

| Provision | Section in Franchise Agreement (FA), Nontraditional Location Addendum (NLA), or Development Agreement (DA) | Summary |
|--|---|--|
| t. Integration/merger clause | FA: 22 NLA: Not Applicable DA: 12 | Only the terms of the Franchise Agreement and Development Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document, Franchise Agreement and Development Agreement may not be enforceable. |
| u. Dispute resolution by arbitration or mediation | Not Applicable | Not Applicable |
| v. Choice of forum | FA: 23.2 NLA: Not Applicable DA: 13.2 | Subject to state law, all claims brought by you must be filed in the jurisdiction where we have our principal place of business, which is currently New York, New York. We may file suit in the federal or state court located in the jurisdiction where our principal offices are located at the time of suit, in the jurisdiction where you reside or do business, where the Bakery is or was located, or where the claim arose. |
| w. Choice of law | FA: 23.1 NLA: Not Applicable DA: 13.1 | Subject to state law, the law of the state in which we have our principal place of business (currently New York). |

ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our franchises.

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.

TABLE 1
**2024 AVERAGE GROSS REVENUES
FOR TEN AFFILIATE-OWNED BAKERIES**

The following table contains historic financial performance information concerning our ten Affiliate-owned Bakeries in the United States that were open and operating for the full fiscal period from January 1, 2024 to December 29, 2024 (the “Reporting Period”). This includes eight Flagship Stores and two No-Bake Stores.

| | |
|--|---------------------------|
| Average Gross Revenues¹ | \$4,459,911 |
| Range of Gross Revenues | \$2,035,699 - \$8,012,483 |
| Median Gross Revenues | \$4,192,714 |
| Number and Percentage of Bakeries that Met or Exceeded Average Gross Revenues | 5 / 50% |

TABLE 2
**2024 PERCENTAGE OF GROSS REVENUES BY SALES CHANNEL
OF TEN AFFILIATE-OWNED BAKERIES**

The following chart presents the percentage of Gross Revenues that were earned by sales channel for the ten Affiliate-owned Bakeries that were in operation for the 2024 calendar year. This includes eight Flagship Stores and two No-Bake Stores.

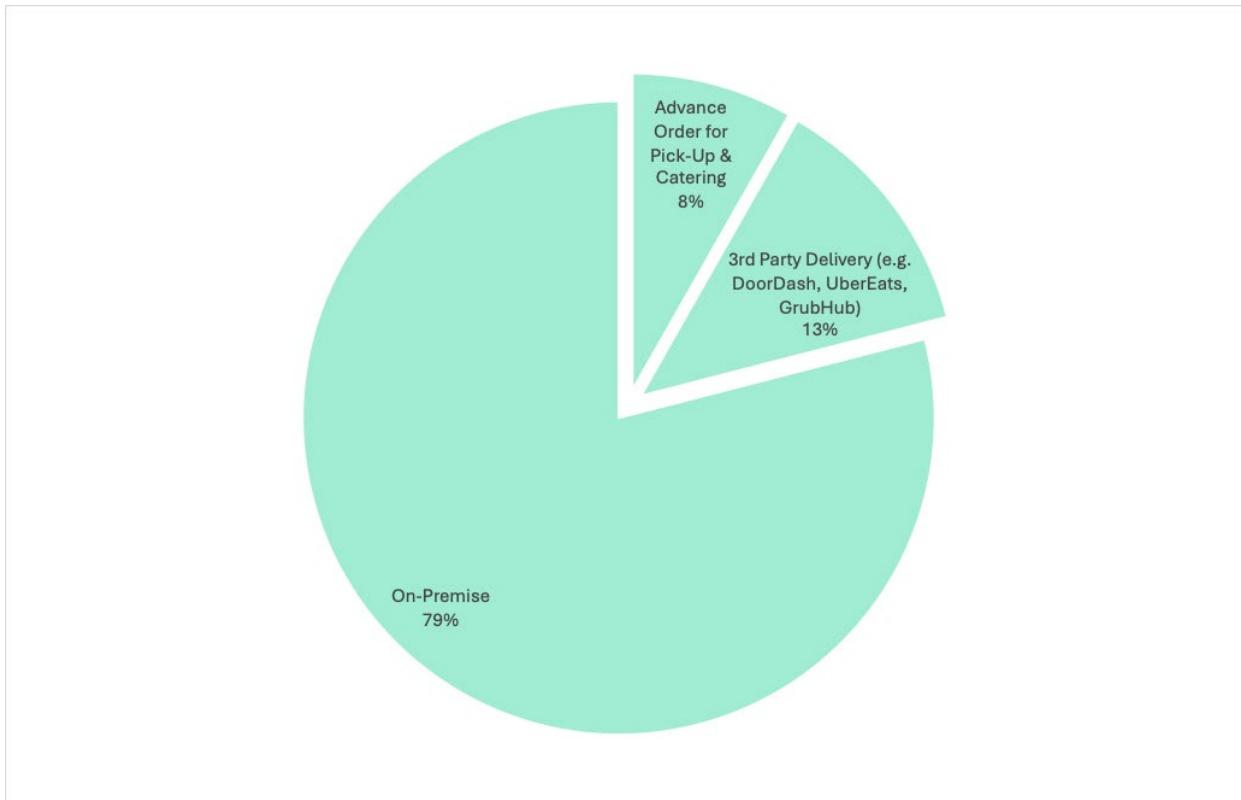


TABLE 3
**2024 PERCENTAGE OF GROSS REVENUES BY PRODUCT CATEGORY
OF TEN AFFILIATE-OWNED BAKERIES**

The following chart presents the percentage of Gross Revenues earned by product category for the ten Affiliate-owned Bakeries that were in operation for the 2024 calendar year. This includes eight Flagship Stores and two No-Bake Stores.

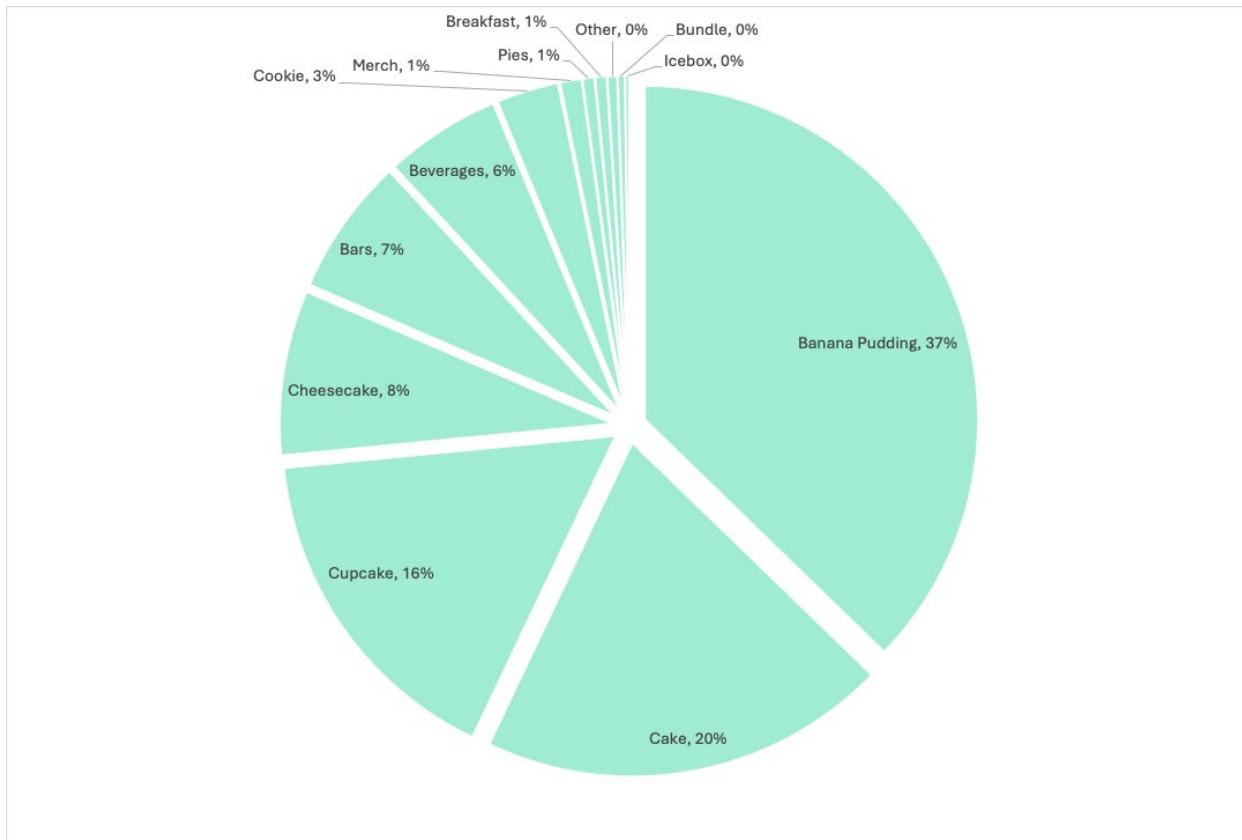


TABLE 4
**ADDITIONAL EXPENSES FOR FRANCHISED MAGNOLIA BAKERIES
BASED ON THE AVERAGE GROSS REVENUES IN TABLE 1²**

The following table presents the Royalty Fees, Marketing Fund Contributions, and Technology Development Fees that a prospective franchisee would expect to pay whose Magnolia Bakery achieved the Average Gross Revenues presented in Table 1.

| | |
|-------------------------------------|--------------|
| Royalty Fees | \$267,594.66 |
| Marketing Fund Contributions | \$89,198.22 |
| Technology Development Fees | \$5,148 |

TABLE 5**2024 GROSS REVENUES AND EXPENSES BY CITY
OF EIGHT AFFILIATE-OWNED FLAGSHIP STORES**

The following table contains historic financial performance information concerning eight Affiliate-owned Flagship Stores that were open and operating for the full Reporting Period. The table is a statement of the average Gross Revenue, Costs and Expenses, and Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") achieved during the Reporting Period by these Magnolia Bakeries. Table 3 excludes the performance of our two Affiliate-owned No-Bake Stores in New York, New York that do not produce menu items on site.

| Category | 6 New York, New York Bakeries | % of Revenue | 1 Chicago, Illinois Bakery | % of Revenue | 1 Los Angeles, California Bakery | % of Revenue | | | | |
|---|-------------------------------------|-----------------|----------------------------------|-----------------|---|-----------------|--|--|--|--|
| Average Gross Revenue | \$5,427,531 | 100% | \$3,550,963 | 100% | \$2,923,328 | 100% | | | | |
| Costs and Expenses | | | | | | | | | | |
| Food and beverage cost of sales | \$1,490,370 | 27% | \$966,861 | 27% | \$849,170 | 29% | | | | |
| Payroll expense & benefits | \$1,360,180 | 25% | \$937,676 | 26% | \$903,622 | 31% | | | | |
| Occupancy expenses | \$688,747 | 13% | \$467,303 | 13% | \$244,604 | 8% | | | | |
| Controllable expenses | \$92,600 | 2% | \$119,720 | 3% | \$81,301 | 3% | | | | |
| General and administrative | \$404,051 | 7% | \$362,987 | 10% | \$365,888 | 13% | | | | |
| Total Costs and Expenses | \$4,035,948 | 74% | \$2,854,547 | 80% | \$2,444,585 | 84% | | | | |
| EBITDA | \$1,391,583 | 26% | \$696,415 | 20% | \$478,743 | 16% | | | | |
| Range of Gross Revenues (NY Bakeries) | \$3,172,450 - \$8,012,483 | | | | | | | | | |
| Median Gross Revenues (NY Bakeries) | \$5,462,130 | | | | | | | | | |
| Number and Percentage of NY Bakeries that Met or Exceeded Average Gross Revenues | 3 / 50% | | | | | | | | | |

NOTES

1. "Gross Revenue" means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Bakery, whether for cash or credit (and regardless of collection in the case of credit), whether from sales at the premises, by delivery, from catering, or at wholesale (whether the sales method is permitted or not). The following are not included in Gross Revenue: (1) sales taxes or other taxes collected from customers for transmittal to the appropriate taxing authority (2) proceeds from the sale of gift cards or stored value cards; and (3) customer refunds made in good faith.
2. The results shown in this financial performance representation for the Affiliate-owned Bakeries were prepared from data compiled in the ordinary course of business by our employees. The Affiliate-owned

Bakeries reflected in this financial performance representation offer services for sale that are substantially similar to the services that you will offer for sale in your Bakery. One Affiliate-owned Flagship Store provides menu items for a kiosk operating at the same facility and the sales from the kiosk are included in the results for the Flagship Store. The results are unaudited.

3. This financial performance representation excludes the results of one franchised Magnolia Bakery operating at a Nontraditional Location that opened in 2024 and was not open during the entire Reporting Period.

4. The data appearing in this financial performance representation constitutes a historic representation. Written substantiation for the financial performance representations appearing in this financial performance representation will be made available to all prospective franchisees upon reasonable request.

5. **Some Magnolia Bakeries have sold and/or earned this amount. Your individual results may differ. There is no assurance that you'll sell and/or earn as much.**

Other than the preceding financial performance representation, Magnolia Bakery International, 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 immediately report it to the franchisor's management by contacting our Chief Financial Officer, Federico Reyes Bueno, 244 West 54th Street, Suite 501, New York NY, 10019, (212) 265-2777, 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 Outlets | 2022 | 0 | 0 | 0 |
| | 2023 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | +1 |
| Affiliate-Owned Outlets | 2022 | 9 | 10 | +1 |
| | 2023 | 10 | 10 | 0 |
| | 2024 | 10 | 10 | 0 |
| Total Outlets | 2022 | 9 | 10 | +1 |
| | 2023 | 10 | 10 | 0 |
| | 2024 | 10 | 11 | +1 |

* As of December 29, 2024, December 31, 2023, and December 25, 2022.