

Provision	Section in Franchise or Other Agreement	Summary
u. Dispute resolution by arbitration or mediation	Section 27 of the Franchise Agreement	None
v. Choice of forum	Section 27.2 of the Franchise Agreement	Litigation must be in Maryland (subject to state law), except if we seek injunctive relief.
w. Choice of law	Section 27.1 of the Franchise Agreement	Maryland law applies (subject to state law).

ITEM 18: PUBLIC FIGURES

KADF currently does not use any public figures to promote its franchises.

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 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 below represents an actual historic financial performance representation. The information was obtained from the financial results reported to us by our existing Franchisee owned outlets for the full calendar year ended December 31, 2025 (the “**2025 Reporting Period**”). This information has not been audited or verified by us or a third party.

2025 Reporting Period Data Set

As of December 31, 2025, there were 363 franchised Academies. As of that date, 23 of these Academies (6.3% of the total) had been open and operational for less than 12 full months and have therefore been excluded from the 2025 Reporting Period data set. Of the remaining 340 Academies, 25 Academies (7.4% of the total) had failed to report the required information for the full calendar year ending December 31, 2025. The results of these Academies have also been excluded from the 2025 Reporting Period data set. Accordingly, the financial performance information presented in the tables below for the 2025 Reporting Period represents the results of the remaining 315 Academies that had reported results as of December 31, 2025 (the “**2025 Reporting Academies**”). The results reported for the 2025 Reporting Academies are divided into two groups: the 293 Academies open 24 months or more as of the end of the 2025 Reporting Period (the “**2025 Mature Academies**”) and the 22 Academies open less than 24 months as of the end of the 2025 Reporting Period (the “**2025 Ramping Academies**”).

We have not conducted an independent investigation or an audit to verify the information provided to us by our franchisees. You should conduct an independent investigation of the costs and expenses You will incur in operating an Academy.

Financial performance information about our 2025 Mature and 2025 Ramping Academies includes Gross Revenue, Labor, Occupancy and Miscellaneous expenses and Gross Profit. All Academies offer substantially the same services and products to the public. However, the actual financial performance among Academies varies substantially. The results presented in the tables below indicate the Gross Profit, which is the Gross Revenue minus the listed operating expenses. More detailed descriptions of these expense items are presented in the notes below. In addition to the individual Academy financial performance information supplied in the tables, the average and median financial performance information for the Academies included in the report is also presented. The time periods expressed in the charts below are not meant to be an indication as to when or if an Academy will reach maturity. Each Academy's growth rate will vary by location, competitive environment, the region and market area in which the Academy is located, labor costs, programs and the individual Franchisee's marketing efforts and management skills. Accordingly, the information presented should only be used as a reference guide in conducting an independent analysis of the proposed business. Written substantiation of data used in preparing these financial performance representations is contained below but will also be made available to prospective Franchisees upon reasonable request.

MATURE ACADEMIES

DATA FOR CALENDAR YEAR ENDED DECEMBER 31, 2025

The data in the table below shows the results achieved by the Mature Academies in the listed categories. 131 Academies or 45% of the 2025 Mature Academies reported Gross Revenue above the reported average. 125 Academies or 43% of the 2025 Mature Academies reported Gross Profit above the reported average.

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	Average	Median
Number of Academies	293	293
# of Months Open	118.57	101.50
Gross Revenue	\$2,193,815	\$2,075,740
Labor Expense	\$1,019,835	\$983,102
Occupancy Expense	\$370,668	\$363,623
Miscellaneous Expense	\$268,982	\$257,451
Gross Profit	\$534,330	\$479,211

The data in the table below shows the results achieved by the “Top Quarter” of Mature Academies measured by Gross Profit. This group is comprised of 73 Academies. 28 Academies or 38% of the Top Quarter reported Gross Revenue above the reported average. 27 Academies or 37% of the Top Quarter reported Gross Profit above the reported average.

	Top Quarter By Gross Profit	Top Quarter By Gross Profit
	Average	Median
Number of Academies	73	73
# of Months Open	113.84	100.17
Gross Revenue	\$3,203,602	\$2,932,736
Labor Expense	\$1,350,900	\$1,281,118
Occupancy Expense	\$394,096	\$407,546
Miscellaneous Expense	\$377,027	\$356,756
Gross Profit	\$1,081,579	\$991,054

The data in the table below shows the results achieved by the “Bottom Quarter” of Mature Academies measured by Gross Profit. This group is comprised of 73 Mature Academies. 34 Academies or 47% of the Bottom Quarter reported Gross Revenue above the reported average. 46 Academies or 63% of the Bottom Quarter reported Gross Profit above the reported average.

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	Bottom Quarter By Gross Profit	Bottom Quarter By Gross Profit
	Average	Median
Number of Academies	73	73
# of Months Open	131.41	111.77
Gross Revenue	\$1,389,528	\$1,343,525
Labor Expense	\$763,185	\$731,987
Occupancy Expense	\$364,402	\$343,272
Miscellaneous Expense	\$181,927	\$186,759
Gross Profit	\$80,014	\$105,058

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Following is the individual Academy performance reported for the 2025 Mature Academies:

INDIVIDUAL ACADEMY PERFORMANCE FOR CALENDAR YEAR ENDING DECEMBER 31, 2025
Mature Academies

Location #	1	2	3	4	5
Revenue	\$5,339,715	\$2,376,218	\$2,624,672	\$2,927,573	\$2,518,335
Labor Expense	\$2,182,881	\$1,134,252	\$1,213,203	\$1,223,787	\$1,036,683
Occupancy Expense	\$727,410	\$397,856	\$363,833	\$338,084	\$462,478
Misc Expense	\$637,707	\$254,602	\$311,186	\$374,647	\$263,767
Gross Profit	\$1,791,717	\$589,507	\$736,451	\$991,054	\$755,407
Location #	6	7	8	9	10
Revenue	\$2,125,836	\$3,124,490	\$4,711,061	\$1,616,676	\$2,907,668
Labor Expense	\$956,399	\$1,538,986	\$1,702,296	\$780,110	\$1,450,905
Occupancy Expense	\$428,592	\$403,069	\$338,467	\$14,095	\$314,048
Misc Expense	\$233,772	\$356,756	\$547,238	\$182,826	\$323,915
Gross Profit	\$507,074	\$825,680	\$2,123,060	\$639,645	\$818,800
Location #	11	12	13	14	15
Revenue	\$2,781,808	\$2,554,392	\$3,277,198	\$2,552,336	\$3,323,928
Labor Expense	\$1,247,524	\$833,669	\$1,603,736	\$1,155,965	\$1,150,596
Occupancy Expense	\$589,191	\$621,707	\$456,735	\$217,818	\$1,105,232
Misc Expense	\$312,118	\$330,189	\$355,546	\$329,155	\$403,220
Gross Profit	\$632,974	\$768,827	\$861,181	\$849,398	\$664,880
Location #	16	17	18	19	20
Revenue	\$4,007,129	\$1,637,882	\$2,343,339	\$2,764,670	\$3,644,975
Labor Expense	\$2,075,309	\$738,780	\$1,160,560	\$1,312,592	\$1,622,819
Occupancy Expense	\$493,707	\$260,487	\$99,328	\$486,131	\$722,877
Misc Expense	\$379,283	\$177,149	\$288,950	\$327,276	\$551,673
Gross Profit	\$1,058,830	\$461,467	\$794,501	\$638,672	\$747,607
Location #	21	22	23	24	25
Revenue	\$2,259,471	\$1,928,752	\$2,299,905	\$2,198,952	\$5,895,186
Labor Expense	\$1,134,181	\$1,036,445	\$829,883	\$1,028,763	\$2,172,006
Occupancy Expense	\$440,683	\$411,112	\$596,768	\$232,614	\$872,378
Misc Expense	\$273,992	\$195,500	\$248,957	\$249,036	\$655,732
Gross Profit	\$410,615	\$285,695	\$624,297	\$688,539	\$2,195,070

INDIVIDUAL ACADEMY PERFORMANCE FOR CALENDAR YEAR ENDING DECEMBER 31, 2025
Mature Academies

Location #	26	27	28	29	30
Revenue	\$1,666,038	\$2,107,399	\$2,075,740	\$2,312,342	\$2,357,876
Labor Expense	\$846,197	\$939,518	\$1,063,011	\$1,225,790	\$1,086,998
Occupancy Expense	\$267,245	\$403,579	\$316,122	\$447,001	\$326,279
Misc Expense	\$219,683	\$233,582	\$235,557	\$265,957	\$285,444
Gross Profit	\$332,913	\$530,718	\$461,050	\$373,594	\$659,155

Location #	31	32	33	34	35
Revenue	\$4,102,814	\$1,725,871	\$2,098,261	\$2,662,361	\$2,496,933
Labor Expense	\$1,518,235	\$698,661	\$961,626	\$951,730	\$1,079,966
Occupancy Expense	\$581,246	\$358,290	\$362,767	\$513,802	\$475,233
Misc Expense	\$448,534	\$257,153	\$261,526	\$351,167	\$319,515
Gross Profit	\$1,554,799	\$411,767	\$512,342	\$845,661	\$622,219

Location #	36	37	38	39	40
Revenue	\$4,761,154	\$1,391,673	\$2,825,163	\$1,272,551	\$2,727,987
Labor Expense	\$2,465,435	\$727,809	\$1,137,719	\$700,206	\$1,020,913
Occupancy Expense	\$611,831	\$253,719	\$596,554	\$63,519	\$158,152
Misc Expense	\$548,920	\$201,792	\$320,845	\$172,759	\$356,932
Gross Profit	\$1,134,968	\$208,353	\$770,046	\$336,067	\$1,191,990

Location #	41	42	43	44	45
Revenue	\$2,688,789	\$2,164,761	\$1,901,565	\$2,442,049	\$2,926,056
Labor Expense	\$1,302,043	\$983,102	\$943,487	\$1,237,302	\$1,297,066
Occupancy Expense	\$437,958	\$762,428	\$239,424	\$146,511	\$418,082
Misc Expense	\$397,242	\$275,954	\$269,685	\$264,781	\$337,166
Gross Profit	\$551,547	\$143,277	\$448,970	\$793,455	\$873,741

Location #	46	47	48	49	50
Revenue	\$1,403,206	\$2,180,223	\$2,073,307	\$1,063,202	\$2,162,427
Labor Expense	\$603,293	\$936,671	\$990,902	\$555,767	\$1,152,104
Occupancy Expense	\$9,554	\$346,814	\$475,103	\$319,193	\$258,790
Misc Expense	\$218,214	\$285,544	\$251,463	\$146,958	\$342,042
Gross Profit	\$572,144	\$611,194	\$355,839	\$41,284	\$409,490

INDIVIDUAL ACADEMY PERFORMANCE FOR CALENDAR YEAR ENDING DECEMBER 31, 2025
Mature Academies

Location #	51	52	53	54	55
Revenue	\$2,152,022	\$1,139,102	\$1,919,092	\$2,810,722	\$2,771,394
Labor Expense	\$759,153	\$529,267	\$867,528	\$1,104,460	\$1,472,355
Occupancy Expense	\$511,199	\$591,222	\$320,829	\$643,142	\$323,872
Misc Expense	\$291,038	\$218,220	\$235,277	\$318,416	\$381,791
Gross Profit	\$590,632	(\$199,607)	\$495,458	\$744,705	\$593,376

Location #	56	57	58	59	60
Revenue	\$3,103,483	\$1,384,731	\$907,283	\$2,018,307	\$1,617,429
Labor Expense	\$1,406,112	\$647,001	\$685,902	\$947,475	\$867,114
Occupancy Expense	\$857,142	\$252,835	\$693,495	\$607,910	\$283,274
Misc Expense	\$328,114	\$123,101	\$73,256	\$250,513	\$195,397
Gross Profit	\$512,115	\$361,793	(\$545,370)	\$212,409	\$271,644

Location #	61	62	63	64	65
Revenue	\$1,905,816	\$3,203,934	\$1,730,911	\$1,261,310	\$3,383,143
Labor Expense	\$980,919	\$1,715,185	\$917,402	\$863,280	\$1,775,342
Occupancy Expense	\$388,118	\$503,382	\$193,524	\$80,161	\$456,059
Misc Expense	\$213,572	\$360,875	\$221,258	\$203,260	\$420,466
Gross Profit	\$323,206	\$624,491	\$398,728	\$114,609	\$731,276

Location #	66	67	68	69	70
Revenue	\$1,651,954	\$1,347,861	\$1,343,525	\$1,677,423	\$2,699,988
Labor Expense	\$877,467	\$656,017	\$874,815	\$741,358	\$1,344,392
Occupancy Expense	\$235,262	\$314,456	\$274,224	\$318,589	\$512,111
Misc Expense	\$179,101	\$179,125	\$214,712	\$230,714	\$315,746
Gross Profit	\$360,124	\$198,263	(\$20,225)	\$386,762	\$527,740

Location #	71	72	73	74	75
Revenue	\$3,388,108	\$1,242,511	\$2,625,995	\$1,964,104	\$4,727,117
Labor Expense	\$1,582,744	\$445,393	\$964,224	\$1,159,593	\$2,215,387
Occupancy Expense	\$533,869	\$243,970	\$573,183	\$132,154	\$663,664
Misc Expense	\$342,186	\$158,113	\$319,747	\$193,146	\$529,796
Gross Profit	\$929,310	\$395,036	\$768,841	\$479,211	\$1,318,271

INDIVIDUAL ACADEMY PERFORMANCE FOR CALENDAR YEAR ENDING DECEMBER 31, 2025
Mature Academies

Location #	76	77	78	79	80
Revenue	\$3,186,939	\$1,824,684	\$1,119,517	\$982,950	\$2,528,019
Labor Expense	\$1,500,313	\$972,215	\$915,008	\$529,924	\$1,082,556
Occupancy Expense	\$345,257	\$163,191	\$204,791	\$95,592	\$41,098
Misc Expense	\$389,914	\$217,862	\$185,143	\$129,667	\$345,891
Gross Profit	\$951,456	\$471,415	(\$185,425)	\$227,767	\$1,058,474
Location #	81	82	83	84	85
Revenue	\$1,753,890	\$2,427,328	\$1,314,910	\$1,325,198	\$1,757,263
Labor Expense	\$627,632	\$1,233,980	\$777,783	\$500,114	\$871,183
Occupancy Expense	\$540,081	\$575,645	\$342,685	\$238,830	\$284,738
Misc Expense	\$245,963	\$289,862	\$157,859	\$135,122	\$277,693
Gross Profit	\$340,215	\$327,841	\$36,583	\$451,133	\$323,650
Location #	86	87	88	89	90
Revenue	\$2,423,721	\$3,005,774	\$1,325,065	\$2,212,919	\$1,734,442
Labor Expense	\$1,087,405	\$1,316,828	\$839,517	\$1,430,484	\$846,173
Occupancy Expense	\$60,588	\$738,449	\$288,118	\$273,305	\$355,995
Misc Expense	\$251,428	\$414,396	\$173,302	\$265,512	\$234,476
Gross Profit	\$1,024,300	\$536,101	\$24,128	\$243,618	\$297,799
Location #	91	92	93	94	95
Revenue	\$819,243	\$1,801,751	\$1,223,312	\$1,598,102	\$2,714,821
Labor Expense	\$432,008	\$932,153	\$552,686	\$456,023	\$1,015,763
Occupancy Expense	\$9,091	\$345,038	\$480,116	\$526,651	\$524,547
Misc Expense	\$76,273	\$206,457	\$150,284	\$196,397	\$343,662
Gross Profit	\$301,871	\$318,102	\$40,226	\$419,031	\$830,849
Location #	96	97	98	99	100
Revenue	\$3,385,045	\$1,958,375	\$1,203,886	\$1,057,359	\$2,932,736
Labor Expense	\$1,764,516	\$1,085,833	\$623,463	\$562,414	\$1,281,118
Occupancy Expense	578,742	175,625	309,192	263,894	537,733
Misc Expense	419,785	229,547	177,728	20,149	333,461
Gross Profit	\$622,002	\$467,370	\$93,503	\$210,901	\$780,424

INDIVIDUAL ACADEMY PERFORMANCE FOR CALENDAR YEAR ENDING DECEMBER 31, 2025
Mature Academies

Location #	101	102	103	104	105
Revenue	\$1,310,841	\$2,284,255	\$1,893,010	\$1,719,322	\$1,572,578
Labor Expense	\$579,418	\$1,094,695	\$984,607	\$1,047,721	\$827,534
Occupancy Expense	\$202,683	\$255,668	\$306,470	\$343,272	\$290,898
Misc Expense	\$168,937	\$265,643	\$214,893	\$196,521	\$182,413
Gross Profit	\$359,803	\$668,248	\$387,040	\$131,809	\$271,733

Location #	106	107	108	109	110
Revenue	\$2,443,142	\$2,307,241	\$1,306,511	\$1,686,795	\$2,490,863
Labor Expense	\$1,080,677	\$1,038,195	\$742,123	\$785,202	\$1,186,009
Occupancy Expense	\$376,951	\$542,259	\$329,795	\$297,767	\$398,670
Misc Expense	\$342,595	\$234,185	\$196,661	\$194,785	\$322,070
Gross Profit	\$642,921	\$492,604	\$37,932	\$409,042	\$584,114

Location #	111	112	113	114	115
Revenue	\$2,074,864	\$1,724,021	\$688,434	\$1,808,008	\$2,399,958
Labor Expense	\$1,249,439	\$927,344	\$581,388	\$896,458	\$1,128,210
Occupancy Expense	\$86,111	\$476,013	\$482,421	\$15,121	\$570,098
Misc Expense	\$235,550	\$194,044	\$63,170	\$262,995	\$303,862
Gross Profit	\$503,764	\$126,619	(\$438,545)	\$633,434	\$397,789

Location #	116	117	118	119	120
Revenue	\$1,882,425	\$602,283	\$2,672,614	\$1,502,696	\$1,739,554
Labor Expense	\$857,112	\$330,791	\$1,310,476	\$591,117	\$918,959
Occupancy Expense	\$435,923	\$28,745	\$449,702	\$265,532	\$280,657
Misc Expense	\$237,552	\$70,253	\$254,500	\$202,604	\$244,635
Gross Profit	\$351,837	\$172,494	\$657,936	\$443,443	\$295,303

Location #	121	122	123	124	125
Revenue	\$1,934,686	\$944,994	\$1,872,792	\$2,360,114	\$1,895,108
Labor Expense	\$962,819	\$443,176	\$779,876	\$1,120,489	\$708,101
Occupancy Expense	\$260,997	\$178,340	\$490,802	\$435,585	\$261,943
Misc Expense	\$260,655	\$114,960	\$243,629	\$295,412	\$218,540
Gross Profit	\$450,215	\$208,518	\$358,485	\$508,628	\$706,524

INDIVIDUAL ACADEMY PERFORMANCE FOR CALENDAR YEAR ENDING DECEMBER 31, 2025
Mature Academies

Location #	126	127	128	129	130
Revenue	\$3,446,992	\$2,059,096	\$1,561,110	\$1,245,926	\$1,899,197
Labor Expense	\$1,324,749	\$1,119,164	\$840,593	\$675,211	\$862,814
Occupancy Expense	\$475,028	\$320,992	\$398,865	\$201,660	\$41,958
Misc Expense	\$423,428	\$265,508	\$222,528	\$147,313	\$220,628
Gross Profit	\$1,223,787	\$353,432	\$99,124	\$221,741	\$773,797

Location #	131	132	133	134	135
Revenue	\$1,912,094	\$2,251,748	\$1,069,625	\$1,705,587	\$2,170,955
Labor Expense	\$929,454	\$1,091,753	\$497,497	\$721,349	\$983,872
Occupancy Expense	\$340,784	\$404,200	\$142,344	\$644,882	\$343,075
Misc Expense	\$285,389	\$262,757	\$156,088	\$203,722	\$240,017
Gross Profit	\$356,467	\$493,038	\$273,696	\$135,634	\$603,993

Location #	136	137	138	139	140
Revenue	\$4,388,176	\$2,759,345	\$1,686,006	\$1,373,310	\$1,646,812
Labor Expense	\$1,628,954	\$1,370,724	\$977,677	\$711,985	\$822,993
Occupancy Expense	\$435,022	\$537,017	\$423,869	\$352,252	\$73,328
Misc Expense	\$482,619	\$355,865	\$253,269	\$204,015	\$223,864
Gross Profit	\$1,841,580	\$495,740	\$31,191	\$105,058	\$526,627

Location #	141	142	143	144	145
Revenue	\$2,413,407	\$1,440,303	\$1,799,111	\$979,520	\$3,875,789
Labor Expense	\$1,084,740	\$732,155	\$852,567	\$626,320	\$1,538,093
Occupancy Expense	\$532,470	\$369,165	\$363,623	\$317,316	\$367,297
Misc Expense	\$317,763	\$199,135	\$240,222	\$128,787	\$438,003
Gross Profit	\$478,433	\$139,848	\$342,699	(\$92,903)	\$1,532,396

Location #	146	147	148	149	150
Revenue	\$2,662,308	\$3,173,630	\$1,585,897	\$1,677,330	\$3,883,659
Labor Expense	\$1,135,522	\$1,268,093	\$676,149	\$1,052,798	\$1,545,308
Occupancy Expense	\$407,546	\$960,017	\$299,760	\$396,455	\$520,058
Misc Expense	\$296,372	\$354,152	\$212,010	\$172,692	\$460,915
Gross Profit	\$822,868	\$591,367	\$397,978	\$55,385	\$1,357,378