

p. Death or disability of franchisee	Section 16.6	Your representative must notify us within 30 days of death to continue operation. Franchise must be assigned to an approved buyer within 180 days (or longer if required by probate proceedings); there must always be a designated trained manager at the Franchise Operation.
q. Non-competition covenants during the term of the franchise	Section 20.1	No involvement with a competing business for 2 years within 100 miles of your Territory or of any other System4® Franchisee or company owned System4 business.
r. Non-competition covenants after the franchise is terminated or expires	Section 20.2	No involvement with any competing business located anywhere.
s. Modification of the agreement	Section 23.1	Generally, no modifications; but Manuals are subject to change.
t. Integration/merger clause	Section 23.2	The Franchise Agreement constitutes the entire agreement between the parties. Nothing in the Franchise Agreement or any related agreement is meant to disclaim representations made by us in this Franchise Disclosure Document. Any representations or promises outside of the Franchise Disclosure Document and the Franchise Agreement or other agreements may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 21.2	Except for certain claims, all disputes must be arbitrated in Cleveland, Ohio
v. Choice of forum	Section 21.1	Litigation must be in Ohio Courts (subject to state law)

Provision	Section in Franchise Agreement	Summary
w. Choice of Law	Section 21.1	Federal Arbitration and Ohio law applies (subject to state law)

ITEM 18 **PUBLIC FIGURES**

We do not currently use any public figure to promote our franchise system, but we reserve the right to do so in the future.

ITEM 19 **FINANCIAL PERFORMANCE REPRESENTATION**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its 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.

The information in the tables below is based on reports submitted to us by 52 fully-reporting System4 Franchisees for 2025 located in the United States that were in operation for more than a year by the month of December 2025. The information was collected by us but has not been independently audited or verified. This information does not reflect company-owned regions.

Table 1 shows the high and low and average Annual Revenue, and the high, low and average gross margin in 2025 for the 52 Franchisees who reported their information to us. Table 2 shows the high and low and average and the high, low and average gross margin in 2025 for the 14 Franchise locations that were open 10 years or longer as of December 31, 2025. Table 3 shows the high and low and average Annual Revenue, and the high, low and average gross margin in 2025 for the 48 Franchise locations that were open 36 months or longer as of December 31, 2025. Table 4 shows the months in operation and annual revenue per employee, as of December 31, 2025, of each of the 48 reporting Franchise locations.

There are no deductions reflected in any of the numbers in Tables 1 through 4.

Table 1

2025 High and Low and Average Annual Revenue; High and Low and Average Gross Margins for all 52 reporting locations

High Revenue	\$17,530,653.13
Low Revenue	\$98,421.19
Average Revenue	\$1,793,063.13
High Gross Margin %	40%
Low Gross Margin %	17%
Average Gross Margin %	26%

Table 2

2025 High and Low and Average Annual Revenue; High and Low and Average Gross Margins for 14 reporting locations opened 10 years or longer

High Revenue	\$17,530,653.13
Low Revenue	\$837,643.73
Average Revenue	\$3,961,216.40
High Gross Margin %	31.60%
Low Gross Margin %	20.30%
Average Gross Margin %	26.60%

Table 3

2025 High and Low and Average Annual Revenue; High and Low and Average Gross Margins for 48 reporting locations opened 3 years or longer

High Revenue	\$17,530,653.13
Low Revenue	\$127,215.42
Average Revenue	\$1,912,160.95
High Gross Margin %	40.00%
Low Gross Margin %	18.30%
Average Gross Margin %	25.90%

*“Revenues” consists of the following: The entire amount of all gross sales and business receipts derived by the Franchisee arising out of the operation of the Franchise business, or through or by means of the business conducted in connection therewith, whether for cash or credit, but excluding: (1) sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; and (2) all bona fide customer refunds and approved rebates, discounts and allowances.

Table 4

Annual Revenues Per Employee for all 48 Reporting Locations Open at Least 24 Months as of December 31, 2025

Months in Operation	Employees	Revenue per Employee
248	3	\$867,400.73
244	9	\$1,281,576.68
244	2	\$1,113,282.38
242	4	\$664,867.37
223	1.5	\$815,508.65
220	12	\$1,460,887.76
215	2	\$752,429.76
211	5	\$691,648.23
208	2	\$1,738,398.96
205	1	\$837,643.73
199	4	\$1,188,421.02
195	1	\$873,574.50
194	2	\$676,925.16
136	2	\$711,017.86
117	2	\$869,650.63
103	2.5	\$1,238,052.03
103	1.5	\$464,482.97
102	2	\$1,188,053.65
102	1	\$895,033.79
102	1.5	\$579,087.67
101	3	\$744,051.62
101	2	\$630,194.34

97	1	\$1,774,423.31
94	1.5	\$644,145.42
94	1	\$878,179.52
85	2	\$1,178,238.13
85	1.5	\$435,761.97
84	1	\$729,857.85
84	1.5	\$454,752.71
84	1.5	\$416,572.71
84	1	\$595,568.05
77	2	\$1,609,645.47
77	2	\$662,047.14
77	1.5	\$772,269.54
77	1.5	\$668,103.11
72	1	\$161,879.00
64	1	\$639,128.86
64	1	\$524,563.09
64	1	\$232,091.11
57	2.5	\$712,445.31
57	1	\$581,410.27
54	1	\$257,613.40
45	1	\$188,260.98
45	1	\$127,215.42
43	1	\$236,997.13
42	1	\$743,697.40
39	1.5	\$1,028,270.43
35	1	\$557,049.76

Material Bases and Assumptions

The Franchise businesses represented in the Table above are substantially similar to the concept being offered to you.

The Revenues are NOT net of subcontractor fees or other operating expenses. We have not provided information regarding costs and expenses because we do not regularly collect that data from Franchisees, and we do not operate enough company-owned businesses from which we could present reliable figures.

The financial performance representations in this Item 19 do not reflect the cost of sales, sub-contractor fees, operating expenses, or other costs or expenses that must be deducted from the gross revenues figures to obtain your net income or profit. You will incur at least the following expenses, and possibly more: inventory, labor, occupancy costs, pre-opening expenses, depreciation and amortization, taxes, insurance, operating expenses, royalty fees to us, other fees to us in the Franchise Agreement, professional fees, software fees, bank charges, telephone, repairs. All of your expenses will affect the operating profit, net income and/or cash flow of your System4 Franchise business and should be carefully considered and evaluated.

These financial performance representations do not necessarily reflect the actual Gross Revenues that

you may experience. In addition, your results will vary depending on a number of factors which you should consider carefully in evaluating this information and in making any decision to purchase a franchise. These factors include: business skills, motivation, quality, effort, and effectiveness of the you and your staff and management; the quality of your customer service; location of your business; market conditions; weather and climate conditions; the effectiveness of your marketing efforts; the quality and effectiveness of your staff; income and demographic characteristics in your particular market area; the degree and quality of competition in your market area; number of years of operation; as well as conditions generally prevailing in the local and national economy, and, in particular, in your local market.

Prospective franchisees or sellers of franchises should be advised that no Certified Public Accountant has audited these figures or expressed his/her opinion with regard to their content of form. The amounts have not been audited or reviewed for reasonableness by independent auditors.

The financial performance representations in this Item 19 do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your System4 Franchise business. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you will sell as much.

You should conduct an independent investigation of the costs and expenses you will incur in operating your System4 Franchise business. We encourage you to consult with your own accounting, business, and legal advisors to assist you to prepare your budgets and projections, and to assess the likely or potential financial performance of your System4 Franchise business. We also encourage you to contact existing System4 Franchisees to discuss their experiences with the system and their business. Existing franchisees are your best source of information.

Written substantiation of the data we used in preparing this statement will be made available upon reasonable request.

Except as set forth above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 System4, LLC at 10091 Brecksville Road, Brecksville, Ohio 44141 (216) 524-6100, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

Table 1
System wide Outlet Summary

For Years 2023 to 2025

	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	57	57	0
	2024	57	60	+3