

Provision	Section in franchise or other agreement	Summary
		Franchisor may terminate the franchise if it is not transferred within 120 days after death.
q. Non-competition covenants during the term of the franchise	Franchise Agreement Section 12 Area Developer Agreement Section 9	No direct or indirect involvement in any competitive business.
r. Non-competition covenants after the franchise is terminated or expires	Franchise Agreement Section 12 Area Developer Agreement Section 9	No direct or indirect involvement in any competitive business for a period of two years after expiration, termination, or sale of the Franchise.
s. Modification of the agreement	Franchise Agreement Section 23 Area Developer Agreement Section 11	No modification unless signed by us and you.
t. Integration/merger clause	Franchise Agreement Section 23	Full integration; Franchise Agreement supersedes all. Only the terms of the Franchise Agreement or any related agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement might not be enforceable. Nothing in the Agreement or any related agreement is intended to disclaim the representations made in the disclosure document.
u. Dispute resolution by arbitration or mediation	Franchise Agreement Section 23 Area Developer Agreement Section 10	Binding arbitration before JAMS, subject to state law
v. Choice of forum	Franchise Agreement Section 23	San Francisco Bay Area, California, subject to state law
w. Choice of law	Franchise Agreement Section 23 Area Developer Agreement Section 11	California, subject to state law

ITEM 18 Public Figures

We currently do not 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 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.



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

The information in the tables (“**Tables**”) below is derived from the operation of twenty-seven (27) franchise Building Kidz Schools (“**Locations**”) and presents their financial results for the calendar year 2024. Specifically, in Tables 1(a), 1(b), and 1(c), we present financial results achieved by twenty-seven (27) Locations that were operational for a minimum of twelve (12) months as of December 31, 2024, categorized by top, middle, and bottom third performers, respectively, based on EBITDA margin.

In Table 2(a), we present results for twenty-seven (27) Locations that were in operation for a minimum of twelve (12) months; in Table 2(b), for twenty-three (23) Locations that were in operation for a minimum of twenty-four (24) months; and in Table 2(c), for twenty-one (21) Locations that were in operation for a minimum of thirty-six (36) months, all as of December 31, 2024.

In Table 3(a), we present results for six Locations that were in operation for a minimum of twelve (12) months and less than thirty-six (36) months; in Table 3(b), for seven Locations that were in operation for a minimum of thirty-six (36) months and less than five years; in Table 3(c), for eight Locations that were in operation for a minimum of five years and less than six years; in Table 3(d), for six Locations that were in operation for a minimum of six years, all as of December 31, 2024.

The Tables do not include data from (i) three locations that were open less than twelve (12) months as of December 31, 2024, (ii) three Locations that failed to report the required information for the full calendar year ending December 31, 2024, and six Locations that reported anomalous data.

The Tables show average, median, high and low performance, respectively, as well as the number of Locations represented in the Table and the number of Locations that performed at or above the average for the group of Locations represented by each Table.

All Franchise Locations disclosed in this ITEM 19 are different in their geographic location, length of time in operation, degree of competition, and services.

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Tables 1(a) -1(c)
January 1, 2024 through December 31, 2024
Franchise System Wide Averages and Medians for the Top, Bottom, and Middle Thirds

Table 1(a) - Top				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$1,964,644	\$641,521	34.3%	6.3
Median	\$1,575,409	\$507,560	33.2%	
High	\$3,893,926	\$1,217,634	47.8%	
Low	\$467,302	\$168,133	28.0%	
Locations	9			
Number of Locations that met or exceeded the average Margin: 3				
Table 1(b) - Middle				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$893,813	\$209,229	23.2%	3.6
Median	\$840,589	\$179,055	23.0%	
High	\$1,377,342	\$352,989	26.0%	
Low	\$434,577	\$102,387	21.1%	
Locations	9			
Number of Locations that met or exceeded the average Margin: 4				
Table 1(c) - Bottom				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$532,486	\$60,293	11.3%	4.4
Median	\$580,442	\$32,264	9.6%	
High	\$811,356	\$163,902	20.5%	
Low	\$68,489	\$7,145	1.3%	
Locations	9			
Number of Locations that met or exceeded the average Margin: 4				

Tables 2(a) -2(c)
January 1, 2024 through December 31, 2024
Franchise System Wide Averages and Medians for Locations based on time in operation

Table 2(a) - 1 yr+				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$1,130,314	\$303,681	22.9%	4.8
Median	\$811,356	\$168,133	23.0%	
High	\$3,893,926	\$1,217,634	47.8%	
Low	\$68,489	\$7,145	1.3%	
Locations	27			
Number of Locations that met or exceeded the average Margin: 14				
Table 2(b) - 2 yr +				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$1,207,215	\$327,833	22.8%	5.3
Median	\$840,589	\$179,055	22.5%	
High	\$3,893,926	\$1,217,634	47.8%	
Low	\$68,489	\$7,145	1.3%	
Locations	23			
Number of Locations that met or exceeded the average Margin: 11				
Table 2(c) - 3 yr +				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$1,281,986	\$353,279	23.8%	5.5
Median	\$1,060,759	\$250,940	23.0%	
High	\$3,893,926	\$1,217,634	47.8%	
Low	\$68,489	\$7,145	1.3%	
Locations	21			
Number of Locations that met or exceeded the average Margin: 10				

Tables 3(a) -3(d)
January 1, 2024 through December 31, 2024
Franchise System Wide Averages and Medians for Locations grouped by time in operation

Table 3(a) - 1 - 3 yrs				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$599,461	\$130,087	19.7%	1.7
Median	\$513,342	\$107,371	22.3%	
High	\$1,291,271	\$323,646	25.1%	
Low	\$223,106	\$15,091	6.8%	
Locations	6			
Number of Locations that met or exceeded the average Margin: 4				
Table 3(b) - 3 years - 5 years				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$1,098,927	\$320,909	27.2%	4.3
Median	\$1,060,759	\$352,989	26.0%	
High	\$1,715,598	\$569,126	47.8%	
Low	\$599,194	\$32,264	4.0%	
Locations	7			
Number of Locations that met or exceeded the average Margin: 3				
Table 3(c) - 5 years - 6 years				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$1,286,551	\$307,009	16.7%	5.3
Median	\$637,688	\$92,944	19.6%	
High	\$3,893,926	\$1,173,712	30.1%	
Low	\$68,489	\$7,145	1.3%	
Locations	8			
Number of Locations that met or exceeded the average Margin: 5				

Table 3(d) - 6+ years				
	Revenue	EBIDTA	Margin	Years in operation
Average	\$1,489,469	\$452,738	29.5%	7.7
Median	\$1,187,273	\$339,425	31.6%	
High	\$3,678,967	\$1,217,634	36.0%	
Low	\$467,302	\$168,133	21.3%	
Locations	6			
Number of Locations that met or exceeded the average Margin: 4				

Notes:

1. The term “**EBITDA**” is defined as earnings before interest, taxes, depreciation, and amortization. The average and median years in operation, revenue, expense, and EBITDA information provided in the tables above was prepared from the sales records and reports, as generated by our Franchisees’ accounting system, and provided by our franchisees in order to calculate the EBITDA numbers reflected and the underlying data. We do not know of an instance, nor do we have reason to believe, that the manager of any Franchise Location would overstate or understate the Franchise Location’s revenues or expenses in the manager’s report. The EBITDA numbers include the gross profit minus all ordinary and recurring operating expenses, except interest, income taxes, depreciation, and amortization. The EBITDA percentages reflect the percentage of revenue remaining after all operating expenses, except interest, taxes, depreciation, and amortization have been deducted from total revenue.
2. We further recommend that prospective franchisees consult with professional advisors before executing any agreement. Your accountant can help you develop your own estimated costs for your Building Kidz School.
3. We have written substantiation in our possession to support the information appearing in this Financial Performance Representation. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request. Franchisees or former franchisees listed in this franchise disclosure document may also be a source of information.
4. You must receive approval from us before selling any product or service other than our authorized services or products.

Other than the preceding financial performance representation, 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 Sanjay Gehani (303 Vintage Park Drive, Suite 130, Foster City, CA 94404; (408) 205-7674; Sanjayg@buildingkidz.com), the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 Outlets and Franchisee Information.

**Table No. 1: System wide Outlet Summary
For years 2022 to 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change (+ or -)
Franchised	2022	30	34	+4
	2023	34	38	+4
	2024	38	39	+1
Company-Owned*	2022	3	6	+3
	2023	6	7	+1
	2024	7	9	+2
Total Outlets	2022	33	40	+7
	2023	40	45	+5
	2024	45	48	+3

*Refers to company- and affiliate-owned outlets.

**Table No. 2: Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor or an Affiliate)
For years 2022 to 2024**

State	Year	Number of Transfers
California	2022	0
	2023	0
	2024	0
New York	2022	0
	2023	0
	2024	1
TOTAL	2022	0
	2023	0
	2024	1

