

Provision	Section In Franchise Agreement	Summary
w. Choice of law	18.1	North Carolina law governs all claims arising out of the Franchise Agreement, without reference to its conflict of laws provision (subject to applicable state law).

## ITEM 18 PUBLIC FIGURES

We do not currently use any public figure to promote our System.

## 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, and/or affiliate-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) 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.

Part I of this Item discloses the Gross Revenues for Franchised Businesses with 12 full months of operations in 2024. This data is for the period January 1, 2024, through December 31, 2024 (the “Measurement Period”). This data was collected from our franchisees who provided unaudited profit and loss statements to us. We have not audited the data provided by our franchisees. Two franchisees ceased operations in the Measurement period after operating less than 12 months.

Part II of this Item discloses the Gross Profit Margin for Franchised Businesses with 12 full months of operations in 2024. This data is for the period January 1, 2024, through December 31, 2024. This data was collected from our franchisees who provided unaudited profit and loss statements to us. We have not audited the data provided by our franchisees.

Part III of this Item discloses the Job Size for Franchised Businesses that operated for any period of time during 2024. This data is for the period January 1, 2024, through December 31, 2024. This data was collected from our Business Management and Technology System.

Part IV of this Item discloses the aggregate Proposal Conversion Ratio for Franchised Businesses that operated for any period of time during 2024. This data is for the period January 1, 2024, through December 31, 2024. This data was collected from our Business Management and Technology System.

**Some units have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.**

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

**PART I**  
**GROSS REVENUES FOR FRANCHISED BUSINESSES**  
**WITH 12 FULL MONTHS OF OPERATION IN 2024**

Part I: Gross Revenues for Top Rail Fence Businesses for the Full 12 Months Ending December 31, 2024						
	Number of Franchisees	Maximum	Minimum	Average	Median	# of Franchisees above Average
Top Third	7	\$ 5,443,423	\$1,104,386	\$ 2,228,190	\$ 1,749,203	3
Middle Third	7	\$ 1,072,189	\$ 832,187	\$ 921,141	\$ 861,757	3
Bottom Third	6	\$ 634,298	\$ 158,842	\$ 496,677	\$ 551,194	4
Total	20			\$ 1,215,336	\$ 1,054,051	

**Notes to Part I:**

1. The following table presents Gross Revenue information reported by certain Top Rail Fence franchisees during the Measurement Period. The information provided in the table below was compiled from 20 Top Rail Fence franchisees (operating in 71 territories) that were operational and reported Revenue in all 12 months during the Measurement Period. 19 of the 20 franchisees included in the table below operated more than one franchise territory but reported Gross Revenue as one location. There were 97 franchise territories that commenced operations during the Measurement Period. The data on the 71 territories includes 10 of the 97 territories that commenced operations during the Measurement Period and operated for all 12 months in 2024. Franchisees that operate multiple territories are required to provide aggregate data for all of their territories. The data excludes 5 franchisees (operating in 14 territories), one of which did not provide a P&L. The other four did not provide a P&L and were authorized to operate but did not conduct operations for 12 months during the year, either due to a failure to commence operations or ceasing operations during the year.
2. The average age (In Months of Operation) of the Top Third is 22 Months, with 3 Franchises Above 22 Months of Operations. The average age (In Months of Operation) of the Middle Third is 15 Months, with 3 Franchises Above 15 Months of Operations. The average age (In Months of Operation) of the Bottom Third is 14 Months, with 3 Franchises Above 14 Months of Operations. Two franchisees ceased operations in the Measurement period after operating less than 12 months.
3. “Gross Revenue” is defined to include all income of any type or nature and from any source that you derive or receive directly or indirectly from, through, by or on account of the operation of the Franchised Business at any time after the signing of your Franchise Agreement, in whatever form and from whatever source, including, but not limited to, cash, services in kind from barter and/or exchange, on credit or otherwise, as well as business interruption insurance proceeds, all without deduction for expenses, including marketing expenses and taxes. However, the definition of Gross Revenue does not include sales tax that is collected from

customers and actually transmitted to the appropriate taxing authorities. The Gross Revenue in the above table includes all Home Depot revenue and does not deduct from Gross Revenue the Home Depot Program Fee (payable to Home Depot) that is now permitted to be taken as a deduction from Gross Revenue for purposes of calculating the Royalty Fee.

**PART II**  
**GROSS PROFIT MARGIN FOR FRANCHISED BUSINESSES**  
**WITH 12 FULL MONTHS OF OPERATION IN 2024**

Part II: Gross Profit Margins for Top Rail Fence Businesses for the Full 12 Months Ending December 31, 2024						
	Number of Franchisees	Maximum	Minimum	Average	Median	# of Franchisees above Average
Top Third	7	52.2%	35.0%	42.8%	43.4%	4
Middle Third	7	34.9%	29.8%	33.0%	33.2%	3
Bottom Third	6	28.8%	12.0%	20.7%	22.8%	4

1. The following table presents Gross Profit Margin information realized by certain Top Rail Fence franchisees during the Measurement Period. The information provided in the table below was compiled from 20 Top Rail Fence franchisees (operating in 71 territories) that were operational and reported Revenue in all 12 months during the Measurement Period. 19 of the 20 franchisees included in the table below operated more than one franchise territory but reported Gross Revenue as one location. There were 97 franchise territories that commenced operations during the Measurement Period. The data includes 10 of the 97 territories that commenced operations during the Measurement Period but Reported Revenue and Opened in January of 2024. Franchisees that operate multiple territories are required to provide aggregate data for all of their territories, and therefore, any of those existing businesses that acquired additional territories during the Measurement Period were included in the data. The data excludes 5 franchisees (operating in 14 territories) that either did not report their financials, ceased, or paused operations in the Measurement Period. The Gross Revenue numbers used in the calculation of Gross Profit Margins in this Part II include all Home Depot revenue and does not deduct from Gross Revenue the Home Depot Program Fee (payable to Home Depot) that is now permitted to be taken as a deduction from Gross Revenue for purposes of calculating the Royalty Fee.
2. The average age (In Months of Operation) of the Top Third is 22 Months, with 3 Franchises Above 22 Months of Operations. The average age (In Months of Operation) of the Middle Third is 15 Months, with 3 Franchises Above 15 Months of Operations. The average age (In Months of Operation) of the Bottom Third is 14 Months, with 3 Franchises Above 13 Months of Operations.
3. The Gross Profit Margin is defined as “Gross Profit” divided by the Gross Revenues of the operation for the full year of 2024. Gross Profit is equal to Gross Revenue less the cost of Materials, cost of Installation Labor, cost of Supplies, and Other Costs of Good Sold. The following expenses are not

included in the Cost of Goods Sold: management compensation, G&A, marketing and advertising, building maintenance and utilities, vehicle expenses, travel, insurance, professional fees, and the franchise fees (i.e., royalties, brand fund, call center, tech fee, etc.). The Gross Profit Margin reflects Royalty Fees, Brand Fund Fees, and Call Center Fees that were in place in 2024 and part of 2025. Those fees have been reduced as of December 2, 2025, as follows:

- Royalty Fees reduced from 5%-7% to 4%-6%
  - Brand Fund Fees reduced from 2% to 1%
  - Call Center Fees reduced from 2% to 1.5%
4. Some franchisees use a warehouse and purchase materials in bulk rather than purchasing materials for each project. Bulk purchases lower the per unit cost of materials vs. buying materials on a project basis.

PART III  
JOB SIZE STATISTICS FOR FRANCHISED BUSINESSES  
WITH 12 FULL MONTHS OF OPERATION IN 2024

Part III: Job Size Statistics Top Rail Fence Franchise System				
	High	Low	Median	Average
Average Ticket Size	\$87,508.50	\$50.00	\$5,527.90	\$5,545.00

1. The following table presents Job Size information realized by certain Top Rail Fence franchisees during the Measurement Period. The information provided in the table below was compiled from 47 Top Rail Fence franchisees (operating in 124 territories) that were operational and reported Revenue during the Measurement Period. There were 4,429 Jobs Reported during the Measurement Period.
2. This data was collected from our Business Management and Technology System or Customer Management Software used by the Franchisees.

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PART IV  
PROPOSAL CONVERSION STATISTICS FOR FRANCHISED BUSINESSES  
WITH 12 FULL MONTHS OF OPERATION IN 2024

Part IV: Proposal Conversion Statistics for Top Rail Fence Franchise System				
	High	Low	Median	Average
Proposal Conversion Rate (%)	70.1%	14.7%	32.3%	31.7%

3. The following table presents Job Size information realized by certain Top Rail Fence franchisees during the Measurement Period. The information provided in the table below was compiled from 47 Top Rail Fence franchisees (operating in 124 territories) that were operational and reported Revenue during the Measurement Period. There were 11,982 Proposals Reported during the Measurement Period.
4. This data was collected from our Business Management and Technology System or Customer Management Software used by the Franchisees.

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 Franchised Business, however, we may provide you with the actual records of that Franchised Business. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting our Chief Growth Officer, Zack Dudan, at 107 Parr Drive, Huntersville, NC 28078, (980) 441-1121, the Federal Trade Commission, and the appropriate state regulatory agencies.

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**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1  
System-wide Outlet Summary  
For Years 2022 to 2024

**Systemwide Outlet Summary**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
<b>Franchised</b>	2022	0	21	+21
	2023	21	93	+72
	2024	93	167	+74
<b>Company-Owned*</b>	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
<b>Total Outlets</b>	<b>2022</b>	<b>0</b>	<b>21</b>	<b>+21</b>
	<b>2023</b>	<b>21</b>	<b>93</b>	<b>+72</b>
	<b>2024</b>	<b>93</b>	<b>167</b>	<b>+74</b>

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