

u. Dispute resolution by arbitration or mediation	Sections 11.7 and 11.8	Except for certain claims, claims must first be mediated prior to arbitration or litigation. All disputes must be litigated in California. The arbitration will occur with each respective party paying their own costs.
v. Choice of forum	Section 11.2.2	Arbitration in Los Angeles County, California, or, if litigated, the Circuit Court for of Los Angeles County, California or United States District Court for the Central District of California.
w. Choice of law	Section 11.2.1	California law applies.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote any RAKKAN Ramen Business.

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.

TABLE

**HISTORICAL GROSS SALES FOR THE PERIOD JANUARY 1, 2025 TO
DECEMBER 31,2025 AT FRANCHISED RAKKAN OUTLETS OPEN MORE THAN
ONE YEAR ON DECEMBER 31, 2025**

	Gross Sales	Open Date	Square Feet
1	\$1,050,398.44	8.22.2022	1654
2	\$974,516.25	6.5.2023	2475
3	\$536,404.11	10.30.2023	1650
4	\$1,327,375.23	5.3.2021	1681
5	\$655,154.53	2.24.2023	2062

6	\$1,581,153.30	9.25.2023	1723
7	\$1,116,290.75	10.7.2023	1969
8	\$1,326,312.81	5.18.2024	1856

We have not audited this information. However, upon written request, we will provide you with substantiation of the data used in preparing this financial performance representation.

The characteristics of the franchised RAKKAN Outlets are generally similar to the franchises offered to prospective franchisees under this disclosure document.

Before signing any documents or making any investment, you must make your own independent investigation regarding the purchase of a RAKKAN franchise. You must consult with your own independent advisors, such as attorneys and accountants, to assist in determining the suitability of this investment for you.

The term “Gross Sales” means all revenues generated by franchisees through RAKKAN Outlets, excluding applicable sales or use taxes and legitimate refunds, and is not modified for uncollected accounts.

The Gross Sales figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the Gross Sales figures to obtain your net income or profit.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you’ll sell as much.

Other than the foregoing, 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 authorized agents for service of process described at the beginning of this disclosure document, the Federal Trade Commission, and the appropriate state regulatory agencies. If you receive any other financial performance information or projections of your future income, other than in this Item 19, you should report it to the franchisor’s management by contacting Ryohei Ito at 1025 W. 190th Street, Suite 218, Gardena, California 90248, franchise@rakkanramen.com and 424-329-0513, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
RESTAURANTS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary for Years 2023 to 2025

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2023	6	12	6
	2024	12	12	0
	2025	12	9	-3
Company-Owned	2023	3	3	0
	2024	3	3	0
	2025	3	3	0
Total Locations	2023	9	15	6
	2024	15	15	0
	2025	15	12	-3

Table 2
Transfers of Outlet From Franchisees to New Owners
(Other than Franchisor or an Affiliate) for Years 2023 to 2025

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

Table 3
Status of Franchised Locations for Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations	Outlets at End of Year
California	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	1	3
Colorado	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Georgia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Illinois	2023	1	0	0	0	0	0	1