

Provision	Section in franchise or other agreement	Summary
t. Integration/merger clause	23.11 of Franchise Agreement; 38 of Lease; 25 of Sublease; Terms and Conditions (paragraph 31(f)) of Purchase Agreement	Only terms of the agreements are binding (subject to state law). Any representations or promises made outside of the disclosure document and those agreements may not be enforceable.
u. Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable
v. Choice of forum	23.6 of Franchise Agreement; 23 of Area Development Agreement	Litigation is in state or federal court in the city or county in which our principal office is then located (currently Charlotte, North Carolina), subject to state law.
w. Choice of law	23.5 of Franchise Agreement; 22 of Area Development Agreement; 21 of Sublease; Terms and Conditions (paragraph 31(d)) of Purchase Agreement	<p>Except for Lanham (Trademark) Act, law of North Carolina applies under the Franchise Agreement and Area Development Agreement (subject to state law).</p> <p>Under the Sublease, the law where the Premises is located applies.</p> <p>Under the Purchase Agreement, the law where the Premises is located applies.</p>

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.

I. SALES TO COST ANALYSIS

Part I of this financial performance representation reflects the historical average and historical median of the Gross Sales, certain expenses, and EBITDA of certain affiliate-owned Take 5 Oil Change Centers for the period December 31, 2023 through December 28, 2024,

representing a normal fiscal year for us (the “2024 Fiscal Year”). We included 298 Take 5 Oil Change Centers open at least one full year as of December 28, 2024, and excluded the 69 “Ground-Up Centers” (defined as Take 5 Oil Change Centers that are constructed after lease execution) that were open less than one full year, the 2 Take 5 Oil Change Centers that were reacquired from franchisees during the 2024 Fiscal Year, and the 341 Acquired Centers. Also excluded are the 4 Take 5 Oil Change Centers that closed during the 2024 Fiscal Year, none of which operated for less than 12 months. “Acquired Centers” are those Take 5 Oil Change Centers that were pre-existing quick lube or repair and maintenance operating automotive service centers that we or our affiliates acquired and then converted from the old facility and operating model to our Take 5 branding and operational standards. Acquired Centers are generally part of larger, multi-unit chains located in multiple markets and, therefore, do not reflect the real estate, purchase and conversion economics for Ground-Up Centers, which form the basis of the franchise opportunity that we offer in this disclosure document.

The 298 affiliate-owned Take 5 Oil Change Centers that are included are characteristic of a typical Take 5 Oil Change Center operating for more than one full year. The affiliate-owned Take 5 Oil Change Centers operate in metropolitan and suburban areas predominantly in the Southeastern and Midwestern United States. The 4-Wall EBITDA numbers in the below Franchisee Adjusted Income Statement have been adjusted to reflect the incremental operating costs to a franchisee, including Royalty Fees, Marketing Funds contributions, point of sale fees, increase in COGS, and adjustments made for insurance.

Franchisee Adjusted Income Statement		
	Average	% of Gross Sales
Gross Sales	\$1,384,790	100.0%
COGS	<u>\$386,993</u>	<u>27.9%</u>
Gross Profit	\$997,797	72.1%
Variable Expenses		
Payroll	\$277,251	20.0%
Marketing Fund	\$69,240	5.0%
Misc. Variable	<u>\$88,195</u>	<u>6.4%</u>
Total Variable Expenses	\$434,685	31.4%
Fixed Expenses		
Occupancy	\$95,193	6.9%
Insurance	<u>\$8,783</u>	<u>0.6%</u>
Total Fixed Expenses	\$103,976	7.5%
Royalty	\$96,935	7.0%
4-Wall EBITDA	\$362,201	26.2%

Additionally, we separated these 298 Take 5 Oil Change Centers into the top performing 50% and bottom performing 50% based on 2024 Gross Sales and gave those averages and medians for Gross Sales and expenses below.

Franchisee Adjusted Income Statement						
	Bottom 50%	Top 50%	Median	Average	# Met or Exceeded Average	% Met or Exceeded Average
Store in Analysis	149	149	nm	nm		
Gross Sales	\$931,354	\$1,838,227	\$1,327,808	\$1,384,790	139	47%
COGS	<u>\$266,961</u>	<u>\$507,026</u>	<u>\$375,891</u>	<u>\$386,993</u>	78	26%
Gross Profit	\$664,394	\$1,331,201	\$951,917	\$997,797		
% of Gross Sales	71.3%	72.4%	71.7%	72.1%		
Variable Expenses						
Payroll	\$220,666	\$333,837	\$265,871	\$277,251	126	42%
Marketing Fund	\$46,568	\$91,911	\$66,390	\$69,240	nm	nm
Misc. Variable	<u>\$68,192</u>	<u>\$108,197</u>	<u>\$80,629</u>	<u>\$88,195</u>	126	42%
Total Variable Expenses	\$335,426	\$533,945	\$412,890	\$434,685		
% of Gross Sales	36.0%	29.0%	31.1%	31.4%		
Fixed Expenses						
Occupancy	\$92,116	\$98,270	\$97,119	\$95,193	147	49%
Insurance	<u>\$8,783</u>	<u>\$8,783</u>	<u>\$8,783</u>	<u>\$8,783</u>	nm	nm
Total Fixed Expenses	\$100,899	\$107,052	\$105,901	\$103,976		
% of Gross Sales	10.8%	5.8%	8.0%	7.5%		
Royalty Fee	\$65,195	\$128,676	\$92,947	\$96,935	nm	nm
% of Gross Sales	7.0%	7.0%	7.0%	7.0%		
4-Wall EBITDA	\$162,874	\$561,527	\$340,178	\$362,201	211	71%
% of Gross Sales	17.5%	30.5%	25.6%	26.2%		

	Bottom 50%	Top 50%	All Centers
Lowest Gross Sales	\$190,365	\$1,327,927	\$190,365
Highest Gross Sales	\$1,327,689	\$3,474,051	\$3,474,051
Median Gross Sales	\$949,290	\$1,703,407	\$1,327,808
# Met / Exceeded Average	75	51	139
% Met / Exceeded Average	50%	34%	47%

Footnotes:

- 1) "Gross Sales" means and includes all revenue received or otherwise derived from operating the Take 5 Oil Change Center, whether for cash, check, credit and debit card, barter, exchange, trade credit, or other credit transactions without exception for any

bad/write downs or write-offs, and without deduction for any processing or administrative fees of any kind whatsoever. Gross Sales is calculated upon all motor vehicle services and products of all kinds purchased by customers of the Take 5 Oil Change Center, whether these purchases are made in, upon, or from the premises of the Take 5 Oil Change Center. “Gross Sales” excludes sales, use, service or excise taxes collected from customers and paid to the appropriate taxing authority and refunds to customers. If the Take 5 Oil Change Center receives any proceeds from any business interruption insurance applicable to the loss of sales, there will be added to Gross Sales an amount equal to the imputed Gross Sales that the insurer used to calculate those proceeds. Gross Sales is the basis for calculating Royalty Fees and Marketing Funds contributions due under the Franchise Agreement.

- 2) “COGS” or “Cost of Goods” is the franchisee-adjusted purchase cost for oil, air filters, oil filters, wiper blades, additives and other products. We have made adjustments to account for the franchisor markup charged on products sold to franchised Take 5 Oil Change Centers.
- 3) “Payroll” includes all Center-level labor costs but does not account for any draw or salary for the franchisee. This item includes contract services, health insurance, manager bonuses, state and federal taxes, Social Security, and other labor-related costs.
- 4) “Marketing Fund” represents the total Marketing Funds contributions paid by franchisees under the Franchise Agreement. The Marketing Fund contribution reflected in the Franchisee Adjusted Income Statement is the standard Marketing Fund contribution rate of 5% of Gross Sales paid by a franchisee operating one Take 5 Oil Change Center.
- 5) “Misc. Variable” includes expenses relating to supplies, including all additional purchased materials that are not sellable inventory (e.g., invoice paper, paper clips, water, soda, candy, etc.); uniform costs for employees; and bank and credit card fees, which are primarily merchant account fees, along with any other bank service-related charges. This item also includes repair expenses related to rework performed on customers’ vehicles under the Take 5 warranty program. Most of this work is done off site at auto repair facilities and dealerships. Finally, other miscellaneous controllable expenses are included, including testing for all new hires, employee meals at Center meetings and other miscellaneous expenses. It also includes adjustments based upon cash register overages or shortages and any changes upon receipt of bank statements.
- 6) “Occupancy” costs are costs that include leases, rent, alarms, utilities such as electric, gas, water, and trash service, real property tax, personal property tax, business license fees, and the costs of building repairs and maintenance. Occupancy costs also include expenses for telephone, fax, Internet, and the \$200 per month, per Center, point of sale fees payable under our Software License Agreement for the 2024 Fiscal Year. (As franchisees are not required to use the POS System Surveillance Software, the cost of that software is not reflected in Occupancy costs.) We believe the average Occupancy costs shown here may not reflect current market rates given how long our affiliate has had some of these leases in place. It is our typical practice to lease land only and build Ground-Up Centers, but franchisees may decide to (i) enter into ground-up leases, (ii)

purchase land for a Take 5 Oil Change Center, or (iii) convert an existing building by purchasing an existing oil change or automotive service facility and converting it into a Take 5 Oil Change Center. In our experience, the conversion approach has lower initial build-out costs than a Ground-Up Center or land purchase.

- 7) “Insurance” means the estimated cost of a franchisee’s insurance policies (general liability and property). Speaking to our franchisees with open Take 5 Oil Change Centers, they gave us average insurance cost per Take 5 Oil Change Center at \$8,783 for the 2024 Fiscal Year. The costs of health insurance is included in the “Payroll” line item.
- 8) “Royalty Fee” means the total Royalty Fee contributions paid by franchisees under the Franchise Agreement. These fees and contributions are not payable by affiliate-owned Take 5 Oil Change Centers but are presented in the Franchisee Adjusted Income Statement to provide a more complete summary of the average cost that a franchisee will experience. The Royalty Fee reflected in the Franchisee Adjusted Income Statement is the standard Royalty Fee of 7% of Gross Sales paid by a franchisee operating one Take 5 Oil Change Center.
- 9) “4-Wall EBITDA” means the amounts that remain when all expenses listed in the statement are subtracted from Gross Sales. “EBITDA” stands for “Earnings Before Interest, Taxes, Depreciation and Amortization.”
 - i. We have not included depreciation, amortization and debt service related to the remodel and build-out costs most Centers have.
 - ii. Franchisees may have depreciation/amortization deductions from certain equipment and costs to acquire their Take 5 Oil Change Centers.
 - iii. We have not made any provisions in the table for debt service related to these or other items.
 - iv. This table does not include an allowance for general administrative costs such as bookkeeping, accounting, collections, and maintenance because franchisees personally may perform all or some of these services. This table does not include any draw or distribution to the owner (i.e., franchisee) of the Center.
 - v. This table does not include an allowance for District Managers or Managing Director salaries, bonuses and other payroll-related expense for “above shop” employees a franchisee may decide to hire to help run its Take 5 Oil Change Centers. It is our experience running affiliate Centers to employ one District Manager per 6 to 10 Take 5 Oil Change Centers.

II. FRANCHISEE GROSS SALES AND CARS PER DAY

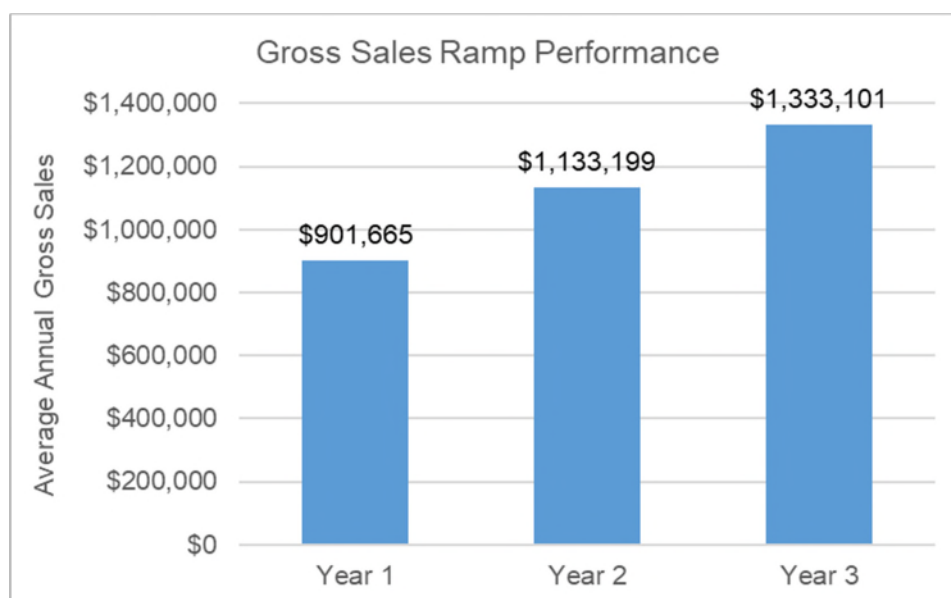
A. Gross Sales and Cars Per Day Ramp for Years 1-3

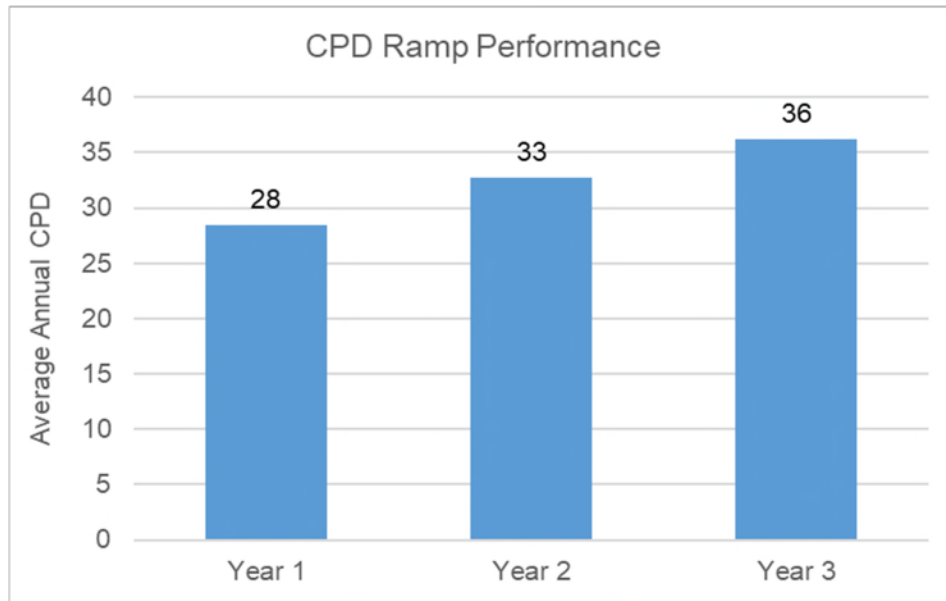
Part II.A of this financial performance representation reflects the historical average and historical median ramp of annual Gross Sales and number of cars per day (“CPD”) serviced by

the Take 5 Oil Change Centers owned and operated by our franchisees over the first 3 years of operation. We included in the charts below the results of 293 Take 5 Oil Change Centers that opened from December 28, 2019 (the start of our 2020 fiscal year) through December 30, 2023 (the end of our 2023 fiscal year). The Take 5 Oil Change Centers included in this financial performance representation use the prototypical business format and operating procedures for a Take 5 Oil Change Center that form the basis of the franchise opportunity that we offer in this disclosure document.

We did not include the results of the 110 Take 5 Oil Change Centers that opened in the 2024 Fiscal Year because they had not operated for one full year by December 28, 2024, including the 1 Take 5 Oil Change Center that both opened and closed during the 2024 Fiscal Year. There were a total of 298 franchised Take 5 Oil Change Centers that opened from December 28, 2019 through December 30, 2023. We excluded: (a) 1 franchised Take 5 Oil Change Center that was converted to an affiliate-owned Take 5 Oil Change Center during our 2022 fiscal year (which Center had operated for more than 12 months); (b) 1 franchised Take 5 Oil Change Center that was converted to an affiliate-owned Take 5 Oil Change Center during our 2023 fiscal year (which Center had operated for more than 12 months); (c) 1 franchised Take 5 Oil Change Center that was terminated during our 2023 fiscal year (which Center had operated for less than 12 months); and (d) 2 franchised Take 5 Oil Change Centers that were converted to affiliate-owned Take 5 Oil Change Centers during the 2024 Fiscal Year (which Centers had operated for more than 12 months). The beginning and ending dates of “Year 1,” “Year 2,” and “Year 3” in this financial performance representation differ for each Take 5 Oil Change Center because each Center opened for business on a different date.

Additionally, we included in the charts below the historical average and historical median annual Gross Sales of the 293 Take 5 Oil Change Centers over the first year of operation (i.e., for “Year 1”), as separated by Population Group. These financial results are encompassed within the aggregate information for “Year 1” presented in the “Gross Sales Ramp Performance” chart. “Population Group” means the number of residents within a 3-mile radius of each Take 5 Oil Change Center, which number we obtained from CBRE, our third-party supplier of real estate services.

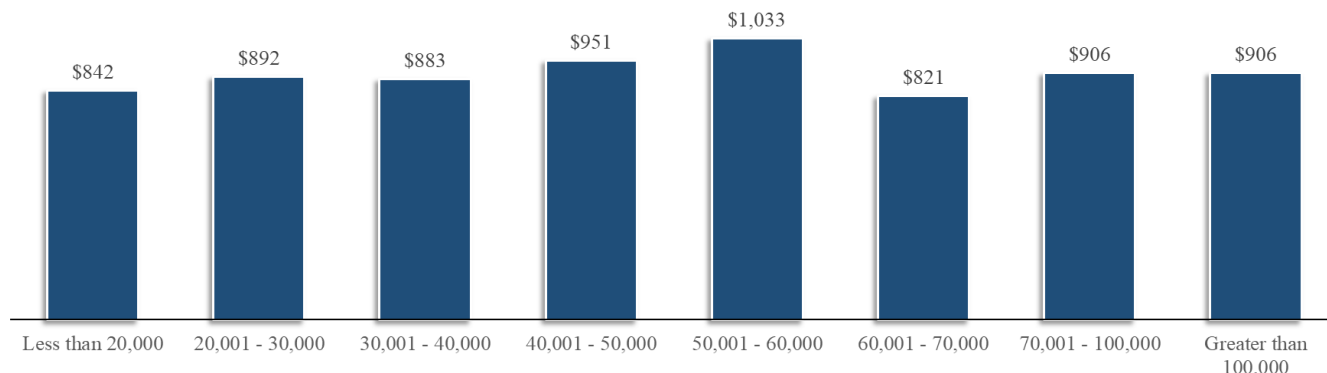




Gross Sales			
	Year 1	Year 2	Year 3
Center Count	293	193	102
Average	\$901,665	\$1,133,199	\$1,333,101
Lowest	\$255,888	\$303,893	\$377,130
Highest	\$2,076,227	\$2,228,401	\$2,829,308
Median	\$865,488	\$1,118,116	\$1,275,933
# Met/Exceeded Avg	133	95	46
% Met/Exceeded Avg	45%	49%	45%

CPD			
	Year 1	Year 2	Year 3
Center Count	293	193	102
Average	28	33	36
Lowest	10	10	10
Highest	74	81	79
Median	27	31	34
# Met/Exceeded Avg	122	79	48
% Met/Exceeded Avg	42%	41%	47%

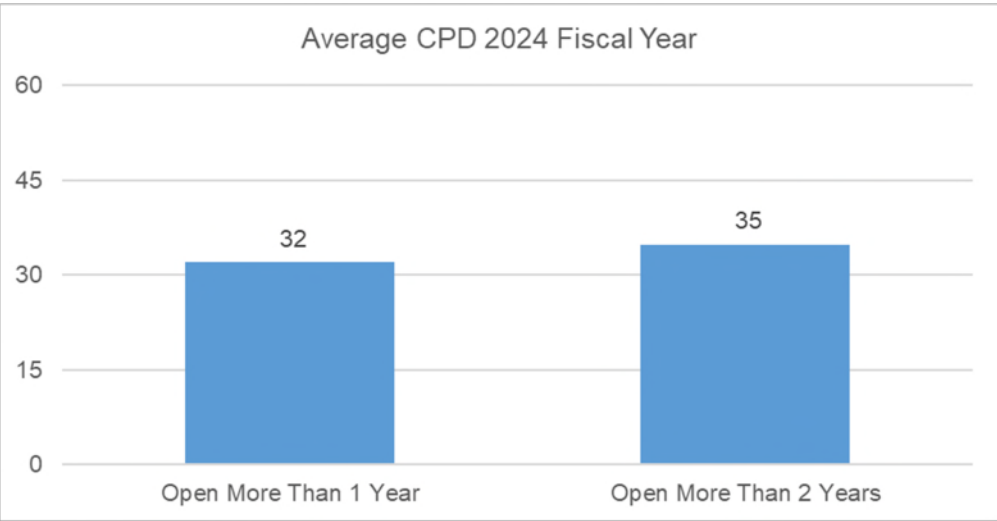
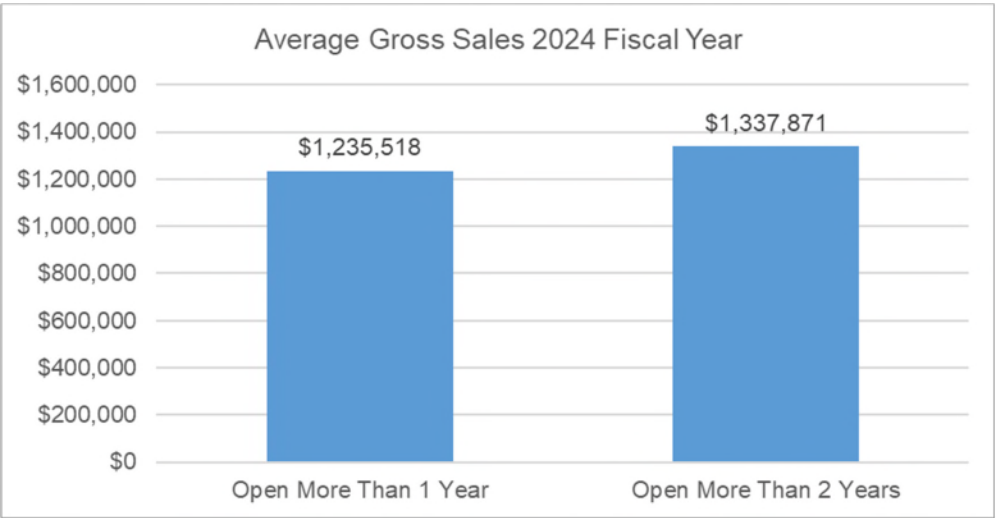
Average Annual Gross Sales (Year 1) Performance by Population Group (\$000)



Population Group	# of Centers	Average Year 1 Gross Sales	Median	Lowest	Highest	Met / Exceeded Average	
						#	%
Less than 20,000	29	\$841,722	\$800,282	\$411,353	\$1,770,189	13	45%
20,001 - 30,000	42	\$891,697	\$861,505	\$355,776	\$1,651,717	19	45%
30,001 - 40,000	51	\$882,652	\$837,354	\$523,952	\$1,728,853	21	41%
40,001 - 50,000	43	\$951,486	\$899,458	\$326,860	\$2,076,227	20	47%
50,001 - 60,000	24	\$1,033,055	\$979,989	\$519,113	\$1,698,963	11	46%
60,001 - 70,000	31	\$821,309	\$739,039	\$435,871	\$1,809,743	13	42%
70,001 - 100,000	43	\$906,413	\$914,268	\$255,888	\$1,525,368	22	51%
Greater than 100,000	30	\$905,598	\$935,032	\$490,334	\$1,474,776	16	53%

B. Gross Sales and Cars Per Day for the 2024 Fiscal Year

Disclosed in the charts below in Part II.B of this financial performance representation are the historical average and historical median Gross Sales and number of CPD serviced by certain franchised Take 5 Oil Change Centers for the 2024 Fiscal Year. The charts compare the results of the 323 franchised Take 5 Oil Change Centers that were open at least one full year as of December 28, 2024, and the results of the 223 franchised Take 5 Oil Change Centers that were open at least 2 full years as of December 28, 2024. These Take 5 Oil Change Centers operate in metropolitan and suburban locations within greater metropolitan areas of cities throughout the United States. We excluded one Take 5 Oil Change Center that closed during the 2024 Fiscal Year (which Center had operated for less than 12 months), and 2 Take 5 Oil Change Centers that were converted to affiliate-owned Take 5 Oil Change Centers during the 2024 Fiscal Year (which Centers had operated for more than 12 months). These 323 Take 5 Oil Change Centers had operated for an average of 2.9 years as of the end of the 2024 Fiscal Year.



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Gross Sales		
	<u>Open More Than 1 Year</u>	<u>Open More Than 2 Years</u>
Center Count	323	223
Average	\$1,235,518	\$1,337,871
Lowest	\$409,268	\$409,268
Highest	\$3,637,350	\$3,637,350
Median	\$1,137,962	\$1,271,529
# Met/Exceeded Average	135	99
% Met/Exceeded Average	42%	44%
CPD		
	<u>Open More Than 1 Year</u>	<u>Open More Than 2 Years</u>
Center Count	323	223
Average	32	35
Lowest	10	10
Highest	113	113
Median	30	32
# Met/Exceeded Average	130	92
% Met/Exceeded Average	40%	41%

III. GROSS SALES RAMP FOR AFFILIATE-OWNED TAKE 5 OIL CHANGE CENTER M&A ACQUISITIONS

Part C of this financial performance representation reflects the historical average and historical median 3-year ramp of annual Gross Sales of certain affiliate-owned Take 5 Oil Change Centers that were acquired by our affiliate as existing quick lube businesses and converted to Take 5 Oil Change Centers following acquisition (each, an “M&A Center”). We included in the charts below the results of 32 M&A Centers that were acquired by our affiliate from December 28, 2019 (the start of our 2020 fiscal year) through December 30, 2023 (the end of our 2023 fiscal year). We did not include the results of any M&A Center that was acquired in the 2024 Fiscal Year because it did not have one full year of operation as a Take 5 Oil Change Center by December 28, 2024. The M&A Centers operate in metropolitan and suburban areas in the Southeastern United States and, as of the end of the 2024 Fiscal Year, had operated as Take 5 Oil Change Centers for an average of 2.6 years.

There was a total of 35 M&A Center acquisitions between December 28, 2019 and December 30, 2023. We excluded: (a) 2 M&A Centers that were acquired as part of a larger transaction and that our affiliate would not have acquired independently of that transaction; and (b) 1 M&A Center that was acquired at the end of our 2023 fiscal year that, following a temporary closure to re-brand to a Take 5 Oil Change Center, did not have one full year of operation as a Take 5 Oil Change Center by December 28, 2024. The beginning and ending dates of “Year 1,” “Year 2,” and “Year 3” in this financial performance representation differ for each M&A Center because each Center opened for business as a Take 5 Oil Change Center on a different date.