

Provision	Section in Franchise Agreement or Other Agreement	Summary
s. Modification of the agreement	Sections 2.3, 7.3 & 21.11 of Franchise Agreement	Franchise Agreement: No modifications of Franchise Agreement during term generally, but Operating Manual subject to change. Modifications permitted on renewal.
t. Integration/merger clause	Section 21.5 of Franchise Agreement	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document, franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 20 of Franchise Agreement	Except for certain claims, all disputes must first be submitted to non-binding mediation, and if unsuccessful, then arbitrated in Virginia, subject to state law
v. Choice of forum	Sections 20.1 & 21.1	Mediation and arbitration must be in Virginia, subject to state law
w. Choice of law	Sections 20.1 & 21.1 of Franchise Agreement	Virginia law applies, subject to state law.

ITEM 18 PUBLIC FIGURES

We do not currently use any public figure to promote our franchise.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its licensed, franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Unless otherwise explained below, these financial performance representations disclose historical information for the affiliate-owned CANOPY outlet that was open for at least twelve months and that operated for the full duration of the reporting period of January 1, 2025 to December 31, 2025 (“Reporting Period”). These financial performance representations are for the outlet owned and operated by our affiliate in Raleigh, NC (“Corporate Unit”), which opened in 2016 as a full-service lawn care and lawn maintenance company. In 2022, the Corporate Unit removed lawn maintenance services from core operations and solely offered lawn care services. The Corporate Unit operates in four territories and reports its data in the aggregate for all of its territories. As a result, for purposes of this Item 19, the data for the Corporate Unit is presented as the same outlet. The outlet also conducted a remote operation in one territory in Charlotte, NC, but the results, revenues, and costs associated with this territory have been excluded since they do not reflect operations of a typical franchise operating in a single contiguous geographic area. As of September 30, 2025, we had franchisees operating in 41 territories.

The Corporate Unit included in this financial performance representation offers services that you will not be authorized to offer under the terms of your Franchise Agreement. However, we have excluded data from those other services from this financial performance representation. The data included below is only for the core service and enhancement services that you will also be authorized to offer. The turf care services offered by the Corporate Unit is substantially similar to the CANOPY Franchised Businesses for which we are offering franchises in this disclosure document. The Corporate Unit is not limited by territorial

boundaries, and its core business is represented by customer activity concentrated within zip codes that, when aggregated, represent four territories.

A. Corporate Unit Revenue per account January 1, 2025, through December 31, 2025.

The following table sets forth the average, account revenue for all accounts and for residential and commercial accounts serviced by the Corporate Unit during the Reporting Period. Franchisee data has been excluded from the below table because we did not collect all of this data from franchisees throughout the 2025 calendar year.

Description	All Customers	Residential Customers	Commercial Customers
Total number of Accounts	1,314	1,070	244
Total Revenue per Category	\$1,536,596	\$752,254	\$784,343
Average Annualized Revenue per account	\$1,169.40	\$703.04	\$3,214.52

The Average Annualized Revenue per account is calculated by dividing the Total Revenue per Category by the Total number of Accounts for each category. For example, the Average Annualized Revenue per account for All Customers was calculated by taking \$1,536,596 (Total Revenue per Category) by 1,314 (Total Number of Accounts), which equals \$1,169.40.

B. Franchisee Gross Revenue Reported January 1, 2025, through December 31, 2025.

The following table presents Gross Revenue information realized by certain Canopy Lawn Care franchisees in the United States during the Reporting Period. The information provided in the table below was compiled from eight Canopy Lawn Care franchisees that were operational for the entire Reporting Period. These eight franchisees operated 30 franchise territories during the Reporting Period. All eight of these franchisees operated in more than one territory under multiple franchise agreements for the Reporting Period as follows: two of the franchisees operated in two territories, one franchisee operated three territories, four franchisees operated four territories, and one franchisee operated seven territories. This data does not include eight franchisees in 15 franchise territories that either commenced operations during the Reporting Period, did not report revenue during the Reporting Period, or ceased operations during the Reporting Period.

Franchisee Count	Minimum	Maximum	Average	Median	Met or Exceeded Average (%)
8	\$26,445	\$241,164	\$103,458	\$99,704	4 (50%)

“Gross Revenues” means amounts derived from all products or services sold from or through the franchises, including any sale of products or services made for cash or credit, or partly for cash and partly for credit, but excludes taxes that were collected, refunds, discounts and coupons. Gross Revenues are deemed received by the franchisee at the time the services or products are delivered or at the time the sale takes place, whatever occurs first, regardless if final payment has actually been received by the franchisee.

C. Corporate Unit Revenue less disclosed costs for January 1, 2025, through December 31, 2025.

The following table presents revenues and certain operating expense information for the Corporate Unit for the reporting period January 1, 2025, through December 31, 2025. The table presents the dollar amount for each category and the various categories as a percent of Revenues.

Revenues and Disclosed Costs		2025	% of Revenue
Revenue	1	\$ 1,536,596	100.0%
Cost of Materials	2	\$ 354,608	23.1%
Cost of Labor	3	\$ 307,002	20.0%
Gross Profit		\$ 874,986	56.9%
Advertising & Marketing	4	\$ 86,718	5.6%
Vehicle fuel & tolls expense		\$ 30,135	2.0%
Vehicle repairs & maintenance expense	5	\$ 45,418	3.0%
Vehicle lease expenses	6	\$ 77,271	5.0%
Equipment Expenses	7	\$ 12,857	0.8%
Insurance	8	\$ 21,203	1.4%
Mobile phones and Internet	9	\$ 3,872	0.3%
Merchant Services	10	\$ 15,670	1.0%
Office Manager Salary	11	\$ 60,000	3.9%
Software licenses	12	\$ 5,160	0.3%
Professional fees	13	\$ 6,700	0.4%
Rent	14	\$ 10,500	0.7%
Uniforms and operating supplies	15	\$ 13,176	0.9%
Royalty	16	\$ 122,928	8.0%
Technology Fee	17	\$ 30,732	2.0%
Brand fund contribution	18	\$ 15,366	1.0%
Total Disclosed Expenses		\$ 557,704	36.3%
Revenue less Disclosed Expenses		\$ 317,282	20.6%

- (1) Revenue includes all Gross Revenues net of refunds to customers.
- (2) Cost of Materials includes lawn care products, such as fertilizer, herbicides, pesticides, grass seed, soil, etc.
- (3) Cost of Labor includes wages and payroll taxes for lawn care technicians.
- (4) Franchisees must spend the greater of \$30,000 for the first Territory plus an additional \$10,000 for each additional contiguous Territory, or 10% of the prior year's Gross Revenues. The 1% Brand Fund Contribution counts towards Minimum Local Advertising Spend. Therefore, Franchisees should expect to invest the greater of \$30,000 or 9% of the prior year's gross revenues for local marketing, plus 1% of the current year's Gross

Revenues for Brand Fund Contributions. The \$86,718 in the above chart represents 9% of the \$963,529 or revenue generated by the Corporate Unit during the calendar year 2024.

- (5) Vehicle repairs and maintenance expenses include vehicle registration and repairs and maintenance expenses.
- (6) Vehicle lease expenses include the cost of monthly vehicle lease payments.
- (7) Equipment expenses include equipment rental, replacement, repairs and maintenance.
- (8) Insurance expenses include commercial policy, workers compensation and auto policies.
- (9) Mobile phones and internet expenses include cell phones and other mobile devices and internet services.
- (10) Merchant Service costs for the Corporate Unit were \$15,670 during the Reporting Period. Franchisees may experience merchant service costs as high as 2.5% of gross revenue depending on merchant rates and how many customers choose to pay through merchant services.
- (11) Office Manager Salary includes compensation paid to either part-time or full-time office administration staff to answer phones, respond to new customer inquiries, assist in scheduling, and help maintain data in the field services IT platform.
- (12) Software licenses include telephony (voice-over-IP subscription), telephone call tracking software and accounting.
- (13) Professional fees include monthly bookkeeping fees and annual tax preparation services.
- (14) Rent costs include rental space for service vehicle fleet.
- (15) Uniforms and operating supplies include technician uniforms and other miscellaneous operating expenses.
- (16) Royalty includes a royalty fee equal to 8% of Gross Revenues that the Corporate Unit would have paid.
- (17) Technology Fee equal to 2%, covers the proprietary technology systems to efficiently gain customers and communicate with customers, deliver work, and receive payments. This system includes: website hosting and local presence optimization, automated lawn measurement using artificial intelligence, dynamic pricing table, automated quote generation and distribution to prospects, automated sales follow-ups to prospects, SMS messaging, online sales and payment collection, scheduling tool, automated invoicing and payment collection, telephony integration, lead tracking, marketing integrations and email accounts.
- (18) Brand fund contribution includes a charge of 1% of Gross Revenues for national brand marketing and advertising activities per the franchise agreement.

Certain expenses have been excluded that a franchise operator may incur. Excluded expenses include facility utilities, facility maintenance, and employee benefits.

D. Corporate Unit Recurring Revenue Percent, Sales Conversion Rate and Customer Retention Rate for January, 1, 2025, through December 31, 2025.

These rates are for the Reporting Unit only. The franchisees were excluded from the below table due to lack of reported information from franchisees for the entire Reporting Period.

Metric	Measure
Recurring Revenue Percent	72.2%
Sales Conversion Rate	43.1%
Customer Retention Rate	82.5%

Recurring Revenue is calculated by measuring the dollars of revenues earned from recurring revenue contracts (monthly or quarterly or annual renewal contracts) earned over the reporting period (\$1,108,771) divided by the total net revenue earned over the reporting period (\$1,536,596).

Sales conversion rate is calculated by dividing the number of new residential customers signing a new service contract (291) divided by the total number of prospective residential customers that received a quote for services (675) during the reporting period. Canopy’s automated proposal system generates a proposal for all prospects who complete a webform on the company’s website. All website leads receive a proposal, as do all qualified leads via phone and email.

The Customer retention rate is calculated by dividing the number of residential customers signing a renewal contract (678) during the reporting period (January 1, 2025 – December 31, 2025) that also had a contract during the twelve months preceding the reporting period (January 1, 2024 – December 31, 2024) by the total number of residential customers that had contracts in the twelve months preceding the reporting period (822).

E. Corporate Unit Average Annual Revenue per vehicle, average annual accounts served per vehicle, and average annual square feet serviced per vehicle for January 1, 2025 to December 31, 2025.

The table below shows total Gross Revenue, total customers serviced, and total square feet of turf serviced and the total number of service vehicles used during the Reporting Period for both residential and commercial customers of the Corporate Unit. Based on the five service vehicles that operated full time throughout the reporting period and one vehicle that operated an estimated 50% of the time during the Reporting Period we calculated the average annual revenue per service vehicle, average annual customers per service vehicle, and the average annual square feet serviced per service vehicle. The total annual square feet serviced is the sum of the square feet of all client properties as measured by the technicians and recorded in the CRM. Franchisee data is excluded from the below table the data on franchisees’ service vehicles in operation throughout the Reporting Period was not available to us.

Description	Metric - Total	Metric - Residential	Metric - Commercial
Total Gross Revenue	\$1,536,596	\$752,254	\$784,343
Total customers serviced	1,314	1,070	244
Total square feet serviced	33,280,169	6,401,662	26,878,507
Total service vehicles in service	5.5	3.0	2.5
Average annual revenue per service vehicle	\$279,381	\$250,751	\$313,737
Average annual accounts per service vehicle	239	357	98
Average annual square feet per service vehicle	6,050,940	2,133,887	10,751,403

The average annual revenue per service vehicle is calculated by dividing the total reported Gross Revenue by the total reported vehicles in service. The average annual accounts per service vehicle is calculated by dividing the total number of customers serviced by the total reported vehicles in service. The average annual square feet per service vehicle is calculated by dividing the total square feet serviced by the total reported vehicles in service.

F. Cost Per Lead and Customer Acquisition Cost for January 1, 2025, to December 31, 2025.

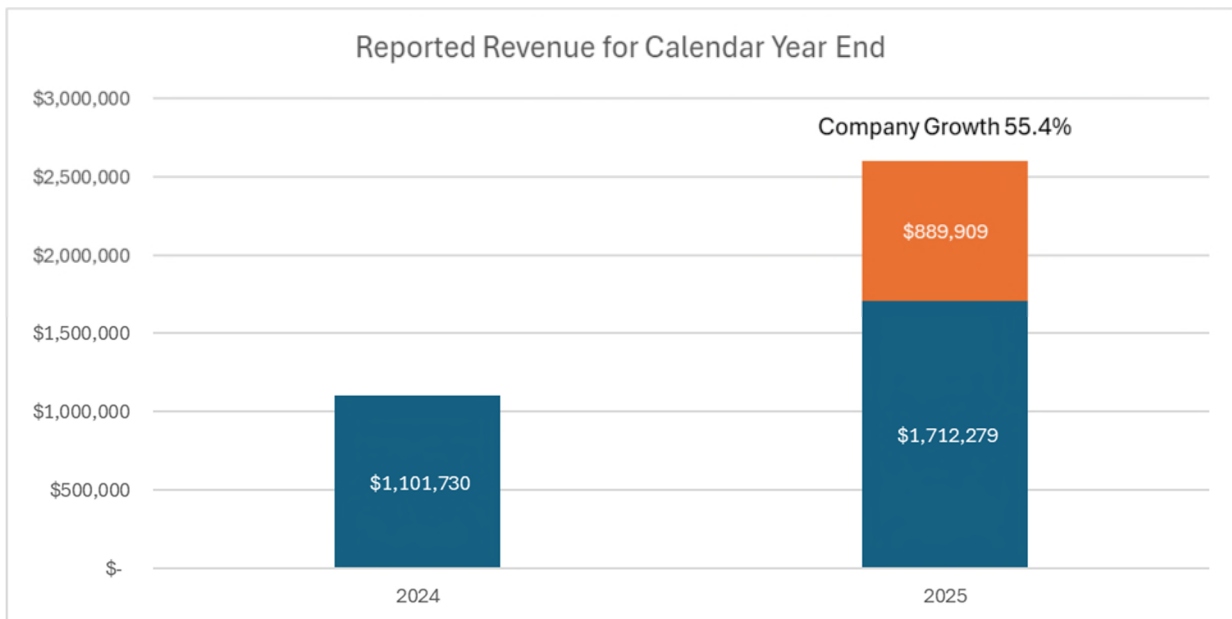
The table below shows cost per lead and customer acquisition cost for residential customers of the Corporate Unit and the same eight Canopy Lan Care franchisees operating in 30 territories that were operational during the entire Reporting Period that are referenced in Section B.

Description	Reporting Unit	Franchisees
Cost Per Lead	\$84.12	\$122.94
Customer Acquisition Cost	\$188.77	\$365.81

The cost per lead is calculated by dividing the annual customer marketing spend by the total annual residential customer lead count. For the franchisee data, the annual spend and the total lead counts were aggregated across all eight franchisees included in the calculations. The customer acquisition cost is calculated by dividing the annual customer marketing spend by the total amount of residential customers acquired during the Reporting Period. For the franchisee data, the annual spend and the number of customers acquired was aggregated across all eight franchisees included in the calculations.

G. Total Canopy Lawn Care Revenue for Calendar Years ending December 31, 2024 and 2025.

The information provided in the chart below is based on the Gross Revenue (as defined above) reported for the most recent Reporting Period ending December 31, 2025 and prior reporting period ending December 31, 2024. The franchisee data in the table below was reported to us from all Canopy Lawn Care franchisees whose Canopy businesses were operational for any part, even as little as one month, of the Reporting Period.



**Orange means franchisees' gross revenue and blue means revenue from company-owned outlets.*

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

The information presented above relates to the actual historical performance of the presented outlets.

We will, upon reasonable request, provide you written substantiation for the information provided in this Item 19.

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting our Chief Executive Officer, 2426 Old Brick Road, Suite 101, Glen Allen, Virginia 23060, (800) 722-4668, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1
SYSTEMWIDE OUTLET SUMMARY
FOR FISCAL YEARS 2023 TO 2025**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	37	+37
	2025	37	41	+4
Company-Owned(1)	2023	4	4	0
	2024	4	5	+1
	2025	5	5	0
Total Outlets	2023	4	4	0
	2024	4	42	+38
	2025	42	46	+4

Notes:

Although CanopyNC operated one company owned outlet, the operation was not limited by the territorial boundaries applicable to CANOPY® franchisees. However, its core business is represented by customer activity concentrated within zip codes that, when aggregated, represent four territories.

**Table No.2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR FISCAL YEARS 2023 TO 2025**

State	Year	Number of Transfers
Total	2023	0
	2024	0
	2025	0