

Provision	Section in Development Agreement	Summary
w. Choice of law	Section 11.1.	Texas law applies (subject to governing state law).

Our right to terminate your Franchise Agreement in the event of your bankruptcy may be restricted by federal bankruptcy law (11 U.S.C. Section 101 et seq.).

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the franchise related to the claim is sold.

ITEM 18: PUBLIC FIGURES

Sylvan does not use any public figures 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 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 Tables below sets forth certain historic performance information for United States franchised territories that operated continuously throughout the 12 calendar months of 2024 pursuant to a Sylvan Learning Franchise Agreement. As of December 31, 2024, Sylvan had 478 franchised territories in the United States. A total of 457 Centers provided revenue reports to us and 22 Centers provided incomplete data. Of these, 438 franchised territories operated continuously during the 12 calendar months of 2024. This Item 19 also does not include Gross Sales from any territories that closed or opened during 2024, and therefore were not open for the full 12 months of 2024. The figures included in this Item 19 have not been audited. The financial performance of company-owned territories is not included.

Table 1: 2024 Franchisee Gross Sales¹ by Quartile

	Top Quartile Gross Sales	# of Units		2nd Quartile Gross Sales	# of Units
High	\$2,991,644	110	High	\$460,321	110
Low	\$473,647		Low	\$291,797	
Avg.	\$810,698		Avg.	\$366,443	
Median	\$619,018		Median	\$375,138	
No Above Avg.	27		No Above Avg.	57	
% Above Avg.	25%		% Above Avg.	52%	
	3rd Quartile Gross Sales	# of Units		4th Quartile Gross Sales	# of Units
High	\$289,587	109	High	\$189,428	109
Low	\$190,681		Low	\$18,054	
Avg.	\$240,305		Avg.	\$123,299	
Median	\$246,742		Median	\$124,566	

No Above Avg.	64		No Above Avg.	57	
% Above Avg.	59%		% Above Avg.	52%	

Table 2: 2024 – Top 10 and Bottom 20 Franchisee Gross Sales¹

Top 25% of Territories by Gross Sales	Mid-Upper 25% of Territories by Gross Sales	Mid-Lower 25% of Territories by Gross Sales	Bottom 25% of Territories by Gross Sales
Gross Sales of the Top 10 Territories in Each Quartile			
\$2,991,644.18	\$460,321.21	\$289,587.32	\$189,427.83
\$2,607,682.54	\$453,488.84	\$288,468.52	\$188,727.41
\$2,307,409.09	\$447,797.41	\$288,358.30	\$188,000.56
\$2,270,109.38	\$447,616.33	\$287,321.23	\$187,865.89
\$2,064,191.73	\$439,718.12	\$287,236.58	\$187,639.03
\$2,025,481.00	\$439,530.04	\$284,471.87	\$187,043.17
\$2,018,335.67	\$437,889.59	\$284,254.32	\$186,848.20
\$1,948,406.42	\$436,469.00	\$279,808.85	\$186,847.00
\$1,585,773.80	\$434,599.65	\$279,545.64	\$186,451.25
\$1,561,945.91	\$431,702.02	\$278,611.18	\$183,748.22
Gross Sales of the Bottom 10 Territories in Each Quartile			
\$495,988.99	\$300,695.65	\$196,457.18	\$59,151.76
\$493,779.49	\$300,183.93	\$196,215.99	\$57,167.24
\$493,098.23	\$299,421.06	\$195,638.94	\$54,054.87
\$493,023.13	\$298,214.48	\$195,507.20	\$47,090.86
\$490,371.60	\$297,127.78	\$194,838.48	\$44,438.00
\$489,845.24	\$294,794.84	\$194,477.52	\$32,232.87
\$485,489.62	\$294,408.08	\$191,884.99	\$29,083.83
\$482,033.06	\$294,065.34	\$191,859.32	\$28,842.45
\$478,561.05	\$292,332.44	\$190,802.74	\$22,320.66
\$473,647.09	\$291,797.43	\$190,680.83	\$18,054.00

Notes to Tables:

Note 1. “Gross Sales” as defined here and in Item 6 means the dollar aggregate of: (1) the sales price of all products, services, membership fees, merchandise and other items sold, and the charges for all services you perform, whether made for cash, on credit or otherwise, without reserve or deduction for inability or failure to collect, including sales and services (A) originating at the Franchised Business premises even if delivery or performance is made offsite from the Franchised Business premises, (B) placed by mail, facsimile, telephone, the Internet and similar means if received or filled at or from the Franchised Business premises, and (C) that you in the normal and customary course of your operations would credit or attribute to the operation of the Franchised Business; and (2) all monies, trade value or other things of value that you receive from Franchised Business operations at, in, or from the Franchised Business premises that are not expressly excluded from Gross Sales, including but not limited to the redemption of approved gift cards/certificates, stored value cards, and loyalty program benefits (the initial sales or reloading of gift cards shall not be included in the calculation of Gross Sales) pursuant to the Customer Card Programs. Gross

Sales does not include: (1) the exchange of merchandise between Franchised Businesses (if you operate multiple franchises) if the exchanges are made solely for the convenient operation of your business and not for the purpose of depriving us of the benefit of a sale that otherwise would have been made at, in, on or from the Franchised Business premises; (2) returns to shippers, vendors, or manufacturers; (3) sales of fixtures or furniture after being used in the conduct of the Franchised Business; (4) the sale of gift certificates and stored value cards (the redemption value will be included in Gross Sales at the time of redemption); (5) insurance proceeds; (6) sales to employees at a discount (provided such discounts will not exceed 1.5% of Gross Sales during any reporting period); (7) cash or credit refunds for transactions included within Gross Sales (limited, however, to the selling price of merchandise returned by the purchaser and accepted by you); (8) the amount of any city, county, state or federal sales, luxury or excise tax on such sales that is both (A) added to the selling price or absorbed therein and (B) paid to the taxing authority; (9) tips and gratuities; (10) Gross Sales earned through an Affiliated Brand franchise operated at the Franchised Business premises, so long as such Gross Sales constitute gross sales (or equivalent) subject to a royalty fee and other fees under such Affiliated Brand's franchise agreement; and (11) rent or other consideration paid by an Affiliated Brand franchise for occupying the Franchised Business' premises. A purchase returned to the Franchised Business may not be deducted from Gross Sales unless the purchase was previously included in Gross Sales.

Note 2. Not all franchisees delivered the ACE IT! Program, which is optional although it is included in the Sylvan franchise opportunity. However, the revenue from ACE IT! Programs offered are included in Gross Sales figures represented in Tables 1 and 2.

Note 3. Some franchisees operated Additional Centers or Satellites in the territory as part of their Franchised Business during this period. Additional Centers and Satellites are optional.

Our management prepared this financial performance representation based on Gross Sales submitted to us by franchisees in accordance with regular reporting requirements pursuant to the applicable Sylvan Learning Franchise Agreements. We cannot verify the accuracy or completeness of the data supplied by the franchisees.

This financial performance representation was prepared without an audit. Prospective franchisees or sellers of franchises should be advised that no certified public accountant has audited these figures or expressed his/her opinion with regard to their contents or form. You should consult with your tax and accounting advisors regarding the effect, if any, of existing and proposed tax legislation and accounting pronouncements related to this information.

Written substantiation for this financial performance representation will be made available to you upon reasonable request. Please carefully read all of the information in these financial performance representations, and the notes following the charts, in conjunction with your review of the historical data.

Some Centers 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 in this Item 19, Sylvan 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 operating business in an existing territory, however, the selling franchisee and/or we may provide you with the actual records of that territory. If you are buying an operating business in an existing territory from a selling franchisee and the selling franchisee makes financial performance representations, such financial performance representations are those of the selling franchisee and not of Sylvan. 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 Josh Barker, Senior Vice President, Franchise Recruitment, Unleashed Services, LLC, 2350 Airport Freeway, Suite 505, Bedford, Texas 76022, 877.203.2192 or by email at

franchising@unleashedbrands.com, 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 Operating at the Start of the Year	Outlets Operating at the End of the Year	Net Change
Franchise	2022	475	469	-6
	2023	469	473	+4
	2024	473	478	+5
Corporate	2022	6	5	-1
	2023	5	5	0
	2024	5	0	-5
Total	2022	481	474	-7
	2023	474	478	+4
	2024	478	478	0

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
Alabama	2022	0
	2023	4
	2024	0
Arizona	2022	0
	2023	1
	2024	0
California	2022	3
	2023	5
	2024	2
Colorado	2022	2
	2023	1
	2024	1
Florida	2022	1
	2023	6