

Provision	Section in Franchise Agreement	Summary
		the Operations Manual is subject to change by us.
t. Integration/merger clause	Section 19.13	Only the terms of the Franchise Agreement, including the Operations Manual, are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration, negotiation or mediation	Section 18	Except for certain claims, all disputes must be mediated, and if not settled by mediation, are then subject to arbitration. Subject to state law.
v. Choice of forum	Sections 18.02 and 18.04	Litigation must be held in the federal or state court for the district where our principal executive office is located (subject to state law). Mediation and arbitration must occur in the office of the American Arbitration Association closest to our principal executive office. This provision is subject to state law.
w. Choice of law	Section 19.04	Minnesota law applies generally, provided that the Minnesota Franchise Act and other franchise-specific laws and regulations of the State of Minnesota generally do not apply to Pedal Pub Businesses located outside of Minnesota. This provision is subject to state law.

#### NOTES:

Note 1. Termination of your Pedal Pub Business upon your bankruptcy may not be enforceable under federal bankruptcy laws (11 U.S.C.A. Sec. 101 et seq.).

Note 2. Applicable state law may require additional disclosures related to the information in this Disclosure Document. These additional disclosures appear in Exhibit H attached to this Disclosure Document.

### ITEM 18. PUBLIC FIGURES

We do not use any public figure 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 provide prospective franchisees with certain information regarding the historical gross revenues of our franchised and affiliate-owned outlets as set forth below. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request, provided, however, that such substantiation shall not disclose the sales, expenses or cash flows of any specific franchised unit without the written authorization of the franchisee, except as required by applicable state or federal registration authorities.

## **FACTUAL BACKGROUND**

We provide prospective franchisees with certain information regarding actual historic gross revenues during calendar year 2023. We present this data in two sets: One for our franchised outlets and one for our sole affiliate-owned outlet. Because our predecessor allowed some Licensees to operate mobile entertainment tour businesses under marks other than the “Pedal Pub” marks, and some of these Licensees have converted to franchisees, some of the reported franchise outlets operate under names other than “Pedal Pub.” Many outlets, especially those located in colder climates, have limited or no operations during the “off-season” months, which typically are January, February, and October through December.

The information presented in the first table below is based on the 13 franchised Pedal Pub Businesses that were open and operating during all of calendar year 2023. Because they were not open and operating during the entire reporting period of January 1, 2023, to December 31, 2023, excluded from this statement is information from: (a) three outlets that opened in 2023; (b) three outlets that closed in 2023; (c) one outlet that was closed during the entire reporting period due to municipal regulatory issues; (d) one outlet that was closed for more than six months as part of a transfer in ownership; and (e) one outlet that participates in a legacy information reporting system and has failed to report to us its sales information for the reporting period, and thus we do not have reliable information about its sales.

The information presented in the second table below is based on our sole affiliate-owned outlet, which operates in the Minneapolis, Minnesota area and has been open since 2010.

For the franchised Pedal Pub Businesses whose information is presented in the first table, we report the average and the median of gross revenues, the number and percentage of outlets whose performance met or exceeded the average, and the highest and lowest figures in the range. Additionally, we have separated the information into three tiers based the length of time the outlets have been open: (a) one tier for Pedal Pub Businesses that opened prior to January 1, 2019, and thus as of December 31, 2023, have been in operation five or more full calendar years, which we consider to be at maturity; (b) one tier for Pedal Pub Businesses that opened after January 1, 2019, but prior to December 31, 2020, and thus as of December 31, 2023 have been in operation for three to four full calendar years, which we consider to be in a ramp-up phase; and (c) one tier for Pedal Pub Businesses that opened after January 1, 2021 and thus as of December 31, 2023 have been in operation one to two full calendar years, which we consider to be in a start-up phase. For the Pedal Pub Business operated by our affiliate, we report in the second table its actual gross revenues in calendar year 2023.

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## HISTORIC GROSS REVENUES OF PEDAL PUB BUSINESSES

### Gross Revenues for Franchised Outlets for the Period of January 1, 2023 through December 31, 2023

Gross Revenues <sup>1</sup>	Average	Median	Number/Percentage Exceeding Average
All (13) <sup>2</sup>	\$468,825	\$113,984 <sup>6</sup>	3/23%
5+ Full Years in Business (2) <sup>3</sup>	\$2,112,747	\$2,112,747 <sup>7</sup>	1/50 %
3-4 Full Years in Business (4) <sup>4</sup>	\$281,922	\$287,756 <sup>8</sup>	2/50 %
1-2 Full Years in Business (7) <sup>5</sup>	\$105,935	\$100,383 <sup>9</sup>	3/43%

### Gross Revenues for Sole Affiliate-Owned Outlet for the Period of January 1, 2023 through December 31, 2023

Gross Revenues <sup>1</sup>	
	\$256,228 <sup>10</sup>

<sup>1</sup> For purposes of this section, “Gross Revenues” includes all revenues generated by the Pedal Pub Business from January 1, 2023, through December 31, 2023, excluding bona fide customer refunds and sales taxes collected and paid to the proper authorities. This is the same definition we use for calculation of Royalty Fees and other items in this Disclosure Document.

<sup>2</sup> The parenthetical number following the description of each category indicates the number of outlets in that category. This line presents information about 13 franchised Pedal Pub Businesses that were open and operating during the entire 2023 calendar year. As described above, it does not include three outlets that opened in 2023, three outlets that closed in 2023, and three outlets that were closed for all or a portion of 2023 or from which we have not received sales information.

<sup>3</sup> This line presents information about two franchised Pedal Pub Businesses that opened prior to January 1, 2019, and were open and operating during the entire 2023 calendar year. Both of these outlets opened in 2010.

<sup>4</sup> This line presents information about four franchised Pedal Pub Businesses that opened after January 1, 2019, but prior to December 31, 2020, and were open and operating during the entire 2023 calendar year.

<sup>5</sup> This line presents information about seven franchised Pedal Pub Businesses that opened after January 1, 2021, and were open and operating during the entire 2023 calendar year.

<sup>6</sup> The high gross revenues in this category was \$3,817,000 and the low was \$41,100.

<sup>7</sup> The high gross revenues in this category was \$3,817,000 and the low was \$408,494.

<sup>8</sup> The high gross revenues in this category was \$491,795 and the low was \$60,380.

<sup>9</sup> The high gross revenues in this category was \$171,027 and the low was \$41,100.

<sup>10</sup> Due to its location in a cold climate, our affiliate-owned outlet in the Minneapolis, Minnesota area did not operate in 2023 during the months of January, February, November, and December.

These figures are derived from data provided to us by our franchisees and our affiliate for the period indicated. The franchisees' financial information is not audited. Results from outlets in Canada are reported in U.S. Dollars. The figures do not reflect costs of sales, operating expenses, or other costs or expenses that must be deducted from net sales figures to obtain your net income or profit. The Pedal Pub Businesses reported above offer substantially the same products and services as you will as a franchisee operating a franchised outlet. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

**Some outlets have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.**

Other than the preceding financial performance representation, we do 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 our President, Todd Trembl, at 3212 Rice Street, St. Paul, MN 55126, (651) 484-0075, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1**

### Systemwide Outlet Summary For Years 2021 To 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised <sup>1</sup>	2021	12	16	+4
	2022	16	20	+4
	2023	20	20	0
Company-Owned or Affiliate-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
<b>Total Outlets</b>	<b>2021</b>	<b>13</b>	<b>17</b>	<b>+4</b>
	<b>2022</b>	<b>17</b>	<b>21</b>	<b>+4</b>
	<b>2023</b>	<b>21</b>	<b>21</b>	<b>0</b>

<sup>1</sup> These figures include our outlets in Canada.

<sup>2</sup> This chart does not disclose the Licensees operating under license agreements under marks other than the Marks described in Item 1.