

PROVISION	SECTION IN AGREEMENT	SUMMARY
s. Modification of the agreement	14.3	No modifications generally, but Manual, Handbook and specifications are subject to change.
t. Integration/merger clause	14.2	Only the terms of this franchise disclosure document, the franchise agreement and Manual are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	11.1 - 11.4	Except for certain claims, and subject to state law, all disputes must be arbitrated or mediated in Orange County, California.
v. Choice of forum	11.4, 11.6	Subject to applicable state law, claims for equitable or injunctive relief must be conducted in California.
w. Choice of law	14.1	Federal law applies to arbitration and trademark issues. The law of your state applies to amendment of your franchise agreement, the maximum rate of interest that can be charged, and post-termination non-competition issues. Except as required by applicable law, California law applies to all other issues.

## 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.

The following is historical financial information concerning the unaudited reported annual sales of a subset of our existing outlets, namely, those franchisees who reported gross sales and who were open for business for all of calendar year 2023 (49 single territory franchisees and 6 multiple territory franchisees, representing an aggregate total of 62 territories, or 98% of the territories open for all of 2023).

### A. Annual Sales Levels

The following table shows unaudited annual gross sales reported by franchisees with a single territory and with multiple territories, that were in business throughout calendar year 2023. Figures for franchisees that had multiple territories are total sales for all territories – not average per territory – and if a franchisee's additional territory opened during 2023, the total sales do not represent a full year of sales for the additional territory. All gross sales figures are presented without regard to the size

of the territory. Although we currently grant territories that include approximately 100,000 households, not all territories are that size. These variations in size arise both because we formerly sold territories of differing sizes and because territories can experience either growth or contraction after a franchise is sold.

During 2023 there were 49 reporting franchisees who operated a single territory throughout the year, and 6 reporting franchisees who operated multiple territories each throughout the year. Sixteen (16) territories closed during 2023 and are not included in the below sales results.

These sales results are based upon the sales reported to us by the franchisees. We have not audited or verified the franchisees' sales results, and we generally depend upon the franchisees to report their sales accurately. We do not have information concerning how our franchisees maintain their records, or whether those records are kept in accordance with generally-accepted accounting principles.

MEASURE	2023	2022	NUMBER OF OUTLETS REPRESENTED	EXPLANATION
Average Sales – One Territory	\$394,224	\$422,295	49 single territory franchisees/49 territories in 2023; 47 single territory franchisees/47 territories in 2022	Equals total sales by all franchisees, divided by the number of franchisees.
Average Sales – Two or More Territories	\$1,301,290	\$696,833	6 two or more territory franchisees/13 territories in 2023; 6 two or more territory franchisees/13 territories in 2022	<p>21 or 43% of the single territory franchisees and 2 or 33% of the multiple territory franchisees attained or surpassed the stated average results for the year.</p> <p>The lowest amount reported for a single territory franchisee was \$4,627 and the highest was \$1,768,565.</p> <p>The lowest amount reported for a multiple territory franchisee was \$228,658 and the highest was \$3,819,083.</p>
Median Sales – One Territory	\$321,390	\$372,196		Shows mid-point of annual sales by franchisees with indicated number of territories.
Median Sales – Two or More Territories	\$731,345	\$523,424		<p>25 or 51% of the single territory franchisees attained or surpassed the stated median results for the year.</p> <p>3 or 50% of the multiple territory franchisees attained or surpassed the stated median results for the year.</p>

MEASURE	2023	2022	NUMBER OF OUTLETS REPRESENTED	EXPLANATION
75 <sup>th</sup> Percentile – One Territory	\$522,608	\$528,704		Reported sales by the 75 <sup>th</sup> percentile franchisee; only 27% of franchisees reported sales higher than this level.
75 <sup>th</sup> Percentile – Two or More Territories	\$1,719,631	\$827,280		
Average Sales of Middle 50% - One Territory	\$333,251	\$373,808	23 single territory franchisees representing 23 territories for 2023; 24 single territory franchisees representing 24 territories for 2022.  2 multiple territory franchisees representing 4 territories for 2023; 3 multiple territory franchisees representing 6 territories in 2022.	Equals the mean (average) annual gross sales of those franchisees whose reported sales fell between the top 25% and the bottom 25%.
Average Sales of Middle 50% - Two or More Territories	\$731,345	\$650,337		10 or 43% of the single territory franchisees and 1 or 50% of the multiple territory franchisees attained or surpassed the stated average results for the year.  The lowest amount reported for a single territory franchisee was \$164,146 and the highest was \$483,650.  The lowest amount reported for a multiple territory franchisee was \$463,284 and the highest was \$999,407.
Median Sales of Middle 50% - One Territory	\$318,179	\$376,614	As above	Shows mid-point of annual sales by franchisees with indicated number of territories.
Median Sales of Middle 50% - Two or More Territories	\$731,345	\$596,636		12 or 50% of the single territory franchisees and 1 or 50% of the multiple territory franchisees attained or surpassed the stated median results for the year.
25 <sup>th</sup> Percentile – One Territory	\$164,146	\$184,487		Reported sales by the 25 <sup>th</sup> percentile franchisee; only 27% of franchisees reported sales lower than this level.
25 <sup>th</sup> Percentile – Two or More Territories	\$369,020	\$271,923		

#### B. Average Sale Amount

The average sale amount of all franchisees in 2023 was \$9,600.

**C. Closing Rate**

The average of all franchisees of the percentage of sales calls that lead to a sale was 27% in 2023.

**D. Product Mix**

The average product mix for 2023 of all franchisees for 2023 was as follows:

<b>PRODUCT</b>	<b>%</b>
Concrete Overlay	36
Stained Concrete	12
Stamped Concrete	13
Commercial	2
Repair and Restore	10
Polished Concrete	2
Other	25

**E. Number of Years In Business**

<b>NUMBER OF YEARS IN BUSINESS</b>	<b>% FRANCHISEES</b>
1-2	18
3-4	51
5-6	15
7-9	13
10 plus	3

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

We will make written substantiation for these Financial Performance Representations available to you on your 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 the franchisor's management by contacting Dan Lightner at 19000 MacArthur Boulevard, Suite 100, Irvine, CA 92612, telephone (949) 404-1100, the Federal Trade Commission, and the appropriate state regulatory agencies.

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**ITEM 20. OUTLETS AND FRANCHISEE INFORMATION**

**ITEM 20. TABLE NO. 1  
SYSTEMWIDE OUTLET SUMMARY FOR YEARS ENDING  
DECEMBER 31, 2021, 2022, AND 2023**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	2021	46	79	+33
	2022	79	79	0
	2023	79	77	-2
<b>Company-Owned</b>	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
<b>Total Outlets</b>	2021	46	79	+33
	2022	79	79	0
	2023	79	77	-2

**ITEM 20. TABLE NO. 2  
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS  
FOR YEARS ENDING DECEMBER 31, 2021, 2022, AND 2023**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>South Carolina</b>	2021	0
	2022	0
	2023	1
<b>Totals</b>	2021	0
	2022	0
	2023	1