

The table below shows the amount that the shares and warrants owned by the officers and directors of SACI would be worth upon consummation of the merger and the unrealized profit from such securities based on an assumed market price of the common stock and the warrants of SACI, of \$10.00 and \$4.00, respectively.

	Common Shares (a)				Warrants (b)			
	Owned	Amount Paid	Current Value	Unrealized Profit	Owned	Amount Paid	Current Value	Unrealized Profit
Steven R. Berrard	937,535	\$ 950,426	\$ 9,375,350	\$ 8,424,924	250,000	\$253,438	\$1,000,000	\$ 746,000
Thomas Aucamp	562,493	152,082	5,624,930	5,472,848	150,000	152,082	600,000	447,000
Thomas Byrne	562,493	152,082	5,624,930	5,472,848	150,000	152,082	600,000	447,000
I. Steven Edelson	562,493	152,082	5,624,930	5,472,848	150,000	152,082	600,000	447,000
Nathaniel Kramer	562,493	152,082	5,624,930	5,472,848	150,000	152,082	600,000	447,000
Cris V. Branden	140,624	142,558	1,406,240	1,263,682	37,500	38,016	150,000	111,000
	3,328,131	\$1,701,313	\$33,281,310	\$31,579,998	887,500	\$899,782	\$3,550,000	\$2,650,000

(a)The purchase price per share for these common shares was \$0.0078 per share. Pursuant to escrow agreements signed by these shareholders, these shares may not be sold or pledged until June 29, 2008. Additionally, these shares are currently not registered, although after the release from escrow, these shareholders may demand that SACI use its best efforts to register the resale of such shares.

(b)These warrants were purchased pursuant to the terms of the Underwriting Agreement in SACI's initial public offering. The price per share paid for each warrant was \$1.01375 per warrant.

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In addition, one of the investors in the currently contemplated private placement financing committing to invest \$400,000 is Berrard Holding Limited Partnership, of which Steven R. Berrard, a current director and the Chief Executive Officer of SACI, is the President. Lastly, a family member of I. Steven Edelson, SACI's Vice Chairman and Vice President, has committed to investing \$50,000 in the currently contemplated private placement financing.

Interests of Directors and Officers of Jamba Juice Company in the Merger

You should understand that some of the current directors and officers of Jamba Juice Company have interests in the merger that are different from, or in addition to, your interests as a stockholder. In particular, Paul E. Clayton, Jamba Juice Company's current Chief Executive Officer and President, is expected to become SACI's Chief Executive Officer and President, and Donald D. Breen, Jamba Juice Company's current Chief Financial Officer, is expected to become SACI's Chief Financial Officer. Further, each of Paul E. Clayton, Donald D. Breen and Karen Kelley, who are referred to below as employees, have entered into employment agreements with SACI in connection with the merger. A summary of the employment agreements can be found under "Employment Agreements" on page 56. In addition, prior to closing of the merger, Jamba Juice Company will appoint a representative or representatives of the shareholders of Jamba Juice Company to make decisions on behalf of the Jamba Juice Company shareholders under the agreement and plan of merger and the escrow agreement. As such persons may also be shareholders of Jamba Juice Company, as well as the representatives of the shareholders of Jamba Juice Company, it is possible that potential conflicts of interest may arise with respect to their obligations as shareholders' representatives and their interests as shareholders of Jamba Juice Company.

Conditions to the Completion of the Merger

The obligations of SACI and the shareholders of Jamba Juice Company to complete the merger are subject to the satisfaction or waiver of specified conditions before completion of the merger, including the following:

Conditions to SACI's and Jamba Juice Company's obligations:

- receipt of stockholder approval from each of SACI and Jamba Juice Company;
- the absence of any order or injunction preventing consummation of the merger; and
- the absence of any suit or proceeding by any governmental entity or any other person challenging the merger.

Conditions to SACI's obligations:

The obligation of SACI to complete the merger is further subject to the following conditions:

- the representations and warranties made by Jamba Juice Company that are qualified as to materiality must be true and correct, and those not qualified as to materiality must be true and correct in all material respects, as of the closing date of the acquisition, except representations and warranties that address matters as of another date, which must be true and correct as of such other date, and SACI must have received a certificate from Jamba Juice Company to that effect;
- Jamba Juice Company must have performed in all material respects all obligations required to be performed by it under the terms of the Agreement and Plan of Merger; and
- there must not have occurred since the date of the Agreement and Plan of Merger any material adverse effect on Jamba Juice Company.

Termination, Amendment and Waiver

The Agreement and Plan of Merger may be terminated at any time prior to the completion of the merger, whether before or after receipt of stockholder approval, by mutual written consent of SACI and Jamba Juice Company.

In addition, either SACI or Jamba Juice Company may terminate the Agreement and Plan of Merger if:

- the merger is not consummated on or before August 15, 2006; or
- by either party, subject to a 30-day cure period, if the other party has breached any of its covenants or representations and warranties in any material respect.

If permitted under applicable law, either SACI or Jamba Juice Company may waive conditions for their own respective benefit and consummate the merger, even though one or more of these conditions have not been met. We cannot assure you that all of the conditions will be satisfied or waived or that the merger will occur.

Regulatory Matters

The merger and the transactions contemplated by the Agreement and Plan of Merger are not subject to any federal or state regulatory requirement or approval, except the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (which approval has already been obtained), and except for filings necessary to effectuate the transactions contemplated by the acquisition proposal and the amendment to the certificate of incorporation proposal with the Secretary of State of the State of Delaware and the Secretary of State of the State of California, as applicable, and filings for the financing proposal with the American Stock Exchange.

Financing Proposal

In accordance with the rules of the American Stock Exchange, SACI is seeking stockholder approval in connection with the issuance of common stock in the contemplated private placement financing. The private placement financing is necessary in order to raise the funds to complete the merger with Jamba Juice Company. The material terms of the private placement financing are:

- The private placement financing will raise gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of financing fees, to be used to partially fund the merger, as well as working capital and expansion capital;
- The private placement financing will result in the issuance of up to 30,879,999 shares of SACI common stock at \$7.50 per share;
- The investors in the private placement financing will receive registration rights which obligate SACI to register for resale the shares of SACI common stock issued to the investors;
- The investors in the private placement financing will own approximately 59.5% of SACI and the current shareholders of SACI will retain approximately 40.5% of the company ownership.

The Stock Option Plan Proposal

SACI is seeking stockholder approval for the adoption of the SACI 2006 Employee, Director and Consultant Stock Plan which will provide for the granting of options and/or other stock-based or stock-denominated awards. The material terms of such plan are:

- 5,000,000 shares of common stock reserved for issuance;
- the plan will be administered by the SACI board of directors and any particular term of a grant or award shall be at the board's discretion; and
- the plan will become effective upon the closing of the merger with Jamba Juice Company.

The Amendment to Certificate of Incorporation Proposal

SACI is seeking stockholder approval to amend SACI's certificate of incorporation. Any amendment will not become effective unless and until the merger with Jamba Juice Company is completed. The material terms of such amendment are:

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- To change the corporate name to “Jamba, Inc.”
- To increase the authorized shares of common stock that are reserved for issuance from 70,000,000 to 150,000,000.

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SELECTED HISTORICAL FINANCIAL INFORMATION

(in thousands)

SACI is providing the following financial information to assist you in the analysis of the financial aspects of the merger. We derived the Jamba Juice Company’s historical information from the audited consolidated financial statements of Jamba Juice Company as of and for each of the years ended June 28, 2005, June 29, 2004 (53 weeks), June 24, 2003, June 25, 2002, and June 30, 2001, and from unaudited financial statements as of and for the 40 week periods ended April 4, 2006 and April 5, 2005. Jamba Juice Company has four quarterly reporting periods which are 16 weeks (1st period), 12 weeks (2nd period), 12 weeks (3rd period) and 12 weeks (4th period) (except fiscal year 2004) which typically account for approximately 34%, 16%, 22% and 28% of revenue respectively. The information is only a summary and should be read in conjunction with the historical consolidated financial statements and related notes contained elsewhere herein. The historical results included below and elsewhere in this document are not indicative of the future performance of Jamba Juice Company.

	40 Weeks Ended			Fiscal Years Ended ⁽¹⁾			
	April 4, 2006	April 5, 2005	June 28, 2005	June 29, 2004	June 24, 2003	June 25, 2002	June 26, 2001
				(As Restated) (As Restated)			
Consolidated Statements of Operations Data:							
Revenue:							
Company stores	\$ 173,789	\$ 141,484	\$ 202,073	\$ 165,856	\$ 129,960	\$ 117,550	\$ 110,152
Franchise and other revenue ⁽²⁾	6,572	4,628	6,976	6,922	5,424	3,661	3,690
Total revenue	180,361	146,112	209,049	172,778	135,384	121,211	113,842
Operating expenses	179,845	148,636	206,214	167,594	135,237	117,933	135,407
Income (loss) from operations	516	(2,524)	2,835	5,184	147	3,278	(21,565)
Interest expense – net	837	519	778	488	316	1,121	2,037
Income (loss) before income tax	(321)	(3,043)	2,057	4,696	(169)	2,157	(23,602)

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Income tax (benefit) expense	(89)	(1,539)	1,095	(11,217)	(820)	37	6
Net income (loss)	\$ (232)	\$ (1,504)	\$ 962	\$ 15,913	\$ 651	\$ 2,120	\$ (23,608)
Selected Balance Sheet Data							
(at period end)							
Total assets	\$ 100,250	\$ 87,559	\$ 92,607	\$ 71,139	\$ 51,447	\$ 44,491	\$ 45,358
Long-term debt and other	\$ 9,516	\$ 26,431	\$ 22,365	\$ 11,386	\$ 11,560	\$ 10,136	\$ 19,408
Redemption value of convertible preferred stock	\$ 52,162	\$ 52,162	\$ 52,162	\$ 52,237	\$ 50,532	\$ 51,040	\$ 46,800

(1)Fiscal year 2004 includes 53 weeks. All other fiscal years are 52 week periods.

(2)Franchise store sales are not included in our financial statements, however, franchise store sales result in royalties which are included in our franchise revenue. While franchise store sales are not included as revenue in our financial statements, management believes they are important in understanding Jamba Juice Company's financial performance because these sales are the basis on which the company calculates and records franchise revenue and are indicative of the financial health of the franchise base.

	40 Weeks Ended		Fiscal Years Ended ⁽¹⁾				
	April 4, 2006	April 5, 2005	June 28, 2005	June 29, 2004	June 24, 2003	June 25, 2002	June 26, 2001
Franchise store sales	\$ 87,571	\$ 77,722	\$ 107,112	\$ 96,721	\$ 82,591	\$ 74,528	\$ 65,586

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SELECTED HISTORICAL FINANCIAL INFORMATION

(in thousands, except for store count)

	Fiscal Years Ended ⁽¹⁾					40 Weeks Ended	
	June 28, 2005	June 29, 2004	June 24, 2003	June 25, 2002	June 26, 2001	April 4, 2006	April 5, 2005
	(As Restated)		(As Restated)				
Selected Operating Data:							
EBITDA ⁽²⁾	\$ 13,190	\$ 12,903	\$ 7,658	\$ 9,984	\$(12,935)	\$ 10,470	\$ 5,270
Store Count:							
Company stores	301	243	198	179	174	325	283
Franchise stores	202	188	171	167	159	213	199
Total stores	503	431	369	346	333	538	482
Average sales per store:							
Company stores	\$ 752	\$ 754	\$ 701	\$ 675	\$ 663	\$ 774	\$ 739

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Franchise stores ⁽³⁾	\$ 547	\$ 522	\$ 494	\$ 477	\$ 447	\$ 582	\$ 532
System-wide ⁽³⁾	\$ 664	\$ 655	\$ 605	\$ 576	\$ 559	\$ 698	\$ 649
System-wide comparable sales growth ⁽⁴⁾	0.9%	6.0%	3.3%	1.3%	0.9%	4.8%	(0.8)%
Net cash provided by/(used in):							
Operating activities	\$ 21,336	\$ 16,207	\$ 14,445	\$ 13,264	\$ 8,420	\$ 12,625	\$ 7,975
Investing activities	(33,253)	(20,080)	(10,909)	(4,878)	(7,150)	(17,488)	(22,293)
Financing activities	10,188	(1,561)	(468)	(6,908)	1,711	5,289	14,495

⁽¹⁾Fiscal year 2004 includes 53 weeks. All other fiscal years are 52 week periods.

⁽²⁾Represents net income (loss) before deductions for interest, income taxes, depreciation and amortization. We believe that EBITDA is useful to stockholders as a measure of comparative operating performance, as it is less susceptible to variances in actual performance resulting from depreciation and amortization and more reflective of changes in pricing decisions, cost controls and other factors that affect operating performance. We also present EBITDA because we believe it is useful to stockholders as a way to evaluate our ability to incur and service debt, make capital expenditures and meet working capital requirements. EBITDA is not intended as a measure of our operating performance, as an alternative to net income (loss) or as an alternative to any other performance measure in conformity with U.S. generally accepted accounting principles or as an alternative to cash flow provided by operating activities as a measure of liquidity. The following is a reconciliation of net income (loss) to EBITDA (in thousands):

	Fiscal Years Ended					40 Weeks Ended	
	June 28, 2005	June 29, 2004	June 24, 2003	June 25, 2002	June 26, 2001	April 4, 2006	April 5, 2005
Net income (loss)	\$ 962	\$ 15,913	\$ 651	\$ 2,120	\$ (23,608)	\$ (232)	\$ (1,504)
Interest expense, net	778	488	316	1,121	2,037	837	519
Depreciation and amortization	10,355	7,719	7,511	6,706	8,630	9,954	7,794
Income tax (benefit) expense	1,095	(11,217)	(820)	37	6	(89)	(1,539)
EBITDA	\$ 13,190	\$ 12,903	\$ 7,658	\$ 9,984	\$ (12,935)	\$ 10,470	\$ 5,270

⁽³⁾System-wide and franchise average sales per store includes the lower yielding Zuka Juice franchise stores acquired by Jamba Juice Company in 1999. These Zuka Juice franchises are often lower yielding as they are frequently in secondary locations and less desirable markets and many do not meet Jamba Juice Company's current real estate location criteria and requirements.

⁽⁴⁾Comparable revenue growth is defined as year-over-year sales change for stores that are open at least 13 full periods. Comparable store sales growth begins in the first period that has a full period of comparable sales versus the prior year. System-wide sales, average system-wide sales per store and system-wide comparable sales growth are non-GAAP financial measures that includes sales at all Company-owned and franchise-owned locations. Franchise store sales and average franchise store sales are non-GAAP financial measures that includes sales at all franchise locations, as reported by franchisees. Franchise store sales are not included in our financial statements. Jamba Juice Company uses system-wide sales and franchise store sales information internally in connection with store development decisions, planning, and budgeting analyses. Jamba Juice Company believes it is useful in assessing the consumer acceptance of our brand and facilitating an understanding of financial performance as our franchisees pay royalties and contribute to advertising pools based on a percentage of their sales.

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SUMMARY UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(in thousands)

The following unaudited pro forma condensed consolidated financial information combines (i) the historical balance sheets of Jamba Juice Company as of April 4, 2006, and SACI as of March 31, 2006, giving effect to the merger of Jamba Juice Company and SACI as if it had occurred on March 31, 2006, and (ii) the historical statements of operations of Jamba Juice Company for the periods January 12, 2006 to April 4, 2006 and January 12, 2005 to January 11, 2006, and SACI for the periods from January 1, 2006 to March 31, 2006 and from January 6, 2005 (inception) to December 31, 2005, giving effect to the merger of Jamba Juice Company and SACI as if it had occurred in the beginning of the respective period.

They have been prepared using two different levels of approval of the merger by the SACI stockholders, as follows:

- Maximum Approval: assumes that 100% of SACI stockholders approve the merger; and
- Minimum Approval: assumes that only 80.1% of SACI stockholders approve the merger.

	Three months Ended March 31, 2006		Year Ended December 31, 2005	
	Maximum Approval	Minimum Approval	Maximum Approval	Minimum Approval
Consolidated Statements of Operations Data:				
Revenue:				
Company stores	49,365	49,365	\$ 229,955	\$ 229,955
Franchise and other revenue	2,060	2,060	8,056	8,056
Total revenue	51,425	51,425	238,011	238,011
Operating expenses	53,666	53,666	234,353	234,353
(Loss) income from operations	(2,241)	(2,241)	3,658	3,658
Interest income, net	586	586	472	472
(Loss) income before income tax	(1,655)	(1,655)	4,130	4,130
Income tax (benefit) expense	(820)	(820)	1,838	1,838
Net (loss) income	(835)	(835)	\$ 2,292	\$ 2,292
Selected Balance Sheet Data (at period end)				
Cash and cash equivalents	99,089	73,848		
Total assets	412,219	386,978		
Total shareholders' equity	362,582	337,341		
Selected data:				
Weighted Average shares outstanding				
Basic	51,880	48,430	42,658	40,977
Diluted	57,458	54,008	44,406	42,725
EBITDA ⁽¹⁾	848	848	\$ 15,846	\$ 15,846

⁽¹⁾Represents net income (loss) before deductions for interest, income taxes, depreciation and amortization. We believe that EBITDA is useful to stockholders as a measure of comparative operating performance, as it is less susceptible to variances in actual performance resulting from depreciation and amortization

and more reflective of changes in pricing decisions, cost controls and other factors that affect operating performance. We also present EBITDA because we believe it is useful to stockholders as a way to evaluate our ability to incur and service debt, make capital expenditures and meet working capital requirements. EBITDA is not intended as a measure of our operating performance, as an alternative to net income (loss) or as an alternative to any other performance measure in conformity with U.S. generally accepted accounting principles or as an alternative to cash flow provided by operating activities as a measure of liquidity. The following is a reconciliation of net income (loss) to EBITDA (such EBITDA is calculated after the pro forma expense of \$609 and \$2,435, for the three month period ended March 31, 2006 and the year ended December 31, 2005 respectively, for options granted and assumed by SACI pursuant to the merger) (in thousands):

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	Quarter Ended		Year Ended	
	March 31, 2006		December 31, 2005	
	Maximum	Minimum	Maximum	Minimum
	Approval	Approval	Approval	Approval
Net (loss) income	\$ (835)	\$ (835)	\$ 2,292	\$ 2,292
Interest expense (income), net	(586)	(586)	(472)	(472)
Depreciation and amortization	3,089	3,089	12,188	12,188
Income tax expense	(820)	(820)	1,838	1,838
EBITDA	\$ 848	\$ 848	\$ 15,846	\$ 15,846

PER SHARE MARKET PRICE INFORMATION

The shares of SACI common stock, warrants and units are currently quoted on the American Stock Exchange under the symbols SVI, SVI.WS and SVI.U, respectively. The closing prices per share of common stock, warrant and unit of SACI on March 10, 2006, the last trading day before the announcement of the execution of the Agreement and Plan of Merger, were \$7.45, \$1.20 and \$8.55 (the closing price on March 9, 2006), respectively. Each unit of SACI consists of one share of SACI common stock and one common stock purchase warrant. SACI warrants became separable from SACI common stock on July 28, 2005. Each warrant entitles the holder to purchase from SACI one share of common stock at an exercise price of \$6.00 commencing on the later of the completion of the Jamba Juice Company merger (or if the Jamba Juice Company transaction is not consummated, the first acquisition which is consummated) or June 29, 2006. The SACI warrants will expire at 5:00 p.m., New York City time, on June 28, 2009, or earlier upon redemption. Prior to July 6, 2005, there was no established public trading market for SACI's common stock.

There is no established public trading market for the securities of Jamba Juice Company.

The following table sets forth, for the calendar quarter indicated, the quarterly high and low sales prices of SACI's common stock, warrants and units as reported on the American Stock Exchange.

Quarter Ended	Common Stock		Warrants		Units	
	High	Low	High	Low	High	Low
March 31, 2006	\$ 11.80	\$ 7.06	\$ 5.50	\$ 0.67	\$ 17.16	\$ 7.70
December 31, 2005	\$ 7.16	\$ 7.03	\$ 0.96	\$ 0.73	\$ 8.15	\$ 7.80
September 30, 2005	\$ 7.20	\$ 6.99	\$ 1.05	\$ 0.89	\$ 8.09	\$ 7.84

June 30, 2005 \$ — \$ — \$ — \$ — \$ 8.05 \$ 7.84

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RISK FACTORS

You should carefully consider the following risk factors, together with all of the other information included in this proxy statement, before you decide whether to vote or instruct your vote to be cast to adopt the merger proposal. As SACI's operations will be those of Jamba Juice Company upon completion of the merger, a number of the following risk factors relate to the business and operations of Jamba Juice Company and SACI, as the successor to such business.

Risks Associated with Jamba Juice Company's Business and Industry

Changes in consumer preferences and discretionary spending may have a material adverse effect on Jamba Juice Company's revenue, results of operations and financial condition.

Jamba Juice Company's success depends, in part, upon the popularity of its products and its ability to develop new menu items that appeal to consumers. Shifts in consumer preferences away from Jamba Juice Company's products, its inability to develop new menu items that appeal to consumers, or changes in its menu that eliminate items popular with some consumers could harm its business. Also, Jamba Juice Company's success depends to a significant extent on discretionary consumer spending, which is influenced by general economic conditions and the availability of discretionary income. Accordingly, Jamba Juice Company may experience declines in revenue during economic downturns or during periods of uncertainty, similar to those which followed the terrorist attacks on the United States. Any material decline in the amount of discretionary spending could have a material adverse effect on Jamba Juice Company's sales, results of operations, business and financial condition.

Jamba Juice Company's inability to compete with the many food services businesses may result in reductions in Jamba Juice Company's revenue and profit margins.

Jamba Juice Company competes with many well-established companies, food service and otherwise, on the basis of taste, quality and price of product offered, customer service, atmosphere, location and overall guest experience. Jamba Juice Company competes with other smoothie and juice bar retailers, specialty coffee retailers, yogurt and ice cream shops, bagel shops, fast-food restaurants, delicatessens, cafés, bars, take-out food service companies, supermarkets and convenience stores. Jamba Juice Company's competitors change with each of the four dayparts (breakfast, lunch, afternoon and dinner), ranging from coffee bars and bakery cafes to casual dining chains. Aggressive pricing by Jamba Juice Company's competitors or the entrance of new competitors into its markets could reduce its revenue and profit margins. Jamba Juice Company also competes with other employers in its markets for hourly workers and may become subject to higher labor costs as a result of such competition.

Fluctuations in various food and supply costs, particularly fruit and dairy, could adversely affect Jamba Juice Company's operating results.

The prices of fruit and dairy, which are the main products in Jamba Juice Company's offerings, can be highly volatile. Fruit of the quality Jamba Juice Company seeks tends to trade on a negotiated basis, depending on supply and demand at the time of the purchase. Supplies and prices of the various products that Jamba Juice Company uses to prepare its

offerings can be affected by a variety of factors, such as weather, seasonal fluctuations, demand, politics and economics in the producing countries. An increase in pricing of any fruit that Jamba Juice Company uses in its products could have a significant adverse effect on its profitability. Jamba Juice Company experienced the impact of fruit price increase in fiscal year 2005 when orange prices rose nearly 500% for nearly four months after several hurricanes made landfall in Florida. In addition, higher diesel prices have, in some cases, resulted in the imposition of surcharges on the delivery of commodities to its distributors, which they have generally passed on to Jamba Juice Company to the extent permitted under Jamba Juice Company's arrangements with them. Additionally, higher diesel and gasoline prices may affect Jamba Juice Company's supply costs, near-term construction costs for its new stores and may affect its sales going forward. To help mitigate the risks of volatile commodity prices and to allow greater predictability in pricing, Jamba Juice Company typically enters into fixed price or to-be-fixed priced

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purchase commitments for a portion of its fruit and dairy requirements. We cannot assure you that these activities will be successful or that they will not result in its paying substantially more for its fruit supply than would have been required absent such activities. While Jamba Juice Company does have some multi-year pricing agreements (with fixed processing costs), none of these agreements have guaranteed volume commitments.

Jamba Juice Company is primarily dependent upon one supplier for a significant amount of its food distribution.

Jamba Juice Company maintains food distribution contracts primarily with one supplier. This supplier, Southwest Traders, Inc., provided 87%, 94%, and 96% of product cost included in cost of sales for fiscal years 2005, 2004, and 2003, respectively, which potentially subjects Jamba Juice Company to a concentration of business risk. If this supplier had operational problems or ceased making product available to Jamba Juice Company, Jamba Juice Company's operations could be adversely affected.

Litigation and publicity concerning food quality, health and other issues, which can result in liabilities and also cause customers to avoid Jamba Juice Company's products, which could adversely affect its results of operations, business and financial condition.

Food service businesses can be adversely affected by litigation and complaints from customers or government authorities resulting from food quality, illness, injury or other health concerns or operating issues stemming from one retail location or a limited number of retail locations. Adverse publicity about these allegations may negatively affect Jamba Juice Company, regardless of whether the allegations are true, by discouraging customers from buying its products. Jamba Juice Company could also incur significant liabilities, if a lawsuit or claim results in a decision against it, or litigation costs, regardless of the result.

Jamba Juice Company's business could be adversely affected by increased labor costs or labor shortages.

Labor is a primary component in the cost of operating Jamba Juice Company's business. Jamba Juice Company devotes significant resources to recruiting and training its managers and hourly employees. Increased labor costs, due to competition, increased minimum wage or employee benefits costs or otherwise, would adversely impact Jamba Juice Company's operating expenses. In addition, Jamba Juice Company's success depends on its ability to attract, motivate and retain qualified employees, including managers and staff, to keep pace with its growth strategy. If Jamba Juice Company is unable to do so, its results of operations may be adversely affected.

Instances of food-borne illnesses could adversely affect the price and availability of fruits and vegetables, cause the temporary closure of some stores and result in negative publicity, thereby resulting in a decline in revenue.

Food-borne illnesses (such as e. coli, hepatitis A or salmonella) and injuries caused by food tampering have in the past, and could in the future, adversely affect the price and availability of affected ingredients and cause customers to shift their preferences, particularly if Jamba Juice Company chooses to pass any higher ingredient costs along to consumers. As a result, Jamba Juice Company's revenue may decline.

Instances of food-borne illnesses, real or perceived, whether at Jamba Juice Company's stores or those of its competitors, could also result in negative publicity about it or the products it serves, which could adversely affect sales. If Jamba Juice Company reacts to negative publicity by changing its menu or other key aspects of the Jamba Juice Company experience, it may lose customers who do not accept those changes, and may not be able to attract enough new customers to produce the revenue needed to make its stores profitable. In addition, Jamba Juice Company may have different or additional competitors for its intended customers as a result of making any such changes and may not be able to compete successfully against those competitors. If Jamba Juice Company's customers become ill from food-borne illnesses, it could be forced to temporarily close some stores. A decrease

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in customer traffic as a result of these health concerns or negative publicity, or as a result of a change in the Jamba Juice Company menu or dining experience or a temporary closure of any of its stores, could materially harm its business.

The food service industry has inherent operational risks that may not be adequately covered by insurance after the closing of the merger.

The combined company can give no assurance that it will be adequately insured against all risks or that its insurers will pay a particular claim. Furthermore, in the future, the combined company may not be able to obtain adequate insurance coverage at reasonable rates for its operations. The combined company may also be subject to calls, or premiums, in amounts based not only on its own claim records but also the claim records of all other members of the protection and indemnity associations through which Jamba Juice Company receives indemnity insurance coverage for tort liability. The combined company's insurance policies will also contain deductibles, limitations and exclusions which, although the combined company believes are standard in the food service industry, may nevertheless increase its costs.

Jamba Juice Company may face difficulties entering into new or modified arrangements with existing or new suppliers or new service providers.

As Jamba Juice Company expands its operations, it may have to seek new suppliers and service providers or enter into new arrangements with existing ones, and it may encounter difficulties or be unable to negotiate pricing or other terms as favorable as those it currently enjoys, which could harm its business and operating results. However, because Jamba Juice Company currently has not begun to negotiate new or amended contracts with suppliers and service providers, it cannot now quantify with greater certainty potential increases in its expenses.

The planned increase in the number of Jamba Juice Company stores may make its future results unpredictable.

There were 325 Jamba Juice Company stores and 213 franchised stores at April 4, 2006. We plan to increase the number of Jamba Juice Company stores in the future. This growth strategy and the substantial investment associated with the development of each new store may cause our operating results to fluctuate and be unpredictable or adversely affect our profits. Our future results depend on various factors, including successful selection of new markets and store locations, market acceptance of the Jamba Juice Company experience, consumer recognition of the quality of our products and willingness to pay our prices (which reflect our often higher ingredient costs), the quality of our operations and general economic conditions. In addition, as with the experience of other retail food concepts who have tried to expand nationally, we may find that the Jamba Juice Company concept has limited or no appeal to customers in new markets or we may experience a decline in the popularity of the Jamba Juice Company experience. Newly opened stores may not succeed, future markets and stores may not be successful and, even if we are successful, our average store revenue may not increase at historical rates.

Jamba Juice Company's revenue growth rate depends primarily on its ability to open new stores and is subject to many unpredictable factors.

Jamba Juice Company may not be able to open new stores as quickly as planned. Jamba Juice Company has experienced delays in opening some stores and that could happen again. Delays or failures in opening new stores could materially and adversely affect Jamba Juice Company's growth strategy and expected results. As Jamba Juice Company operates more stores, its rate of expansion relative to the size of its store base will decline. In addition, one of Jamba Juice Company's biggest challenges is locating and securing an adequate supply of suitable new store sites. Competition for those sites in Jamba Juice Company's target markets is intense, and lease costs are increasing (particularly for urban locations). Jamba Juice Company's ability to open new stores also depends on other factors, including:

- negotiating leases with acceptable terms;
- hiring and training qualified operating personnel in local markets;

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- managing construction and development costs of new stores at affordable levels, particularly in competitive markets;
- the availability of construction materials and labor;
- the availability of, and its ability to obtain, adequate supplies of ingredients that meet its quality standards;
- securing required governmental approvals (including construction, parking and other permits) in a timely manner; and
- the impact of inclement weather, natural disasters and other calamities, such as hurricanes Katrina and Rita in 2005.

Jamba Juice Company's revenue and profit growth could be adversely affected if comparable store revenue are less than expected.

While future revenue growth will depend substantially on Jamba Juice Company's plans for new store openings, the level of comparable store revenue will also affect its revenue growth and will continue to be an important factor affecting profit growth. This is because the profit margin on comparable store revenue is generally higher than the profit margin on new store openings, as comparable store revenue enable fixed costs to be spread over a higher revenue base. Its ability to increase comparable store revenue depends in part on its ability to launch new products and implement successfully its initiatives to increase throughput. It is possible that it will not achieve its targeted

comparable store revenue growth or that the change in comparable store revenue could be negative. If this were to happen, revenue and profit growth would be adversely affected.

Jamba Juice Company's failure to manage its growth effectively could harm its business and operating results.

Jamba Juice Company's plans call for a significant number of new stores. Jamba Juice Company's existing store management systems, financial and management controls and information systems may be inadequate to support its expansion. Managing Jamba Juice Company's growth effectively will require it to continue to enhance these systems, procedures and controls and to hire, train and retain store managers and crew. Jamba Juice Company may not respond quickly enough to the changing demands that its expansion will impose on its management, employees and existing infrastructure. Jamba Juice Company also places a lot of importance on its culture, which it believes has been an important contributor to its success. As Jamba Juice Company grows, however, it may have difficulty maintaining its culture or adapting it sufficiently to meet the needs of its operations. Jamba Juice Company's failure to manage its growth effectively could harm its business and operating results.

New stores, once opened, may not be profitable, and the increases in average store revenue and comparable store revenue that Jamba Juice Company has experienced in the past may not be indicative of future results.

Historically, Jamba Juice Company's new stores have opened with an initial ramp-up period typically lasting approximately 24 months or more, during which they generated revenue and profit below the levels at which it expects them to normalize. This is in part due to the time it takes to build a customer base in a new market, higher fixed costs relating to increased construction and occupancy costs and other start-up inefficiencies that are typical of new stores. New stores may neither be profitable nor have results comparable to Jamba Juice Company's existing stores. In addition, Jamba Juice Company's average store revenue and comparable store revenue may not continue to increase at the rates achieved over the past several years. Jamba Juice Company's ability to operate new stores profitably and increase average store revenue and comparable store revenue will depend on many factors, some of which are beyond its control, including:

- executing its vision effectively;
- initial sales performance of new stores;
- competition, either from its competitors in the smoothie industry or its own stores;

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- changes in consumer preferences and discretionary spending;
- consumer understanding and acceptance of the Jamba Juice Company experience;
- road construction and other factors limiting access to new stores;
- general economic conditions, which can affect store traffic, local labor costs and prices it pays for the ingredients and other supplies it uses; and
- changes in government regulation.

If Jamba Juice Company's new stores don't perform as planned, its business and future prospects could be harmed. In addition, changes in Jamba Juice Company's average store revenue or comparable store revenue could cause its operating results to vary adversely from expectations, which could cause the price of SACI's common stock to fluctuate substantially.

Jamba Juice Company's expansion into new markets may present increased risks due to its unfamiliarity with those areas.

Some of Jamba Juice Company's new stores are planned for markets where it has little or no operating experience. Those markets may have different competitive conditions, consumer tastes and discretionary spending patterns than its existing markets. As a result, those new stores may be less successful than stores in its existing markets. Consumers in a new market may not be familiar with the Jamba Juice Company brand, and it may need to build brand awareness in that market through greater investments in advertising and promotional activity than it originally planned. Jamba Juice Company may find it more difficult in new markets to hire, motivate and keep qualified employees who can project its vision, passion and culture. Stores opened in new markets may also have lower average store revenue than stores opened in existing markets, and may have higher construction, occupancy or operating costs than stores in existing markets. What's more, Jamba Juice Company may have difficulty in finding reliable suppliers or distributors or ones that can provide it, either initially or over time, with adequate supplies of ingredients meeting its quality standards. Revenue at stores opened in new markets may take longer to ramp up and reach expected revenue and profit levels, and may never do so, thereby affecting overall profitability.

Jamba Juice Company's quarterly operating results may fluctuate significantly and, upon consummation of the merger, could fall below the expectations of securities analysts and investors due to various factors.

Jamba Juice Company's quarterly operating results may fluctuate significantly because of various factors, including:

- the impact of inclement weather, natural disasters and other calamities, such as hurricanes Katrina and Rita in 2005;
- unseasonably cold or wet weather conditions;
- the timing of new store openings and related revenue and expenses;
- operating costs at its newly opened stores, which are often materially greater during the first several months of operation;
- labor availability and wages of store management and crew;
- profitability of its stores, especially in new markets;
- changes in comparable store sales and customer visits, including as a result of the introduction of new menu items;
- variations in general economic conditions, including those relating to changes in gasoline prices;
- negative publicity about the ingredients it uses or the occurrence of food-borne illnesses or other problems at its stores;
- changes in consumer preferences and discretionary spending;

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- increases in infrastructure costs; and
- fluctuations in supply prices.

Because of these factors, results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year. Average store revenue or comparable store revenue in any particular future period may decrease. In the future, operating results may fall below the expectations of securities analysts and investors. In that event, the price of SACI common stock, after the merger, would likely decrease.

Jamba Juice Company's success depends substantially upon the continued retention of certain key personnel.

Jamba Juice Company believes that its success has depended and continues to depend to a significant extent on the efforts and abilities of its senior management team. The members of its management team currently are employed on

an “at-will” basis and may resign from employment at any time. In connection with the merger, Paul E. Clayton, Donald D. Breen and Karen Kelley have entered into employment agreements with SACI that are effective upon consummation of the merger. Our failure to retain any of these individuals could adversely affect our ability to build on the efforts they have undertaken with respect to the Jamba Juice Company business. While Jamba Juice Company typically reviews potentially hires before extending employment, we cannot assure you that the assessment of these individuals will prove to be correct. These individuals may be unfamiliar with the requirements of operating a public company as well as United States securities laws, which could cause the combined company to have to expend time and resources in helping them become familiar with such laws.

Jamba Juice Company’s franchisees could take actions that harm its reputation and reduce its royalty revenue.

Franchisees are independent contractors and are not Jamba Juice Company’s employees. Further, Jamba Juice Company does not exercise control over the day-to-day operations of its franchised stores. Any operational shortcomings of its franchised stores are likely to be attributed to its system-wide operations and could adversely affect its reputation and have a direct negative impact on the royalty revenue it receives from those stores.

If Jamba Juice Company’s franchisees cannot develop or finance new restaurants, build them on suitable sites or open them on schedule, Jamba Juice Company’s growth and success may be impeded.

Jamba Juice Company’s growth depends in part upon its ability to successfully and effectively expand its franchise program and to attract qualified franchisees. If its franchisees are unable to locate suitable sites for new stores, negotiate acceptable lease or purchase terms, obtain the necessary financial or management resources, meet construction schedules or obtain the necessary permits and government approvals, its growth plans may be negatively affected. Jamba Juice Company cannot assure you that additional stores, if opened, will be profitable.

Jamba Juice Company’s revenue is subject to volatility based on weather and varies by season.

Seasonal factors also cause Jamba Juice Company’s revenue to fluctuate from quarter to quarter. Jamba Juice Company’s revenue is typically lower during the Winter months and the holiday season and during periods of inclement weather (because fewer people choose cold beverages) and higher during the Spring, Summer and Fall months (for the opposite reason). Jamba Juice Company’s revenue will likely also vary as a result of the number of trading days, that is, the number of days in a quarter when a store is open.

Jamba Juice Company could face liability from its franchisees.

A franchisee or government agency may bring legal action against Jamba Juice Company based on the franchisee/franchisor relationships. Various state and federal laws govern Jamba Juice Company’s relationship with its franchisees and potential sales of its franchised restaurants. If it fails to comply with these laws, Jamba Juice Company could be liable for damages to franchisees and fines or other penalties. Expensive litigation with its franchisees or government agencies may adversely affect both its profits and its important relations with its franchisees.

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Jamba Juice Company may not be able to raise additional capital on acceptable terms.

Developing the Jamba Juice Company business will require significant capital in the future. To meet its capital needs, Jamba Juice Company expects to rely on its cash flow from operations, the proceeds from the proposed financing and potentially, third-party financing. Third-party financing may not, however, be available on terms favorable to us, or at all. Our ability to obtain additional funding will be subject to various factors, including market conditions, Jamba Juice Company's operating performance, lender sentiment and our ability to incur additional debt in compliance with other contractual restrictions, such as financial covenants under our credit facility. These factors may make the timing, amount, terms and conditions of additional financings unattractive. Our inability to raise capital could impede our growth.

Jamba Juice Company is subject to all of the risks associated with leasing space subject to long-term non-cancelable leases and, with respect to the real property that it may own, in the future.

Jamba Juice Company competes for real estate and Jamba Juice Company's inability to secure appropriate real estate or lease terms could impact the ability to grow. Jamba Juice Company's leases generally have initial terms of between five and 15 years, and generally can be extended only in five-year increments (at increased rates) if at all. Additionally, in certain instances, there may be change in control provisions in the lease which put Jamba Juice Company in a competitive disadvantage when negotiating extensions or which require Jamba Juice Company to get landlord consent for certain transactions including, in some cases, the proposed merger. All of its leases require a fixed annual rent, although some require the payment of additional rent if store revenue exceeds a negotiated amount. Generally, Jamba Juice Company's leases are "net" leases, which require it to pay all of the cost of insurance, taxes, maintenance and utilities. Jamba Juice Company generally cannot cancel these leases. Additional sites that Jamba Juice Company may lease are likely to be subject to similar long-term non-cancelable leases. If an existing or future store is not profitable, and Jamba Juice Company decides to close it, it may nonetheless be committed to perform its obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. In addition, as each of its leases expires, Jamba Juice Company may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause it to close stores in desirable locations. Also, because Jamba Juice Company may purchase real property for various store locations from time to time, it is subject to all of the risks generally associated with owning real estate, including changes in the investment climate for real estate, demographic trends and supply or demand for the use of the stores, which may result from competition from similar smoothie and fresh juice stores in the area as well as strict, joint and several liability for environmental contamination at or from the property, regardless of fault. Current locations of Jamba Juice Company stores and franchised locations may become unattractive as demographic patterns change.

Restaurant companies, including Jamba Juice Company, have been the target of class action lawsuits and other proceedings alleging, among other things, violations of federal and state workplace and employment laws. Proceedings of this nature, if successful, could result in our payment of substantial damages.

Going forward, Jamba Juice Company's results of operations may be adversely affected by legal or governmental proceedings brought by or on behalf of employees or customers. In recent years, a number of restaurant companies, including Jamba Juice Company, have been subject to lawsuits, including class action lawsuits, alleging violations of federal and state law regarding workplace and employment matters, discrimination and similar matters. A number of these lawsuits have resulted in the payment of substantial awards by the defendants. Similar lawsuits have been instituted against Jamba Juice Company in the past alleging violations of state and federal wage and hour laws and failure to pay for all hours worked. Although Jamba Juice Company is not currently a party to any material class action lawsuits, Jamba Juice Company could incur substantial damages and expenses resulting from lawsuits, which would increase the cost of operating the business and decrease the cash available for other such uses.

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Governmental regulation may adversely affect Jamba Juice Company's ability to open new stores or otherwise adversely affect its existing and future operations and results.

Jamba Juice Company is subject to various federal, state and local regulations. Each of its stores is subject to state and local licensing and regulation by health, sanitation, food and workplace safety and other agencies. Jamba Juice Company may experience material difficulties or failures in obtaining the necessary licenses or approvals for new stores, which could delay planned store openings. In addition, stringent and varied requirements of local regulators with respect to zoning, land use and environmental factors could delay or prevent development of new stores in particular locations.

Jamba Juice Company is subject to the U.S. Americans with Disabilities Act and similar state laws that give civil rights protections to individuals with disabilities in the context of employment, public accommodations and other areas. Jamba Juice Company may in the future have to modify stores, for example by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. The expenses associated with these modifications could be material.

Jamba Juice Company's operations are also subject to the U.S. Fair Labor Standards Act, which governs such matters as minimum wages, overtime and other working conditions, along with the U.S. Americans with Disabilities Act, family leave mandates and a variety of similar laws enacted by the states that govern these and other employment law matters. In addition, federal proposals to introduce a system of mandated health insurance and flexible work time and other similar initiatives could, if implemented, adversely affect Jamba Juice Company's operations.

In recent years, there has been an increased legislative, regulatory and consumer focus on nutrition and advertising practices in the food industry. Establishments operating in the quick-service and fast-casual segments have been a particular focus. As a result, Jamba Juice Company may in the future become subject to initiatives in the area of nutrition disclosure or advertising, such as requirements to provide information about the nutritional content of its products, which could increase its expenses.

Jamba Juice Company may not be able to adequately protect its intellectual property, which could harm the value of its brand and adversely affect its business.

Jamba Juice Company's intellectual property is material to the conduct of its business. Jamba Juice Company's ability to implement its business plan successfully depends in part on its ability to build further brand recognition using its trademarks, service marks, trade dress and other proprietary intellectual property, including its name and logos and the unique ambiance of its stores both domestically and overseas. Jamba Juice Company has secured the ownership and rights to its marks in the United States and has filed or obtained registrations for restaurant services in most other significant foreign jurisdictions. If its efforts to protect its intellectual property are inadequate, or if any third party misappropriates or infringes on its intellectual property, either in print or on the internet, the value of its brands may be harmed, which could have a material adverse effect on its business and might prevent its brands from achieving or maintaining market acceptance. While Jamba Juice Company has not encountered claims from prior users of intellectual property relating to restaurant services in areas where it operates or intends to conduct operations, there can be no assurances that it will not encounter such claims. If so, this could harm Jamba Juice Company's image, brand or competitive position and cause it to incur significant penalties and costs.

Jamba Juice Company could be party to litigation that could adversely affect it by distracting management, increasing its expenses or subjecting it to material money damages and other remedies.

Jamba Juice Company's customers occasionally file complaints or lawsuits against it alleging that they are responsible for some illness or injury they suffered at or after a visit to its stores, or that it has problems with food quality or operations. Jamba Juice Company is also subject to a variety of other claims arising in the ordinary course of its business, including personal injury claims, contract claims and claims alleging violations of federal and state law regarding workplace and employment matters, discrimination and similar matters, and it could become subject to class action or other lawsuits related to these or different matters in the future. Regardless of whether any claims against

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Jamba Juice Company are valid, or whether it is ultimately held liable, claims may be expensive to defend and may divert time and money away from its operations and hurt its performance. A judgment significantly in excess of Jamba Juice Company's insurance coverage for any claims could materially and adversely affect its financial condition or results of operations. Any adverse publicity resulting from these allegations may also materially and adversely affect Jamba Juice Company's reputation or prospects, which in turn could adversely affect its results.

In addition, the food services industry has been subject to a growing number of claims based on the nutritional content of food products they sell and disclosure and advertising practices. Jamba Juice Company may also be subject to this type of proceeding in the future and, even if not, publicity about these matters (particularly directed at the quick-service and fast-casual segments of the industry) may harm Jamba Juice Company's reputation or prospects and adversely affect its results.

Jamba Juice Company may also incur costs resulting from other security risks it may face in connection with its electronic processing and transmission of confidential customer information.

Jamba Juice Company relies on commercially available software and other technologies to provide security for processing and transmission of customer credit card data. Approximately 20% of Jamba Juice Company's current revenue is attributable to credit card transactions, and that percentage is expected to climb. Jamba Juice Company's systems could be compromised in the future, which could result in the misappropriation of customer information or the disruption of systems. Either of those consequences could have a material adverse effect on Jamba Juice Company's reputation and business or subject it to additional liabilities

Jamba Juice Company's credit facility imposes restrictions on it which may prevent it from engaging in transactions that might otherwise be considered beneficial, including responding to changing business and economic conditions or securing additional financing, if needed.

Jamba Juice Company has a \$35 million revolving credit facility. As of June 22, 2006, the amount outstanding under the credit facility due in December 2007 was approximately \$12.8 million. The terms of Jamba Juice Company's credit facility contain customary events of default and covenants that prohibit it from taking certain actions without satisfying certain financial tests or obtaining the consent of the lenders. The prohibited actions include, among other things:

- making investments in excess of specified amounts;
- incurring additional indebtedness in excess of a specified amount;
- paying cash dividends;
- making capital expenditures in excess of a specified amount;

- creating certain liens;
- prepaying other indebtedness; and
- engaging in transactions that would result in a “change of control” (as defined in the credit facility), liquidation or dissolution of the business.

Events that are beyond Jamba Juice Company's control may affect its ability to comply with these provisions. If Jamba Juice Company breaches any of these covenants, it could be in default under the credit facility. A default could result in the acceleration of Jamba Juice Company's obligations under the credit facility. In addition, these covenants may prevent Jamba Juice Company from engaging in transactions that might otherwise be considered beneficial to it, including responding to changing business and economic conditions or securing additional financing, if needed. Jamba Juice Company's business is capital intensive and, to the extent additional financing is needed, it may not be able to obtain such financing at all or on favorable terms which may decrease liquidity.

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Failure of Jamba Juice Company's internal control over financial reporting could harm its business and financial results. The combined company will need to improve its operations financial systems and staff and if it cannot improve these systems or recruit suitable employees, the combined company's operations may not be effectively integrated.

The management of Jamba Juice Company is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect Jamba Juice Company's transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of the financial statements; providing reasonable assurance that receipts and expenditures of Jamba Juice Company's assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of Jamba Juice Company assets that could have a material effect on the financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of Jamba Juice Company's financial statements would be prevented or detected. Jamba Juice Company's growth and entry into new markets will place significant additional pressure on Jamba Juice Company's system of internal control over financial reporting. Any failure to maintain an effective system of internal control over financial reporting could limit Jamba Juice Company's ability to report its financial results accurately and timely or to detect and prevent fraud. To date, the management at Jamba Juice Company have worked with its auditors to assess its internal controls over financial reporting and have not found any material weaknesses and found the controls to be adequate for a private company. Jamba Juice Company, has not yet evaluated its adherence to Section 404 of the Sarbanes-Oxley Act but it is in the process of hiring consultants to help it assess its compliance with such Section. Jamba Juice Company understands that this disclosure does not release management of its obligation with respect to internal controls. In addition, Jamba Juice Company's initial operating and financial systems may not be adequate as it implements its plans to expand and its attempts to improve these systems may be ineffective. If Jamba Juice Company is unable to operate its financial and operations systems effectively or to recruit suitable employees as it expands its operations, it may be unable to effectively control and manage a larger operation. Although it is impossible to predict what errors might occur as the result of inadequate controls, it is the case that it is harder to oversee a sizable operation than a small one and accordingly, more likely that errors will occur as operations grow and that additional management infrastructure and systems will be required to attempt to avoid such errors.

Jamba Juice Company will incur increased costs as a result of being a wholly-owned subsidiary of a public company.

As a wholly-owned subsidiary of a public company, Jamba Juice Company will incur significant legal, accounting and other expenses that it did not incur as a private company. The U.S. Sarbanes-Oxley Act of 2002 and related rules of the U.S. Securities and Exchange Commission, or SEC, and the AMEX regulate corporate governance practices of public companies. We expect that compliance with these public company requirements will increase our costs and make some activities more time-consuming. For example, we will create new board committees and adopt new internal controls and disclosure controls and procedures. In addition, we will incur additional expenses associated with our SEC reporting requirements. A number of those requirements will require us to carry out activities we have not done previously. For example, under Section 404 of the Sarbanes-Oxley Act, for our annual report on Form 10-K for 2006 we, depending upon certain facts existing upon closing of the merger, may need to document and test our internal control procedures, our management will need to assess and report on our internal control over financial reporting and our independent accountants will need to issue an opinion on that assessment and the effectiveness of those controls. Furthermore, if we identify any issues in complying with those requirements (for example, if we or our accountants identified a material weakness or significant deficiency in our internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect us, our reputation or investor perceptions of us.

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We also expect that it will be difficult and expensive to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. Advocacy efforts by shareholders and third parties may also prompt even more changes in governance and reporting requirements. We cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

If third parties bring claims against us or if Jamba Juice Company has breached any of its representations, warranties or covenants set forth in the merger agreement, we may not be adequately indemnified for any losses arising therefrom.

Although the merger agreement provides that the Jamba Juice Company shareholders will indemnify us for losses arising from a breach of the representations, warranties and covenants by Jamba Juice Company set forth in the merger agreement, such indemnification is limited to an aggregate amount of \$19,875,000 (with an initial deductible of \$2,000,000 and a \$25,000 per occurrence threshold). In addition, the survival period for any claims under the merger agreement is limited to one year after the closing of the merger. Accordingly, we will be prevented from seeking indemnification for any claims above the aggregate threshold or arising after the one-year survival period.

Risks Relating to the SACI Business

If 20% or more of the holders of SACI's common stock issued in its public offering decide to vote against the proposed acquisition, SACI may be forced to liquidate, stockholders may receive less than \$8.00 per share and the warrants may expire worthless.

Under the terms of SACI's corporate charter, if 20% or more of shares issued in SACI's initial public offering decide to vote against the proposed merger and opt to convert their shares to cash, SACI may ultimately be forced to liquidate.

While SACI will continue to search to acquire an operating company in the service business industry, if (i) it does not consummate a business combination by January 6, 2007, or, (ii) if a letter of intent, agreement in principle or definitive agreement is executed, but not consummated, by January 6, 2007, then by July 6, 2007, it will be forced to liquidate. In any liquidation, the net proceeds of SACI's initial public offering held in the trust account, plus any interest earned thereon, will be distributed on a pro rata basis to the holders of SACI's common stock issued in its public offering. If SACI is forced to liquidate its assets, the per-share liquidation will be the \$7.35 deposited in the trust account at the time of the initial public offering, plus interest accrued thereon until the date of any liquidation; as of March 31, 2006, there was approximately \$7.48 per share. Furthermore, there will be no distribution with respect to SACI's outstanding warrants and, accordingly, the warrants will expire worthless.

If the merger's benefits do not meet the expectations of financial or industry analysts, the market price of SACI's common stock may decline.

The market price of SACI's common stock may decline as a result of the merger if:

- SACI does not achieve the perceived benefits of the merger as rapidly as, or to the extent anticipated by, financial or industry analysts; or
- the effect of the merger on SACI's financial results is not consistent with the expectations of financial or industry analysts.

Accordingly, investors may experience a loss as a result of a decreasing stock price and SACI may not be able to raise future capital, if necessary, in the equity markets.

Failure to complete the merger could negatively impact the market price of SACI's common stock and may make it more difficult for SACI to attract another acquisition candidate, resulting, ultimately, in the disbursement of the trust proceeds, causing investors to experience a loss on their investment.

If the merger is not completed for any reason, SACI may be subject to a number of material risks, including:

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- the market price of SACI's common stock may decline to the extent that the current market price of its common stock reflects a market assumption that the merger will be consummated;
- costs related to the merger, such as legal and accounting fees and the costs of the fairness opinion, must be paid even if the merger is not completed; and
- charges will be made against earnings for transaction-related expenses, which could be higher than expected.

Such decreased market price and added costs and charges of the failed merger, together with the history of failure in consummating a merger, may make it more difficult for SACI to attract another acquisition candidate, resulting, ultimately, in the disbursement of the trust proceeds, causing investors to experience a loss on their investment.

Under Delaware law, our dissolution requires the approval of the holders of a majority of our outstanding stock, without which we will not be able to dissolve and liquidate and distribute our assets to our public stockholders.

We have agreed with the trustee to promptly adopt a plan of dissolution and liquidation and initiate procedures for our dissolution and liquidation if we do not effect a business combination within 18 months after consummation of this offering (or within 24 months after the consummation of this offering if a letter of intent, agreement in principle or

definitive agreement has been executed within 18 months after consummation of this offering and the business combination related thereto has not yet been consummated within such 18-month period). However, pursuant to Delaware law, our dissolution requires the affirmative vote of stockholders owning a majority of our then outstanding common stock. Soliciting the vote of our stockholders will require the preparation of preliminary and definitive proxy statements, which will need to be filed with the Securities and Exchange Commission and could be subject to their review. This process could take a substantial amount of time ranging from 40 days to several months.

As a result, the distribution of our assets to the public stockholders could be subject to a considerable delay. Furthermore, we may need to postpone the stockholders meeting, resolicit our stockholders or amend our plan of dissolution and liquidation to obtain the required stockholder approval, all of which would further delay the distribution of our assets and result in increased costs. If we are not able to obtain approval from a majority of our stockholders, we will not be able to dissolve and liquidate and we will not be able to distribute funds from our trust account to holders of our common stock sold in this offering and these funds will not be available for any other corporate purpose. In the event we seek stockholder approval for a plan of dissolution and liquidation and do not obtain such approval, we will nonetheless continue to pursue stockholder approval for our dissolution. However, we cannot assure you that our stockholders will approve our dissolution in a timely manner or will ever approve our dissolution. As a result, we cannot provide investors with assurances of a specific timeframe for the dissolution and distribution. If our stockholders do not approve a plan of dissolution and liquidation and the funds remain in the trust account for an indeterminate amount of time, we may be considered to be an investment company.

If third parties bring claims against us, the proceeds held in the trust account could be reduced and the per share liquidation price received by stockholders will be less than \$7.48 per share.

Our placing of funds in the trust account may not protect those funds from third party claims against us. Pursuant to Delaware General Corporation Law Sections 280 and 281, upon our dissolution we will be required to pay or make reasonable provision to pay all claims and obligations of the corporation, including all contingent, conditional or unmatured claims. While we intend to pay those amounts from our funds not held in trust, we cannot assure you those funds will be sufficient to cover such claims and obligations. Although we will seek to have all vendors, prospective target businesses or other entities with which we execute valid and enforceable agreements waive any right, title, interest or claim of any kind in or to any monies held in the trust account for the benefit of our public stockholders, there is no guarantee that they will execute such agreements, or even if they execute such agreements that they would be prevented from bringing claims against the trust account, including, but not limited to, fraudulent inducement, breach of fiduciary responsibility and other

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similar claims, as well as claims challenging the enforceability of the waiver, in each case in order to gain an advantage with a claim against our assets, including the funds held in the trust account. To date, we have received such an agreement from Jamba Juice Company and each of our vendors except Merrill Corp., American Stock Exchange, Morrow & Co. and Capital Printing Systems.

In addition, although our initial directors and officers have agreed to indemnify us for claims by any vendor that is owed money by us for services rendered or products sold to us, to the extent that such claims reduce the amounts in the trust fund to be distributed to the public stockholders upon our dissolution and liquidation, this indemnification is limited to claims by vendors that do not execute a valid and enforceable waiver of all rights, title, interest, and claim of any kind in or to the monies held in the trust account. Claims by target businesses or other entities and vendors that

execute such agreements would not be indemnified by our directors and officers. Based on representations made to us by our initial directors and officers, we currently believe that they are of substantial means and capable of funding a shortfall in our trust account to satisfy their foreseeable indemnification obligations, but we have not asked them to reserve for such an eventuality. The indemnification obligations may be substantially higher than our directors and officers currently foresee or expect and/or their financial resources may deteriorate in the future. Hence, we cannot assure you that our initial directors and officers will be able to satisfy those obligations or that the proceeds in the trust account will not be reduced by such claims. Furthermore, creditors may seek to interfere with the distribution of the trust account pursuant to federal or state creditor and bankruptcy laws, which could delay the actual distribution of such funds or reduce the amount ultimately available for distribution to our public stockholders. If we are forced to file a bankruptcy case or an involuntary bankruptcy case is filed against us which is not dismissed, the funds held in our trust account will be subject to applicable bankruptcy law and may be included in our bankruptcy estate and subject to claims of third parties with priority over the claims of our public stockholders. To the extent bankruptcy claims deplete the trust account, we cannot assure you we will be able to return to our public stockholders the liquidation amounts due to them. Accordingly, the actual per share amount distributed from the trust account to our public stockholders could be significantly less than approximately \$7.48 per share, without taking into account interest earned on the trust account (net of taxes payable on such interest), due to claims of creditors. Any claims by creditors could cause additional delays in the distribution of trust funds to the public stockholders beyond the time periods required to comply with Delaware General Corporation Law procedures and federal securities laws and regulations.

Our stockholders may be held liable for claims by third parties against us to the extent of distributions received by them.

We have agreed with the trustee to promptly adopt a plan of dissolution and liquidation and initiate procedures for our dissolution and liquidation if we do not complete a business combination within 18 months after the consummation of this offering (or within 24 months after the consummation of this offering if a letter of intent, agreement in principle or definitive agreement is executed within 18 months after the consummation of this offering and the business combination relating thereto is not consummated within such 18-month period). Under the Delaware General Corporation Law, stockholders may be held liable for claims by third parties against a corporation to the extent of distributions received by them in a dissolution. If we complied with certain procedures set forth in Section 280 of the Delaware General Corporation Law intended to ensure that we make reasonable provision for all claims against us, including a 60-day notice period during which any third-party claims can be brought against us, a 90-day period during which we may reject any claims brought, and an additional 150-day waiting period before any liquidating distributions are made to stockholders, any liability of a stockholder with respect to a liquidating distribution would be limited to the lesser of such stockholder's pro rata share of the claim or the amount distributed to the stockholder, and any liability of the stockholder would be barred after the third anniversary of the dissolution. However, it is our intention to make liquidating distributions to our stockholders as soon as reasonably possible after dissolution and, therefore, we do not intend to comply with those procedures. As such, our stockholders could potentially be liable for any claims to the extent of distributions received by them in a dissolution and any such liability of our stockholders will likely extend beyond the third anniversary of such dissolution. Accordingly, we cannot assure you that third parties will not seek to recover from our public stockholders amounts owed to them by us.

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Risks Relating to the Proposed Private Placement Financing

SACI will issue shares of its capital stock to complete the merger with Jamba Juice Company, which will reduce the equity interest of its stockholders.

Without taking into account the approval of the amendment to our certificate of incorporation as discussed in Proposal 4, the certificate of incorporation authorizes the issuance of up to 70,000,000 shares of common stock, par value \$.001 per share, and 1,000,000 shares of preferred stock, par value \$.001 per share. After the initial public offering and the exercise of the underwriters' over-allotment option, there are 30,250,000 authorized but unissued shares of our common stock available for issuance (after appropriate reservation for the issuance of shares upon full exercise of our outstanding warrants and exercise of the underwriter purchase option to purchase 750,000 units) and all of the 1,000,000 shares of preferred stock available for issuance. In connection with the proposed financing we will issue 30,879,999 additional shares of our common stock at a price of \$7.50 per share before expenses. The issuance of such additional shares of our common stock:

- will significantly reduce the percentage of ownership of our current stockholders;
- is likely to be done at a price per share less than the quoted price per share at the time of the vote; and
- may adversely affect prevailing market prices for our common stock.

The sale and issuance of additional shares of common stock pursuant to the proposed financing may have an adverse effect on the market price of our common stock.

To the extent we issue shares of common stock in the proposed financing, and the potential for the issuance of substantial numbers of additional shares upon exercise of currently outstanding warrants, when exercised, will increase the number of issued and outstanding shares of our common stock and could have an adverse effect on the market price for our securities or on our ability to obtain future public financing. If and to the extent these shares are issued and the warrants are exercised, you may experience dilution to your holdings.

The American Stock Exchange may delist our securities from quotation on its exchange which could limit investors' ability to make transactions in our securities and subject us to additional trading restrictions.

Our securities are listed on the American Stock Exchange, a national securities exchange, and have been since the consummation of the initial public offering. We cannot assure you that our securities will continue to be listed on the American Stock Exchange in the future. Additionally, in connection with the merger with Jamba Juice Company, the American Stock Exchange may require us to file a new initial listing application and meet its initial listing requirements as opposed to its more lenient continued listing requirements. We cannot assure you that we will be able to meet those initial listing requirements at that time.

If the American Stock Exchange delists our securities from trading on its exchange, we could face significant material adverse consequences including:

- a limited availability of market quotations for our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary trading market for our common stock;
- a limited amount of news and analyst coverage for our company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

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FORWARD-LOOKING STATEMENTS

SACI believes that some of the information in this proxy statement constitutes forward-looking statements. You can identify these statements by forward-looking words such as “may,” “expect,” “anticipate,” “contemplate,” “believe,” “estimate,” “intends,” and “continue” or similar words. You should read statements that contain these words carefully because they:

- discuss future expectations;
- contain projections of future results of operations or financial condition; or
- state other “forward-looking” information.

SACI believes it is important to communicate its expectations to its stockholders. However, there may be events in the future that SACI is not able to accurately predict or over which SACI has no control. The risk factors and cautionary language discussed in this proxy statement provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations described by SACI in its forward-looking statements, including among other things:

- the number and percentage of SACI stockholders voting against the merger proposal;
- changing interpretations of generally accepted accounting principles;
- outcomes of government reviews, inquiries, investigations and related litigation;
- continued compliance with government regulations;
- legislation or regulatory environments, requirements or changes adversely affecting the businesses in which Jamba Juice Company is engaged;
- statements about industry trends;
- general economic conditions; and
- geopolitical events and regulatory changes.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement.

All forward-looking statements included herein attributable to SACI or any person acting on either party’s behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable laws and regulations, SACI undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this proxy statement or to reflect the occurrence of unanticipated events.

Before you grant your proxy or instruct how your vote should be cast or vote on the approval of the merger you should be aware that the occurrence of the events described in the “Risk Factors” section and elsewhere in this proxy statement could have a material adverse effect on SACI upon completion of the merger.

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THE SACI SPECIAL MEETING

The SACI Special Meeting

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SACI is furnishing this proxy statement to you as part of the solicitation of proxies by the SACI board of directors for use at the special meeting in connection with the proposed merger, the financing, the adoption of a stock option plan, and the amendment to our certificate of incorporation. This proxy statement provides you with the information you need to be able to vote or instruct your vote to be cast at the special meeting.

Date, Time and Place

The special meeting will be held at 10:00 a.m., Eastern Time, on [], at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., 666 Third Avenue, 25th Floor, New York, New York 10017, to vote on each of the merger, the financing, the adoption of a stock option plan, and the amendment to our certificate of incorporation proposals.

Purpose of the Special Meeting

At the special meeting, the holders of SACI common stock are being asked to:

- approve the merger with Jamba Juice Company pursuant to an Agreement and Plan of Merger by and among SACI, JJC Acquisition Company and Jamba Juice Company by means of a merger after which Jamba Juice Company will become a wholly-owned subsidiary of SACI;
- approve the issuance of 30,879,999 shares of common stock at \$7.50 per share in a private placement financing for the purposes of raising gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of certain fees, substantially all of which will be used as a portion of the consideration required to acquire Jamba Juice Company, as well as working capital and expansion capital;
- approve the adoption of the 2006 Employee, Director and Consultant Stock Plan; and
- approve the amendment of SACI's certificate of incorporation to (i) increase the number of authorized shares of common stock of SACI from 70,000,000 to 150,000,000 shares and (ii) change the name of "Services Acquisition Corp. International" to "Jamba, Inc."

The SACI board of directors:

- has unanimously determined that the merger, the financing, the adoption of a stock option plan, and the amendment to our certificate of incorporation proposals are fair to, and in the best interests of, SACI and its stockholders;
- has determined that the consideration to be paid by SACI in connection with the merger with Jamba Juice Company is fair to our current stockholders from a financial point of view and the fair market value of Jamba Juice Company is equal to or greater than 80% of the value of the net assets of SACI;
- has unanimously approved and declared advisable the merger, the financing, the adoption of a stock option plan, and the amendment to our certificate of incorporation proposals; and
- unanimously recommends that the holders of SACI common stock vote "FOR" the proposal to approve the merger with Jamba Juice Company, "FOR" the proposal to approve the issuance of 30,879,999 shares of common stock at \$7.50 per share in connection with a private placement financing, "FOR" the approval of the 2006 Employee, Director and Consultant Stock Plan and "FOR" the approval of SACI's certificate of incorporation in order to increase the number of SACI's authorized shares of common stock and change its name to "Jamba, Inc."

Record Date; Who is Entitled to Vote

The Record Date for the special meeting is [], 2006. Record holders of SACI common stock at the close of business on the Record Date are entitled to vote or have their votes cast at the special meeting. On the Record Date, there were 21,000,000 outstanding shares of SACI common stock.

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Each share of SACI common stock is entitled to one vote per share at the special meeting.

Any shares of SACI common stock purchased prior to the initial public offering will be voted in accordance with the majority of the votes cast at the special meeting. The holders of common stock acquired in SACI's public offering or afterwards are free to vote such shares, as they see fit.

SACI's issued and outstanding warrants do not have voting rights and record holders of SACI warrants will not be entitled to vote at the special meeting.

Voting Your Shares

Each share of SACI common stock that you own in your name entitles you to one vote. Your proxy card shows the number of shares of SACI common stock that you own.

There are two ways to vote your shares of SACI common stock at the special meeting:

- You can vote by signing and returning the enclosed proxy card. If you vote by proxy card, your "proxy," whose name is listed on the proxy card, will vote your shares as you instruct on the proxy card. If you sign and return the proxy card, but do not give instructions on how to vote your shares, your shares will be voted, as recommended by the SACI board, "FOR" the approval of the merger proposal, "FOR" approval of the financing proposal, "FOR" the approval of the stock option plan proposal and "FOR" approval of the amendment to the certificate of incorporation proposal.
- You can attend the special meeting and vote in person. SACI will give you a ballot when you arrive. However, if your shares are held in the name of your broker, bank or another nominee, you must get a proxy from the broker, bank or other nominee. That is the only way SACI can be sure that the broker, bank or nominee has not already voted your shares.

Who Can Answer Your Questions About Voting Your Shares

If you have any questions about how to vote or direct a vote in respect of your SACI common stock, you may call Thomas Aucamp at (954) 713-1190.

No Additional Matters May Be Presented at the Special Meeting

This special meeting has been called only to consider the approval of the merger, financing, stock option plan and amendment to certificate of incorporation proposals. Under SACI's bylaws, other than procedural matters incident to the conduct of the meeting, no other matters may be considered at the special meeting if they are not included in the notice of the meeting.

Revoking Your Proxy

If you give a proxy, you may revoke it at any time before it is exercised by doing any one of the following:

- You may send another proxy card with a later date;
- You may notify Thomas Aucamp, addressed to SACI, in writing before the special meeting that you have revoked your proxy; and
- You may attend the special meeting, revoke your proxy, and vote in person.

Vote Required

The approval of the merger with Jamba Juice Company and the transactions contemplated by the Agreement and Plan of Merger will require the affirmative vote of a majority of the shares of SACI's common stock issued in its initial public offering that are present in person or by proxy and entitled to vote at the special meeting.

If you abstain from voting, it will (i) have the same effect as a vote against the merger proposal but will not have the effect of converting your shares into a pro rata portion of the trust account in

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which a substantial portion of the net proceeds of SACI's initial public offering are held, unless an affirmative election voting against the proposal is made and an affirmative election to convert such shares of common stock is made on the proxy card; (ii) have the same effect as a vote against the approval of the financing proposal; (iii) have the same effect as a vote against the approval of the stock option plan; and (iv) be treated as a vote against the approval of the amendment to the certificate of incorporation proposal.

A failure to vote by not returning a signed proxy card will have no impact upon the approval of the matters referred to in (i), (ii) and (iii) above, but, as the amendment to the certificate of incorporation requires a majority of all outstanding shares of common stock, will have the effect of a vote against such amendment. Failure to vote will not have the effect to converting your shares into a pro rata portion of the trust account.

Abstentions and Broker Non-Votes

If your broker holds your shares in its name and you do not give the broker voting instructions, under the rules of the NASD, your broker may not vote your shares on the proposal to approve the merger with Jamba Juice Company pursuant to the agreement and plan of merger. If you do not give your broker voting instructions and the broker does not vote your shares, this is referred to as a "broker non-vote." Abstentions and broker non-votes are counted for purposes of determining the presence of a quorum.

Conversion Rights

Any stockholder of SACI holding shares of common stock issued in SACI's initial public offering who votes against the merger proposal may, at the same time, demand that SACI convert his shares into a pro rata portion of the trust account. If so demanded, SACI will convert these shares into a pro rata portion of funds held in a trust account, which consist of the approximately \$129,066,348, as of March 31, 2006, of net proceeds from the initial public offering deposited into the trust account, plus interest earned thereon after such date, if the merger is consummated. If the holders of 20%, or 3,450,000, or more shares of common stock issued in SACI's initial public offering vote against the merger proposal and demand conversion of their shares into a pro rata portion of the trust account in which a substantial portion of the net proceeds of SACI's initial public offering are held, SACI will not be able to consummate the merger. Based on the amount of cash held in the trust account as of March 31, 2006, without taking into account

any interest accrued after such date, you will be entitled to convert each share of common stock that you hold into approximately \$7.48 per share. If the merger is not consummated, SACI will continue to search for a business combination. However, SACI will be liquidated if (i) it does not consummate a business combination by January 6, 2007, or, (ii) if a letter of intent, agreement in principle or definitive agreement is executed, but not consummated, by January 6, 2007, then by July 6, 2007. In any liquidation, the net proceeds of SACI's initial public offering held in the trust account, plus any interest earned thereon, will be distributed on a pro rata basis to the holders of SACI's common stock who purchased their shares in SACI's initial public offering or thereafter.

If you exercise your conversion rights, then you will be exchanging your shares of SACI common stock for cash and will no longer own these shares. You will only be entitled to receive cash for these shares if you continue to hold these shares through the closing date of the merger and then tender your stock certificate to SACI. The closing price of SACI's common stock on [], the most recent trading day practicable before the printing of this proxy statement, was \$ [] and the amount of cash held in the trust account is approximately \$129,066,348 as of March 31, 2006, plus interest accrued thereon after such date. If a SACI stockholder would have elected to exercise his conversion rights on such date, then he would have been entitled to receive \$7.48 per share, plus interest accrued thereon subsequent to such date. Prior to exercising conversion rights, SACI stockholders should verify the market price of SACI's common stock as they may receive higher proceeds from the sale of their common stock in the public market than from exercising their conversion rights. As of [], 2006, the market price of \$[] per share was substantially higher than the amount which would be received upon conversion.

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Solicitation Costs

SACI is soliciting proxies on behalf of the SACI board of directors. This solicitation is being made by mail but also may be made by telephone or in person. SACI and its respective directors and officers may also solicit proxies in person, by telephone or by other electronic means, and in the event of such solicitations, the information provided will be consistent with this proxy statement and enclosed proxy card. These persons will not be paid for doing this. SACI will ask banks, brokers and other institutions, nominees and fiduciaries to forward its proxy statement materials to their principals and to obtain their authority to execute proxies and voting instructions. SACI will reimburse them for their reasonable expenses. SACI has engaged Morrow & Co., or Morrow, to solicit proxies for the special meeting. SACI is paying Morrow approximately \$7,000 for solicitation services, which amount includes a \$5,000 fixed solicitation fee and a per call fee estimated in the aggregate to be equal to \$2,000.

Stock Ownership

SACI's initial stockholders, including all its officers and directors and their affiliates, who purchased or received shares of common stock prior to SACI's initial public offering and as of the record date, own an aggregate of approximately 17.8% of the outstanding shares of SACI common stock. All of such stockholders have agreed to vote such shares acquired prior to the public offering in accordance with the vote of the majority in interest of all other SACI stockholders on the acquisition proposal.

Based solely upon information contained in public filings, as of the Record Date, the following stockholders beneficially own greater than five (5%) percent of SACI's issued and outstanding common stock as such amounts and percentages are reflected in the public filings of such stockholder:

Name and Address of Beneficial Owner ⁽¹⁾	Amount and Nature of Percentage of Outstanding	
	Beneficial Ownership	Common Stock
John A. Griffin ⁽²⁾	1,490,000	7.1%
Steven R. Berrard ⁽³⁾⁽⁴⁾	1,187,535	5.6%
Thomas E. Aucamp ⁽⁴⁾⁽⁵⁾	712,493	3.3%
Thomas C. Byrne ⁽⁴⁾⁽⁶⁾	712,493	3.3%
I. Steven Edelson ⁽⁴⁾⁽⁷⁾⁽⁸⁾	712,493	3.3%
Nathaniel Kramer ⁽⁴⁾⁽⁶⁾⁽⁸⁾	712,493	3.3%
Cris V. Branden ⁽⁴⁾⁽⁹⁾⁽¹⁰⁾	178,124	*
All directors and executive officers as a group (6 individuals)	4,215,631	19.2%

*Less than one percent.

⁽¹⁾Unless otherwise indicated, the business address of each of the individuals is 401 East Olas Blvd, Suite 1140, Fort Lauderdale, Florida 33301.

⁽²⁾Includes 923,800 shares owned by Blue Ridge Capital Holdings LLC and 566,200 shares owned by Blue Ridge Capital Offshore Holdings LLC. Mr. Griffin is the Managing Member of Blue Ridge Capital Holdings LLC and Blue Ridge Capital Offshore Holdings LLC, and in that capacity directs their operations. Blue Ridge Capital Holdings LLC is the general partner of Blue Ridge Limited Partnership and has the power to direct the affairs of Blue Ridge Limited Partnership, including decisions respecting the receipt of dividends from and the proceeds from the sale of common stock. Blue Ridge Capital Offshore Holdings LLC is the general partner of Blue Ridge Offshore Master Limited Partnership and has the power to direct the affairs of Blue Ridge Offshore Master Limited Partnership, including decisions respecting the receipt of dividends from and the proceeds from the sale of common stock. The business address for this individual is 660 Madison Avenue, 20 th Floor, New York, New York 10021. The foregoing information was derived from a Schedule 13G, as filed with the Securities and Exchange Commission on February 3, 2006.

⁽³⁾Mr. Berrard is our Chairman of the Board and Chief Executive Officer. The share amount includes warrants to purchase 250,000 shares of common stock at \$6.00 per share.

⁽⁴⁾Each of these individuals is a director.

⁽⁵⁾Mr. Aucamp is our Vice President and Secretary. The share amount includes warrants to purchase 150,000 shares of common stock at \$6.00 per share.

⁽⁶⁾The share amount includes warrants to purchase 150,000 shares of common stock at \$6.00 per share.

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⁽⁷⁾Includes 562,493 shares owned by The Edelson Family Trust, which is a trust established by Mr. Edelson for the benefit of his spouse and descendants, of which Mr. Edelson is the trustee. Mr. Edelson is our Vice Chairman and Vice President. The share amount includes warrants to purchase 150,000 shares of common stock at \$6.00 per share.

⁽⁸⁾The business address for this individual is c/o Mercantile Capital Partners, 1372 Shermer Road, Northbrook, Illinois 60062.

⁽⁹⁾The business address for this individual is 450 East Olas Blvd, Suite 1500, Fort Lauderdale, Florida 33301.

⁽¹⁰⁾The share amount includes warrants to purchase 37,500 shares of common stock at \$6.00 per share.
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PROPOSAL 1
THE MERGER PROPOSAL

The discussion in this proxy statement of the merger and the principal terms of the Agreement and Plan of Merger dated March 10, 2006, or merger agreement, by and among SACI, Merger Sub and Jamba Juice Company, is subject to, and is qualified in its entirety by reference to, the Agreement and Plan of Merger. A copy of the Agreement and Plan of Merger is attached as “Annex A” to this proxy statement and is incorporated in this proxy statement by reference.

General Description of the Merger

Pursuant to the Agreement and Plan of Merger, SACI will acquire 100% of the issued and outstanding securities of Jamba Juice Company.

Background of the Merger

The terms of the merger agreement are the result of arm’s-length negotiations between representatives of SACI and Jamba Juice Company. The following is a brief discussion of the background of these negotiations, the merger and related transactions.

SACI was incorporated in Delaware on January 6, 2005, as a blank check company formed to serve as a vehicle for the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination with a then currently unidentified operating business.

A registration statement for SACI’s initial public offering was declared effective on June 29, 2005. On July 6, 2005, SACI consummated its initial public offering of 15,000,000 units and on July 7, 2005, consummated the closing of an additional 2,250,000 units that were subject to the underwriters’ over-allotment option. Each unit consists of one share of common stock and one redeemable common stock purchase warrant. Each warrant expires on June 28, 2009, or earlier upon redemption, and entitles the holder to purchase one share of our common stock at an exercise price of \$6.00 per share. The common stock and warrants started trading separately as of July 28, 2005.

The net proceeds from the sale of the SACI units were approximately \$127,837,468. Of this amount, \$126,720,000 was deposited in trust and, in accordance with SACI’s amended and restated certificate of incorporation, will be released either upon the consummation of a business combination or upon the liquidation of SACI. The remaining \$1,117,468 was held outside of the trust for use to provide for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses. As of March 31, 2006, approximately \$129,066,348 was held in deposit in the trust account.

During the period from August 2005 through March 2006, SACI was involved in sourcing and evaluating prospective businesses regarding potential business combinations. SACI sourced opportunities both proactively and reactively, and given the mandate to find a suitable business combination partner, did not limit itself to any one industry or transaction structure (i.e. % of cash vs. % of stock issued to seller, straight merger, corporate spin-out or management buy-out, for example). Proactive sourcing involved SACI management attempting to initiate conversations (i) directly

with third-party companies they believed may make attractive combination partners, (ii) with professional service providers (lawyers, accountants, consultants and bankers), (iii) with their own network of business associates and friends, and (iv) with third-party intermediaries, including investment bankers and “finder’s” with whom SACI entered into success-fee based engagement letters. Reactive sourcing involved fielding inquiries or responding to solicitations by either (i) companies looking for capital or investment alternatives, or (ii) investment bankers or other similar professionals who represented a company engaged in a sale or fund-raising process. Prior to signing the Agreement and Plan of Merger, SACI considered numerous companies and industries at different levels and signed six separate non-disclosure agreements, as well as three written “finders fee” agreements, although none of which resulted in SACI extending an acquisition offer.

Based on their experience in sourcing investment opportunities, the SACI management team would characterize the competition for quality companies to be competitive and that a company which

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SACI may have believed to have been a suitable business combination partner would typically have several alternatives to choose from, including remaining independent or selling itself to a third party, as well as sourcing capital either privately or publicly. Additionally, in many cases, SACI management had to spend time educating a prospective business combination partner about “special purpose acquisition companies” and explain, from SACI management’s perspective, the benefits SACI may be able to offer versus other alternatives they may be considering. Prior to Jamba Juice Company, none of these discussions concerning potential business combination partners led to an offer by SACI.

Jamba Juice Company has, from time to time since its inception, explored potential strategic transactions. In early 2005, Jamba Juice Company received an unsolicited indication of interest to acquire Jamba Juice Company from a strategic buyer. The potential strategic buyer is not associated with the Jamba Juice Company board of directors or management nor is it involved in the currently contemplated transaction. Except as described below, Jamba Juice Company did not have any merger discussions with any entity which is an investor in the private placement financing or part of SACI management. As described elsewhere herein, certain shareholders of Jamba Juice Company are investors in the private placement financing. In response, the Jamba Juice Company Board of Directors established a strategic planning committee comprised of three disinterested directors to evaluate that indication of interest and to analyze Jamba Juice Company’s other strategic alternatives. The special committee then considered several candidates to provide financial advisory services and to assist Jamba Juice Company in considering strategic alternatives. As a result of that process, on July 29, 2005 the special committee engaged Piper Jaffray & Co., or Piper, as its exclusive financial advisor. Since that time, with the assistance of Jamba Juice Company’s outside legal counsel, Piper and the special committee analyzed all potential strategic alternatives available to Jamba Juice Company, including an Initial Public Offering of the Company’s stock (“IPO”), leveraged recapitalization transactions, acquisition transactions and the continued execution of Jamba Juice Company’s strategic plan. With respect to the acquisition alternative, Jamba Juice Company requested that Piper approach a targeted group of strategic and financial acquisition partners. Jamba Juice Company prepared a Confidential Information Memorandum to facilitate those discussions. In August 2005 and over the course of the following three months, Piper approached a select group of potential strategic acquisition partners and financial acquisition partners to initiate discussions, which group did not include SACI. On November 10, 2005, the Jamba Juice Company Board of Directors held a meeting at which Piper presented an update of the process to date. At the meeting, Piper reported that, from the time of Piper’s initial engagement through the end of November 2005, it had contacted eleven potential acquisition partners and delivered the Confidential Information Memorandum to six such potential acquisition partners. The Jamba Juice Company Board of Directors then discussed

the next potential steps, including expanding the process and pursuing an IPO in 2007 or 2008. Finally, the Jamba Juice Company Board of Directors instructed Piper to expand the sales process to include other potential strategic and financial acquisition partners, while the Jamba Juice Company Board of Directors continued to evaluate the other strategic alternatives, including the possibility at a leveraged recapitalization, which one of the Jamba Juice Company shareholders was exploring; such shareholder is an investor in the private placement financing.

On January 27, 2006, Messrs. Steven Berrard and Thomas Byrne met with Mr. Greg Baty at a Swisher Hygiene franchise convention in Las Vegas. Messrs. Berrard and Byrne are members of the board of directors of Swisher Hygiene and have a financial interest in such company. Mr. Baty was a franchisee of Blockbuster Entertainment Corporation at the same time when Messrs. Berrard and Byrne were part of Blockbuster's senior management team, and was currently exploring the possibility of becoming a franchisee of Swisher Hygiene. Mr. Baty is also a current Jamba Juice Company franchisee, operating five franchise stores in Phoenix, AZ. During the conversation Mr. Baty mentioned that Jamba Juice Company might be looking for capital or exploring strategic alternatives. Messrs. Berrard and Byrne then asked if Mr. Baty could introduce them to the CEO of Jamba Juice Company. Mr. Baty agreed to provide such an introduction, and stated that he was already scheduled to meet with the CEO of Jamba Juice Company, Paul Clayton, during the following week. Until this

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period, neither SACI, nor any member of SACI management was aware that Jamba Juice Company was exploring a sale (as other financing alternatives), had any discussions or met with Jamba Juice Company or its representatives.

On January 30, 2006 Mr. Baty contacted Mr. Clayton regarding a potentially interesting financing vehicle (SACI) for Jamba Juice Company. Based on that call, Mr. Baty asked SACI to prepare background information on SACI that he could provide Mr. Clayton on Wednesday February 1, 2006. Mr. Thomas Aucamp provided Mr. Baty background information on SACI on Thursday January 31, 2006 and SACI began its due diligence review of Jamba Juice Company using publicly available information and by visiting store locations.

Mr. Baty and Mr. Clayton met on February 1, 2006 to discuss franchise matters unrelated to SACI. During the meeting, Mr. Baty provided Mr. Clayton the background information on SACI and discussed SACI's management team. Mr. Clayton indicated that Jamba Juice Company would be interested in learning more about SACI and speaking with SACI management.

On February 2, 2006 Mr. Baty notified Mr. Aucamp of Jamba Juice Company's interest in further discussions. On February 3, 2006 Messrs. Byrne and Aucamp had a call with Mr. Clayton, Donald D. Breen, Jamba Juice Company's CFO, Mr. Baty and John Twichell of Piper Jaffray & Co. During the call, Messrs. Byrne and Aucamp discussed the structure of SACI, the experience of the SACI management team and why SACI may be an attractive partner with which to continue discussions. Based on the call, the parties decided to negotiate a confidentiality agreement and exchange due diligence materials. Subsequently, Piper Jaffray & Co. sent Mr. Aucamp a confidentiality agreement for signature. Mr. Aucamp returned the confidentiality agreement with proposed changes, which were subsequently negotiated and incorporated into a final confidentiality agreement that was signed by SACI and Jamba Juice Company on February 4, 2006. On the same day SACI received due diligence materials on Jamba Juice Company from Piper Jaffray & Co., and SACI continued its due diligence review.

On February 6, 2006 Mr. Aucamp provided Piper Jaffray & Co. with an additional list of due diligence materials that SACI needed for its analysis of Jamba Juice Company. The parties then scheduled a Jamba Juice Company

management presentation in San Francisco for February 8, 2006. On February 7, 2006 Piper Jaffray & Co. provided Mr. Aucamp with a list of questions that they would like SACI management to address in the upcoming management presentations.

On February 8, 2006 Messrs. Berrard, Byrne and Aucamp met with Messrs. Clayton and Breen and representatives of Piper Jaffray & Co. at Jamba Juice Company's San Francisco headquarters. Mr. Clayton discussed Jamba Juice Company and its prospects, and answered questions posed by Messrs. Berrard, Byrne and Aucamp. Messrs. Berrard, Byrne and Aucamp discussed SACI and addressed the questions raised by Messrs. Clayton and Breen, as well as the questions previously provided by Piper Jaffray & Co. In addition, Messrs. Byrne and Aucamp toured additional Jamba Juice Company locations in the area, including a newly developed store-in-store format.

After receiving additional due diligence information from Jamba Juice Company, SACI continued its due diligence investigation and began to evaluate the effects that additional capital may have on the growth potential of the business. Jamba Juice Company had not raised equity capital since 2001 and its growth of store units over the past several years had been financed primarily from cash from operations as well as a line of credit; SACI's belief was that additional equity capital may (i) allow for accelerated development of new Jamba Juice Company stores, (ii) improve Jamba Juice Company's negotiating position with potential landlords for new sites who prefer tenants to have a strong balance sheet, and (iii) potentially discourage companies which may consider competing with Jamba Juice Company.

On February 13, 2006 the Board of Directors of SACI met to discuss Jamba Juice Company as well as other potential opportunities that SACI was evaluating. The Board of Directors decided that, based on the information available at that time, the Jamba Juice Company opportunity would be the most attractive to the shareholders of SACI.

On February 15, 2006, Messrs. Berrard, Byrne and Aucamp met with the Board of Directors of Jamba Juice Company. In the meeting Messrs. Berrard, Byrne and Aucamp provided an overview of

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SACI, discussed the benefits of a transaction with SACI and highlighted the opportunities that it saw for Jamba Juice Company moving forward. SACI also discussed, on a preliminary basis, the general structure that SACI had proposed for a potential transaction, including total consideration of \$265 million less estimated indebtedness and transaction costs and expenses of \$22 million at that time, 60% of which would be paid in cash and 40% in SACI stock, and requested a two week period to conduct its confirmatory due diligence, deliver a draft definitive merger agreement and raise additional capital of approximately \$60 million. The additional capital would augment the SACI trust balance of approximately \$129 million and fund the approximately \$145 million cash component of the potential transaction (60% of the estimated \$265 million less estimated indebtedness) and provide a post-closing cash balance of approximately \$50 million, which SACI believed would provide the benefits listed above (accelerated development of Jamba Juice Company stores, negotiation position with potential landlords, and discourage potential competitors).

On February 16, 2006 Mr. Clayton informed Mr. Berrard that the Board of Directors of Jamba Juice Company had approved SACI for a non-exclusive two week due diligence period. After this call, both SACI and Jamba Juice Company instructed their respective counsel, Manatt Phelps, LLP and Mintz Levin, et al., respectively, to begin a legal due diligence investigation of the other. SACI also retained third parties to conduct additional confirmatory due diligence on store leases, intellectual property, franchise matters, taxes, systems, internal controls and accounting matters of Jamba Juice Company.

From February 16, 2006 to February 21, 2006, various telephone conferences were held among SACI's management, Jamba Juice Company's management and representatives of Piper Jaffray & Co. regarding due diligence, the business of Jamba Juice Company and the terms of the definitive merger agreement and the other related agreements for the proposed business combination.

SACI and Broadband Capital (the underwriter of SACI's initial public offering in June 2005) worked together to arrange meetings with potential investors that (i) had a relationship with or previously invested in other companies in which SACI management had been previously involved, and/or (ii) would possibly be interested in investing in the combined company. On February 21, 2006 and February 22, 2006, Messrs. Berrard, Byrne, Aucamp, Clayton, a representative of Piper and representatives of Broadband Capital met with several investors in New York City and Boston to discuss an approximately \$60 million financing transaction into SACI to fund a potential merger with Jamba Juice Company.

On February 23, 2006 Mr. Aucamp contacted Mintz Levin and asked them to begin drafting a definitive agreement between SACI and Jamba Juice Company.

From February 23, 2006 to March 5, 2006, additional telephone conferences were held among SACI's management, Jamba Juice Company's management and representative of Piper Jaffray & Co. regarding due diligence and the terms of the definitive agreement and the other related agreements for the proposed business combination. During the same period, SACI continued its due diligence process and received reports from third parties conducting due diligence reviews on its behalf.

From March 6, 2006 to March 9, 2006, the board of directors of SACI met several times to discuss the operations of Jamba Juice Company, the results of the due diligence reviews and the terms of the proposed definitive agreement. On March 8, 2006 Mr. Byrne provided the due diligence packages prepared by consultants on SACI's behalf to the board of directors of SACI.

On March 6, 2006, Messrs. Berrard, Byrne and Aucamp met with Jamba Juice Company management to complete their due diligence review and complete the terms of a definitive merger agreement. In light of the legal and financial due diligence conducted by both parties and their counsel, substantial negotiations took place over the terms of the merger agreement. On March 7, 2006, based on indications of interest from prospective investors, SACI revised the terms of the proposed acquisition to provide that Jamba Juice Company shareholders would receive 100% of the merger proceeds in cash. In addition, SACI management was satisfied from the discussions with the potential investors that they visited on February 21, 2006 and February 22, 2006 that there was sufficient capital available to SACI to support this transaction structure.

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From March 6, 2006 through March 10, 2006, SACI's and Jamba Juice Company's respective counsel, had several telephone conference calls to negotiate the terms of the merger agreement and related agreements. On March 8, 2004, SACI's board of directors met again to discuss the proposed merger and related transactions.

On March 10, 2006, the SACI board of directors met again to authorize the merger with Jamba Juice Company. SACI counsel, Mintz Levin, et al. reviewed the terms of merger agreement and related agreements, and answered questions directed by members of the SACI board of directors. During the meeting SACI's board of directors also discussed the option of obtaining a fairness opinion for the proposed merger. The SACI board of directors decided not to obtain

such an opinion before signing the merger agreement based on its belief that its directors had the skill and experience to properly evaluate the fairness of a proposed transaction. In addition, the SACI board of directors considered the factors that SACI had a limited time frame within which to negotiate a definitive agreement and to review the detailed work of its consultants, in its determination not to obtain a fairness opinion prior to the signing of the merger agreement. The SACI board of directors did agree to reconvene and evaluate the benefits of obtaining a fairness opinion after the signing of the merger agreement. The SACI board of directors then unanimously approved the merger and related transactions. While no one factor determined the final agreed upon consideration in the merger, SACI's board of directors again reviewed various industry and financial data, including certain valuation analyses and metrics compiled by SACI and its consultants, in order to determine that the consideration to be paid to the shareholders of Jamba Juice Company was reasonable and that the merger was in the best interests of SACI's stockholders.

On March 10, 2006, the Jamba Juice Company board of directors met again to authorize a merger with SACI. The Jamba Juice Company board was joined by Jamba Juice Company counsel, Manatt Phelps and representatives of Piper Jaffray & Co. Jamba Juice Company's board of directors unanimously approved the merger and related transactions.

On March 10, 2006, SACI and Jamba Juice Company entered into the merger agreement and related agreements.

On March 12, 2006 Messrs. Berrard and Byrne met with North Point Advisors, LLC, or North Point, to discuss retaining North Point to render a fairness opinion to SACI.

On March 13, 2006 SACI and Jamba Juice Company and publicly announced their agreement through a joint press release.

On March 14, 2006, Jamba Juice Company sent a letter to its shareholders discussing the merger and seeking the shareholders' approval and consent for such merger. By March 20, 2006, Jamba Juice Company had received written consents approving the merger from a sufficient number of its shareholders, pursuant to its articles of incorporation and the corporate law of the State of California.

On March 14, 2006, the SACI board of directors met to discuss the merits and benefits of obtaining a fairness opinion including the potentially different interests between members of the SACI board of directors and SACI's stockholders.

On March 16, 2006, SACI's board of directors engaged North Point to conduct a fairness opinion review, designed to provide additional information to the stockholders of SACI. On March 21, 2006, North Point delivered a fairness opinion analysis to the SACI's board of directors. Such opinion is attached hereto as "Annex E."

On March 22, 2006, Jamba Juice Company sent a notice and information statement to all of its shareholders announcing the approval of the merger. No further approval of Jamba Juice Company's shareholders is required.

Interest of SACI Directors and Officers in the Merger

In considering the recommendation of the board of directors of SACI to vote for the proposals to adopt the merger, you should be aware that certain members of the SACI board have agreements or arrangements that provide them with interests in the merger that differ from, or are in addition to, those of SACI stockholders generally. In particular:

- if the merger is not approved and SACI fails to consummate an alternative transaction within the time allotted pursuant to its amended and restated certificate of incorporation and SACI is therefore required to liquidate, the shares of common stock and warrants held by SACI's executives, directors and special advisors will be worthless because SACI's executives, directors and special advisors are not entitled to receive any of the net proceeds of SACI's initial public offering that may be distributed upon liquidation of SACI. SACI's executives, directors and special advisors own a total 3,750,000 shares of SACI common stock that have a market value of \$43,875,000 based on SACI's share price of \$11.70 as of March 24, 2006. SACI's executives, directors and special advisors also own a total 1,000,000 warrants to purchase 1,000,000 shares of SACI common stock that have a market value of \$5,250,000 based on SACI's warrant price of \$5.25 as of March 24, 2006. See also page 11 "Interests of SACI Directors and Officers in the Merger." However, as SACI's executive officers, directors and special advisors are contractually prohibited from selling their shares of common stock prior to June 28, 2008 during which time the value of the shares may increase or decrease, it is impossible to determine what the financial impact of the merger will be on SACI's officers and directors; and
- one of the investors in the currently contemplated private placement financing committing to invest \$400,000 is Berrard Holding Limited Partnership, of which Steven R. Berrard, a current director and the Chief Executive Officer of SACI, is the President. Furthermore, a family member of I. Steven Edelson, SACI's Vice Chairman and Vice President, has committed to investing \$50,000 in the currently contemplated private placement financing.
- It is currently anticipated that both Steven R. Berrard and Thomas Byrne, both of whom are current directors of SACI, will continue as directors of the newly merged company.

SACI's Reasons for the Merger and Recommendation of the SACI Board

The SACI board of directors has concluded that the merger with Jamba Juice Company is in the best interests of SACI's stockholders.

Each member of SACI's board of directors is currently a partner or officer at a private equity or investment holding company and performs business valuations on a regular basis in their positions with their respective organizations. In arriving at its determination to approve the merger agreement with Jamba Juice Company, the board of directors of SACI relied on information (including financial information) relating to Jamba Juice Company, the regulatory environment, the industry dynamics, the reports of several outside due diligence consultants and their experience in building, managing and financing consumer branded growth companies.

During the due diligence process SACI's board of directors also discussed the option of obtaining a fairness opinion of the proposed merger between SACI and Jamba Juice Company. The board of directors decided not to obtain such an opinion before signing the agreement and plan of merger based on its belief that its directors had the skill and experience to properly evaluate the fairness of a proposed transaction. In addition, the board of directors considered the factors that SACI had a limited time frame within which to negotiate a definitive agreement and the detailed work of its consultants, in its determination not to obtain a fairness opinion prior to the signing of the agreement and plan of merger. The board of directors did agree to reconvene and evaluate the benefits of obtaining a fairness opinion after the signing of the agreement and plan of merger for the benefit of SACI's stockholders in determining whether to vote for or against the merger. On March 16, 2006, the board of directors of SACI determined to obtain a fairness opinion, as discussed below.

The SACI board of directors considered a wide variety of factors in connection with its evaluation of the merger. In light of the complexity of those factors, the SACI board of directors did not consider it practicable to, nor did it attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its decision. In addition, individual members of the SACI board of directors may have given different weight to different factors.

The analysis of the SACI board of directors in reaching this conclusion is described in more detail below. In considering the merger, the SACI board gave considerable weight to the following positive factors:

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Jamba Juice Company's record of store and revenue growth and high potential for future growth

An important criteria to SACI's board of directors in identifying an acquisition target was that the company have strong existing operations, positive and growing EBITDA and have the opportunity for organic growth through market development, incremental marketing, or increases in working capital. SACI's board of directors believes that Jamba Juice Company has in place a strong brand, a proven store format with 532 (at the time of the board's deliberations) locations in 24 states and the District of Columbia and the Bahamas, attractive store economics and the infrastructure for additional growth. Jamba Juice Company commenced business operations in 1990 and grew its business to \$209 million in revenue for the fiscal year ended June 30, 2005. Moreover, the growth in company stores from 179 at June, 2002 to 321 at January, 2006 has been financed primarily by internally generated funds. Of the \$74.7 million in cash used in investing activities from June 24, 2002 through January 10, 2006, \$61.8 million was provided by cash from operations, while \$10.3 million came from financing activities; the remaining \$2.6 million came from cash on the balance sheet. Furthermore, cash from operations has increased from \$14.4 million in fiscal 2003, when Jamba Juice Company ended the year with 179 company stores, to \$28.0 million for the 52 weeks ended January 10, 2006, at which point Jamba Juice Company had 325 company stores. This record of growth was impressive to SACI's board of directors. SACI's board of directors believes that Jamba Juice Company has the ability to continue this rapid rate of growth because opportunities exist to:

- continue development of new company stores in existing and new markets
- franchise additional stores domestically with existing franchises and new area developments
- pursue store development through non-traditional store formats
- pursue international franchise development opportunities
- leverage the Jamba Juice Company brand into new areas including the ready-to-drink market.

The power of the Jamba Juice Company brand

SACI's board of directors believes that certain companies that are focused on creating a brand (e.g. Nike, Starbucks, etc.) as opposed to delivering services under generic labels will continue to provide attractive investment opportunities. In addition, the SACI board of directors believes that companies that can attract and meet the growing needs and desires of the 78 million aging baby boomers, as well as the "Gen Y" population, are attractive, particularly those with an emphasis on providing "health and wellness" alternatives to the customer. SACI's board of directors believes that Jamba Juice Company's brand is well positioned at the convergence of several industry and consumer trends including the demand for convenience, healthy living trends, increased usage of energy drinks, demand for premium, nutritious and flavorful product offering and "on-the-go" lifestyles. In reaching this conclusion, SACI's board of directors relied on their cumulative experience in evaluating and operating business concepts and Jamba Juice Company research regarding consumer awareness of the Jamba Juice brand.

The experience of Jamba Juice Company's management

Another important criteria to SACI's board of directors in identifying an acquisition target was that the company must have a seasoned management team with specialized knowledge of the markets within which it operates and the ability

to lead a growth company. Jamba Juice Company's management is led by Paul E. Clayton, who has significant operations and marketing experience, having served as President of Burger King North America and Senior Vice-President of Burger King Worldwide Marketing. Mr. Clayton is complimented by a management team with relevant experience at companies including Baja Fresh, Taco Bell, Gap, Brinker and Disney.

The complementary skills of SACI's management

SACI's board of directors preferred a transaction where the skills of SACI's management could be leveraged to the benefit of the target company. Given its background in developing and

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growing consumer branded companies such as Blockbuster Entertainment and AutoNation, the SACI board of directors believes that its management can help guide the future growth of Jamba Juice Company. As such, two members of the SACI board of directors will maintain board seats and will assist in the recruitment of other directors with complementary business experience.

The terms of the Merger Agreement

The terms of the merger agreement with Jamba Juice Company including the closing conditions, restrictions on SACI's and Jamba Juice Company's ability to respond to competing proposals and termination provisions, are customary and reasonable. It was important to SACI's board of directors that the merger agreement include customary terms and conditions as it believed that such terms and conditions would allow for a more efficient closing process and lower transaction expenses.

SACI's board of directors believes that each of the above factors strongly supported its determination and recommendation to approve the merger. The SACI board of directors did, however, consider the following potentially negative factors, among others, including the Risk Factors, in its deliberations concerning the merger:

Potential competition for other quick serve food providers.

SACI's board of directors considered the fact that other competitors with greater resources might attempt to enter the retail blended beverage market and compete with Jamba Juice Company. SACI's board of directors believes that, due to its strong brand positioning, Jamba Juice Company can maintain its position as a preferred retail provider of blended beverages.

The risk that its public stockholders would vote against the merger and exercise their conversion rights.

SACI's board of directors considered the risk that the current public stockholders of SACI would vote against the merger and demand to redeem their shares for cash upon consummation of the merger, thereby depleting the amount of cash available to the combined company following the merger. Because of the capital raised in the private placement financing and other factors, SACI's board of directors deemed this risk to be less with regard to Jamba Juice Company than it would be for other target companies and believes that Jamba Juice Company will still be able to implement its business plan even if the maximum number of public stockholders exercised their conversion rights and the combined company received only 80% of the funds deposited in the trust account.

Certain officers and directors of SACI may have different interests in the merger than the SACI stockholders.

SACI's board of directors considered the fact that certain officers and directors of SACI may have interests in the merger that are different from, or are in addition to, the interests of SACI stockholders generally, including the matters described under "Interests of SACI Directors and Officers in the Merger" above. However, this fact would exist with respect to a merger with any target company.

The limitations on indemnification set forth in the merger agreement.

SACI's board of directors considered the limitations on indemnification set forth in the merger agreement, see "The Agreement and Plan of Merger — Escrow and Indemnification." The board of directors of SACI determined that any definitive agreement with any target company would contain similar limitations.

After deliberation, the SACI board of directors determined that these potentially negative factors were outweighed by the potential benefits of the merger, including the opportunity for SACI stockholders to share in Jamba Juice Company's future possible growth and anticipated profitability.

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Fairness Opinion

North Point rendered its opinion to the SACI Board of Directors that, as of the date of its opinion, which was given after SACI had signed the merger agreement, and based on conditions that existed as of that date, upon and subject to the considerations described in its opinion and based upon such other matters as North Point considered relevant, the per share merger consideration to be paid by SACI in the merger pursuant to the merger agreement is fair to SACI from a financial point of view.

In rendering its opinion North Point conducted a Discounted Cash Flow Analysis, a Selected Companies Analysis and Selected Transactions Analysis among other procedures.

Discounted Cash Flow Analysis — North Point performed a discounted cash flow analysis on Jamba Juice Company using Jamba Juice Company's management projections. North Point calculated implied prices per share of Jamba Juice Company Capital Stock using illustrative terminal values in the year 2010 based on multiples ranging from 12.0x EBITDA to 14.0x EBITDA. These illustrative terminal values were then discounted to calculate implied indications of present values using discount rates ranging from 15.0% to 20.0%. The various ranges for discount rates were chosen based on theoretical analyses of cost of capital.

Using a high growth model for store expansion (which means more expenditures on growing the number of stores and less cash flow left over from continuing operations) for Jamba Juice Company through 2010, the resulting enterprise values ranged from \$290,200,000 to \$446,600,000. Using a slow growth model for store expansion (which means less expenditures on growing the number of stores and more cash flow left over from continuing operations), the resulting enterprise values ranged from \$315,300,000 to \$466,600,000.

Selected Companies Analysis — North Point calculated various financial multiples for companies comparable to Jamba Juice Company based on the ratio of such companies' operating data (obtained from SEC filings and Factset estimates as of March 13, 2006) to the enterprise value of such companies. North Point then compared the means and medians

of such multiples with the multiples obtained for Jamba Juice Company.

When applying these mean and median multiples to Jamba Juice Company, the resulting enterprise values ranged from \$242,200,000 to \$578,700,000.

Selected Transactions Analysis — North Point reviewed the terms of certain recent merger and acquisition transactions reported in SEC filings, public company disclosures, press releases, industry and popular press reports, data bases and other sources relating to selected transactions in the restaurant and food industry since 2003. For each of the selected transactions, North Point calculated and compared multiples for the target companies based on the ratio of the transaction value to the latest twelve months revenue and the transaction value to the latest twelve months EBITDA.

When applying these mean and median multiples to Jamba Juice Company, the resulting enterprise values ranged from \$137,200,000 to \$449,900,000.

As noted, the fairness opinion was obtained after SACI's board of directors approved the merger and after the merger agreement was signed. Under the merger agreement, obtaining a fairness opinion was not a condition on SACI's obligation to close the transaction. Rather the board of directors of SACI, which is comprised of individuals experienced in evaluating businesses, relied on its own expertise to make its decision to approve the merger. In addition, at the time it approved the merger, SACI's board of directors was well aware of the significant interest potential investors had expressed in participating in the private placement transaction to be used to complete the merger. The board of directors of SACI considered the interest of such experienced investors in investing at \$7.50 per share, together with the fact that private placements in public companies are traditionally sold at a substantial discount to market, as additional validation of its analysis of the attractiveness of the transaction to SACI's stockholders.

These potential investors were similarly experienced in evaluating businesses and many were shareholders in Jamba Juice Company, and were knowledgeable regarding Jamba Juice Company's

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past performance and future potential. However, recognizing that some of SACI's stockholders may not have a similar depth of experience in assessing business combinations, the SACI board of directors determined that a fairness opinion could provide additional information valuable to SACI's stockholders in their assessment of whether to approve the merger.

In addition, the North Point Fairness opinion did not expressly cover SACI's requirement that a business combination have a value equal to 80% of its net assets at the time of the transaction. In light of the fact that the price being paid to the Jamba Juice Company shareholders is approximately twice the amount of SACI's net assets, the SACI board of directors did not consider the matter a difficult enough decision to require such an opinion. However, by stating that the price being paid is fair, the North Point fairness opinion does indirectly provide comfort that the fair market value of Jamba Juice Company exceeds 80% of SACI's net assets.

A more complete discussion of the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion can be found on page 110 hereof. The full text of the North Point fairness opinion, dated as of March 21, 2006, (which date is after SACI had entered into the merger agreement) which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached hereto as "Annex E."

Merger Financing

The merger with Jamba Juice Company is being financed in part by the proceeds raised by SACI in connection with a private placement financing that is expected to result in gross proceeds to SACI of approximately \$231,600,000 and net proceeds of approximately \$224,850,000 after the payment of financing fees. The private placement financing is being undertaken pursuant to Securities Purchase Agreements, dated March 10, 2006 and March 15, 2006, between SACI and the investors identified therein, and such investors are receiving registration rights in connection with the shares of common stock they are receiving. The terms and conditions of the private placement financing which, if approved along with the approval of the merger, will be completed pursuant to the provisions of Securities Purchase Agreements and Registration Rights Agreements, a form of each of which is attached hereto as “Annex B” and “Annex C”, respectively, is expected to be completed as promptly as practicable following the special meeting. For more information, see “Proposal 2 — The Financing Proposal.”

Appraisal or Dissenters Rights

No appraisal rights are available under the Delaware General Corporation Law for the stockholders of SACI in connection with the merger proposal.

United States Federal Income Tax Consequences of the Merger

As the stockholders of SACI are not receiving any consideration or exchanging any of their outstanding securities in connection with the merger with Jamba Juice Company and related financing, and are simply being asked to vote on the matters, it is not expected that the stockholders will have any tax related issues as a result of voting on these matters. However, if you vote against the merger proposal and elect a cash conversion of your shares of SACI into your pro-rata portion of the trust account and as a result receive cash in exchange for your SACI shares, there may be certain tax consequences, such as realizing a loss on your investment in SACI's shares. **WE URGE YOU TO CONSULT YOUR OWN TAX ADVISORS REGARDING YOUR PARTICULAR TAX CONSEQUENCES.**

Regulatory Matters

The merger and the transactions contemplated by the Agreement and Plan of Merger are not subject to any federal or state regulatory requirement or approval, except the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (which approval has already been obtained), and except for

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filings necessary to effectuate the transactions contemplated by the merger proposal and the amendment to the certificate of incorporation proposal with the Secretary of State of the State of Delaware and the Secretary of State of the State of California, as applicable, and filings for the financing proposal with the American Stock Exchange.

Consequences if Merger Proposal is Not Approved

If the merger proposal is not approved by the stockholders, SACI will not merge with Jamba Juice Company and SACI will continue to seek other potential business combinations. In addition, SACI would not consummate the proposed financing, certificate of incorporation or stock option proposals. In such an event there is no assurance, and management of SACI believes that it is unlikely that SACI will have the time, resources or capital available to find a

suitable business combination partner before (i) the proceeds in the trust account are liquidated to holders of shares purchased in SACI's initial public offering and (ii) SACI is dissolved pursuant to the trust agreement and in accordance with SACI's certificate of incorporation.

Required Vote

Approval of the merger proposal will require the affirmative vote of a majority of the shares of SACI's common stock at the Record Date that are present in person or by proxy at the special meeting. In addition, each SACI stockholder that holds shares of common stock issued in SACI's initial public offering or purchased following such offering in the open market has the right to vote against the merger proposal and, at the same time, demand that SACI convert such stockholder's shares into cash equal to a pro rata portion of the trust account in which a substantial portion of the net proceeds of SACI's initial public offering is deposited. These shares will be converted into cash only if the merger is completed and the stockholder requesting conversion holds such shares until the date the merger is consummated. However, if the holders of 3,450,000 or more shares of common stock issued in SACI's initial public offering, an amount equal to 20% or more of the total number of shares issued in the initial public offering, vote against the merger and demand conversion of their shares into a pro rata portion of the trust account, then SACI will not be able to consummate the merger. Broker non-votes, abstentions or the failure to vote on the merger proposal will have no effect on the outcome of the vote.

Recommendation

After careful consideration, SACI's board of directors has determined unanimously that the merger proposal is fair to, and in the best interests of, SACI and its stockholders. SACI's board of directors has approved and declared advisable the merger proposal and unanimously recommends that you vote or give instructions to vote "FOR" the proposal to approve the merger.

The foregoing discussion of the information and factors considered by the SACI board of directors is not meant to be exhaustive, but includes the material information and factors considered by the SACI board of directors.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE "FOR" THE MERGER PROPOSAL TO ACQUIRE ALL OF THE OUSTANDING SECURITIES OF JAMBA JUICE COMPANY.

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THE AGREEMENT AND PLAN OF MERGER

The following summary of the material provisions of the Agreement and Plan of Merger, or merger agreement, is qualified by reference to the complete text of the merger agreement, a copy of which is attached as "Annex A" to this proxy statement. All stockholders are encouraged to read the merger agreement in its entirety for a more complete description of the terms and conditions of the merger.

Structure of the Merger

At the effective time of the merger, JJC Acquisition Company, a newly-formed, wholly-owned subsidiary of SACI, will be merged with and into Jamba Juice Company and Jamba Juice Company will continue as the operating

company and become a wholly-owned subsidiary of SACI.

Purchase Price-Payment

At the closing and subject to certain reductions as hereafter described the Jamba Juice Company shareholders will be paid an aggregate of \$265,000,000 in cash for all of the outstanding securities of Jamba Juice Company, including the value of all shares of Jamba Juice Company capital stock issuable upon exercise of all “in-the-money” vested and unvested options and warrants of Jamba Juice Company, subject to the optionholders and warrant holders, in certain instances, having the right to exchange their respective options and warrants into options and warrants of SACI, as further described herein. The amount to be paid to the Jamba Juice Company shareholders will be reduced by (i) \$16,000,000 for the payment by SACI of Jamba Juice Company’s indebtedness, including its line of credit and (ii) all third-party fees and expenses incurred by Jamba Juice Company in connection with the merger, including, without limitation, all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties incurred by Jamba Juice Company in connection with the negotiation and completion of the Agreement and Plan of Merger and the transactions contemplated thereby. The per share amount to be paid to the Jamba Juice Company shareholders is estimated to be between \$6.00 and \$6.04 per share. A portion of the purchase price will be funded with cash currently being held in the trust fund established in connection with SACI’s initial public offering and the balance of the purchase price will be funded from the proceeds of the financing that is the subject of the financing proposal.

Closing of the Merger

Subject to the provisions of the merger agreement, the closing of the merger will take place no later than August 15, 2006, or, as soon as practicable after all the conditions described below under “The Agreement and Plan of Merger — Conditions to the Completion of the Merger” have been satisfied, unless SACI and Jamba Juice Company agree to another time.

Representations and Warranties

The Agreement and Plan of Merger contains a number of representations and warranties that each of Jamba Juice Company and SACI has made to each other. These representations and warranties include and relate to:

- organization and qualification;
- subsidiaries (Jamba Juice Company only);
- capitalization (Jamba Juice Company only);
- authorization, execution, delivery, and enforceability of the merger agreement and related agreements;
- absence of conflicts or violations under organizational documents, certain agreements and applicable laws or decrees, as a result of the contemplated transaction, receipt of all required consents and approvals;

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- absence of certain changes or events since January 10, 2006;
- taxes (Jamba Juice Company only);
- employees and employee benefit plans (Jamba Juice Company only);
- title to properties and absence of liens and encumbrances, subject to certain exceptions (Jamba Juice Company only);

- litigation;
- compliance with applicable laws;
- material contracts (Jamba Juice Company only);
- liability for brokerage fees (Jamba Juice Company only);
- real property and leasehold interests (Jamba Juice Company only);
- related party transactions;
- permits (Jamba Juice Company only);
- insurance (Jamba Juice Company only);
- intellectual property (Jamba Juice Company only);
- accuracy of the information contained in financial statements;
- absence of undisclosed liabilities;
- environmental matters (Jamba Juice Company only);
- franchise matters (Jamba Juice Company only);
- accuracy of information relating to Jamba Juice Company to be contained in the proxy statement (Jamba Juice Company only); and
- the trust fund (SACI only).

Materiality and Material Adverse Effect

Certain of the representations and warranties are qualified by materiality or material adverse effect. For the purposes of the merger agreement, a material adverse effect on an entity means any change, event, violation, inaccuracy, circumstance or effect, individually or when aggregated with other changes, events, violations, inaccuracies, circumstances or effects, that is materially adverse to the business, assets (including intangible assets), revenue, financial condition or results of operations of such entity, it being understood that none of the following alone or in combination shall be deemed, in and of itself, to constitute a material adverse effect: (i) changes in general national or regional economic conditions, or (ii) any SEC rulemaking requiring enhanced disclosure of reverse merger transactions with a public shell.

Interim Covenants Relating to Conduct of Business

Under the Agreement and Plan of Merger, each of Jamba Juice Company and SACI has agreed, prior to completion of the merger, to conduct its business in the ordinary course consistent with past practice, except as expressly permitted by the merger agreement.

No Solicitations by SACI or Jamba Juice Company

Until closing or the effective termination of the merger agreement, Jamba Juice Company has agreed that it will not, and will cause its affiliates, employees, agents and representatives not, directly or indirectly, to solicit or enter into discussions or transactions with, or encourage, or provide any information to, any corporation, partnership or other entity or group (other than SACI and its designees) concerning any merger, sale of ownership interests and/or assets of Jamba Juice Company,

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recapitalization or similar transaction (an “Acquisition Proposal”), provided that this restriction shall not prohibit (i) negotiations with, and the provision of information to, any other person in connection with a superior Acquisition

Proposal by such other person or (ii) recommending any superior Acquisition Proposal with such other person to the shareholders of the Company (which shall not constitute a breach of the merger agreement), if the board of directors of Jamba Juice Company determines, in good faith, after consultation with counsel, that the failure to take such actions could reasonably be expected to be inconsistent with their fiduciary obligations under applicable law. If Jamba Juice Company terminates the merger agreement because the board of directors of Jamba Juice Company has recommended a superior Acquisition Proposal and, within six months after the date of such termination, Jamba Juice Company either enters into a definitive agreement to consummate, or consummates any of the following transactions (whether in a single transaction or series of transactions) (i) a sale by Jamba Juice Company of all or substantially all of its assets or (ii) a sale of stock, merger, reorganization or other transaction that results in transfer of ownership of more than fifty percent of the capital stock of Jamba Juice Company outstanding on the date of termination of the merger agreement, then Jamba Juice Company shall promptly pay to SACI a fee in the amount of \$10,000,000.

SACI has agreed that it will not, and will cause its employees, agents and representatives not, directly or indirectly, to solicit or enter into discussions or transactions with, or encourage, or provide any information to, any corporation, partnership or other entity or group (other than Jamba Juice Company and its designees) concerning any merger, purchase of ownership interests and/or assets, recapitalization or similar transaction.

SACI Stockholders' Meeting

SACI has agreed to call and hold a meeting of its stockholders, as promptly as practicable, for the purpose of seeking the adoption of the merger proposal by its stockholders. SACI has also agreed that it will, through its board of directors and subject to their fiduciary duties or as otherwise required by law, recommend to its stockholders that they approve and adopt the merger proposal.

Access to Information

During the period prior to the closing, each of Jamba Juice Company and SACI has agreed to give the other, its counsel, accountants and other representatives, reasonable access during normal business hours to the properties, books, records and personnel of the other to obtain all information concerning the business, including the status of product development efforts, properties, results of operations and personnel of the other, as such party may reasonably request.

Jamba Juice Company Options and Warrants

At the effective time of the merger, Jamba Juice Company's obligations with respect to each outstanding unvested option (and unexercised vested option) and unexercised warrant (if amended in a manner reasonably acceptable to SACI) will be assumed by SACI, and SACI shall thereafter be obligated to issue SACI common stock upon exercise thereof. Each such Jamba Juice Company warrant shall be exercisable on the terms, and into the number of shares of SACI common stock, as set forth in the warrant, as so amended. Each such Jamba Juice Company option so assumed by SACI shall be subject to the same terms and conditions set forth in the respective Jamba Juice Company stock option plan, pursuant to which such option was issued, as in effect immediately prior to the merger, and (i) such Jamba Juice Company option will be exercisable for that number of shares of SACI common stock equal to the product of the number of shares of Jamba Juice Company common stock that were issued pursuant to the exercise of such Jamba Juice Company option immediately prior to the merger multiplied by the Exchange Ratio (as defined below) rounded down to the nearest whole number of shares of SACI common stock, and (ii) the per share exercise price for the shares of SACI common stock issuable upon exercise of such assumed Jamba Juice Company option will be equal to the quotient determined by dividing the exercise price per share of Jamba Juice Company common stock at which such Jamba Juice Company option was exercisable immediately prior to the

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merger by the Exchange Ratio, and rounding the resulting exercise price up to the nearest whole cent. For purposes of the merger agreement, the “Exchange Ratio” shall be determined such that (a) the aggregate intrinsic value of the new SACI options is not greater than the aggregate intrinsic value of the Jamba Juice Company options immediately prior to the assumption and (b) the ratio of the exercise price per option to market value per share at the time of the exchange is unchanged. The parties have agreed that SACI will permit holders of vested Jamba Juice Company options to elect, on an individual basis, to either exercise such Jamba Juice Company options and participate in the merger or have those Jamba Juice Company options (up to one million options) assumed, on the same basis as the unvested Jamba Juice Company options, by SACI, unless there are, in the sole judgment and discretion of SACI, significant tax, accounting or securities laws issues (including any requirement of registering such securities on a form other than Form S-8) with treating vested options identically to unvested options. The parties have determined that all unvested Jamba Juice Company options will become options to acquire shares of SACI common stock on economically equivalent terms. Jamba Juice Company warrant holders will be given the option to exchange their warrants in Jamba Juice Company for economically equivalent warrants in SACI. The value of all “in-the-money” options and warrants assumed by SACI will reduce the \$265,000,000 cash payment to the Jamba Juice Company shareholders. Assuming the merger closes on August 1, 2006 and a sale price of \$6.00 – \$6.04 per share, if option holders exchange 20% of their vested options for SACI options and warrant holders exchange all of their warrants for SACI warrants, the value of the “in-the-money” options and warrants as of March 9, 2006 is \$10,400,000 (\$5.9 million for options and \$4.5 million for warrants).

Escrow and Indemnification

As the sole remedy for the indemnity obligations set forth in the merger agreement, at the closing, the parties will deposit \$19,875,000 in cash, otherwise payable to each of the Jamba Juice Company’s shareholders, to be held in escrow during the period ending one year from the closing, all in accordance with the terms and conditions of an escrow agreement to be entered into at the closing between SACI, a representative of the Jamba Juice Company shareholders (who shall be designated by Jamba Juice Company prior to the closing) and Continental Stock Transfer and Trust Company. The terms of such escrow provides that, depending on the amount of any paid claims, pending claims or claims that have not been applied against a \$2,000,000 deductible, \$4,968,750 shall be released to the Jamba Juice Company shareholders on each of the six-month and nine-month periods following closing. The balance of any amounts remaining in escrow against which no claims have been made shall be distributed to the Jamba Juice Company shareholders 12 months following the closing.

SACI and its representatives, successors and permitted assigns shall be entitled to indemnification out of the escrow fund for any damages, whether as a result of any third party claim or otherwise, and which arise from or in connection with the breach of representations and warranties and agreements and covenants of Jamba Juice Company under the merger agreement. The representations, warranties, covenants and agreements of Jamba Juice Company shall survive the closing for a period of one year. Subject to certain exceptions, claims may be asserted once an individual item exceeds \$25,000, and when total damages, exceed \$2,000,000, in the aggregate, at which time the full amount of any such claims, once resolved, will be paid out of the escrow. Additionally, the aggregate liability for losses under the merger agreement shall not exceed \$19,875,000.

Fees and Expenses

Whether or not the merger is consummated, all fees and expenses incurred in connection with the merger including, without limitation, all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties incurred by a party in connection with the negotiation and effectuation of the terms and conditions of the merger

agreement and the transactions contemplated thereby, shall be the obligation of the respective party incurring such fees and expenses. Jamba Juice Company has agreed to provide SACI with a statement of estimated third party expenses incurred by Jamba Juice Company at least five (5) business days prior to the closing in a form reasonably satisfactory to SACI. Any third party expense in excess of the Jamba Juice Company third party

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expenses reflected on such statement of expenses will reduce the total merger consideration, will be subject to the indemnification provisions of the merger agreement and will not be subject to the indemnification basket.

Public Announcements

The parties have agreed to cooperate in good faith to jointly prepare all press releases and public announcements pertaining to the merger agreement and the related transactions, and no party shall issue or otherwise make any public announcement or communication pertaining to the merger agreement or the merger without the prior consent of the other, except as required by any legal requirement or by the rules and regulations of, or pursuant to any agreement of, a stock exchange or trading system. Each party has agreed not to unreasonably withhold approval from the other with respect to any press release or public announcement.

Pre-Closing Confirmation

Not later than 48 hours prior to the closing:

- SACI is required to give the trustee advance notice of the anticipated consummation of the merger; and
- SACI will cause the trustee to provide a written confirmation to Jamba Juice Company confirming the dollar amount of the account balance held by the trustee in the trust account to be released upon consummation of the merger.

Conditions to the Completion of the Merger

The obligations of SACI to consummate the merger are subject to, among other things, the following conditions (each of which may be waived by SACI):

- the representations and warranties of Jamba Juice Company must be true and correct in all material respects, as of the date of completion of the merger;
- Jamba Juice Company must have performed in all material respects all obligations that are to be performed by it under the terms of the merger agreement;
- there must not have occurred, since the date of the merger agreement, any material adverse effect on Jamba Juice Company;
- each of Paul E. Clayton, Donald D. Breen and Karen Kelley will have entered into employment agreements with SACI and/or Jamba Juice Company;
- the SACI stockholders shall have approved the transactions contemplated by the merger agreement and holders of twenty percent (20%) or more of the shares of SACI issued in SACI's initial public offering and outstanding immediately before the closing shall not have exercised their rights to convert their shares into a pro rata share of the trust fund;

- holders of no more than five percent (5%) of the shares of any class of securities of Jamba Juice Company outstanding immediately before the closing shall have taken action to exercise their appraisal rights pursuant to Section 1301 of the California General Corporations Law;
- all specified waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act shall have expired and no governmental entity shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, injunction or other order (whether temporary, preliminary or permanent) which is in effect and which has the effect of making the merger illegal or otherwise prohibiting the consummation of the merger, substantially on the terms contemplated by the merger agreement; and
- the absence of any action, suit or proceeding challenging or preventing the merger.

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The obligations of Jamba Juice Company to consummate the merger is subject to, among other things, the following conditions:

- SACI's representations and warranties must be true and correct in all material respects, as of the date of completion of the merger;
- SACI must have performed in all material respects all obligations required to be performed by it under the merger agreement;
- the absence of any action, suit or proceeding challenging or preventing the merger;
- the SACI stockholders shall have approved the transactions contemplated by the merger agreement and holders of twenty percent (20%) or more of the shares of SACI issued in SACI's initial public offering and outstanding immediately before the closing shall not have exercised their rights to convert their shares into a pro rata share of the trust fund;
- all specified waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act shall have expired and no governmental entity shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, injunction or other order (whether temporary, preliminary or permanent) which is in effect and which has the effect of making the merger illegal or otherwise prohibiting consummation of the merger, substantially on the terms contemplated by the merger agreement;
- there must not have occurred since the date of the merger agreement any material adverse effect on SACI; and
- SACI's common stock will be listed for trading on the AMEX or quoted for trading on NASDAQ, if the application for such listing is approved, and there will be no action or proceeding pending or threatened against SACI to prohibit or terminate the listing of SACI common stock on the AMEX.

Termination

The merger agreement may be terminated at any time, but not later than the closing, as follows:

- by mutual written consent of SACI and Jamba Juice Company;
- by either SACI or Jamba Juice Company if a governmental entity shall have issued an order, decree or ruling or taken any other action, in any case having the effect of permanently restraining, enjoining or otherwise prohibiting the merger, which order, decree, ruling or other action is final and nonappealable;

- by either SACI or Jamba Juice Company, if, at the SACI special meeting (including any adjournments thereof), the merger agreement and the transactions contemplated thereby are not approved and adopted by the affirmative vote of the majority of the holders of SACI common stock issued in SACI's initial public offering, or the holders of 20% or more of the number of shares of SACI common stock issued in SACI's initial public offering and outstanding as of the Record Date exercise their rights to convert the shares of SACI common stock held by them into cash in accordance with SACI's certificate of incorporation;
- by either party, if the closing has not occurred by August 15, 2006; or
- subject to a 30-day cure period, by either party if such other party has breached any of its covenants or representations and warranties under the merger agreement in any material respect.

Effect of Termination

Except as otherwise provided in the merger agreement, in the event of termination by either Jamba Juice Company or SACI, the merger agreement will become void and have no effect, without any liability or obligation on the part of SACI or Jamba Juice Company. The sole remedy of any

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party for breach of the merger agreement occurring prior to closing by such other party shall be limited to termination of the merger agreement, and no party shall have any claim against the other for damages or equitable relief for breach of the merger agreement occurring prior to the closing; provided, however, that SACI shall retain the right to the termination fee described above. Notwithstanding the foregoing, the parties may sue for specific performance.

Assignment

The merger agreement and the rights and obligations of a party thereunder may not be assigned, transferred or encumbered without the prior written consent of the other parties.

Further Assurances

Each of SACI and Jamba Juice Company agree that it will execute and deliver, or cause to be executed and delivered, on or after the date of the merger agreement, all such other documents and instruments and will take all reasonable actions as may be necessary to transfer and convey the securities of Jamba Juice Company to SACI.

Representative

Prior to Closing, Jamba Juice Company will designate a representative or representatives with authority to make all decisions and determinations and to take all actions required or permitted under the merger agreement and the escrow agreement on behalf of the Jamba Juice Company shareholders. Any such action, decision or determination so made or taken shall be deemed the action, decision or determination of the Jamba Juice Company shareholders, and any notice, document, certificate or information required to be given to any Jamba Juice Company shareholder shall be deemed so given if given to the representative(s). As such representative(s) may also be shareholders of Jamba Juice Company, it is possible that potential conflicts of interest may arise with respect to their obligations as representatives and their interests as shareholders of Jamba Juice Company. In addition, \$2,000,000 of the total merger consideration will be placed into an interest bearing account, from which the representative(s) will have the right to withdraw

amounts necessary to reimburse it for its fees and costs incurred in the performance of its duties as representative and to fund any costs of defense of any claims by SACI. Any remaining amount held in such account will be released to the Jamba Juice Company shareholders on the later of the first anniversary of the closing of the merger or such time that there are no unresolved claims for indemnification.

Employment Agreements

A condition to SACI's obligation to consummate the merger is that each of Paul E. Clayton, Donald D. Breen and Karen Kelley enter into employment agreements with SACI, in form and substance reasonably acceptable to SACI and such persons. Each of such persons have entered into substantially identical employment agreements with SACI, which are effective only upon consummation of the merger. The following description of such employment agreements describes the material terms of such employment agreements and does not purport to describe all of the terms and conditions of the employment agreements.

Scope and Term of Employment

The employment agreements provide that, after the merger, Paul E. Clayton will be employed as the President and Chief Executive Officer, Donald D. Breen as the Chief Financial Officer and Karen Kelley as Vice-President Operations of the combined company. Messrs. Clayton and Breen and Ms. Kelley are collectively sometimes referred to as the employees. Other than these differences in offices (and other requirements under applicable laws), the employment agreements are substantially identical. The term of the employment agreements are three years with automatic one year extensions until either party terminates the agreement with 120 days written notice prior to the expiration of the then current term.

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Compensation

Each employee:

- will be entitled to a an annual base salary as provided for in the agreements, which for Mr. Clayton is \$525,000, for Mr. Breen is \$300,000 and Ms. Kelley is \$265,000;
- will be eligible for an annual cash bonus which will be equal to a percentage of the base salary for each fiscal year. Any annual bonus targets will be determined and approved by the board of directors for each fiscal year. Payment of the annual bonus (if any) will occur within 90 days after the close of the fiscal year, but in no event, prior to the delivery of the annual audited financial statements; and
- will receive an initial grant of restricted shares and options having a strike price equal to the fair market value of SACI's shares on the date of grant. The annual grant shall be made in accordance with the terms and provisions as set forth in the Plan. The number of restricted shares and shares underlying options was 70,000 and 510,000, respectively, for Mr. Clayton, 40,000 and 275,000 for Mr. Breen, respectively and 27,500 and 175,000, respectively, for Ms. Kelley. The restricted shares vest in equal installments over a four year period commencing with the consummation of the merger. The options vest over a four year period commencing with the consummation of the merger.

Fringe Benefits, Reimbursement of Expenses

Each employee will be entitled to, among other things:

- participate in all benefit programs, if any, established and made available to executive officers of a similar level, if any; and
- reimbursement for reasonable expenses incurred or paid by the employee in connection with, or related to the performance of their duties, responsibilities or services, upon presentation by the employee of documentation, expense statements, vouchers and/or such other supporting information as may be reasonably requested.

Termination

At any time during the term, the combined company shall have the right to terminate the agreement for cause (as defined in the employment agreement). Upon termination for cause, death or disability, the employee shall be entitled to that portion of unpaid salary through the date of termination.

If the combined company terminates the employee without cause, the employee will be entitled to receive any unpaid portion of the employee's salary, bonus, benefits and un-reimbursed expenses, payable when and as the same would have been due and payable but for such termination. In addition, the combined company will also continue to pay employee, as severance, base salary for a period of twelve (12) months following the date of termination.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF JAMBA JUICE COMPANY

The following is a discussion of Jamba Juice Company's financial condition and results of operations comparing the fiscal years ended June 28, 2005, June 29, 2004 and June 24, 2003, as well as the 40 weeks ended April 4, 2006 and April 5, 2005. You should consider the foregoing when reviewing Jamba Juice Company's consolidated financial statements and this discussion. You should read this section together with Jamba Juice Company's consolidated financial statements including the notes to those financial statements for the years mentioned above.

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

Dollar amounts of \$1.0 million or more are rounded to the nearest one tenth of a million; all other dollar amounts are rounded to the nearest one thousand and all percentages are stated to the nearest one tenth of one percent.

General

Jamba Juice Company's fiscal year ends on the Tuesday preceding June 30. The fiscal years ended June 28, 2005 and June 24, 2003 include 52 weeks, and the fiscal year ended June 29, 2004 includes 53 weeks.

JAMBA JUICE COMPANY OVERVIEW

Jamba Juice Company is a leading retailer of premium quality blended-to-order fruit smoothies, squeezed-to-order

juices, blended beverages and healthy snacks.

Jamba Juice Company has grown from the first store opening in San Luis Obispo, California in 1990 to 538 locations in 25 states, consisting of 325 company-owned locations and 213 franchisee-owned locations (as of April 4, 2006). Of the 538 locations, there are 290 located in California. Within California, 242 of these stores are Company-owned locations and 48 are franchisee-owned locations.

One of Jamba Juice Company's primary growth strategies is to continue to increase brand awareness through accelerated store development and penetration in existing markets with Company-owned stores. While Jamba Juice Company has selectively utilized area developers to franchise in the past, Jamba Juice Company has focused its growth strategy on company operated stores. Jamba Juice Company intends to continue to grow the brand through a company growth strategy in its core California markets, emerging markets and in new markets throughout the United States. These market expansions will initially focus on major metropolitan centers in the Northeast, the Southeast and Midwest. Over time, Jamba Juice Company intends to expand into entirely new regions, as well as internationally. As a complement to this strategy, Jamba Juice Company intends to continue to supplement company store growth through selective franchising or joint venture agreements. Jamba Juice Company is testing numerous types of nontraditional locations including store-within-a-store formats, airport locations, shopping malls, and university campus locations.

Jamba Juice Company management believes that the foundation for building shareholder value has three principal strategies. The first is to continue to develop California and build out its core market. The second is to increase market penetration and build brand awareness in new markets creating geographic diversification, and the third is to increase sales at existing locations.

In order to support the increased development, Jamba Juice Company intends to increase spending on its internal real estate and business development staff and supplement internal real estate manager staffing with consultants to help identify and qualify new locations and to develop the existing pipeline of real estate being considered for new store expansions. Jamba Juice Company intends to invest approximately \$1-2 million in incremental resources to support increased development in the upcoming fiscal year. Jamba Juice Company also plans to bring on additional management to help grow and develop the nontraditional locations and franchise growth. Geographic

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diversification is important to Jamba Juice Company in order to reduce its dependence on the California economy and the impact of regional weather conditions. Nontraditional growth is important in helping to support additional brand exposure as well as diversify the seasonal nature of Jamba Juice Company's business.

Increasing revenue at new and existing locations are key pillars in driving unit level economics and shareholder value. Jamba Juice Company's strategy is to drive new usage occasions and increase customer frequency through product innovation, to educate customers on the benefits of its products, to engage and delight customers with the positive Jamba experience and to support the community in which we live and work.

Jamba Juice Company will invest in development of new company stores, nontraditional stores and franchise development with the long-term objective of growing revenue over time in the range of 20% to 30% per year. The sustainability of that long-term growth will be dependant on Jamba Juice Company's ability to execute the development strategy and increase sales. Jamba Juice Company has been able to grow revenue of the business by 20%

annually over the last three years while operating solely using internally generated funds and the borrowings under a line of credit. The addition of new funds from the proposed merger should allow growth to accelerate. Jamba Juice Company expects that margin and profitability percentages may be slightly reduced over the next 12-24 months as a larger number of new stores are opened. These are Jamba Juice Company's growth plans, however there is no guarantee that Jamba Juice Company will meet and achieve these plans.

On March 10, 2006, Services Acquisition Corp. International (“SACI”) and JJC Acquisition Company (“JJC”), a wholly-owned California corporate subsidiary of SACI, and Jamba Juice Company, a California corporation (“Jamba Juice Company”), entered into an Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which JJC will merge into Jamba Juice Company and Jamba Juice Company will become a wholly-owned subsidiary of SACI. Following completion of the merger, it is anticipated that SACI will change its name to Jamba, Inc. Because SACI will have no other operating business following the merger, Jamba Juice Company will effectively become a public company at the conclusion of the merger.

We determined, based on our interpretation of the requirements of SFAS 141 that SACI was the acquiring entity since its stockholders will ultimately remain in control of the combined company following the merger. Under the purchase method of accounting, the financial statements of the acquiring entity remain unchanged and the merger will be recorded as of the closing date, reflecting the assets and liabilities of Jamba Juice Company (the target), at their acquisition date fair values. Intangible assets that are identifiable are recognized separately from goodwill which is measured and recognized as the excess of the fair value of Jamba Juice Company, as a whole, over the net amount of the recognized identifiable assets acquired and liabilities assumed. The results of operations of Jamba Juice Company will be included in the results of the surviving entity from the date of acquisition forward.

RESULTS OF OPERATIONS — 40 WEEK PERIOD ENDED APRIL 4, 2006 COMPARED TO APRIL 5, 2005

Net revenue for Jamba Juice Company is comprised of revenue from Jamba Juice Company-owned stores (“Company Stores”) and royalties and fees from franchised locations. For the 40 week period ended April 4, 2006 net revenue increased 23.4% to \$180.4 million from \$146.1 million for the same period in 2005, primarily driven by the increase in Company Store revenue. The majority of this increase in the 40 weeks ended April 4, 2006 was driven by net unit growth of 42 stores to 325 stores at the end of the period. Jamba Juice Company comparable store sales increased 4.0% in the period. Franchise royalties increased by \$517,000 or 14.5%, the majority of which was driven by net unit growth of 14 stores to end at 213 stores, up from 199 stores of the end of fiscal year 2005. Franchise comparable store sales increased 5.6% in the period. Jamba Juice Company anticipates that new unit growth will continue to be a significant part of overall revenue growth.

Jamba Juice Company received 96.4% of its total revenue during the 40 week period ended April 4, 2006 from its Company Stores. Company Stores revenue increased 22.8% to \$173.8 million

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from \$141.5 million as compared to the same period in 2005. This increase was primarily due to net unit growth of 42 stores to 325 stores at the end of the period and an increase of 4.0% in comparable store sales. The increase in comparable store sales is a function of pricing increases that accounted for 2.5% of the growth with the remainder from increased traffic and product mix. Jamba Juice Company estimates the effect of price increases by assuming constant mix of products year-over-year. Jamba Juice Company undertakes periodic reviews of its pricing and generally uses price increases to offset increasing costs and inflation and tries to grow revenue primarily through

increasing frequency of visits and higher average check size.

Comparable store sales through Jamba Juice Company's first two fiscal quarters were up 7.7%, however, sales in the most recent fiscal quarter were impacted by record rainfall in California. Despite slower growth due to weather conditions, California's comparable store sales remain positive for the 40 weeks ended April 4, 2006. Although comparable store sales performance for Company Stores outside of California was positive relative to the first two fiscal quarters, it was not enough to offset the effects of the slowdown in California's comparable store sales.

Franchise and other revenue represented the remaining 3.6% of revenue in period 2006. Franchise and other revenue increased 42.0% to \$6.6 million from \$4.6 million for the comparable 2005 period. This \$2.0 million increase was made up of increases of \$52,000 in franchise territory fees, \$517,000 in franchise royalties, \$1.1 million in franchise support revenue and \$315,000 in other franchise revenue. Franchise royalties increased by \$517,000 or 14.5% as a result of net unit growth of 14 stores to end at 213 stores, up from 199 stores at the end of fiscal year 2005, and a 5.7% increase in comparable store sales for the period. During the period in 2006, Jamba Juice Company recognized \$270,000 of other franchise revenue from Whole Foods Market. Jamba Juice Company agreed to terminate its development agreement with Whole Foods Market in September 2005. The original agreement, which called for opening 75 "store within a store" locations expired on January 1, 2005. Subsequent to the expiration of this agreement both partners agreed to allow Whole Foods Market the option to close some of its operating locations prior to the expiration of each such store's license agreement. The termination was intended to allow Whole Foods Market greater flexibility in utilizing the incremental square footage for other purposes and to allow Jamba Juice Company to focus its resources in areas where its brand could be better represented. Under the terms of the agreement, the franchisee may elect to close certain locations. As they close a location, they are obligated to pay a termination fee per store, which varies based on profitability. During this period, there were nine locations closed. The \$270,000 in revenue attributable to this agreement was recognized as the stores were closed. The total amount of revenues related to these closures is estimated to be \$360,000 and is expected to be recognized over the next 6-18 months. Jamba Juice Company continues to believe in the viability of the "store within a store" concept and is expanding these locations with other partners.

There was also an increase of \$1.1 million related to fees that Jamba Juice Company receives for franchise employee support provided in the period. This is a reimbursement of employment services that Jamba Juice Company provides for a Midwest franchisee and a joint venture in Florida. Under the terms of a management agreement with its Midwest franchisee, Jamba Juice Company employs and manages the eight stores in the Minneapolis market. Jamba Juice Company is reimbursed for its actual costs plus a small administrative fee. In addition, on December 14, 2005, Jamba Juice Company entered into an agreement with its Florida joint venture to employ and manage the 13 stores in Florida. Jamba Juice Company entered into these arrangements where the stores are run and managed by Jamba Juice Company employees in order to ensure that customers were provided with a consistent brand and user experience across markets. Jamba Juice Company believes that the Florida stores have experienced improvements in quality of the user experience since entering into the management agreement and does not anticipate that these management agreements will be terminated in the near future. This increase in fees is a reimbursement for employment services and is primarily attributable to entering into the management agreement in Florida.

Cost of sales and other occupancy costs for Company Stores increased by 22.8% for the 40 week period ended April 4, 2006 to \$64.5 million compared to \$52.5 million for the same period in 2005, primarily due to new store growth, however, as a percentage of revenue, these costs decreased to 35.8% from 36.0% in the prior year. Cost of sales as a percentage of net revenue decreased to 23.9%

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from 24.7% due to the relatively lower costs for oranges during this period versus a year ago when orange prices spiked, as a result of significant crop damage from hurricanes in Florida. This change represented approximately \$800,000 in cost reduction. The orange price decline was partially offset by higher fuel surcharges for store deliveries of approximately \$250,000. Occupancy costs increased \$4.6 million, as a result of \$4.1 million increased rent costs partially as a result of lease renewals and relatively higher costs in New York and Chicago where Jamba Juice Company has recently opened stores. Jamba Juice Company intends to supplement its urban development with additional locations in suburban market locations outside the major markets. These locations typically have lower occupancy costs than the major urban central business district locations. Jamba Juice Company's strategy has been to first enter into the relatively higher cost major urban markets to help increase brand awareness and then migrate out into the suburban locations. These higher cost urban areas are not a primary focus for Jamba Juice Company.

Store operating expenses increased 20.5% in the 40 week period ended April 4, 2006 to \$74.1 million as compared to \$61.4 million for the same period last year and decreased as a percentage of revenue from 42.1% to 41.1% in the current period. While labor costs continued to decrease as a percentage of sales, this was partially offset by \$762,000 of higher expense for performance based bonuses and \$731,000 of higher costs for repairs and contract services. Jamba Juice Company records bonuses for its store managers in operating expenses. Bonuses are accrued in accordance with bonus plans based on a comparison of actual versus budgeted store level controllable profits. Controllable profits are defined as revenue less cost of sales, labor and specific "controllable expenses" which are defined in the bonus plan. In 2005, Jamba Juice Company retained a centralized dispatching and service company and made a greater effort to provide preventative maintenance. Although Jamba Juice Company has experienced higher maintenance costs, it is expected that the new program will help avoid expensive emergency repairs in the future as the average age of Company stores increase. Jamba Juice Company has also hired regional facilities managers to help manage these costs and repair programs.

Other operating expenses increased by 28.8% to \$5.2 million in the 40 week period ended April 4, 2006 from \$4.0 million in the prior year's period and were higher as a percentage of revenue, increasing to 2.9% in 2006 from 2.7% of revenue in 2005. This is primarily due to an increase in marketing expenses of 35.0%. Also included in other operating expenses are losses related to JJC Florida LLC, an unconsolidated affiliate. The losses reflected in operating expenses are \$221,000 and \$413,000, for the 40 week period ended April 4, 2006 and April 5, 2005, respectively. During this period, the Florida joint venture had 13 stores, up two from the previous corresponding period. The year-to-date sales increase was \$1.5 million. Jamba Juice Company assumed the management of JJC Florida, LLC's stores as of December 14, 2005 under a Management Agreement. Under the Management Agreement, all the team members became Jamba Juice Company employees and Jamba Juice Company is responsible for the management and day-to-day operations of the stores.

The operating agreement and subsequent amendments between JJC Florida LLC and Jamba Juice Company provided Jamba Juice Company the option to purchase 100% of its partner's interest in the joint venture, valid from October 1, 2008 to December 30, 2008. Under the amendments to the operating agreement, profits and losses are to be allocated to the members in proportion to their cash contributions to the joint venture until the end of the fiscal year during which the cumulative profits of the joint venture equal or exceed the cumulative losses previously realized. Thereafter, profits will be allocated to the members in proportion to their recalculated interests. The recalculated interests of the members are based on the commitment of their additional contributions, with Jamba Juice Company receiving a 25% premium on its additional contributions.

Depreciation and amortization increased 27.7% in the 40 week period ended April 4, 2006 to \$10.0 million from \$7.8 million in the same period last year and grew as a percentage of revenue from 5.3% to 5.5%. This increase is a result of new store growth, additional depreciation for nine stores that were remodeled and the higher store development costs particularly in New York, where Jamba Juice Company now has 18 stores.

General and administrative expenses include not only the costs associated with Jamba Juice Company's Support Center in San Francisco, but also include regional general and administrative cost

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for store supervision, recruiting, training, human resources and local marketing personnel. General and administrative expenses increased 21.4% from \$19.3 million to \$23.4 million period over period, but decreased as a percentage of revenue from 13.2% for the 40 week period in 2005 to 13.0% for the same period in 2006. Jamba Juice Company incurred higher performance-based bonus expenses for Support Center employees of \$1.6 million and had an increase of \$1.0 million for consultants and external services. The higher bonuses for Support Center employees are based on profit performance versus plan, comparable store sales and personal goals. The year-to-date profit performance against plan exceeded the same period for last year and the year to date results are influenced by the seasonality of the results. These cost increases were partially offset by \$278,000 lower legal expenses and \$330,000 less in relocation and recruiting expenses in the period.

Store pre-opening costs are largely costs incurred for training new store personnel and some pre-opening marketing. These expenses decreased by 23.0% for the 40 week period ended April 4, 2006 to \$1.7 million from \$2.2 million for the same period in the prior year, which resulted in a decrease from 1.5% to 0.9% as a percent of revenue. The year-over-year decrease was due to a reduction of the number of unit openings during the current period. There were 25 stores opened in the current period versus 41 stores opened in the same period last year. This reduction is due to the relative slow period of growth in this 40 week period primarily due to minor delays from bringing on and integrating new real estate managers and is expected to increase in the future as expansion ramps up.

Franchise support expenses increased 230.6% in the current 40 week period to \$1.5 million as compared to \$460,000 for the same period in the prior year and increased from 0.3% to 0.8% of revenue. This increase is attributable to an increase in the amount of franchise support that was provided to a Midwest franchisee and to new support provided to a Florida joint venture. This franchise support is directly related to employment services and is an offset with franchise support revenue that results in no net margin or income.

Loss on asset impairment, store closures and disposals decreased 0.3% in the 40 week period ended April 4, 2006 to \$937,000 as compared to \$940,000 for the same period in the prior year, a small decrease as a percentage of revenue from 0.6% to 0.5%.

Jamba Juice Company recognized \$1.4 million of income from gift certificate breakage relating solely to gift certificates sold prior to 2002. This was the first time that any income related to breakage had been recognized. No breakage has been recognized with respect to the sale of jambacards. Jamba Juice Company has done extensive research into the likelihood of redemption of these gift certificates and recognized this revenue only after establishing a sufficient amount of historical redemption data to determine that a portion of the outstanding gift certificates would not be redeemed. Jamba Juice Company engaged external counsel to review the variety of state and federal regulations associated with gift card and escheat regulations and these were taken into consideration in evaluating the adequacy of the gift certificate liability. Jamba Juice Company will continue to monitor the liability for gift certificates and jambacards and will make adjustments based on actual and projected redemption patterns. The balances of gift certificates outstanding as of April 4, 2006 and the fiscal years ended 2005 and 2004 were \$158,000, approximately \$1.7 million and approximately \$2.1 million respectively. No further adjustments to the gift certificate liability have been recorded to date.

Net interest expense increased 61.3% in the current period to \$0.8 million from \$0.5 million in the same period in the prior year. This is a function of both of higher interest rates and borrowings on the credit line during the period with an average loan amount of \$14.3 million in the current period versus \$10.4 million in same period in the prior year.

Income tax benefit decreased to \$0.1 million in the current period from \$1.5 million in the same period last year. This is a function of lower net losses during the current period versus last year.

The net loss for the 40 week period ended April 4, 2006 was \$0.2 million, which is an improvement as compared to \$1.5 million net loss for the same period last year.

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RESULTS OF OPERATIONS — FISCAL YEAR 2005 COMPARED TO FISCAL YEAR 2004

Net revenue for the fiscal year ended June 28, 2005 increased 21.0% to \$209.0 million from \$172.8 million in fiscal year 2004, primarily driven by the increase in Company Store revenue. Jamba Juice Company received 96.7% of total revenue from its own stores and for the fiscal year ended June 28, 2005 Jamba Juice Company increased Company Store revenue by 21.8% to \$202.1 million from \$165.9 million for the comparable 2004 period. This increase was primarily due to net unit growth of 58 stores to 301 stores at the end of the period and a 0.2% increase in comparable store sales. Total number of Company Stores and franchise stores increased to 503 stores at the end of fiscal 2005, up from 431 stores at the end of fiscal 2004.

Franchise and other revenue represented the remaining 3.3% of revenue in fiscal 2005. Franchise and other revenue increased 0.8% to \$7.0 million from \$6.9 million for the comparable 2004 period. During 2005 franchised stores experienced net unit growth of 14 stores to end at 202 stores, up from 188 stores at the end of fiscal 2004. Franchise royalties increased by \$745,000 or 17.4% as a result of new store unit growth and a 2.2% increase in comparable store sales. During 2005, Jamba Juice Company recognized \$658,000 in franchise revenue for the recognition of deferred development fees. These deferred development fees were primarily related to the terminated Whole Foods Market contract and development agreements with former Zuka Juice licensees as Jamba Juice Company had no further obligations under these contracts and the fees were not refundable. These increases were partially offset by a \$1.2 million decrease in revenue related to franchise support fees. The support fees were lower because during the period Jamba Juice Company purchased 8 of the stores that it had previously been managing for a franchisee. There was also lower revenue from territory fees, partially as a result of a greater emphasis on Company Stores and lower increase in net new franchise stores opened in fiscal 2005. In fiscal 2005, franchisees net unit growth was 14 stores versus 17 in fiscal 2004.

Cost of sales and other occupancy costs increased by 34.2% to \$73.7 million in fiscal 2005 from \$54.9 million in the prior year, primarily due to new store growth. Cost of sales and other occupancy costs as a percentage of sales increased from 31.8% in fiscal 2004 to 35.2% in fiscal 2005. Cost of sales as a percentage of net revenue was higher primarily due to a significant increase in the cost of oranges during the year. Severe weather caused by hurricanes in Florida in addition to wet, cold weather in California, created product shortages for oranges. This increased the costs for oranges by \$1.0 million. A shift in product mix towards the Enlightened Smoothies and the new product, the Sixteen, and increased distribution expenses related to entering new markets all served to increase costs. These products were introduced as a response to consumer desire for lower calorie products, which have a slightly lower margin. Jamba Juice Company may introduce products that have lower margins if management believes that such products will generate incremental sales or drive increased visit frequency. The other reason for the increased costs is

due to expansion into new areas and stores. Costs in a new market are traditionally somewhat higher due to the relatively higher freight costs that continue until volumes can support full truck load deliveries. Occupancy costs increased primarily as a result of the \$5.4 million increase in rent expense which reflected higher average rent costs in new areas that Jamba Juice Company is currently developing. Jamba Juice Company added 10 stores in New York City and six stores in the Chicago area.

Store operating expenses increased 24.4% in fiscal year 2005 to \$85.0 million from \$68.4 million and are slightly higher as a percentage of revenue, increasing to 40.7% from 39.6%. Labor costs decreased as a percentage of sales, primarily due to \$1.2 million lower of store general manager performance based bonuses. The performance based bonuses included in operating expenses are for store general managers and are based on controllable store level profit, which is defined in the store managers' bonus plan. This was partially offset by \$1.3 million in higher repair and maintenance costs. During fiscal 2005, Jamba Juice Company retained a centralized dispatching and service company, which represented approximately \$100,000 of the increase. The tracking of service calls gave visibility to store level calls and more detailed information about required maintenance. Increased building, plumbing, HVAC and refrigeration maintenance represented \$578,000.

Other operating expenses increased 32.9% year-over-year to \$8.5 million from \$6.4 million and increased from 3.7% to 4.0% of revenue. These increases were attributable to \$880,000 in consulting and severance arrangements with two former executives and an increase in 401K costs.

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Also included in other operating expenses are losses relating to JJC Florida LLC, which is an unconsolidated affiliate, of \$577,000 and \$117,000 respectively for 2005 and 2004 fiscal years respectively, an increase of \$460,000.

Depreciation and amortization increased 34.1 % in fiscal 2005 to \$10.4 million from \$7.7 million and grew as a percentage of revenue from 4.5% in fiscal year 2004 to 5.0% in the current year. While this is a function of store unit growth, it is also a reflection of the higher development costs of expanding into new urban markets. The average cost to develop a store in New York City is \$575,000. In a traditional suburban area, the development costs typically range from \$300,000-\$400,000.

General and administrative expenses for both the Support Center and field increased 7.0% year-over-year to \$24.2 million in fiscal 2005 from \$22.7 million in 2004, and decreased as a percentage of revenue from 13.1% in fiscal 2004 to 11.6% in fiscal year 2005. This was primarily due to \$1.5 million reduced bonuses for Support Center employees that are based on profit performance versus plan, comparable store sales and personal goals and objectives and reduced litigation activities resulting in a \$486,000 reduction of legal expenses.

Store pre-opening costs increased by 15.7% in fiscal year 2005 to \$3.1 million from \$2.7 million and stayed constant at 1.5% of revenue. The year-over-year increase was attributed to 60 Company store openings during fiscal year 2005, an increase of 22 stores over the prior year.

Franchise support expenses decreased \$3.1 million or 87.2% in fiscal year 2005 to \$460,000 from \$3.6 million in the prior year and decreased from 2.1% to 0.2% of revenue. This reduction is attributable to a significant reduction in the amount of franchise support that was provided to a Midwest franchisee after Jamba Juice Company acquired 8 stores during fiscal 2005 that the Midwest franchisee previously owned in the Chicago area. After the purchase, the labor expense associated with the employees for these stores is reflected on Jamba Juice Company's consolidated financial

statement as part of store operating expense. The franchise support expenses will continue on a reduced basis going forward as these services are still provided for seven franchised stores in Minnesota, that are owned by the Midwest franchisee.

Loss on asset impairment, store closures and disposals decreased 28.2% in fiscal year 2005 to \$1.0 million from \$1.4 million. During fiscal year 2005, there was only one store closure while there were two closures in fiscal year 2004.

In fiscal year 2005, Jamba Juice Company received a litigation settlement of \$2.7 million from its insurance company, in connection with an insurance-coverage lawsuit related to the settlement of underlying lawsuits between Jamba Juice Company and the landlord of its corporate headquarters and other related parties. Jamba Juice Company settled these underlying lawsuits by paying \$2.8 million in 2003, of which \$1.8 million and \$1.0 million were recognized as expenses in fiscal years 2003 and 2002, respectively.

During fiscal 2005, Jamba Juice Company settled a California sales tax audit for \$2.6 million and recognized the expense.

Net interest expense increased 59.4% in the fiscal year 2005 to \$778,000 from \$488,000 in the prior year. This is a function of increased borrowings on the credit line during the period, with an average loan amount of \$11.9 million in the period 2005, versus \$3.5 million in 2004.

Income tax expense increased to \$1.1 million in the fiscal year 2005 from an income tax benefit of \$11.2 million in 2004. This is primarily due to the reversal of \$12.9 million valuation allowance of deferred tax in 2004 that was reversed when management determined that it was more likely than not that Jamba Juice Company would be able to utilize its deferred tax credits as profitability had improved, such that Jamba Juice Company had generated three years of pre-tax income (prior to litigation settlement charges). Jamba Juice Company considered projected pre-tax income as well as ongoing prudent and feasible tax planning strategies in assessing the need for continuing to record a valuation allowance. Jamba Juice Company analyzed the components of the deferred tax assets and concluded that it was more likely than not that Jamba Juice Company would be able to utilize its deferred tax assets.

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Net income for the fiscal year of 2005 was \$962,000, which is significantly lower than the \$15.9 million net income for the same period in 2004 primarily as a result of the aforementioned reversal of deferred tax valuation allowances aggregating \$12.9 million. However, net income before tax decreased 56.2% to \$2.1 million in fiscal 2005 from \$4.7 million in fiscal 2004.

RESULTS OF OPERATIONS — FISCAL YEAR 2004 COMPARED TO FISCAL YEAR 2003

Net revenue for the fiscal year ended June 29, 2004 increased 27.6% to \$172.8 million from \$135.4 million in fiscal year 2003, primarily driven by the increase in the number of stores. The total number of Company Stores and franchise stores increased to 431 stores at the end of fiscal year 2004, up from 369 stores at the end of fiscal year 2003.

During fiscal year 2004, Jamba Juice Company received 96.0% of total revenue from Company Stores. Company Store revenue for the fiscal year ended June 29, 2004 increased 27.6% to \$165.9 million from \$130.0 million for the comparable 2003 period. This increase was mainly due to an increase in net unit growth of 45 stores to 243 stores at

the end of the period and an increase of 7.2% in comparable store sales. The comparable Company Store revenue increase was a function of a 5.7% increase in traffic at the stores and an increase of 1.5% in the average check size.

Franchise and other revenue represented the remaining 4.0% of revenue in fiscal year 2004, which increased 27.6% to \$6.9 million from \$5.4 million for the comparable 2003 period. Franchise royalties increased \$672,000 or 18.6% as a result of net unit growth of 17 stores to end at 188 franchise stores, an increase from 171 stores at the end of 2004, and a 4.1% increase in comparable store sales for the period. During 2004, franchise territory and front end fees increased by \$357,000 as a result of an increase in the number of franchisee-owned store openings. There was also an increase of \$244,000 in fees related to franchise support.

Cost of sales and other occupancy costs increased by 25.1% in fiscal year 2004 to \$54.9 million from \$43.9 million, primarily as a result of increased volumes; however, these costs decreased as a percentage of revenue to 31.8% in 2004 from 32.4% in fiscal year 2003. The cost of sales as a percentage of revenue was flat and occupancy costs as a percentage were slightly lower, partially due to a 7.2% increase in Company Store comparable sales.

Store operating expenses grew 30.5% year-over-year to \$68.4 million in fiscal 2004 from \$52.4 million in fiscal 2003 and are slightly higher as a percentage of revenue, increasing to 39.6% in fiscal year 2004 from 38.7% in fiscal year 2003. Labor costs were higher, mostly as a result of a \$1.0 million increase in store general manager profitability-related bonuses and increased health insurance costs of \$441,000.

Other operating expenses increased 52.4% year-over-year to \$6.4 million in fiscal 2004 from \$4.2 million, an increase from 3.1% to 3.7% of revenue. This increase was primarily due to incremental \$1.1 million in advertising and marketing efforts, to support the launch of the new Enlightened Smoothie line and the new product size, the Sixteen.

Depreciation and amortization increased by 2.8 % to \$7.7 million in fiscal year 2004 from \$7.5 million, a decrease as a percentage of revenue from 5.5% in fiscal year 2003 to 4.5% in fiscal year 2004. This is due primarily to increase in write-offs, closures and impairments in the prior period. A majority of Company store's additions did not open until the end of the year and therefore did not have a significant impact on depreciation.

General and administrative expenses increased 28.4% year-over-year to \$22.7 million from \$17.7 million, and was approximately flat as a percentage of revenue. The increase in expenses was the result of higher headcount to support future growth, \$769,000 of higher profitability-based bonuses for support center personnel and \$683,000 for costs related to the store design prototype and process project, an employee compensation study and the implementation of a new labor scheduling software tool.

Store pre-opening costs increased by 174.4% to \$2.7 million in fiscal year 2004 from \$1.0 million, an increase as a percentage of revenue from 0.7% in fiscal year 2003 to 1.5% in fiscal year 2004. These

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increases are directly attributable to the significant number of unit openings during fiscal year 2004, which included 38 opened stores versus 21 opened stores in 2003.

Franchise support expenses increased by \$1.6 million or 76.6% to \$3.6 million in fiscal year 2004 from \$2.0 million, an increase from 1.5% of revenue in fiscal year 2003 to 2.1% of revenue in fiscal year 2004. This is the result of franchise support provided to a Midwest franchisee beginning in fiscal year 2003.

Losses on asset impairment, store closures and disposals, decreased by 8.6% in fiscal year 2004 to \$1.4 million from \$1.6 million in fiscal year 2003. During fiscal year 2004, there was one store closure while there were four closures in fiscal year 2003.

During the fiscal year 2003, Jamba Juice Company settled a dispute with its corporate support center landlord and a class-action lawsuit that alleged that Jamba Juice Company failed to pay overtime wages to its California employees. Jamba Juice Company recognized \$5.1 million of litigation settlement expense. In fiscal year 2004, Jamba Juice Company reduced the estimate of payroll taxes related to the previous settlement and accordingly reduced the accrual by \$85,000.

Net interest expense increased 54.4% in the fiscal year 2004 to \$488,000 from \$316,000 in the prior year. In 2004, net interest expense included \$212,000 in charges related to the amortization of the discount on the class-action settlement with Jamba Juice Company California employees and the purchase of development rights from the Midwest Developer. Without those charges, the amount would have been \$276,000 and would have decreased in 2004 versus 2003 by 13.1%. This is a function of lower borrowings on the credit line during the period, with an average loan amount of \$3.5 million in the period 2004 versus \$5.0 million in 2003.

Jamba Juice Company reversed a valuation allowance for deferred income taxes of \$12.9 million during fiscal 2004. This caused Jamba Juice Company to have a net income tax benefit of \$11.2 million for fiscal year 2004 versus an income tax benefit of \$820,000 in 2003. Prior to 2004 Jamba Juice Company recorded a full valuation on its deferred taxes as it did not have a history of earnings. The valuation allowance was reversed when management determined after three consecutive years of profitability, it was more likely than not that Jamba Juice Company would be able to realize all of its deferred tax assets.

Net income for the fiscal year of 2004 was \$15.9 million, which is significantly higher than the \$651,000 for the period in 2003 due primarily to the aforementioned reversal of a tax valuation allowance against deferred taxes. Taking out the effect of the tax allowance reversal, the net income before taxes increased substantially also to \$4.7 million in fiscal 2004, from a loss of \$169,000 million in fiscal 2003.

Liquidity and Capital Resources

As of April 4, 2006, Jamba Juice Company's liquidity and capital resources included cash and cash equivalents of \$1.8 million compared to \$1.4 million as of June 28, 2005. The \$0.4 million increase in total cash and cash equivalents from June 28, 2005 to April 4, 2006, was primarily due to cash provided by operating activities and increased draw on Jamba Juice Company's revolving credit facility, partially offset by \$17.5 million in capital expenditures.

Cash provided by operating activities totaled \$12.6 million in the first 40 weeks of fiscal 2006 and was generated primarily by increased sales of jambacards of \$4.0 million partially offset by decreased accounts payable.

Cash used by investing activities totaled \$17.5 million in the first 40 weeks of fiscal 2006 primarily attributable to opening 25 new Company Stores and remodeling certain existing stores.

Cash provided by financing activities in the first 40 weeks of fiscal 2006 totaled \$5.3 million, mainly from increased debt under Jamba Juice Company's line of credit.

Cash provided by operating activities totaled \$21.3 million in fiscal year 2005 compared to \$16.2 million in fiscal year 2004. The increase was primarily due to changes in working capital, accruals of compensation, other liabilities and jambacards.

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Cash used by investing activities totaled \$33.3 million in fiscal year 2005. Net capital additions to property, fixtures and equipment was \$31.8 million, primarily attributable to opening 60 Company Stores and remodeling certain existing stores. During fiscal year 2005, Jamba Juice Company increased its equity ownership in its licensed operations in Florida by \$484,000 and also acquired a portion of the assets of a franchisee in the Midwest region of the United States, mainly consisting of eight stores for a cash payment of \$942,000, see footnote 2 to the consolidated financial statements.

Cash provided by financing activities in fiscal year 2005 totaled \$10.2 million, mainly from increased debt under the Jamba Juice Company line of credit.

Jamba Juice Company intends to use its available cash resources, including any borrowings under its revolving credit facility described below, to invest in its core business, primarily through building out new locations or upgrading existing locations, and other new business opportunities related to its core business and that such investments or opportunities are not dependent upon the proposed private placement financing. Jamba Juice Company may use its available cash resources to make capital contributions or purchase larger ownership interests in its equity method investees. As a result of the proposed private placement financing, Jamba Juice Company will accelerate its internal development of stores and may also selectively repurchase stores from franchisees in areas where there are existing Company Store locations. Jamba Juice Company also intends to repay its existing revolving credit facility.

Jamba Juice Company management believes that cash flows generated from operations, existing cash and cash equivalents, borrowing capacity under the revolving credit facility, as well as the excess proceeds from the proposed private placement financing transaction, should be sufficient to finance capital requirements for its core business for the foreseeable future. Significant expansion of new stores, new joint ventures, acquisitions and/or other new business opportunities may require additional outside funding. In the event that the merger with SACI is not consummated, Jamba Juice Company believes it will have sufficient liquidity to meet its current capital requirements.

Other than normal operating expenses, cash requirements for fiscal year 2006 are expected to consist primarily of capital expenditures for new Company Stores and the remodeling and refurbishment of existing Company Stores. For fiscal year 2006, Jamba Juice Company management expects capital expenditures to be in the range of \$23 million to \$28 million, related to opening approximately 45 Company Stores, remodeling certain existing stores and enhancing the information systems.

Jamba Juice Company has a revolving line of credit (the "Line") for a maximum principal of up to \$35,000,000 or 1.5 times trailing earnings before interest, taxes, depreciation and amortization ("EBITDA"), as defined by the agreement for the Line. Borrowings bear interest at either the London Inter Bank Offering Rate (LIBOR) plus a margin of 2.00% to 3.25% or a Base Rate (determined by certain base rates such as Prime, Federal Funds Effective Rate or Base CD rate) plus a margin of 0% to 1.5%, depending on Jamba Juice Company's adjusted leverage ratio (as defined by the Line). The Line is secured by substantially all of the assets of the Jamba Juice Company and requires compliance with certain quarterly financial covenants. The Line expires December 2007. As of April 4, 2006, June 28, 2005 and June 29, 2004, Jamba Juice Company was in compliance with each of these covenants. Total outstanding on the Line as of April 4, 2006 was \$18.0 million. In addition to requiring that Jamba Juice Company maintain certain minimum ratios such as a fixed charge coverage ratio, Jamba Juice Company is prohibited from making loans, advances, or other extensions of credit and is prohibiting from paying dividends, dissolving or liquidating the business and creating certain liens. The Line also prohibits certain changes in ownership such as the proposed merger. In contemplation of the proposed merger, management intends to repay the Line at closing with the proceeds of the private placement financing.

Jamba Juice Company has sold the jambacard since November of 2002. The jambacard works as a reloadable gift or debit card. At time of the initial load, in an amount between \$5 and \$500, Jamba Juice Company records an obligation that is reflected as store value cards on the balance sheet. Jamba Juice Company relieves the liability and records the related revenue at the time a customer redeems any part of the amount on the card. The card does not have any expiration provisions and is not

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refundable. During the 40 weeks ended April 4, 2006 and year ended June 28, 2005, respectively; Jamba Juice Company sold \$16.0 million and \$18.8 million, respectively, of new and reloaded cards for \$3.0 and \$5.0 million, respectively. Customers redeemed \$14.7 million and \$19.0 million, respectively, at the stores, which equals the revenue recorded in the financial statements. In addition to jambacard redemptions, gift certificates totalling approximately \$97,000 and \$409,000 were redeemed in the 40 weeks ended April 4, 2006 and fiscal year ended June 28, 2005, respectively. During the 40 weeks ended April 4, 2006, \$1.4 million of breakage was also recorded for gift certificates. At the end of the respective periods the total liability recorded for unredeemed jambacards amounted to \$14.6 million and \$11.9 million, respectively. Jamba Juice Company has not made an analysis on lag time between loading the jambacard and its usage, but based on volumes and outstanding balances, the average time lag time is estimated to be between two and four months.

In March 2006, Jamba Juice Company entered into a merger agreement with Services Acquisition Corp. International which will substantially change its financial situation. Upon completion of the proposed merger, Jamba Juice Company expects the Line to be paid-off and canceled and expects to have sufficient cash available to fund next year's planned store openings and other initiatives. In addition, Jamba Juice Company expects to increase its growth plans for new locations.

The following table summarizes contractual obligations and borrowings as of June 28, 2005, and the timing and effect that such commitments are expected to have on Jamba Juice Company's liquidity and capital requirements in future periods (in thousands). Jamba Juice Company expects to fund these commitments primarily with operating cash flows generated in the normal course of business. Not included in the table below are deferred rent and construction allowances and other long-term liabilities of \$7.9 million as of June 28, 2005 since these liabilities consist of non-cash deferred rent obligations rather than contractual obligations. The cash obligations related to these deferred items are contemplated in the future minimum rental payments.

	Total	Payments Due by Period			
		Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Contractual Obligations					
Debt obligations ⁽¹⁾	\$ 15,080	\$ 1,040	\$14,040	\$ —	\$ —
Operating lease obligations	147,441	21,879	40,869	32,114	52,579
Litigation settlement payable	1,633	645	988	—	—
Purchase obligations ⁽²⁾	—	—	—	—	—
Total	\$ 164,154	\$ 23,564	\$ 55,897	\$ 32,114	\$ 52,579

⁽¹⁾The amount includes interest accrued during the future period.

(2)Jamba Juice Company negotiates pricing and quality specifications for many of the products used in Company Stores and franchise stores. This allows for volume pricing and consistent quality of products that meet Jamba Juice Company's standards. Although Jamba Juice Company negotiates and contracts directly with manufacturers, co-packers or growers for its products, Jamba Juice Company purchases these products from third-party centralized distributors. These distributors source, warehouse and deliver specified products to both Company Stores and franchise stores. While Jamba Juice Company does have multi-year pricing agreements with its two frozen yogurt suppliers and with its supplier of liquid dairy products and soy milk, none of these agreements have guaranteed volume commitments. The agreements with the liquid dairy and soy milk supplier is exclusive and runs through June 30, 2008. Jamba Juice Company's frozen yogurt suppliers have exclusive agreements, but are limited to currently specified products. If Jamba Juice Company were to change specifications for its yogurt products, the current suppliers would have a right of first negotiation to meet the new specifications.

Contingent Liabilities

Jamba Juice Company is the guarantor on three store leases for two franchisees and would be liable for lease payments in the event either of these parties defaulted on their lease obligations. The potential amount of this liability is \$1,025,000 as of June 30, 2005.

Jamba Juice Company has commitments under contracts for the construction of leasehold and other improvements for stores to be opened in fiscal year 2005. Portions of such contracts not completed at the end of fiscal year 2005 are not reflected in the consolidated financial statements. These unrecorded commitments were \$137,000 at June 30, 2005.

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Related Party Transactions

On December 8, 2004 Jamba Juice Company entered into a four year consulting agreement with Kirk Perron, its founder and a shareholder. Mr. Perron assists and advises Jamba Juice Company and its board of directors in connection with certain projects, public appearances, promotional events and such other matters as agreed between Jamba Juice Company and Mr. Perron. The terms of the agreement are to make consulting payments of \$150,000 per year. In addition, Jamba Juice Company reimburses Mr. Perron for certain expenses.

In fiscal year 2000, Jamba Juice Company made a loan to Paul Clayton, Jamba Juice Company's Chief Executive Officer, in the amount of \$750,000. The loan bears interest at 6.3% per annum and was forgiven in annual installments on the anniversary of such officer's employment. Jamba Juice Company also agreed to reimburse such officer for taxes on income associated with the loan forgiveness. The loan and tax liability was charged to expense on a pro rata basis over the five year vesting period.

COMMODITY PRICES, AVAILABILITY AND GENERAL RISK CONDITIONS

Jamba Juice Company contracts for significant amounts of IQF (instant quick freeze) fruit, fruit concentrate and dairy products to support the needs of its Company Stores and franchise retail stores. The price and availability of these commodities directly impacts Jamba Juice Company's results of operations and can be expected to impact its future results of operations.

SEASONALITY AND QUARTERLY RESULTS

Jamba Juice Company's business is subject to seasonal fluctuations. Historically, significant portions of Jamba Juice Company's net revenue and profits were, and may continue to be realized during the first and fourth quarters of Jamba Juice Company's fiscal year, which includes the warmer summer season. In addition, quarterly results are affected by the timing of the opening of new stores, weather conditions and Jamba Juice Company's rapid growth may conceal the impact of other seasonal influences. Because of the seasonality of Jamba Juice Company's business, results for any quarter are not necessarily indicative of the results that may be achieved for the full fiscal year.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires the appropriate application of certain accounting policies, many of which require Jamba Juice Company to make estimates and assumptions about future events and their impact on amounts reported in Jamba Juice Company's consolidated financial statements and related notes. Since future events and their impact cannot be determined with certainty, the actual results may differ from Jamba Juice Company's estimates. Such differences may be material to the consolidated financial statements.

Jamba Juice Company believes its application of accounting policies, and the estimates inherently required therein, are reasonable. These accounting policies and estimates are periodically reevaluated, and adjustments are made when facts and circumstances dictate a change. Historically, Jamba Juice Company has found its application of accounting policies to be appropriate, and actual results have not differed materially from those determined using necessary estimates.

Jamba Juice Company's accounting policies are more fully described in Note 2 "Summary of Significant Accounting Policies" in the "Notes to the Consolidated Financial Statements," included elsewhere in this proxy. Jamba Juice Company has identified the following critical accounting policies:

Leasehold Improvements, Property and Equipment

Jamba Juice Company states the value of its leasehold improvements, property and equipment, including primarily store equipment, furniture, fixtures and smallwares, and its leasehold improvements at cost, less accumulated depreciation and amortization. Depreciation is calculated

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using the straight-line method of accounting over the estimated useful lives of the related assets. Jamba Juice Company amortizes its leasehold improvements using the straight-line method over the shorter of the lease term (including reasonably assured renewal periods) or the estimated useful lives of the related assets. Estimated useful lives generally used are between three and seven years for equipment; between three and seven years for furniture and fixtures; and over the shorter of their useful lives or the related leases terms, which is generally ten years, for leasehold improvements. Jamba Juice Company expenses repairs and maintenance as incurred, but capitalizes major improvements and betterments. Judgments and estimates related to the expected useful lives of these assets are made and are affected by factors such as changes in economic conditions and changes in operating performance. If Jamba Juice Company changes those assumptions in the future, it may be required to record impairment charges for these assets.

Impairment of Long-Lived Assets

When facts and circumstances indicate that the carrying values of long-lived assets may be impaired, Jamba Juice Company makes an evaluation of recoverability by comparing the carrying values of the assets to projected future cash flows, in addition to other quantitative and qualitative analyses. For goodwill and other intangible assets, Jamba Juice Company performs impairment tests annually and more frequently if facts and circumstances indicate goodwill carrying values exceed estimated reporting unit fair values and if indefinite useful lives are no longer appropriate for Jamba Juice Company's trademarks. Upon indication that the carrying values of such assets may not be recoverable, Jamba Juice Company recognizes an impairment loss as a charge against current operations. Property, fixtures and equipment assets are grouped at the lowest level for which there are identifiable cash flows when assessing impairment. Jamba Juice Company identifies cash flows for retail assets at the individual store level. Long-lived assets to be disposed of are reported at the lower of their carrying amount or fair value, less estimated costs to sell. Jamba Juice Company makes judgments related to the expected useful lives of long-lived assets and its ability to realize undiscounted cash flows in excess of the carrying amounts of such assets are affected by factors such as the ongoing maintenance and improvements of the assets, changes in economic conditions and changes in operating performance. As Jamba Juice Company assesses the ongoing expected cash flows and carrying amounts of its long-lived assets, these factors could cause Jamba Juice Company to realize material impairment charges.

Gift Cards

Jamba Juice Company sells jambacards to its customers in its retail stores and through its web sites. Prior to 2002, Jamba Juice Company sold \$5.00 gift certificates. Jamba Juice Company's gift certificates and jambacards do not have an expiration date. Jamba Juice Company recognizes income from gift certificates and jambacards when: (i) the gift certificate or jambacard is redeemed by the customer; or (ii) the likelihood of the gift certificate or jambacard being redeemed by the customer is remote ("breakage") and it determines that it does not have a legal obligation to remit the value of unredeemed gift certificates and jambacards to the relevant jurisdictions. Jamba Juice Company determines its breakage rate based upon historical redemption patterns. Gift certificate breakage income is recorded as a reduction in operating expenses in its consolidated statements of earnings.

Based on the completion of a study related to legal matters and redemption history associated with gift certificate liabilities, Jamba Juice Company recognized gift certificate breakage income during its fiscal quarter ended April 4, 2006 of \$1.4 million, all of which relates to gift certificates issued prior to fiscal 2002.

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There are no terms or conditions on the \$5 gift certificates. The related outstanding liability for the \$5 gift certificates is as follows:

- Balance as of April 4, 2006 was \$158,000.
- Balance as of June 28, 2005 was \$1,654,607.
- Balance as of June 28, 2004 was \$2,063,129.

Jamba Juice Company is still evaluating the redemption patterns associated with its jambacards and will develop a policy on jambacards when this evaluation is completed.

Self-Insurance Reserves

Jamba Juice Company uses a combination of insurance and self-insurance mechanisms to provide for the potential

liabilities for workers' compensation, healthcare benefits, general liability, property insurance, director and officers' liability insurance and vehicle liability. Liabilities associated with the risks that Jamba Juice Company retains are not discounted and are estimated, in part, by considering historical claims experience, demographic factors, severity factors and other actuarial assumptions. The estimated accruals for these liabilities, portions of which are calculated by third party actuarial firms, could be significantly affected if future occurrences and claims differ from these assumptions and historical trends.

Income taxes

In establishing deferred income tax assets and liabilities, Jamba Juice Company makes judgments and interpretations based on enacted tax laws and published tax guidance applicable to its operations. Jamba Juice Company records deferred tax assets and liabilities and evaluates the need for valuation allowances to reduce deferred tax assets to realizable amounts. Changes in Jamba Juice Company's valuation of the deferred tax assets or changes in the income tax provision may affect its annual effective income tax rate.

Stock-Based Compensation

Jamba Juice Company uses the intrinsic value method of accounting for employee stock options in accordance with APB Opinion No. 25, "Accounting for Stock Issued to Employees," and has adopted the disclosure provisions of SFAS No. 148, "Accounting for Stock Based Compensation — Transition and Disclosure," which requires pro forma disclosure of the impact of using the fair value of the option at date of grant method. In December 2004, FASB issued SFAS No. 123R, "Share-Based Payment," which replaces SFAS No. 123 and supersedes APB Opinion 25. SFAS No. 123R requires the measurement of all share-based payments to employees, including grants of employee stock options, using a fair-value-based method and the recording of such expense. The accounting provisions of SFAS No. 123R are effective for Jamba Juice Company beginning in the first quarter of fiscal year 2007.

For Jamba Juice Company's SFAS No. 123 disclosure requirements, to calculate fair value, Jamba Juice Company used risk free interest for the estimated life of the option and 0% volatility, the minimum-value method. Jamba Juice Company is evaluating the requirements under SFAS No. 123R and expects the adoption will have an impact on its consolidated results of operations and net income (loss) per share. Jamba Juice Company has not yet quantified this impact; however, it will not have an effect on Jamba Juice Company's cash flow.

Leases

Jamba Juice Company leases all of its store locations. Jamba Juice Company accounts for its leases under FASB Statement No. 13, Accounting for Leases ("SFAS 13") and subsequent amendments, which require that its leases be evaluated and classified as operating or capital leases for financial reporting purposes. Jamba Juice Company recognizes rent expense for its operating leases,

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which have escalating rentals over the term of the lease (which includes reasonably assured renewal options), on a straight-line basis over the initial term. In addition, the lease term is deemed to commence when Jamba Juice Company takes physical possession of the leased property. Jamba Juice Company currently expenses the straight-line rent amounts during the period prior to store opening. Jamba Juice Company uses a consistent lease term when calculating depreciation of leasehold improvements, when determining straight-line rent expense and when

determining classification of its leases as either operating or capital. Contingent rents are generally amounts Jamba Juice Company must pay to landlords when it has sales in excess of certain thresholds stipulated in certain store leases and are included in rent expense as they accrue. Some of Jamba Juice Company's leases contain tenant improvement allowances. For purposes of recognizing tenant improvement allowances, Jamba Juice Company amortizes the incentives over their estimated useful lives.

Recent Accounting Pronouncements

In December 2003, the FASB issued FIN No. 46(R), Consolidation of Variable Interest Entities — an interpretation of ARB No. 51. FIN 46(R) provides clarification on the consolidation of certain entities in which equity investors do not have sufficient equity at risk for the entity to finance its activities as variable interest entities (“VIEs”). FIN 46(R) requires that VIEs be consolidated by the entity considered to be the primary beneficiary of the VIE. FIN 46(R) is effective for newly created VIEs after December 31, 2003, and effective in fiscal year 2005 for any VIEs created prior to December 31, 2003. The Company has evaluated the provisions of FIN 46(R) and the overall financial relationship with all of its franchisees and determined that consolidation was not necessary.

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. SFAS No. 150 clarifies the accounting for certain financial instruments with characteristics of both liabilities and equity and requires that those instruments be classified as liabilities in statements of financial position. Previously, many of those financial instruments were classified as equity. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003 and otherwise is effective at the beginning of the fiscal year 2004. The Company's adoption of SFAS No. 150 did not have an impact on its consolidated financial statements.

In December 2004, the FASB issued SFAS 123R, a revision of SFAS 123. SFAS 123R will require Jamba Juice Company to, among other things, measure all employee stock-based compensation awards using a fair value method and record the expense in Jamba Juice Company's consolidated financial statements. The provisions of SFAS 123R, as amended by SEC Staff Accounting Bulletin No. 107, “Share-Based Payment,” are effective no later than the beginning of the next fiscal year that begins after December 15, 2005. Jamba Juice Company will adopt the new requirements using the prospective transition method in its first fiscal quarter of 2007. Jamba Juice Company will continue to account for equity awards outstanding at the date of adoption of Statement 123R in the same manner as they have been accounted for prior to adoption, that is, following the provisions of APB25. All awards granted, modified, or settled after the date of adoption will be accounted for using the measurement, recognition and attribution provisions of Statement 123R. Jamba Juice Company has not yet determined the impact of the adoption of SFAS 123R on its consolidated financial statements.

In March 2005, the FASB issued Interpretation No. 47, “Accounting for Conditional Asset Retirement Obligations, an interpretation of FASB Statement No. 143” (“FIN 47”). Fin 47 requires the recognition of a liability for the fair value of a legally-required conditional asset retirement obligation when incurred, if the liability's fair value can be reasonably estimated. Fin 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. Fin 47 is effective for fiscal years ending after December 15, 2005. Jamba Juice Company has not yet determined the impact of the adoption of Fin 47 on its consolidated financial statements.

Quantitative and Qualitative Disclosures About Market Risk

Jamba Juice Company is exposed to financial market risks due primarily to changes in interest rates, which Jamba Juice Company manages primarily by managing the maturities of its financial

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instruments. Jamba Juice Company does not use derivatives to alter the interest characteristics of its financial instruments. Jamba Juice Company does not believe a change in interest rate will materially affect its financial position or results of operations. One percent in change of the interest rate would approximately mean an annual change in the result of operations of \$130,000.

Jamba Juice Company purchases significant amounts of fruits and dairy products to support the needs of its Company Stores. The price and availability of these commodities directly impacts the results of operations and can be expected to impact the future results of operations.

Jamba Juice Company purchases fruit based on short-term seasonal pricing agreements. These short-term agreements generally set the price of procured frozen fruit and 100% pure fruit concentrates for less than one year based on estimated annual requirements. In order to mitigate the effects of price changes in any one commodity on its cost structure, Jamba Juice Company contracts with multiple suppliers both domestically and internationally. These agreements typically set the price for some or all of Jamba Juice Company's estimated annual fruit requirements, protecting Jamba Juice Company from short-term volatility. Nevertheless, these agreements typically contain a force majeure clause, which, if utilized (such as when hurricanes in 2004 destroyed the Florida orange crop), subjects Jamba Juice Company to significant price increases.

Jamba Juice Company's pricing philosophy is not to attempt to change consumer prices with every move up or down of the commodity market, but to take a longer term view of managing margins and the value perception of its products in the eyes of its customers. Jamba Juice Company's objective is to maximize revenue through increased customer frequency. In cases such as the recent increase in orange prices, Jamba Juice Company attempted to manage margins by promoting and featuring other menu items.

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PROPOSAL 2
THE FINANCING PROPOSAL

Background

We are seeking your approval of the issuance of common stock representing greater than 20% of our common stock outstanding as of the date of such issuance, in connection with a contemplated private placement of our common stock, which is a condition to the consummation of the merger proposal described previously.

On March 10, 2006 and March 15, 2006, SACI entered into identical Securities Purchase Agreements and Registration Rights Agreements, with prospective investors, that, simultaneously with the closing of the merger with Jamba Juice Company, irrevocably bind such prospective investors, subject to satisfaction of the closing conditions referred to below, to purchase shares of SACI common stock which will result in the issuance of up to 30,879,999 shares of our common stock at \$7.50 per share resulting in aggregate gross proceeds of approximately \$231,600,000, and net proceeds of approximately \$224,850,000 after the payment of financing fees, to SACI, which funds will be

partially used to fund the merger with Jamba Juice Company, as well as working capital and expansion capital. In connection with the financing pursuant to the Securities Purchase Agreements, SACI has also granted the investors certain registration rights pursuant to the Registration Rights Agreements, in which SACI is obligated to register the resale of the shares of common stock that are issued to the investors in the financing. Until such time as a resale registration statement is filed and declared effective by the Securities and Exchange Commission, the shares of common stock to be issued in the private placement financing will be restricted and not eligible for sale by the holders of such stock. In the event the merger proposal is not approved or if the merger is not consummated, the contemplated financing will not be completed.

There were a total of 48 investors in the private placement. The following identifies such investors who have committed over \$5,000,000 to the private placement financing, as well as any investor in the private placement financing that is related to, affiliated with or has an ownership interest in either SACI or Jamba Juice Company:

- Tudor Investment Corporation(a)(j)
- Blue Ridge Capital(b)(j)
- Prentice Capital Management (PCM I, LLC)(c)
- Och Ziff Capital Management (d)
- Soros Fund Management (e)
- Benchmark Capital(f)
- Omega Advisors(g)
- Magnetar Capital(h)(j)
- Robert C. Kagle(f)
- Ronald Chez(k)
- Corsair(i)(j)
- Joseph Vergara(k)
- Jeffrey and Linda Olds(k)
- Craig J. Foley(k)(l)
- Amberbrook IV LLC(k)(m)
- Kevin Peters(k)
- Trevor H. Sanders(k)(n)

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- Creative Juices, Inc.(k)(n)

One of the investors in the private placement financing, investing \$400,000, is Berrard Holding Limited Partnership, of which Steven R. Berrard, a current director and the Chief Executive Officer of SACI is the President. In addition, a family member of I. Steven Edelson, SACI's Vice Chairman and Vice President, has committed to investing \$50,000 in the private placement financing.

Robert C. Kagle, a director of Jamba Juice Company since 1994, is a founding general partner of Benchmark Capital, LLC. Benchmark Capital is an investor in Jamba Juice Company.

Jamba Juice Company shareholders participating in the private placement financing have committed to purchase 4,352,333 shares, which shares will represent approximately 8.4% of the issued and outstanding shares of SACI after completion of the merger. None of the Jamba Juice Company shareholders participating in the private placement financing was a stockholder of SACI prior to the signing of the Agreement and Plan of Merger.

Investors in the private placement financing who were stockholders of SACI prior to the signing of the Agreement and Plan of Merger, and to SACI's knowledge continue to be, have committed to purchase 14,453,333 shares in the private placement financing. The 14,453,333 shares to be purchased in the private placement financing will represent approximately 27.8% of the issued and outstanding shares of SACI after completion of the merger, while the aggregate shares of SACI such stockholders will hold after the closing will represent approximately 32.8% of the issued and outstanding shares of SACI after completion of the merger.

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- (a) Includes the Tudor Related Entities identified in footnote 1 on page 79, which may be deemed to be controlled by Paul Tudor Jones.
 - (b) Includes the Blue Ridge entities identified in footnote 2 on page 79, which may be deemed to be controlled by John Griffin.
 - (c) May be deemed to be controlled by Michael Zimmerman.
 - (d) Includes the Och Ziff Related Entities identified in footnote 3 on page 79, which may be deemed to be controlled by Daniel Och.
 - (e) Includes Soros Strategic Partners, L.P., which be may deemed to be controlled by George Soros.
 - (f) Includes the Benchmark entities identified in footnote 4 on page 79, which may be deemed to be controlled by Robert Kagle.
 - (g) May be deemed to be controlled by Leon G. Cooperman.
 - (h) May be deemed to be controlled by Alec Litowitz.
 - (i) May be deemed controlled by Jay Petschek and Steven Major.
 - (j) Shareholder of SACI.
 - (k) Shareholder of Jamba Juice Company
 - (l) Board member of Jamba Juice Company
 - (m) May be deemed to be controlled by Jerry Newman.
 - (n) A franchisee of Jamba Juice Company.

As of June 23, 2006 there are 21,000,000 shares of SACI common stock issued and outstanding. As a result of the issuance of shares of SACI common stock in the private placement financing, there are expected to be 51,879,999 shares, of SACI common stock issued and outstanding. As a result of the dilutive effect of the issuance, for purposes of illustration, a stockholder who owned approximately 5.0% of SACI's outstanding shares of our common stock on March 10, 2006, would own approximately 2.02% of the outstanding shares of SACI common stock immediately following the closing of the private placement financing (excluding dilution which may occur as a result of the assumption of Jamba Juice Company options and warrants as described in this proxy statement).

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The SACI board of directors has determined that the private placement financing is fair to the current SACI stockholders because at the time of the marketing of the private placement financing and the initial sale pursuant to the March 10, 2006 Securities Purchase Agreement the price being paid by investors was above the then current market price (which was \$7.48 at March 10, 2006), investors are not receiving warrants (as is sometimes, typical in a private placement transaction) and the shares being acquired are not immediately liquid.

In determining the per share price of the private placement financing, the board of directors of SACI also considered the fact that there would be no transaction unless the private placement financing was raised, the duration of the commitment to be made by the investors both in terms of time until investment and time until registration,

liquidity, the traditional discounts associated with private placements for public companies and that the private placement financing was based on arms-length negotiation with the prospective investors.

The terms and conditions of the private placement financing which, if approved along with the approval of the merger, will be completed pursuant to the provisions of Securities Purchase Agreements and Registration Rights Agreements, a form of each of which is attached hereto as “Annex B” and “Annex C”, respectively, is expected to be completed as promptly as practicable following the special meeting. For more information, see Section “Proposal 2 - The Financing Proposal.”

Because the private placement described in this financing proposal involves the issuance by us of shares of common stock that would represent more than 20% of our currently outstanding common stock in connection with a financing, the proceeds of which are being used for the acquisition of a company, stockholder approval of the financing is required to maintain our listing on the American Stock Exchange. In addition, the stockholder approval rules of American Stock Exchange require stockholder approval prior to the issuance of securities to any insider at a price that is below market, as is being undertaken in the private placement financing.

Description of the Private Placement Financing

The private placement financing is a condition to the consummation of the merger with Jamba Juice Company, as described in the merger proposal. The private placement will consist of shares of our common stock. As the per share price of the common stock being issued in the financing is fixed, and not subject to adjustment at or prior to closing, the price per share price of our common stock that will be issued to the investors may be at a significant discount or premium to the closing price of our common stock as listed on the American Stock Exchange depending on the closing price of the common stock on the date of the closing of the financing. The issuance of the shares of common stock in the private placement will be substantially dilutive to our current stockholders.

The Securities Purchase Agreements contain a number of closing conditions, representations and warranties of SACI, as well as provisions for termination. These conditions, representations and provisions are discussed below and for the complete text of the Securities Purchase Agreement, reference is made to “Annex B”.

The obligations of SACI and the investors to consummate the private placement financing are subject to certain closing conditions, including, (i) trading in SACI’s common stock shall not have been suspended; (ii) the approval of the private placement transaction by SACI’s stockholders; and (iii) the merger with Jamba Juice Company shall have been approved by SACI’s stockholders and the merger shall have closed. The respective obligations of the investors to consummate the private placement transaction is subject to certain closing conditions, including: (i) all representations and warranties of SACI in the Securities Purchase Agreement shall be true and correct in all material respects as of the closing; (ii) all obligations, covenants and agreements of SACI required to be performed at or prior to closing shall have been performed in all material respects; (iii) there shall be no material adverse effect with respect to SACI; (iv) the consummation of the private placement transaction by SACI (A) does not violate, conflict with, or constitute a default under, any provision of any law, regulation or rule, or any order of, or any restriction imposed by, any court or U.S. state or federal or foreign governmental agency or authority, or self-regulatory organization applicable to

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SACI and (B) does not require from SACI any notice to, declaration or filing with, or consent or approval of any governmental authority or other third party, except for the approval of SACI’s stockholders; and (v) investors shall

have in the aggregate purchased shares of SACI common stock for a total investment amount of at least \$150 million.

The \$150 million minimum investment referred to above was the minimum amount that SACI believed it needed to raise and, accordingly, was incorporated as a condition to closing. As noted, SACI has obtained irrevocable commitments, subject to the conditions described above, to purchase \$231,600,000 of common stock.

In connection with the execution of the Securities Purchase Agreements, SACI made certain representations and warranties to the investors, including representations and warranties with respect to due incorporation and good standing, requisite corporate power and authority to enter into the private placement transaction, capitalization, SEC filings and financial statements, litigation, compliance with laws and agreements, permits, Form S-3 eligibility and taxes.

The Securities Purchase Agreements may be terminated by any investor, as to such investor's obligations only and without any effect whatsoever on the obligations between SACI and the other investors, on the earlier of (i) 180 days from the date of the Securities Purchase Agreement or (ii) the termination of the Jamba Juice Company merger agreement.

We anticipate that the private placement financing will close, simultaneously with the closing of the merger with Jamba Juice Company, as soon as practicable following receipt of stockholder approval. The complete text of a form of Securities Purchase Agreement is attached hereto as "Annex B" and is incorporated by reference to this proxy statement.

The principal purpose of the private placement financing is to obtain the funds necessary to pay the purchase price and complete the merger with Jamba Juice Company as described in the merger proposal. We believe that a portion of the proceeds from the private placement, approximately \$80 million, will remain after completion of the merger that will be used for expansion and general working capital purposes.

The issuance of common stock to investors in the private placement will be made in reliance upon an available exemption from registration under the Securities Act of 1933, by reason of Section 4(2) thereof or other appropriate exemptions, to persons who are "accredited investors," as defined in Regulation D promulgated under the Securities Act and who meet other suitability requirements established for the private placement. The investors have represented in the Securities Purchase Agreements that each is an "accredited investor," which representations have been relied upon by SACI to support the reliance upon such claimed exemption. Many of the investors are well known to Broadband Capital Management, LLC and to management of SACI as persons or entities which routinely invest in private placements and are either qualified institutional buyers within the meaning of Rule 144A promulgated under the Securities Act of 1933 or accredited investors within the meaning of Regulation D thereunder and others are well known by management of Jamba Juice Company. There was no general solicitation; the certificates representing the shares will be legended and a Form D will be filed within 15 days of closing.

Pursuant to the Registration Rights Agreements, SACI has granted the investors certain rights to register the resale of their shares of common stock that they will receive upon completion of the financing. Any costs associated with filing of the registration statement will be paid by SACI. In the event the financing is completed, if SACI does not timely file the registration statement (the later of 30 days following the closing of the financing or July 7, 2006), or have it declared effective in a timely manner (within 60 days, or 90 days if reviewed by the Securities and Exchange Commission, of filing of the registration statement), then SACI may be subject to a penalty (an amount equal to 0.5% of the financing amount payable in cash to the investors for every 30 days such delinquencies are not cured). SACI may also be subject to the same penalty if the registration statement, once effective, ceases to be usable for a period of time. The complete text of a form of Registration Rights Agreement is attached hereto as "Annex C" and is incorporated by reference to this proxy statement.

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Necessity of Stockholder Approval

The AMEX Company Guide requires stockholder approval in connection with the issuance of shares of common stock equal to 20% or more of the presently outstanding shares of common stock that results in proceeds to the company, which proceeds are then used to finance the acquisition of a company. In addition, shareholder approval is also required when a company issues its securities to insiders at a price considered below market.

The number of shares of Common Stock outstanding on March 10, 2006 was 21,000,000. The provisions of the Securities Purchase Agreements provide for the issuance of 30,879,999 shares of common stock and the proceeds from such issuance are being substantially used for the merger with Jamba Juice Company and such issuance is greater than the AMEX 20% limitation. Pursuant to the Securities Purchase Agreement, a condition to closing of the financing is the closing of the merger with Jamba Juice Company, which also requires stockholder approval. Accordingly, if either the merger proposal or the financing proposal is not approved, then neither the merger with Jamba Juice Company nor the financing pursuant to the Securities Purchase Agreements will be completed.

We are therefore now asking that the stockholders approve the issuance by us (i) of greater than 20% of our outstanding common stock and (ii) to certain of our insiders, in connection with the private placement financing.

Effect of the Financing on Existing Stockholders

Advantages. Prior to voting, each stockholder should consider the fact that the private placement financing will provide additional financing, substantially all of which will be used to complete the merger with Jamba Juice Company and provide working capital and expansion capital. Each stockholder should consider the fact that if we do not complete the merger and related financing, we will continue as a blank check company until we find another suitable company to acquire or the trust is liquidated and SACI ceases to operate as a public blank check company. Later financings may not be available to us in connection with another potential acquisition, or may be available but not on the same acceptable terms and conditions as contained in the Securities Purchase Agreement.

Disadvantages. The private placement will have a substantial dilutive effect on our current stockholders. Our current stockholders' aggregate percentage ownership will decline significantly as a result of the private placement. The number of shares issued pursuant to the private placement will increase substantially the number of shares of common stock currently outstanding. This means that our current stockholders will own a smaller interest in the Company as a result of the private placement. On a primary basis, current stockholders will be reduced from owning 100% of the outstanding common stock to owning approximately 40% of the outstanding common stock.

All shares of common stock issued in the private placement financing will be entitled to registration rights. Consequently, if these shares are registered, the shares may be freely transferable without restriction under the Securities Act of 1933, as amended, absent other securities law restrictions. Such free transferability could materially and adversely affect the market price of our common stock if a sufficient number of such shares are sold in the market.

As a result of the dilutive effect of the issuance, for purposes of illustration, a stockholder who owned approximately 5.0% of our outstanding shares of common stock on March 10, 2006, would own approximately 2.02% of the outstanding shares of our common stock immediately following the closing of the private placement financing (excluding dilution which may occur as a result of the assumption of Jamba Juice Company options and warrants).

We are therefore now asking that the stockholders approve the issuance by us of greater than 20% of our common stock outstanding as of the date of such issuance and the issuance to certain of our insiders at a below market price, in connection with the private placement.

Solely for illustrative purposes, the following table is designed to set forth information regarding the beneficial ownership of the common stock of SACI of each person who is anticipated to own

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greater than 5% of SACI’s outstanding common stock and each of SACI’s officers and directors who will act in such capacity immediately following the closing of the merger with Jamba Juice Company, based on the following assumptions:

- The current ownership of the entities and individuals identified remains unchanged, except for shares acquired as a result of certain insiders participating in the private placement financing;
- The issuance of 30,879,999 shares of common stock as a result of the private placement financing; and
- The capital structure of SACI remains unchanged such that 21,000,000 shares of common stock will continue to remain outstanding and has not increased as a result of any warrant exercises.

Name of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership	Percentage of Outstanding Common Stock
Soros Strategic Partners, L.P.	2,666,667	5.1%
Tudor Related Entities ⁽¹⁾	9,333,334	18.0%
John Griffin ⁽²⁾	4,823,333	9.3%
PCM I, LLC	3,333,333	6.4%
Och Ziff Related Entities ⁽³⁾	3,333,333	6.4%
Robert Kagle ⁽⁴⁾	3,333,333	6.4%

⁽¹⁾The Altar Rock Fund, L.P., Tudor Proprietary Trading, LLC, The Raptor Global Portfolio, LTD and the Tudor BVI Global Portfolio LTD.

⁽²⁾Blue Ridge Limited Partnership and Blue Ridge Offshore Master Limited Partnership.

⁽³⁾Och Ziff Master Fund, LTD, Och Ziff Global Special Investment Master Fund, LP, Fleet Maritime, Inc. and GPC LVII, LLC.

⁽⁴⁾Includes shares of Benchmark Capital Partners IV, L.P. (2,222,222 shares) but does not include shares of common stock which may be issued in exchange for the 450,000 warrants of Jamba Juice Company held by Mr. Kagle as such amount is not determinable at this time as the warrant exchange ratio, which will be used to determine the number of warrants of SACI that each warrant of Jamba Juice Company will be exchanged for, will be calculated by using the average daily closing price of SACI common stock for the five trading days immediately preceding the closing date of the merger.

Required Vote

To be approved by the stockholders, the proposal to approve the issuance of the shares of common stock in connection with the private placement financing must receive the affirmative vote of a majority of the votes cast, in person or by proxy, at the Special Meeting. Abstentions are treated as shares present or represented and entitled to vote at the

Special Meeting and will have the same effect as a vote against this proposal. Broker non-votes are not deemed to be present and represented and are not entitled to vote, and, therefore, will have no effect on the outcome of this proposal. A failure to vote by not returning a signed proxy card will have no impact on the proposal.

Recommendation

The Board of Directors believes that it is in the best interests of SACI that the stockholders authorize such issuance.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE “FOR” THE FINANCING TO APPROVE THE ISSUANCE OF UP TO 30,879,999 SHARES OF COMMON STOCK IN CONNECTION WITH THE PRIVATE PLACEMENT FINANCING, ALL THE PROCEEDS OF WHICH WILL BE USED TO FINANCE THE MERGER WITH JAMBA JUICE COMPANY AND TO PROVIDE WORKING CAPITAL AND EXPANSION CAPITAL.

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PROPOSAL 3

THE STOCK OPTION PLAN PROPOSAL

Background

We are seeking your approval on the adoption of the SACI 2006 Employee, Director and Consultant Stock Plan (the “Plan”) providing for the issuance of a maximum of 5,000,000 shares of common stock in connection with the grant of options and/or other stock-based or stock-denominated awards.

On March 10, 2006, our board of directors unanimously approved the Plan, and recommended that the Plan be submitted to the stockholders for approval at the special meeting. If approved by the stockholders at the special meeting, the Plan will become effective as of the closing of the merger. A copy of the Plan is attached as “Annex D.”

The Plan being submitted under this proposal does not have any securities issued pursuant to it and, except as set forth in the “New Plans Benefit Table” below, no future issuances which may be awarded have been determined, approved or granted.

The Plan includes the following features that protect the interests of our stockholders:

- Administration by a Compensation Committee composed entirely of independent directors;
- Exercise prices for stock options and certain stock-based awards must be at least 100% of fair market value on the grant date of the award;
- The Plan sets the maximum number of options, stock grants or stock-based awards to any one employee during any fiscal year of SACI at 600,000;
- Awards may not be re-priced; and
- No material amendments will be made to the Plan without the approval of SACI stockholders.

Termination of the Jamba Juice Company’s 1994 and 2001 Plans Assumed as Part of the Merger

If the proposal to adopt the Plan is approved, the 1994 and 2001 Plans will be terminated. Awards previously granted under the 1994 and 2001 Plans will continue to be governed by the terms of the respective plans under which they were issued and will not be affected by their termination. If the merger proposal is approved and the merger is consummated, we intend to file a registration statement on Form S-8 under the Securities Act of 1933, as amended, registering the shares under the 1994 and 2001 Plans. However, no new grants will be made under the 1994 or the 2001 Plans, and no additional shares will become available for grant thereunder.

Description of the SACI 2006 Employee, Director and Consultant Stock Plan

The following is a brief description of certain important features of the Plan, the full text of which is attached as “Annex D.” This summary does not purport to be complete and is qualified in its entirety by reference to “Annex D.” If the proposal to adopt the Plan is approved, we intend to promptly file a registration statement on Form S-8 under the Securities Act of 1933, as amended, registering the shares available for issuance under the Plan. If proposals 1, 2 and 4 are not approved, then SACI will not adopt the Plan and Jamba Juice Company’s 1994 and 2001 Plans will not be affected.

General. The Plan is intended to encourage ownership of shares by employees and directors of and certain consultants to SACI in order to attract and retain such people and to induce them to work for the benefit of SACI or of an Affiliate of SACI (as defined in the Plan). The Plan provides for the granting of incentive stock options, non-qualified options, stock grants and stock-based awards.

Administration. The Plan will be administered by the board of directors of SACI, except to the extent the board of directors delegates its authority to the Compensation Committee of the board (the

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“Administrator”). All members of the Compensation Committee must satisfy the requirements for independence of SEC Rule 16b-3 and remain qualified as “outside directors” within the meaning of Section 162(m) of the Code.

The Administrator has the authority to administer and interpret the Plan, to determine the employees to whom awards will be granted under the Plan and, subject to the terms of the Plan, the type and size of each award, the terms and conditions for vesting, cancellation and forfeiture of awards and the other features applicable to each award or type of award. The Administrator may accelerate or defer the vesting or payment of awards, cancel or modify outstanding awards, waive any conditions or restrictions imposed with respect to awards or the stock issued pursuant to awards and make any and all other determinations that it deems appropriate, subject to the limitations contained in the Plan, including minimum vesting requirements, prohibitions against re-pricing, and provisions designed to maintain compliance with the requirements of Sections 422 (for incentive stock options), 162(m) and 409A of the Code, as well as other applicable laws and stock exchange rules.

Eligibility. All “employees” of SACI, defined by the Plan to include any employee of SACI or of an Affiliate, including employees who are also serving as an officer or director of SACI or of an Affiliate, are eligible to receive awards under the Plan. Incentive stock options may be granted only to employees. All other awards may be granted to any participant in the Plan. Participation is discretionary, and awards are subject to approval by the Administrator.

Shares Subject to the Plan. The maximum number of shares of common stock that may be subject to awards during the term of the Plan is 5,000,000 shares. The AMEX closing price of a share of SACI’s common stock on June 23,

2006, was \$10.34.

The maximum number of shares of common stock that may be issued under the Plan will not be affected by or awards that are granted through the assumption of, or in substitution for, outstanding awards previously granted to individuals who have become employees as a result of a merger, consolidation, or acquisition or other corporate transaction involving SACI or a subsidiary. Additionally, shares used by a participant to exercise an option, and shares withheld by SACI to cover the withholding tax liability associated with the exercise of an option, are not counted toward the maximum number of shares that may be issued under the Plan and, accordingly, will not reduce the number of shares that will be available for future awards.

Shares of common stock issued in connection with awards under the Plan may be shares that are authorized but unissued, or previously issued shares that have been reacquired, or both. If an award under the Plan is forfeited, canceled, terminated or expires prior to the issuance of shares, the shares subject to the award will be available for future grants under the Plan. Shares subject to outstanding awards granted under other plans shall not be subject to future issuance under the Plan, if such awards are forfeited, canceled, terminated or expire prior to the issuance of shares.

Limits on Awards. The aggregate number of shares of common stock subject to awards that may be granted to any one participant during any fiscal year of SACI may not exceed 600,000.

Types of Awards. The following types of awards may be granted under the Plan. All of the awards described below are subject to the conditions, limitations, restrictions, vesting and forfeiture provisions determined by the Administrator, in its sole discretion, subject to such limitations as are provided in the Plan. The number of shares subject to any award is also determined by the Administrator, in its discretion. At the discretion of the Administrator, awards may be made subject to or may vest on an accelerated basis upon the achievement of performance criteria related, which may be established on a Company-wide basis or with respect to one or more business units or divisions or subsidiaries, and may be based upon the attainment of criteria as may be determined by the Administrator and set forth in the participant's award agreement. None of the awards available under the Plan may be granted to any participant who is subject to United States federal income tax, unless such grant would not constitute deferred compensation within the meaning of Section 409A of the Code.

Stock Grants. A stock grant is an award of outstanding shares of common stock that does not vest until after a specified period of time, or upon the satisfaction of other vesting conditions as

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determined by the Administrator, and which may be forfeited if conditions to vesting are not met. Participants generally receive dividend payments on the shares subject to a restricted stock grant award during the vesting period, and are also generally entitled to vote the shares underlying their awards.

Non-Qualified Stock Options. An award of a non-qualified stock option under the Plan grants a participant the right to purchase a certain number of shares of common stock during a specified term in the future, after a vesting period, at an exercise price equal to at least 100% of the fair market value of the common stock on the grant date. The term of a non-qualified stock option may not exceed 10 years from the date of grant. The exercise price may be paid by any of the means described below under "Payment of Exercise Price." A non-qualified stock option is an option that does not qualify under Section 422 of the Code.

Incentive Stock Options. An incentive stock option is a stock option that meets the requirements of Section 422 of the Code, which include an exercise price of no less than 100% of fair market value on the grant date, a term of no more than 10 years, and that the option be granted from a plan that has been approved by stockholders. Additional requirements apply to an incentive stock option granted to a participant who beneficially owns stock representing more than 10% of the total voting power of all outstanding stock of SACI on the date of grant. If certain holding period requirements are met and there is no disqualifying disposition of the shares, the participant will be able to receive capital gain (rather than ordinary income) treatment under the Code with respect to any gain related to the exercise of the option.

Stock-Based Awards. A stock-based award is a grant by SACI under the Plan of an equity award or an equity based award which is not a non-qualified stock option, an incentive stock option, or a stock grant. The Administrator has the right to grant stock-based awards having such terms and conditions as the Administrator may determine, including, without limitation, the grants of shares based upon certain conditions, the grant of securities convertible into shares and the grant of stock appreciation rights, phantom stock awards or stock units. The principal terms of each stock-based award will be set forth in the participant's award agreement, in a form approved by the Administrator and shall contain terms and conditions which the Administrator determines to be appropriate to be appropriate and in the best interest of SACI.

Payment of Exercise Price. Payment of the exercise price of a non-qualified stock option or incentive stock option may be made in cash or, if permitted by the Administrator, by tendering shares of common stock owned by the participant and acquired at least six (6) months prior to exercise, having a fair market value equal to the exercise price, by a combination of cash and shares of common stock or by authorizing the sale of shares otherwise issuable upon exercise, with the sale proceeds applied towards the exercise price. Additionally, the Administrator may provide that stock options can be net exercised — that is exercised by issuing shares having a value approximately equal to the difference between the aggregate value of the shares as to which the option is being exercised and the aggregate exercise price for such number of shares.

Prohibition Against Re-pricing. The Plan prohibits the issuance of awards in substitution for outstanding awards or any other adjustment that would constitute a re-pricing (within the meaning of U.S. generally accepted accounting principles or any applicable stock exchange rule) of awards.

Additional Forfeiture Provisions. Awards granted under the Plan are subject to forfeiture if, after a termination of employment, the participant engages in certain activities that breach an obligation or duty of the participant to SACI, or that are materially injurious to or in competition with SACI.

Deferrals. Subject to the limitation described below, the Administrator may postpone the exercise of awards, or the issuance or delivery of shares or cash pursuant to any award for such periods and upon such terms and conditions as the Administrator determines. In addition, the Administrator may determine that all or a portion of a payment to a participant, whether in cash and/or shares, will be deferred in order to prevent SACI or any subsidiary from being denied a United States federal income tax deduction under Section 162(m) of the Code with respect to an

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award granted under the Plan. If any of such deferrals, however, would cause the Plan to become subject to Section 409A of the Code, the Administrator generally may not take such actions unless it affirmatively determines to subject the Plan to all of the requirements of Section 409A.

Non-Transferability. By its terms, awards granted under the Plan are not transferable other than (i) by will or the laws of descent and distribution or (ii) as approved by the Administrator in its discretion and set forth in the applicable agreement with the participant. Notwithstanding the foregoing, an incentive stock option transferred except in compliance with clause (i) above will no longer qualify as an incentive stock option. During a participant's lifetime, all rights with respect to an award may be exercised only by the participant (or by his or her legal representative) and cannot be assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and cannot be subject to execution, attachment or similar process.

Adjustments. Subject to certain limitations, the maximum number of shares available for issuance under the Plan, the number of shares covered by outstanding awards, the exercise price applicable to outstanding awards and the limit on awards to a single employee may be adjusted by the Administrator if it determines that any stock split, extraordinary dividend, stock dividend, distribution (other than ordinary cash dividends), recapitalization, merger, consolidation, reorganization, combination or exchange of shares or other similar event equitably requires such an adjustment.

Corporate Transaction. Upon the occurrence of a "Corporate Transaction," as defined in the Plan, the Administrator, may, in its discretion and as it deems appropriate as a consequence of such Corporate Transaction, accelerate, purchase, adjust, modify or terminate awards or cause awards to be assumed by the surviving corporation in the transaction that triggered such Corporate Transaction. Any such actions that would cause the Plan to become subject to Section 409A of the Code, however, generally may not be taken unless the Administrator affirmatively determines to subject the Plan to all of the requirements of Section 409A.

Amendment and Termination. The Plan will terminate ten years after adoption, the date which is ten years from the earlier of the date of its adoption by the board of directors and the date of its approval by the stockholders of SACI. The Plan may be amended or terminated by the Administrator at an earlier date, provided that no amendment that would require stockholder approval under any applicable law or regulation (including the rules of any exchange on which SACI's shares are then listed for trading) or under any provision of the Code, may become effective without stockholder approval, and, provided further, that no amendments to the Plan will permit SACI to re-price any outstanding awards. A termination, suspension or amendment of the Plan may not adversely affect the rights of any participant with respect to a previously granted award, without the participant's written consent; provided, however, that any award may be amended, revised or revoked as deemed necessary by the Administrator to avoid penalties under Code Section 409A. Additionally, SACI's board of directors has the power, without further approval of SACI's stockholders, to amend the Plan in any respect necessary at any point in time to permit the Plan, and awards granted thereunder, to continue to comply with Rule 16b-3 under the 1934 Act and with Code Section 422.

Certain United States Federal Income Tax Consequences

The following is a brief summary of the principal United States federal income tax consequences of transactions under the Plan, based on current United States federal income tax laws. This summary is not intended to be exhaustive, does not constitute tax advice and, among other things, does not describe state, local or foreign tax consequences, which may be substantially different.

Stock Grants. A participant generally will not be taxed at the time a stock grant is awarded, but will recognize taxable income when the award vests or otherwise is no longer subject to a substantial risk of forfeiture. The amount of taxable income recognized will equal the fair market value of the shares subject to the award (or the portion of the award that is then vesting) at that time. Participants may elect to be taxed based on the fair market value of the shares at the time of grant by making an election under Section 83(b) of the Code within 30 days of the award date. If an award with respect to which a participant has made such an election under Section 83(b) is subsequently canceled, no deduction or tax refund will be allowed for the amount previously recognized as income.

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Unless a participant makes a Section 83(b) election, dividends paid to a participant on shares of an unvested restricted stock grant will be taxable to the participant as ordinary income. If the participant made a Section 83(b) election, the dividends will be taxable to the participant as dividend income, which generally is subject to the same rate as capital gains income.

Except as provided under “Certain Limitations on Deductibility of Executive Compensation” below, SACI will ordinarily be entitled to a deduction at the same time and in the same amounts as the ordinary income recognized by the participant with respect to a stock grant award. Unless a participant has made a Section 83(b) election, SACI will also be entitled to a deduction, for federal income tax purposes, for dividends paid on awards of unvested restricted stock grants when the restrictions lapse.

Non-Qualified Stock Options. Generally, a participant will not recognize taxable income on the grant of a non-qualified stock option provided the exercise price of the option is equal to the fair market value of the underlying stock at the time of grant. Upon the exercise of a non-qualified stock option, a participant will recognize ordinary income in an amount equal to the difference between the fair market value of the common stock received on the date of exercise and the option cost (number of shares purchased multiplied by the exercise price per share). The participant will recognize ordinary income upon the exercise of the option even though the shares acquired may be subject to further restrictions on sale or transferability. Except as provided under “Certain Limitations on Deductibility of Executive Compensation” below, SACI will ordinarily be entitled to a deduction on the exercise date equal to the ordinary income recognized by the participant upon exercise.

Generally, upon a subsequent sale of shares acquired in an option exercise, the difference between the sale proceeds and the cost basis of the shares sold will be taxable as a capital gain or loss.

Incentive Stock Options (ISOs). No taxable income is recognized by a participant on the grant of an ISO. If a participant exercises an ISO in accordance with the terms of the ISO and does not dispose of the shares acquired within two years from the date of the grant of the ISO, nor within one year from the date of exercise, the participant will be entitled to treat any gain or loss related to the exercise of the ISO as capital gain or loss (instead of ordinary income), and SACI will not be entitled to a deduction by reason of the grant or exercise of the ISO. The amount of the gain or loss upon a subsequent sale will be long-term capital gain or loss equal to the difference between the amount realized on the sale and the participant’s basis in the shares acquired. If a participant sells or otherwise disposes of the shares acquired without satisfying the required minimum holding period, such “disqualifying disposition” will give rise to ordinary income equal to the excess of the fair market value of the shares acquired on the exercise date (or, if less, the amount realized upon disqualifying disposition) over the participant’s tax basis in the shares acquired. Additionally, the exercise of an ISO will give rise to an item of tax preference that may result in alternative minimum tax liability for the participant. Except as provided under “Certain Limitations on Deductibility of Executive Compensation” below, SACI will ordinarily be entitled to a deduction equal to the amount of the ordinary income taxable to a participant as a result of any disqualifying disposition.

Stock-Based Awards. A participant will recognize taxable income on the grant of unrestricted stock, in an amount equal to the fair market value of the shares on the grant date. Except as provided under “Certain Limitations on Deductibility of Executive Compensation” below, SACI will ordinarily be entitled to a deduction at the same time and in the same amounts as the ordinary income recognized by the participant with respect to such a stock award. Other rules apply with regard to other forms of stock-based awards.

Withholding. SACI retains the right to deduct or withhold, or require the participant to remit to his or her employer, an amount sufficient to satisfy federal, state and local and foreign taxes, required by law or regulation to be withheld with respect to any taxable event as a result of the Plan.

Certain Limitations on Deductibility of Executive Compensation. With certain exceptions, Section 162(m) of the Code limits the deduction to SACI for compensation paid to certain executive officers to \$1 million per executive per taxable year unless such compensation is considered “qualified performance — based compensation” within the meaning of Section 162(m) or is otherwise exempt

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from Section 162(m). The Plan is designed so that options and SARs qualify for this exemption, and it permits the Committee to grant other awards designed to qualify for this exemption.

Treatment of “Excess Parachute Payments.” The accelerated vesting of awards under the Plan upon a change of control of SACI could result in a participant being considered to receive “excess parachute payments” (as defined in Section 280G of the Code), which payments are subject to a 20% excise tax imposed on the participant. SACI would not be able to deduct the excess parachute payments made to a participant.

New Plan Benefits

The following table shows stock options that the individuals referred to below will receive if the merger proposal is approved and the stock option plan proposal is approved by the SACI stockholders at the special meeting. It is anticipated that the individuals referred to below, upon consummation of the merger, will serve in the capacities as set forth below.

New Plan Benefits

2006 Director, Employee and Consultant Stock Plan

Name and Position	Dollar Value(\$) ^(a)	Number of Units ^(b)
Paul E. Clayton Director, President and Chief Executive Officer	\$ —	580,000
Donald D. Breen Chief Financial Officer	\$ —	315,000
Karen Kelley Vice President of Operations	\$ —	202,500
Executive Group	\$ —	1,097,500

^(a)Dollar value will be based upon the fair market value, as defined in the Plan, of SACI common stock on the date of grant.

^(b)For the amounts disclosed for Messrs. Clayton and Breen and Ms. Kelley, 70,000, 40,000 and 27,500 are shares of restricted stock, as opposed to option grants, which is the balance of the amounts indicated.

Required Vote

To be approved by the stockholders, the proposal to approve the adoption of SACI's 2006 Employee, Director and Consultant Stock Plan must receive the affirmative vote of a majority of the votes cast, in person or by proxy, at the Special Meeting. Abstentions are treated as shares present or represented and entitled to vote at the Special Meeting and will have the same effect as a vote against this proposal. Broker non-votes are not deemed to be present and represented and are not entitled to vote, and, therefore, will have no effect on the outcome of this proposal. A failure to vote by not returning a signed proxy will have no impact on the proposal.

Recommendation

The board of directors believes that it is in the best interests of, and fair to, SACI and its stockholders that the stockholders approve SACI's 2006 Employee, Director and Consultant Stock Plan.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE "FOR" THE ADOPTION OF THE 2006 EMPLOYEE, DIRECTOR AND CONSULTANT STOCK PLAN.

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PROPOSAL 4 AMENDMENT TO CERTIFICATE OF INCORPORATION PROPOSAL

Background

We are seeking your approval to authorize the board of directors, to amend our certificate of incorporation to (i) increase the number of authorized shares of common stock from 70,000,000 shares to 150,000,000 shares, which will result in an increase of the total number of authorized shares of capital stock from 71,000,000 to 151,000,000 and (ii) change our name from "Services Acquisition Corp. International" to "Jamba, Inc." The management of SACI has not reserved or determined to set aside any securities of the increased amount of authorized common stock pursuant to this proposal.

The increase in the number of authorized shares of common stock and the name change are being undertaken as a result of and in conjunction with the merger with Jamba Juice Company and the related private placement financing. As a result of the issuance of shares of common stock as contemplated in the financing proposal, and the potential assumption of options and warrants and adoption of a new stock option plan, as described in the stock option plan proposal, we will require additional shares of common stock to be reserved in our Amended and Restated Certificate of Incorporation. In addition, in the event that the merger is completed, we will change our name to "Jamba, Inc." Accordingly, this proposal to amend our certificate of incorporation is conditioned upon and subject to the approval of the merger proposal and the financing proposal.

Of the 70,000,000 shares of common stock currently authorized, as of March 24, 2006, 21,000,000 shares were issued and outstanding, 17,250,000 shares were reserved for issuance upon exercise of our currently outstanding publicly traded warrants and 1,500,000 shares were reserved for issuance for the shares underlying the underwriter's purchase option to purchase 750,000 units. As a result, only 30,250,000 shares of common stock remain available for future issuance. It is anticipated that pursuant to the proposed financing proposal and the stock option plan proposal, as described in Proposals 2 and 3, and the transactions conditioned on such issuances, that we will issue 30,879,999

shares of our common stock. Accordingly, an increase in the number of authorized shares of common stock is necessary in order to insure a sufficient number of shares are available for issuance upon the transactions described in Proposals 2 and 3. Accordingly, this proposal to increase the authorized number of shares of common stock is conditioned upon the approval of the merger proposal and financing proposal, and the board of directors, even if approved, will not undertake to amend our certificate of incorporation if those other proposals are not approved. Additionally, our current name will not adequately reflect our business operations in the event the merger with Jamba Juice Company is consummated. Accordingly, we believe that changing our name to “Jamba, Inc.” in connection with the merger will better reflect our operating business upon completion of the merger.

IF OUR STOCKHOLDERS DO NOT APPROVE THIS PROPOSAL 4, WE MAY NOT BE ABLE TO EFFECTUATE THE TRANSACTIONS DISCUSSED IN PROPOSALS 1, 2 AND 3.

Proposal

Under the proposed amendment, Article First of our certificate of incorporation would be amended as follows:

“FIRST: The name of the corporation is Jamba, Inc. (hereinafter sometimes referred to as the “Corporation”).”

Further, under the proposed amendment, Article Fourth of our certificate of incorporation would be amended as follows:

“FOURTH: The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is 151,000,000 of which 150,000,000 shares shall be Common Stock of the par value of \$.001 per share and 1,000,000 shares shall be Preferred Stock of the par value of \$.001 per share.

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A. Preferred Stock. The Board of Directors is expressly granted authority to issue shares of the Preferred Stock, in one or more series, and to fix for each such series such voting powers, (full or limited, and such designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issue of such series (a “Preferred Stock Designation”) and as may be permitted by the GCL. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, without a separate vote of the holders of the Preferred Stock, or any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation.

B. Common Stock. Except as otherwise required by law or as otherwise provided in any Preferred Stock Designation, the holders of the Common Stock shall exclusively possess all voting power and each share of Common Stock shall have one vote.”

The proposed amendment does not change the number of authorized shares of preferred stock. Our board of directors has recommended that our stockholders approve the amendment to the certificate of incorporation. The proposed amendment would provide a sufficient number of available shares to enable us to close the transactions discussed in Proposals 1, 2 and 3 and would provide the board of directors with the ability to issue additional shares of common

stock without requiring stockholder approval of such issuances except as otherwise may be required by applicable law or the rules of any stock exchange or trading system on which the securities may be listed or traded, including the American Stock Exchange. Other than as previously disclosed, our board of directors does not intend to issue any common stock except on terms that the board of directors deems to be in the best interest of SACI and our stockholders.

Required Vote

The approval of the amendment to the certificate of incorporation requires the affirmative vote of holders of at least a majority of the outstanding shares of our common stock. Abstentions and broker non-votes, as well as failing to vote by not returning your proxy card, because they are not affirmative votes, will have the same effect as a vote against this proposal.

Recommendation

The board of directors believes that it is in the best interests of SACI that the stockholders approve the proposal to authorize the board of directors, in its discretion, to amend our certificate of incorporation.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE STOCKHOLDERS OF SACI VOTE ‘‘FOR’’ THIS PROPOSAL 4 TO AUTHORIZE THE BOARD OF DIRECTORS, IN ITS DISCRETION, TO AMEND SACI’S CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK FROM 70,000,000 TO 150,000,000 AND TO CHANGE OUR NAME TO ‘‘JAMBA, INC.’’

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INFORMATION ABOUT JAMBA JUICE COMPANY

Background of Jamba Juice Company

Initially founded as Juice Club by founder Kirk Perron, Jamba Juice Company opened its first store in San Luis Obispo, California in April 1990. The company began with a franchise strategy and opened its second and third stores in Northern and Southern California in 1993. In 1994, management decided that an expansion strategy focusing on company stores would provide a greater degree of quality and operating control. In 1995, the company changed its name to Jamba Juice Company to provide a point of differentiation as competitors began offering similar healthy juices and smoothies in the marketplace. To gain significant scale and pursue its aggressive expansion strategy, in March 1999, Jamba Juice Company merged with Zuka Juice Inc., a smoothie retail chain that owned or franchised 98 smoothie retail units in the Western United States; as a result of such merger, Zuka Juice branded stores were converted to Jamba Juice Company stores and those stores that were franchises of Zuka Juice were converted to franchises of Jamba Juice Company.

In the last six years, Jamba Juice Company has followed a strategy of expanding its store locations in existing markets and opening stores in select new markets. Jamba Juice Company has grown its concept and brand through several channels simultaneously, including Company Stores, franchised stores, and other retail channels. As of April 4, 2006 there were 538 locations, 325 company-owned and 213 franchised, operating in 24 states, the District of Columbia and the Bahamas; notwithstanding the single Bahamas location, Jamba Juice Company has no other international locations. Jamba Juice Company also has multi-unit license agreements with area developers including, Hawaii,

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California, and Texas/Kansas/Missouri to develop and operate additional store locations in their respective local markets. In addition, Jamba Juice Company has agreements with retailers to operate store-within-a-store formats and is actively testing this sales channel. Jamba Juice Company also operates in non-traditional locations such as college campuses and airports. For the 40 weeks ending April 4, 2006, system-wide sales were \$261.4 million, which included sales of \$173.8 million or 66.4% from Company Store locations. Jamba Juice Company revenue has achieved an annual growth rate of 20.3% per year over the last three fiscal years.

The table below highlights certain key statistics for Jamba Juice Company (in thousands, except for store count).

	Fiscal Years Ended ⁽¹⁾					40 Weeks Ended	
	June 28, 2005	June 29, 2004	June 24, 2003	June 25, 2002	June 26, 2001	April 4, 2006	April 5, 2005
Store Count:							
Company stores	301	243	198	179	174	325	283
Franchise stores	202	188	171	167	159	213	199
Total stores	503	431	369	346	333	538	482
System-wide sales:							
Company operated stores	\$202,073	\$165,856	\$129,960	\$117,550	\$110,152	\$173,789	\$141,484
Franchise operated stores	107,112	96,721	82,591	74,528	65,586	87,571	77,722
Average sales per store:							
Company stores	\$ 752	\$ 754	\$ 701	\$ 675	\$ 663	\$ 774	\$ 739
Franchise stores ⁽²⁾	\$ 547	\$ 522	\$ 494	\$ 477	\$ 447	\$ 582	\$ 532
System-wide ⁽²⁾	\$ 664	\$ 655	\$ 605	\$ 576	\$ 559	\$ 698	\$ 699
System-wide comparable sales growth ⁽³⁾							
	0.9%	6.0%	3.3%	1.3%	0.9%	4.6%	(0.8)%

⁽¹⁾Fiscal 2004 includes 53 weeks. All other years are 52 week periods.

⁽²⁾System-wide and franchise average sales per store includes stores which were initially opened as Zuka Juice franchise locations prior to 1999 but which became Jamba Juice Company franchise locations as a result of Jamba Juice Company's acquisition of Zuka Juice in 1999. These Zuka Juice franchises are often lower yielding as they are frequently in secondary locations and less desirable markets and many do not meet Jamba Juice Company's current real estate location criteria and requirements.

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⁽³⁾Comparable revenue growth is defined as year-over-year sales change for stores that are open at least 13 full periods. Comparable store sales growth begins in the first period that has a full period of comparable sales versus the prior year. System-wide sales, average system-wide sales per store and system-wide comparable sales growth are non-GAAP financial measures that includes sales at all Company-owned and franchise-owned locations. Franchise store sales and average franchise store sales are non-GAAP

financial measures that includes sales at all franchise locations, as reported by franchisees. Franchise store sales are not included in our financial statements. Jamba Juice Company uses system-wide sales and franchise store sales information internally in connection with store development decisions, planning, and budgeting analyses. Jamba Juice Company believes it is useful in assessing the consumer acceptance of our brand and facilitating an understanding of financial performance as our franchisees pay royalties and contribute to advertising pools based on a percentage of their sales.

Overview of Jamba Juice Company's Menu

Jamba Juice Company provides a range of blended beverages and healthy snacks in its stores. While the largest portion of sales are generated in the lunch daypart, stores generate sales throughout the day. During fiscal year 2005, no one daypart (breakfast, lunch, afternoon or dinner) represented more than 30%, or less than 18.0% of average daily sales. The following products and services are provided in company stores and franchised outlets:

- **Jamba Smoothies:** Made with real fruit and 100% fruit juices, these natural, freshly blended-to-order fruit smoothies provide 4-6 of the daily-recommended servings of fruits and vegetables. Jamba smoothies have significant Vitamin C, Vitamin A, calcium, fiber and potassium and are available in a variety of sizes. Smoothies represent over 85% of company revenue. During fiscal year 2005, smoothies represented 89% of company store sales.
- **Jamba Boosts™** To supplement the natural nutrients in Jamba smoothies, Jamba Boosts are a selection of high-quality, blended vitamin, mineral, and herbal dietary supplements designed to give the mind and body a nutritious boost. A complimentary Boost is offered with each Jamba smoothie.
- **Fresh Squeezed Jamba Juices:** Jamba Juice Company offers a line-up of fresh squeezed juices, including orange, carrot, wheatgrass, lemonade, and juice combinations such as the Vibrant-C, a slushy blend of fresh orange juice, pineapple juice, bananas, and botanicals loaded with 1,400% Daily Value of Vitamin C. During fiscal year 2005, fresh squeezed juices represented 6% of company store sales.
- **Jamba Breads, Jamba Pretzels and packaged snacks:** Most Jamba Juice Company locations offer a combination of breads, pretzels and packaged snacks. Each of these items is made only with natural ingredients and offers customers a complement to Jamba smoothies and juices. During fiscal year 2005, breads and snacks represented 4% of company store sales.
- **Jambacard™** The jambacard is a re-loadable gift card that can be used to purchase goods at participating store locations.
- **Jamba Go-Go™** This off-site catering and event service blends up smoothies for office lunches, corporate meetings, fundraisers, school lunch programs, outdoor events, and other special functions. Go-Go activities are an opportunity to sample and engage with the community, introducing the brand to those that may not yet be familiar with the Jamba Juice Company or concept. Jamba Go-Go has created awareness and brought customers into stores by involving Jamba Juice Company in unique venues such as the Winter Olympics in Salt Lake City, the Sundance Film Festival, E! Entertainment ten year anniversary party, and many other fundraisers and charitable events.
- **Jamba Merchandise:** Most Jamba Juice Company stores carry a limited supply of related merchandise, including books and smallwares. This is not a core component of revenue but contributes to the overall store experience. During fiscal year 2005, merchandise represented 1% of company store sales.

Industry Overview and Trends

The National Restaurant Association estimates that the U.S. restaurant industry's sales in 2005 will reach \$476 billion (about 4.0% of the U.S. gross domestic product) at 900,000 locations nationwide. The Association further predicts that, by 2010, food purchased away from home will

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represent more than half of all consumer food purchases, and that the number of restaurants around the country will swell to more than a million locations.

Jamba Juice Company believes that its highly portable and convenient offerings appeal to that growing number of consumers who choose to eat away from home yet still desire a broad selection of flavorful choices. As Jamba Juice Company continues to add locations nationwide, we believe it will be increasingly viewed as an attractive option for consumers purchasing food away from the home.

Jamba Juice Company believes that the appeal of its stores also lies in the fact that its products embody or satisfy a number of aspirational, demographic and health related cravings in today's consumer, including the following:

Healthy Living

The growing number of consumers focused on living a healthy lifestyle has had far-reaching ramifications on the grocery, restaurant, apparel, and healthcare industries amongst many others. Consumers are demanding products that support their interests in fitness and nutrition but are not willing to sacrifice quality. Major beneficiaries of this consumer trend have been retailers of natural products. Jamba Juice Company's commitment to fresh fruits and natural products has bolstered its image as a leading provider of premium natural food and beverages and positions it well to benefit from this trend.

Notwithstanding the growing number of consumers demanding more nutritious dining options, consumers still seek taste and flavor in their dining experience. Research from Nations Restaurant News ("NRN") indicates that while consumers are pursuing more healthful options they also remain interested in taste and an occasional indulgence. Jamba Juice Company provides an excellent combination of value and fresh, nutritional foods while offering guests a variety of flavorful offerings. Again, Jamba Juice Company can satisfy that desire.

Energy Beverages

Changing consumer trends and preferences are also driving growth in the energy drink market, broadly defined as beverages, lightly carbonated or not, often artificially enhanced with caffeine and herbal extracts. With consumers increasingly living highly active and "on-the-go" lifestyles, demand for a convenient source of energy and refreshment has grown dramatically. According to a July 2005 report by Mintel International, a market research group, since 2000 sales of energy drinks have experienced a four year compound annual growth of over 70% and are a \$1.15 billion market.

Jamba Juice Company seeks to capitalize on the size of the energy drink market and differentiates itself from many energy drink alternatives by catering to the growing number of consumers seeking a healthy (i.e. natural) source of energy. Rather than using processed sugars, processed caffeine and carbonation typically found in many energy drinks. Jamba Juice Company's line of beverages and boosts combine natural caffeine sources such as Matcha Green Tea and Guarana with the nutritional benefits of fruit to provide a healthy and flavorful source of sustained energy.

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Jamba Juice Company Stores

Jamba Juice Company currently serves its customers through a combination of Company Stores and franchise stores in 24 different states and the District of Columbia and the Bahamas.

	Store Count as of April 4, 2006		
	Company Stores	Franchise Stores	Total
Arizona	3	19	22
California	242	48	290
Colorado	14	7	21
Illinois	24	—	24
New York	18	—	18
Utah	6	8	14
Washington	18	2	20
Bahamas	—	1	1
District of Columbia	—	3	3
Florida	—	15	15
Hawaii	—	33	33
Idaho	—	5	5
Massachusetts	—	1	1
Maryland	—	1	1
Minnesota	—	7	7
North Carolina	—	2	2
New Jersey	—	1	1
New Mexico	—	1	1
Nevada	—	9	9
Oklahoma	—	6	6
Oregon	—	10	10
Pennsylvania	—	1	1
Texas	—	30	30
Virginia	—	1	1
Wisconsin	—	1	1
Wyoming	—	1	1
Total	325	213	538

The color scheme employed is consistent among stores, providing a bright and cheerful “marketplace” theme with colors that embody Jamba Juice Company’s commitment to fresh and healthy juices, smoothies, and other energizing products.

The highly interactive Jamba experience is designed to attract customers with the enticing aroma of fresh fruit, vegetables, and wheatgrass and the high-energy sounds of whirring blenders and team members calling out greetings. To highlight Jamba Juice Company’s commitment to providing a high-quality customer experience and facilitate high foot traffic through its stores, Jamba Juice Company has worked with a retail design consultant to formulate a model plan for its stores which showcases natural materials used in construction, highlights the high-quality natural ingredients used in Jamba Juice Company’s juices and smoothies, and also provides for efficient customer flow.

Additionally, stores focus on the “theater” aspect of smoothie making by providing an environment in which all food preparation is conducted behind glass and in the open for customers to watch as the juices and smoothies are made with all-natural ingredients. The layout offers a casual bar-type atmosphere using interior stools and exterior tables and chairs. Glass cases display baked goods and shelving in front of cash registers allows for the sale of prepackaged healthy snack items.

Jamba Juice Company generally characterizes stores as (i) either “traditional” or “non-traditional” locations, and (ii) owned by either Jamba Juice Company or a franchisee, area developer or joint venture. Traditional locations include strip malls and various retail locations, while

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non-traditional locations include alternative distribution channels such as colleges and universities, airports, and store-within-a-store locations.

Traditional Stores

Traditional stores average approximately 1,400 square feet in size and are designed to be fun, friendly, energetic, and colorful to represent the active, healthy lifestyle that Jamba Juice Company promotes. These stores are located in either in major urban centers or in suburban strip centers.

Non-Traditional Stores

Jamba Juice Company and its franchisees operate 73 non-traditional stores as of April 4, 2006. Jamba Juice Company believes significant opportunities exist to expand its presence in non-traditional locations. Jamba Juice Company leverages the non-traditional locations to generate awareness and trial that fuel the core business. Jamba Juice Company’s non-traditional opportunities include

- **Store-within-a-Store:** Jamba Juice Company is developing franchise partner relationships with major grocers and retailers to develop store-within-a-store concepts. The franchise partnerships provide it with the opportunity to reach new customers and enhance the brand without making significant capital investments. Jamba Juice Company’s premium brand and attractive unit level economics appeal to major retailers with a focus on enhancing their in-store experience. Jamba Juice Company believes that the flexibility of the Jamba Juice Company concept to fit into many formats enables Jamba Juice Company to build awareness and trial outside of its traditional locations.
- **Airports:** Jamba Juice Company currently operates one airport location in Charlotte, NC, has executed a franchise agreement for the airport in Portland, OR and has the opportunity to develop additional airport locations. Jamba Juice Company’s highly portable product appeals to travelers on the go and provides an energizing boost to tiring air travel.
- **Shopping Malls:** Jamba Juice Company has opportunistically established stores in shopping malls that present attractive expansion opportunities. In addition, like the airport locations, the indoor setting will alleviate weather and seasonal vulnerabilities that challenge traditional locations.
-

Colleges & Universities: The Jamba Juice Company brand is believed to be extremely appealing to the average college student's active, on-the-go lifestyle and Jamba Juice Company expects to continue to develop on-campus locations.

Company Stores

As the name implies, company stores are not franchised locations. Substantially all of Jamba Juice Company Stores are "traditional" locations, meaning they operate in strip-malls and various retail locations. Jamba Juice Company leases real estate for all its Company Stores.

Franchise Stores

Jamba Juice Company's franchising program is currently conducted via (a) single store franchises to an existing franchisee or with respect to non-traditional store venues such as airports, universities, store-in-store, and other commercial sites, and (b) exclusive multi-unit license agreements in which the franchisee develops and operates a specified number of stores within a specified period of time within a specified geographic area.

Area Development Agreements

As of May 3, 2006, Jamba Juice Company had seven area developers operating 110 stores under multi-unit license agreements. Each area developer is generally required to enter into two types of agreements: a multi-unit license agreement which establishes the number of stores to be developed in

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an area and a franchise agreement for each store opened. Three of the seven area developer agreements have expired, and as a result those area developers no longer have either exclusive development rights to a particular geographic territory or new store development obligations. However, each store opened by area developers is protected by the franchise agreements they have entered into with Jamba Juice Company for each store, which are typically consistent with franchise agreements Jamba Juice Company has entered into with franchisees who are not area developers.

The territories subject to the remaining four area developer agreements include the Hawaiian Islands, and parts of Texas, Kansas, Missouri, and northern California. As of May 3, 2006, these four area developers have contractual commitments to open 38 new franchise stores by no later than May 6, 2010. The agreement for development of stores in the Hawaiian Islands expires 2018, the agreement covering development of franchise stores in parts of Texas, Kansas, and Missouri expires in 2010, and two agreements covering development of stores in parts of California expire at the end of 2008.

If an area developer fails to develop stores on schedule, Jamba Juice Company has the right to terminate the agreement and develop Company Stores or develop stores through new area developers in the territory. None of the currently active multi-unit license agreements provide Jamba Juice Company the right to re-purchase the rights to the agreements as well as the stores that have been opened under such agreements in the event of a failure by the licensee to meet certain minimum development obligations.

So long as a multi-unit license developer is in compliance with the terms of its development agreement, including the opening of the requisite number of new franchise locations, Jamba Juice Company may not open traditional, stand-alone stores in that area. Notwithstanding, Jamba Juice Company may open in such market non-traditional

stores such as store-in-store locations, airport locations, and college campus locations. Once the multi-unit license development agreement expires, the area developer is no longer obligated to open additional Jamba Juice locations, and the only obligation is that Jamba Juice Company typically must honor is a one-mile protected radius around each of the individual franchises developed under that multi-unit license agreement.

Franchisees subject to multi-unit license agreements generally pay ½ of the initial fee, or \$12,500 currently, for each store required to be developed upon execution of the multi-unit development agreement as a development fee. The development fee is then credited against the initial fee, currently \$25,000, due for each store then developed.

Franchise Agreements

The Jamba Juice Company current franchise agreement provides for a 10-year term. The agreement is renewable for an additional 10-year term, subject to various conditions and state law. The royalty rate is currently 5% of sales and franchisees are required to contribute up to 4% of sales (2% for a non-traditional store) to a company-administered marketing fund. At the present time, Jamba Juice Company is only charging 2% of sales as the marketing contribution. There is typically a one-mile geographic radius restriction for traditional stores in non-downtown areas.

Franchisees typically pay an initial fee ranging from \$15,000 for non-traditional store locations to \$25,000 for traditional store locations.

Jamba Juice Company does not provide financing to its franchisees. Jamba Juice Company may consider a joint venture investment in certain circumstances.

Store Selection Process

Jamba Juice Company carefully screens prospective locations for visibility, traffic patterns, demographics, convenience, and co-tenancy for both Jamba Juice Company owned and franchise locations. Jamba Juice Company selects locations for new markets by targeting concentrations of early adopters that they believe will try the Jamba experience and spread positive word-of-mouth about the brand. In addition, Jamba Juice Company looks for high traffic locations within urban areas before

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eventually spreading the concept to more suburban settings. Jamba Juice Company's expansion strategy involves using the clustering approach. Jamba Juice Company believes this approach has the potential to increase brand awareness and improve operating and marketing efficiencies. Jamba Juice Company believes that clustering helps to reduce costs associated with regional supervision of store operations, increase distribution efficiencies, and provide it with the opportunity to leverage marketing costs over a greater number of stores. In addition, Jamba Juice Company believes its ability to hire qualified team members is enhanced in markets in which it is well known.

Seasonality

Jamba Juice Company sales are subject to day to day volatility based on weather and vary by season. Jamba Juice Company's fiscal year is based on 13 four week periods ending on the final Tuesday in June. Sales for Jamba Juice Company's first fiscal quarter comprised of four, four week periods ending in mid-October represent approximately 34% of annual sales. The second quarter which includes the winter holiday period ends the second week in

January and is our lowest sales volume quarter, representing approximately 16% of store sales. Jamba Juice Company's third quarter which covers the second week in January to the first week in April generates approximately 22% of store sales, while the fourth quarter, which encompasses the springtime period from the second week in April until the last week in June, is Jamba Juice Company's second strongest sales quarter generating approximately 28% of sales. The second, third and fourth quarters are each comprised of three, four week periods, or twelve weeks in total.

Store Operations

Customer Service

Jamba Juice Company tries to provide its customers a positive experience by promoting interaction with its team members and encouraging a healthy, active lifestyle. Jamba Juice Company's goal is to build a powerful relationship with customers that transcends its core smoothie product line and goes beyond four walls of its stores. Jamba Juice Company strives to form this bond with its customers based on quality, trust, and integrity. To achieve this goal, Jamba Juice Company seeks to hire customer-service-oriented people who exhibit Jamba Juice Company's culture and values. Jamba Juice Company trains members to deliver a high-quality customer experience and Jamba Juice Company provides team members with financial incentives and opportunities for advancement when they fulfill service expectations. Supported by the "theater" of the fully displayed production process, Jamba Juice Company believes that the Jamba Juice Company experience is a competitive advantage.

Store Management

Jamba Juice Company's Operations team is the foundation for Jamba Juice Company's performance and vital to long-term growth. Jamba Juice Company recruits and retains leaders with broad experience in management and industry.

Jamba Juice Company supports its store operations with a combination of Regional Directors of Operations, District Manager, and General Managers at each store.

Jamba Juice Company's team of Regional Directors of Operations (RDO's) average more than 15 years of industry experience. Their backgrounds include experience in full-service restaurants and high growth retailers, with several RDO's having previously held Vice President of Operations titles. RDO's manage teams of District Managers and report directly to two experienced retail zone vice presidents who in turn report to the Vice President of Operations. Jamba Juice Company's District Managers have deep experience with leading beverage companies, full-service restaurants, and high growth retailers. In addition, 40% of District Managers have been internally developed and promoted to the District Manager level.

Maintaining the Jamba Juice Company corporate culture is essential as Jamba Juice Company continues to expand, and Jamba Juice Company believes that it is critical to developing its brand and

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ensuring its continued success. Jamba Juice Company believes team members are the key to its success and that its culture fosters personal interaction, mutual respect, trust, empowerment, enthusiasm and commitment. Jamba Juice Company carefully screens potential team members to ensure that they hold many of its core values and fit into the

culture. By placing an emphasis on its mission statement and values, and encouraging responsibility and accountability at every level, Jamba Juice Company believes that it has created a sense of team member loyalty and an open and interactive work environment, resulting in a highly passionate workforce. Team members are paid competitive wages and are offered opportunities for rapid advancement. As a result, Jamba Juice Company believes the turnover of both its store-level general managers and store level non-manager employees is in line with other similar concepts that have seasonal labor at approximately 25% and 100% annually. In addition to competitive wages, store managers are eligible for performance based bonuses and a retention bonus. The performance bonus is paid out five times per year based on meeting certain profit targets. In addition to these periodic base bonus payments made during the year, at year end managers are eligible for a bonus equal to 10% of profit delivered above their target. Jamba Juice Company also pays managers a retention bonus. Managers who stay with Jamba Juice Company for three years are paid a \$10,000 one time bonus.

Training

Jamba Juice Company conducts various training programs for team members, support center staff, and its leadership team. Jamba Juice Company's training program has received numerous accolades, including the 2004 Winning Workforce Award, presented by the National Restaurant Association Educational Foundation and Coca-Cola, for the innovative training program supporting the launch of the Sixteen. In 2005, Jamba Juice Company received the 2004 Catalyst Award presented by People Report to Jamba Juice Company that made significant advances in their people practices and has sustained the results for at least one year. Jamba Juice Company is dedicated to providing a meaningful experience for all team members, with ample opportunity to develop leadership skills as they move up through the organization. Jamba Juice Company's training programs include formal programs such as the Manager-in-Training programs for new managers and the more informal one-on-one discussions held between General Managers, District Managers, and RDO's. The goals of all the programs are to shorten the learning curve while creating greater confidence in order to achieve success through strong performance and results.

Advertising and Marketing

Jamba Juice Company's marketing strategy focuses on communicating the benefits of the products and the brand's values through many creative and non-traditional avenues. Marketing efforts are concentrated on store locations to build memorable experiences that will generate positive word-of-mouth. As Jamba Juice Company enters new markets it must communicate the Jamba Juice Company story, the benefits of its products, and its usage occasions. Emotional connections are developed as the messages are delivered consistently and with a freshness that appeals to consumers. Jamba Juice Company augments its in-store communications with small promotional events, community involvement, and opportunistic grass-roots marketing.

Jamba Juice Company believes that it benefits from national media attention, providing it a significant competitive advantage. Historically, Jamba Juice Company has not engaged in any mass media marketing programs, relying instead on word-of-mouth, trade-area marketing, and in-store promotions to increase customer awareness. Nevertheless, Jamba Juice Company has been featured in stories appearing in The Wall Street Journal, The New York Times, USA Today, and a host of local newspapers and magazines. Jamba Juice Company has also been featured in television shows such as Dateline NBC, The Oprah Winfrey Show, Saturday Night Live, The Sopranos and Late Night with David Letterman. Jamba Juice Company's fundraising events also capture a significant amount of coverage from local TV stations.

In fiscal year 2005, Jamba Juice Company spent 2.4% of company store net sales on marketing efforts. In addition, franchisees contribute to the development and deployment of system-wide

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marketing programs. Franchisees also spend to market the Jamba Juice Company brand in their local market area. In fiscal year 2005, total system-wide advertising expenditures were approximately \$6.0 million.

In addition, Jamba Juice Company capitalizes on the openings of new sites as opportunities to reach out to the media. Jamba Juice Company tries to secure live local television, radio broadcasts and coverage in local newspapers for each store opening. In addition, openings are frequently associated with a charitable event to reinforce Jamba Juice Company's strong commitment to its communities.

Food Purchasing

Smoothie and juice products depend heavily upon supplies of fresh and fresh-frozen fruit. The quality of each smoothie depends to a large degree on the quality of the basic fruit ingredients from which it is made. It is therefore essential that the supply of fruit is of the highest quality and is consistent throughout the year. To achieve these dual goals, and realize the lowest possible purchase costs, Jamba Juice Company purchases all of its projected requirements for the coming year of a given type of fruit from suppliers at the height of the season for that particular fruit. Jamba Juice Company conducts quality assurance testing at the time of packing to ensure that the fruit meets its high standards, which meet or exceed USDA Grade-A standards. The fruit is then flash-frozen and stored by the supplier(s) for shipment to distributors throughout the year.

Jamba Juice Company contracts with independent distribution companies to distribute products to the stores. The contracts generally are short-term. Contracts with current distributors were recently renegotiated with three to five year terms. Given the density of stores in California, the costs of goods sold in California is lower than other regions of the country. Jamba Juice Company believes that by clustering future store development it can begin to lower distribution costs, and therefore reduce cost of goods sold, in non-California markets.

Southwest Traders, Inc. is a distributor of proprietary products to Jamba Juice Company Stores and franchise stores. Southwest Traders distributes ingredients that make up approximately 87% of Jamba Juice Company's cost of sales for fiscal year 2005. Southwest Traders does not manufacture or negotiate pricing agreements for products sold in Jamba Juice Company stores. They serve solely in a warehousing and distribution capacity and receive a fixed percentage mark up on the independently negotiated cost of Jamba Juice Company's ingredients. Jamba Juice Company's contract does provide that during the term we will use Southwest Traders as our exclusive distributor within certain territorial boundaries provided they meet required service levels. The contract is firm through December 31, 2007 and is not subject to cancellation unless either party defaults within the contract due to non-performance.

All of Jamba Juice Company's nutritional supplements (i.e., BoostSM, soups, pretzels, and breads) are produced to very exacting specifications. After quality control checks at the support center, all products are shipped directly to stores using outside distributors. Jamba Juice Company does not maintain central warehousing facilities.

Competition

The restaurant industry is highly competitive and fragmented. All restaurants compete based on a number of factors, including taste, quickness of service, value, name recognition, restaurant location and customer service. For further information about the restaurant industry, see "— Industry Overview and Trends" above.

Jamba Juice Company competes with all purveyors of quick, convenient food and beverage products, including quick service restaurants, coffee shops and grocery stores. Jamba Juice Company competes most directly with regional smoothie stores, most of which are franchises of other smoothie brands including Smoothie King, Planet Smoothies,

Robecks, Tropical Smoothie, Freshens, Juice It Up, Maui Wowi and others.

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Business Strategy

Jamba Juice Company follows a fundamental business strategy focused on Brand, Business and Culture.

Brand

Jamba Juice Company believes the Jamba brand communicates the passion and positive energy of the Jamba Juice experience. Jamba Juice Company's focus on its brand is designed to ensure that customers are aware of the positive product attributes and the vision and values of the Jamba team. Jamba Juice Company believes the branding efforts are instrumental to generating strong same store sales growth and laying the foundation for new unit growth. The brand initiatives encompass the following:

- **Brand Communications:** Generating awareness and loyalty through the communication of the product benefits and the eventual development of an emotional connection with the customer.
- **Product Optimization and Innovation:** Devoting additional resources to optimizing the current menu and developing new appealing menu items.
- **Store Environment:** Building a store environment that is an energizing and memorable experience for customers.
- **People:** Attracting and developing high-quality team members that deliver energy and superior service to customers.

Business

Jamba Juice Company's leadership team tries to maintain a focus on business performance that enables the long-term growth of Jamba Juice Company. Jamba Juice Company's growth strategy is to expand its existing markets and develop new markets while leveraging its support infrastructure. Jamba Juice Company understands that it requires strong unit level economics across regions and platforms to continue growth. As a result, Jamba Juice Company strives to achieve the following:

- **Unit Economics:** Continue to improve on store profitability.
- **New Unit Growth:** Continue to expand in existing markets as well as emerging and new markets.
- **Leverage Infrastructure:** Continue to build upon and leverage existing infrastructure to improve profitability.

Culture

Jamba Juice Company strives to provide a unique culture where team members execute at high levels while expressing their passion for the brand. Jamba Juice Company believes its vision and values are more than bulletin board postings; they are embodied in the store teams, the support staff, and the leadership team. Jamba Juice Company's ability to execute its growth strategy is highly dependent on the maintenance and enhancement of its unique culture. To ensure that the culture will continue to drive business execution, Jamba Juice Company's leadership team attempts to focus on the following:

- **F.I.B.E.R:** The core values of Jamba — Fun, Integrity, Balance, Empowerment, and Respect must continue to be embodied and communicated throughout Jamba Juice Company.
- **Leadership Capability:** Attracting and retaining high capability individuals that execute the business strategy while building the platform for future growth.
- **Store Level Capability:** Jamba stores are the foundation of the business and must execute flawlessly. Jamba leadership ensures that stores are fully staffed and trained in order to provide the energetic and memorable Jamba store experience.

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- **Community:** A key to developing and sustaining emotional connections with customers is the shared appreciation of community involvement. Jamba Juice Company's commitment to the communities where it operates is vital to customer loyalty and sustaining the passion of Jamba team members.

Growth Strategy

Jamba Juice Company has a multi-pronged growth strategy including the development of new stores, increasing same store sales, increase customer frequency and developing alternative channels for its brand. Jamba Juice Company's typical costs to construct a store range from approximately \$300,000 to over \$500,000 in major metropolitan areas such as New York, but average approximately \$360,000 outside of such major metropolitan areas, net of tenant improvement allowances provided by landlords.

Development of New Stores

Jamba Juice Company's management believes that Jamba Juice Company enjoys significant market expansion options both nationwide and internationally. During fiscal year 2005 Jamba Juice Company opened 60 locations and its franchisees opened 20. During the fiscal year ending June 27, 2006, Jamba Juice Company plans to open approximately 47-52 stores and anticipates that its franchisees will open an additional 33-38 locations. Jamba Juice Company anticipates that it will continue to open a combination of traditional and non-traditional stores in both existing and new domestic markets. It is anticipated that this growth will be accomplished through the development of Company Stores as well as franchise stores opened by area developers. Jamba Juice Company's management expects that international development opportunities will primarily be pursued through area development or joint venture agreements with third-parties.

Increase Same Store Sales

- **Jamba Juice Company's Journey from Initial Trial to Regular Healthy Habit:** The mission of Jamba Juice Company is to fuel its customers' active lifestyles by encouraging a "healthy habit" consisting of a regular dose of Jamba Juice. By communicating to its customer base that it will be a source of energy and enjoyment throughout all stages of their journey, Jamba Juice Company is building deep customer loyalty. Jamba Juice Company views the conversion of "light users" (two or less times per month) to "heavy users" (eight or more times per month) as a significant opportunity that will drive same store sales growth while reducing weather and seasonal vulnerabilities. Jamba Juice Company's product innovations and expanded marketing communications have the potential to convert light users to heavy users by increasing the purchase occasion opportunities and strengthening the customer's emotional connection with the brand.

- **Brand Communication and Awareness:** Jamba Juice Company's strategy for brand communication focuses on delivering a clear message of the benefits of its products and the principles behind the Jamba brand. The delivery of the message must be fresh, interesting, and relevant to establish an emotional connection with the customer. As it does not engage in mass media communications, Jamba Juice Company employs the store experience as its primary communication vehicle, concentrating on ensuring that all touch points are consistent and clear in order to build brand awareness that will result in initial trial followed by repeat visits and positive word-of-mouth. The communications encompass the colors, smells, displays, and merchandise found in the store in addition to the energy of the team members. Jamba Juice Company anticipates driving same store sales growth by educating consumers on the benefits of Jamba products, its usage occasions, and the story of Jamba Juice Company. The clarity and harmony of the message will create emotional connections with customers and build brand loyalty.
- **Devoting Additional Resources to Product Optimization and Innovation:** Jamba Juice Company's research team continually seeks to enhance the product offerings available to

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customers, and where possible, reduce product and labor costs at the store level. This process includes both the development of new products and the optimization of the menu to ensure only the most appealing products are offered to customers. As new products are introduced to the menu, usage occasions increase and positive word-of-mouth is spread. Jamba Juice Company was extremely successful with this approach when it introduced the Enlightened Smoothies™ and the All Fruit™ line of beverages to satisfy customers concerned with calorie and sugar levels; those two product lines, introduced in 2004 and 2006 respectively, now account for over 20% of sales. Jamba Juice Company is passionate about creating fresh new products that meet an even greater variety of customer needs. Jamba Juice Company prides itself on listening carefully to customer feedback, an example being the introduction of the Sixteen, a 16-ounce size offering, introduced to satisfy customers' demands for smaller smoothies and increase usage occasions. As energy drinks continue to gain momentum, Jamba Juice Company introduced its Matcha Green Tea Creations™ and the Acai Supercharger™ with Guarana to provide a healthy, inventive, and high energy option for its customers. Jamba Juice Company anticipates devoting additional resources to its research and development team in an effort to build upon recent new product successes and take its product innovation abilities to the next level. While there is no certainty that product development efforts will lead to the introduction and success of new product offerings as well a potential increases in gross margins, Jamba Juice Company will continue to use these new resources try to develop fresh concepts that appeal to customers at any time of day and in any weather or season.

- **Customer Service:** Jamba Juice Company team members are responsible for the high level of customer service that is a key component of its success. Team members warmly greet customers upon entering the store and efficiently deliver their order in a timely manner. With a highly customized product, operational efficiency is vital to achieving high levels of throughput. Jamba Juice Company team members not only deliver the customers' orders quickly, they also transfer the enjoyment and energy they gain from working at Jamba Juice Company to the customers. Jamba Juice Company's management believes continuing to deliver high-quality customer service will differentiate Jamba Juice Company in the marketplace and drive long-term customer loyalty.

Brand Extensions

The successful development of the Jamba brand has positioned Jamba Juice Company well to extend its product offerings outside of its stores. While Jamba Juice Company's product is already highly portable and convenient, the opportunity to develop a Jamba product line available in other outlets and formats would expand the brand touch points and product usage occasions available to consumers. Jamba Juice Company's branding team will ensure that any product extensions fit the Jamba message and standard of product quality. The following is a sample of the types of opportunities for product extensions that Jamba Juice Company is currently considering, either alone or in concert with strategic partners:

- **Ready-To-Drink Beverages:** Jamba Juice Company's strong association with premium, flavorful beverages translates well into Ready-To-Drink beverages available in a variety of retail locations. Jamba Juice Company is currently engaged in activities to determine the opportunity and validity of a Ready-to-Drink line of beverages. Energy drinks, drinkable yogurts, Ready-To-Drink teas, and premium juices are all options for brand extensions available to Jamba Juice Company. These activities are preliminary in nature and, as such, management has not allocated significant resources to this opportunity to date.
- **Shelf-Stable Packaged Goods:** Consumers look for healthy, flavorful products in many formats. The positive associations of the Jamba brand are expected to enable Jamba Juice Company to develop products outside of its smoothie and juice offerings that will be well received by consumers.

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- **Jambacard in Retailers:** Jamba Juice Company has recently entered into an agreement with Blackhawk Marketing Services, Inc. whereby Blackhawk will offer and distribute the Jambacard for sale at mutually-agreed upon third-party retailers. The initial roll-out of this program commenced during the holiday season of 2005 through Safeway, Vons, and SaveMart stores. Jamba Juice Company expects this program to help drive both brand awareness and sales.

Jamba Juice Company Management — Directors and Executive Officers

Paul E. Clayton — Chief Executive Officer and Director

Mr. Clayton, 48, has been Jamba Juice Company's Chief Executive Officer since February 2000. Mr. Clayton was with Burger King Corporation from 1984 to January 2000 in increasingly responsible positions in marketing, operations and development. Mr. Clayton was President of Burger King North America in Miami Florida from March 1997 to January 2000, Senior Vice President, Worldwide Marketing from March 1994 to March 1997, and Vice President, Marketing USA from July 1993 to March 1994. He received his BS/BA degree from Boston University, and his MBA from the University of North Carolina at Chapel Hill.

Donald D. Breen — Chief Financial Officer

Mr. Breen, 48, has been Jamba Juice Company's Chief Financial Officer since June 2005. Mr. Breen was with Fresh Enterprises, the Parent Company of Baja Fresh Mexican Grill, in Thousand Oaks, California from July 1999 to December 2004, where he was the Senior Vice President and CFO. Prior to Baja Fresh, Mr. Breen was employed by Brothers Gourmet Coffees, Inc., a wholesale and retail coffee roaster in Boca Raton, Florida, serving as President,

Chief Executive Officer and Chief Financial Officer from January 1996 to May 1999. Prior to that, Mr. Breen was Finance Director, Assistant Secretary and Assistant Treasurer for Adolph Coors Company. Mr. Breen earned both his BS in Finance and an MBA from the University of Connecticut.

Karen Kelley — Vice President of Company Operations

Ms. Kelley, 40, has been Jamba Juice Company's Vice President of Company Operations since March 1998. From 1994 to 1998, Ms. Kelley was with Boston Market. She was Managing Partner of Boston Market from 1994 to 1995; Director of Operations — Northern California from 1995 to 1997, and Vice-President of Operations — Northern California from 1997 to 1998. Ms. Kelley attended the University of Colorado.

Paul Coletta — Vice President of Marketing and Brand Development

Mr. Coletta, 42, has been Jamba Juice Company's Vice President of Marketing and Brand Development since June 2006. Before Jamba Juice Company he worked for Hewlett Packard in San Diego, CA as Director of World Wide Marketing from 2002 to 2006. From 2000-2002 he was with Freeborders Software in San Francisco, CA as Senior Vice President of Marketing. In 1999 Mr. Coletta was with Cost Plus World Market in Oakland, CA as Vice President General Merchandising Manager. From 1995 to 1999 he was with Viacom in New York City, NY as Vice President of Product and Brand Marketing. Prior to that he was with The Walt Disney Company as Director of Merchandise and Federated Department Stores as a Buyer, Assistant Buyer and Department Manager. Mr. Coletta attended Loyola Marymount University.

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Russell Testa — Vice President of Human Resources

Mr. Testa, 49, has been Jamba Juice Company's Vice President of Human Resources since February 2004. His most recent employment prior to joining Jamba Juice Company was with Mervyn's in Hayward, California, a division of Target Corporation, from May 1993 through January 2003 where he was as Senior Vice President of Human Resources from September 2001 and Vice President of Human Resources prior to that time. Mr. Testa earned his A.B. degree in Economics from the University of California, Davis.

Three current directors of Jamba Juice Company that will be appointed to the SACI board of directors at closing of the merger are:

Robert C. Kagle — Director

Mr. Kagle, 50, has served as a director of Jamba Juice Company since 1994. Mr. Kagle has been a Member of Benchmark Capital, the General Partner of Benchmark Capital Partners, L.P. and Benchmark Founders' Fund, L.P., since its founding in May 1995. Mr. Kagle also has been a General Partner of Technology Venture Investors since January 1984. Mr. Kagle also serves on the board of directors of eBay, Inc. and ZipRealty, Inc. Mr. Kagle holds a B.S. degree in Electrical and Mechanical Engineering from the General Motors Institute (renamed Kettering University in January 1998) and an M.B.A. degree from the Stanford Graduate School of Business.

Richard L. Federico — Director

Mr. Federico, 51, has served as a director of Jamba Juice Company since October 2004. Since September 1997, Mr. Federico has been the Chief Executive Officer of P.F. Chang and a Director of P.F. Chang since February 1996. In December 2000, Mr. Federico was named Chairman of the Board of P.F. Chang. From February 1989 to January 1996, Mr. Federico served as President of the Italian Concepts division of Brinker International, Inc. (NYSE:EAT), where he was responsible for concept development and operations. Under Mr. Federico's direction, this division grew from one unit in 1989 to more than 70 units by 1996.

Craig J. Foley — Director

Mr. Foley 62 has served as a director of Jamba Juice Company since 1994. Mr. Foley is Managing Partner of Wickham Capital Partners, a private investment partnership formed in 1994. He was founding investor in Chancellor Capital Management (now INVESCO Private Capital) and served as a member of its Board of Directors. At Chancellor, he headed the Venture Capital Group, which he established in 1982. Prior to Chancellor, he was affiliated with major New York banking and investment firms. Mr. Foley was an early or lead investor in Starbucks, COSTCO, Staples, PetSmart, Gadzooks, Noah's Bagels, Jamba Juice Company, and The White House/Black Market (acquired by Chico's). Mr. Foley has served as a director of various private companies and was a fifteen year member the Starbucks Corporation Board of Directors, where he served on the Compensation Committee and Chaired the Audit Committee. Mr. Foley graduated from Kenyon College, and served as a Trustee of the Bronxville Board of Education and as a Trustee of Kenyon College, where he was Vice Chair of the Board and Chair of the Investment Committee.

Government Regulation and Environmental Matters

Government Regulation. Jamba Juice Company is subject to extensive and varied federal, state and local government regulation, including regulations relating to public health and safety and zoning codes. It operates each of its stores in accordance with standards and procedures designed to comply with applicable codes and regulations. However, if Jamba Juice Company could not obtain or retain food or other licenses, it would adversely affect its operations. Although Jamba Juice Company has not experienced, and does not anticipate, any significant difficulties, delays or failures in obtaining required licenses, permits or approvals, any such problem could delay or prevent the opening of, or adversely impact the viability of, a particular store or group of stores.

California and other states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of a Jamba Juice Company store, including those which

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(a) establish general standards, specifications and requirements for the construction, design and maintenance of the store premises; (b) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements for restaurants; employee practices concerning the storage, handling, cooking and preparation of food; special health, food service and frozen dessert machine licensing requirements; restrictions on smoking; restrictions on the sale of alcoholic beverages and required posting of notices regarding the risks of alcohol consumption, exposure to tobacco smoke or other carcinogens or reproductive toxicants and saccharin; availability of and requirements for public accommodations, including restrooms; (c) set standards pertaining to employee health and safety; (d) set standards and requirements for fire safety and general emergency preparedness; (e) govern the use of vending machines; (f) regulate the proper use, storage and disposal of waste, insecticides, and other hazardous materials; (g) establish general requirements or restrictions on advertising containing false or misleading claims, or health and nutrient claims on menus or otherwise, such as "low calorie" or "fat free"; and (h) establish requirements

concerning withholdings and employee reporting of taxes on tips.

In addition, in order to develop and construct more stores, Jamba Juice Company needs to comply with applicable zoning, land use and environmental regulations. Federal and state environmental regulations have not had a material effect on its operations to date, but more stringent and varied requirements of local governmental bodies with respect to zoning, land use and environmental factors could delay or even prevent construction and increase development costs for new stores. Jamba Juice Company is also required to comply with the accessibility standards mandated by the U.S. Americans with Disabilities Act, which generally prohibits discrimination in accommodation or employment based on disability. It may, in the future, have to modify stores, for example, by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. While these expenses could be material, Jamba Juice Company's current expectation is that any such action will not require it to expend substantial funds.

In addition, Jamba Juice Company is subject to the U.S. Fair Labor Standards Act, the U.S. Immigration Reform and Control Act of 1986 and various federal and state laws governing various matters including minimum wages, overtime and other working conditions. It pays a significant number of its hourly staff at rates consistent with but higher than the applicable federal or state minimum wage. Accordingly, increases in the minimum wage would increase its labor cost. Jamba is also subject to various laws and regulations relating to its current and any future franchise operations. See "Risk Factors — Risks Associated with Jamba Juice Company's Business and Industry — Governmental regulation may adversely affect Jamba Juice Company's ability to open new stores or otherwise adversely affect its existing and future operations and results."

Jamba Juice Company is also subject to various federal and state laws that regulate the offer and sale of franchises and aspects of the licensor-licensee relationship. Many state franchise laws impose restrictions on the franchise agreement, including the duration and scope of non-competition provisions, the ability of a franchisor to terminate or refuse to renew and the ability of a franchisor to designate sources of supply. The Federal Trade Commission, or the FTC, and some state laws also require that the franchisor furnish to prospective franchisees a franchise offering circular that contains prescribed information and, in some instances, require the franchisor to register the franchise offering circular.

Environmental Matters. Jamba Juice Company is subject to federal, state and local environmental laws and regulations concerning the discharge, storage, handling, release and disposal of hazardous or toxic substances ("environmental laws"). These environmental laws provide for significant fines, penalties and liabilities, sometimes without regard to whether the owner or operator of the property knew of, or was responsible for, the release or presence of the hazardous or toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such substances. Jamba Juice Company cannot predict what environmental laws will be enacted in the future, how existing or future environmental laws will be administered or interpreted, or the amount of future expenditures that it may need to make to comply with, or to satisfy claims relating to,

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environmental laws. While, during the period of its ownership, lease or operation, its stores have not been the subject to any material environmental matters, it has not conducted a comprehensive environmental review of its properties or operations. Jamba Juice Company has not conducted investigations of its properties to identify contamination caused by third-party operations; in such instances, the contamination must be addressed by the third party. If the relevant

third party does not or has not addressed the identified contamination properly or completely, then under certain environmental laws, Jamba Juice Company could be held liable as an owner and operator to address any remaining contamination. Any such liability could be material. Further, Jamba Juice Company may not have identified all of the potential environmental liabilities at its properties, and any such liabilities could have a material adverse effect on its operations or results of operations.

Employees

Jamba Juice Company has a total of 9,003 employees as of June 21, 2006. Management of Jamba Juice Company believes its commitment to its team members has resulted in a turnover rate that is significantly lower than its competitors. Management of Jamba Juice Company believes that its relationship with its team members is exceptional.

Properties

Jamba Juice Company's corporate headquarters are located at 1700 17th Street, San Francisco, California. This facility is occupied under a lease for approximately 30,000 square feet, at a cost of approximately \$498,000 per year, and it terminates on December 31, 2006 (Jamba Juice Company is actively looking for new headquarters in anticipation of the expiration of its current lease).

Jamba Juice Company currently operates all of its stores under leases and typically signs five to fifteen year leases. Jamba Juice Company does not intend to purchase real estate for any of its sites in the future. Jamba Juice Company believes that the size and flexibility of its format provide it with a competitive advantage in securing sites.

Legal Proceedings

In January 2006, a lawsuit was filed against Jamba Juice Company by Foodie Partners in a Federal District Court in Texas (E. Dist. Texas, Civ. No. 2:06-cv-012). The lawsuit alleges infringement of U.S. Patent No. 5,950,448. The patent in question describes dispensing and combining refrigerated source liquids, ice, and flavoring additives to create a "smoothie" type beverage, and is generally directed to locating various ingredients (source liquids, flavor additives, ice) as well as processing mechanisms (blender, beverage tap, sink, etc.) in relation to specific locations. The plaintiffs seek injunctive relief, damages, and attorney's fees and costs. Due to the early status of this case, Jamba Juice Company cannot estimate the possible loss, if any. Based on a preliminary analysis, Jamba Juice Company believes the claims are without merit and intends to vigorously defend the lawsuit.

Other than above, Jamba Juice Company is not a party to any legal proceeding that the management of Jamba Juice Company believes would have a material adverse effect on the financial position or results of operations of Jamba Juice Company.

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INFORMATION ABOUT SACI

Business of SACI

General

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We were incorporated in Delaware on January 6, 2005, as a blank check company formed to serve as a vehicle for the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business whose fair market value is at least equal to 80% of our net assets at the time of such acquisition.

A registration statement for our initial public offering was declared effective on June 29, 2005. On July 6, 2005, we consummated our initial public offering of 15,000,000 units. On July 7, 2005, we consummated the closing of an additional 2,250,000 units that were subject to the underwriters' over-allotment option. Each unit consists of one share of common stock and one redeemable common stock purchase warrant. Each warrant entitles the holder to purchase from us one share of our common stock at an exercise price of \$6.00 per share. Our common stock and warrants started trading separately as of July 28, 2005.

Our net proceeds from the sale of our units were approximately \$127,837,468. Of this amount, \$126,720,000 was deposited in trust and the remaining \$1,117,468 was held outside of the trust. The proceeds held outside the trust are available to be used by us, and are being used by us, to provide for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses. We evaluated a number of candidates before moving forward with Jamba Juice Company. If the merger with Jamba Juice Company is not consummated, we may not have enough time or resources to continue searching for an alternative target. In such event, we would, if able, continue to conduct a search for a possible candidate in accordance with the criteria as previously disclosed in our publicly available filings with the Securities and Exchange Commission.

Employees

We have three officers, all of whom are also members of our board of directors. These individuals are not obligated to contribute any specific number of hours per week and intend to devote only as much time as they deem necessary to our affairs. The amount of time they will devote in any time period will vary based on the availability of suitable target businesses to investigate. We do not intend to have any full time employees prior to the consummation of a business combination.

Properties

We maintain our executive offices at 401 East Las Olas Boulevard, Suite 1140, Fort Lauderdale, Florida 33301. The cost for this space provided by SB Management Corp., a corporation solely owned by Steven Berrard, our Chairman and Chief Executive Officer, is approximately \$4,875 per month and includes certain other additional services provided by SB Management Corp. pursuant to a letter agreement between us and SB Management Corp. We believe that based on rents and fees for similar services in the Fort Lauderdale area, that the fee charged by SB Management Corp. is at least as favorable as we could have obtained from an unaffiliated person. We consider our current office space adequate for our current operations.

Periodic Reporting and Audited Financial Statements

SACI has registered its securities under the Securities Exchange Act of 1934 and has reporting obligations, including the requirement to file annual and quarterly reports with the Securities and Exchange Commission. In accordance with the requirements of the Securities Exchange Act of 1934, SACI's annual reports will contain financial statements audited and reported on by SACI independent accountants. SACI has filed a Form 10-K with the Securities and Exchange Commission covering the fiscal year ended December 31, 2005.

Legal Proceedings

To the knowledge of management, there is no litigation currently pending or contemplated against us or any of our officers or directors in their capacity as such.

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Management's Discussion and Analysis of Financial Condition and Results of Operations of SACI

The following discussion should be read in conjunction with SACI's Financial Statements and related Notes thereto included elsewhere in this proxy statement.

SACI was formed on January 6, 2005, to serve as a vehicle to effect a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business that provides services. SACI's initial business combination must be with a target business or businesses whose fair market value is at least equal to 80% of net assets at the time of such acquisition. SACI has the ability to utilize cash derived from the proceeds of its public offering, its capital stock, debt or a combination of cash, capital stock and debt, in effecting a business combination.

Prior to entering into the Agreement and Plan of Merger with Jamba Juice Company SACI was engaged in sourcing a suitable business combination candidate. SACI had met with target companies, service professionals and other intermediaries to discuss with them SACI, the background of SACI's management and SACI's combination preferences. In the course of these discussions, SACI had also spent time explaining the capital structure of the initial public offering, the combination approval process, and the timeline under which SACI was operating before the proceeds of the offering are returned to investors.

Overall, SACI would conclude that the environment for target companies has been competitive and believes that private equity firms and strategic buyers represented its biggest competition. SACI's management believes that many of the fundamental drivers of alternative investment vehicles like SACI are becoming more accepted by investors and potential business combination targets; these include a difficult IPO environment, a cash-rich investment community looking for differentiated opportunities for incremental yield, and business owners seeking new ways to maximize their shareholder value while remaining invested in the business.

From January 2005 (inception) until December 31, 2005, SACI had net income of approximately \$1,171,279, derived from dividend and interest income less operating expenses and taxes.

On July 6, 2005, SACI consummated its initial public offering of 15,000,000 units. On July 7, 2005, SACI consummated the closing of an additional 2,250,000 units that were subject to the underwriters' over-allotment option. Each unit consists of one share of common stock and one redeemable common stock purchase warrant. Each warrant entitles the holder to purchase from us one share of SACI's common stock at an exercise price of \$6.00. SACI's common stock and warrants started trading separately as of July 28, 2005.

SACI's net proceeds from the sale of its units, after deducting certain offering expenses of approximately \$1,887,468, including \$1,200,000 evidencing the underwriters' non-accountable expense allowance of 1% of the gross proceeds (excluding the proceeds from the underwriters' over-allotment), and underwriting discounts of approximately \$8,280,000, were approximately \$127,837,468. Of this amount, \$126,720,000 was placed in trust and the remaining \$1,117,468 was held outside of the trust. The remaining proceeds are available to be used by SACI to provide for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses. Given the proposed business combination with Jamba Juice Company, SACI anticipates that all of the net proceeds of the initial public offering held outside the trust (\$1,117,468) will have been exhausted by the time of closing of the proposed combination. The table below compares the use of net proceeds from SACI's initial public offering held outside of the trust estimated at the time of the public offering (June 29, 2005) versus those estimated by

SACI as of June 23, 2006.

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	S-1	Currently estimated ⁽¹⁾
Net Proceeds		
Held in trust	126,720,000	126,720,000
Not held in trust	1,300,000	1,117,468 ⁽²⁾
Use of proceeds not held in trust		
Legal, accounting and other expenses attendant to the due diligence investigations, structuring and negotiation of a business combination.	180,000	1,700,000 ⁽²⁾
Payment of \$7,500 in administrative fees to SB Management Corp. and Mercantile Companies	180,000	120,000
Due diligence of prospective target business	100,000	100,000
Legal and account fees related to SEC reporting obligations	50,000	90,000
Working capital to covers other expenses	790,000	350,000

⁽¹⁾Assumes the proposed business combination with Jamba Juice Company is consummated prior to August 15, 2006.

⁽²⁾Existing available funds are not sufficient to satisfy estimated transaction costs prior to the merger with Jamba Juice Company.

As of March 31, 2006, SACI had (i) \$741,417 in cash outside the trust and (ii) \$1,147,360 in current liabilities including accrued legal fees, due diligence expenses and related transaction expenses and taxes. The increase in fees versus our original estimates is due primarily to the required private placement financing and the length of time that has been required to complete the merger. Given that the total currently estimated use of proceeds exceeds the net proceeds held out of trust, it is unlikely that SACI will be able to complete a business combination other than the proposed combination with Jamba Juice Company. Our counsel and certain of our advisors other than accountants have agreed to alter their fees or a substantial portion thereof until the consummation of a transaction and to forego such fees in the event the merger is not consummated. Accordingly, SACI believes it has adequate funds to complete the proposed merger with Jamba Juice Company. In the event the business combination is not completed SACI could try to raise any required funds via a private offering of debt or equity securities to continue searching for an acquisition candidate. However there is no guarantee that SACI would be successful in completing such fundraising on terms acceptable to SACI and SACI may be forced to liquidate. See Risk Factors.

Off-Balance Sheet Arrangements; Commitments and Contractual Obligations

As of December 31, 2005, SACI did not have any off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K and did not have any commitments or contractual obligations other than our payments to SB Management Corp. and Mercantile Companies, Inc. as described above. No unaudited quarterly operating data is included in this prospectus as SACI has conducted no operations to date.

Dissolution and Liquidation if No Business Combination

We have agreed with the trustee to promptly adopt a plan of dissolution and liquidation and initiate procedures for our dissolution and liquidation if we do not effect a business combination within 18 months after consummation of this

offering (or within 24 months after the consummation of this offering if a letter of intent, agreement in principle or definitive agreement has been executed within 18 months after consummation of this offering and the business combination related thereto has not been consummated within such 18-month period). The plan of dissolution will provide that we liquidate all of our assets, including the trust account, and after reserving amounts sufficient to cover our liabilities and obligations and the costs of dissolution and liquidation, distribute those assets solely to our public stockholders. As discussed below, the plan of dissolution and liquidation will be subject to stockholder approval.

Upon the approval by our stockholders of our plan of dissolution and liquidation, we will liquidate our assets, including the trust account, and after reserving amounts sufficient to cover our

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liabilities and obligations and the costs of dissolution and liquidation, distribute those assets solely to our public stockholders. Our existing stockholders, including all of our officers and directors, have waived their rights to participate in any liquidating distributions occurring upon our failure to consummate a business combination with respect to those shares of common stock acquired by them prior to completion of our initial public offering and have agreed to vote all of their shares in favor of any such plan of dissolution and liquidation. We estimate that, in the event we liquidate the trust account, our public stockholders will receive approximately \$7.48 per share without taking into account interest earned on the trust account (net of taxes payable on such interest). We expect that all costs associated with implementing a plan of dissolution and liquidation as well as payments to any creditors will be funded by the proceeds of this offering not held in the trust account and the interest on amounts held in the trust account (net of taxes) released to us as described elsewhere in this proxy, although we cannot assure you that those funds will be sufficient funds for such purposes. If we do not have sufficient funds for those purposes, the amount distributed to our public stockholders would be less than per share without taking into account interest earned in the trust account.

To mitigate the risk of the amounts in the trust account being reduced by the claims of creditors:

- Prior to completion of a business combination, we will seek to have all vendors, prospective target businesses and other entities, which we refer to as potential contracted parties or a potential contracted party, execute valid and enforceable agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account for the benefit of our public stockholders. In the event that a potential contracted party were to refuse to execute such a waiver, we will execute an agreement with that entity only if our management first determines that we would be unable to obtain, on a reasonable basis, substantially similar services or opportunities from another entity willing to execute such a waiver. Examples of instances where we may engage a third party that has refused to execute a waiver would be the engagement of a third party consultant whose particular expertise or skills are believed by management to be superior to those of other consultants that would agree to execute a waiver or a situation in which management does not believe it would be able to find a provider of required services similar in talent willing to provide the waiver.
- If we enter into an agreement with a potential contracted party that refuses to execute a valid and enforceable waiver, then our initial directors and officers will be personally liable to cover the potential claims made by such party but only if, and to the extent that, the claims otherwise would reduce the trust account proceeds payable to our public stockholders in the event of a

dissolution and liquidation and the claims were made by that party for services rendered or products sold to us.

There is no guarantee that vendors, prospective target business, or other entities will execute such agreements, or even if they execute such agreements that they would be prevented from bringing claims against the trust account, including, but not limited to, fraudulent inducement, breach of fiduciary responsibility and other similar claims, as well as claims challenging the enforceability of the waiver, in each case in order to gain an advantage with a claim against our assets, including the funds held in the trust account. In addition, the indemnification provided by our initial directors and officers is limited to claims by vendors that do not execute such valid and enforceable agreements. Claims by target businesses or other entities and vendors that execute such valid and enforceable agreements would not be indemnified by our directors and officers. Based on representations made to us by our initial directors and officers, we currently believe they are of substantial means and capable of funding a shortfall in our trust account to satisfy their foreseeable indemnification obligations, but we have not asked them to reserve for such an eventuality. Despite our belief, we cannot assure you that they will be able to satisfy those obligations. The indemnification obligations may be substantially higher than they currently foresee or expect and/or their financial resources may deteriorate in the future. As a result, the steps outlined above may not effectively mitigate the risk of creditors' claims reducing the amounts in the trust account.

Furthermore, creditors may seek to interfere with the distribution of the trust account pursuant to federal or state creditor and bankruptcy laws which could delay the actual distribution of such funds

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or reduce the amount ultimately available for distribution to our public stockholders. If we are forced to file a bankruptcy case or an involuntary bankruptcy case is filed against us which is not dismissed, the funds held in our trust account will be subject to applicable bankruptcy law, and may be included in our bankruptcy estate and subject to claims of third parties with priority over the claims of our public stockholders. To the extent bankruptcy claims deplete the trust account, we cannot assure you we will be able to return to our public stockholders the liquidation amounts they might otherwise receive.

As required under Delaware law, we will seek stockholder approval for any plan of dissolution and liquidation. We currently believe that any plan of dissolution and liquidation subsequent to the expiration of the 18 and 24 month deadlines would proceed in approximately the following manner (subject to our agreement to take earlier action as described below):

- our board will, consistent with its obligations described in our certificate of incorporation to dissolve, prior to the passing of such deadline, convene and adopt a specific plan of dissolution and liquidation, which it will then vote to recommend to our stockholders; at such time we will also prepare a preliminary proxy statement setting out such plan of dissolution and liquidation as well as the board's recommendation of such plan;
- upon such deadline (or earlier as described below), we would file our preliminary proxy statement with the Securities and Exchange Commission (the "SEC");
- if the SEC does not review the preliminary proxy statement, then, 10 days following the filing date, we will file a definitive proxy statement with the SEC and will mail the definitive proxy statement to our stockholders, and 30 days following the mailing, we will convene a meeting of our stockholders, at which they will either approve or reject our plan of dissolution and

liquidation; and

- if the SEC does review the preliminary proxy statement, we currently estimate that we will receive their comments approximately 30 days following the filing of the preliminary proxy statement. We will mail a definitive proxy statement to our stockholders following the conclusion of the comment and review process (the length of which we cannot predict with any certainty, and which may be substantial) and we will convene a meeting of our stockholders as soon as permitted thereafter.

In addition, if we seek approval from our stockholders to consummate a business combination within 90 days of the expiration of 24 months after the consummation of this offering (assuming that the period in which we need to consummate a business combination has been extended, as provided in our certificate of incorporation), the proxy statement related to such business combination will also seek stockholder approval for our board's recommended plan of dissolution and liquidation, in the event our stockholders do not approve such business combination. If no proxy statement seeking the approval of our stockholders for a business combination has been filed 30 days prior to the date that is 24 months after the consummation of this offering, our board will, prior to such date, convene, adopt and recommend to our stockholders a plan of dissolution and liquidation and, on such date, file a proxy statement with the SEC seeking stockholder approval for such plan.

In the event that we seek stockholder approval for a plan of dissolution and liquidation and do not obtain such approval, we will nonetheless continue to take all reasonable actions to obtain stockholder approval for our dissolution. Pursuant to the terms of our certificate of incorporation, our purpose and powers following the expiration of the permitted time periods for consummating a business combination will automatically be limited to acts and activities relating to dissolving and winding up our affairs, including liquidation. Following the expiration of such time periods, the funds held in our trust account may not be distributed except upon our dissolution and, unless and until such approval is obtained from our stockholders, the funds held in our trust account will not be released. Consequently, holders of a majority of our outstanding stock must approve our dissolution in order to receive the funds held in our trust account, and the funds will not be available for any other corporate purpose. Our existing stockholders have agreed to vote all the shares of common stock held by them in favor of the dissolution. We cannot assure you that our stockholders will approve our

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dissolution in a timely manner or will ever approve our dissolution. As a result, we cannot provide investors with assurances of a specific time frame for our dissolution and distribution.

We expect that our total costs and expenses associated with the implementing and completing our stockholder-approved plan of dissolution and liquidation will be in the range of \$50,000 to \$75,000. This amount includes all costs and expenses related to filing our dissolution in the State of Delaware, the winding up of our company and the costs of a proxy statement and meeting relating to the approval by our stockholders of our plan of dissolution and liquidation. We believe that there should be sufficient funds available from the proceeds not held in the trust account to fund the \$50,000 to \$75,000 of expenses, although we cannot give you assurances that there will be sufficient funds for such purposes.

Under the Delaware General Corporation Law, stockholders may be held liable for claims by third parties against a corporation to the extent of distributions received by them in a dissolution. If we complied with certain procedures set forth in Section 280 of the Delaware General Corporation Law intended to ensure that a corporation makes reasonable provision for all claims against it, including a 60-day notice period during which any third-party claims can

be brought against the corporation, a 90-day period during which the corporation may reject any claims brought, and an additional 150-day waiting period before any liquidating distributions are made to stockholders, any liability of a stockholder with respect to a liquidating distribution is limited to the lesser of such stockholder's pro rata share of the claim or the amount distributed to the stockholder, and any liability of the stockholder would be barred after the third anniversary of the dissolution. However, it is our intention to make liquidating distributions to our public stockholders as soon as reasonably possible after dissolution and, therefore, we do not intend to comply with those procedures. As such, our public stockholders could potentially be liable for any claims to the extent of distributions received by them in a dissolution and any such liability of our public stockholders will likely extend beyond the third anniversary of such dissolution. Because we will not be complying with Section 280, we will seek stockholder approval to comply with Section 281(b) of the Delaware General Corporation Law, requiring us to adopt a plan of dissolution that will provide for our payment, based on facts known to us at such time, of (i) all existing claims, (ii) all pending claims, and (iii) all claims that may be potentially brought against us within the subsequent 10 years. However, because we are a blank check company rather than an operating company, and our operations will be limited to searching for prospective target businesses to acquire, the only likely claims to arise would be from our vendors (such as accountants, lawyers, investment bankers, etc.) or potential target businesses. As described above, we seek to have all vendors and prospective target businesses execute valid and enforceable agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account and to date have entered into such agreements with Jamba Juice Company. As a result, we believe the claims that could be made against us will be significantly reduced and the likelihood that any claim that would result in any liability extending to the trust will be limited.

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NORTH POINT FAIRNESS OPINION

North Point was retained by the board of directors of SACI on March 16, 2006. North Point rendered its opinion to the SACI Board of Directors that, as of March 21, 2006, (which date is after SACI had signed the merger agreement) and based upon and subject to the factors and assumptions set forth therein, the per share merger consideration to be paid to the holders of Jamba Juice Company capital stock and vested Jamba Juice Company options in the merger pursuant to the merger agreement is fair from a financial point of view to SACI.

The full text of the North Point fairness opinion, dated as of March 21, 2006, (which date is after SACI had signed the merger agreement) which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex "E". North Point provided its opinion to the SACI Board of Directors in order to provide further information to SACI stockholders. The North Point fairness opinion is not a recommendation as to how any holder of SACI capital stock should vote with respect to the merger. North Point has consented to the disclosures regarding its fairness opinion in this proxy statement.

Once the decision was made to have a fairness opinion rendered, SACI received proposals (two written and two verbal) from four firms and the SACI board of directors discussed the merits of each; in the course of such discussions the SACI board considered the cost, timing, experience in mergers and acquisition transactions and industry expertise of each firm. No single item was the deciding factor, however the SACI board decided that North Point Advisors represented the best choice given that it is based in San Francisco, was competitively priced and that the principals of North Point (i) have been involved with over 175 mergers and acquisition transactions and (ii) within the combined food & beverage and restaurant industries, have been involved in over 60 transactions representing more than \$12 billion in transaction value.

In connection with rendering the opinion described above and performing its related financial analyses, North Point reviewed, among other things:

- the merger agreement;
- certain publicly available financial, operating and business information related to Jamba Juice Company, including certain audited and unaudited financial statements of Jamba Juice Company;
- certain internal information prepared and furnished by Jamba Juice Company's management with respect to the business, operations and prospects of Jamba Juice Company, including financial forecasts and projected financial data;
- to the extent publicly available, information concerning selected transactions deemed comparable to the proposed merger;
- certain publicly available financial and securities data of selected public companies deemed comparable to Jamba Juice Company; and
- certain publicly available press releases and research reports.

North Point also had discussions with members of the management of Jamba Juice Company concerning the financial condition, current and historical operating results for Jamba Juice Company, and the business outlook for Jamba Juice Company. In addition, North Point compared certain financial information for Jamba Juice Company with similar information for certain other companies the securities of which are publicly traded, reviewed the financial terms of certain recent business combinations in the quick service, specialty restaurant, specialty foods and premier food brand industries and performed such other studies and analyses, and considered such other factors, as it considered appropriate.

North Point relied upon and assumed the completeness, accuracy and fairness of (and the absence of any misleading statements in) Jamba Juice Company's financial statements, financial forecasts, management estimates as to the future performance, and other information made available to North Point, and North Point did not assume responsibility for the independent verification of that information.

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North Point's opinion does not address the basic business decision to proceed with or effect the merger, on the one hand, or any alternative business strategies or alternative transactions that may be available to SACI, on the other hand, or any tax consequences of the merger. North Point did not structure the merger or negotiate the terms of the merger. In addition, North Point did not perform any appraisals or valuations of any specific assets or liabilities of Jamba Juice Company (including derivative or off-balance sheet assets and liabilities), nor were any such appraisals or valuations furnished to North Point.

The following is a summary of the material financial analyses delivered by North Point to the SACI Board of Directors in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by North Point, nor does the order of analyses described represent relative importance or weight given to those analyses by North Point. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of North Point's financial analyses. Except as otherwise noted, the following quantitative information for Jamba Juice Company, to the extent that it is based on market data, is based on market data as it existed on or before the March 13, 2006, announcement of the merger and is not necessarily

indicative of current market conditions.

Discounted Cash Flow Analysis. North Point performed a discounted cash flow analysis on Jamba Juice Company of the estimated cash flow of Jamba Juice for fiscal years 2006 through 2010. North Point considered two projected financial cases (a “slow growth” and “higher growth” case), the primary difference of which was the number of new store openings during the forecast period. North Point estimated a range of terminal values in the year 2010 based on multiples ranging from 12.0x EBITDA to 14.0x EBITDA. These terminal values were then discounted to calculate implied indications of present values using discount rates ranging from 15.0% to 20.0%. The discount rates used in this analysis were chosen based accepted industry averages for the cost of capital for companies in the food and restaurant industries. North Point used these discounted terminal values to calculate a range of enterprise values for Jamba Juice. Using a high growth model for store expansion (which means more expenditures on growing the number of stores and less cash flow left over from continuing operations) for Jamba Juice through 2010, the resulting enterprise values ranged from \$290,200,000 to \$446,600,000. Using a slow growth model for store expansion (which means less expenditures on growing the number of stores and more cash flow left over from continuing operations), the resulting enterprise values ranged from \$315,300,000 to \$466,600,000. North Point compared this range of enterprise values to the implied transaction value of \$249,000,000 for the merger (based on the total merger consideration of \$265,000,000 less \$16,000,000 of indebtedness).

Selected Companies Analysis. North Point reviewed and compared certain financial information and valuation multiples for Jamba Juice to corresponding financial information and public market multiples for the following publicly traded corporations in the quick service, specialty restaurant, specialty food and premier food brand industries:

- Caribou Coffee Co., Inc.
- Chipotle Mexican Grill Inc.
- CKE Restaurants Inc.
- Cosi, Inc.
- Jack in the Box Inc.
- McDondald’s Corp.
- Panera Bread Co.
- Peet’s Coffee & Tea Inc.
- Sonic Corp.
- Starbucks Corp.
- United Natural Foods Inc.
- Wendy’s International Inc.
- Whole Foods Market Inc.
- Wild Oats Markets Inc.
- Yum! Brands Inc.
- Dean Foods Co.

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- Green Mountain Coffee Roasters Inc.
- Hain Celestial Group Inc.
- Hansen Natural Corp.
- Jones Soda Co.

- Lifeway Foods Inc.
- SunOpta Inc.
- Cadbury Schweppes PLC
- Campbell Soup Co.
- Coca-Cola Co.
- General Mills Inc.
- H.J. Heinz Co.
- Hershey Co.
- J.M. Smucker Co.
- Kellogg Co.
- Kraft Foods Inc.
- PepsiCo Inc.

These companies were selected for this analysis because like Jamba Juice Company their operations reflect a mix of retail, food and restaurant businesses. Although none of the selected companies is directly comparable to Jamba Juice Company, each of the companies included has operations in the retail, food or restaurant category and the operations of the selected companies as a whole for purposes of analysis may be considered similar to the operations of Jamba Juice Company.

North Point calculated various financial multiples for such comparable companies based on the ratio of the enterprise value of these companies to the last twelve months revenue and last twelve months earnings before interest, taxes and depreciation and amortization, or EBITDA, of these companies for calendar year (CY) 2005 and the estimated revenue and estimated EBITDA for CY 2006 and 2007 of these companies (obtained from SEC filings and Factset estimates as of March 13, 2006). North Point then used the average of the means and medians of such multiples to calculate a range of enterprise values of Jamba Juice Company based on the operating data of Jamba Juice Company (provided by Jamba Juice Company's management) set forth below.

- enterprise value (which is the market value of common equity plus the book value of debt, less cash) as a multiple of latest twelve months revenue;
- enterprise value as a multiple of latest twelve months earnings before interest, taxes and depreciation and amortization, or EBITDA;
- enterprise value, as a multiple of revenue for 2005 and estimated revenue for 2006 and 2007; and
- enterprise value, as a multiple of EBITDA for 2005 and estimated EBITDA for 2006 and 2007.

The results of these analyses are summarized as follows:

Enterprise Value as a multiple of current year:	Range	Mean	Median
2005 Revenue	0.6x-7.1x	2.3x	2.1x
2005 EBITDA	6.9x-23.8x	13.7x	12.5x
2006 Estimated Revenue	0.5x-5.0x	2.0x	2.0x
2006 Estimated EBITDA	6.3x-46.4x	13.1x	11.6x
2007 Estimated Revenue	0.4x-4.1x	1.8x	1.8x
2007 Estimated EBITDA	5.2x-37.1x	11.6x	10.7

When applying these mean and median multiples to this operating data of Jamba Juice Company, the resulting enterprise values for Jamba Juice Company ranged from \$242,200,000 to \$578,700,000. North Point compared this range of enterprise values to the implied transaction value of \$249,000,000 for the merger.

Selected Transactions Analysis. North Point reviewed the terms of certain recent merger and acquisition transactions reported in SEC filings, public company disclosures, press releases, industry and popular press reports, data bases and other sources relating to the following selected transactions (listed by target/acquirer) in the restaurant industry since 2003:

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Comparable Restaurant Transactions Target	Acquiror
Checkers Drive-In Restaurants Inc	Wellspring Capital Management LLC
Sticky Fingers Inc	Quad-C Management
Dave & Buster's Inc	Wellspring Capital Management
Dunkin' Brands, Inc.	Bain Capital / Carlyle Group / Thomas H Lee
Fox & Hound Restaurant Group	Newcastle Partners / Steel Partners
Del Taco, Inc.	Sagittarius Brands Inc (Captain D's)
El Pollo Loco Inc.	Trimaran
Garden Fresh Holdings, Inc.	Capital Partners, Inc
Claim Jumper Restaurants	Black Canyon Capital / Leonard Green
Perkins Restaurant & Bakery	Castle Harlan Inc
Worldwide Restaurant Concepts Inc	Pacific Equity Partners
Taco Bueno Restaurants	Palladium Equity Partners
Quality Dining	Management / Fitzpatrick Group
Elmer's Restaurants Inc	Acquisition Group
Charlie Brown's Inc. (Castle Harlan)	Trimaran Capital Partners
Captain D's	Charlesbank Capital / Grotech Capital
Church's Chicken	Crescent Capital Investments
Chevys Mexican Restaurant	Bruckmann, Rosser, Sherrill & Co
Mimi's Cafe	Bob Evans
Garden Fresh Restaurant Corp.	Centre Partners/Fairmont Capital/Management
Piccadilly Cafeterias, Inc	Piccadilly Investments LLC
Tumbleweed Inc	Tumbleweed Inc (Management)
Ninety Nine Restaurant & Pub	O'Charleys

Comparable Food Transactions Target	Acquiror
Del Monte Pacific Limited	First Pacific Company Limited
Bolthouse Farms, Inc.	Madison Dearborn Partners, LLC
Silhouette Brands	Dreyer's Grand Ice Cream Inc
Eight O'Clock coffee	Gryphon Investors Inc
Horizon Organic Holding Corporation	Dean Foods Company
ZonePerfect Nutrition	Abbott Laboratories
Century Foods International	Hormel Foods Corporation
Rexall Sundown Inc	NBTY, Inc.
Dole Food Company Inc	DHM Holding Company, Inc.
Diamond Crystal Brands, Inc.(Dry Food/Beverage)	Hormel Foods Corporation
Imagine Foods	The Hain Celestial Group Inc
Chef America Inc	Nestle Holdings Inc.
Stearns & Lehman Inc	Kerry Group plc

Dean Foods Company	Suiza Foods Corp.
Odwalla, Inc.	The Coca-Cola Company
Stonyfield Farm Inc	Danone Group
The Earthgrains Company	Sara Lee Corporation
The Quaker Oats Company	PepsiCo, Inc.
Bestfoods Baking Company	George Weston Ltd
Keebler Foods Co.	Kellogg Company
Snapple Beverage Group	Cadbury Schweppes plc
Lightlife Foods Inc	ConAgra Foods Inc
Celestial Seasonings	Hain Food Group
Slimfast Foods Company	Unilever Group
Ben & Jerry Homemade Ice Cream Inc.	Unilever Group
Balance Bar Company	Kraft Foods Inc.
Powerbar Inc.	Nestle SA

These transactions were selected because the target companies were involved in a mix of food and restaurant businesses. Although none of the selected transactions involved businesses that are directly comparable to Jamba Juice Company, each of the target businesses involved in the selected

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transactions had operations in the food or restaurant business and the operations of the target businesses involved in the selected transactions as a whole for purposes of analysis may be considered similar to the operations of Jamba Juice Company.

For each of the selected transactions, North Point calculated financial multiples for the target companies based on the ratio of the transaction value to the latest twelve months revenue and the transaction value to the latest twelve months EBITDA of the target companies prior to the consummation of the transaction. North Point then used the average of the means and medians of such multiples to calculate a range of enterprise values of Jamba Juice Company based on the operating data of Jamba Juice (provided by Jamba Juice Company's management) set forth below. For comparable restaurant transactions are summarized as follows:

Transaction Value as a multiple of last twelve months:	Range	Mean	Median
Revenue	0.3x-1.8x	0.8x	0.7x
EBITDA	5.1x-12.0x	7.7x	7.1x

For comparable food transactions:

Transaction Value as a multiple of last twelve months	Range	Mean	Median
Revenue	0.5x-4.1x	1.8x	1.6x
EBITDA	7.1x-28.0x	14.3x	13.1x

When applying the average of these mean and median multiples to Jamba Juice Company, the resulting enterprise values for Jamba Juice Company ranged from \$137,200,000 to \$449,900,000. North Point compared this range of enterprise values to the implied transaction value of \$249,000,000 for the merger

Additional Considerations. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying North Point's opinion. In arriving at its fairness determination, North Point considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, North Point made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Jamba Juice Company or the contemplated transaction.

North Point prepared these analyses for purposes of providing its opinion to the SACI Board of Directors as to the fairness to SACI from a financial point of view of the consideration to be paid to the holders of Jamba Juice Company capital stock and vested Jamba Juice Company options in the merger pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Jamba Juice Company, SACI, JJC Acquisition Corp. nor North Point or any other person assumes responsibility if future results are materially different from those forecast.

The merger consideration was determined through arms'-length negotiations between Jamba Juice Company and SACI and was approved by the SACI Board of Directors. North Point did not recommend any specific amount of consideration to the SACI Board of Directors or that any specific amount of consideration constituted the only appropriate consideration for the merger.

The foregoing summary does not purport to be a complete description of the analyses performed by North Point in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of North Point attached as Annex 'E'.

North Point, as part of its customary investment banking practice, is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, competitive

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biddings, corporate and other purposes. North Point acted as financial advisor to SACI in connection with the merger for the purpose of providing the fairness opinion and received a fee of \$140,000 plus reimbursement of approximately \$10,500 in expenses incurred in connection with the engagement. North Point did not provide any other financial advisor services. The fee received by North Point was not contingent on the consummation of the merger or the conclusions expressed in the opinion. SACI also agreed to indemnify North Point against certain liabilities incurred in connection with its services.

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UNAUDITED PRO FORMA CONDENSED FINANCIAL STATEMENTS

On March 10, 2006, Services Acquisition Corp. International (“SACI”) and JJC Acquisition Company (“JJC”), a wholly-owned California corporate subsidiary of SACI, and Jamba Juice Company, a California corporation (“Jamba Juice Company”), entered into an Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which JJC will merge into Jamba Juice Company and Jamba Juice Company will become a wholly-owned subsidiary of SACI. Following completion of the merger, it is anticipated that SACI will change its name to Jamba, Inc. Because SACI will have no other operating business following the merger, Jamba Juice Company will effectively become a public company at the conclusion of the merger.

The accompanying unaudited pro forma condensed balance sheet combines the historical balance sheets of Jamba Juice Company and Subsidiaries (“Jamba Juice Company”) as of April 4, 2006 and Services Acquisition Corp. International (“SACI”) as of March 31, 2006, under the purchase method of accounting, giving effect to the transaction described in the Agreement and Plan of Merger dated March 10, 2006 (the “Transaction”) as if it had occurred on March 31, 2006.

The accompanying unaudited pro forma condensed statements of operations combine the historical statements of operations of Jamba Juice Company for the period January 12, 2005 to January 10, 2006 and January 11, 2006 to April 4, 2006, and SACI for the periods from January 6, 2005 (inception) to December 31, 2005 and from January 1 to March 31, 2006, giving effect to the Transaction as if it had occurred in the beginning of the respective period.

The unaudited pro forma condensed balance sheet at December 31, 2005 and the statement of operations for the period ended December 31, 2005 have been prepared using two different levels of approval of the Transaction by the SACI stockholders, as follows:

- Assuming Maximum Approval: This presentation assumes that 100% of SACI stockholders approve the Transaction; and
- Assuming Minimum Approval: This presentation assumes that only 80.1% of SACI stockholders approve the Transaction.

The total purchase consideration for Jamba Juice Company has been fixed at approximately \$265 million. The purchase consideration is the result of the sum of payments to the Jamba Juice Company shareholders, the stipulated payment of indebtedness of \$16 million, the payment by Jamba Juice Company for its transaction expenses, and the bargain purchase element for assumed vested and non-vested options and warrants based on the price per share of the Jamba Juice Company. The final purchase consideration will be as close to \$265 million as possible adjusting the price per share, within two decimals, for the Jamba Juice Company's shares. We have assumed that 20% of the Jamba Juice Company's vested options will convert to SACI options, and that all Jamba Juice Company's outstanding warrants and non-vested options will convert to SACI warrants and options. Factors that could affect the purchase price for accounting purposes are, (i) SACI will assume less stock options and warrants than estimated and therefore increase the payment to the Jamba Juice Company shareholders, (ii) cancellations or vesting of non-vested stock options prior to the closing which would increase the payment to the Jamba Juice Company shareholders, including the increased number of exercised options, and (iii) Jamba Juice Company's transaction expenses can differ from the estimated \$3.425 million, which ultimately will affect the payment to the Jamba Juice Company shareholders. We believe that none of these factors will materially change the overall purchase price.

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Following is a reconciliation calculation of purchase consideration and purchase price for accounting purposes (in thousands).

Payment to common and preferred shareholders		\$ 244,840
SACI estimated transaction expenses	1)	1,800
Total cash payment		246,640
Bargain purchase element for assumed vested options and warrants, net of deferred taxes		6,709
Total Purchase Price for accounting purposes		253,349
Items included in purchase price, but not included in purchase accounting		
SACI estimated transaction expenses	1)	(1,800)
Deferred taxes from bargain purchase element	2)	1,298
Other items included in purchase consideration:		
Payment of certain indebtedness	3)	16,000
Payment of transaction expenses incurred by Jamba Juice Company	4)	3,425
Bargain purchase element for assumed non-vested options	5)	2,388
Less: Cash receipts from exercise of warrants and options	6)	(9,693)
Total Purchase Consideration	7)	\$ 264,967

- 1) Estimated expenses for legal, accounting and other services is estimated at \$1,800 and is not included in the \$265 million purchase consideration.
- 2) When SACI assumes the vested options and warrants, we will record deferred income tax on non-qualified options and warrants not issued in connection with an investment transaction. We used an effective tax rate of 40% to calculate the fair value of the asset.
- 3) The outstanding balance of the Jamba Juice Company line of credit is approximately \$12.8 million as of June 22, 2006; however the merger agreement stipulates a fixed value of indebtedness for purchase consideration of \$16 million.
- 4) The merger agreement allows \$3,425 for Jamba Juice Company's transaction expenses. In case the actual expenses vary, the difference will be allocated to or deducted from the Jamba Juice Company shareholders pro rata share of the purchase price.
- 5) SACI will assume all non-vested options. The number of non-vested options as well as the projected date of closing now being estimated as of August 1, 2006. The non-vested options will not be part of the purchase price as the service period for the non-vested options is after the closing, and SACI will record the expense for these options upon vesting in accordance with SFAS 123(R).
- 6) This item represents a reduction of the purchase consideration for actual cash payment from the warrant and option holders for the exercise of the warrants and options immediately prior to the closing.
- 7) The total approximate consideration of \$265,000 will not change regardless of the number warrants and options that are ultimately converted at closing, the ultimate amount of assumed debt associated with Jamba Juice Company's line of credit, and the ultimate amount of transaction expenses through closing.

SACI is providing this information to aid you in your analysis of the financial aspects of the Transaction. The unaudited pro forma condensed combined financial statements are based on the estimates and assumptions set forth in the notes to such statements, which are preliminary and have been made solely for purposes of developing such pro

forma information. The unaudited pro forma condensed financial statements described above should be read in conjunction with the historical financial statements of Jamba Juice Company and SACI and the related notes thereto. The unaudited pro forma information is not necessarily indicative of the financial position or results of operations that may have actually occurred had the Transaction taken place on the dates noted, or the future financial position or operating results of the combined company.

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WITH MAXIMUM APPROVAL
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE QUARTER ENDED MARCH 31, 2006
(In thousands, except for share data)

	SACI	Jamba Juice	Pro Forma Adjustments	Pro Forma Combined
Revenue:				
Company stores	\$ —	\$ 49,365	\$ —	\$ 49,365
Franchise revenue		2,060		2,060
Total revenue	—	51,425	—	51,425
Operating expenses:				
Cost of sales and related occupancy costs		19,212		19,212
Store operating expense		21,319		21,319
Other operating expense		1,664		1,664
Depreciation and amortization		3,054	35 b	3,089
General and administrative expense	174	7,371	531 a	8,076
Store pre-opening expense		371		371
Franchise support expense		649		649
Loss on asset impairment, store closures and disposals		685		685
Gift certificate breakage		(1,399)		(1,399)
Loss from operations	(174)	(1,501)	(566)	(2,241)
Interest income (expense)	901	(315)	—	586
Total other income (expense)	901	(315)	—	586
Net income (loss) before tax	727	(1,816)	(566)	(1,655)
Income tax expense (benefit)	39	(647)	(212)c	(820)
Net income (loss)	\$ 688	\$ (1,169)	\$ (354)	\$ (835)
Weighted average shares outstanding	Basic			51,880
	Diluted			57,458
Loss per share	Basic			\$ (0.02)
	Diluted			\$ (0.02)

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

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WITH MAXIMUM APPROVAL
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2005

(In thousands, except for share data)

	SACI	Jamba Juice	Pro Forma Adjustments	Pro Forma Combined
Revenue:				
Company stores	\$ —	\$ 229,955	\$ —	\$ 229,955
Franchise revenue		8,056		8,056
Total revenue	—	238,011	—	238,011
Operating expenses:				
Cost of sales and related occupancy costs		83,590		83,590
Store operating expense		95,539		95,539
Other operating expense		9,286		9,286
Depreciation and amortization		12,048	140 B	12,188
General and administrative expense	197	26,966	2,123 A	29,286
Store pre-opening expense		2,749		2,749
Franchise support expense		915		915
Loss on asset impairment, store closures and disposals		881		881
Litigation settlement reimbursement		(2,650)		(2,650)
Sales Tax Audit Expense		2,569		2,569
(Loss) income from operations	(197)	6,118	(2,263)	3,658
Interest income (expense)	1,453	(981)	—	472
Total other income (expense)	1,453	(981)	—	472
Net income (loss) before tax	1,256	5,137	(2,263)	4,130
Income tax expense (benefit)	85	2,602	(849) C	1,838
Net income	\$ 1,171	\$ 2,535	\$ (1,414)	\$ 2,292
Weighted average shares outstanding	Basic			42,658
	Diluted			44,406
Earnings per share	Basic			\$ 0.05
	Diluted			\$ 0.05

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

Table of ContentsWITH MAXIMUM APPROVAL
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEETSMarch 31, 2006
(In thousands)

	SACI	Private placement	Jamba Juice before close ⁽¹⁾	Closing transaction	Consolidation entry	Consolidated Total
Assets						
Current Assets:						
Cash and cash equivalents	\$ 741	\$ 224,850 m	\$ (19,631)	\$ (106,871)q		\$ 99,089
Notes and accounts receivable, net			11,136	(9,693)r		1,443
Inventories			2,480			2,480
Prepaid expenses & other current assets	56		8,854			8,910
Total current assets	797	224,850	2,839	(116,564)	—	111,922
Cash held in trust	129,066		—	(129,066)s		—
Deferred transaction costs	1,010		—	(1,010)t		—
Property, fixtures and equipment, net			71,797			71,797
Goodwill & other intangible assets			210,982			210,982
Shares in subsidiary			16,220	253,349 u	(253,349)x	—
Other long-term assets			—	1,298 v		17,518
Total assets	\$ 130,873	\$ 224,850	\$ 301,838	\$ 8,007	\$ (253,349)	\$ 412,219
Liabilities and Shareholders' Equity						
Current Liabilities:						
Accounts payable	\$ 487		6,897			7,384
Accrued compensation and benefits			10,521			10,521
Accrued store value cards			14,579			14,579
Line of credit note payable			—			—
Current portion of litigation settlement payable			1,091			1,091
Other accrued expenses	661		5,885			6,546
Total current liabilities	1,148	—	38,973	—	0	40,121
Deferred rent, revenues and other long-term liabilities			9,516			9,516
Commitments and contingencies						

Convertible Redeemable Preferred Stock			—			—
Common stock, subject to redemption	25,241	(25,241)n	—			—
Common Stockholders' Equity:						
Common stock	21	31 o	402		(402)y	52
Additional paid-in-capital	102,604	250,060 p	286,854	8,007 w	(286,854)y	360,671
Accumulated income (deficit)	1,859	(3,390)	(33,907)		33,907 y	1,859
Total shareholders' equity/ (deficit)	104,484	250,091	253,349	8,007	(253,349)	362,582
Total liabilities and shareholders' equity	\$ 130,873	\$ 224,850	\$ 301,838	\$ 8,007	\$ (253,349)	\$ 412,219

(1)See page 121 for details and purchase accounting adjustments.

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

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WITH MAXIMUM APPROVAL PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEETS

March 31, 2006
(In thousands)

	Jamba Juice	Pro Forma Adjustments	Purch price Adjustments	Jamba Juice before close
Assets				
Current Assets:				
Cash and cash equivalents	\$ 1,794	\$ (21,425)	d	\$ (19,631)
Notes and accounts receivable, net	1,443	9,693	e	11,136
Inventories	2,480			2,480
Prepaid expenses & other current assets	8,854			8,854
Total current assets	14,571	(11,732)	—	2,839
Property, fixtures and equipment, net	71,797			71,797
Goodwill & other intangible assets	2,977		208,005 f	210,982
Other long-term assets	10,905	5,629	(314 g	16,220
Total assets	\$ 100,250	\$ (6,103)	\$ 207,691	\$ 301,838
Liabilities and Shareholders' Equity				
Current Liabilities:				
Accounts payable	\$ 6,897			6,897
Accrued compensation and benefits	10,521			10,521
Accrued store value cards	14,579			14,579

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Line of credit note payable	18,000	(18,000)	h	—
Current portion of litigation settlement payable	1,091			1,091
Other accrued expenses	5,885			5,885
Total current liabilities	56,973	(18,000)	—	38,973
Deferred rent, revenues and other long-term liabilities	9,516			9,516
Commitments and contingencies				
Convertible Redeemable Preferred Stock	52,162	(52,162)	i	—
Common Stockholders' Equity:				
Common stock	103	299	j	402
Additional paid-in-capital	11,978	67,185	207,691 k	286,854
Accumulated deficit	(30,482)	(3,425)	l	(33,907)
Total shareholders (deficit) equity	(18,401)	64,059	207,691	253,349
Total liabilities and shareholders' equity	\$ 100,250	\$ (6,103)	\$ 207,691	\$ 301,838

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

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WITH MINIMUM APPROVAL
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE QUARTER ENDED MARCH 31, 2006

(In thousands, except for share data)

	SACI	Jamba Juice	Pro Forma Adjustments	Pro Forma Combined
Revenue:				
Company stores	\$ —	\$ 49,365	\$ —	\$ 49,365
Franchise revenue		2,060		2,060
Total revenue	—	51,425	—	51,425
Operating expenses:				
Cost of sales and related occupancy costs		19,212		19,212
Store operating expense		21,319		21,319
Other operating expense		1,664		1,664
Depreciation and amortization		3,054	35 b	3,089
General and administrative expense	174	7,371	531 a	8,076
Store pre-opening expense		371		371
Franchise support expense		649		649
Loss on asset impairment, store closures and disposals		685		685
Gift certificate breakage		(1,399)		(1,399)
(Loss) income from operations	(174)	(1,501)	(566)	(2,241)

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Interest income (expense)	901	(315)	—	586
Total other income (expense)	901	(315)	—	586
Net income (loss) before tax	727	(1,816)	(566)	(1,655)
Income tax expense (benefit)	39	(647)	(212)c	(820)
Net income (loss)	\$ 688	\$ (1,169)	\$ (354)	\$ (835)
Weighted average shares outstanding	Basic			48,430
	Diluted			54,008
Loss per share	Basic			\$ (0.02)
	Diluted			\$ (0.02)

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

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WITH MINIMUM APPROVAL
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2005

(In thousands, except for share data)

	SACI	Jamba Juice	Pro Forma Adjustments	Pro Forma Combined
Revenue:				
Company stores	\$ —	\$ 229,955	\$ —	\$ 229,955
Franchise revenue		8,056		8,056
Total revenue	—	238,011	—	238,011
Operating expenses:				
Cost of sales and related occupancy costs		83,590		83,590
Store operating expense		95,539		95,539
Other operating expense		9,286		9,286
Depreciation and amortization		12,048	140 B	12,188
General and administrative expense	197	26,966	2,123 A	29,286
Store pre-opening expense		2,749		2,749
Franchise support expense		915		915
Loss on asset impairment, store closures and disposals		881		881
Litigation settlement reimbursement		(2,650)		(2,650)
Sales Tax Audit Expense		2,569		2,569
(Loss) income from operations	(197)	6,118	(2,263)	3,658
Interest income (expense)	1,453	(981)	—	472
Total other income (expense)	1,453	(981)	—	472
Net income (loss) before tax	1,256	5,137	(2,263)	4,130
Income tax expense (benefit)	85	2,602	(849) C	1,838

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Net income (loss)	\$ 1,171	\$ 2,535	\$ (1,414)	\$ 2,292
Weighted average shares outstanding	Basic			40,977
	Diluted			42,725
Earnings per share	Basic			\$ 0.06
	Diluted			\$ 0.05

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

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WITH MINIMUM APPROVAL
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEETS

March 31, 2006
(In thousands)

	SACI	Private placement	Jamba Juice before close	Closing transaction	Consolidation entry	Consolidated Total
Assets						
Current Assets:						
Cash and cash equivalents	\$ 741	\$ 199,609 m	\$ (19,631)	\$ (106,871)q		\$ 73,848
Notes and accounts receivable, net			11,136	(9,693)r		1,443
Inventories			2,480			2,480
Prepaid expenses & other current assets	56		8,854			8,910
Total current assets	797	199,609	2,839	(116,564)	—	86,681
Cash held in trust	129,066		—	(129,066)s		—
Deferred transaction costs	1,010		—	(1,010)t		—
Property, fixtures and equipment, net			71,797			71,797
Goodwill & other intangible assets			210,982			210,982
Shares in subsidiary				253,349 u	(253,349)x	—
Other long-term assets			16,220	1,298 v		17,518
Total assets	\$ 130,873	\$ 199,609	\$ 301,838	\$ 8,007	\$ (253,349)	\$ 386,978
Liabilities and Shareholders' Equity						
Current Liabilities:						
Accounts payable	\$ 487		6,897			7,384

Accrued compensation and benefits			10,521			10,521
Accrued store value cards			14,579			14,579
Current portion of litigation settlement payable			1,091			1,091
Other accrued expenses	661		5,885			6,546
Total current liabilities	1,148	—	38,973	—	—	40,121
Deferred rent, revenues and other long-term liabilities			9,516			9,516
Commitments and contingencies						
Common stock, subject to redemption	25,241	(25,241)n	—			—
Common Stockholders' Equity:						
Common stock	21	31 o	402		(402)y	52
Additional paid-in-capital	102,604	224,819 p	286,854	8,007 w	(286,854)y	335,430
Accumulated income (deficit)	1,859		(33,907)		33,907 y	1,859
Total shareholders' equity	104,484	224,850	253,349	8,007	(253,349)	337,341
Total liabilities and shareholders' equity	\$ 130,873	\$ 199,609	\$ 301,838	\$ 8,007	\$ (253,349)	\$ 386,978

(1)See page 125 for details and purchase accounting adjustments.

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

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WITH MINIMUM APPROVAL PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEETS

March 31, 2006
(In thousands)

	Jamba Juice	Pro Forma Adjustments	Purch price Adjustments	Jamba Juice before close
Assets				
Current Assets:				
Cash and cash equivalents	\$ 1,794	\$ (21,425)	d	\$ (19,631)
Notes and accounts receivable, net	1,443	9,693	e	11,136
Inventories	2,480			2,480
Prepaid expenses & other current assets	8,854			8,854

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Total current assets	14,571	(11,732)	—	2,839
Property, fixtures and equipment, net	71,797			71,797
Goodwill & other intangible assets	2,977		208,005 f	210,982
Shares in subsidiary				
Other long-term assets	10,905	5,629	(314)g	16,220
Total assets	\$ 100,250	\$ (6,103)	\$ 207,691	\$ 301,838
Liabilities and Shareholders' Equity				
Current Liabilities:				
Accounts payable	\$ 6,897			6,897
Accrued compensation and benefits	10,521			10,521
Accrued store value cards	14,579			14,579
Line of credit note payable	18,000	(18,000)	h	—
Current portion of litigation settlement payable	1,091			1,091
Other accrued expenses	5,885			5,885
Total current liabilities	56,973	(18,000)	—	38,973
Deferred rent, revenues and other long-term liabilities	9,516			9,516
Commitments and contingencies				
Convertible Redeemable Preferred Stock	52,162	(52,162)	i	—
Common Stockholders' Equity:				
Common stock	103	299	j	402
Additional paid-in-capital	11,978	67,185	207,691 k	286,854
Accumulated deficit	(30,482)	(3,425)	l	(33,907)
Total shareholders (deficit) equity	(18,401)	64,059	207,691	253,349
Total liabilities and shareholders' equity	\$ 100,250	\$ (6,103)	\$ 207,691	\$ 301,838

The accompanying notes are an integral part of these pro forma condensed unaudited consolidated financial statements.

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Notes to Unaudited Proforma Financial Statement:

1. Basis of Pro Forma Presentation

On March 10, 2006, SACI, its wholly-owned California corporate subsidiary, JJC Acquisition Company, and Jamba Juice Company entered into a Merger Agreement, pursuant to which JJC Acquisition Company will merge into Jamba Juice Company and Jamba Juice Company will become a wholly-owned subsidiary of SACI. Following completion of the merger, it is anticipated that SACI will change its name to Jamba, Inc. Because SACI will have no other operating business following the merger, Jamba Juice Company will effectively become a public company at the conclusion of the merger.

The preceding unaudited pro forma condensed balance sheet combines the historical balance sheets of Jamba Juice Company and Subsidiaries (Jamba Juice Company') as of April 4, 2006 and SACI as of March 31, 2006, giving effect to the transaction described in the Agreement and Plan of Merger dated March 10, 2006 (the "Transaction") as if it had occurred on March 31, 2006 using the purchase method of accounting in accordance with Statement of Financial Accounting Standards No. 141 ("SFAS 141"), Business Combinations.

The preceding unaudited pro forma condensed statements of operations combine the historical statements of operations of Jamba Juice Company for the periods from January 12, 2005 to January 10, 2006 and January 11, 2006 to April 4, 2006 and SACI for the periods from January 6, 2005 (inception) to December 31, 2005 and January 1, 2006 to March 31, 2006, giving effect to the Transaction as if it had occurred in the beginning of the respective period.

2. Purchase Accounting Adjustment

Under the purchase method of accounting, the total preliminary purchase price has been allocated to the net tangible and intangible assets acquired and liabilities assumed, based on various preliminary estimates of their fair values. The estimated fair values of certain assets and liabilities have been determined with the assistance of third party valuation specialists. Management has engaged a third party appraiser to assist management to perform a valuation of all the assets and liabilities in accordance with Statement of Financial Accounting Standard (“SFAS”) No. 141, Business Combinations. Some of the work will commence shortly after the consummation of the merger and the valuation will be finalized after the completion of the merger. Management estimates that the majority of the purchase price in excess of current recorded values will be allocated to non-amortizable intangible assets. The preliminary work performed by the third party valuation specialists has been considered in management's estimates of the fair values reflected in these unaudited pro forma condensed combined consolidated financial statements. Management's estimates and assumptions are subject to change upon the finalization of the valuation and may be adjusted in accordance with Statement of Financial Accounting Standards (“SFAS”) No. 141, Business Combinations. The purchase price allocation is not finalized. Valuations of franchise agreements, trademarks intellectual property, property leases have not been completed. Management has assumed that carrying value approximates fair value for certain tangible assets and liabilities of Jamba Juice Company. The intangible assets acquired will include property leases, franchise agreements, the Jamba Juice brand/trademarks, intellectual property in juice recipes and other goodwill. Some of these assets, such as goodwill and the Jamba Juice brand/trademarks will be non-amortizable; other assets will be amortized over their useful lives ranging from one to more than 10 years.

The unaudited pro forma condensed combined consolidated financial statements should be read in conjunction with the historical consolidated financial statements and the accompanying notes of SACI included in SACI's Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and with the historical consolidated financial statements and the accompanying notes of Jamba Juice Company for the 40-week period ended April 4, 2006 and the two fiscal years ended June 28, 2005 and June 29, 2004, respectively, copies of which are included on pages F-1 to F-44. The unaudited pro forma condensed combined consolidated financial statements are not intended to represent or be indicative of the consolidated results of operations or financial condition of SACI that would have

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been reported had the merger and the private placement financing been completed as of the dates presented, and should not be taken as representative of the future consolidated results of operations or financial condition of SACI. The unaudited pro forma condensed financial statements do not reflect any operating efficiencies and cost savings that SACI may achieve with respect to the combined companies nor do they include the effects of Jamba Juice Company's repayment of the borrowings under its line of credit.

Under the terms of the Merger Agreement SACI will acquire Jamba Juice Company through the merger of JJC Acquisition Company with and into Jamba Juice Company with Jamba Juice Company becoming a wholly owned subsidiary of SACI. Pursuant to the merger, each share of common stock of Jamba Juice Company will be converted

into the right to receive from \$6.00 to \$6.04 in cash.

We determined, based on our interpretation of the requirements of SFAS 141, that SACI was the acquiring entity since SACI's stockholders will ultimately remain in control of the combined company following the Transaction. Under the purchase method of accounting, the financial statements of the acquiring entity remain unchanged and the Transaction will be recorded as of the closing date, reflecting the assets and liabilities of Jamba Juice Company (the target), at their acquisition date fair values. Intangible assets that are identifiable are recognized separately from goodwill which is measured and recognized as the excess of the fair value of Jamba Juice Company, as a whole, over the net amount of the recognized identifiable assets acquired and liabilities assumed. The results of operations of Jamba Juice Company will be included in the results of the surviving entity from date of acquisition forward.

Under the purchase method of accounting, the total estimated purchase price of \$253 million was allocated to Jamba Juice Company's net tangible and intangible assets based on their estimated fair values as of the expected date of the completion of the Merger. Based on the preliminary third party valuation and other factors as described above, the preliminary estimated purchase price was allocated as follows (in thousands):

	Preliminary Purchase Price Allocation	Asset Life
Net tangible assets	\$ 102,902	various
Amortizable intangible assets:		
Franchise agreements	600	13.5 years
Other amortizable intangible assets	1,000	10 years
Trademarks	115,900	Indefinite
Goodwill	93,168	Indefinite
Total preliminary purchase price allocation and estimated direct transaction costs	313,570	
Less Assumed liabilities	60,221	
Purchase price	\$ 253,349	

The preliminary allocation of the purchase price was based upon a preliminary valuation and the estimates and assumptions are subject to change upon the finalization of the transaction and the related valuations. In particular, we anticipate that some portion of the purchase price will be allocated to property leases and covenants not to compete, however, since we have not completed our valuations of these assets \$1 million was allocated to these assets. Management does not anticipate that there will be a material change to the purchase price allocation as a result of any changes to these preliminary estimates. The amortization related to the amortizable intangible assets is reflected as a pro forma adjustment to the unaudited pro forma condensed income statements.

Of the total estimated purchase price, approximately \$209.1 million was preliminarily allocated to goodwill and trademarks, the valuation of which has not been finalized. Trademarks include Jamba Juice Company brands and other trademarks for which management is in the process of finalizing the valuation. These trademarks will not be amortized due to their indefinite useful lives. Goodwill

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represents the excess of the purchase price over the fair value of the tangible and identifiable intangible assets acquired. Goodwill amounts are not amortized, but rather are tested for impairment at least annually. In the event that it is determined that the value of the goodwill has become impaired, an accounting charge for the amount of the impairment will be incurred in the quarter in which such determination is made.

We have not allocated any purchase price to deferred tax assets or liabilities, or values created pursuant to purchase price adjustments as there will be no step up in tax basis for the purchased assets.

3. Pro Forma Adjustments with maximum approval

The pro forma adjustments included in the unaudited pro forma condensed consolidated financial statements are as follows (in thousands):

A. Adjustment to general and administrative expense:	
To record one year's expense for options granted on the merger agreement date	\$ 2,123
B. Depreciations and amortization	
To record amortization of intangible assets	\$ 140
C. Adjustment to tax benefit:	
To record deferred tax benefit for option expense recorded	\$ (849)
a. Adjustment to general and administrative expense:	
To record one quarter's expense for options granted on the merger agreement date	\$ 531
b. Depreciation and amortization	
To record amortization of intangible assets	\$ 35
c. Adjustment to tax benefit:	
To record deferred tax benefit for option expense recorded	\$ (212)
d. Adjustments to cash and cash equivalents	
To record disbursement of Jamba Juice Company transaction expenses	\$ (3,425)
To record pay off of Jamba Juice Company's line of credit	(18,000)
	\$ (21,425)
e. Adjustment to notes and accounts receivable:	
To record receivable from warrant and option holders for exercise	\$ 9,693
f. Adjustment to goodwill and other intangible assets:	
To record 3 purchase accounting adjustment for goodwill and other intangible assets	\$ 208,005
g. Adjustments to other long-term assets:	
To record deferred tax asset for tax deductible amounts in connection with exercise of non-qualified options and warrants	\$ 5,629
To record purchase accounting adjustment for others assets	\$ (314)
h. Adjustment to line of credit note payable:	
To record settlement of line of credit	\$ (18,000)
i. Adjustment to convertible redeemable preferred stock:	
To record conversion of preferred stock to shares (sale of shares as converted)	\$ (52,162)
j. Adjustment to common stock:	
To record common stock related to exercise of options and warrants	\$ 299
k. Adjustments to additional paid-in-capital	
To record exercise of options and warrants	\$ 9,394

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To record deferred tax asset related to tax deduction for exercise of non-qualified stock options	5,629
To record conversion of preferred stock (sale of shares as converted)	52,162
	\$ 67,185
To record goodwill and intangible assets on Jamba Juice Company's books related to purchase accounting	\$ 207,691
l. Adjustment to accumulated income (deficit)	
To record Jamba Juice Company transaction expenses	\$ (3,425)
m. Adjustment to cash and cash equivalents	
To record net proceeds of private placement	\$ 224,850
n. Adjustment to common stock, subject to redemption:	
To record conversion to common stock	\$ (25,241)
o. Adjustment to common stock:	
To record common stock related to private placement	\$ 31
p. Adjustments to additional paid-in-capital	
To record additional paid in capital related to private placement	\$ 224,819
To record conversion of common stock, subject to redemption to additional paid in capital	25,421
	\$ 250,060
q. Adjustments to cash and cash equivalents	
To record cash payment to Jamba Juice Company shareholders	\$ (106,081)
To record payment of transaction expenses	(790)
	\$ (106,871)
r. Adjustment to notes and accounts receivable:	
To record withholding of monies due from warrant and option holders for exercise	\$ (9,693)
s. Adjustment to cash held in trust	
To record cash payment to Jamba Juice Company shareholders	\$ (129,066)
t. Adjustment to deferred transaction costs	
To record transaction cost as part of purchase price	\$ (1,010)
u. Adjustments to Shares in subsidiary	
To record cash payment to Jamba Juice Company shareholders, including withholding for receivable	\$ 244,840
To record transaction expenses as part of purchase price	1,800
To record assumed vested options, net of deferred taxes	6,709
	\$ 253,349
v. Adjustment to other long-term assets	
To record deferred tax benefit related to assumption of vested options	\$ 1,298
w. Adjustment to additional paid in capital	
To record assumption of vested options	\$ 8,007
x. Adjustment to shares in subsidiary	
To record entry in consolidation to eliminate shares in subsidiary	\$ (253,349)
y. Adjustment to common stock	
To record consolidation entry to eliminate purchased equity	\$ (402)
y. Adjustment to additional paid in capital	
To record consolidation entry to eliminate purchased equity	\$ (286,504)

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y. Adjustment to retained earnings	
To record consolidation entry to eliminate purchased equity	\$ 33,907
4. Pro Forma Adjustments with minimum approval	

The pro forma adjustments included in the unaudited pro forma condensed consolidated financial statements are as follows (in thousands):

A. Adjustment to general and administrative expense:	
To record one year's expense for options granted on the merger agreement date	\$ 2,123
B. Depreciation and amortization	
To record amortization of intangible assets	\$ 140
C. Adjustment to tax benefit:	
To record deferred tax benefit for option expense	\$ (849)
a. Adjustment to general and administrative expense:	
To record one quarter's expense for options granted on the merger agreement date	\$ 531
b. Depreciation and amortization	
To record amortization of intangible assets	\$ 35
c. Adjustment to tax benefit:	
To record deferred tax benefit for option expense	\$ (212)
d. Adjustments to cash and cash equivalents	
To record disbursement of Jamba Juice Company transaction expenses	\$ (3,425)
To record pay off of Jamba Juice Company's line of credit	(18,000)
	\$ (21,425)
e. Adjustment to notes and accounts receivable:	
To record receivable from warrant and option holders for exercise	\$ 9,693
f. Adjustment to Goodwill and other intangible assets:	
To record goodwill and other intangible assets	\$ 208,005
g. Adjustment to other long-term assets:	
To record deferred tax asset for tax deductible amounts in connection with exercise of non-qualified options and warrants	\$ 5,629
To record purchase accounting adjustment for other assets	\$ (314)
h. Adjustment to line of credit note payable:	
To record settlement of line of credit	\$ (18,000)
i. Adjustment to convertible redeemable preferred stock:	
To record conversion of preferred stock to shares (sale of shares as converted)	\$ (52,162)
j. Adjustment to common stock:	
To record common stock related to exercise of options and warrants	\$ 299
k. Adjustments to additional paid-in-capital	
To record exercise of options and warrants	\$ 9,394
To record deferred tax asset related to tax deduction for exercise of non-qualified stock options	5,629
To record conversion of preferred stock (sale of shares as converted)	52,162

\$ 67,185

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To record goodwill and intangible assets on Jamba Juice Company's books related to purchase accounting	\$ 207,691
l. Adjustment to accumulated income (deficit)	
To record Jamba Juice Company transaction expenses	\$ (3,425)
m. Adjustments to cash and cash equivalents	
To record net proceeds of private placement	\$ 224,850
To record redemption of 20% of additional SACI shares	(25,241)
	\$ 199,609
n. Adjustment to common stock, subject to redemption:	
To record redemption of 20% of additional SACI shares	\$ (25,241)
o. Adjustment to common stock:	
To record common stock related to private placement	\$ 31
p. Adjustment to additional paid-in-capital	
To record additional paid in capital related to private placement	\$ 224,819
q. Adjustments to cash and cash equivalents	
To record cash payment to Jamba Juice Company shareholders	\$ (106,081)
To record payment of transaction expenses	(790)
	\$ (106,871)
r. Adjustment to notes and accounts receivable:	
To record withholding of monies due from warrant and option holders for exercise	\$ (9,693)
s. Adjustment to cash held in trust	
To record cash payment to Jamba Juice Company shareholders	\$ (129,066)
t. Adjustment to deferred transaction costs	
To record transaction cost as part of purchase price	\$ (1,010)
u. Adjustments to shares in subsidiary	
To record cash payment to Jamba Juice Company shareholders, including withholding for receivable	\$ 244,840
To record transaction expenses as part of purchase price	1,800
To record assumed vested options, net of deferred taxes	6,709
	\$ 253,349
v. Adjustment to other long-term assets	
To record deferred tax benefit related to assumption of vested options	\$ 1,298
w. Adjustment to additional paid in capital	
To record assumption of vested options	\$ 8,007
x. Adjustment to shares in subsidiary	
To record entry in consolidation to eliminate shares in subsidiary	\$ (253,349)
y. Adjustment to common stock	
To record consolidation entry to eliminate purchased equity	\$ (402)
y. Adjustment to additional paid in capital	
To record consolidation entry to eliminate purchased equity	\$ (286,504)
y. Adjustment to retained earnings	
To record consolidation entry to eliminate purchased equity	\$ 33,907

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As of the completion of the merger, the board of directors, executive officers and significant employees will be as set forth below. With respect to the appointment of new directors to the Board of SACI, it is anticipated that such members will be appointed to the respective class of directors so that the three classes of directors are as equal as possible:

Name	Age	Position
Paul E. Clayton	48	Chief Executive Officer, President and Director
Donald D. Breen	48	Chief Financial Officer
Karen Kelley	40	Vice President of Company Operations
Paul Coletta	42	Vice President of Marketing and Brand Development
Russell Testa	49	Vice President of Human Resources
Steven R. Berrard	51	Chairman of the Board
Thomas C. Byrne	44	Director
Richard L. Federico	51	Director
Robert C. Kagle	50	Director
Craig J. Foley	62	Director

Paul E. Clayton has been Chief Executive Officer of Jamba Juice Company since February 2000. Mr. Clayton was with Burger King Corporation from 1984 to January 2000 in increasingly responsible positions in marketing, operations and development. Mr. Clayton was President of Burger King North America in Miami Florida from March 1997 to January 2000, Senior Vice President, Worldwide Marketing from March 1994 to March 1997, and Vice President, Marketing USA from July 1993 to March 1994. He received his BS/BA degree from Boston University, and his MBA from the University of North Carolina at Chapel Hill.

Donald D. Breen has been Chief Financial Officer of Jamba Juice Company since June 2005. Mr. Breen was with Fresh Enterprises, the Parent Company of Baja Fresh Mexican Grill, in Thousand Oaks, California from July 1999 to December 2004, where he was the Senior Vice President and CFO. Prior to Baja Fresh, Mr. Breen was employed by Brothers Gourmet Coffees, Inc., a wholesale and retail coffee roaster in Boca Raton, Florida, serving as President, Chief Executive Officer and Chief Financial Officer from January 1996 to May 1999. Prior to that, Mr. Breen was Finance Director, Assistant Secretary and Assistant Treasurer for Adolph Coors Company. Mr. Breen earned both his BS in Finance and an MBA from the University of Connecticut.

Karen Kelley joined Jamba Juice Company in March 1998 as Vice President of Company Operations. From 1994 to 1998, Ms. Kelley was with Boston Market. She was Managing Partner of Boston Market from 1994 to 1995; Director of Operations — Northern California from 1995 to 1997, and Vice-President of Operations — Northern California from 1997 to 1998. Ms. Kelley attended the University of Colorado.

Paul Coletta has been Jamba Juice Company's Vice President of Marketing and Brand Development since June 2006. Before Jamba Juice Company he worked for Hewlett Packard in San Diego, CA as Director of World Wide

Marketing from 2002 to 2006. From 2000-2002 he was with Freeborders Software in San Francisco, CA as Senior Vice President of Marketing. In 1999 Mr. Coletta was with Cost Plus World Market in Oakland, CA as Vice President General Merchandising Manager. From 1995 to 1999 he was with Viacom in New York City, NY as Vice President of Product and Brand Marketing. Prior to that he was with The Walt Disney Company as Director of Merchandise and Federated Department Stores as a Buyer, Assistant Buyer and Department Manager. Mr. Coletta attended Loyola Marymount University.

Russell Testa has been Jamba Juice Company's Vice President of Human Resources since February 2004. Before joining Jamba Juice Company, Mr. Testa was last employed by Mervyn's in Hayward, California, a division of Target Corporation, from May 1993 through January 2003 where he

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was as Senior Vice President of Human Resources from September 2001 and Vice President of Human Resources prior to that time. Mr. Testa earned his A.B. degree in Economics from the University of California, Davis.

Steven R. Berrard has been the chairman of the board and chief executive officer since SACI's inception. Mr. Berrard has served as Managing Partner of New River Capital Partners, a private equity fund, which he co-founded, since 1997. Prior to co-founding New River Capital Partners, from 1996 to 1999, Mr. Berrard was the co-founder and Co-Chief Executive Officer of AutoNation, Inc., the nation's leading automotive retail company.

Prior to joining AutoNation, from 1987 to 1996, Mr. Berrard served as President and Chief Executive Officer of the Blockbuster Entertainment Group, the world's largest video store operator, and as a member of the Board of Directors of Viacom, Inc. As President and Chief Executive Officer, Mr. Berrard was responsible for the direction and operation of more than 70,000 employees at 4,500 Blockbuster stores located in 20 countries, Showtime Networks, Spelling Entertainment Group, Paramount Parks, and Virgin Interactive Entertainment.

Prior to his tenure with Blockbuster, from 1981 to 1987, Mr. Berrard served as President of Huizenga Holdings, Inc. and served in various positions with subsidiaries of Huizenga Holdings. Prior to joining Huizenga Holdings, Mr. Berrard was employed by Coopers & Lybrand from 1976 to 1981.

Mr. Berrard earned his BS in Accounting from Florida Atlantic University and has been a member of the Board of Directors of Swisher International, Inc. since November 2004. He has also served on the Board of Directors of Birmingham Steel from 1999 until its sale in 2002, HealthSouth from 2004 until 2006, as well as Boca Resorts, Inc. from 1996 until prior to its sale to the Blackstone Group in December 2004.

Thomas C. Byrne has been a member of SACI's board of directors since its inception. Mr. Byrne has served as Administrative Partner of New River Capital Partners, a private equity fund, which he co-founded, since 1997. Prior to co-founding New River Capital Partners, Mr. Byrne was the Vice-Chairman of Blockbuster Entertainment Group, a division of Viacom, Inc. Additionally, Mr. Byrne was President of the Viacom Retail Group and represented Blockbuster in all cross-Viacom opportunities.

Prior to joining Blockbuster, from 1985 to 1987, Mr. Byrne was employed by KPMG Peat Marwick. Mr. Byrne has a BS and MA in Accounting from the University of Florida. Mr. Byrne is a certified public accountant, and has been a member of the Board of Directors of Certilearn, Inc., Intralearn Software Corporation, ITC Learning, Swisher International, Inc., Pivotal Fitness, and the Private Equity Committee of the University of Florida Foundation.

Richard L. Federico had served as a Director of Jamba Juice Company since October 2004 and will serve as a member of the board of SACI upon consummation of the merger. Since September 1997, Mr. Federico has been the Chief Executive Officer of P.F. Chang and a Director of P.F. Chang since February 1996. In December 2000, Mr. Federico was named Chairman of the Board of P.F. Chang. From February 1989 to January 1996, Mr. Federico served as President of the Italian Concepts division of Brinker International, Inc. (NYSE: EAT), where he was responsible for concept development and operations. Under Mr. Federico's direction, this division grew from one unit in 1989 to more than 70 units by 1996.

Robert C. Kagle had served as a director of Jamba Juice Company since 1994 and will serve as a member of the board of SACI upon consummation of the merger. Mr. Kagle has been a Member of Benchmark Capital, the General Partner of Benchmark Capital Partners, L.P. and Benchmark Founders' Fund, L.P., since its founding in May 1995. Mr. Kagle also has been a General Partner of Technology Venture Investors since January 1984. Mr. Kagle also serves on the board of directors of eBay, Inc. and ZipRealty, Inc. Mr. Kagle holds a B.S. degree in Electrical and Mechanical Engineering from the General Motors Institute (renamed Kettering University in January 1998) and an M.B.A. degree from the Stanford Graduate School of Business.

Craig J. Foley had served as a director of Jamba Juice Company since 1994 and will serve as a member of the board of SACI upon consummation of the merger. Mr. Foley is Managing Partner of

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Wickham Capital Partners, a private investment partnership formed in 1994. He was founding investor in Chancellor Capital Management (now INVESCO Private Capital) and served as a member of its Board of Directors. At Chancellor, he headed the Venture Capital Group, which he established in 1982. Prior to Chancellor, he was affiliated with major New York banking and investment firms. Mr. Foley was an early or lead investor in Starbucks, COSTCO, Staples, PetSmart, Gadzooks, Noah's Bagels, Jamba Juice Company, and The White House/Black Market (acquired by Chico's). Mr. Foley has served as a director of various private companies and was a fifteen year member the Starbucks Corporation Board of Directors, where he served on the Compensation Committee and Chaired the Audit Committee. Mr. Foley graduated from Kenyon College, and served as a Trustee of the Bronxville Board of Education and as a Trustee of Kenyon College, where he was Vice Chair of the Board and Chair of the Investment Committee.

Other than their respective relationships with SACI and Jamba Juice Company, none of these individuals has been a principal of or affiliated with a public company or blank check company that executed a business plan similar to our business plan, and none of these individuals is currently affiliated with such an entity.

After the merger, the officers and employee directors will devote their full time and attention to the ongoing operations of SACI and the non-employee directors will devote such time as is necessary and required to satisfy their duties as a director of a public company.

Board of Directors and Committees of the Board

After the merger with Jamba Juice Company, our board of directors will consist of up to ten members, and it is anticipated that a majority of which will be considered "independent." The directors will be appointed to such class of directors so that the classes of the board of directors of SACI is are equal as possible.

We do not currently have a Compensation Committee. Pursuant to Section 805 of the AMEX Company Guide, compensation of our chief executive officer, if any, will be determined, or recommended to the Board for determination, by a majority of the independent directors on our board of directors. The chief executive officer will not be present during voting or deliberations. Compensation for all other officers, if any, will be determined, or recommended to the board for determination, by a majority of the independent directors on our board of directors. None of our officers currently receive compensation. We do not expect to pay any compensation to any of our officers until following the consummation of the merger with Jamba Juice Company.

SACI's board of directors has established a Nominating and Governance Committee and an Audit Committee to devote attention to specific subjects and to assist the board in the discharge of its responsibilities. The functions of these committees and their current members, as well as anticipated membership, are set forth below.

Nominating and Governance Committee

The Nominating and Governance Committee is responsible for assisting identifying and recommending qualified candidates for director nominees to the board, and leading the board in its annual review of the board's performance. All members of the Nominating Committee qualify as independent under the definition promulgated by the American Stock Exchange. The Nominating and Governance Committee had no meetings during 2005. Nathaniel Kramer and Thomas C. Byrne are the current members of the Nominating and Governance Committee and following the acquisition of Jamba Juice, it is anticipated that the Nominating and Governance Committee will consist of additional board members who will be appointed to such committee prior to or simultaneous with the closing of the acquisition. The Nominating and Governance Committee may consider candidates recommended by stockholders as well as from other sources such as other directors or officers, third party search firms or other appropriate sources. For all potential candidates, the Nominating and Governance Committee may consider all factors it deems relevant, such as a candidate's personal integrity and sound judgment, business and professional skills and experience, independence,

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knowledge of the industry in which we operate, possible conflicts of interest, diversity, the extent to which the candidate would fill a present need in the board, and concern for the long-term interests of the stockholders. In general, persons recommended by stockholders will be considered on the same basis as candidates from other sources. If a stockholder wishes to nominate a candidate to be considered for election as a director at the 2006 Annual Meeting of Stockholders using the procedures set forth in the Company's By-laws, it must follow the procedures described in Article 3.3 entitled "Nominations." If a stockholder wishes simply to propose a candidate for consideration as a nominee by the Nominating and Governance Committee, it should submit any pertinent information regarding the candidate to the Nominating and Governance Committee by mail at our address. A copy of the Nominating Committee's written charter is available upon written request.

Audit Committee

The Audit Committee recommends to the board of directors the appointment of the firm selected to serve as our independent auditors and our subsidiaries and monitors the performance of such firm; reviews and approves the scope of the annual audit and evaluates with the independent auditors our annual audit and annual financial statements; reviews with management the status of internal accounting controls; evaluates issues having a potential financial impact on us which may be brought to the Audit Committee's attention by management, the independent auditors or the board; evaluates our public financial reporting documents; reviews the non-audit services to be performed by the

independent auditors, if any; and considers the effect of such performance on the auditor's independence. Thomas C. Byrne and Cris V. Branden are the current members of the Audit Committee and following the merger with Jamba Juice, it is anticipated that the Audit Committee will consist of additional board members who will be appointed to such committee prior to or simultaneous with the closing of the acquisition. All members of the Audit Committee satisfy the current independence standards promulgated by the Securities and Exchange Commission and by the American Stock Exchange, as such standards apply specifically to members of audit committees. We intend to locate and appoint at least one additional independent director to serve on our audit committee prior to June 29, 2006. The board has determined that each of Mr. Byrne and Mr. Branden are "audit committee financial experts," as the Securities and Exchange Commission has defined that term in Item 401 of Regulation S-K. The Audit Committee had four meetings during 2005. Upon consummation of the merger, it is anticipated that Mr. Branden will resign from the board of SACI and will no longer serve on the Audit Committee.

Code of Conduct and Ethics

We have adopted a code of conduct and ethics applicable to our directors, officers and employees in accordance with applicable federal securities laws and the rules of the American Stock Exchange.

Director Compensation

It is anticipated that at or prior to the closing of the merger with Jamba Juice Company, the compensation to be paid to members of the Board of Directors of SACI will be established and such compensation will be reasonable and customary for the industry.

Executive Compensation

No executive officer of SACI has received any cash compensation for services rendered. No compensation of any kind, including finder's and consulting fees, will be paid to any of our existing stockholders, including our officers and directors, or any of their respective affiliates, for services rendered prior to or in connection with the merger with Jamba Juice Company. However, these individuals will be reimbursed for any out-of-pocket expenses incurred in connection with activities on our behalf, such as identifying potential target businesses and performing due diligence on suitable business combinations. There is no limit on the amount of these out-of-pocket expenses, and there will be no review of the reasonableness of the expenses by anyone other than our board of directors, which includes persons who may seek reimbursement, or a court of competent jurisdiction if such reimbursement is challenged. If all of SACI's directors are not deemed "independent," it will not have the benefit of independent directors examining the propriety of expenses incurred on SACI's behalf and subject to reimbursement.

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Upon completion of the merger, it is anticipated that employment agreements with the following individuals: Paul E. Clayton, Donald D. Breen and Karen Kelley, will become effective. A summary of the employment agreements can be found under "Employment Agreements" on page 56. In addition, upon completion of the merger, it is anticipated that other officers of Jamba Juice Company will be continuing their employment with Jamba Juice Company.

The table below provides information concerning the total compensation received for services related to Jamba Juice Company during the three fiscal years ended June 28, 2005, June 29, 2004, and June 24, 2003 by the Chief Executive Officer of Jamba Juice Company, the four other highest paid executive officers of Jamba Juice Company (which

includes Donald D. Breen, the current Chief Financial Officer of Jamba Juice Company who commenced employment in June 2005 and Paul Coletta, the current Vice President, Marketing and Brand Development, who commenced employment in June 2006), as well as Joseph O’Neill, the former Chief Financial Officer of Jamba Juice Company, who resigned from his position effective June 28, 2005, Tammy Jo Williams, the former Vice President, Marketing of Jamba Juice Company, who resigned from her position effective December 16, 2005, and Beth Lombard, the former Vice President, Development, who left her position effective June 21, 2006 (collectively, the “Named Executive Officers”).

Name and Principal Position	Fiscal Year	Annual Compensation		Long-Term Compensation	All Other Compensation (\$)
		Salary (\$)	Bonus (\$)	Number of Securities Underlying Options	
Paul E. Clayton President and Chief Executive Officer	2005	400,000	30,000	—	1,728,900 ⁽¹⁾
	2004	400,000	249,877	800,000	—
	2003	400,000	226,800	—	—
Donald D. Breen Chief Financial Officer	2005	5,654	—	250,000	18,873 ⁽²⁾
	2004	—	—	—	—
	2003	—	—	—	—
Karen Kelley Vice President, Operations	2005	214,614	22,500	—	—
	2004	187,500	76,504	110,500	—
	2003	150,000	83,400	—	12,037 ⁽³⁾
Russell Testa Vice President, Human Resources	2005	205,846	18,000	—	—
	2004	66,154	26,776	100,000	36,186 ⁽⁴⁾
	2003	—	—	—	—
Beth Lombard Former Vice President, Development	2005	204,385	20,000	—	45,595 ⁽⁵⁾
	2004	70,769	28,526	100,000	44,416 ⁽⁶⁾
	2003	—	—	—	—
Joe O’Neill Former Chief Financial Officer	2005	265,112 ⁽⁷⁾	18,873	—	—
	2004	234,423	81,879	—	—
	2003	223,808	80,500	—	—
Tammy Jo Williams Former Vice President, Marketing	2005	200,000	0	—	—
	2004	47,692	19,018	100,000	—
	2003	—	—	—	—

⁽¹⁾Represents interest and a gross-up for taxes attributable to forgiveness of a loan in the principal amount of \$750,000 made by Jamba Juice Company to Mr. Clayton on May 12, 2000. The loan was forgiven on May 13, 2005.

⁽²⁾Represents a relocation bonus paid to Mr. Breen. Mr. Breen commenced employment with Jamba Juice Company in June 2005.

⁽³⁾Represents relocation expenses paid to Ms. Kelley.

⁽⁴⁾Represents (i) relocation expenses of \$16,186 paid to Mr. Testa and (ii) a one-time signing bonus of \$20,000 paid to Mr. Testa.

⁽⁵⁾Represents (i) relocation expenses of \$20,595 paid to Ms. Lombard and (ii) a one-time signing bonus of \$25,000 paid to Ms. Lombard.

⁽⁶⁾Represents relocation expenses paid to Ms. Lombard.

⁽⁷⁾Represents salary plus vacation pay.

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Stock Option Grants in Fiscal Year 2005

The following table sets forth information regarding options to purchase shares of common stock granted to the Named Executive Officers during fiscal 2005. The amounts shown for the Named Executive Officers below as potential realizable values are based entirely on hypothetical annualized rates of stock appreciation of five percent and ten percent compounded over the full ten-year terms of the options. These assumed rates of growth were selected by the SEC for illustration purposes only and are not intended to predict future stock prices, which will depend upon overall stock market conditions and Jamba Juice Company's future performance and prospects. Consequently, there can be no assurance that the Named Executive Officer will receive the potential realizable values shown in this table.

Option Grants in Fiscal Year 2005

Name	Number of Securities Underlying Options Granted	Percent of Total Options Granted to Employees	Exercise Price per Share	Expiration Date	Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term	
					Five Percent (\$)	Ten Percent (\$)
Donald D. Breen	250,000	17.5	\$ 4.00	6/16/15	628,895	1,593,742

Table of information of options issued to executives with acceleration as of a future date:

as of 6/15/2006	Total outstanding	Vested options	Non-vested options	Accelerated options	Average exercise price of accelerated options	Years to vesting of accelerated options
P. Clayton	2,100,000	1,902,083	197,917	197,917	\$ 2.13	1.6
D. Breen	250,000	0	250,000	250,000	\$ 4.00	3.0
R. Testa	100,000	50,000	50,000	37,500	\$ 2.13	1.8
K. Kelley	200,000	156,259	43,741	43,741	\$ 2.13	1.6
B. Lombard	100,000	50,000	50,000	37,500	\$ 2.13	1.8

In October 2005, the board of directors of Jamba Juice Company approved accelerated stock option vesting for certain levels of employees in the event of a change of control, subject to due execution and delivery of a general release of claims.

Severance and Change-in-Control Arrangements

Each of Messrs. Clayton, Breen, and Testa, and Ms. Kelley entered into a Change of Control Retention and Severance Agreement dated November 1, 2005 which provide, generally, that if, within one year subsequent to a change in control of Jamba Juice Company, the employment of the executive is terminated, other than for cause, or if the executive terminates employment as a result of a "constructive" termination (defined in the agreements to include, for

example, a diminution of duties and responsibilities or benefits), the executive will be entitled to receive a severance payment consisting of the executive's base salary for one year. Ms. Lombard entered into a letter agreement dated January 29, 2004 which provides, in general, that if she is terminated other than for cause, she will be entitled to receive a severance payment consisting of her base salary for one year. Jamba Juice Company and Ms. Lombard are in the process of negotiating the terms of her separation from the company.

Each of Messrs. Clayton and Breen entered into an Acceleration of Stock Option Vesting Agreement, dated November 1, 2005, which provides, generally, for the full acceleration of vesting of shares covered by outstanding options held in the event of a change of control of Jamba Juice Company. Each of Mr. Testa, Ms. Kelley, and Ms. Lombard entered into an Acceleration of Stock Option Vesting Agreement, dated November 1, 2005, which provides, generally, for the acceleration of vesting of shares covered by outstanding options held based on length of service in the event of a change of control of Jamba Juice Company. Each of these agreements is contingent upon the execution and delivery of a general release of claims.

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Jamba Juice Company Option Plans

As part of the merger and as described in this proxy statement, SACI is adopting and assuming the outstanding options under the Jamba Juice Company 1994 and 2001 Option Plans. The options being assumed will be issued pursuant to the respective plan under which they were granted. Below is a summary of the Jamba Juice Company 1994 and 2001 Option Plans.

1994 Stock Incentive Plan

The Jamba Juice Company 1994 Stock Incentive Plan was adopted by the Jamba Juice Company board of directors in 1994 and was subsequently approved by its stockholders.

The 1994 Stock Incentive Plan provided for the granting of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, to employees, officers and employee directors and the granting of nonstatutory stock options to employees, officers, directors (including non-employee directors), independent contractors and consultants. The administrator determined the term of options, which was prohibited from exceeding 10 years (five years in the case of an incentive stock option granted to a stockholder holding more than 10% of the voting shares of Jamba Juice Company).

No option may be transferred by the optionee other than by will or the laws of descent or distribution. Each option may be exercised during the lifetime of the optionee only by such optionee. Options granted under the 1994 Stock Incentive Plan generally are immediately exercisable and vest at the rate of 1/4th of the total number of shares subject to the options 12 months after the vesting commencement date, and 1/36th of the remaining number of unvested shares subject to the options each month thereafter.

Options under the 1994 Stock Incentive Plan held by an employee who ceases to be an employee of Jamba Juice Company for any reason, other than death or permanent disability, generally terminate three months from the date of such optionee's termination of employment with Jamba Juice Company. During such three month period, the optionee may exercise any options that were exercisable on the date of termination. Options under the 1994 Stock Incentive Plan held by an employee who ceases to be an employee due to death or permanent disability generally terminate

twelve months from the date of such optionee's termination of employment.

2001 Equity Incentive Plan

The Jamba Juice Company 2001 Equity Incentive Plan was adopted by the Jamba Juice Company board of directors in 2001 and was subsequently approved by its stockholders. Jamba Juice Company ceased to issue options under the 1994 Stock Incentive Plan upon adoption of the 2001 Equity Incentive Plan.

The 2001 Equity Incentive Plan provided for the granting of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, to employees, officers and employee directors and the granting of nonstatutory stock options and stock purchase rights to employees, officers, directors (including non-employee directors), independent contractors and consultants. The administrator determined the term of options, which was prohibited from exceeding 10 years (five years in the case of an incentive stock option granted to a stockholder holding more than 10% of the voting shares of Jamba Juice Company).

No option may be transferred by the optionee other than by will or the laws of descent or distribution. Each option may be exercised during the lifetime of the optionee only by such optionee. Options granted under the 2001 Equity Incentive Plan generally are immediately exercisable and vest at the rate of 20% per year over five years from the date the option was granted, however options granted to officers, directors and consultants may provide for different vesting schedules as approved by the administrator.

Options under the 2001 Equity Incentive Plan held by an employee who ceases to be an employee of Jamba Juice Company for any reason, other than death or permanent disability, generally

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terminate three months from the date of such optionee's termination of employment with Jamba Juice Company. During such three month period, the optionee may exercise any options that were exercisable on the date of termination. Options under the 2001 Equity Incentive Plan held by an employee who ceases to be an employee due to death or permanent disability generally terminate twelve months from the date of such optionee's termination of employment in the case of permanent disability or eighteen months from the date of such optionee's death.

As of March 10, 2006, options to purchase a total of 5,998,839 shares of common stock were outstanding under the 1994 Equity Incentive Plan and 2001 Equity Incentive Plan.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

On January 28, 2005, SACI issued an aggregate of 1,250,000 shares of common stock to the individuals set forth below for \$25,000 in cash, at an average purchase price of approximately \$0.02 per share, as follows:

Name	Number of Shares	Relationship to Services Acquisition Corp. International
Steven R. Berrard	375,000	Director, Chairman of the Board, Chief Executive Officer and President
Thomas E. Aucamp	218,750	Director, Vice President, and Secretary

Thomas C. Byrne	218,750	Director
I. Steven Edelson	218,750	Director, Vice Chairman and Vice President
Nathaniel Kramer	218,750	Director

On March 28, 2005, SACI's board of directors authorized a stock dividend of 1.5714 shares of common stock for each outstanding share of common stock, effectively lowering the purchase price to \$.0078 per share. The sole purpose for such stock dividend authorized by the board of directors was to maintain the initial stockholders' collective ownership at 20% of our issued and outstanding shares of common stock immediately after the initial public offering.

The holders of the majority of these shares will be entitled to make up to two demands that we register these shares pursuant to a registration rights agreement previously entered into. The holders of the majority of these shares may elect to exercise these registration rights at any time after the date on which these shares of common stock are released from escrow, which, except in limited circumstances, is not before June 29, 2008. In addition, these stockholders have certain "piggy-back" registration rights on registration statements filed subsequent to the date on which these shares of common stock are released from escrow. SACI will bear the expenses incurred in connection with the filing of any such registration statements.

Steven R. Berrard, SACI's Chairman and Chief Executive Officer, and SACI's directors I. Steven Edelson and Nathaniel Kramer advanced a total of approximately \$90,000 to SACI as of June 29, 2005 to cover expenses related to the initial public offering. Of such loans, \$40,000 was payable with 4% annual interest on the earlier of January 26, 2006 or the consummation of the initial public offering and \$50,000 was payable with 4% annual interest on the earlier of March 28, 2006 or the consummation of the initial public offering. In addition, Mr. Edelson and Mr. Aucamp loaned SACI an aggregate of \$70,000 on June 29, 2005 that was used to pay the fees of the American Stock Exchange. All of such amounts were repaid at the closing of the offering from the proceeds of the initial public offering not placed in trust.

SACI will reimburse its officers and directors for any reasonable out-of-pocket business expenses incurred by them in connection with certain activities on SACI's behalf such as identifying and investigating possible target businesses and business combinations. There is no limit on the amount of accountable out-of-pocket expenses reimbursable by SACI, which will be reviewed only by SACI's board or a court of competent jurisdiction if such reimbursement is challenged.

All ongoing and future transactions between SACI and any of its officers and directors or their respective affiliates, including loans by SACI's officers and directors, will be on terms believed by SACI to be no less favorable than are available from unaffiliated third parties and such transactions

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or loans, including any forgiveness of loans, will require prior approval in each instance by a majority of SACI's uninterested "independent" directors (to the extent we have any) or the members of SACI's board who do not have an interest in the transaction, in either case who had access, at SACI's expense, to SACI's attorneys or independent legal counsel. In addition, SACI's management will gather pricing information, estimates or fairness opinions from unaffiliated third parties with respect to similar transactions undertaken by SACI.

Advisors

In connection with the acquisition, SACI has agreed to pay Mr. Greg Baty a fee of \$250,000 for services provided as a finder. As previously disclosed in this proxy statement, SACI obtained a fairness opinion from North Point Advisors LLC and paid North Point Advisors LLC a fee of \$140,000 for such opinion. In addition, Broadband Capital Management LLC, the underwriter for SACI's initial public offering, will be paid a placement agent fee in an amount equal to approximately \$6,750,000 for its services provided in connection with the private placement financing as discussed in this proxy statement.

BENEFICIAL OWNERSHIP OF SECURITIES

The following table sets forth information regarding the beneficial ownership of the common stock of SACI as of June 23, 2006, which amount includes shares of common stock which may be acquired by such persons within 60 days from June 23, 2006 by:

- each person known by SACI to be the beneficial owner of more than 5% of its outstanding shares of common stock based solely upon the amounts and percentages as are contained in the public filings of such persons;
- each of SACI's officers and directors; and
- all of SACI's officers and directors as a group.

Unless otherwise indicated, SACI believes that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

Name and Address of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership	Percentage of Outstanding Common Stock
FMR Corp. ⁽²⁾	1,807,300	10.4%
John A. Griffin ⁽³⁾	1,490,000	7.1%
Steven R. Berrard ⁽⁴⁾⁽⁵⁾	1,187,535	5.6%
Thomas E. Aucamp ⁽⁵⁾⁽⁶⁾	712,493	3.3%
Thomas C. Byrne ⁽⁵⁾⁽⁶⁾	712,493	3.3%
I. Steven Edelson ^{(5) (8) (9)}	712,493	3.3%
Nathaniel Kramer ⁽⁵⁾⁽⁷⁾⁽⁹⁾	712,493	3.3%
Cris V. Branden ⁽⁵⁾⁽¹⁰⁾⁽¹¹⁾	178,124	*
All directors and executive officers as a group (6 individuals)	4,215,631	19.2%

*Less than one percent.

⁽¹⁾Unless otherwise indicated, the business address of each of the individuals is 401 East Olas Blvd, Suite 1140, Fort Lauderdale, Florida 33301.

⁽²⁾May be deemed to be controlled by Edward C. Johnson, III and members of his family. The business address of FMR Corp. is 82 Devonshire St., Boston, MA 02109.

⁽³⁾Includes 923,800 shares owned by Blue Ridge Capital Holdings LLC and 566,200 shares owned by Blue Ridge Capital Offshore Holdings LLC. Mr. Griffin is the Managing Member of Blue Ridge Capital Holdings LLC and Blue Ridge Capital Offshore Holdings LLC, and in that capacity directs their operations. Blue Ridge Capital Holdings LLC is the general partner of Blue Ridge Limited Partnership and has the power to direct the affairs of Blue Ridge Limited Partnership, including decisions respecting the receipt of dividends from and the proceeds from the sale of common stock. Blue Ridge Capital Offshore Holdings LLC is the general partner of Blue Ridge Offshore Master Limited Partnership and has the power to direct the affairs of Blue Ridge Offshore Master Limited Partnership, including decisions respecting the

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receipt of dividends from and the proceeds from the sale of common stock. The business address for this individual is 660 Madison Avenue, 20 th Floor, New York, New York 10021. The foregoing information was derived from a Schedule 13G, as filed with the Securities and Exchange Commission on February 3, 2006.

⁽⁴⁾Mr. Berrard is our Chairman of the Board and Chief Executive Officer. The share amount includes warrants to purchase 250,000 shares of common stock at \$6.00 per share.

⁽⁵⁾Each of these individuals is a director.

⁽⁶⁾Mr. Aucamp is our Vice President and Secretary. The share amount includes warrants to purchase 150,000 shares of common stock at \$6.00 per share.

⁽⁷⁾The share amount includes warrants to purchase 150,000 shares of common stock at \$6.00 per share.

⁽⁸⁾Includes 562,493 shares owned by The Edelson Family Trust, which is a trust established by Mr. Edelson for the benefit of his spouse and descendants, of which Mr. Edelson is the trustee. Mr. Edelson is our Vice Chairman and Vice President. The share amount includes warrants to purchase 150,000 shares of common stock at \$6.00 per share.

⁽⁹⁾The business address for this individual is c/o Mercantile Capital Partners, 1372 Shermer Road, Northbrook, Illinois 60062.

⁽¹⁰⁾The business address for this individual is 450 East Olas Blvd, Suite 1500, Fort Lauderdale, Florida 33301.

⁽¹¹⁾The share amount includes warrants to purchase 37,500 shares of common stock at \$6.00 per share.

Beneficial Ownership following the Merger:

Solely for illustrative purposes, the following table is designed to set forth information regarding the beneficial ownership of the common stock of SACI of each person who is anticipated to own greater than 5% of SACI's outstanding common stock and each of SACI's officers and directors who will act in such capacity following the merger with Jamba Juice Company immediately following the closing of the merger with Jamba Juice Company, based on the following assumptions:

- The current ownership of the entities and individuals identified above remains unchanged, except for shares acquired as a result of certain insiders participating in the private placement as described in Proposal 2;
- The issuance of 30,879,999 shares of common stock as a result of the private placement as described in Proposal 2; and
- The capital structure of SACI remains unchanged such that 21,000,000 shares of common stock will continue to remain outstanding and has not increased as a result of any warrant exercises.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Outstanding Common Stock
Soros Strategic Partners, L.P.	2,666,667	5.1%
Tudor Related Entities ⁽¹⁾	9,333,334	18.0%
John Griffin ⁽²⁾	4,823,333	9.3%
PCM I, LLC	3,333,333	6.4%
Och Ziff Related Entities ⁽³⁾	3,333,333	6.4%
Paul E. Clayton ⁽⁴⁾	70,000	*
Donald D. Breen ⁽⁴⁾	40,000	*

Karen Kelley ⁽⁴⁾	27,500	*
Steven R. Berrard ⁽⁵⁾	1,187,535	2.3%
Thomas C. Byrne ⁽⁶⁾	712,493	1.4%
Robert Kagle ⁽⁷⁾	3,333,333	6.4%
Craig J. Foley	66,666	*
Richard Federico	—	—

*less than one percent

⁽¹⁾The Altar Rock Fund, L.P., Tudor Proprietary Trading, LLC, The Raptor Global Portfolio, LTD and the Tudor BVI Global Portfolio LTD.

⁽²⁾Blue Ridge Limited Partnership and Blue Ridge Offshore Master Limited Partnership.

⁽³⁾Och Ziff Master Fund, LTD, Och Ziff Global Special Investment Master Fund, LP, Fleet Maritime, Inc. and GPC LVII, LLC.

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⁽⁴⁾Represents shares of restricted stock and does not include an amount of options which may be granted to such individual, as described in Proposal 3, as such options are not exercisable within 60 days of granting and does not include options which may be granted to such individuals in exchange for their options of Jamba Juice Company as such final number is not determinable at this time as the exchange ratio for the options that will be used to determine the number of options of SACI that each warrant of Jamba Juice will be exchanged for, will be calculated by using the average daily closing price of SACI common stock for the five trading days immediately preceding the closing date of the merger.

⁽⁵⁾The amount includes warrants to purchase 250,000 shares of common stock which become exercisable on the later of completion of the merger or June 29, 2006.

⁽⁶⁾The amount includes warrants to purchase 150,000 shares of common stock which become exercisable on the later of completion of the merger or June 29, 2006.

⁽⁷⁾Includes shares of Benchmark Capital Partners IV, L.P. (2,222,222 shares) but does not include shares of common stock which may be issued in exchange for the 450,000 warrants of Jamba Juice held by Mr. Kagle as such amount is not determinable at this time as the warrant exchange ratio, which will be used to determine the number of warrants of SACI that each warrant of Jamba Juice Company will be exchanged for, will be calculated by using the average daily closing price of SACI common stock for the five trading days immediately preceding the closing date of the merger.

All of the SACI shares of common stock outstanding prior to the effective date of its initial public offering were placed in escrow with Continental Stock Transfer & Trust Company, as escrow agent, and shall remain in escrow until the earliest of:

- June 29, 2008;
- SACI's liquidation; or
- the consummation of a liquidation, merger, stock exchange or other similar transaction which results in all of SACI's stockholders having the right to exchange their shares of common stock for cash, securities or other property subsequent to SACI consummating a business combination with a target business.

The Jamba Juice Company merger and the related financing will not have the effect of releasing shares from escrow. The certificates representing shares currently in escrow may be replaced by certificates representing the shares of the renamed entity.

During the escrow period, the holders of these shares will not be able to sell or transfer their securities, except to their spouses and children or trusts established for their benefit, but will retain all other rights as SACI stockholders, including, without limitation, the right to vote their shares of common stock and the right to receive cash dividends, if declared. If dividends are declared and payable in shares of common stock, such dividends will also be placed in escrow. If SACI is unable to effect a business combination and liquidate, none of SACI's existing stockholders owning shares of SACI's common stock prior to its initial public offering will receive any portion of the liquidation proceeds with respect to common stock owned by them prior to the date of the prospectus.

PRICE RANGE OF SECURITIES AND DIVIDENDS

SACI

The shares of SACI common stock, warrants and units are currently quoted on the American Stock Exchange under the symbols SVI, SVI.WS and SVI.U, respectively. The closing prices per share of common stock, warrant and unit of SACI on March 10, 2006, the last trading day before the announcement of the execution of the Agreement and Plan of Merger, were \$7.45, \$1.20 and \$8.55 (the closing price on March 9, 2006). Each unit of SACI consists of one share of SACI common stock and one redeemable common stock purchase warrant. SACI warrants became separable from SACI common stock on July 28, 2005. Each warrant entitles the holder to purchase from SACI one share of common stock at an exercise price of \$6.00 commencing the later of the completion of the Jamba Juice Company merger or June 29, 2006. The SACI warrants will expire at 5:00 p.m., New York City time, on June 28, 2009, or earlier upon redemption. Prior to July 6, 2005, there was no established public trading market for our common stock.

The closing price per share of SACI common stock, warrants and units as reported on the American Stock Exchange on June 23, 2006, was \$10.34, \$4.28 and \$14.25, respectively.

Except for the Plan, SACI does not currently have any authorized or outstanding equity compensation plans.

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The following table sets forth, for the calendar quarter indicated, the quarterly high and low sales prices of our units, common stock and warrants as reported on the American Stock Exchange since our units commenced public trading on June 30, 2005 and since such common stock and warrants commenced public trading on July 28, 2005.

	American Stock Exchange					
	Common Stock		Warrants		Units	
	High	Low	High	Low	High	Low
2005 Second Quarter ⁽¹⁾	NA	NA	NA	NA	\$ 8.05	\$ 7.84
2005 Third Quarter ⁽²⁾	\$ 7.20	\$ 6.99	\$ 1.05	\$ 0.89	\$ 8.09	\$ 7.84
2005 Fourth Quarter	\$ 7.16	\$ 7.03	\$ 0.96	\$ 0.73	\$ 8.15	\$ 7.80
2006 First Quarter	\$ 11.80	\$ 7.06	\$ 5.50	\$ 0.67	\$ 17.16	\$ 7.70

⁽¹⁾The figures for the second quarter 2005 are only for June 30, 2005, the date on which our units first commenced trading on the American Stock Exchange.

⁽²⁾Our common stock and warrants commenced trading on the American Stock Exchange on July 28, 2005.

Holders

As of March 24, 2006, there was one holder of record of our units, eleven holders of record of our common stock and one holder of record of our warrants.

Dividends

We have not paid any dividends on our common stock to date and do not intend to pay dividends prior to the completion of a business combination. The payment of dividends in the future will be contingent upon our revenue and earnings, if any, capital requirements and general financial condition subsequent to completion of a business combination. The payment of any dividends subsequent to a business combination will be within the discretion of our then board of directors. It is the present intention of our board of directors to retain all earnings, if any, for use in our business operations and, accordingly, our board does not anticipate declaring any dividends in the foreseeable future.

Jamba Juice Company

There is no established public trading market for the shares of capital stock of Jamba Juice Company. There are currently 321 holders of the shares of Jamba Juice Company common stock and 123 holders of preferred stock (21 of which also hold shares of common stock of Jamba Juice Company). Jamba Juice Company has two authorized and outstanding equity compensation plans, the 1994 Option Plan and the 2001 Option Plan, as previously described. Upon consummation of the merger, all of the outstanding shares of capital stock of Jamba Juice Company will be held by SACI and the outstanding options of Jamba Juice Company under the 1994 Option Plan and the 2001 Option Plan will be assumed by SACI as part of the merger.

Dividends Upon Completion of the Merger

Upon completion of the merger with Jamba Juice Company, SACI does not intend to pay any dividends on its shares of common stock. Rather, it intends to reinvest any earnings back into the combined company. At this time, the combined company anticipates that it will retain any earnings and will not pay dividends in the foreseeable future. The combined company also expects that any loan or credit facilities that it enters into will limit its ability to pay dividends.

DESCRIPTION OF SECURITIES

General

SACI is currently authorized to issue 70,000,000 shares of common stock, par value \$.001, and 1,000,000 shares of preferred stock, par value \$.001. As of June 23, 2006, 21,000,000 shares of common stock are outstanding, held by eleven record holders. No shares of preferred stock are currently outstanding.

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Units

Each unit consists of one share of common stock and one warrant, which started trading separately as of the opening of trading on July 28, 2005. Each warrant entitles the holder to purchase one share of common stock at an exercise price of \$6.00 per share.

Common stock

SACI's stockholders are entitled to one vote for each share held of record on all matters to be voted on by stockholders. In connection with the vote required for any business combination, all of SACI's existing stockholders, including all of its officers and directors, have agreed to vote their respective shares of common stock owned by them immediately prior to SACI's initial public offering in accordance with the majority of the votes cast by the public stockholders. This voting arrangement shall not apply to shares included in units purchased in SACI's initial public offering or purchased following the offering in the open market by any of SACI's initial stockholders, officers and directors. Additionally, SACI's initial stockholders, officers and directors will vote all of their shares in any manner they determine, in their sole discretion, with respect to any other items that come before a vote of SACI's stockholders.

SACI will proceed with a business combination only if: (i) a majority of the shares of common stock voted by the holders of the common stock issued in SACI's initial public offering that are present in person or by proxy and entitled to vote are voted in favor of the business combination and (ii) public stockholders owning less than 20% of the shares sold in SACI's initial public offering exercise their conversion rights discussed below.

If SACI is forced to liquidate prior to a business combination, holders of SACI's shares of common stock purchased in its initial public offering are entitled to share ratably in the trust fund, inclusive of any interest, and any net assets remaining available for distribution to them after payment of liabilities. SACI's initial stockholders have agreed to waive their rights to share in any distribution with respect to common stock owned by them prior to the initial public offering if SACI is forced to liquidate.

SACI's stockholders have no conversion, preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to the common stock, except that public stockholders have the right to have their shares of common stock converted to cash equal to their pro rata share of the trust fund if they vote against the business combination and the business combination is approved and completed. Public stockholders who convert their stock into their share of the trust fund still have the right to exercise the warrants that they received as part of the units.

Holders of 3,750,000 shares of common stock that were outstanding prior to SACI's initial public offering are entitled to registration rights. The holders of the majority of these shares are entitled to make up to two demands that SACI register the resale of these shares. The holders of the majority of these shares can elect to exercise these registration rights at any time after the date on which these shares of common stock are released from escrow. In addition, these stockholders have certain "piggy-back" registration rights on registration statements filed subsequent to the date on which these shares of common stock are released from escrow. SACI will bear the expenses incurred in connection with the filing of any such registration statements.

Preferred stock

SACI's certificate of incorporation authorizes the issuance of 1,000,000 shares of blank check preferred stock with such designation, rights and preferences as may be determined from time to time by SACI's board of directors. Accordingly, SACI's board of directors is empowered, without stockholder approval, to issue preferred stock with dividend, liquidation, conversion, voting or other rights which could adversely affect the voting power or other rights of the holders of common stock, although the underwriting agreement prohibits SACI, prior to a business combination, from issuing preferred stock which participates in any manner in the proceeds of the trust fund, or which votes as a class with the common stock on a business combination. SACI may issue some or all of the preferred

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stock to effect a business combination, although SACI will not issue any preferred stock in the acquisition of Jamba Juice Company. In addition, the preferred stock could be utilized as a method of discouraging, delaying or preventing a change in control of SACI. Although SACI does not currently intend to issue any shares of preferred stock, SACI cannot assure you that it will not do so in the future.

Warrants

SACI currently has warrants outstanding to purchase 17,250,000 shares of SACI common stock. Each warrant entitles the registered holder to purchase one share of SACI's common stock at a price of \$6.00 per share, subject to adjustment as discussed below, at any time commencing on the later of:

- the completion of a business combination; or
- June 29, 2006.

The warrants will expire on June 28, 2009, at 5:00 p.m., New York City time. SACI may call the warrants for redemption, in whole and not in part, at a price of \$.01 per warrant at any time after the warrants become exercisable, upon not less than 30 days' prior written notice of redemption to each warrant holder, if, and only if, the last reported sale price of the common stock equals or exceeds \$11.50 per share, for any 20 trading days within a 30 trading day period ending on the third business day prior to the notice of redemption to warrant holders and the weekly trading volume of SACI's common stock has been at least 800,000 shares for each of the two calendar weeks prior to the notice of redemption.

The warrants are issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and SACI.

The exercise price and number of shares of common stock issuable on exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, or SACI's recapitalization, reorganization, merger or consolidation. However, the warrants will not be adjusted for issuances of common stock at a price below their respective exercise prices.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified check payable to SACI, for the number of warrants being exercised. The warrant holders do not have the rights or privileges of holders of common stock or any voting rights until they exercise their warrants and receive shares of common stock. After the issuance of shares of common stock upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

No fractional shares will be issued upon exercise of the warrants. If, upon exercise of the warrants, a holder would be entitled to receive a fractional interest in a share, SACI will, upon exercise, round up to the nearest whole number the number of shares of common stock to be issued to the warrant holder.

Unit Purchase Option

In connection with its initial public offering, SACI agreed to sell to Broadband Capital Management LLC, the underwriter in SACI's initial public offering, for \$100, an option to purchase up to a total of 750,000 units. The units

issuable upon exercise of this option are identical to those offered in SACI's initial public offering except that the warrants included in the option have an exercise price of \$7.50 (125% of the exercise price of the warrants included in the units sold in the initial public offering). This option is exercisable at \$10.00 per unit commencing on the later of the consummation of a business combination and June 29, 2006 and expiring June 29, 2010. The option may not be sold, transferred, assigned, pledged or hypothecated for the one-year period ending June 29, 2006. The exercise price and number of units issuable upon exercise of the option may be adjusted in certain circumstances including in the event of a stock dividend, or SACI's recapitalization,

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reorganization, merger or consolidation. However, the option will not be adjusted for issuances of common stock at a price below its exercise price.

Transfer Agent and Warrant Agent

The transfer agent for SACI's securities and warrant agent for SACI's warrants is Continental Stock Transfer & Trust Company, 17 Battery Place, New York, New York 10004.

STOCKHOLDER PROPOSALS

Regardless of whether the acquisition of Jamba Juice Company is consummated, the SACI 2005 annual meeting of stockholders will be held on or about _____, 2006, unless the date is changed by the board of directors. If you are a stockholder and you want to include a proposal in the proxy statement for the 2005 annual meeting, you need to provide it to us by no later than _____, 2006.

WHERE YOU CAN FIND MORE INFORMATION

SACI files reports, proxy statements and other information with the Securities and Exchange Commission as required by the Securities Exchange Act of 1934, as amended.

You may read and copy reports, proxy statements and other information filed by SACI with the Securities and Exchange Commission at the Securities and Exchange Commission public reference room located at Judiciary Plaza, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549.

You may obtain information on the operation of the Public Reference Room by calling the Securities and Exchange Commission at 1-800-SEC-0330. You may also obtain copies of the materials described above at prescribed rates by writing to the Securities and Exchange Commission, Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549.

SACI files its reports, proxy statements and other information electronically with the Securities and Exchange Commission. You may access information on SACI at the Securities and Exchange Commission web site containing reports, proxy statements and other information at: <http://www.sec.gov>.

Information and statements contained in this proxy statement, or any annex to this proxy statement, are qualified in all respects by reference to the copy of the relevant contract or other annex filed as an exhibit to this proxy statement.

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All information contained in this proxy statement relating to SACI has been supplied by SACI, and all such information relating to Jamba Juice Company has been supplied by Jamba Juice Company. Information provided by either of SACI or Jamba Juice Company does not constitute any representation, estimate or projection of the other.

If you would like additional copies of this proxy statement, or if you have questions about the acquisition or the financing, you should contact:

Services Acquisition Corp. International
Attn: Thomas Aucamp
401 East Olas Boulevard, Suite 1140
Fort Lauderdale, Florida 33301
(954) 713-1190

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JAMBA JUICE COMPANY AND SUBSIDIARY

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SERVICES ACQUISITION CORP. INTERNATIONAL AND SUBSIDIARY
(a corporation in the development stage)
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2006 (unaudited)	December 31, 2005
ASSETS		
Current assets		
Cash	\$ 741,417	\$ 976,915
Prepaid expenses and other assets	55,126	56,772
Total current assets	796,543	1,033,687
Other assets		
Cash held in trust	129,066,348	128,174,091
Deferred transaction costs	1,009,989	
Total assets	\$ 130,872,880	\$ 129,207,778
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 486,747	\$ 54,919
Accrued expenses	660,613	114,933
Total current liabilities	1,147,360	169,852
Common stock, subject to possible redemption, 3,448,275 shares at redemption value	25,241,373	25,241,373
Stockholders' equity		
Preferred stock, \$.001 par value, authorized 1,000,000 shares; none issued	21,000	21,000

Common stock, \$.001 par value, authorized 70,000,000 shares;
issued and outstanding 21,000,000 shares (which includes the
3,448,275 shares subject to possible redemption)

Paid-in capital in excess of par	102,604,274	102,604,274
Equity accumulated during the development stage	1,858,873	1,171,279
Total stockholders' equity	104,484,147	103,796,553
Total liabilities and stockholders' equity	\$ 130,872,880	\$ 129,207,778

See accompanying notes to financial statements.

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SERVICES ACQUISITION CORP. INTERNATIONAL AND SUBSIDIARY

(a corporation in the development stage)

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three months ended March 31, 2006	From inception 2005	to March 31, 2006
	(unaudited)	(unaudited)	(unaudited)
Interest and dividend income	\$ 900,786	\$ —	\$ 2,354,877
Formation and operating costs	173,812	966	370,426
Interest expense	—	—	1,265
Income (loss) before taxes	726,974	(966)	1,983,186
Income taxes	39,380	—	124,313
Net income (loss)	\$ 687,594	\$ (966)	\$ 1,858,873
Weighted average shares outstanding:			
Basic	21,000,000	3,214,247	13,940,973
Diluted	24,884,014	3,214,247	16,086,105
Net income (loss) per share, basic	\$ 0.03	\$ (0.00)	\$ 0.13
Net income (loss) per share, diluted	\$ 0.03	\$ (0.00)	\$ 0.12

See accompanying notes to financial statements.

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SERVICES ACQUISITION CORP. INTERNATIONAL AND SUBSIDIARY

(a corporation in the development stage)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended March 31, From inception		
	2006	2005	To March 31, 2006
	(unaudited)	(unaudited)	(unaudited)
Cash flows from operating activities			
Net income (loss)	\$ 687,594	\$ (966)	\$ 1,858,873
Increase (decrease) in cash attributable to change in			
Deferred transaction costs	(1,009,989)		(1,009,989)
Prepaid expenses	1,646		(55,126)
Accounts payable and accrued expenses	977,508	750	1,147,360
Net cash provided by (used in) operating activities	656,759	(216)	1,941,118
Cash flows from financing activities			
Proceeds from note payable, stockholders		90,000	160,000
Payment of note payable, stockholders			(160,000)
Proceeds from sale of stock		25,000	29,179
Gross proceeds of public offering			120,000,000
Payments of costs of public offering		(100,817)	(9,082,632)
Gross proceeds of over-allotment option offering			18,000,000
Payments of costs of over-allotment option offering			(1,080,000)
Proceeds from issuance of option			100
Net cash provided by financing activities	—	14,183	127,866,647
Net cash used in investing activity, cash held in trust	(892,257)	—	(129,066,348)
Net (decrease) increase in cash	(235,498)	13,967	741,417
Cash, beginning of period	976,915	—	—
Cash, end of period	\$ 741,417	\$ 13,967	\$ 741,417

See accompanying notes to financial statements.

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SERVICES ACQUISITION CORP. INTERNATIONAL AND SUBSIDIARY

Notes to Unaudited Condensed Consolidated Financial Statements

The unaudited condensed consolidated financial statements include the accounts of Services Acquisition Corp. International and its wholly owned subsidiary, JJC Acquisition Company, collectively (the “Company”). The unaudited condensed consolidated financial statements for the three months ended March 31, 2006 and 2005 included herein have been prepared in accordance with the instructions for Form 10-Q under the Securities Exchange Act of 1934, as amended, and Article 10 of Regulation S-X under the Securities Act of 1933, as amended. Certain information and footnote disclosures normally included in financial statements prepared in conformity with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations relating to interim financial statements.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all material adjustments necessary to present fairly the Company’s financial position as of March 31, 2006 and the results of its operations for the three months ended March 31, 2006 and 2005, respectively, and for the period from January 6,

2005 (inception) to March 31, 2006 and cash flows for the three months ended March 31, 2006 and 2005, respectively, and for the period from January 6, 2005 (inception) to March 31, 2006. The results of operations for the three months ended March 31, 2006 and 2005, and for the period from January 6, 2005 (inception) to March 31, 2006, are unaudited and are not necessarily indicative of the results to be expected for the full year. The unaudited condensed consolidated financial statements included herein should be read in conjunction with the financial statements and related footnotes included in the Company's 2005 Form 10-K.

1. Nature of operations and summary of significant accounting policies

The Company was incorporated in Delaware on January 6, 2005 as a blank check company whose objective is to acquire through a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business. The Company selected December 31 as its fiscal year end. On March 9, 2006, Services Acquisition Corp. International incorporated a wholly-owned subsidiary, JJ Acquisition Company. ("JJC".) As of March 31, 2006, there are no assets or liabilities and there was no activity for JJC.

The registration statement for the Company's initial public offering (the "Offering") was declared effective June 29, 2005. The Company consummated the offering on July 6, 2005 and received net proceeds of approximately \$110,917,000 and executed the over-allotment option offering on July 7, 2005 and received net proceeds of approximately \$16,920,000. The Company's management has broad discretion with respect to the specific application of the net proceeds of the Offering, although substantially all of the net proceeds of this Offering are intended to be generally applied toward consummating a business combination with an operating company. As used herein, a "target business" shall include an operating business that provides services and a "business combination" shall mean the acquisition by the Company of such a target business.

The Company's efforts in identifying a prospective business target are not limited to a particular industry, although management intends to focus on high margin service businesses with recurring revenue. The success and ongoing profitability of such business will not necessarily be predicated on continually generating new revenue, but rather on forging a valued bond for which switching costs may be high or alternatives of lower value. Within this context, the Company expects to seek companies displaying a number of characteristics: recurring revenues, focus on a service rather than a product, high gross margins, stable cash flow and opportunities for organic and acquisition growth.

Upon the closing of the Offering, an amount of \$126,720,000 was placed in a trust account at JP Morgan Chase NY Bank maintained by Continental Stock Transfer & Trust Company to be invested until the earlier of (i) the consummation of the Company's first business combination or (ii) the liquidation of the Company. As of March 31, 2006, the balance in the trust account is \$129,066,348. The remaining proceeds are available to the Company to pay for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses.

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The Company, after signing a definitive agreement for the acquisition of a target business, will submit such transaction for stockholder approval. In the event that stockholders owning 20% or more of the outstanding stock excluding, for this purpose, those persons who were stockholders prior to the Offering, vote against the business combination, the business combination will not be consummated. All of the Company's stockholders prior to the Offering, including all of the officers and directors of the Company ("Initial Stockholders"), have agreed to vote their 3,750,000 founding shares of common stock in accordance with the vote of the majority in interest of all other

stockholders of the Company (“Public Stockholders”) with respect to any business combination. After consummation of the Company’s first business combination, none of these voting safeguards will be applicable.

With respect to the first business combination, which is approved and consummated, any Public Stockholder who voted against the business combination may demand that the Company redeem his or her shares. The per share redemption price will equal the amount in the Trust Fund as of the record date for determination of stockholders entitled to vote on the business combination divided by the number of shares of common stock held by Public Stockholders at the consummation of the Offering. Accordingly, Public Stockholders holding 19.99% of the aggregate number of shares owned by all Public Stockholders may seek redemption of their shares in the event of a business combination. Such Public Stockholders are entitled to receive their pro rata interest in the trust fund computed without regard to the shares held by Initial Stockholders. As of March 31, 2006, the pro rata interest in the trust fund was \$7.48 per share.

The Company’s Certificate of Incorporation provides for mandatory liquidation of the Company, without stockholder approval, in the event that the Company does not consummate a business combination within 18 months from the date of the consummation of the Offering, or 24 months from the consummation of the Offering, if certain extension criteria have been satisfied. In the event of liquidation, it is likely that the per share value of the residual assets remaining available for distribution (including trust fund assets) will be less than the offering price per share in the Offering.

The Company formed JJC Acquisition Company (a wholly owned subsidiary), a California corporation, on March 9, 2006 for the sole purpose of the acquisition of Jamba Juice Company, as described in Note 3 below.

There is no assurance that the Company will be successful to find and consummate a business combination. Therefore, there is a risk of substantial loss to the stockholders.

Income per Common Share

Basic earnings-per-share is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding during the period, increased to include the number of additional common shares that would have been outstanding if the dilutive potential common shares had been issued, by application of the treasury stock method.

	March 31, 2006			March 31, 2005		
	Exercise price From	To	Warrants outstanding	Warrant price From	To	Warrants outstanding
Dilutive warrants	6.00	10.00	18,000,000	—	—	—
	Three Months Ended March 31,					
	2006			2005		
Weighted average number of shares outstanding						
Basic	21,000,000			3,214,247		
Effect of dilutive securities: Warrants	4,884,014			—		
Diluted	24,884,014			3,214,247		

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions

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that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company complies with SFAS 109, "Accounting for Income Taxes," which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax basis of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Principles of Consolidation

The consolidated financial statements include the accounts of Services Acquisition Corp. International and its wholly owned subsidiary. All significant intercompany transactions and balances have been eliminated in consolidation.

2. Commitments and contingencies

The Company agreed to pay up to \$7,500 a month in total for office space and general and administrative expense to a related entity and two stockholders. Upon completion of a business combination or liquidation, the Company will no longer be required to pay these monthly fees. The monthly fee commenced on July 6, 2005.

The Company sold to the representative of the underwriter, for \$100, an option to purchase up to a total of 750,000 units. The units issuable upon exercise of this option are identical to those offered by the Company in the Offering except that the warrants included in the option have an exercise price of \$7.50 (125% of the exercise price of the warrants included in the units sold in the offering). This option is exercisable at \$10.00 per unit commencing on the later of the consummation of a business combination and one year from the date of the Offering and expiring five years from the date of the Offering. The option may not be sold, transferred, assigned, pledged or hypothecated for a one-year period following the date of the S-1 filing, or not before June 27, 2006. However, the option may be transferred to any underwriter and selected dealer participating in the Offering and their bona fide officers or partners.

The Company engaged Broadband Capital Management LLC to act as the representative of the underwriters, on a non-exclusive basis, as our agent for the solicitation of the exercise of the warrants. To the extent not inconsistent with the guidelines of the NASD and the rules and regulations of the Securities and Exchange Commission, the Company has agreed to pay the representative for bona fide services rendered a commission equal to 5% of the exercise price for each warrant exercised after June 29, 2006 if the exercise was solicited by the underwriters. In addition to soliciting, either orally or in writing, the exercise of the warrants, the representative's services may also include disseminating information, either orally or in writing, to warrant holders about us or the market for our securities, and assisting in the processing of the exercise of the warrants. No compensation will be paid to the representative upon the exercise of the warrants if:

- the market price of the underlying shares of common stock is lower than the exercise price;
- the holder of the warrants has not confirmed in writing that the underwriters solicited the exercise;
- warrants are held in a discretionary account;
- the warrants are exercised in an unsolicited transaction; or
- the arrangement to pay the commission is not disclosed in the prospectus provided to warrant holders at the time of exercise.

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3. Proposed Acquisition

On March 10, 2006, the Company entered into an Agreement and Plan of Merger (“Merger Agreement”) with JJC Acquisition Company (“JJC”), a wholly-owned California corporate subsidiary of Company, and Jamba Juice Company, a California corporation (“Jamba Juice”), pursuant to which JJC will merge into Jamba Juice and Jamba Juice will become a wholly-owned subsidiary of Company. Following completion of the merger, it is anticipated that Company will change its name to Jamba, Inc. Because the Company will have no other operating business following the merger, Jamba Juice will effectively become a public company at the conclusion of the merger. Jamba Juice is headquartered in San Francisco, California. Jamba Juice as of April 4, 2006 has 325 company owned locations and 213 franchise locations operating in 24 states, the District of Columbia and the Bahamas.

The Merger Agreement provides that at the closing of the merger, the Jamba Juice stockholders, subject to certain holdbacks and less (i) \$16,000,000 for the assumption by the Company of Jamba Juice’s line of credit and (ii) all third-party and expenses incurred by Jamba Juice in connection with the merger, including without limitation, all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties incurred by Jamba Juice in connection with the negotiation and completion of the Merger Agreement and the transactions contemplated thereby, will be paid an aggregate of \$265,000,000, in cash, for all of the outstanding capital stock of Jamba Juice and the value of all shares of Jamba Juice capital stock issuable upon exercise of all “in-the-money” vested and unvested options and warrants of Jamba Juice, subject to the option holders and warrant holders, in certain instances, having the right to exchange their respective options and warrants into options and warrants of the Company, as further described below. A portion of the purchase price will be funded with cash currently being held in the trust fund established in connection with the Company’s initial public offering and the balance of the purchase price will be funded from the proceeds of a private placement financing, as discussed herein, that is expected to be completed simultaneously with the merger with Jamba Juice.

Also, as part of a private placement financing, on March 10, 2006 and March 15, 2006, Company entered into Securities Purchase Agreements and Registration Rights Agreements, with prospective investors (including certain current Jamba Juice stockholders and board members) that collectively provide for the issuance, simultaneously with the closing of the merger, of approximately 30.9 million shares of the Company common stock, at a per share purchase price of \$7.50, resulting in aggregate gross proceeds to the Company of approximately \$231.6 million, which funds will be used to fund the merger consideration as well as additional working and expansion capital.

If the acquisition falls through, the \$1,009,989 of deferred transaction costs, classified on the balance sheet as other assets, will be immediately expensed.

4. Liquidity

The Company's current cash position is approximately \$741,000. The Company has at this point outstanding payables, accrued expenses and liabilities of approximately \$1.1 million. The Company's short term liabilities exceed our available cash position by approximately \$406,000.

In the event the business combination is not consummated within the agreed upon time period, the Company does not believe it will have sufficient available funds outside of the trust fund to operate through July 6, 2007. The Company has incurred approximately \$1.0 million in expenses for legal, accounting and other expenses attendant to the due diligence investigations, structuring and negotiating of the business combination. The Company believes that it will likely be forced to liquidate should the business combination with Jamba Juice not be consummated.

5. Preferred Stock

The Company is authorized to issue 1,000,000 shares of preferred stock with such designations, voting and other rights and preferences, as may be determined from time to time by the Board of Directors.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Services Acquisition Corp. International

We have audited the accompanying balance sheet of Services Acquisition Corp. International (a corporation in the development stage) as of December 31, 2005 and the related statements of operations, stockholders' equity, and cash flows for the period from January 6, 2005 (inception) to December 31, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Services Acquisition Corp. International (a corporation in the development stage) as of December 31, 2005, and the results of its operations and its cash flows for the period from January 6, 2005 (inception) to December 31, 2005, in conformity with U.S. generally accepted accounting principles.

/s/ Rothstein, Kass & Company, P.C.
Roseland, New Jersey

March 23, 2006

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SERVICES ACQUISITION CORP. INTERNATIONAL

(a corporation in the development stage)

BALANCE SHEET

December 31, 2005

ASSETS	
Current assets	
Cash	\$ 976,915
Prepaid expenses	56,772
Total current assets	1,033,687
Other assets	
Cash held in trust	128,174,091
Total assets	\$ 129,207,778
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities	
Accounts payable	\$ 1,234
Accrued accounting	30,000
Accrued franchise taxes	53,685
Income taxes payable	84,933
Total current liabilities	169,852
Common stock, subject to possible redemption, 3,448,275 shares at redemption value	25,241,373
Stockholders' equity	
Preferred stock, \$.001 par value, authorized 1,000,000 shares; none issued	
Common stock, \$.001 par value, authorized 70,000,000 shares; issued and outstanding 21,000,000 shares (which includes the 3,448,275 shares subject to possible redemption)	21,000
Additional Paid-in Capital	102,604,274
Equity accumulated during the development stage	1,171,279
Total stockholders' equity	103,796,553
Total liabilities and stockholders' equity	\$ 129,207,778

See accompanying notes to financial statements.

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SERVICES ACQUISITION CORP. INTERNATIONAL
(a corporation in the development stage)
STATEMENT OF OPERATIONS

	For the Period January 6, 2005 (inception) to December 31, 2005
Interest income	\$ 1,454,091
Formation and operating costs	196,614
Interest expense	1,265
Net income before income taxes	1,256,212
Provision for state income taxes	84,933
Net income	\$ 1,171,279
Basic weighted average shares outstanding	11,777,489
Basic earnings per share	\$ 0.10
Diluted weighted average shares outstanding	13,049,709
Diluted earnings per share	\$ 0.09

See accompanying notes to financial statements.

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SERVICES ACQUISITION CORP. INTERNATIONAL
(a corporation in the development stage)
Statement of Stockholders' Equity
For period from January 6, 2005 (inception) to December 31, 2005

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Equity Accumulated During the Development Stage	Stockholders' Equity
Balance January 6, 2005 (inception)	—	\$ —	\$ —	\$ —	\$ —
Common shares issued	3,750,000	3,750	25,429		29,179
Sale of 15,000,000 shares, net of underwriters' discount and offering expenses (including 2,998,500 shares subject to possible redemption)	15,000,000	15,000	110,902,368		110,917,368
Sale of 2,250,000 shares through the over-allotment option offering, net of underwriters' discount	2,250,000	2,250	16,917,750		16,920,000

(including 449,775 shares
subject to possible
redemption)

Proceeds subject to possible redemption (3,448,275 shares)			(25,241,373)		(25,241,373)
Proceeds from issuance of option			100		100
Net income				1,171,279	1,171,279
Balances, at December 31, 2005	21,000,000	\$ 21,000	\$ 102,604,274	\$ 1,171,279	\$ 103,796,553

See accompanying notes to financial statements.

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SERVICES ACQUISITION CORP. INTERNATIONAL (a corporation in the development stage)

STATEMENT OF CASH FLOWS

For period from January 6, 2005 (inception) to December 31, 2005

Cash flows from operating activities	
Net income	\$ 1,171,279
Increase (decrease) in cash attributable to change in	
Prepaid expenses	(56,772)
Accounts payable	1,234
Accrued accounting	30,000
Accrued franchise tax	53,685
Income taxes payable	84,933
Net cash provided by operating activities	1,284,359
Cash flows from financing activities	
Proceeds from notes payable, stockholders	160,000
Payment of notes payable, stockholders	(160,000)
Proceeds from sale of stock	29,179
Gross proceeds of public offering	120,000,000
Payments of costs of public offering	(9,082,632)
Gross proceeds of over-allotment option offering	18,000,000
Payments of costs of over-allotment option offering	(1,080,000)
Proceeds from issuance of option	100
Net cash provided by financing activities	127,866,647
Net cash used in investing activity	
cash held in trust	(128,174,091)
Net increase in cash	976,915

Cash, beginning of period	—
Cash, end of period	\$ 976,915

See accompanying notes to financial statements.

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NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies

Nature of Operations

Services Acquisition Corp. International (the “Company”) was incorporated in Delaware on January 6, 2005 as a blank check company whose objective is to acquire through a merger, capital stock exchange, asset acquisition or other similar business combination a currently unidentified operating business. The Company has selected December 31 as its fiscal year-end.

The registration statement for the Company’s initial public offering (the “Offering”) was declared effective June 29, 2005. The Company consummated the offering on July 6, 2005 and received net proceeds of approximately \$110,917,368 and executed the over-allotment option offering on July 7, 2005 and received net proceeds of approximately \$16,920,000. The Company’s management has broad discretion with respect to the specific application of the net proceeds of the Offering, although substantially all of the net proceeds of the Offering are intended to be generally applied toward consummating a business combination with an operating company. As used herein, a “target business” shall include an operating business that provides services and a “business combination” shall mean the acquisition by the Company of such a target business.

The Company’s efforts in identifying a prospective business target are not limited to a particular industry, although management intends to focus on high margin service businesses with recurring revenue. The success and ongoing profitability of such business will not necessarily be predicated on continually generating new revenue, but rather on forging a valued bond for which switching costs may be high or alternatives of lower value. Within this context, the Company expects to seek companies displaying a number of characteristics: recurring revenue, focus on a service rather than a product, high gross margins, stable cash flow and opportunities for organic and acquisition growth.

Upon the closing of the Company’s offering, \$126,720,000 was placed in a trust account at JP Morgan Chase NY Bank maintained by Continental Stock Transfer & Trust Company to be invested until the earlier of (i) the consummation of the Company’s first business combination or (ii) the liquidation of the Company. As of December 31, 2005, the balance in the trust account was \$128,174,091. The remaining proceeds are available to the Company to pay for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses.

The Company, after signing a definitive agreement for the acquisition of a target business, will submit such transaction for stockholder approval. In the event that stockholders owning 20% or more of the outstanding stock excluding, for this purpose, those persons who were stockholders prior to the Offering, vote against the business combination, the business combination will not be consummated. All of the Company’s stockholders prior to the Offering, including all of the officers and directors of the Company (“Initial Stockholders”), have agreed to vote their

3,750,000 founding shares of common stock in accordance with the vote of the majority in interest of all other stockholders of the Company (“Public Stockholders”) with respect to any business combination. After consummation of the Company’s first business combination, all of these voting safeguards will no longer be applicable.

With respect to the first business combination, which is approved and consummated, any Public Stockholder who voted against the business combination may demand that the Company redeem his or her shares. The per share redemption price will equal the amount in the Trust Fund as of the record date for determination of stockholders entitled to vote on the business combination divided by the number of shares of common stock held by Public Stockholders at the consummation of the Offering. Accordingly, Public Stockholders holding 19.99% of the aggregate number of shares owned by all Public Stockholders may seek redemption of their shares in the event of a business combination. Such Public Stockholders are entitled to receive their per share interest in the Trust Fund computed without regard to the shares held by Initial Stockholders. Accordingly the Company has set up a liability on the balance sheet for the possible redemption of 3,448,275 shares of common stock in the amount of \$25,241,373

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The Company’s Certificate of Incorporation provides for mandatory liquidation of the Company, without stockholder approval, in the event that the Company does not consummate a business combination within 18 months from the date of the consummation of the Offering, or 24 months from the consummation of the Offering if certain extension criteria have been satisfied. In the event of liquidation, it is likely that the per share value of the residual assets remaining available for distribution (including Trust Fund assets) will be less than the offering price per share in the Offering (assuming no value is attributed to the Warrants contained in the Units to be offered in the Offering discussed in Note 3.)

Cash Equivalents

The Company considers all highly liquid money market investments to be cash equivalents.

Common Stock

In March 2005, the Board of Directors of the Company approved a stock dividend of 1.5714 shares of common stock for each outstanding share of common stock to all shareholders of record on March 28, 2005. The sole purpose for such dividend was to maintain the existing shareholders’ collective ownership at 20% of issued and outstanding shares immediately after the Company’s initial offering of 15.0 million units at \$8.00 per unit. Subsequent to the initial offering, the underwriters exercised their over-allotment option of 2.25 million units effectively lowering the founder’s ownership to approximately 17.86%. All transactions and disclosures in the financial statements, related to the Company’s common stock, have been adjusted to reflect the results of the stock dividend.

Income Per Common Share

The Company complies with SFAS No. 128, “Earnings Per Share” which requires dual presentation of basic and diluted income per share for all periods presented. Basic income per share excludes dilution and is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted income per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then share in the income of the Company.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company complies with SFAS No. 109, "Accounting for Income Taxes," which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Recently Issued Accounting Standards

In December 2004, the Financial Accounting Standards Board ("FASB") issued SFAS No. 123(R), "Accounting for Stock-Based Compensation (Revised)." SFAS 123(R) supersedes

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APB No. 25 and its related implementation guidance. SFAS No. 123(R) establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. SFAS No. 123(R) focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. SFAS No. 123(R) requires a public entity to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). That cost will be recognized over the period during which an employee is required to provide service in exchange for the award the requisite service period (usually the vesting period). No compensation costs are recognized for equity instruments for which employees do not render the requisite service. The grant-date fair value of employee share options and similar instruments will be estimated using option-pricing models adjusted for the unique characteristics of those instruments (unless observable market prices for the same or similar instruments are available). If an equity award is modified after the grant date, incremental compensation cost will be recognized in an amount equal to the excess of the fair value of the modified award over the fair value of the original award immediately before the modification. SFAS No. 123(R) is effective as of the beginning of the fiscal year that begins after June 15, 2005.

2. Investments held in Trust

Investments held in trust as of December 31, 2005 were in cash, not cash equivalents. During 2005 the Company invested in various short-term tax free money market funds promulgated under the Investment Company Act of 1940. Dividend and interest income earned on such investments was the Company's sole source of income during the year.

3. Initial Public Offering

On July 6, 2005, the Company sold 15,000,000 units (“Units”) in the Offering. An additional 2,250,000 Units were issued on July 7, 2005 to cover the over-allotment granted to the underwriters. Each Unit consists of one share of the Company’s common stock, \$.001 par value, and one Redeemable Common Stock Purchase Warrant (“Warrant”). Each Warrant entitles the holder to purchase from the Company one share of common stock at an exercise price of \$6.00 commencing the later of the completion of a business combination with a target business or one year from the effective date of the Offering and expiring at 5:00 PM on June 28, 2009. The Warrants will be redeemable at a price of \$.01 per Warrant upon 30 days notice after the Warrants become exercisable, only in the event that the last sale price of the common stock is at least \$11.50 per share for any 20 trading days within a 30 trading day period ending on the third day prior to date on which notice of redemption is given.

4. Income Taxes

Income Taxes

The components of the provision for income taxes for the year ended December 31, 2005 are as follows:

Current:		
Federal	\$	—
State		84,933
Foreign		—
Total current	\$	84,933
Deferred		
Federal	\$	—
State		—
Foreign		—
Total deferred	\$	—

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The differences between the statutory rate and the Company’s effective income tax rate are as follows:

	2005	
Federal tax benefit at the statutory rate	\$ (427,112)	(34.0%)
State income taxes, net of federal benefits	(45,600)	(3.6)
Non-taxable interest income	490,392	39.0
Permanent differences	(6,863)	(0.5)
Change in valuation allowance	95,134	7.6
Other	(21,018)	(1.7)
Effective income tax rate	\$ 84,933	6.8%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, together with net operating

loss and tax credit carry-forwards. Significant components of the Company's deferred tax assets and liabilities at December 31, 2005 are as follows:

	2005
Deferred tax assets (liabilities):	
Net operating loss carryforwards	\$ 56,916
Organizational costs	38,218
	95,134
Valuation allowance	(95,134)
Net deferred taxes	\$ —

The valuation allowance for deferred taxes increased by approximately \$95,134 during 2005, respectively, providing a full valuation allowance against the Company's net deferred tax assets as a result of the uncertainty as to whether the Company will acquire an operating entity and utilize these tax benefits.

5. Commitments and contingencies

The Company has agreed to pay up to \$7,500 a month in total for office space and general and administrative expense to a related entity and two stockholders. Upon completion of a business combination or liquidation, the Company will no longer be required to pay these monthly fees. The monthly fee started on July 6, 2005.

As part of the Offering, the stockholders prior to the initial public offering agreed that after the Offering was completed and within the first twenty trading days after separate trading of the warrants has commenced, they or certain of their affiliates or designees would collectively purchase up to 1,000,000 warrants in the public marketplace at prices not to exceed \$1.20 per warrant. They further agreed that any warrants purchased by them or their affiliates or designees will not be sold or transferred until the completion of a business combination. In addition, subject to any regulatory restrictions and subsequent to the completion of the purchase of the 1,000,000 warrants described above and within the first twenty trading days after separate trading of the warrants has commenced, the representative of the underwriter, or certain of its principals, affiliates or designees has to purchase up to 500,000 warrants in the public marketplace at prices not to exceed \$1.20 per warrant. The Units separated on July 28, 2005; as per the preceding sentence, the shareholders prior to the initial public offering purchased 1,000,000 warrants at an average price of \$1.01375 and the underwriter or its affiliates purchased 500,000 warrants at an average price of \$0.99.

The Company has sold to the representative of the underwriter, for \$100, an option to purchase up to a total of 750,000 units. The units issuable upon exercise of this option are identical to those offered by this prospectus except that the warrants included in the option have an exercise price of \$7.50 (125% of the exercise price of the warrants included in the units sold in the offering). This

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option is exercisable at \$10.00 per unit commencing on the later of the consummation of a business combination and one year from the date of this prospectus and expiring four years from the date of this prospectus. The option and the 750,000 units, the 750,000 shares of common stock and the 750,000 warrants underlying such units, and the 750,000 shares of common stock underlying such warrants, have been deemed compensation by the National Association of

Securities Dealers (“NASD”) and are therefore subject to a 180-day lock-up pursuant to Rule 2710(g)(1) of the NASD Conduct Rules. Additionally, the option may not be sold, transferred, assigned, pledged or hypothecated for a one-year period (including the foregoing 180-day period) following the date of this prospectus. However, the option may be transferred to any underwriter and selected dealer participating in the offering and their bona fide officers or partners. The aggregate fair value of these units is approximately \$2,800,000. Such amount was included in deferred offering costs and charged to additional paid-in capital upon completion of the Offering.

The Company has engaged Broadband Capital Management LLC to act as the representative of the underwriters, on a non-exclusive basis, as our agent for the solicitation of the exercise of the warrants. To the extent not inconsistent with the guidelines of the NASD and the rules and regulations of the Securities and Exchange Commission, we have agreed to pay the representative for bona fide services rendered a commission equal to 5% of the exercise price for each warrant exercised after June 29, 2006 if the exercise was solicited by the underwriters. In addition to soliciting, either orally or in writing, the exercise of the warrants, the representative’s services may also include disseminating information, either orally or in writing, to warrant holders about us or the market for our securities, and assisting in the processing of the exercise of the warrants. No compensation will be paid to the representative upon the exercise of the warrants if:

- the market price of the underlying shares of common stock is lower than the exercise price;
- the holder of the warrants has not confirmed in writing that the underwriters solicited the exercise;
- the warrants are held in a discretionary account;
- the warrants are exercised in an unsolicited transaction; or
- the arrangement to pay the commission is not disclosed in the prospectus provided to warrant holders at the time of exercise.

6. Preferred Stock

The Company is authorized to issue 1,000,000 shares of preferred stock with such designations, voting and other rights and preferences, as may be determined from time to time by the Board of Directors.

7. Subsequent Events

On March 13, 2006, the Company, Services Acquisition Corp. International (“SVI”) and JJC Acquisition Company (“JJC”), a wholly-owned California corporate subsidiary of SVI, and Jamba Juice Company, a California corporation (“Jamba Juice”), entered into an Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which JJC will merge into Jamba Juice and Jamba Juice will become a wholly-owned subsidiary of SVI. Following completion of the merger, it is anticipated that SVI will change its name to Jamba, Inc. Because SVI will have no other operating business following the merger, Jamba Juice will effectively become a public company at the conclusion of the merger. The Board of Directors will have representation from both entities. Jamba Juice is headquartered in San Francisco, California and as of March 7, 2006 had 532 locations, 323 company-owned and 209 franchised, operating in 24 states, the District of Columbia and the Bahamas.

Under the terms of the agreement, Jamba Juice shareholders will be paid an aggregate of \$265,000,000, less \$16,000,000 for certain existing indebtedness and the amount of certain transaction related expenses, in cash, for all of the outstanding capital stock of Jamba Juice and the value of all shares of Jamba Juice capital stock issuable upon exercise of all “in-the-money” vested and unvested

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options and warrants of Jamba Juice, subject to the option holders and warrant holders, in certain instances, having the right to exchange their respective options and warrants into options and warrants of SVI.

To fund the transaction and provide additional capital for growth and expansion, various institutional investors have agreed to purchase 30,879,999 million shares of SVI common stock at \$7.50 per share in a private placement, which will be funded at the closing of the merger. The gross proceeds from this placement, estimated at \$231,600,000, will be combined with the approximately \$128,174,091 of cash currently held in trust by SVI to fund the transaction and provide growth capital.

The closings of the merger and SVI financing are subject to customary closing conditions, including approval of the merger agreement by the stockholders of both Jamba Juice Company (which occurred on March 22, 2006) and SVI and the expiration of any waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 as amended. In addition, the closing is conditioned on holders of not more than 20% of the shares of SVI voting against the merger and electing to convert their SVI shares into cash, as permitted by the SVI certificate of incorporation.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Jamba Juice Company and Subsidiary:

We have audited the accompanying consolidated balance sheets of Jamba Juice Company and subsidiary as of June 28, 2005 and June 29, 2004, and the related consolidated statements of operations, common stockholders' deficit and cash flows for each of the three fiscal years in the period ended June 28, 2005. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Jamba Juice Company and subsidiary as of June 28, 2005 and June 29, 2004, and the results of their operations and their cash flows for each of the three fiscal years in the period ended June 28, 2005, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 17, the accompanying financial statements for the years ended June 29, 2004, and June 24, 2003 have been restated.

/s/ Deloitte & Touche LLP
 San Francisco, California
 October 6, 2005 (May 12, 2006 as to Note 18)

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JAMBA JUICE COMPANY AND SUBSIDIARY
 CONSOLIDATED BALANCE SHEETS
 (In thousands)

	April 4, 2006 (unaudited)	June 28, 2005	June 29, 2004 (As Restated, see Note 16)
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 1,794	1,368	3,097
Notes and accounts receivable, net of allowances of \$31, \$67 and \$65, respectively	1,443	1,633	1,327
Inventories	2,480	2,361	1,826
Deferred income taxes	3,873	3,506	6,333
Prepaid expenses and other current assets	4,981	4,127	2,599
Total current assets	14,571	12,995	15,182
Property, fixtures and equipment – net	71,797	65,412	43,089
Goodwill	2,663	2,663	2,663
Other intangible assets – net	314	396	507
Deferred income taxes	8,291	8,358	6,661
Other long-term assets	2,614	2,783	3,037
TOTAL	\$ 100,250	\$ 92,607	\$ 71,139
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable	\$ 6,897	\$ 9,585	\$ 8,924
Accrued compensation and benefits	8,022	7,522	7,265
Workers compensation self-insurance reserve	2,499	2,031	1,350
Accrued store value cards	14,579	11,933	7,455
Line of credit note payable	18,000	—	—
Current portion of litigation settlement payable	1,091	645	645
Other accrued expenses	5,885	4,928	1,934
Total current liabilities	56,973	36,644	27,573

Deferred franchise revenue	505	479	1,199
Line of credit note payable	—	13,000	3,250
Litigation settlement payable	—	988	1,527
Deferred rent and other long-term liabilities	9,011	7,898	5,410
COMMITMENTS AND CONTINGENCIES			
CONVERTIBLE REDEEMABLE PREFERRED STOCK:			
No par value – 30,000,000 shares authorized. Redemption value at June 28, 2005 is \$52,162: shares issued and outstanding at June 28, 2005: Series A, 3,000,000; Series B, 2,250,053; Series C, 7,415,206; Series D, 9,998,905; Series E, 2,482,726. Liquidation preference: \$62,094			
	52,162	52,162	52,237
COMMON STOCKHOLDERS' DEFICIT:			
Common stock, no par value – 50,000,000 shares authorized; 10,772,030, 10,515,082 and 10,315,311 shares issued and outstanding, respectively			
	103	103	101
Additional paid-in-capital	11,978	11,583	11,054
Accumulated deficit	(30,482)	(30,250)	(31,212)
Total common stockholders' deficit	(18,401)	(18,564)	(20,057)
TOTAL	\$ 100,250	\$ 92,607	\$ 71,139

See notes to consolidated financial statements.

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JAMBA JUICE COMPANY AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE FISCAL YEARS ENDED JUNE 28, 2005, JUNE 29, 2004, AND JUNE 24, 2003
AND THE 40 WEEK PERIODS ENDED APRIL 4, 2006 AND APRIL 5, 2005
(in thousands, except share date)

	40 Weeks Ended		Fiscal Years Ended		
	April 4 2006 (unaudited)	April 5, 2005 (unaudited)	June 28, 2005	June 29, 2004 (As Restated, see Note 16)	June 24, 2003 (As Restated, see Note 16)
REVENUE:					
Company stores	\$ 173,789	\$ 141,484	\$ 202,073	\$ 165,856	\$ 129,960
Franchise and other revenue	6,572	4,628	6,976	6,922	5,424
Total revenue	180,361	146,112	209,049	172,778	135,384
OPERATING EXPENSES:					
Cost of sales and related occupancy costs	64,527	52,533	73,665	54,887	43,879

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Store operating expense	74,057	61,446	85,020	68,365	52,376
Other operating expense	5,171	4,016	8,460	6,366	4,178
Depreciation and amortization	9,954	7,794	10,355	7,719	7,511
General and administrative expense	23,401	19,270	24,239	22,658	17,645
Store preopening expense	1,677	2,177	3,077	2,659	969
Franchise support expense	1,520	460	460	3,604	2,040
Loss on asset impairment, store closures and disposals	937	940	1,019	1,421	1,555
Gift certificate breakage income	(1,399)				
Sales tax settlement	—	—	2,569	0	0
Litigation settlement (see Note 15)	—	—	(2,650)	(85)	5,084
Total operating expenses	179,845	148,636	206,214	167,594	135,237
INCOME (LOSS) FROM OPERATIONS	516	(2,524)	2,835	5,184	147
INTEREST EXPENSE – Net	837	519	778	488	316
INCOME (LOSS) BEFORE INCOME TAX	(321)	(3,043)	2,057	4,696	(169)
INCOME TAX (BENEFIT) EXPENSE	(89)	(1,539)	1,095	(11,217)	(820)
NET INCOME (LOSS)	\$ (232)	\$ (1,504)	\$ 962	\$ 15,913	\$ 651

See notes to consolidated financial statements.

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JAMBA JUICE COMPANY AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDERS' DEFICIT

FOR THE FISCAL YEARS ENDED JUNE 28, 2005, JUNE 29, 2004,
AND JUNE 24, 2003 AND THE 40 WEEKS ENDED APRIL 4, 2006
(in thousands, except share data)

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Notes Receivable from Sales	Accumulated Deficit	Total Common Stockholders'
BALANCE – June 30, 2002 (As restated, see Note 16)	10,025,374	\$ 98	\$ 10,833	\$ (12)	\$ (46,578)	\$ (35,719)
Issuance of common stock	287,084	3	90			93
Redeemable preferred stock accretion					(958)	(958)
Cancellation of previously issued shares and other	(73,248)	(1)		2		1
Net income					651	651

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BALANCE – June 24, 2003 (As restated, see Note 16)	10,239,210	100	10,923	(110)	(46,885)	(35,972)
Issuance of common stock	76,101	1	122			123
Redeemable preferred stock accretion					(240)	(240)
Other			9			9
Repayment of note receivable				110		110
Net income					15,913	15,913
BALANCE – June 29, 2004 (As restated, see Note 16)	10,315,311	101	11,054		(31,212)	(20,057)
Issuance of common stock	169,411	2	361			363
Other			93			93
Conversion of preferred shares	30,360		75			75
Net income	—				962	962
BALANCE – June 28, 2005	10,515,082	103	11,583		(30,250)	(18,564)
Issuance of common stock (unaudited)	256,948	—	395	—	—	395
Net loss (unaudited)		—	—	—	(232)	(232)
BALANCE – April 4, 2006 (unaudited)	10,772,030	\$ 103	\$ 11,978	\$ —	\$ (30,482)	\$ (18,401)

See notes to consolidated financial statements.

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JAMBA JUICE COMPANY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOW

	40 Weeks Ended			Fiscal Years Ended	
	April 4, 2006 (unaudited)	April 5, 2005 (unaudited)	June 28, 2005	June 29, 2004 (As Restated, see Note 16)	June 24, 2003 (As Restated, see Note 16)
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net income (loss)	\$ (232)	\$ (1,504)	\$ 962	\$ 15,913	\$ 651
Adjustments to reconcile net income/(loss) to net cash provided by operating activities:					
Depreciation and amortization	9,954	7,794	10,355	7,719	7,511
Loss on asset impairment, store closures and disposals	937	940	1,019	1,421	1,555
Gift certificate breakage income	(1,399)	—	—	—	—
Deferred rent	1,219	1,543	2,493	973	322

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Deferred income taxes	(300)	(1,372)	1,130	(11,552)	(1,442)
Changes in operating assets and liabilities:					
Notes and accounts receivable, net of allowance	190	207	(330)	162	(575)
Inventories	(113)	(74)	(482)	(91)	(602)
Prepaid expenses and other current assets	(854)	(1,881)	(1,528)	(2,075)	(8)
Other long-term assets	241	440	841	(237)	480
Accounts payable	(2,472)	(2,263)	(267)	3,255	(120)
Accrued compensation and benefits	968	(644)	900	1,697	82
Accrued store value cards	4,045	3,887	4,478	2,973	1,656
Litigation settlement payable	(542)	(569)	(539)	(3,378)	4,550
Accrued expenses and other liabilities	957	1,526	3,024	(451)	388
Deferred franchise revenue	26	(55)	(720)	(122)	(3)
Net cash provided by operating activities	12,625	7,975	21,336	16,207	14,445
CASH FLOWS FROM INVESTING ACTIVITIES:					
Capital expenditures	(17,394)	(21,359)	(31,837)	(18,080)	(10,012)
Cash paid in acquisitions	(22)	(942)	(942)		(922)
Investment in affiliates	(72)	8	(474)	(2,000)	25
Net cash used in investing activities	(17,488)	(22,293)	(33,253)	(20,080)	(10,909)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from exercise of stock options and other	289	322	456	242	276
Borrowings on debt facility	39,000	40,750	42,300	4,500	
Payments on debt facility	(34,000)	(26,550)	(32,550)	(6,250)	(500)
Payments on notes and capital lease obligations	—	(27)	(18)	(53)	(244)
Net cash provided by/(used in) financing activities	5,289	14,495	10,188	(1,561)	(468)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	426	177	(1,729)	(5,434)	3,068
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,368	3,097	3,097	8,531	5,463
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,794	\$ 3,274	\$ 1,368	\$ 3,097	\$ 8,531
SUPPLEMENTAL CASH FLOW INFORMATION:					
Cash paid for interest, net	\$ 1,041	\$ 829	\$ 322	\$ 224	\$ 347
Income tax paid, net of refunds	1,143	832	832	1,592	258

See notes to consolidated financial statements.

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JAMBA JUICE COMPANY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Information as of April 4, 2006 and for the 40 Weeks Ended
April 5, 2005 and April 4, 2006 is Unaudited)

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business — Jamba Juice Company and subsidiary (the “Company”) offer a wide variety of fresh blended-to-order smoothies, fresh-squeezed juices, baked goods and snacks through retail stores. The Company manages its operations by store. At April 4, 2006, the Company operated 325 stores, franchisees and licensees operated 168 stores, and 45 stores operated as joint ventures. Stores operate primarily in the western United States. The Company began operations in July 1991.

Basis of Presentation — The consolidated financial statements include the accounts of Jamba Juice Company and its wholly owned subsidiary, Zuka Juice, Inc. All significant intercompany balances and transactions have been eliminated. The equity method of accounting is used for joint ventures with other companies. Accordingly, the carrying value of these investments is reported in other long-term assets, and the Company’s equity in the net income and losses of these investments is reported in other operating expenses.

Fiscal Year End — The Company’s fiscal year ends on the Tuesday preceding June 30. The fiscal years ended June 28, 2005 and June 24, 2003 include 52 weeks and the fiscal year ended June 29, 2004 includes 53 weeks. For convenience, all references herein to years are stated as years ended June 30.

Significant Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates, and such differences could affect the results of operations reported in future periods.

Unaudited Interim Financial Information — The interim financial information as of April 4, 2006 and for the 40 weeks ended April 4, 2006 and April 5, 2005 is unaudited and has been prepared on the same basis as the audited financial statements. In the opinion of management, such unaudited financial information includes all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of the interim information. Operating results for the 40 weeks ended April 4, 2006 are not necessarily indicative of the results that may be expected for the year ending June 30, 2006.

Self-Insurance Reserves — Jamba Juice Company uses a combination of insurance and self-insurance mechanisms to provide for the potential liabilities for workers’ compensation, healthcare benefits, general liability, property insurance, director and officers’ liability insurance and vehicle liability. Liabilities associated with the risks that Jamba Juice Company retains are not discounted and are estimated, in part, by considering historical claims experience, demographic factors, severity factors and other actuarial assumptions. The estimated accruals for these liabilities, portions of which are calculated by third party actuarial firms, could be significantly affected if future occurrences and claims differ from these assumptions and historical trends. The self-insurance reserve is included in Accrued Compensation and Benefits in the liability section of the balance sheet and the balance at fiscal year end 2005 and 2004, was \$2,031 and \$1,350, respectively.

Concentrations of Risk — The Company maintains food distribution contracts primarily with one supplier. This supplier provided 87%, 94%, and 96% of product cost included in cost of sales for fiscal years 2005, 2004, and 2003, respectively, which potentially subjects the Company to a concentration of business risk. If this supplier had operational problems or ceased making product available to the Company, operations could be adversely affected.

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JAMBA JUICE COMPANY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Information as of April 4, 2006 and for the 40 Weeks Ended
April 5, 2005 and April 4, 2006 is Unaudited)

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. The Company places its cash and cash equivalents with high- quality financial institutions. At times, balances in the Company's cash accounts may exceed the Federal Deposit Insurance Corporation limit.

Cash and Cash Equivalents — The Company considers all highly liquid instruments with maturities of three months or less when purchased to be cash equivalents. At June 30, 2005, 2004, and 2003, the Company did not have any investments with maturities greater than three months.

Notes and Accounts Receivable — Accounts receivable represent amounts due for royalty fees, advertising fees and gift certificate cards issued by the franchisees. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. Notes receivable relate to a loan issued to an officer (see Note 16).

Inventories — Inventories include only the purchase cost and are stated at the lower of cost or market. Cost is determined using the first-in, first-out method (FIFO). Inventories consist of food, beverages and available-for-sale promotional products.

Property, Fixtures, and Equipment — Property, fixtures, and equipment are stated at cost less accumulated depreciation and amortization. Depreciation of furniture, fixtures, and equipment is calculated using the straight-line method over the estimated useful life of the asset generally ranging from three to seven years. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease term, which is generally 10 years. The costs of repair and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized.

Goodwill — Goodwill represents the excess of the purchase price over net assets acquired and is not amortized. Goodwill is subject to annual impairment tests in April of each year. This analysis is performed at the reporting unit level in accordance with Statement of Financial Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets. Based upon impairment analyses performed in accordance with SFAS No. 142 in fiscal year 2005, 2004, and 2003, there was no change in the carrying amount of goodwill.

Capitalized Interest — The Company capitalizes interest cost related to purchase and construction of qualifying assets. At April 4, 2006, June 30, 2005 and 2004, the Company capitalized \$85,520, \$112,000 and \$48,000, respectively. Capitalized interest is amortized over the life of the assets.

Other Intangible Assets — Intangible assets consist of leasehold acquisition costs and are amortized on a straight-line basis over the periods of expected benefit, which range from 8 to 10 years. They are reviewed for impairment at least annually.

Impairment of Long-Lived Assets — Asset impairments are recorded when the carrying values of assets are not recoverable. For purposes of recognizing and measuring impairment of long-lived assets, the Company categorizes assets of operating stores as “Assets to Be Held and Used” and assets of stores that have been closed as “Assets to Be Disposed Of.” The Company evaluates assets at the store level because this is the lowest level of identifiable cash flows ascertainable to evaluate impairment. Assets being tested for recoverability at this level include tangible long-lived assets.

The Company reviews long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable or at least annually. If the sum of the undiscounted expected future cash flows is less than the carrying amount of the asset, the Company recognizes an impairment loss. Impairment losses are

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measured as the amount by which the carrying amount of assets exceeds the fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset.

Store Closures — The Company continually reviews the operating performance of individual stores. Upon closure of a store, the Company records a liability for future minimum lease payments and related ancillary costs from the date of closure to the end of the remaining lease term, net of estimated cost recoveries that may be achieved through sublease income negotiations.

Gift Cards and Gift Certificates — The Company has sold the jambacard since November 2002. An obligation is recorded at the time of either an initial load or a subsequent reload. The liability is relieved and revenue recorded at the time of customer redemption. The Company is currently assessing reload and redemption data to establish a policy in order to record estimated breakage. The card has no expiration provisions. Prior to 2002, the Company sold \$5 gift certificates. Revenue was recognized as the certificates were used.

Deferred Rent — The Company’s lease agreements generally provide for scheduled rent increases during the lease terms, or for rental payments commencing at a date other than the date of initial occupancy. Rent expense is recognized on a straight-line basis over the respective terms of the leases. The difference between the amount charged to operations and cash paid under the leases is recorded as deferred rent.

Construction Allowances — The Company receives construction allowances from landlords, which are deferred and amortized on a straight-line basis over the life of the lease as a reduction of rent expense. Construction allowances are recorded in deferred rent and other long-term liabilities.

Revenue Recognition — Revenue from Company stores is recognized when product is sold. Revenue from store value cards, such as the “jambacard,” and gift certificates are recognized upon redemption. Until redemption, outstanding customer balances are carried as a liability. In 2006, the Company completed a study of their outstanding

liability for gift certificates and recognized breakage of \$1.4 million.

Generally, franchise revenue is generated from three basic forms; development fees, initial franchise fees, and royalties. Development fees are paid to the Company as part of an agreement to open and operate a specific number of stores in a specified territory. The amount of the fee is based on the number of stores to be opened pursuant to the development agreement and secures the territory for exclusivity during the development. The non-refundable fees collected for these services are recognized ratably as the franchise stores under these agreements open. (see Note 2) The Company charges an initial franchise fee for providing operational materials, new store opening planning and functional training courses. Initial franchise fees are paid for every store the franchisee opens and are due at the time the franchise agreement for a particular store is executed. Franchise fees are recognized as revenue when all material services or conditions have been substantially performed or satisfied and no other material conditions or obligations related to the determination of substantial performance exist. Those duties and services are typically complete and the revenue is recognized when the store opens. Royalties are determined as a percentage of sales and are recognized in the same period that the related franchise store revenue is generated. If collection is doubtful, a receivable and an allowance are recorded without any revenue recognition. Revenue is recognized at the time such receivables are collected.

In addition, as part of two different management agreements the Company provides certain employees to two of their area developers (see Note 2). The Company bears all the responsibilities and obligations related to these employees and records the employee costs as

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franchise support expense and the reimbursement from the area developers as franchise and other revenue. Due to uncertainty of collection, the revenue is recognized on a cash basis.

Advertising Costs — Advertising costs are expensed as incurred and were \$4,787,000, \$4,741,000, and \$2,535,000 in fiscal years 2005, 2004, and 2003, respectively. The Company also receives advertising contributions from its franchisees. These contributions are a contractual obligation of the franchisee and are recorded as an offset to advertising expense. They are included in other operating expense and were \$1,200,000, \$986,000 and \$956,000 for fiscal years 2005, 2004 and 2003 respectively.

Store Preopening Costs — Costs incurred in connection with start-up and promotion of new store openings are expensed as incurred.

Fair Value of Financial Instruments — The carrying value of cash and equivalents, receivables, and accounts payable approximates fair value. The carrying value of debt approximates the estimated fair value due to floating interest rates on the debt.

Comprehensive Income — Comprehensive income approximates net income for all periods presented.

Income Taxes — Income taxes are accounted for using an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's consolidated financial statements or tax returns. In estimating future tax consequences, the Company generally considers all expected future events other than changes in the tax law or rates. A valuation allowance is recorded when it is deemed more likely than not that a deferred tax asset will be not realized.

Employee Stock Options — The Company accounts for employee stock options in accordance with the intrinsic value method prescribed by Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees. Under APB Opinion No. 25, the Company does not recognize compensation expense related to employee stock options, as options are not granted below market price on the grant date. SFAS No. 123, Accounting for Stock-Based Compensation, requires the recognition of compensation expense based on the fair value of options on the grant date, but allows companies to continue applying APB Opinion No. 25 if certain pro forma disclosures are made assuming hypothetical fair value method application.

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Had compensation expense for the Company's stock options been based on the fair value at the grant date under the methodology prescribed by SFAS No. 123, the Company's income and earnings per share would have been impacted as follows (in thousands):

	40 Weeks Ended		Fiscal Years Ended June 30		
	April 4, 2006	April 5, 2005	2005	2004	2003
	(Unaudited)	(Unaudited)		(as Restated, see Note 17)	(as Restated, see Note 17)
Net income (loss) – as reported	\$ (232)	\$ (1,504)	\$ 962	\$ 15,913	651
Add: Total stock-based employee compensation included in reported net income, net of stated tax effects (see Note 12)	64	56	56	9	1
Deduct: Total stock-based compensation benefit expense determined under fair-value-based method for all awards – net of related tax effects	(339)	(203)	(266)	(140)	(22)
Net income (loss) – pro forma	\$ (507)	\$ (1,651)	\$ 752	\$ 15,782	\$ 630

The Company's valuations are based upon a multiple option valuation approach and forfeitures are recognized as they occur. The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options,

which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions, such as expected life. The Company's employee stock options have characteristics significantly different from those of traded options and changes in the subjective input assumptions can materially affect the fair value estimate.

The fair value of options granted, which is amortized to expense over the option vesting period in determining the pro forma impact, is estimated at date of grant using the Black-Scholes multiple option pricing model. As provided by SFAS No. 123, the Company uses the minimum value method for options issued to employees in conjunction with employment service, which allows a 0% volatility assumption.

The following are the remaining weighted-average assumptions used in applying the Black-Scholes option-pricing model:

Risk-free interest rate	3.7%	2.9%	1.6%
Expected life of option after vesting date	2 years	2 years	2 years
Expected dividend yield	0%	0%	0%

The weighted-average fair value of options granted during fiscal year 2005, 2004, and 2003 was as follows: \$0.50, \$0.24, and \$0.12, respectively.

Segment Reporting — In 1997, the Financial Accounting Standards Board issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." The method of determining what information to report is based on the way that management organizes the operating segments within the Company for making operational decisions and assessments of financial performance. The Company operates under one reportable retail segment. Accordingly, segment information is not applicable.

Recent Accounting Pronouncements — In December 2003, the FASB issued FIN No. 46(R), Consolidation of Variable Interest Entities — an interpretation of ARB No. 51. FIN 46(R) provides

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clarification on the consolidation of certain entities in which equity investors do not have sufficient equity at risk for the entity to finance its activities as variable interest entities ("VIEs"). FIN 46(R) requires that VIEs be consolidated by the entity considered to be the primary beneficiary of the VIE. FIN 46(R) is effective for newly created VIEs after December 31, 2003, and effective in fiscal year 2005 for any VIEs created prior to December 31, 2003. The Company has evaluated the provisions of FIN 46 (R) and the overall financial relationship with all of its franchisees and determined that consolidation was not necessary.

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. SFAS No. 150 clarifies the accounting for certain financial instruments with characteristics of both liabilities and equity and requires that those instruments be classified as liabilities in statements of financial position. Previously, many of those financial instruments were classified as equity. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003 and otherwise is effective at the beginning of the fiscal year 2004. The Company's adoption of SFAS No. 150 did not have an impact on its consolidated financial statements.

In December 2004, the FASB issued SFAS 123R, a revision of SFAS 123. SFAS 123R will require the Company to, among other things, measure all employee stock-based compensation awards using a fair value method and record the expense in the Company's consolidated financial statements. The provisions of SFAS 123R, as amended by SEC Staff Accounting Bulletin No. 107, "Share-Based Payment," are effective no later than the beginning of the next fiscal year that begins after December 15, 2005. The Company will adopt the new requirements using the prospective transition method in its first fiscal quarter of 2007. The Company will continue to account for equity awards outstanding at the date of adoption of Statement 123R in the same manner as they have been accounted for prior to adoption, that is, following the provisions of APB 25. All awards granted, modified or settled after the date of adoption will be accounted for using the measurement, recognition, and attribution provisions of Statement 123R. The Company has not yet determined the impact of the adoption of SFAS 123R on its consolidated financial statements.

In March 2005, the FASB issued Interpretation No. 47, "Accounting for Conditional Asset Retirement Obligations, an interpretation of FASB Statement No. 143" ("FIN 47"). FIN 47 requires the recognition of a liability for the fair value of a legally-required conditional asset retirement obligation when incurred, if the liability's fair value can be reasonably estimated. FIN 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. FIN 47 is effective for fiscal years ending after December 15, 2005. The Company has not yet determined the impact of the adoption of FIN 47 on its consolidated financial statements.

Reclassifications — Certain reclassifications of prior year balances have been made to conform to the fiscal year 2005 presentation.

2. AREA DEVELOPMENT AFFILIATIONS

The Company has entered into development and licensing agreements (the "Agreements") with area developers and various individuals to develop stores in certain geographic regions or venues. These Agreements, generally stipulate that a certain number of stores are to be developed over five years with various renewal options. The Company had cumulatively signed Agreements for a total of 233 stores. As of June 30, 2005, 121 stores have been opened and the Company has active Agreements to open 32 additional stores. Agreements for 80 stores have terminated or expired. The Company recognizes revenue as each of the stores under the Agreements are opened. The Company received a total of \$4,201,000 in non-refundable fees at the time of execution related to

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these Agreements, of which \$478,500 and \$1,198,000 were included in deferred franchise revenue at June 30, 2005 and 2004, respectively. The Company also receives initial franchise fees, royalty, and marketing fees on the individual stores developed. The individual franchise fees are recognized when all material services or conditions have been substantially performed or satisfied, which the Company deems to be at the time a store is opened. The Company is not required to contribute capital as a part of these Agreements.

The Agreements described above include the sale of development rights in 1999 for 50 stores in the Midwest to an area developer (the "Midwest Developer") for \$500,000, which rights expire in 2010. Due to failure of the Midwest Developer to pay amounts owed to the Company, the Company began recognizing revenue related to the Midwest Developer on a cash basis during fiscal year 2001. During fiscal year 2003, the Company consummated a transaction with the Midwest Developer that (a) transferred the development rights for the Illinois market to the Company in exchange for \$1,250,000, of which \$250,000 was immediately applied against amounts owed the Company from the Midwest Developer and the remaining \$1,000,000 was to be paid to the Developer in equal installments over four years. In accordance with SFAS 45, the Company did not create an intangible for the repossession of the rights. The Company also (b) entered into a management agreement with the Midwest Developer whereby the Company will manage existing Midwest Developer stores and provide administrative and accounting services, including store labor costs; and (c) converted the \$503,000 outstanding receivable balance from the Midwest Developer into a note receivable, which was fully reserved. This transaction was accounted for as a repossessed franchisee in accordance with FAS 45 and the Company continues to account for all transactions with the Midwest Developer on a cash basis and recognized revenue when received due to its uncertainty. Franchise fees and royalties recognized during fiscal 2005, 2004, and 2003 were \$110,000, \$240,000 and \$24,000 respectively.

During 2004 and 2003, the Company provided the Midwest Developer employees to operate the Midwest Developer's stores. The providing of the employees was to create a homogeneous employment pool in the Midwest area which would allow for consistent operations, improved quality of service, and others matters affecting customer relations and operations. The Midwest Developer was to reimburse the Company for all employee related expenses. The total cost of these employees being \$3.6 million and \$2.0 million in fiscal 2004 and 2003, respectively, and has been reported as franchise support expense on the consolidated statement of income. The Company received reimbursements from the Midwest Developer of \$1.6 million and \$1.2 million during fiscal years 2004 and 2003, respectively, for these costs which are reported as franchise and other revenue on the consolidated statement of income.

In August 2004, the Company acquired all eight stores in the Illinois market from the above Midwest Developer. The purchase price for these stores was \$956,000, after adjustments for amounts due to the Company for unreimbursed employee costs net of amounts due from the Company to the Developer for the Chicago development rights. As a result of this transaction, the Company was not obligated to refund any balances to the franchisee.

In December 2005, the Management Agreement between the Company and JJC Florida LLC became effective whereby the Company was responsible for the day-to-day operational duties of the 13 Stores owned by JJC Florida. The employees were hired by the Company to manage the stores to provide consistent operations, improved quality of service, and others matters affecting customer relations and operations. JJC Florida is responsible for all employee costs. The total cost of these employees for 2006 is \$700,000 and has been reported as franchise support expense on the consolidated statement of income. Reimbursements from JJC Florida of \$700,000 have

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been reported as franchise and other revenue on the consolidated statement of income. Losses of \$577,000 and \$117,000, respectively for 2005 and 2004 are included in other operating expenses of Jamba Juice Company.

The operating agreement and subsequent amendments between JJC Florida LLC and Jamba Juice Company provided Jamba Juice Company the option to purchase 100% of its partner's interest in the joint venture, valid from October 1, 2008 to December 30, 2008. Under the amendments to the operating agreement, profits and losses are to be allocated to the members in proportion to their cash contributions to the joint venture until the end of the fiscal year during which the cumulative profits of the joint venture equal or exceed the cumulative losses previously realized. Thereafter, profits will be allocated to the members in proportion to their recalculated interests. The recalculated interests of the members are based on the commitment of their additional contributions, with Jamba Juice Company receiving a 25% premium on its additional contributions.

3. PROPERTY, FIXTURES, AND EQUIPMENT

Property, fixtures, and equipment at June 30, 2005 and 2004 consisted of the following (in thousands):

	April 4, 2006 (unaudited)	June 30, 2005	June 30, 2004
Leasehold improvements	\$ 66,356	\$ 57,012	\$ 40,140
Furniture, fixtures and equipment	55,372	48,225	35,385
Construction in progress	4,646	5,400	5,206
Total	126,374	110,637	80,731
Less accumulated depreciation and amortization	(54,577)	(45,225)	(37,642)
Total	\$ 71,797	\$ 65,412	\$ 43,089

4. GOODWILL

There was no change to goodwill during the 40 weeks ended April 4, 2006, or the fiscal years ended June 30, 2005 and 2004, respectively. The recorded amount of goodwill was \$2,663,000 for all periods mentioned.

In 2003, the Company acquired two stores from franchisees. Total consideration paid was \$922,000 in cash and \$9,000 in other costs and liabilities. The acquisitions were accounted for using the purchase method and resulted in goodwill of \$580,000.

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5. OTHER INTANGIBLE ASSETS

Other intangible assets — net represent lease acquisition costs and consist of the following (in thousands):

	Amount	Amortization	Net
Beginning Balance – 2003	\$ 1,485	\$ (667)	\$ 818
Impairment	(72)		(72)
Amortization		(124)	(124)
Ending Balance – 2003	1,413	(791)	622
Retirements	(18)	18	
Amortization		(115)	(115)
Ending Balance – 2004	1,395	(888)	507
Retirements	(60)	60	
Amortization		(111)	(111)
Ending Balance – 2005	1,335	(939)	396
Amortization (unaudited)		(82)	(82)
Ending Balance – 4/4/06 (unaudited)	\$ 1,335	\$ (1,021)	\$ 314

Estimated amortization expense for the next three years is approximately \$96,000 per year until 2009, when the estimated amortization expense will be approximately \$35,000.

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6. ASSET IMPAIRMENT, STORE CLOSURES, AND DISPOSALS

Loss on asset impairment, store closures, and disposals of fixed assets consisted of the following (in thousands):

	April 4, 2006 (unaudited)	April 5, 2005 (unaudited)	June 30, 2005	June 30, 2004 (As restated, see Note 16)	June 30, 2003 (As restated, see Note 16)
Impairment charges	595	397	\$ 397	\$ 532	\$ 1,018
Loss (gain) on store closures	3	22	6	29	(10)
Loss on disposal of other assets	339	521	616	860	547

Total	\$ 937	\$ 940	\$ 1,019	\$ 1,421	\$ 1,555
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Impairment Charges — Due to declining market conditions, competition, insufficient occupancy rates in neighboring businesses and other factors, the Company recorded non-cash charges of \$397,000, \$532,000, and \$1,018,000 in fiscal years 2005, 2004, and 2003, respectively, to write down a portion of the leasehold improvements, furniture and fixtures, and equipment values of certain stores to their estimated fair values.

The impairment charges have been recorded pursuant to SFAS No. 144, Accounting for Impairment or Disposal of Long-Lived Assets. The Company performed a comprehensive review of recoverability of these long-lived assets held for use and impairment was recognized when the future undiscounted cash flows for each store were estimated to be insufficient to recover related carrying values. Impairment losses were measured as the amount by which the carrying amount of the asset exceeded the fair value of the asset. Fair values were based upon the Company's estimate of future discounted cash flows for each store. The Company considered several factors when estimating the future operating cash flows of the stores, including quality of the local market and real estate, the store's historical cash flows, local competition, saturation of markets due to proximity of other stores, general economic conditions and other trends.

The Company continually considers the market conditions and changes occurring in its industry to evaluate the status of individual stores. Management believes that all necessary impairment adjustments have been recorded at June 30, 2005.

Store Closures — During fiscal years 2005, 2004, and 2003, the Company closed two, one and four stores, respectively. The Company recorded charges (income) related to store closures of \$6,000, \$29,000, and \$(10,000) in 2005, 2004 and 2003, respectively. The income recorded during fiscal year 2003 resulted from the reversal of accumulated deferred rent credits, which is the result of expensing the lease cost using the straight-line method over the life of the original lease. Of these charges, \$(8,000), \$(1,000), and \$(76,000) were non-cash. In the year of closure, net revenue for the stores that have closed were \$543,000, \$184,000, and \$304,000 and net operating losses were \$71,000, \$113,000, and \$76,000 in fiscal year 2005, 2004, and 2003, respectively.

Loss on Disposal of Other Assets — During fiscal years 2005, 2004, and 2003, the Company wrote off the net book value of certain assets that were abandoned due to store remodels or upgrade of equipment.

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7. OTHER LONG-TERM ASSETS

Other long-term assets at April 4, 2006, June 30, 2005 and 2004, consisted of the following (in thousands):

	2006	2005	2004
	(unaudited)		

Deposits	\$ 602	\$ 631	\$ 762
Investment in JJC Florida, LLC	1,618	1,839	1,933
Investment in JJC Hawaii, LLC	356	279	215
Other	38	34	127
Total	\$ 2,614	\$ 2,783	\$ 3,037

The Company accounts for its investments in JJC Florida, LLC and JJC Hawaii, LLC under the equity method. The Company owned 35.2% and 5.0% of JJC Florida, LLC and JJC Hawaii, LLC, respectively as of June 30, 2005.

During fiscal year 2004, the Company invested an additional \$2 million dollars in JJC Florida, LLC as part of an amendment to its original Franchise Agreement and License Agreement. Under the amendment, profits and losses are to be allocated to the members in proportion to their cash contributions until the profits for the investment exceed the cumulative losses previously realized. Thereafter, profits shall be allocated to the members in proportion to their recalculated interests. In addition, the recalculated interest for the investment is based on the contributions of the members, except that the Company shall receive a 25% premium for its additional contribution.

The amendment also included the ability of JJC Florida, LLC to defer the marketing, royalty, and front-end fees due the Company. The deferral period ends the earlier of June 30, 2008 or when JJC Florida, LLC becomes cash flow positive for four consecutive quarters. The Company has currently deferred \$740,000 and \$370,000 of fees due from JJC Florida, LLC under this agreement for fiscal 2005 and 2004, respectively, and, will recognize revenue as cash is received.

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8. LEASE COMMITMENTS

The Company leases its office, retail stores and some equipment under operating leases, with terms expiring through 2016. Most store leases contain renewal options of up to 10 years and provide for payment of common area operating expenses and real estate taxes. Rental expense, net of sublease income, was \$17,256,000, \$11,649,000, and \$9,887,000 in 2005, 2004 and 2003, respectively.

The aggregate future minimum annual lease payments at June 30, 2005 were as follows (in thousands):

Fiscal Year Ending:	
2006	\$ 21,879
2007	21,293
2008	19,576
2009	17,007
2010	15,107

Thereafter	52,579
Total minimum lease commitments	\$ 147,441

Future minimum lease payments under operating leases have not been reduced by future minimum sublease rental income of approximately \$261,000 for all future commitments.

9. NOTES PAYABLE

The Company has a revolving line of credit (the Line) for maximum borrowings of up to \$35,000,000 or 1.5 times trailing EBITDA as defined by the agreement for the Line which expires in December 2006. Borrowings on the Line are used for general working capital, capital expenditures and acquisitions, and are limited by certain financial covenants. Borrowings bear interest at either the London InterBank Offering Rate (LIBOR) plus a margin of 2.25% to 3.5% or a Base Rate (determined by certain base rates such as Prime, Federal Funds Effective Rate or Base CD rate) plus a margin of 0% to 1.5%, depending on the Company's adjusted leverage ratio (as defined by the Line). The Line is secured by substantially all of the assets of the Company and requires compliance with certain quarterly financial covenants. As of June 30, 2005 and June 30, 2004, the Company was in compliance with each of these covenants.

The Line prohibits the Company from the following activities; making loans, advances, or other extensions of credit; a 25% change in ownership, consolidation, mergers, or acquisitions; issuing dividends greater than \$250,000 in any fiscal year; sell, assign lease, transfer or dispose of any part of the business; incur capital expenditures in excess of \$22,000,000 in 2004 or \$25,000,000 in each subsequent year. The outstanding balance on the Line was \$18,000,000, \$13,000,000 and \$3,250,000 at April 4, 2006, June 30, 2005, and 2004, respectively, with interest rates of 7.02%, 5.48%, and 4.00% and additional borrowing availability of \$12,060,000, \$5,975,000 and \$14,175,000.

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10. INCOME TAXES

The components of the income tax provision are as follows (in thousands):

	2005	2004	2003
Current provision	\$ (35)	\$ 335	\$ 622
Deferred (benefit) provision	1,130	(11,552)	(1,442)
Income tax expense (benefit) – net	\$ 1,095	\$ (11,217)	\$ (820)

The differences between the effective income tax rate and the United States federal income tax rate is summarized as follows.

	2005	2004	2003
Statutory Federal rate	34.0	34.0	34.0
State income taxes less federal benefit	12.1	3.0	(8.3)
Permanent Differences	9.1	1.7	(27.3)
Change in valuation allowance	—	(273.7)	88.0
Enterprise zone and manufacturers investment credits	(2.0)	(3.9)	398.8
	53.2%	(238.9)%	485.2%

The deferred tax asset consisted of the following temporary differences as of June 30, 2005 and 2004 (in thousands):

	2005	2004
Net operating losses	\$ 394	\$ 1,337
Reserves and accruals	2,041	1,871
Deferred franchise revenue	27	513
Deferred rent		635
Alternative minimum tax and enterprise zone credits	392	1,009
Class action payable	633	953
Other	19	15
Total current deferred tax asset	3,506	6,333
Net operating losses	967	
Deferred rent	770	
Enterprise zone credits	683	
Basis difference in fixed assets	5,938	6,661
Total non-current deferred tax asset	8,358	6,661
Total net deferred tax asset	\$ 11,864	\$ 12,994

A valuation allowance is provided for deferred tax assets when it is more likely than not that some portion of the deferred tax asset will not be realized. The Company has not recorded a valuation allowance at June 30, 2005. During the year ended June 30, 2004, the Company reversed its valuation allowance of \$12,900,000.

As of June 30, 2005, the Company had net operating loss carryforwards for both federal and state tax purposes of approximately \$3,726,000 and \$1,008,000, respectively, which begin to expire in 2008. The utilization of our net operating loss and credit carryforwards may be subject to a substantial annual limitation due to any future ‘‘changes in ownership’’, as defined by provisions of the Internal

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Revenue Code of 1986, as amended, and similar state provisions. Should the Company be subject to this annual limitation, this may result in the expiration of the net operating loss and credit carryforwards before utilization.

As of June 30, 2005, the Company had credit carryforwards for federal and state tax purposes of approximately \$371,000 and \$704,000, respectively, which are unlimited.

11. CONVERTIBLE REDEEMABLE PREFERRED STOCK

From 1994 through 2002, the Company sold 3,000,000, 2,250,053, 7,415,206, 10,028,905, and 2,482,726 shares of Series A, Series B, Series C, Series D, and Series E convertible redeemable preferred stock (the ‘Preferred Stock’), respectively, at prices of \$1.00, \$1.33, \$2.00, \$2.47, and \$2.00 per share, as adjusted respectively, and received \$49,573,000 in net proceeds. In December of 2001, when the Company completed its Series E offering, the conversion price for the Series C and Series D were reduced from \$2.18 and \$2.50 to \$2.00 and \$2.47 respectively. This reduction in the conversion price was a result of the Series E offering being less than the conversion price of the Series C and Series D. The difference between the redemptive value of \$52,162 and the net proceeds was \$2,589. The Company, in accordance with Accounting Principles Board Opinion No. 20, has modified its accounting for the accretion of its convertible redeemable preferred stock to conform to public reporting requirements. Previously the Company did not accrete the carrying value of its convertible redeemable preferred stock. These financial statements reflect the accretion of the convertible redeemable preferred stock to its redemption value as September 2003 (date of redemption) through a charge to accumulated deficit. The accretion amount was 0, \$240,000 and \$958,000 in fiscal year 2005, 2004 and 2003, respectively. The cumulative accretion prior to fiscal 2003 was \$1.5 million.

The Series E offering in December 2001 was composed of 2,482,726 shares of Series E Preferred Stock and 2,482,726 warrants, with a purchase price of \$2.00. The Series E Preferred Stock was valued at \$1.61 per share, and warrants were valued at \$0.39 per warrant. The fair value of the warrants was estimated using the Black-Scholes model with the assumption of risk free interest rate of 5.05%, ten year expected life, a dividend rate of 0% and volatility of 67%. The warrant entitled the holder to purchase a one-third share of the Company’s common stock at an exercise price of \$0.75, or \$2.25 for each full share (the ‘Warrant’). The Warrants are exercisable for a period of 10 years following the issuance date of the Warrants and will be adjusted as needed to account for stock splits, combinations, reclassifications, and reorganizations. Net proceeds from this offering were allocated to convertible redeemable preferred stock and additional paid in capital in the amounts of \$3,655,000 and \$968,000, respectively.

Upon completion of the Series E offering, the Company filed Amended Articles of Incorporation with the California Secretary of State. Upon this filing, Series A, B, C, D, and E Preferred Stock have the following rights and preferences:

Conversion — All outstanding shares of Preferred Stock have the right to convert their shares into common stock at any time. The conversion ratio is approximately one for one. Under the anti-dilution provisions applicable to all shares of Preferred Stock, the conversion price of all series will be subject to adjustment in the event of any stock split, dividend or combination or reclassification or reorganization of the Company’s capital stock or completion of an initial public offering, under certain conditions. The conversion price of Preferred Stock also will be adjusted upon the issuance of additional shares of common stock or warrants or rights to purchase common stock or securities convertible into common stock for per-share consideration that is less than the initial conversion price of the applicable series of Preferred Stock. The Company has reserved for issuance 30,839,000 common shares for conversion of Preferred Stock, stock options, and warrants. In 2005, one stockholder converted 30,000 of Series D preferred stock in to 30,360 shares of common stock.

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The Preferred Stock converts automatically into common stock upon the earlier to occur of the completion of a public offering raising gross proceeds of \$10,000,000 or more and at a stipulated offering price per share or upon the written consent of the holders of the various classes of Preferred Stock.

Dividend Preference — The holders of Series A, Series B, Series C, Series D, and Series E Preferred Stock are entitled, if and when declared by the Board of Directors, to non-cumulative dividends of \$0.10, \$0.133, \$0.21847, \$0.25 and \$0.20, respectively, per share per annum.

Liquidation Preference — If there is a liquidation event (the “Event”) the holders of shares of Preferred Stock then outstanding shall be entitled to be paid, out of the assets of the corporation available for distribution to its stockholders, whether from capital, surplus or earnings (the “Available Assets”), before any payment shall be made in respect of the common stock, an amount equal to \$1.00 per share of Series A, \$1.33333 per share of Series B, \$2.1847 per share of Series C, \$2.50 per share of Series D and \$6.00 per share of Series E (in each case, adjusted for stock dividends, stock splits, stock combinations and the like), plus all declared and unpaid dividends thereon to the date fixed for distribution of assets (the “Liquidation Preference Amount”). If upon an Event the Available Assets shall be insufficient to pay the Liquidation Preference Amount, then the entire assets of the corporation legally available for distribution shall be distributed ratably among the holders of the Preferred Stock so that the per share amount distributed to each series constitutes the same percentage of the full per share Liquidation Preference Amount for each such series. Assets legally available for distribution are defined as (a) positive retained earnings after deducting redemptions and dividends or (b) certain net asset to certain net liability ratios, both as defined by Section 500 of the California Corporations Code.

If there is an Event after the distribution of the Liquidation Preference Amount in accordance with the above, the remaining assets of the Corporation legally available for distribution, if any, to stockholders shall be distributed ratably to the holders of the common stock, the Preferred Stock then outstanding, with each share of the Preferred Stock being treated for such purposes as if it had been converted into common stock at the then-effective rate of conversion.

Voting — Each Series of Preferred Stock is entitled to the number of votes equal to the number of shares of common stock into which it could be converted, with certain restrictions.

Registration Rights — The holders of at least 50% of the shares of Preferred Stock who propose to dispose of at least 15% of such stock at an aggregate offering price to the public of not less than \$5 million may require that the Company, with certain limitations, effect a registration of the stock to be disposed. In addition, the holders of the Company’s Series E Preferred Stock are entitled to unlimited piggyback registration rights on registrations initiated by the Company, with certain limitations.

Redemption — Holders of a majority of shares of each of the Series A, Series B, Series C, Series D, and Series E Preferred Stock may elect, at any time after September 1, 2003, to have the Company redeem all of the then-outstanding shares of the applicable Series at the original purchase price per share, plus all declared but unpaid dividends on each share from funds legally available for distribution. If there are insufficient funds to redeem the number of shares requested, then the Company shall redeem the maximum number of shares for which funds exist. As

of June 30, 2005, there were no funds legally available for distribution.

12. STOCK OPTIONS

Stock Options — The Company maintains two stock option plans, the 1994 Stock Incentive Plan (the “1994 Plan”) and the 2001 Equity Incentive Plan (the “2001 Plan”), which provide for granting

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incentive stock options and non-qualified stock options to employees and certain non-employee directors and consultants. The objectives of these plans include attracting and retaining the best personnel, providing performance incentives, and promoting the success of the Company by providing employees the opportunity to acquire common stock. The 2001 Plan is the only plan with stock option awards available for grant; the 1994 Plan has shares exercisable at June 30, 2003. Under the plans, the Company has reserved 10,600,000 shares of common stock for granting of stock options. Options are granted at an exercise price equal to or greater than the fair market value of the common at the date of the grant. Options remaining under the 1994 Plan generally vest over four years and are exercisable for up to 10 years. Options remaining under the 2001 Plan granted prior to January 1, 2004 vested 20% at date of grant and 20% per year there after. Options granted under the 2001 Plan after January 1, 2004 generally vest 25% on the first anniversary of the grant date and 25% per year thereafter. Shares available for grant were, 780,974 at June 30, 2005.

A summary of all stock option transactions for both plans is as follows as of June 30 (shares in thousands):

	Number of Options			Weighted Average Exercise Price		
	June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2005	June 30, 2004	June 30, 2003
Options outstanding – beginning of fiscal year	5,676	3,913	4,513	\$ 2.00	\$ 1.96	\$ 1.92
Options granted	1,591	2,355	875	3.43	2.10	1.95
Options exercised	(148)	(76)	(287)	2.07	1.55	1.05
Options canceled	(739)	(516)	(1,188)	1.98	2.14	2.05
Options outstanding – end of fiscal year	6,380	5,676	3,913	\$ 2.36	\$ 2.00	\$ 1.96
Options exercisable – end of fiscal year	3,675	3,079	2,217	\$ 2.04	\$ 1.94	\$ 1.93

Information on options outstanding and options exercisable at June 28, 2005 is as follows (shares in thousands):

Range of Exercise Prices

	Number of Options Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
\$0.20 - \$0.65	163	2.56	\$ 0.58	163	\$ 0.58
\$1.86 - \$1.95	2,777	0.20	\$ 1.94	2,548	\$ 1.94
\$2.13 - \$2.50	1,846	7.90	\$ 2.16	709	\$ 2.22
\$2.61 - \$4.00	1,594	9.29	\$ 3.50	255	\$ 3.377
	6,380	7.81		3,675	\$ 2.04

In October 2005, the board of directors of the Company approved accelerated stock option vesting for certain level of employees in the event of a change of control. The accelerated vesting applies to all Jamba Juice option holders who are District Managers, Support Center Managers, Department or Regional Directors and Vice Presidents and above. The Company will be required to record compensation expense in accordance with FIN 44 if an employee is able to exercise an award that otherwise would have expired unexercisable pursuant to the award's original terms.

Stock Option Exchange Program — During the six months prior and subsequent to the implementation of a stock option exchange program in fiscal year 2002, the Company granted

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JAMBA JUICE COMPANY AND SUBSIDIARY NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued) (Information as of April 4, 2006 and for the 40 Weeks Ended April 5, 2005 and April 4, 2006 is Unaudited)

approximately 523,000 options, at an average exercise price of \$4.00 per share. Subsequent to the grant, certain employees were given the opportunity to exchange their options for new options with an exercise price equal to the fair value of the Company's common stock six months from the exchange date. The fair value was established at \$1.86 per share. Due to the exchange, the options granted within six months of the exchange program are subject to variable plan accounting of which 47,150 were outstanding at April 4, 2006. Under variable plan accounting, the Company is required to record a noncash compensation charge for the options until the options are exercised, forfeited or canceled without replacement. The compensation charge will be based on any excess of the fair value of the stock at the end of the reporting period or date of exercise, forfeiture or cancellation without replacement, if earlier, over the exercise price of the related options. The resulting compensation charge to earnings will be recorded as the underlying options vest and subsequent changes in the fair value of the stock will be recorded until the options are exercised, forfeited, or cancelled. Depending upon movements in the market value of the Company's common stock, this accounting treatment may result in significant compensation charges or credits in future periods. The Company recorded a compensation charge of \$93,000, \$9,000, and \$1,000 related to variable plan accounting in 2005, 2004 and 2003 respectively, and is included in other in the consolidated statement of stockholders' deficit.

13. WARRANTS

The Company issued warrants in connection with a preferred stock offering, vendor agreements, acquisitions, and debt financing. A summary of warrant activity is as follows (shares in thousands):

	Number of Warrants			Weighted-Average Exercise Price		
	June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2005	June 30, 2004	June 30, 2003
Warrants outstanding at beginning of fiscal year:						
Common	1,545	1,724	1,724	\$ 2.61	\$ 2.61	\$ 2.61
Preferred	25	25	25	2.00	2.00	2.00
	1,570	1,749	1,749			
Common warrants exercised	(21)			2.62	0.00	0.00
Common warrants canceled	(96)	(179)		2.85	2.50	
Warrants outstanding at end of fiscal year:						
Common	1,428	1,545	1,724	2.61	2.61	2.61
Preferred	25	25	25	2.00	2.00	2.00
	1,453	1,570	1,749	\$ 2.60	\$ 2.60	\$ 2.60

The weighted average remaining contractual life of preferred and common warrants is 4.54, 7.5 and 5 years, respectively. As of April 4, 2006, outstanding warrants are 100% vested. The expense related to warrants was recognized prior to fiscal 2003.

14. EMPLOYEE BENEFIT PLAN

The Company maintains a voluntary defined contribution plan covering all eligible employees. Eligible employees may elect to defer and contribute a percentage of their compensation to the plan, not to exceed the dollar amount set by law. The Company also provides for a matching contribution after one year of employment. During fiscal year 2004, the Company changed their match from 50% of the first 3% of an employee's contributions to a match of 100% of the first 3% of an employee's contributions. During fiscal year 2005 and 2004, the Company contributed \$434,000 and \$114,000, respectively, to the plan. No contributions were made during fiscal year 2003.

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15. OTHER COMMITMENTS AND CONTINGENCIES

Litigation Related — Since fiscal year 2000, the Company had been involved in five related lawsuits with its corporate support center landlord and related parties. Four of these lawsuits were settled subject to a Settlement Agreement dated September 15, 2003 (the "Settlement Agreement"), which provided for settlement of these actions by payment from the defendants (including the Company) of an aggregate of \$6,400,000. The Company's share of this payment is \$2,800,000, of which \$1,800,000 and \$1,000,000 of expense was recognized in fiscal year 2003 and 2002, respectively. The Company, in accordance with the Settlement Agreement, made payment on January 14, 2004. The

fifth lawsuit was settled under a separate agreement dated August 26, 2003, which provided for a payment of \$10,000, which was expensed in fiscal year 2003.

The Company tendered a claim to its insurer for defense and indemnity in two of the lawsuits covered in the Agreement. The insurer denied the claim, which denial was disputed by the Company. The insurer then sued the Company on June 26, 2003, seeking a judicial determination on whether the insurer has a duty to defend or indemnify the Company in these matters. The Company filed a cross complaint seeking damages for the insurer's failure to defend and indemnify the Company in one or more of the above lawsuits. This action was settled during fiscal year 2005 with proceeds received from the insurer of \$2,600,000.

During fiscal year 2003, the Company also settled a class action lawsuit against the Company that alleged that the Company failed to pay overtime wages, in violation of Federal and California law, to current and former employees designated as "General Manager" and "Assistant General Manager." The Company agreed to pay \$3,000,000 plus payroll taxes to the class and its representatives ratably over a five-year period beginning in fiscal year 2004. The net present value of this obligation, including related payroll taxes, is \$2,750,000, which was expensed in fiscal year 2003. Legal costs of \$534,000 related to this lawsuit are also included in litigation settlement costs in fiscal year 2003.

During fiscal year 2004, the Company reduced its estimate of related payroll taxes by \$85,000 and accordingly reduced the accrual.

In January 2006, a lawsuit was filed against Jamba Juice Company by Foodie Partners in the Federal Court in Texas (E. Dist. Texas, Civ. No. 2:06-cv-012). The lawsuit alleges infringement of U.S. Patent No. 5,950,448. The patent in question describes dispensing and combining refrigerated source liquids, ice, and flavoring additives to create a "smoothie" type beverage, and is generally directed to locating various ingredients (source liquids, flavor additives, ice) as well as processing mechanisms (blender, beverage tap, sink, etc.) in relation to specific locations. The plaintiffs seek injunctive relief, damages, and attorney's fees and costs. Due to the early status of this case, Jamba Juice Company cannot estimate the possible loss to the company, if any. Based on a preliminary analysis, Jamba Juice Company believes the claims are without merit and intends to vigorously defend the lawsuit.

Sales Tax Settlement — During fiscal 2005, the Company settled a sales tax audit related to prior years for \$2,600,000.

The Company is also a defendant in certain litigation arising in the normal course of business. In the opinion of management, the ultimate resolution of such litigation will not have a significant effect on the consolidated financial statements.

Employment Agreements — The Company has agreements with certain officers to provide severance benefits in the event their employment is terminated under certain defined circumstances resulting in a contingent liability that is not reflected in the consolidated financial statements as of June 30, 2005.

Other — The Company is the guarantor on three store leases for two franchisees and would be liable for lease payments in the event either of these parties defaulted on their lease obligations. The

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JAMBA JUICE COMPANY AND SUBSIDIARY
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(Information as of April 4, 2006 and for the 40 Weeks Ended April 5, 2005 and April 4, 2006 is Unaudited)

Company has determined the fair value of its guarantee to be insignificant, however, the potential amount of this liability is \$1,025,000 as of June 30, 2005.

The Company has commitments under contracts for the construction of leasehold and other improvements for stores to be opened in fiscal year 2005. Portions of such contracts not completed at the end of fiscal year 2005 are not reflected in the consolidated financial statements. These unrecorded commitments were \$137,000 at June 30, 2005.

16. RELATED PARTY TRANSACTIONS

On December 8, 2004, the Company entered into a four year consulting agreement with Kirk Perron, its founder and a shareholder. Mr. Perron advises and assists the Company and its board of directors in connection with certain projects, public appearances, promotional events and as such other matters as agreed between the Company and Mr. Perron. The terms of the agreement are to make consulting payments of \$150,000 per year. In addition, the Company reimburses Mr. Perron for certain expenses.

In fiscal year 2000, the Company made a loan to Paul Clayton, the Chief Executive Officer of the Company in the amount of \$750,000. The loan bears interest at 6.3% per annum and was forgiven in annual installments on the anniversary of such officer's fifth year of employment which occurred in fiscal year 2005. The Company also agreed to reimburse such officer for taxes on income associated with the loan forgiveness. The loan and tax liability was charged to expense on a pro rata basis over the five year vesting period.

17. RESTATEMENT

During fiscal year 2005, the Company's management initiated a review of its lease-related accounting and determined that its method of accounting for leasehold improvements assets and its method of accounting for rent holidays were not in accordance with generally accepted accounting principles. As a result, the Company has restated its consolidated financial statements for the fiscal years ended July 30, 2004 and 2003.

The Company had historically depreciated leasehold improvement assets over the estimated useful lives for similar owned assets. In the restatement, the Company modified the useful lives of leasehold improvements to limit the depreciable lives of those assets to the lease term, as determined in accordance with SFAS No. 13, Accounting for Leases, which defines the lease term to include the non-cancelable lease term and any option renewal period where failure to exercise such option would result in an economic penalty in such amount that renewal appears, at the inception of the lease, to be reasonably assured.

The Company had historically recognized rent holiday periods on a straight-line basis over the lease term commencing with the store opening date. The store opening date coincided with the commencement of business operations, which is the intended use of the property. In the restatement, the Company modified the lease term to commence on the date the Company takes possession of the leased space for construction purposes, which is generally two months prior to a store opening date.

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JAMBA JUICE COMPANY AND SUBSIDIARY
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Following is a summary of the effects of these changes on the Company's consolidated balance sheets as of July 30, 2004, as well as the effects of these changes on the Company's consolidated statements of earnings for fiscal years 2004 and 2003 (in thousands)

	As Reported	As Restated
As of June 30, 2004:		
Property, fixtures and equipment, net	\$ 43,649	\$ 43,089
Deferred income taxes – Long term	6,221	6,661
Total assets	71,259	71,139
Deferred rent and other long-term liabilities	3,063	5,410
Accumulated deficit	(28,745)	(31,212)
Total common stockholders' deficit	(17,590)	(20,057)
Total liabilities and shareholders' equity	71,259	71,139
For the fiscal year ended June 30, 2004:		
Cost of sales and related occupancy costs	\$ 55,081	\$ 54,887
Depreciation and amortization expense	7,529	7,719
Store pre-opening expense	1,767	2,659
Total operating expenses	166,706	167,594
Income from operations	6,072	5,184
Net income before income tax	5,584	4,696
Income tax benefit	(10,862)	(11,217)
Net income	16,446	15,913
For the fiscal year ended June 30, 2003:		
Cost of sales and related occupancy costs	\$ 44,036	\$ 43,879
Depreciation and amortization expense	7,392	7,511
Store pre-opening expense	684	969
Loss on asset impairment, store closures and disposals	1,589	1,555
Total operating expenses	135,024	135,237
Income from operations	360	147
Net income/(loss) before income tax	44	(169)
Income tax benefit	(735)	(820)
Net income	779	651

The cumulative effect of these accounting changes is an increase to accumulated deficit of \$1,806,000 as of the beginning of fiscal 2003.

18. SUBSEQUENT EVENTS

In November, 2005, the Company amended its line of credit (the "Line") lengthening the availability period from December 2006 to December 2007. As of April 4, 2006, outstanding borrowings are classified as current due to the change of control provision in the Line.

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On March 10, 2006, the Company entered into a merger agreement with Services Acquisition Corp. International (SACI) whereby SACI will acquire all the outstanding common and preferred stock of the Company for approximately \$265 million.

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JJC FLORIDA, LLC

FINANCIAL STATEMENTS

December 13, 2005

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JJC FLORIDA, LLC

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors and Members of
JJC Florida, LLC:

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We have audited the accompanying balance sheet of JJC Florida, LLC (the “Company”) as of December 13, 2005 and the related statements of operations, changes in members’ equity and cash flows for the fiscal year ended December 13, 2005. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JJC Florida, LLC as of December 13, 2005, and the results of its operations and its cash flows for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

Miami, Florida
June 9, 2006

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JJC FLORIDA, LLC
Balance Sheets
December 13, 2005

	2005
ASSETS	
Current Assets	
Cash	\$ 170,413
Receivables	3,183
Inventories	76,890
Prepaid expenses and other current assets	40,678
Total Current Assets	291,164
Property and Equipment	
Leasehold improvements	2,102,400
Furniture, fixtures and equipment	1,888,967
	3,991,367
Accumulated depreciation	(1,493,522)
Property and Equipment, net	2,497,845
Other Assets	35,431
Total Assets	\$ 2,824,440
LIABILITIES AND MEMBERS’ EQUITY	
Current Liabilities	
Accounts payable	\$ 148,221

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Affiliated payable	1,007,722
Accrued liabilities	248,109
Total Current Liabilities	1,404,052
Deferred Rent	111,789
Deferred Tenant Allowances	114,402
Total Liabilities	1,630,243
Commitments and Contingencies (Note 4)	
Members' Equity	1,194,197
Total Liabilities and Members' Equity	\$ 2,824,440

The accompanying notes are an integral part of these financial statements.

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JJC FLORIDA, LLC
 Statements of Operations
 For The Years Ended December 13, 2005

	2005
Net Revenues	\$ 6,639,369
Cost of Goods Sold	1,911,393
Store Operating Expense:	
Payroll and related benefits	2,406,359
Occupancy	888,578
Royalty, consulting and service fees to affiliates	331,969
Marketing and promotion	307,155
Depreciation and amortization	588,764
Other	547,749
Total Store Operating Expenses	5,070,574
Pre-opening Costs	180,841
Store Losses before General, Administrative and Development Expenses Contribution	(523,439)
General, Administrative and Development Expenses:	
Payroll and related benefits	177,737
Depreciation and amortization	33,705
Management fees to affiliates, net	245,035
Other	245,223
Total General, Administrative and Development Expenses	701,700
Net Loss	\$ (1,225,139)

The accompanying notes are an integral part of these financial statements.

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JJC FLORIDA, LLC
 Statements of Changes in Members' Equity
 For The Years Ended December 13, 2005

	Juice Partners Florida, LLC	Jamba Juice Company	Total
Balances, December 28, 2004	(155,471)	1,591,254	1,435,783
Members' Contributions	500,000	483,553	983,553
Net Loss	(808,333)	(416,806)	(1,225,139)
Balances, December 13, 2005	\$ (463,804)	\$ 1,658,001	\$ 1,194,197

The accompanying notes are an integral part of these financial statements.

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JJC FLORIDA, LLC
 Statements of Cash Flows
 For The Years Ended December 13, 2005

	2005
Cash Flows from Operating Activities:	
Net loss	\$ (1,225,139)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation and amortization	622,469
Changes in assets and liabilities:	
Increase in receivables	(2,140)
Decrease in inventories	37,237
Increase in prepaid expenses and other assets	(16,696)
Decrease in accounts payable	(54,551)
Increase in accrued liabilities	4,655
Increase in affiliated payable	122,052
Increase in deferred tenant allowances	114,402
Increase in deferred rent	67,603
Net Cash used in Operating Activities	(330,108)
Cash Flows from Investing Activities:	
Property and equipment expenditures	(603,702)
Cash Flows from Financing Activities:	

Proceeds from members' contributions	983,553
Net Increase in Cash	49,743
Cash, Beginning of Year	120,670
Cash, End of Year	\$ 170,413

The accompanying notes are an integral part of these financial statements.

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JJC FLORIDA, LLC

Notes to Financial Statements

For the Years Ended December 13, 2005

NOTE 1. ORGANIZATION

JJC Florida, LLC (the "Company"), is a Florida limited liability company established on August 13, 1999, pursuant to an operating agreement (the "Agreement") between Juice Partners Florida, LLC (JPF), a Florida limited liability company, and Jamba Juice Company (JJC), a California corporation (herein referred to collectively as the "Members"). The Company was established for the purpose of developing, owning and operating Jamba Juice retail stores in the State of Florida under an exclusive development and licensing agreement (the "License Agreement") with JJC (Note 4). The Company offers a wide variety of fresh blended-to-order smoothies, fresh-squeezed juices, baked goods and snacks through retail stores. The Company manages its operations by store. The Company operated thirteen stores as of December 13, 2005.

JPF is the managing member and is responsible for administering the affairs of the Company. Certain major decisions, as defined, require the approval of a management committee, which is comprised of representatives from JPF and JJC. Prior to the Agreement Amendments discussed below, the Members committed to make up to \$9 million in capital contributions if requested by JPF. As of December 13, 2005, accumulated Members capital contributions approximated \$7,687,500.

On October 20, 2003, the Company entered into two amendments to the Agreement and License Agreement ("Amendments"), whereby JJC shall provide additional capital contributions of up to \$2 million ("Additional Contribution"), thereby increasing the Members total commitment in capital contributions to \$11 million. Under the Amendments, profits and losses are to be allocated to the Members in proportion to their cash contributions to the Company until the end of the fiscal year during which the cumulative profits of the Company equal or exceed the cumulative losses previously realized. Thereafter, profits shall be allocated to the Members in proportion to their recalculated interests. Under the Amendments, the recalculated interests of the Members are based on the commitment of the Additional Contribution, except that the commitment of the Additional Contribution made by JJC shall include a 25 percent premium.

On June 28, 2005, the Company entered into a third amendment (the "Third Amendment") to the Agreement and License Agreement, whereby JJC is provided the option to purchase 100 percent of JPF's interest in the Company for a period of 90 days commencing on October 1, 2008. Furthermore, if in the future, the Company requests additional capital contributions, the actual contribution will contain a 25 percent premium, if only one of the Members participates in the additional capital contribution. In addition, JJC gave notice terminating the Company's right to develop additional Jamba Juice stores and canceling the Company's previously exclusive right to operate Jamba Juice stores in the State of Florida.

The Agreement shall continue through the earlier of the dissolution of the License Agreement or August 31, 2019.

At December 13, 2005, the allocation of profits and losses are based on cash contributions received by the Company are as follows:

JPF	64.8%
JJC	35.2%
	100.0%

During the year ended December 13, 2005, members made capital contributions of \$983,553. This caused the percentages of allocation of profit and losses to vary during the year.

Concentrations of Risk

The Company maintains food distribution contracts primarily with one supplier. This supplier provided during fiscal year 2005, 86% of product cost included in cost of sales, which potentially

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JJC FLORIDA, LLC

Notes to Financial Statements (Continued)

For the Years Ended December 13, 2005

subjects the Company to a concentration of business risk. If this supplier had operational problems or ceased making product available to the Company, operations could be adversely affected.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

During the 2005 fiscal year, the Company changed its fiscal year end from the last Tuesday closest to December 24, to the second Tuesday in December. The 2005 fiscal year ended December 13, 2005 includes 50 weeks.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash primarily consists of demand deposits in interest and non-interest bearing accounts. The carrying amount of these deposits approximates their fair value. The bank balances maintained may, at times, exceed available depository insurance limits. The Company believes no significant concentration of risk exists with respect to these cash balances.

The Company held bank balances in excess of available depository limits of approximately \$84,000 as of December 13, 2005.

Fair Value of Financial Instruments

The carrying value of cash and equivalents, receivables, and accounts payable and accrued expenses approximates fair value. The carrying value of deferred rent and deferred tenant allowances approximate their estimated fair value due to the relatively short maturities.

Inventories

Inventories include only the purchase cost and are stated at lower of cost or market. Cost is determined using the first-in, first-out method (FIFO). Inventories consist of food, beverages and available for sale promotional products.

Property and Equipment

Furniture, fixtures, and equipment are stated at cost less accumulated depreciation and amortization. Depreciation of furniture, fixtures, and equipment is calculated using the straight-line method over the estimated useful life of the asset generally ranging from three to seven years. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease term, which is generally 10 years, commencing the month after the asset is placed in service. The costs of repair and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized.

Depreciation and amortization amounted to \$622,469 as of December 13, 2005.

Long-Lived Assets

Asset impairments are recorded when the carrying values of assets are not recoverable. For purposes of recognizing and measuring impairment of long-lived assets, the Company categorizes assets of operating stores as "Assets to Be Held and Used" and assets of stores that have been closed

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JJC FLORIDA, LLC

Notes to Financial Statements (Continued)

For the Years Ended December 13, 2005

as "Assets to Be Disposed Of." The Company evaluates assets at the store level because this is the lowest level of identifiable cash flows ascertainable to evaluate impairment. Assets being tested for recoverability at this level include tangible long-lived assets.

The Company reviews long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable or at least annually. Impairment losses are measured as the amount by which the carrying amount of assets exceeds the fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset. No impairment losses were incurred in

2005.

Deferred Rent

The Company's lease agreements generally include scheduled rent increases during the lease term, or for rental payments commencing at a date other than the date of initial occupancy. Rent expense is recognized on a straight-line basis over the respective terms of the leases. The difference between the amount charged to operations and cash paid under the leases is recorded as deferred rent.

Deferred Tenant Allowance

Deferred tenant allowance amounts represent tenant allowances provided by the landlord for leasehold improvements at various locations. The tenant allowance amounts were previously recorded as an offset to the respective leasehold improvements which the Company determined was not in accordance with generally accepted accounting principles but was not material enough to restate prior year's financial statements. These amounts are amortized over the shorter of the related leasehold improvement life or the term of the lease.

Revenue Recognition

Revenue is recognized when the product is sold. Revenue from jambacards and gift certificates are recognized upon redemption. If collection is doubtful, a receivable and an allowance are recorded without any revenue recognition. Revenue is recognized at the time such receivables are collected. There was no allowance required as of December 13, 2005.

Pre-opening Costs

Pre-opening costs include certain costs incurred to establish a new store location and costs incurred in connection with the start-up of its operations.

The Company records pre-opening expenses in accordance with Statement of Position 98-5, Reporting on the Costs of Start-Up Activities, which requires costs of start-up activities and organization costs to be expensed as incurred.

Marketing and Promotion

All marketing and promotion costs are expensed as incurred. Marketing and promotion costs amounted to \$307,155 as of December 13, 2005.

Income Taxes

Income or loss for tax reporting purposes is the responsibility of the individual members and, accordingly, no provision or benefit for income taxes is recorded by the Company.

Segment Reporting

In 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 131, Disclosures about Segments of an Enterprise and Related Information. The method of determining what information to report is based on the way that management organizes the operating segments within the Company for making operational decisions

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JJC FLORIDA, LLC
Notes to Financial Statements (Continued)
For the Years Ended December 13, 2005

and assessments of financial performance. The Company operates under one reportable retail segment. Accordingly, segment information is not applicable.

Recent Accounting Pronouncements

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. SFAS No. 150 clarifies the accounting for certain financial instruments with characteristics of both liabilities and equity and requires that those instruments be classified as liabilities in statements of financial position. Previously, many of those financial instruments were classified as equity. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003 and otherwise is effective at the beginning of the fiscal year 2004. The Company's adoption of SFAS No. 150 did not have an impact on its financial statements.

The Company adopted FASB Interpretation No. 46 and 46R, Consolidation of Variable Interest Entities, effective December 29, 2002. Interpretation 46, as revised in December 2003, changes the accounting model for consolidation from one based on control through voting interests to one based on control through economic interests. Whether to consolidate an entity now also considers whether that entity has sufficient equity at risk to enable it to operate without additional subordinated financial support, whether the equity owners in that entity lack the obligation to absorb expected losses or the right to receive residual returns of the entity, or whether voting rights in the entity are not proportional to the equity interest and substantially all the entity's activities are conducted for an investor with few voting rights. This interpretation requires a Company to consolidate variable interest entities (VIE's) if the enterprise is a primary beneficiary of the VIE and the VIE possesses specific characteristics. It also requires additional disclosures for parties involved with VIE's. The adoption of this statement did not have a material impact on the Company's results of operations or financial position because the Company does not invest or participate in any entities, which would be considered VIE's under Interpretation 46.

In December 2004, the FASB issued SFAS No. 151, Inventory Costs, which clarifies the accounting for freight, handling costs, and wasted material (spoilage). Under this Statement, such items will be recognized as current-period charges. In addition, the Statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. This Statement will be effective for the Company for inventory costs incurred on or after January 1, 2006. The Company does not expect the adoption of this Statement to have a significant effect on the Company's financial statements.

In March 2005, the FASB issued Interpretation No. 47, Accounting for Conditional Asset Retirement Obligations, an interpretation of SFAS No. 143 (FIN 47). FIN 47 requires the recognition of a liability for the fair value of a legally-required conditional asset retirement obligation when incurred, if the liability's fair value can be reasonably estimated. FIN 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. FIN 47 is effective for fiscal years ending after December 15, 2005. The Company does not expect the adoption of SFAS 143 to have a significant effect on the Company's financial statements.

In May 2005, the FASB issued SFAS No. 154, Accounting Changes and Error Corrections, which supersedes Accounting Principles Board Opinion No. 20, Accounting Changes and SFAS No. 3, Reporting Accounting Changes

in Interim Financial Statements. SFAS 154 changes the requirements for the accounting for and reporting of changes in accounting principles. The statement requires the retroactive application to prior periods' financial statements of changes in accounting principles, unless it is impracticable to determine either the period specific effects or the cumulative effect of the change. SFAS 154 does not change the guidance for reporting the correction of an error in previously issued financial statements or the change in an accounting estimate. SFAS 154 is effective for

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JJC FLORIDA, LLC
 Notes to Financial Statements (Continued)
 For the Years Ended December 13, 2005

accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. The Company does not expect the adoption of SFAS 154 to have a material impact on its results of operations and financial condition.

NOTE 3. INVENTORIES
 Inventories consisted of the following:

	December 13, 2005
Store restaurant	\$ 65,355
Store retail	11,535
	\$ 76,890

Lease Commitments

The Company leases its store locations under operating leases expiring through 2015. Most of the leases provide for renewable option periods. Total lease expense approximated \$624,000 as of December 13, 2005.

At December 13, 2005, the future minimum rental commitments under these leases, including renewal options likely to be exercised, were approximately:

Year ended December,	
2006	\$ 601,000
2007	607,000
2008	609,000
2009	653,000
2010	623,000
Thereafter	1,604,000
	\$ 4,697,000

In addition to the amounts above, the Company is responsible for common area maintenance costs, real property taxes and additional rents, based on revenues, pursuant to certain store leases.

The Company entered into a lease agreement with a third-party to lease blender equipment for its store operations and is charged 2.0 cents per blended beverage sold.

Blender charges are included in other store operating expenses in the accompanying statements of operations. As of December 13, 2005 charges incurred were approximately \$31,000.

Other Commitments and Contingencies

Royalty and Service Fees

The Company pays royalty and service fees equal to 5 percent of Net Sales, as defined, pursuant to the License Agreement with JJC.

Pursuant to the Amendment discussed in Note 1, payment of the royalty fees are deferred until the earlier of the time that the Company maintains positive cash flow for four consecutive quarters or June 30, 2008, at which time the deferred royalty fees become payable over a 12 month period and include interest based on the Company's prevailing rate, as calculated quarterly. The deferral of royalty fees is retroactively effective to January 1, 2003.

In 2005, the Company incurred approximately \$332,000 in royalty fees, respectively. At December 13, 2005, unpaid royalty fees and related interest expense in the amount of approximately \$741,000, were included in accrued liabilities.

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JJC FLORIDA, LLC

Notes to Financial Statements (Continued)

For the Years Ended December 13, 2005

Territorial Fees

Pursuant to the License Agreement, the Company paid a territorial fee of \$125,000 in 2000 to JJC for the development of the first ten Jamba Juice stores in Florida. According to the License Agreement, the Company is also required to pay JJC a front-end fee, the amount of which is determined by the total number of Jamba Juice stores in Florida and Hawaii combined. The Hawaii Jamba Juice stores are owned and operated by JJC Hawaii, LLC, a Hawaii limited liability company and affiliated entity.

The front-end fees are \$12,500 per store for the first ten Florida stores and \$25,000 per store thereafter, if the combined store count is less than twenty-five. However, if the combined store count equals or exceeds twenty-five, then the front-end fee shall be reduced to \$2,500 per store for the first ten Florida stores and \$15,000 thereafter.

Pursuant to the Amendment discussed in Note 1, the payment of front-end fees are deferred until the earlier of the time that the Company maintains positive cash flow for four consecutive quarters or June 30, 2008, at which time the deferred front-end fees become payable over a 12 month period and include interest based on the Company's

prevailing rate, as calculated quarterly. The deferral of front-end fees is retroactively effective to January 1, 2003.

The Company incurred front-end fees of \$18,000 in 2005, which were expensed as preopening costs.

Marketing Requirement

Based on the License Agreement, the Company was originally committed to spend a minimum of 1.5 percent of Net Sales, as defined, on marketing and promotions in the State of Florida. The License Agreement also required the Company to contribute 3.5 percent of Net Sales, as defined, to JJC's national marketing fund. Prior to the amendments discussed below, for the first five years following the opening of the first Florida store, JJC was required to spend a minimum of three-sevenths of contributions received from the Company toward the direct marketing of the Jamba Juice brand, services and products in the State of Florida. Such contributions were to be expended within twelve months of receipt or otherwise be reimbursed to the Company. Following the said five-year period, JJC expected to have a national marketing program in place with direct benefit to the State of Florida and as such, would no longer be obligated to spend the minimum three-sevenths of national marketing fund contributions toward direct marketing in the State of Florida.

In July 2001, JJC revised its policy with regard to marketing requirements. Under the revised policy, the Company's obligation to spend 1.5 percent of Net Sales, as defined, on marketing and promotions in the State of Florida was suspended by JJC until further notice. In addition, effective July 1, 2001, the Company was required to contribute 1.5 percent of Net Sales to JJC's national marketing fund and spend an additional 2 percent of Net Sales, previously remitted to JJC, for JJC-approved local marketing.

On July 24, 2002, a second revision to JJC's policy was made which increased the national marketing fund contribution to 1.7 percent of Net Sales and reduced the JJC-approved local marketing spending correspondingly to 1.8 percent of Net Sales.

On August 5, 2005, a third revision to JJC's policy was made, which increased the national marketing fund contribution to 2.0 percent of Net Sales and reduced the JJC-approved local marketing spending correspondingly to 1.5 percent of Net Sales.

The policy terms are subject to change at any time at JJC's sole discretion and JJC may perform audits as deemed necessary to ensure the spending is timely and relates to bona fide marketing activities. Pursuant to the Amendment discussed in Note 1, national marketing fund contributions are deferred retroactively from January 1, 2003 until the earlier of the time that the Company maintains

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JJC FLORIDA, LLC
Notes to Financial Statements (Continued)
For the Years Ended December 13, 2005

positive cash flow for four consecutive quarters or June 30, 2008, at which time the deferred contributions become payable over a 12 month period and include interest based on the Company's prevailing rate, as calculated quarterly.

At December 13, 2005, unpaid marketing fund contributions in the amount of \$267,000, were included in accrued liabilities. As of December 13, 2005, the Company was in compliance with these marketing requirements.

Distributor Agreements

The Company entered into two third-party distributor agreements whereby most of the Company's retail and restaurant inventory is purchased. Either party, given proper notice as specified in these agreements, may terminate these agreements at any time.

Litigation

The Company may be involved in litigation arising from transactions in the ordinary course of business. Management believes that the ultimate liability, if any, resulting from transactions in the ordinary course of business will not have a material effect on the financial condition and results of operations of the Company.

NOTE 5. EMPLOYEE BENEFIT PLAN

The Company offers a 401(K) retirement savings plan (the "Plan"), where eligible employees may contribute up to 25 percent of their compensation, as defined. The Company may make discretionary profit sharing contributions based on the employees' compensation, as defined. Administrative expenses and other costs to administer the Plan, unless paid directly by the Company, are paid for by the Plan. The Company made no discretionary contributions in 2005.

NOTE 6. RELATED PARTY TRANSACTIONS

Coffee Partners Hawaii

In 2001, the Company entered into a management agreement with Coffee Partners Hawaii (CPH), a Hawaii general partnership and affiliated entity. Under the terms of this agreement, certain administrative services and/or support such as accounting, payroll administration, executive management, store development, marketing, human resources, and training are to be provided to the Company in return for a management fee. The agreement also provides for certain management and development consulting services to be provided to CPH by the Company. In 2005, the Company incurred CPH management fees of approximately \$172,000.

Café Del Caribe, LLC

In 2002, the Company entered into a management agreement with affiliate Café Del Caribe, LLC (CDC), a Delaware limited liability company, whereby certain executive management, administrative, marketing and store development services and/or support are provided to CDC in return for a management fee. The Company recognized management fees of approximately \$3,000 in 2005 in conjunction with this agreement.

JJC

In 2004, the Company entered into a consulting agreement with JJC for consultation regarding the design, development and construction of stores constructed by the Company and the purchase of store furnishings and equipment. In 2005, the Company incurred consulting fees of \$16,000, related to this agreement.

In June 28, 2005, the Company entered into a management agreement with JJC for JJC to manage and perform all of the day-to-day operations of the Company's stores. JJC will also perform complete accounting services for the Company. In 2005, the Company incurred approximately \$73,000 in management fees.

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JJC FLORIDA, LLC
Notes to Financial Statements (Continued)
For the Years Ended December 13, 2005

Affiliates

Certain related parties paid for various expenses on behalf of the Company. In addition, amounts are owed to related parties for management fees. As of December 13, 2005, related amounts owed were approximately \$92,000, of which, \$60,000 is reflected in accounts payable and approximately \$32,000 is reflected in accrued liabilities.

NOTE 7. SUBSEQUENT EVENT

The Company entered into a management agreement with JJC on June 28, 2005. This agreement called for JJC to hire all of the store employees as well as the Company's two district managers and one marketing manager. On December 14, 2005, JJC hired the store team members of the Company.

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JJC FLORIDA, LLC

FINANCIAL STATEMENTS

December 28, 2004 (unaudited)
and December 23, 2003 (unaudited)

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JJC FLORIDA, LLC
Notes to Financial Statements
For The Years Ended December 28, 2004 (Unaudited)
and December 23, 2003 (Unaudited)

NOTE 1. ORGANIZATION

JJC Florida, LLC (the "Company"), is a Florida limited liability company established on August 13, 1999, pursuant to an operating agreement (the "Agreement") between Juice Partners Florida, LLC (JPF), a Florida limited liability company, and Jamba Juice Company (JJC), a California corporation (herein referred to collectively as the "Members"). The Company was established for the purpose of developing, owning and operating Jamba Juice retail stores in the

State of Florida under an exclusive development and licensing agreement (the “License Agreement”) with JJC (Note 4). The Company offers a wide variety of fresh blended-to-order smoothies, fresh-squeezed juices, baked goods and snacks through retail stores. The Company manages its operations by store. The Company operated eleven stores as of December 28, 2004 and six stores as of December 23, 2003.

JPF is the managing member and is responsible for administering the affairs of the Company. Certain major decisions, as defined, require the approval of a management committee, which is comprised of representatives from JPF and JJC. Prior to the Agreement Amendments discussed below, the Members committed to make up to \$9 million in capital contributions if requested by JPF. As of December 28, 2004 and December 23, 2003, accumulated Members capital contributions approximated \$6,704,000 and \$4,204,000, respectively.

On October 20, 2003, the Company entered into two amendments to the Agreement and License Agreement (“Amendments”), whereby JJC shall provide additional capital contributions of up to \$2 million (“Additional Contribution”), thereby increasing the Members total commitment in capital contributions to \$11 million. Under the Amendments, profits and losses are to be allocated to the Members in proportion to their cash contributions to the Company until the end of the fiscal year during which the cumulative profits of the Company equal or exceed the cumulative losses previously realized. Thereafter, profits shall be allocated to the Members in proportion to their recalculated interests. Under the Amendments, the recalculated interests of the Members are based on the commitment of the Additional Contribution, except that the commitment of the Additional Contribution made by JJC shall include a 25 percent premium.

At December 28, 2004, the allocation of profits and losses are based on cash contributions received by the Company are as follows:

JPF	66.8%
JJC	33.2%
	100.0%

During the year ended December 28, 2004, members made capital contributions of \$2,500,000. This caused the percentages of allocation of profit and losses to vary during the year.

Concentrations of Risk

The Company maintains food distribution contracts primarily with one supplier. This supplier provided during fiscal year 2005, 86% of product cost included in cost of sales, which potentially subjects the Company to a concentration of business risk. If this supplier had operational problems or ceased making product available to the Company, operations could be adversely affected.

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JJC FLORIDA, LLC
Notes to Financial Statements
For The Years Ended December 28, 2004 (Unaudited)
and December 23, 2003 (Unaudited)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company's fiscal year ends on the last Tuesday closest to December 24. The 2004 fiscal year ended December 28, 2004 includes 53 weeks. The 2003 fiscal year ended December 23, 2003 includes 52 weeks.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash primarily consists of demand deposits in interest and non-interest bearing accounts. The carrying amount of these deposits approximates their fair value. The bank balances maintained may, at times, exceed available depository insurance limits. The Company believes no significant concentration of risk exists with respect to these cash balances.

The Company held bank balances in excess of available depository limits of approximately \$105,000 and \$202,000, as of December 28, 2004 and December 23, 2003, respectively.

Fair Value of Financial Instruments

The carrying value of cash and equivalents, receivables, and accounts payable and accrued expenses approximates fair value. The carrying value of deferred rent and deferred tenant allowances approximate their estimated fair value due to the relatively short maturities.

Inventories

Inventories include only the purchase cost and are stated at lower of cost or market. Cost is determined using the first-in, first-out method (FIFO). Inventories consist of food, beverages and available for sale promotional products.

Property and Equipment

Furniture, fixtures, and equipment are stated at cost less accumulated depreciation and amortization. Depreciation of furniture, fixtures, and equipment is calculated using the straight-line method over the estimated useful life of the asset generally ranging from three to seven years. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease term, which is generally 10 years, commencing the month after the asset is placed in service. The costs of repair and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized.

Depreciation and amortization amounted to \$415,306 and \$303,850, as of December 28, 2004 and December 23, 2003, respectively.

Long-Lived Assets

Asset impairments are recorded when the carrying values of assets are not recoverable. For purposes of recognizing and measuring impairment of long-lived assets, the Company categorizes

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JJC FLORIDA, LLC

Notes to Financial Statements

For The Years Ended December 28, 2004 (Unaudited)
and December 23, 2003 (Unaudited)

assets of operating stores as “Assets to Be Held and Used” and assets of stores that have been closed as “Assets to Be Disposed Of.” The Company evaluates assets at the store level because this is the lowest level of identifiable cash flows ascertainable to evaluate impairment. Assets being tested for recoverability at this level include tangible long-lived assets.

The Company reviews long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable or at least annually. Impairment losses are measured as the amount by which the carrying amount of assets exceeds the fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset. No impairment losses were incurred in 2004 and 2003.

Deferred Rent

The Company’s lease agreements generally include scheduled rent increases during the lease term, or for rental payments commencing at a date other than the date of initial occupancy. Rent expense is recognized on a straight-line basis over the respective terms of the leases. The difference between the amount charged to operations and cash paid under the leases is recorded as deferred rent.

Revenue Recognition

Revenue is recognized when the product is sold. Revenue from jambacards and gift certificates are recognized upon redemption. If collection is doubtful, a receivable and an allowance are recorded without any revenue recognition. Revenue is recognized at the time such receivables are collected. There was no allowance required as of December 28, 2004 and December 23, 2003.

Pre-opening Costs

Pre-opening costs include certain costs incurred to establish a new store location and costs incurred in connection with the start-up of its operations.

The Company records pre-opening expenses in accordance with Statement of Position 98-5, Reporting on the Costs of Start-Up Activities, which requires costs of start-up activities and organization costs to be expensed as incurred.

Marketing and Promotion

All marketing and promotion costs are expensed as incurred. Marketing and promotion costs amounted to \$307,044 and \$184,878 as of December 28, 2004 and December 23, 2003, respectively.

Income Taxes

Income or loss for tax reporting purposes is the responsibility of the individual members and, accordingly, no provision or benefit for income taxes is recorded by the Company.

Segment Reporting

In 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 131, Disclosures about Segments of an Enterprise and Related Information. The method of determining what information to report is based on the way that management organizes the operating segments within the Company for making operational decisions and assessments of financial performance. The Company operates under one reportable retail segment. Accordingly, segment information is not applicable.

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JJC FLORIDA, LLC

Notes to Financial Statements

For The Years Ended December 28, 2004 (Unaudited)
and December 23, 2003 (Unaudited)

Recent Accounting Pronouncements

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. SFAS No. 150 clarifies the accounting for certain financial instruments with characteristics of both liabilities and equity and requires that those instruments be classified as liabilities in statements of financial position. Previously, many of those financial instruments were classified as equity. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003 and otherwise is effective at the beginning of the fiscal year 2004. The Company's adoption of SFAS No. 150 did not have an impact on its financial statements.

The Company adopted FASB Interpretation No. 46 and 46R, Consolidation of Variable Interest Entities, effective December 29, 2002. Interpretation 46, as revised in December 2003, changes the accounting model for consolidation from one based on control through voting interests to one based on control through economic interests. Whether to consolidate an entity now also considers whether that entity has sufficient equity at risk to enable it to operate without additional subordinated financial support, whether the equity owners in that entity lack the obligation to absorb expected losses or the right to receive residual returns of the entity, or whether voting rights in the entity are not proportional to the equity interest and substantially all the entity's activities are conducted for an investor with few voting rights. This interpretation requires a Company to consolidate variable interest entities (VIE's) if the enterprise is a primary beneficiary of the VIE and the VIE possesses specific characteristics. It also requires additional disclosures for parties involved with VIE's. The adoption of this statement did not have a material impact on the Company's results of operations or financial position because the Company does not invest or participate in any entities, which would be considered VIE's under Interpretation 46.

In December 2004, the FASB issued SFAS No. 151, Inventory Costs, which clarifies the accounting for freight, handling costs, and wasted material (spoilage). Under this Statement, such items will be recognized as current-period charges. In addition, the Statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. This Statement will be effective for the Company for inventory costs incurred on or after January 1, 2006. The Company does not expect the adoption of this Statement to

have a significant effect on the Company's financial statements.

NOTE 3. INVENTORIES

Inventories consisted of the following:

	December 28, 2004	December 23, 2003
Store restaurant	\$ 103,510	\$ 53,377
Store retail	10,617	7,438
	\$ 114,127	\$ 60,815

NOTE 4. COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Company leases its store locations under operating leases expiring through 2015. Most of the leases provide for renewable option periods. Total lease expense approximated \$392,000 and \$260,000 as of December 28, 2004 and December 23, 2003, respectively.

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JJC FLORIDA, LLC

Notes to Financial Statements

For The Years Ended December 28, 2004 (Unaudited)
and December 23, 2003 (Unaudited)

At December 28, 2004, the future minimum rental commitments under these leases, including renewal options likely to be exercised, were approximately:

Year ended December,	
2005	\$ 585,000
2006	667,000
2007	543,000
2008	543,000
2009	563,000
Thereafter	2,157,000
	\$ 5,058,000

In addition to the amounts above, the Company is responsible for common area maintenance costs, real property taxes and additional rents, based on revenues, pursuant to certain store leases.

The Company entered into a lease agreement with a third-party to lease blender equipment for its store operations and is charged 3.0 cents per blended beverage sold. Beginning August 2003, the charge decreased to 2.0 cents per blended

beverage sold.

Blender charges are included in other store operating expenses in the accompanying statements of operations. As of December 28, 2004 and December 23, 2003 charges incurred were approximately \$24,000 and \$23,000, respectively.

Other Commitments and Contingencies

Royalty and Service Fees

The Company pays royalty and service fees equal to 5 percent of Net Sales, as defined, pursuant to the License Agreement with JJC.

Pursuant to the Amendment discussed in Note 1, payment of the royalty fees are deferred until the earlier of the time that the Company maintains positive cash flow for four consecutive quarters or June 30, 2008, at which time the deferred royalty fees become payable over a 12 month period and include interest based on the Company's prevailing rate, as calculated quarterly. The deferral of royalty fees is retroactively effective to January 1, 2003.

In 2004 and 2003, the Company incurred approximately \$231,000 and \$168,000 in royalty fees, respectively. At December 28, 2004 and December 23, 2003, unpaid royalty fees and related interest expense in the amount of approximately \$407,000 and \$166,000, respectively, were included in accrued liabilities.

Territorial Fees

Pursuant to the License Agreement, the Company paid a territorial fee of \$125,000 in 2000 to JJC for the development of the first ten Jamba Juice stores in Florida. According to the License Agreement, the Company is also required to pay JJC a front-end fee, the amount of which is determined by the total number of Jamba Juice stores in Florida and Hawaii combined. The Hawaii Jamba Juice stores are owned and operated by JJC Hawaii, LLC, a Hawaii limited liability company and affiliated entity.

The front-end fees are \$12,500 per store for the first ten Florida stores and \$25,000 per store thereafter, if the combined store count is less than twenty-five. However, if the combined store count equals or exceeds twenty-five, then the front-end fee shall be reduced to \$2,500 per store for the first ten Florida stores and \$15,000 thereafter.

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JJC FLORIDA, LLC

Notes to Financial Statements

For The Years Ended December 28, 2004 (Unaudited)
and December 23, 2003 (Unaudited)

Pursuant to the Amendment discussed in Note 1, the payment of front-end fees are deferred until the earlier of the time that the Company maintains positive cash flow for four consecutive quarters or June 30, 2008, at which time the deferred front-end fees become payable over a 12 month period and include interest based on the Company's prevailing rate, as calculated quarterly. The deferral of front-end fees is retroactively effective to January 1, 2003.

The Company incurred front-end fees of \$12,500 in 2004, which were expensed as preopening costs. No front-end fees were incurred in 2003.

Marketing Requirement

Based on the License Agreement, the Company was originally committed to spend a minimum of 1.5 percent of Net Sales, as defined, on marketing and promotions in the State of Florida. The License Agreement also required the Company to contribute 3.5 percent of Net Sales, as defined, to JJC's national marketing fund. Prior to the amendments discussed below, for the first five years following the opening of the first Florida store, JJC was required to spend a minimum of three-sevenths of contributions received from the Company toward the direct marketing of the Jamba Juice brand, services and products in the State of Florida. Such contributions were to be expended within twelve months of receipt or otherwise be reimbursed to the Company. Following the said five-year period, JJC expected to have a national marketing program in place with direct benefit to the State of Florida and as such, would no longer be obligated to spend the minimum three-sevenths of national marketing fund contributions toward direct marketing in the State of Florida.

In July 2001, JJC revised its policy with regard to marketing requirements. Under the revised policy, the Company's obligation to spend 1.5 percent of Net Sales, as defined, on marketing and promotions in the State of Florida was suspended by JJC until further notice. In addition, effective July 1, 2001, the Company was required to contribute 1.5 percent of Net Sales to JJC's national marketing fund and spend an additional 2 percent of Net Sales, previously remitted to JJC, for JJC-approved local marketing.

On July 24, 2002, a second revision to JJC's policy was made which increased the national marketing fund contribution to 1.7 percent of Net Sales and reduced the JJC-approved local marketing spending correspondingly to 1.8 percent of Net Sales.

The policy terms are subject to change at any time at JJC's sole discretion and JJC may perform audits as deemed necessary to ensure the spending is timely and relates to bona fide marketing activities. Pursuant to the Amendment discussed in Note 1, national marketing fund contributions are deferred retroactively from January 1, 2003 until the earlier of the time that the Company maintains positive cash flow for four consecutive quarters or June 30, 2008, at which time the deferred contributions become payable over a 12 month period and include interest based on the Company's prevailing rate, as calculated quarterly.

At December 28, 2004 and December 23, 2003, unpaid marketing fund contributions in the amount of \$148,000 and \$66,000, respectively, were included in accrued liabilities. As of December 28, 2004 and December 23, 2003, the Company was in compliance with these marketing requirements.

Distributor Agreements

The Company entered into two third-party distributor agreements whereby most of the Company's retail and restaurant inventory is purchased. Either party, given proper notice as specified in these agreements, may terminate these agreements at any time.

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JJC FLORIDA, LLC

Notes to Financial Statements

For The Years Ended December 28, 2004 (Unaudited)

and December 23, 2003 (Unaudited)

Litigation

The Company may be involved in litigation arising from transactions in the ordinary course of business. Management believes that the ultimate liability, if any, resulting from transactions in the ordinary course of business will not have a material effect on the financial condition and results of operations of the Company.

NOTE 5. EMPLOYEE BENEFIT PLAN

The Company offers a 401(K) retirement savings plan (the "Plan"), where eligible employees may contribute up to 25 percent of their compensation, as defined. The Company may make discretionary profit sharing contributions based on the employees' compensation, as defined. Administrative expenses and other costs to administer the Plan, unless paid directly by the Company, are paid for by the Plan. The Company made no discretionary contributions in 2004 and 2003.

NOTE 6. RELATED PARTY TRANSACTIONS

Coffee Partners Hawaii

In 2001, the Company entered into a management agreement with Coffee Partners Hawaii (CPH), a Hawaii general partnership and affiliated entity. Under the terms of this agreement, certain administrative services and/or support such as accounting, payroll administration, executive management, store development, marketing, human resources, and training are to be provided to the Company in return for a management fee. The agreement also provides for certain management and development consulting services to be provided to CPH by the Company. In 2004 and 2003, the Company incurred CPH management fees of approximately \$286,000 and \$226,000, respectively.

Café Del Caribe, LLC

In 2002, the Company entered into a management agreement with affiliate Café Del Caribe, LLC (CDC), a Delaware limited liability company, whereby certain executive management, administrative, marketing and store development services and/or support are provided to CDC in return for a management fee. The Company recognized management fees of approximately \$24,000 and \$19,000 in 2004 and 2003, respectively in conjunction with this agreement.

JJC

In 2004, the Company entered into a consulting agreement with JJC for consultation regarding the design, development and construction of stores constructed by the Company and the purchase of store furnishings and equipment. In 2004, the Company incurred consulting fees of \$32,000 related to this agreement.

Affiliates

Certain related parties paid for various expenses on behalf of the Company. In addition, amounts are owed to related parties for management fees. As of December 28, 2004, related amounts owed were approximately \$362,000, of which, \$45,000 is reflected in accounts payable and approximately \$317,000 is reflected in accrued liabilities. As of December 23, 2003, related amounts owed were approximately \$395,000, of which, is reflected in accrued liabilities.

NOTE 7. SUBSEQUENT EVENT

The Company entered into a management agreement with JJC on June 28, 2005. This agreement called for JJC to hire all of the store employees as well as the Company's two district managers and one marketing manager. On December 14, 2005, JJC hired the store team members of the Company.

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JJC FLORIDA, LLC

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JJC FLORIDA, LLC

Balance Sheets

December 13, 2004 (unaudited)

and December 28, 2003 (unaudited)

	2004	2003
ASSETS		
Current Assets		
Cash	\$ 120,670	\$ 127,490
Receivables	1,043	8,786
Inventories	114,127	60,815
Prepaid expenses and other current assets	22,374	18,615
Total Current Assets	258,214	215,706
Property and Equipment		
Leasehold improvements	1,758,152	1,045,760
Furniture, fixtures and equipment	1,705,577	1,019,110
	3,463,729	2,064,870

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Accumulated depreciation	(947,117)	(718,923)
Property and Equipment, net	2,516,612	1,345,947
Other Assets	37,039	33,862
Total Assets	\$ 2,811,865	\$ 1,595,515

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities		
Accounts payable	\$ 202,772	\$ 179,224
Affiliated payable	885,670	567,145
Accrued liabilities	243,454	201,741
Total Current Liabilities	1,331,896	948,110
Deferred Rent	44,186	50,260
Total Liabilities	1,376,082	998,370
Commitments and Contingencies (Note 4)		
Members' Equity	1,435,783	597,145
Total Liabilities and Members' Equity	\$ 2,811,865	\$ 1,595,515

The accompanying notes are an integral part of these financial statements.

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JJC FLORIDA, LLC

Statements of Operations

For The Years Ended December 28, 2004 (unaudited)
and December 23, 2003 (unaudited)

	2004	2003
Net Revenues	\$ 4,623,078	\$ 3,377,243
Cost of Goods Sold	1,299,084	947,010
Store Operating Expense:		
Payroll and related benefits	1,764,155	1,253,856
Occupancy	613,604	387,446
Royalty, consulting and service fees to affiliates	231,147	230,020
Marketing and promotion	307,044	184,878
Depreciation and amortization	384,631	261,321
Other	368,648	256,040
Total Store Operating Expense	3,669,229	2,573,561
Pre-Opening Costs	195,809	18,534
Store Losses before General, Administrative and Development Expenses Contribution	(541,044)	(161,862)
General, Administrative and Development Expenses:		
Payroll and related benefits	304,581	233,901
Depreciation and amortization	30,675	42,529
Management fees to affiliates, net	261,662	207,000

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Other	273,400	202,747
Total General, Administrative and Development Expenses	870,318	686,177
Net Loss	\$ (1,411,362)	\$ (848,039)

The accompanying notes are an integral part of these financial statements.

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JJC FLORIDA, LLC

Statements of Changes in Members' Equity (deficit)
For The Years Ended December 28, 2004 (unaudited)
and December 23, 2003 (unaudited)

	Juice Partners Florida, LLC	Jamba Juice Company	Total
Balances, December 24, 2002	\$ 1,016,676	\$ 53,508	\$ 1,070,184
Members' Contributions	356,250	18,750	375,000
Net Loss	(805,637)	(42,402)	(848,039)
Balances, December 23, 2003	567,289	29,856	597,145
Members' Contributions	250,000	2,000,000	2,250,000
Net Loss	(972,760)	(438,602)	(1,411,362)
Balances, December 28, 2004	\$ (155,471)	\$ 1,591,254	\$ 1,435,783

The accompanying notes are an integral part of these financial statements.

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JJC FLORIDA, LLC

Statements of Cash Flows
For The Years Ended December 28, 2004 (unaudited)
and December 23, 2003 (unaudited)

	2004	2003
Cash Flows from Operating Activities:		

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Net loss	\$ (1,411,362)	\$ (848,039)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	415,306	303,850
Changes in assets and liabilities:		
Decrease (increase) in receivables	7,743	(6,292)
(Increase) decrease in inventories	(53,312)	1,656
(Increase) decrease in prepaid expenses and other assets	(6,936)	34,785
Increase in accounts payable	24,736	25,634
Increase in accrued liabilities	24,732	46,839
Increase in affiliated payable	334,318	279,191
(Decrease) increase in deferred rent	(6,074)	11,911
Net Cash used in Operating Activities	(670,849)	(150,465)
Cash Flows from Investing Activities:		
Property and equipment expenditures	(1,585,971)	(203,571)
Cash Flows from Financing Activities:		
Proceeds from members' contributions	2,250,000	375,000
Net Increase (Decrease) in Cash	(6,820)	20,964
Cash, Beginning of Year	127,490	106,526
Cash, End of Year	\$ 120,670	\$ 127,490

The accompanying notes are an integral part of these financial statements.

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ANNEX A

AGREEMENT AND PLAN OF MERGER

BY AND AMONG

SERVICES ACQUISITION CORP. INTERNATIONAL,

JJC ACQUISITION COMPANY,

AND

JAMBA JUICE COMPANY

DATED AS OF MARCH 10, 2006

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this “Agreement”) is made and entered into as of March 10, 2006, by and among Services Acquisition Corp. International, a Delaware corporation (“Parent”), JJC Acquisition Company, a California corporation and a wholly-owned subsidiary of Parent (“Merger Sub”) and Jamba Juice Company, a California corporation (the “Company”).

RECITALS

- A. Parent, Merger Sub and the Company intend to enter into a business combination transaction by means of a merger (the “Merger”) of Merger Sub with and into the Company in accordance with this Agreement and the California General Corporation Law (the “CGCL”), with the Company to be the surviving corporation of the Merger, through an exchange of all the issued and outstanding shares of capital stock of the Company for cash.
- B. Pursuant to the Merger, each outstanding share of Company common stock (“Company Common Stock”) and company preferred stock (“Company Preferred Stock”) shall be converted into the right to receive the Per Share Merger Consideration (as determined by and defined in Section 1.5(a)), upon the terms and subject to the conditions set forth herein.
- C. The Board of Directors of the Company has unanimously (i) determined that the Merger is fair to, and in the best interests of, the Company and its stockholders, (ii) approved this Agreement, the Merger, and the other transactions contemplated by this Agreement and (iii) determined to recommend that the stockholders of the Company adopt and approve this Agreement, and the other transactions contemplated by this Agreement, and approve the Merger.
- D. The respective Boards of Directors of Parent and Merger Sub have approved this Agreement, the Merger and the other transactions contemplated by this Agreement.

NOW, THEREFORE, in consideration of the covenants, promises and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows (defined terms used in this Agreement are listed alphabetically in Article IX, together with the Section and, if applicable, paragraph number in which the definition of each such term is located):

ARTICLE I

THE MERGER

1.1 The Merger. At the Effective Time (as defined in Section 1.2) and subject to and upon the terms and conditions of this Agreement and the applicable provisions of the CGCL, Merger Sub shall be merged with and into Company, the separate corporate existence of Merger Sub shall cease and Company shall continue as the surviving corporation. The Company as the surviving corporation after the Merger is hereinafter sometimes referred to as the “Surviving Corporation.”

1.2 Effective Time; Closing. Subject to the conditions of this Agreement, the parties hereto shall cause the Merger to be consummated by filing with the Secretary of State of the State of California, a properly executed agreement of merger (the “Merger Agreement”) and a properly executed Certificate of Merger (the “Certificate of Merger”) in such form as may be agreed by the parties hereto and as required by the relevant provisions of the CGCL (the time of such filing with the Secretary of State of the State of California, or such later time as may be agreed in writing by Company and Parent and specified in the Certificate of Merger, being the “Effective Time”) as soon as practicable on or after the

Closing Date (as herein defined). The term “Agreement” as used herein refers to this Agreement and Plan of Merger, as the same may be amended from time to time, and all schedules hereto (including the Company Schedule and the Parent Schedule, as defined in the preambles to Articles II and III hereof, respectively). Unless this Agreement shall have been terminated pursuant to Section 8.1, the closing of the Merger (the “Closing”) shall take place at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. (“Mintz Levin”), counsel to Parent, at

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666 Third Avenue, New York, New York 10017, at a time and date to be specified by the parties, which shall be no later than the second business day after the satisfaction or waiver of the conditions set forth in Article VI, or at such other time, date and location as the parties hereto agree in writing (the “Closing Date”). Closing signatures may be transmitted by facsimile.

1.3 Effect of the Merger. At the Effective Time, the effect of the Merger shall be as provided in this Agreement and the applicable provisions of the CGCL, as applicable. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time all the property, rights, privileges, powers and franchises of the Company and Merger Sub shall vest in the Surviving Corporation, and all debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Corporation.

1.4 Certificate of Incorporation; Bylaws. (a) At the Effective Time, the certificate of incorporation of the Merger Sub shall be the certificate of incorporation of the Surviving Corporation.

(b) Also at the Effective Time, the bylaws of the Merger Sub shall be the bylaws of the Surviving Corporation.

1.5 Effect on Capital Stock. Subject to the terms and conditions of this Agreement, at the Effective Time, by virtue of the Merger and this Agreement and without any action on the part of Merger Sub, the Company or the holders of any of the following securities, the following shall occur:

(a) Conversion of Company Capital Stock. Each share of Company Common Stock, each share of Company Preferred Stock (collectively, the “Company Capital Stock”) and each vested Company Option (subject to the provisions of Section 5.18) issued and outstanding immediately prior to the Effective Time (excluding shares to be canceled pursuant to Section 1.5(b) and Dissenting Shares pursuant to Section 1.13) will as of the Closing Date be automatically converted into the right to receive that amount of cash determined by multiplying the applicable Per Share Merger Consideration by the number of shares of Company Capital Stock held by each Company stockholder and holder of vested Company Options (subject to the provisions of Section 5.18), determined on an as-converted and as-exercised basis, provided, that, in all circumstances, the following provisions shall apply:

(A) “Per Share Merger Consideration” means an amount, expressed in dollars and cents, equal to the Total Merger Consideration, divided by the sum of (i) the total number of shares of Company Capital Stock and shares underlying vested Company Options ((subject to the provisions of Section 5.18), determined on an as-converted and as-exercised basis, issued and outstanding immediately prior to the Effective Time (excluding shares to be canceled pursuant to Section 1.5(b)), plus (ii) the number of shares of Company Capital Stock issuable upon exercise of all unvested Company Options and unexercised Company Warrants outstanding immediately prior to the Effective Time, determined using the Treasury Method, which, as of the date hereof, is estimated to be Six Dollars (\$6.00). If the Per Share Merger Consideration determined as provided above plus any pro-rata amounts deducted for application to the Escrow Cash or the Representative Account, is less than Six Dollars (\$6.00), then the aggregate Per Share Merger

Consideration payable to the holders of the Company's Capital Stock (other than holders of the Company's Series E Preferred Stock) and holders of vested Company Options (subject to the provisions of Section 5.18) shall be reduced by the minimum amount necessary and allocated to the Per Share Merger Consideration payable to holders of the Company's Series E Preferred Stock so that the Per Share Merger Consideration plus any pro-rata amounts deducted for application to the Escrow Cash or the Representative Account, payable to the holders of the Company's Series E Preferred Stock equals Six Dollars (\$6.00), and the Per Share Merger Consideration payable to holders of the Company's Capital Stock (other than holders of the Company's Series E Preferred Stock) and holders of vested Company Options (subject to the provisions of Section 5.18) shall be reduced accordingly.

(B) "Treasury Method" shall mean the treasury stock method which assumes that all outstanding "in the money" Company Options and unexercised Company Warrants to be

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assumed by Parent are exercised, with the proceeds from such exercises being used to purchase as many shares of Company Capital Stock as possible, at the estimated Per Share Merger Consideration (including, for this purpose, the allocable share of cash deposited as part of the Escrow Cash and in the Representative Account) of Six Dollars (\$6.00).

(C) "Statement of Expenses" shall have the meaning ascribed to such term in Section 5.22.

(D) "Total Indebtedness" shall mean \$16,000,000.

(E) "Total Merger Consideration" shall mean \$265,000,000 less Total Indebtedness and the amount of the Company Third Party Expenses as reflected on the Statement of Expenses.

(b) Cancellation of Treasury and Parent-Owned Stock. Each share of Company Capital Stock held by the Company or owned by Merger Sub, Parent or any direct or indirect wholly-owned subsidiary of the Company or of Parent immediately prior to the Effective Time shall be canceled and extinguished without any conversion or payment in respect thereof.

(c) Stock Options.

(i) Each vested Company Stock Option then outstanding under the Company's 1994 Stock Incentive Plan and 2001 Equity Incentive Plan (the "**Company Stock Option Plans**") shall be converted into the right to receive, with respect to each share of Company Capital Stock issuable pursuant to such Company Stock Option, the applicable Per Share Merger Consideration payable to holders of Common Stock, less any amounts that would have been payable by the holder of such Company Stock Option to the Company, or required to be withheld by the Company, upon the exercise of such Company Stock Option with respect to such share of Company Capital Stock.

(ii) All unvested options to purchase Company Common Stock outstanding at the Effective Time under the Company's Stock Option Plans shall be exchanged for options to purchase Parent Common Stock in accordance with Section 5.18.

(d) Warrants. All unexercised Company Warrants outstanding at the Effective Time, provided they have been amended in a manner reasonably acceptable to Parent, shall be assumed by Parent in accordance with Section 5.18,

and all holders of Company Warrants shall thereafter have the right to purchase shares of Parent Common Stock.

(e) Capital Stock of Merger Sub. Each share of common stock, no par value, of Merger Sub (the “Merger Sub Common Stock”) issued and outstanding immediately prior to the Effective Time shall be converted into one validly issued, fully paid and nonassessable share of common stock, no par value per share, of the Surviving Corporation. Each certificate evidencing ownership of shares of Merger Sub Common Stock shall evidence ownership of such shares of common stock of the Surviving Corporation.

1.6 Surrender of Certificates. (a) Exchange Agent. Prior to the Effective Time, Parent shall designate a United States bank or trust company reasonably acceptable to the Company to act as exchange agent (the “Exchange Agent”) in the Merger.

(b) Exchange Procedures. At the later of (i) the Effective Time and (ii) three (3) Business Days following the Closing, Parent shall cause to be mailed to each holder of record of a certificate or certificates (the “Certificates”) which immediately prior to the Effective Time represented outstanding shares of Company Capital Stock, (A) a letter of transmittal (the “Letter of Transmittal”) which shall specify that delivery of Certificates shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to the Exchange Agent and shall be in such form and have such other provisions as Parent may specify and (B) instructions for use in effecting the surrender of the Certificates in exchange for the applicable Per Share Merger Consideration. Upon delivery of a Letter of Transmittal to the Exchange Agent or to such other agent or agents as may be appointed by Parent duly completed and validly executed in accordance with the instructions thereto, together with

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surrender of a Certificate (or Certificates) for cancellation, the holder of Company Common Stock shall be entitled to receive in exchange cash constituting the Per Share Merger Consideration to which such holder is entitled pursuant to Section 1.5 (less the cash to be deposited with the Escrow Agent on such holder’s behalf) and the Certificate(s) so surrendered shall forthwith be canceled. Until so surrendered, each outstanding Certificate that, prior to the Effective Time, represented shares of Company Capital Stock will be deemed from and after the Effective Time, for all corporate purposes, to evidence only the right to receive the applicable Per Share Merger Consideration provided for in this Article I.

(c) Parent to Provide Parent Cash. On the Closing Date, Parent shall deposit with the Exchange Agent for exchange in accordance with this Section 1.6 the Total Merger Consideration payable pursuant to Section 1.5 in exchange for all outstanding shares of Company Capital Stock, all shares underlying vested Company Options (subject to the provisions of Section 5.18) and shares issued pursuant to exercised Company Warrants pursuant to Section 6.3(g); provided, however, that, on behalf of the Company’s stockholders, Parent shall deposit a portion of the Total Merger Consideration otherwise payable to each stockholder to (i) the Escrow Agent pursuant to Section 1.10 and Article VII in an amount equal to \$19,875,000 and (ii) to the Representative Account pursuant to Section 1.11(b)(ii) in the amount of \$2,000,000.

(d) No Liability. Notwithstanding anything to the contrary in this Section 1.6, none of the Exchange Agent, Parent, the Surviving Corporation or any party hereto shall be liable to a holder of shares of Parent Common Stock or Company Capital Stock for any amount properly paid to a public official pursuant to any applicable abandoned property, escheat or similar law.

(e) Required Withholding. Each of Parent and the Surviving Corporation shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable pursuant to this Agreement to any holder or former holder of Company Capital Stock such amounts as are required to be deducted or withheld therefrom under the Internal Revenue Code of 1986, as amended (the “Code”), or under any provision of state, local or foreign tax law or under any other applicable legal requirement. To the extent such amounts are so deducted or withheld, such amounts shall be treated for all purposes under this Agreement as having been paid to the person to whom such amounts would otherwise have been paid.

1.7 No Further Ownership Rights in Company Stock. All cash issued in accordance with the terms hereof shall be deemed to have been issued in full satisfaction of all rights pertaining to such shares of Company Capital Stock and there shall be no further registration of transfers on the records of the Surviving Corporation of shares of Company Capital Stock that were outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates are presented to the Surviving Corporation for any reason, they shall be canceled and exchanged as provided in this Article I.

1.8 Lost, Stolen or Destroyed Certificates. In the event that any Certificates shall have been lost, stolen or destroyed, Parent shall issue in exchange for such lost, stolen or destroyed Certificates, upon the making of an affidavit of that fact by the holder thereof, that the shares of Company Capital Stock formerly represented by such Certificates were converted into the right to receive applicable Per Share Merger Consideration; provided, however, that, as a condition precedent to the issuance of such cash, the owner of such lost, stolen or destroyed Certificates shall indemnify Parent against any claim that may be made against Parent or the Surviving Corporation with respect to the Certificates alleged to have been lost, stolen or destroyed.

1.9 Taking of Necessary Action; Further Action. If, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Corporation with full right, title and possession to all assets, property, rights, privileges, powers and franchises of the Company and Merger Sub, the officers and directors of the Company and Merger Sub will take all such lawful and necessary action.

1.10 Escrow. As the sole remedy for the indemnity obligations set forth in Article VII, at the Closing the parties shall deposit \$19,875,000 in cash (such cash, together with all earnings thereon is referred to as the “Escrow Cash”) of the Total Merger Consideration, deducted from the Total

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Merger Consideration otherwise payable to each of the Company’s stockholders on a pro-rata basis, to be held during the period ending one year from the Effective Date (“Escrow Period”), all in accordance with the terms and conditions of the Escrow Agreement in the form annexed hereto as Exhibit A (the “Escrow Agreement”), to be entered into at the Closing between Parent, the Representative (as defined in Section 1.11(b)) (who shall be designated by the Company in writing prior to the Effective Date, until a successor is appointed pursuant to Section 1.11(b)) and Continental Stock Transfer and Trust Company (“Continental”), as Escrow Agent. Subject to Article VII, on the first business day following the conclusion of the Escrow Period, the Escrow Agent shall deliver the Escrow Cash, less any such amounts applied in satisfaction of a claim for indemnification and any amounts reserved against pending claims related to the indemnification obligations set forth in Article VII, to each of the Company’s former stockholders, after giving effect to the Merger (“Former Stockholders”) in the same proportions as initially deposited in escrow. The remaining Escrow Cash, to the extent not applied in satisfaction of a claim for indemnification, or so reserved, will be distributed to such Persons promptly upon resolution of the dispute or claim.

1.11 Committee and Representative for Purposes of Escrow Agreement. (a) Parent Committee. Prior to the Closing, the Board of Directors of Parent shall appoint a committee consisting of one of its then members to act on behalf of Parent to take all necessary actions and make all decisions pursuant to the Escrow Agreement regarding Parent's right to indemnification pursuant to Article VII hereof. In the event of a vacancy in such committee, the Board of Directors of Parent shall appoint as a successor a Person who was a director of Parent prior to the Closing Date or some other Person who would qualify as an "independent" director of Parent and who has not had any relationship with the Company prior to the Closing. Such committee is intended to be the "Committee" referred to in Article VII hereof and the Escrow Agreement.

(b) Stockholders' Representative.

(i) In order to administer efficiently (i) the implementation of the Agreement on behalf of the Former Stockholders and (ii) the settlement of any dispute with respect to the Agreement, the Company shall, prior to the Effective Time, designate one to three Persons to act as a representative on behalf of the Former Stockholders (collectively, the "Representative"). By approving this Agreement, the Company's stockholders authorize and empower the Company to make such designation, approve and ratify all of the rights, powers and authorities provided to the Representative under the terms of this Agreement, and agree to be bound by all decisions and other actions taken by the Representative

(ii) In order to reimburse the Representative for its fees and costs, and to fund any costs of defense of any claims by the Parent Indemnitees under Article VII at the Closing the Parent, at the direction of the Company, shall deposit \$2,000,000 in cash of the Total Merger Consideration otherwise payable to each of the Company's stockholders on a pro-rata basis with a financial institution identified by the Company to Parent in writing prior to the Closing (the "Representative Account"), to be held until the Escrow Period has terminated and no further claims remain outstanding under Article VII or the Escrow Agreement. The funds in the Representative Account shall bear interest, and such funds together with any interest thereon, less the fees and costs of the Representative, and any fees or costs incurred to fund costs of defense for any claims by the Parent Indemnitees under Article VII, shall, following Closing, be returned to each of the Former Stockholders in the same proportions as initially deposited in the Representative Account. The Representative is hereby granted the authority to seek reimbursement from the Representative Account for its fees and costs, and to fund any costs of defense of any claims by the Parent Indemnitees under Article VII. In no event shall Parent or any Parent Indemnitees have any rights or recourse to the Representative Account, either for claims under Article VII or otherwise. In no event shall the Parent or Parent Indemnitees have any responsibility or obligation with respect to the Representative Account other than to deposit the \$2,000,000 referred to above therein.

(iii) From and after the Effective Time, the Former Stockholders hereby authorize the Representative (i) to take all action necessary in connection with the implementation of the

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Agreement on behalf of the Former Stockholders or the settlement of any dispute, including, without limitation, with regard to matters pertaining to the indemnification provisions of this Agreement and the Escrow Agreement, (ii) to give and receive all notices required to be given under the Agreement and the Escrow Agreement, and (iii) to take any and all additional action as is contemplated to be taken by or on behalf of the Former Stockholders by the terms of this Agreement and the Escrow Agreement.

(iv) If no Representative is ever appointed or if any Representative dies, becomes legally incapacitated or resigns from such position, another Person designated by the remaining Representatives, or if none remain, by the Former Stockholders holding the right to receive more than 50% in interest of the Escrow Cash (the “Requisite Former Stockholders”), who shall be identified to Parent as soon as practicable, shall fill such vacancy and shall be deemed to be the Representative for all purposes of this Agreement; provided, however, that no change in the Representative shall be effective until Parent is given written notice of such change. If no Representative is then currently serving, the Representative shall be deemed to be the Requisite Former Stockholders.

(v) All decisions and actions by the Representative as provided in this Section 1.11 or under the Escrow Agreement shall be binding upon all of the Former Stockholders, and no Former Stockholder shall have the right to object, dissent, protest or otherwise contest the same.

(vi) By their execution and/or approval of this Agreement and the Merger, the Company and its stockholders agree that:

(A) Parent shall be able to rely conclusively on the instructions and decisions of the Representative as to any actions required or permitted to be taken by the Representative hereunder and under the Escrow Agreement, and no party hereunder shall have any cause of action against Parent for any action taken by Parent in reliance upon the instructions or decisions of the Representative;

(B) all actions, decisions and instructions of the Representative shall be conclusive and binding upon all of the Former Stockholders and no Former Stockholder shall have any cause of action against the Representative for any action taken, decision made or instruction given by the Representative under this Agreement, the Escrow Agreement, except for fraud or willful breach of this Agreement by the Representative; and

(C) the provisions of this Section 1.11 are independent and severable, shall constitute an irrevocable power of attorney, coupled with an interest and surviving death, granted by the Former Stockholders to the Representative and shall be binding upon the executors, heirs, legal representatives and successors of each Former Stockholder.

(D) All fees and expenses, including, without limitation, all attorney’s fees and expenses incurred in connection with defending or settling any claim by Parent under this Agreement, and any amounts under subsection (E) below, incurred by the Representative shall be paid by the Former Stockholders out of the Representative Account.

(E) In taking any action hereunder and under the Escrow Agreement, the Representative shall be protected in relying upon any notice, paper or other document reasonably believed by it to be genuine, or upon any evidence reasonably deemed by it, in its good faith judgment, to be sufficient; provided, however, that the Representative shall not waive any rights with respect to any individual Former Stockholder(s)’ interest(s) if such waiver would have the effect of disproportionately and adversely affecting such individual Former Stockholders(s) as compared to the interests of the other Former Stockholders, without the prior consent of the affected Former Stockholder(s). The Representative shall not be liable to Parent or the Former Stockholders for any act performed or omitted to be performed by it in the good faith exercise of its duties and shall be liable only in the case of fraud or willful breach of this

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Agreement by the Representative. The Representative may consult with counsel in connection with its duties hereunder and shall be fully protected in any act taken, suffered or permitted by it in good faith in accordance with the

advice of counsel. The Representative shall not be responsible for determining or verifying the authority of any person acting or purporting to act on behalf of any party to this Agreement. If the Representative requires liability errors and omissions insurance as a condition to accepting the role of Representative, the premium cost shall be reimbursed from the Representative Account. If the funds in the Representative Account have been exhausted, Representative may resign without liability to the Former Stockholders.

1.12 Notice to Holders of Derivative Securities. As promptly as practicable after the execution of this Agreement, the Company, after consultation with Parent, shall give the holders of Company Options and Company Warrants any required notices pursuant to the terms thereof.

1.13 Shares Subject to Appraisal Rights. (a) Notwithstanding any provisions of this Agreement to the contrary, Dissenting Shares (as hereinafter defined) shall not be entitled to receive their Per Share Merger Consideration and the holders thereof shall be entitled only to such rights as are granted by the CGCL. Each holder of Dissenting Shares who becomes entitled to payment for such shares pursuant to the CGCL shall receive payment therefor from the Surviving Corporation in accordance with the CGCL, provided, however, that (i) if any stockholder of the Company who asserts appraisal rights in connection with the Merger (a “Dissenter”) shall have failed to establish his entitlement to such rights as provided in the CGCL, or (ii) if any such Dissenter shall have effectively withdrawn his demand for payment for such shares or waived or lost his right to payment for his shares under the appraisal rights process under the CGCL, the shares of Company Common Stock held by such Dissenter shall be treated as if they had been converted, as of the Effective Time, into a right to receive the Per Share Merger Consideration (net of the pro rata amounts deposited in the Escrow Account and the Representative Account) as provided in Section 1.5, and the right to participate pro rata in distributions of any remaining amounts of Escrow Cash and amounts in the Representative Account. The Company shall give Parent prompt notice of any demands for payment received by the Company from a person asserting appraisal rights, and Parent shall have the right to participate in all negotiations and proceedings with respect to such demands. The Company shall not, except with the prior written consent of Parent, make any payment with respect to, or settle or offer to settle, any such demands.

(b) As used herein, “Dissenting Shares” means any shares of Company Common Stock held by stockholders of the Company who are entitled to appraisal rights under the CGCL, and who have properly exercised, perfected and not subsequently withdrawn or lost or waived their rights to demand payment with respect to their shares in accordance with the CGCL.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Subject to the exceptions and other disclosures set forth in a disclosure schedule of the Company to be delivered by the Company on or following execution of this Agreement pursuant to Section 5.23 (the “Company Schedule”), the Company hereby represents and warrants to Parent and Merger Sub, as follows:

2.1 Organization and Qualification. (a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of California and has the requisite corporate power and authority to own, lease and operate its assets and properties and to carry on its business as it is now being conducted. The Company is in possession of all franchises, grants, authorizations, licenses, permits, easements, consents, certificates, approvals and orders (“Approvals”) necessary to own, lease and operate the properties it purports to own, operate or lease and to carry on its business as it is now being conducted, except where the failure to have such Approvals would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company. Complete and correct copies of the articles of incorporation and by-laws (collectively

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referred to herein as “Charter Documents”) of the Company, as amended and currently in effect, have been heretofore delivered to Parent or Parent’s counsel. The Company is not in violation of any of the provisions of the Company’s Charter Documents.

(b) The Company is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its activities makes such qualification or licensing necessary, except for such failures to be so duly qualified or licensed and in good standing that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company. Each jurisdiction in which the Company is so qualified or licensed is listed in Section 2.1 of the Compan