

u. Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable
v. Choice of forum	Not Applicable	Not Applicable
w. Choice of law	Not Applicable	Not Applicable

ITEM 18

PUBLIC FIGURES

We do not use any public figures to promote any Strickland Brothers 10 Minute Oil Change 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.

Background

Our Affiliate, Strickland’s Enterprises, LLC (our “Affiliate”), which is listed in Item 1 of this Franchise Disclosure Document, operates 58 businesses similar to the Strickland Brothers 10 Minute Oil Change business offered pursuant to this Franchise Disclosure Document. These businesses trade as “SB Oil Change”. Our Affiliate founded the SB Oil Change business in 2016, and operated the business from a location in Thomasville, North Carolina beginning in 2016. Since 2018, our Affiliate has opened additional SB Oil Change locations in Florida, Indiana, Kentucky, Massachusetts, North Carolina, Ohio, South Carolina Tennessee, Virginia and West Virginia. The businesses operated by our Affiliate are acquisitions and/or ground leases, not full development locations.

Bases

As of December 31, 2023, there were 81 Affiliate owned Strickland Brothers 10 Minute Oil Change locations (the “Affiliate Representative Units”) that have been operating under the Strickland Brothers 10 Minute Oil Change name for at least 12 full calendar months and operate in a manner that is reasonably similar to that of a franchisee-owned SB Oil Change business.

As of December 31, 2023, there were 39 Franchisee owned Strickland Brothers 10 Minute Oil Change locations (the “Franchisee Representative Units”) that have been operating under the Strickland Brothers 10 Minute Oil Change name for at least 12 full calendar months as of December 31, 2023.

We have not included any Affiliate Representative Units or Franchisee Representative Units that

(i) operate in a manner that is not similar to that of a franchisee-owned SB Oil Change business or (ii) that were not in operation for all of the 2023 calendar year.

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Table 1

The combined performance of the Affiliate Representative Units for the year ending December 31, 2023, is summarized in Table 1 below.

	Average	High	Low	Median	# of Affiliate-Owned businesses that achieved or exceeded the average	% of Affiliate-Owned businesses that achieved or exceeded the average
Total Income	\$761,207.48	\$2,011,117.05	\$300,877.75	\$714,112.22	37	46%
COGS	\$191,829.87	\$522,799.72	\$77,357.17	\$184,306.48	39	48%
Gross Profit	\$569,377.61	\$1,488,317.33	\$223,520.58	\$520,735.83	36	44%
Expenses						42%
Rent	\$65,070.01	\$178,200.00	\$0	\$60,000.00	34	38%
Utilities	\$12,729.33	\$48,445.45	\$(9,831.63)	\$11,668.42	31	33%
Repairs/Maintenance	\$4,665.11	\$47,352.29	\$9.32	\$3,626.39	27	37%
Payroll/Employee Expenses	\$197,316.08	\$462,899.04	\$142,129.91	\$184,355.59	30	41%
Uniform Expenses	\$3,869.38	\$8,264.25	\$2,000.83	\$3,640.37	33	41%
Damage Claims	\$4,818.92	\$19,685.50	\$0	\$3,950.66	33	46%
Small Tools & Equipment	\$2,245.77	\$6,944.12	\$276.86	\$2,142.41	37	16%
Insurance Expense	\$658.41	\$9,310.17	\$170.42	\$210.71	13	42%
Credit Card Fees	\$10,807.61	\$22,751.72	\$4,250.61	\$9,920.85	34	44%
Office Supplies	\$1,808.56	\$4,217.02	\$736.34	\$1,690.36	36	42%
Taxes	\$61,302.75	\$130,977.97	\$21,937.03	\$56,113.58	34	32%
Est. Tech Fees	\$2,552.77	\$5,603.14	\$1,259.96	\$2,349.54	26	46%
Est. Brand Fund Cont.	\$15,224.15	\$40,222.34	\$6,017.56	\$14,282.24	37	49%
Est. Local Ad	\$19,615.17	\$23,679.10	\$9,023.39	\$19,587.58	40	46%
Est. Royalty	\$45,672.45	\$120,667.02	\$18,052.67	\$42,846.73	37	40%
Total Expenses	\$448,356.47	\$1,047,389.57	\$260,339.39	\$411,153.28	32	
Est. Net Profit	\$121,021.15	\$440,927.76	\$(66,108.36)	\$98,973.09	34	42%
Avg. Mgr. Salary	\$55,000.00	\$55,000.00	\$55,000.00	\$55,000.00	81	100%
Owner occupied model	\$176,021.15	\$495,927.76	\$(11,108.36)	\$153,973.09	34	42%

Notes to Table 1:

1. "Total Income" means the total selling price of all services and products sold at or from the Affiliate Representative Units (not adjusted for credit card fees), and all income and revenue of every other kind and nature related to the Affiliate Representative Units,

whether from cash, check, credit and debit card, barter, exchange, trade credit, or other credit transactions, but excluding taxes collected from customers and paid to taxing authority, and reduced by the actual amount of any documented refunds, credits, allowances, bad debts, and chargebacks the Affiliate Representative Units in good faith gives to customers.

2. “COGS” means the Cost of Goods Sold which is the total annual costs of automobile parts and other associated materials.
3. “Gross Profit” means the earnings of the Affiliate Representative Units before interest, taxes, depreciation, and amortization (i.e. Gross Revenue less the COGS, variable and fixed expenses, and estimated royalties and brand fund contributions).
4. The Affiliate Representative Units did not pay tech fund fees, royalties and brand fund contributions to us and are not required to spend a defined amount in their local areas for marketing.

Table 2

The combined key performance indicators of the Affiliate Representative Units for the fiscal year ending December 31, 2023, is summarized in Table 2 below.

	Average	High	Low	Median	# of Franchisee-Owned businesses that achieved or exceeded the average	% of Franchisee-Owned businesses that achieved or exceeded the average
Average Daily Tickets	22.5	68.9	7.7	22.1	40	48%
AVG Ticket (\$)	\$86.86	\$109.26	\$61.81	\$86.73	42	50%
COGS %	24%	38%	22%	23%	22	26%
Unit Level Labor (Excluding Manager)	16%	36%	10%	16%	45	54%
Discount %	7%	14%	3%	7%	37	44%
Premium Oil %	76%	95%	59%	77%	47	56%
M5%	29%	54%	10%	27%	40	48%
Google Review Score	4.69	4.93	3.79	4.71	44	52%

Notes to Table 2:

1. “Ticket” means the total sale price per customer.
2. “Unit Level Labor” means top line sales attributed to labor.
3. “Discounts %” includes discounts provided to customers as a result of promotions and other marketing initiatives.

Table 3

The combined performance of the Franchisee Representative Units for the year ending December 31, 2023, is summarized in Table 3 below.

	Average	High	Low	Median	# of Franchisee-Owned businesses that achieved or exceeded the average	% of Franchisee-Owned businesses that achieved or exceeded the average
Total Income	\$636,827.72	\$1,502,760.71	\$172,451.41	\$655,916.02	18	54%
COGS	\$174,424.38	\$451,101.75	\$44,308.91	\$170,331.85	21	46%
Gross Profit	\$468,816.19	\$1,051,658.96	\$124,137.42	\$482,894.24	17	54%
Expenses						
Rent	\$486,801.52	\$147,932.00	\$26,500.00	\$81,408.00	17	54%
Unit Level Labor	\$120,931.85	\$341,028.79	\$49,433.45	\$113,030.46	20	46%
Tech Fees	\$4,740.00	\$4,740.00	\$4,740.00	\$4,740.00	39	100%
Local Ad Fund	\$15,920.69	\$37,569.02	\$4,311.29	\$16,397.90	18	54%
Brand Fund	\$12,736.55	\$30,055.21	\$3,449.03	\$13,118.32	18	54%
Royalties	\$31,841.39	\$75,138.04	\$8,622.57	\$32,795.80	18	54%

Notes to Table 3:

1. "Total Income" means the total selling price of all services and products sold at or from the Franchisee Representative Units (not adjusted for credit card fees), and all income and revenue of every other kind and nature related to the Franchisee Representative Units, whether from cash, check, credit and debit card, barter, exchange, trade credit, or other credit transactions, but excluding taxes collected from customers and paid to taxing authority, and reduced by the actual amount of any documented refunds, credits, allowances, bad debts, and chargebacks the Franchisee Representative Units in good faith gives to customers.
2. "COGS" means the Cost of Goods Sold which is the total annual costs of automobile parts and other associated materials.
3. "Gross Profit" means the earnings of the Franchisee Representative Units before interest, taxes, depreciation, and amortization (i.e. Gross Revenue less the COGS, variable and fixed expenses, and estimated royalties and brand fund contributions).
4. The above data is based upon the information actually provided to us by the Franchisee Representative Units.

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Table 4

The combined key performance indicators of the Franchisee Representative Units for the fiscal year ending December 31, 2023, is summarized in Table 4 below.

	Average	High	Low	Median	# of Franchisee-Owned businesses that achieved or exceeded the average	% of Franchisee-Owned businesses that achieved or exceeded the average
Cars per Day	22.51	47.47	6.29	20.54	16	46%
Ticket Avg.	\$88.78	\$122.55	\$66.78	\$86.48	13	37%
COGS %	24%	29%	22%	24%	16	46%
Labor %	20%	52%	9%	17%	10	29%
M5 %	25%	53%	8%	25%	18	51%
Discount %	9%	17%	4%	9%	11	31%
Prem. Oil %	79%	93%	64%	79%	17	49%
Google Score	4.80	4.98	4.50	4.82	20	57%

Notes to Table 4:

1. "Ticket" means the total sale price per customer.
2. "Unit Level Labor" means top line sales attributed to labor.
3. "Discounts %" includes discounts provided to customers as a result of promotions and other marketing initiatives.

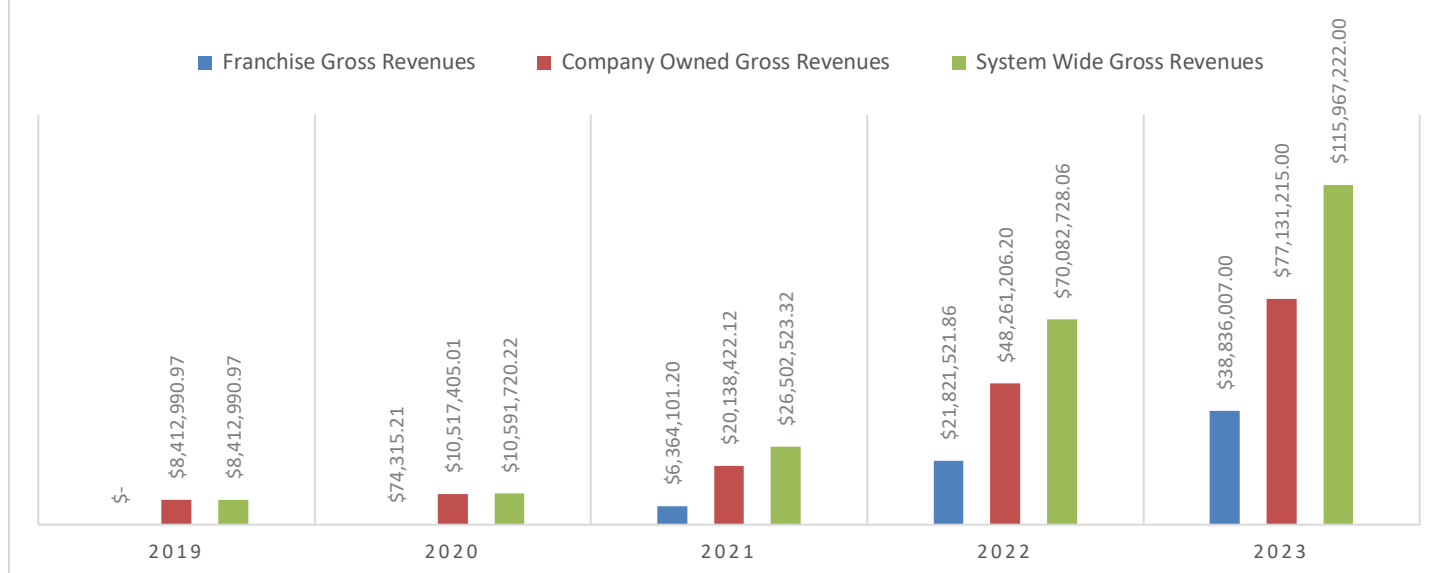
Table 5

The combined performance of the Affiliate Representative Units and franchisee-owned locations for fiscal years 2019, 2020, 2021, 2022 and 2023, is summarized in Table 5 below.

Year	Franchise Gross Revenue	Company Owned Gross Revenue	System Wide Gross Revenue
2019	\$0	\$8,412,990.97	\$8,412,990.97
2020	\$74,315.21	\$10,517,405.01	\$10,591,720.22
2021	\$6,364,101.20	\$20,138,422.12	\$26,502,523.32
2022	\$21,821,521.86	\$48,261,206.20	\$70,082,728.06
2023	\$38,836,007.00	\$77,131,215.00	\$115,967,222.00

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NETWORK SALES BY YEAR



General Notes

1. Our Affiliate Representative Units opened between 2016 and 2021. The majority of our Affiliate Representative Units contain 3 vehicle bays. Our Affiliate Representative Units have traffic volumes ranging from 4,800 to 44,609 and operate in areas containing households ranging from 3,591 to 283,733 within a 5-mile radius.
2. Our Franchisee Representative Units contain 2 to 5 vehicle bays, depending on the location. Our Franchisee Representative Units have traffic volumes ranging from 6,882 to 53,000 and operate in areas containing households ranging from 3,235 to 191,016 within a 5-mile radius.
3. The above data assumes an owner/operator model without a designated manager.
4. The above data is based on ground lease/acquisitions where our Affiliate either acquired an existing oil change facility or built the location.
5. The Affiliate Representative Units are acquisitions and/or ground leases.
6. These results are unaudited.
7. These results represent sales of products and services that will be available to the franchisee to sell.
8. Written substantiation for these financial performance representations is available upon reasonable request.
9. **Some outlets have sold or earned this amount. Your individual results may differ. There is no assurance that you will sell or earn as much.**

Other than the preceding information, SB Oil Change Franchising, LLC 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 Justin Strickland, 301 North Main Street, Suite 2030, Winston-Salem, North Carolina 27101, and 833-787-2767, ext. 122, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Businesses Summary for Years 2021 to 2023

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2021	1	21	+20
	2022	21	47	+26
	2023	47	67	+20
Company-Owned	2021	20	58	+38
	2022	58	85	+27
	2023	85	159	+74
Total	2021	21	79	+58
	2022	79	132	+50
	2023	132	226	+104

Table 2
Transfers of Businesses From Franchisees to New Owners (Other than Franchisor or an Affiliate) for Years 2021 to 2023

State	Year	Number of Transfers
Arizona	2021	0
	2022	0
	2023	1
Colorado	2021	0
	2022	0
	2023	2
Texas	2021	0
	2022	3
	2023	0
Total	2021	0
	2022	3
	2023	3

Table 3
Status of Franchised Businesses for Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
Arizona	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1