

Provision	Section in Multi-Unit Development Agreement	Summary
		investor, officer, director, employee or agent, in any competing business within 10 miles of your former Adam & Eve outlet location or any other Adam & Eve outlet location; do any act that could damage the goodwill of our trademarks or System, or disrupt or jeopardize our business or that of our franchisees.
s.	Modification of the agreement	Section 11.4 No oral modifications. No amendment of the provisions will be binding upon either party unless the amendment has been made in writing and executed by all interested parties.
t.	Integration/merger clause	Section 11.4 Only the terms of the Multi-Unit Development Agreement and other related written agreements are binding (subject to applicable state law.) Nothing in the agreement or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document. Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Sections 10.1, 10.2, 10.3, and 10.4 At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, and then to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, possession of the Franchised Business premises and post-termination obligations. Subject to state law.
v.	Choice of forum	Section 10.5 Litigation takes place in North Carolina, subject to applicable state law.
w.	Choice of law	Section 10.5 North Carolina law applies, subject to applicable state law.

See the state addenda to this Franchise Disclosure Document and the Franchise Agreement for special state disclosures.

**ITEM 18: PUBLIC FIGURES**

We do not currently use any public figures 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.

We have 107 Adam and Eve franchises. We have included the historical financial representations for 101 outlets. We have excluded the 6 outlets that opened in 2024 as they would not present a full 12 months of financial representations. The below table includes the historical financial representations of our franchise system for 2024. We included net sales, but we did not include any operating expenses. Your revenues may vary significantly depending on a number of factors, including the location of your Store and how you operate your Franchised Business.

**Some stores have earned these amounts. Your individual results may vary. There is no assurance you'll earn as much.**

ADAM & EVE FRANCHISE SYSTEM SALES 2024						
Year	Number of stores at year end	Net Sales	Average Sales/month /store	Number of Stores that Met or Surpassed the Average Sales	Median Sales/Month/Store	Number of Stores that Met or Surpassed the Median Sales
2024	101	\$82,373,343	\$67,964	40 Stores or 40%	\$60,076	51 stores or 50%

  

Year	Number of Stores at the Year End	Lowest Net Sales for stores open a full year	Highest Net Sales for stores open a full year	Number of stores below Median Sales	Median Sales/Year/Store	Number of Stores over Median Sales/Year/Store
2024	101	\$128,486	\$2,022,833	50 stores 50%	\$720,910	51 stores 50%

"Net Sales" does not include sales tax, refunds, or discounts.

In 2019, we started migrating franchisees to our current All Point POS System. We currently have 104 Stores on the All Point System. The Franchised Businesses report gross sales information to us based upon a uniform reporting system. In 2024, there were 100 stores utilizing the software system and those stores averaged a gross margin of 67.3%. The low end of the average was 58.1% and the high end was 74.3%.

The reasonable basis for this Financial Performance Representation is that the outlets included are similar to the franchise being offered under this Disclosure Document in terms of operations and product offerings. There are no material financial or operational characteristics of the outlets that are reasonably anticipated to differ materially from future franchise outlet operations. The information presented above has not been audited.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, AEFC, Inc. does 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 David Keegan, 302 Meadowlands Drive, Hillsborough, North Carolina 27278, 919-644-8100, 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

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	96	96	0
	2023	96	101	+5
	2024	101	107	+6
Company – Owned*	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total	2022	96	96	0
	2023	96	101	+5
	2024	101	107	+6

Table No. 2  
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)  
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Number of Transfers
None	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0