

Provision	Article in Franchise Agreement	Summary
q. Non-competition covenants during the term of the franchise	13	Includes prohibition on owning or operating business which sells the same or substantially similar products and services
r. Non-competition covenants after the franchise is terminated or expires	13	Includes prohibition on owning or operating business which sells the same or substantially similar products and services for two years and located within 25 miles of any unit in the System
s. Modification of the agreement	20	Must be in writing by both parties
t. Integration/merger clause	20.16	Only the terms of the Franchise Agreement are binding (subject to federal and/or state law). Any other promises may not be enforceable
u. Dispute resolution by arbitration or mediation	20	Mediation and arbitration in Delaware (subject to state law)
v. Choice of forum	20	Delaware (subject to state law)
w. Choice of law	20	Delaware (subject to state law)

## 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 Businesses, 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 business 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.

This Item contains a historical financial performance representation of our U.S. franchised operations, which opened on December 31, 2024, our fiscal year end.

As of December 31, 2024, 35 franchise business operations operated 41 U.S. franchise territories in the system, including 2 corporately owned territories operated as 1 franchise business operation.

The table below represents data for 2024 Average Annual Gross Sales, Average Annual Costs of Goods Sold, Average Annual Gross Profit and Average Labor Costs of 29 franchise business operations that

operate 37 territories that had been open and operating for a full 12 months ending December 31, 2024. In 2024, 3 additional franchise operations were open for less than 12 months ending December 31, 2024. We have excluded the performance of 3 non-conforming franchise operations. This data also excludes our franchise operations and our single corporately owned operation in Canada.

**Financial Performance Representation #1-Average Gross Sales, Average Cost of Goods Sold (COGS), Average Gross Profits and Average Labor Costs**

Category	Financial Performance Representation
Average Gross Sales <sup>1</sup>	\$1,599,240
Average Gross Sales after 2 years <sup>2</sup> and operations greater than average	\$1,644,234
Average Cost of Goods Sold <sup>3</sup>	40.95%
Average Labor Costs <sup>4</sup>	24.68%
Average Gross Margin <sup>5</sup>	34.37%
Median Gross Sales	\$1,425,714
Highest Gross Sales	\$3,781,915
Lowest Gross Sales	\$444,432
Average Unit Growth Rate in 2024 <sup>6</sup>	22.00%
System Growth Rate in 2024 <sup>7</sup>	8.2%

Note 1 – “**Gross Sales**” means the total of all revenues for all goods and services excluding taxes.

Note 2 – “**Gross Sales after 2 years**” means the average gross sales of operations in the data set that have been in operation for more than 24 months, ending December 31st, 2024. 50% or 13 operations exceeded this average. This includes 26 franchise business operations that operate 34 territories

Note 3 – “**Cost of Goods Sold**” is the total cost of materials, freight, inventory adjustments, use tax, consumables and supplies expensed to provide the products/services resulting in the generation of gross sales. This percentage is a blended average of all product categories sold under the trademark.

Note 4 – “**Labor Costs**” is the total cost of labor – direct and indirect required to generate gross revenue. This percentage excludes the amount/percentage drawn by the owner of the franchise regardless of their role in the operation.

Note 5 – “**Gross Margin**” average gross margin is the Average Gross Sales less the Average Cost of Goods Sold and the Labor Costs.

Note 6 – “**Average Annual Growth Rate**” includes the 25 business operations that were open and operating for a full 12 months in the previous year ending December 31, 2023, excluding 6 units not operating for a full 12 months ending December 31, 2023 and the 4 non-conforming units.

Note 7 – “**System Growth Rate in 2024**” includes all gross revenue generated by franchisees in the calendar year 2024 compared to all gross revenue generated by franchisees in the calendar year 2023 excluding our Canadian franchisees and Canadian corporately owned operation.

Written substantiation will be made available to you upon reasonable request.

**Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn 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 Businesses. 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 Business, however, we may provide you with the actual records of that Business. 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 Aaron Cash at 201 Chrislea Road, Vaughan, Ontario, Canada L4L 8N6 and (905) 856-7175, the Federal Trade Commission, and the appropriate state regulatory agencies.

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

**Table No. 1**  
**Systemwide Outlet Summary**  
**For years 2022 to 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	37	41	+4
	2023	41	50	+9
	2024	50	49	-1
Company-Owned*	2022	1	1	0
	2023	1	1	0
	2024	1	3	+2
Total Outlets	2022	38	42	+4
	2023	42	51	+9
	2024	51	52	+1

\* The Company-Owned outlets shown in the above chart include outlets owned and operated by our Affiliate. Our Affiliate opened a second showroom location within its existing territory in 2013.

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2022 to 2024**

State	Year	Number of Transfers
Colorado	2022	1
	2023	0
	2024	0
Florida	2022	0
	2023	1
	2024	0