

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 tables below provide information on the average Gross Sales of franchisees operating under the System during the last fiscal year (ended December 31, 2023). Table 1 presents information regarding the average annual Gross Sales for PSB Stores operating for a Full Season (defined below), and Table 2 presents information regarding the average monthly Gross Sales for PSB Stores operating for a Partial Season (defined below).

Please read both of these tables together with all of the notes that follow.

Table 1 – Full Season Stores Average Annual Gross Sales (Note 1)

January 1, 2023 – December 31, 2023

193 Total Full Season Franchised PSB Stores	Mean Average	Median Average	# of Stores that Met or Exceeded the Mean Average	Highest Grossing Store in Range	Lowest Grossing Store in Range
All Stores (193)	\$148,484	\$125,900	64	\$414,941	\$48,520

Table 2 – Partial Season Stores Average Monthly Gross Sales (Note 1)

January 1, 2023 – December 31, 2023

14 Total Partial Season Franchised PSB Stores	Mean Average per month	Median Average	# of Stores that Met or Exceeded the Mean Average	Highest Grossing Store in Range	Lowest Grossing Store in Range
All Stores (14)	\$228,595	\$213,828	6	\$397,585	\$136,136

Notes:

1. There were 202 franchised PSB Stores that operated in the Pelican's SnoBalls franchise System for at least some time during the 2023 fiscal year (Jan. 1 to Dec. 31, 2023). Out of those 202 PSB Stores, 193 operated for a "Full Season" (which we consider to be a PSB Store that is open and in operation for six months or more

during a fiscal year). 14 of the 202 PSB Stores operated for a "Partial Season" (which we consider to be a PSB Store that is open and in operation for fewer than six months during a fiscal year) or less. (Because some of the Full Season and Partial Season PSB Stores operated for only a portion of calendar year 2023, there is a different total number of PSB Stores in this Item 19 than there is in Table 1 of Item 20.)

"Gross Sales" means all revenue from the sale of services and products and all other income related to each PSB Store, except sales taxes.

2. Neither we nor the Predecessor operated any company-owned PSB Stores during the 2023 fiscal year, although 10 of the PSB Stores during the 2023 fiscal year were operated by our Co-CEOs, Randall Wright and Gregg Fatool, who were franchisees of the Predecessor and who continue to be franchisees of ours.
3. **Some franchisees have earned this amount. Your individual results may differ. There is no assurance you will earn as much.**
4. A "Pelican's SnoBalls" business is seasonal and, depending on where the business is located (for example, in a warmer weather climate or a colder weather climate) or the prevailing weather during any given season, the length of the "season" for each PSB Store will vary. See Item 20 below for the locations of the PSB Stores operating under the System during the last fiscal year.
5. The information above does not include costs or expenses that these businesses incurred. You will incur costs and expenses in connection with operating your Store. These include, among others, royalty fees (8% of Gross Sales), occupancy costs, labor costs, debt/financing costs, inventory, goods and supply expenses, marketing and advertising costs, computer hardware and software purchases and upgrades, legal and professional fees, income and other non-real estate taxes, and various other expenses. You should conduct an independent investigation of the costs and expenses that you may or will incur in operating your franchised PSB Store.
6. The businesses from which data is reflected in this Item offered substantially the same products and services to customers as you will.
7. 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, we do 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 our management by contacting Mr. Randall Wright at 801 East 2nd Ave., Gastonia, North Carolina 28054 (tel: 704.671.2012), the Federal Trade Commission, and the appropriate state regulatory agencies.