

Provision	Article or Section in Franchise Agreement (FA)/Multi-Unit Agreement (MA)	Summary
		applies to all claims (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 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.

Part I: Gross Revenues for Company-Owned and Certain Franchised Outlets

Part I of this financial performance representation includes gross revenues for certain outlets for the year ending December 31, 2023. Tables 1(a) – 1(b) of this financial performance representation include gross revenues for outlets owned and operated by our affiliate and certain franchised outlets open for 24 months or more for the year ending December 31, 2024. Outlets of our affiliate are referred to as “company-owned” outlets and the affiliate is referred to as the “Company Outlets” within this Item 19. The Company Outlets were acquired from franchisees and are subject to the same fee structure and payment terms as franchisees. These outlets operate in multiple, non-contiguous markets and generate higher revenues due to their size, operational maturity, and other efficiencies. Tables 1(c) – 1(d) include gross revenues for franchised outlets only. All information in Part I is broken out by the number of outlets owned by the reporting franchisee. The Company Outlets operate two or more company-owned outlets.

Table 1 – 2024 Gross Revenues

Table 1(a) – Gross Revenues of Company Outlets and Franchisees with Multiple Outlets in 2024

Number of Franchisees included with Company	Average Gross Revenue	Median Gross Revenue	#/% Exceeding Average Gross Revenue	Highest Gross Revenue	Lowest Gross Revenue
57	\$1,754,848	\$1,063,373	21/37%	\$18,224,009	\$82,298

Table 1(b) – Gross Revenues of Company Outlets in 2024

Gross Revenue	\$18,224,009
----------------------	---------------------

Table 1(c) – Gross Revenues for Franchisees with Multiple Outlets in 2024

Number of Franchisees	Average Gross Revenue	Median Gross Revenue	#/% Exceeding Average Gross Revenue	Highest Gross Revenue	Lowest Gross Revenue
56	\$1,460,756	\$1,060,911	19/34 %	\$8,735,505	\$82,298

Table 1(d) – Gross Revenues for Franchisees with One Outlet in 2024

Number of Franchisees	Average Gross Revenue	Median Gross Revenue	#/% Exceeding Average Gross Revenue	Highest Gross Revenue	Lowest Gross Revenue
79	\$487,310	\$288,773	21/26%	\$2,968,258	\$17,400

Notes to Table 1

1. “Gross Revenue” is defined as all revenue from all services that a Franchisee (and the Company as applicable) derives from operating all of its CMIT Solutions Businesses, and includes consulting services, project work, managed services, cloud services, technical support, break/fix services, training, and other technical services whether one-time or recurring, and commissions paid by alliance partners and revenue from hardware or software sales. Gross Revenue is broader than GPS Revenue. Prospective franchisees and sellers of franchises should be advised that no certified public accountant has audited these figures or expressed his or her opinion concerning their contents or form.

Part II: Gross Margins for Company-Owned and Certain Franchised Outlets

Part II of this financial performance representation includes gross margins for the year ending December 31, 2024. Tables 2(a) – 2(b) of this financial performance representation include gross margins of company-owned outlets and certain franchised outlets open for 24 months or more for the year ending December 31, 2024. Tables 2(c) – 2(d) include gross margins for franchised outlets only. All information in Part II is broken out by the number of outlets owned by the reporting franchisee. The Company Outlets operate two or more company-owned outlets.

Table 2 – Gross Margin**Table 2(a) – Gross Margins of Company Outlets and Franchisees with Multiple Outlets in 2024**

Category	Number of Franchisees	Average Gross Margin as a %	Median Gross Margin as a %	#/% Exceeding Median
Gross Margin (Managed Service)	57	74%	73%	30/65%
Gross Margin	57	27%	24%	25/44%

(Hardware/Software Sales)				
---------------------------	--	--	--	--

Table 2(b) – Gross Margins of Company Outlets in 2024

Category	Gross Margin as a %
Gross Margin (Managed Service)	80%
Gross Margin (Hardware/Software Sales)	18%

Table 2(c) – Gross Margins for Franchisees with Multiple Outlets in 2024

Category	Number of Franchisees	Average Gross Margin as a %	Median Gross Margin as a %	#/% Exceeding Median
Gross Margin (Managed Service)	56	73%	73%	29/52%
Gross Margin (Hardware/Software Sales)	56	29%	25%	25/45%

Table 2(d) – Gross Margins for Franchisees with One Outlet in 2024

Category	Number of Franchisees	Average Gross Margin as a % of Gross Revenue	Median Gross Margin as a % of Gross Revenue	#/% Exceeding Median
Gross Margin (Managed Service)	79	75%	72%	46/58%
Gross Margin (Hardware/Software Sales)	79	26%	24%	29/36%

Notes to Table 2

1. Gross Margin = (Total Sales - Cost of Goods Sold) / Total Sales.
2. Gross Margin (Managed Service) = (Total Managed Service Revenue - Total Managed Cost of Goods Sold) / Total Managed Service Revenue.
3. Gross Margin (Hardware/Software Sales) = (Total Hardware and Software Sales - Total Cost of Goods Sold for Both Hardware and Software acquired for resale) / Total Hardware and Software Sales.

Table 3 – Technician Costs

Table 3(a) – Technician Cost for Company Outlets and Franchisees with Multiple Outlets in 2024

Number of Franchisees included with Company	Average Technician Cost as % of Managed/Professional Services Revenue	Median Technician Cost as % of Managed/Professional Services Revenue	#/% Exceeding Median
57	34%	28%	28/49%

Table 3(b) – Technician Cost for Company Outlets in 2024

Technician Cost as a % of Managed/Professional Services Revenue	29%
--	-----

Table 3(c) – Technician Cost for Franchisees with Multiple Outlets in 2024

Number of Franchisees	Average Technician Cost as % of Managed/Professional Services Revenue	Median Technician Cost as a %	#/% Exceeding Median
56	35%	28%	28/50%

Table 3(e) – Technician Cost for Franchisees with One Outlet in 2024

Number of Franchisees	Average Technician Cost as % of Managed/Professional Services Revenue	Median Technician Cost as a % of Managed/Professional Services Revenue	#/% Exceeding Median
79	28%	22%	39/49%

Notes to Table 3

1. Technician Cost = Cost of Technician Labor / (Total Revenue for Managed Services Sales + Professional Service Sales).

Additional Notes:

1. As of December 31, 2024, we had 168 franchisees who operated 272 CMIT Solutions Businesses (including one unit operating in Canada, which is not included in this financial performance representation). Of those franchisees and businesses, 136 franchisees, operated a total of 232 outlets, for at least 24 months as of December 31, 2024.
2. For purposes of this Item, an “outlet” is defined as one territory, and the definition of “Franchisees with Multiple Outlets” includes any Franchisee operating in two or more outlets; a Single-Unit Franchisee refers to Franchisees operating a single outlet. The number of SBEs within a single outlet may vary depending on the territory size awarded to the Franchisee, and the number of qualifying SBEs in each territory.
3. This financial performance representation covers the Gross Revenue and certain Gross Margins for the period of January 1, 2024 – December 31, 2024, for the 136 franchisees who operated their outlets, and

who reported their Gross Revenue to us for at least 10 months in 2024.

4. These franchisees operated a total of 232 outlets. This financial performance representation does not include the results of the 30 franchisees (operating a total of 40 outlets) that were operating for less than 24 months as of December 31, 2024, who did not report at least 10 months of Gross Revenue to us, or who were not operating their franchised business full-time because of health or other personal reasons.
5. We did not have any franchisees who reported Gross Revenue for at last 10 months but less than 12 months.
6. The franchisees included in this financial performance representation operate in various markets across the country. The average length of time that these franchisees had operated under the System as of December 31, 2024, was 9.3 years.

Part III: Gross Revenue Breakdown Examples

To provide further detail on and substantiation of this financial performance representation, we've provided a breakdown of the sources of Gross Revenue of three franchisees during the relevant year. The following table shows the sources of Gross Revenue figures for the franchisees. Other franchisees have different breakdowns of Gross Revenue sources. This detail is intended solely to illustrate the sources of Gross Revenue in different franchisees based on units owned.

2024 Gross Revenue Breakdown Examples

# of Outlets / Territories Operated	Managed Services	Professional Services	Hardware and Software	Other	Total 2024 Gross Revenue
3	\$1,684,646	\$438,663	\$995,178	\$33,662	\$3,152,149
	53.4%	13.9%	31.6%	1.1%	100.0%
2	\$1,149,541	\$333,019	\$554,819	\$39,358	\$2,076,737
	55.4%	16.0%	26.7%	1.9%	100.0%
1	\$589,716	\$126,623	\$435,273	\$41,481	\$1,193,093
	49.441%	10.6%	36.5%	3.5%	100.0%

Upon your reasonable request, we will provide written substantiation for these financial performance representations.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

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 these 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 report it to our management by contacting Lisa Montanio at 9433 Bee Caves Rd, Bldg. 3, Ste. 210, Austin, TX 78733, telephone number (800) 710-2648, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

All numbers appearing in Tables 1 through 5 below are as of December 31 in each year. References to “outlets” in this Item mean individual CMIT Solutions Businesses, as represented by separate territories. Several franchisees have more than one CMIT Solutions Business or territory. As of December 31, 2024 there were 168 individual franchisees operating 272 CMIT Solutions Businesses/territories.

Table No. 1
System-wide 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	251	252	+1
	2023	252	255	+3
	2024	255	272	+17
Company-Owned	2022	0	0	0
	2023	0	6	+6
	2024	6	6	0
Total Outlets	2022	251	252	+1
	2023	252	261	+9
	2024	261	278	+17

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
Arizona	2022	0
	2023	0
	2024	1
California	2022	0
	2023	0
	2024	0
Georgia	2022	3
	2023	0
	2024	2
Illinois	2022	3
	2023	0
	2024	0
Maryland	2022	0
	2023	0
	2024	1
Minnesota	2022	1
	2023	0
	2024	0
Missouri	2022	2
	2023	0