

ITEM 18 PUBLIC FIGURES

We do not 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 performance at a particular location or under particular circumstances.

The following representation are Statements of Gross Revenue and EBITDAR [**E**arnings **B**efore **I**nterest, **T**axes, **D**epreciation, **A**mortization and **R**ent] for our two company-owned facilities that were in operation during the entire 2023 year.

Gross Revenue is defined to include tuition, subscription plans, materials, enrollment, and other fees, and all revenues from any other source, including government subsidies and grants and gift cards or similar payment methods, less approved discounts, credits, refunds, and exchanges from products and services, and excluding government mandated sales, use, and similar taxes. Gross Revenue does not include revenue from activities at the Franchised Site by a Franchisee that is a church or religious organization where such activities are not related to the operation of the Center, are directed exclusively toward such organization's charitable, religious, or other tax-exempt purposes, and such approved activities take place outside of normal Center Operating Hours unless otherwise approved by us.

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Center	Alpharetta, GA		Washington, D.C.		Average	Median
Opening Date	August 2019		October 2021			
Reporting Period	Calendar Year 2023		Calendar Year 2023			
Revenue						
Tuition	3,652,677		1,939,545			
Other Income ¹	307,270		56,366			
Gross Revenue	\$3,959,947	100.00%	\$1,995,911	100.00%	\$2,977,929	\$2,977,929
Expenses						
Payroll and Taxes	1,546,932	39.10%	1,155,712	57.90%		
Operating Expenses ²	515,989	13.00%	249,819	12.50%		
Marketing ²	15,310	0.40%	61,626	3.10%		
Occupancy Expenses ³	86,893	2.20%	1,152	0.10%		
Total Expenses	\$2,165,124	54.68%	\$1,468,309	73.57%	\$1,816,717	\$1,816,717
EBITDAR⁴	\$1,794,823	45.32%	\$527,602	26.43%	\$1,161,213	\$1,161,213
Franchise Expenses						
Royalties	277,196	7.00%	139,714	7.00%		
Advertising Fund	118,798	3.00%	59,877	3.00%		
Curriculum License Fee	4,750		4,750			
Technology Fee	18,000		18,000			
Total Franchise Expenses	\$418,745	10.57%	\$222,341	11.14%	\$320,543	\$320,543
Franchise EBITDAR⁴	\$1,376,078	34.75%	\$305,261	15.29%	\$840,670	\$840,670

Note 1: Other Income includes grants from Georgia's and Washington DC's Childcare Stabilization Programs.

Note 2: The above Operating Expenses and Marketing expenses have been reduced by \$253,015 and \$108,435, respectively, as the cost to a franchisee of these items is reflected under the Franchise Expenses category. By removing these expenses above and reflecting them in the Franchise Expenses category, we have avoided double-counting these expenses. The above financial performance representation includes the royalties and advertising fees that a franchisee is expected to pay. There are no other financial or operational characteristics of company-owned outlets that are reasonably anticipated to differ materially from future franchise outlets.

Note 3: Occupancy Expenses include facilities manager, repair and maintenance, and utilities.

Note 4: EBITDAR excludes interest, taxes, depreciation, amortization and triple net lease obligations.

Some Centers have sold/earned this amount. Your individual results may differ. There is no assurance that you'll earn/sell as much.

Written substantiation of the data used to prepare this report will be made available to a prospective franchisee on reasonable request.

Other than the preceding financial performance representation, Phase Partners, LLC does 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 Frank Bealer at 12150 Morris Rd., Alpharetta, GA 30005, (470) 239-2480, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

All year-end numbers appearing below are as of December 31 of each year.

Table No. 1
Systemwide Outlet Summary
For years 2021/2022/2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company-Owned	2021	1	2	+1
	2022	2	2	0
	2023	2	2	0
Total Outlets	2021	1	2	+1
	2022	2	2	0
	2023	2	2	0