

Brian C. Scudamore, our Co-Founder, Chief Executive Officer, and Director, may be considered a public figure due to his regular appearance on the television program *Dragon's Den*. Mr. Scudamore owns a controlling interest in us and as our CEO is our highest-ranking executive officer.

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.

HISTORICAL FINANCIAL PERFORMANCE INFORMATION

In this Item 19, we provide information regarding certain historical financial performance for all ~~thirty-six~~ forty (40) franchised businesses in the United States and ~~fifteen~~ sixteen (16) franchised businesses in Canada that were open and operating through at least the last 12 months of the year ending December 31, ~~2023~~ 2024. We do not include information from seven (7) U.S. ~~franchisees that closed during 2023, and eleven~~ (11) U.S. franchises and one (1) Canadian franchise that closed during 2024, and four (4) U.S. franchises that opened during the ~~2023~~ 2024 calendar year, because they were not in operation for the entire year.

The charts below reflect total, average, median, highest and lowest Gross Revenue figures for the ~~2023~~ 2024 calendar year. Average and median Job Size ~~and Gross Profit Margin~~ are also included. For purposes of these charts, franchisees are grouped into franchised businesses open longer than 24 months and those open between 12 and 24 months.

Because our franchisees own different numbers of subterritories, we also provide in the charts below the franchisee average, median, highest and lowest Gross Revenue on a per-subterritory basis. Of the U.S. franchisees reported in the charts below: the smallest franchises consist of 2 subterritories, and the largest franchise consists of 14 subterritories; the average amount of subterritories owned is ~~4~~ 5, with the median being 3 subterritories. Of the Canadian franchisees reported in the charts below: the smallest franchise consists of 2 subterritories, and the largest franchise consists of 15 subterritories; the average amount of subterritories owned is 6, with the median being 5 subterritories.

Unless otherwise specified, the following definitions apply in this Item 19: "Gross Revenue" means the actual gross revenues billed to consumers for products and services less taxes collected and credits or refunds given in accordance with the Franchisor's refund policy. "Job Size" means the Gross Revenue attributable to the Services and Products ordered by one customer for one job. ~~"Gross Profit Margin" means the percentage of Gross Revenue remaining after subtracting the following from Gross Revenue: labor for painters, paint, supplies, Royalties, and Sales, Marketing & Technology Fees.~~

We include franchised businesses in Canada in this Item 19 because these Canadian franchisees operate businesses that are substantially similar to those in the U.S., with substantially similar performance results and no material differences between the data of the two groups other than the currency.

We have provided you with information to help you make a more informed decision about our franchises. You should conduct your own research to assist you in preparing projections for your own Franchised Business.

The information in this Item 19 is based upon financial information franchisees reported to us, but we have not independently audited the information or independently reviewed our franchisees' accounting methodologies to verify their conformance with generally accepted accounting principles.

U.S. Franchisees – Calendar Year 2023 2024			
	Franchisees operating over 24 months	Franchisees operating 12 – 24 months	All Franchisees
# of Franchisees in Range	31 32 of 36 40	5 8 of 36 40	36 40
Total Gross Revenue	\$18,442,396 17,169,839	\$1,766,642 2,084,904	\$20,209,038 19,254,743
Gross Revenue per Franchisee			
Average Gross Revenue	\$593,232 536,557	\$353,328 260,613	\$559,912 481,369
# and % of Franchisees at or above Average Gross Revenue	11/35%	34 /60 50 %	41 12/ 31 30%
Median Gross Revenue	\$459,873 400,308	\$374,663 245,699	\$431,264 359,378
Highest Gross Revenue	\$2,656,103 2,571,249	\$484,273 402,231	\$2,656,103 2,571,249
Lowest Gross Revenue	\$180,921 26,553	\$259,097 166,637	\$180,921 26,553
Average Gross Revenue of top 25%	\$1,183,139 1,152,722	\$484,273 382,380	\$1,134,378 1,042,551
Average Gross Revenue of bottom 25%	\$240,729 155,095	\$259,097 170,070	\$244,830 156,436
Job Size			
Average Job Size	\$3,753 3,572	\$3,425 2,927	\$3,707 3,483
# and % Franchisees at or above Average Job Size	43 16/ 42 50%	35 /60 63 %	46 20/ 44 50%
Median Average Job Size	\$3,655 3,622	\$3,435 3,250	\$3,584 3,446
Gross Profit*			
Average Gross Profit Margin	36.5 %	46.8 %	37.7 %
# and % Franchisees at or above Average Gross Profit Margin	7 /23%	1 /20%	8 /22%
Median Gross Profit Margin	36.2 %	46.8 %	37.2 %
Gross Revenue per Subterritory			
Average Gross Revenue per Subterritory	\$131,287 114,903	\$111,532 97,887	\$128,543 111,500
# and % of Franchisees at or above Average Gross Revenue per Subterritory	44 13/ 45 41%	24 /40 50 %	15 /42 38 %
Median Gross Revenue per Subterritory	\$120,003 103,116	\$93,666 98,055	\$117,941 100,077

U.S. Franchisees – Calendar Year 2023 2024			
	Franchisees operating over 24 months	Franchisees operating 12 – 24 months	All Franchisees
Highest Gross Revenue per Subterritory	\$ 255,518 258,760	\$161,424 <u>181,264</u>	\$ 255,518 258,760
Lowest Gross Revenue per Subterritory	\$45,230 <u>6,638</u>	\$ 86,366 55,546	\$45,230 <u>6,638</u>

* ~~Gross Profit information was received from 17 of the 36 franchisees at the time of this disclosure.~~

Canadian Franchisees ⁱ – Calendar Year 2023 2024 (reported in Canadian Dollars)			
	Franchisees operating over 24 months	Franchisees operating 12 – 24 months	All Franchisees
# of Franchisees in Range	14 of 15 of 16	1 of 15 16	15 16
Total Gross Revenue	\$17,334,280 <u>16,404,758</u>	\$551,673 <u>438,561</u>	\$17,885,953 <u>16,843,319</u>
Gross Revenue per Franchisee			
Average Gross Revenue	\$1,238,163 <u>1,093,651</u>	\$551,673 <u>438,561</u>	\$1,192,397 <u>1,052,707</u>
# and % of Franchisees at or above Average Gross Revenue	67/43 47%	1/100%	67/40 44%
Median Gross Revenue	\$935,562 <u>974,038</u>	\$551,673 <u>438,561</u>	\$924,296 <u>970,637</u>
Highest Gross Revenue	\$3,422,485 <u>2,139,885</u>	\$551,673 <u>438,561</u>	\$3,422,485 <u>2,139,885</u>
Lowest Gross Revenue	\$253,218 <u>297,905</u>	\$551,673 <u>438,561</u>	\$253,218 <u>297,905</u>
Average Gross Revenue of top 25%	\$2,329,311 <u>1,892,984</u>	N/A	\$2,329,311 <u>1,892,984</u>
Average Gross Revenue of bottom 25%	\$325,242 <u>368,020</u>	N/A	\$360,938 <u>382,128</u>
Job Size			
Average Job Size	\$3,679 <u>3,309</u>	\$4,654 <u>3,207</u>	\$3,644 <u>3,260</u>
# and % Franchisees at or above Average Job Size	85/57 33%	10/100 0%	86/53 38%
Median Average Job Size	\$3,778 <u>3,169</u>	\$4,654 <u>3,207</u>	\$3,724 <u>3,154</u>
Gross Profit*			
Average Gross Profit Margin	40.3%	42.3%	40.5%
# and % Franchisees at or above Average Gross Profit Margin	6/43 4%	1/100 0%	7/47 7%
Median Gross Profit Margin	43.3%	42.3%	43.3%
Gross Revenue per Subterritory			
Average Gross Revenue per Subterritory	\$189,926 <u>200,460</u>	\$183,891 <u>219,281</u>	\$189,523 <u>201,636</u>

Canadian Franchisees ⁱ – Calendar Year 2023 2024 (reported in Canadian Dollars)			
	Franchisees operating over 24 months	Franchisees operating 12 – 24 months	All Franchisees
# and % of Franchisees at or above Average Gross Revenue per Subterritory	7/50 47%	1/100%	78/47 50%
Median Gross Revenue per Subterritory	\$ 187,179 179,946	\$ 183,891 219,281	\$ 183,891 185,890
Highest Gross Revenue per Subterritory	\$ 373,263 324,679	\$ 183,891 219,281	\$ 373,263 324,679
Lowest Gross Revenue per Subterritory	\$ 36,174 45,600	\$ 183,891 219,281	\$ 36,174 45,600

* ~~Gross Profit information was received from 11 of the 15 franchisees at the time of this disclosure.~~

ⁱ The amounts in this chart are shown in CAD. Exchange rates from Canadian to U.S. Dollars ranged from ~~0.7207 to 0.7617~~0.6937 to 0.7510 during calendar year ~~2023~~2024, with the period average exchange rate being ~~0.7410~~0.7302.

U.S. and Canadian Franchisees – Calendar Year 2023 2024 (reported in US Dollars ⁱ)			
	Franchisees operating over 24 months	Franchisees operating 12 – 24 months	All Franchisees
# of Franchisees in Range	45 47 of 54 56	69 of 54 56	54 56
Total Gross Revenue	\$ 31,234,892 29,148,593	\$ 2,175,432 2,405,141	\$ 33,410,323 31,553,735
Gross Revenue per Franchisee			
Average Gross Revenue	\$ 694,109 620,183	\$ 362,572 267,238	\$ 655,104 563,460
# and % of Franchisees at or above Average Gross Revenue	46 17/36%	45 6/756%	47 19/3334%
Median Gross Revenue	\$ 480,013 437,712	\$ 379,949 297,540	\$ 459,873 397,020
Highest Gross Revenue	\$ 2,656,103 2,571,249	\$ 484,273 402,231	\$ 2,656,103 2,571,249
Lowest Gross Revenue	\$ 180,921 26,553	\$ 259,097 166,637	\$ 180,921 26,553
Average Gross Revenue of top 25%	\$ 1,504,554 1,311,424	\$ 446,531 382,380	\$ 1,407,439 1,231,542
Average Gross Revenue of bottom 25%	\$ 235,465 184,380	\$ 261,235 170,070	\$ 243,737 176,209
Job Size			
Average Job Size	\$ 3,433 3,203	\$ 3,246 2,986	\$ 3,411 3,168
# and % Franchisees at or above Average Job Size	20/4443%	45 6/756%	23 24/4543%
Median Average Job Size	\$ 3,276 3,032	\$ 3,375 3,099	\$ 3,316 3,045
Gross Profit*			

U.S. and Canadian Franchisees – Calendar Year 2023 2024 (reported in US Dollars ⁱ)			
	Franchisees operating over 24 months	Franchisees operating 12 – 24 months	All Franchisees
Average Gross Profit Margin	38.0%	45.3%	38.8%
# and % Franchisees at or above Average Gross Profit Margin	13/29%	1/17%	15/29%
Median Gross Profit Margin	38.3%	44.0%	39.8%
Gross Revenue per Subterritory			
Average Gross Revenue per Subterritory	\$134,226 <u>102,369</u>	\$115,654 <u>81,326</u>	\$132,041 <u>98,987</u>
# and % of Franchisees at or above Average Gross Revenue per Subterritory	2/22 <u>4/7%</u>	3/50 <u>2/2%</u>	2/32 <u>4/54</u> <u>3%</u>
Median Gross Revenue per Subterritory	\$127,711 <u>93,668</u>	\$111,039 <u>72,421</u>	\$127,711 <u>82,104</u>
Highest Gross Revenue per Subterritory	\$276,588 <u>237,081</u>	\$161,424 <u>160,119</u>	\$276,588 <u>237,081</u>
Lowest Gross Revenue per Subterritory	\$26,805 <u>4,847</u>	\$86,366 <u>40,559</u>	\$26,805 <u>4,847</u>

* ~~Gross Profit information was received from 28 of the 51 franchisees at the time of this disclosure.~~

ⁱ Foreign exchange rates have been applied to the Canadian figures in this combined chart at an average CAD:USD exchange rate of ~~.7410~~7302.

General Note to Revenue Charts:

1. The average is calculated by adding all figures up and dividing by the number of figures counted. The median is calculated by placing all figures being counted in order of ascending or descending value and finding the middle figure in the list. If there is an even number of figures, the median is calculated by adding the middle two figures and dividing by two.
2. The number of franchises column includes the number used to calculate the averages.
3. The “per-subterritory” average, median, high, and low Gross Revenue figures were calculated by (i) first determining each franchisee’s average Gross Revenue per subterritory (dividing the Gross Revenue of the particular franchise by the number of subterritories owned by that franchise), and then (ii) using those results to calculate the overall per-subterritory average, and to determine the median, highest, and lowest per-subterritory performance.
4. Foreign exchange rates have been applied to the reported Canadian figures in the combined U.S. and Canadian Franchisees chart only at an average CAD:USD exchange rate of ~~.7410~~7302. The U.S. Franchisees chart is reported in USD, and the Canadian Franchisees chart is reported in CAD.

The information provided below was compiled from all the WOW 1 DAY PAINTING Franchised Businesses operating in the United States and Canada for at least 1 day in the ~~2023~~2024 calendar year.

Total ~~2023~~2024 Gross Revenue of WOW 1 DAY PAINTING Franchisees
(reported in US Dollars)

<u>Country</u>	<u>Total Reported Gross Revenue</u>
United States	\$ 21,920,481 19,704,238
Canada *	\$ 13,344,515 12,298,992

This chart includes all franchises operating for at least 1 day during ~~2023~~2024, including ~~seven (7)~~ locations that closed and eleven (11) twelve (12) locations that did not operate for the full ~~2023~~2024 calendar year.

* The Gross Revenue figure in Canadian Dollars (~~\$18,008,793~~16,843,319) was converted using the calendar year ~~2023~~2024 average exchange rate of ~~0.741~~0.7302 for Canadian to U.S. Dollars, which rate ranged from ~~0.7207~~ to ~~0.7617~~0.6937 to 0.7510 during calendar year ~~2023~~2024, and was ~~0.7564~~0.6950 on December 31, ~~2023~~2024. More Canadian to U.S. Dollar exchange rates can be found here: <https://www.bankofcanada.ca/rates/exchange/daily-exchange-rates>.

Some franchisees have sold this amount. Your individual results may differ. There is no assurance you will sell as much.

The financial performance representation does not reflect all costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your WOW 1 DAY PAINTING franchised business. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information

Written substantiation for the financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, WOW 1 DAY PAINTING 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 ~~Cameron Wears, Senior Manager Franchise~~ our Vice President of Market Development, at 301 - 887 Great Northern Way, Vancouver, BC, Canada V5T 4T5, 1-888-808-7751, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. List of Outlets and Franchisee Information

Table No. 1
System wide Outlet Summary
For years ~~2021-2023~~2022-2024

<u>Outlet Type</u>	<u>Year</u>	<u>Franchised Businesses at the Start of the Year</u>	<u>Franchised Businesses at the End of the Year</u>	<u>Net Change</u>
<u>Franchised</u>	2021	39	45	+6
	2022	45	42	-3
<u>Franchised</u>	2023	42	46	+4