

Provision	Section in Franchise Agreement and Multi-Franchise Addendum	Summary
(w) Choice of law	Section 17.8	The laws of the state where the Kidcreate Business is located applies, subject to any contrary provision contained in the State-Specific Addendum (See <u>Exhibit E</u>), subject to applicable 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 franchise 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.

As of December 31, 2024, we had one Kidcreate Two in One Studio Business owned by our parent company, LSO and 24 open and operating franchised Kidcreate Businesses. This Item 19 provides historical financial information for Kidcreate Businesses as described below. For purposes of this Item 19, “Gross Sales” means the total revenue derived from the sale of goods or services less sales tax, discounts, allowances, and returns. In 2020, we began offering territories based on number of children rather than number of households in the Territory, and we modified the Territories of our existing Affiliate Locations and Franchised Locations accordingly. As a result, new franchisees may have Territories that are larger than those held by Affiliate Locations and Franchised Locations in this Item 19. The numbers in this Item 19 have not been audited, but we have no reason to doubt their accuracy.

Table One-Affiliate Locations

During the 2024 calendar year, we had one Kidcreate Two in One Studio Business owned by our parent company, LSO and one Kidcreate Two in One Studio Business owned by our affiliate, GM (“Affiliate Locations”). The Affiliate Locations also offer KidScientific and Little Hands Discovery Module curriculum. The Affiliate Location owned by GM was sold to a franchisee in August 2024. Franchised Kidcreate Two in One Studio Businesses will share many of the same characteristics as the Affiliate Locations, including degree of competition, and products and services offered, except that our Affiliate Locations do not pay the Royalty or the Technology Fee, and are not required to meet the Local Advertising Requirement. Kidcreate Mobile Studio Businesses also share similar characteristics as Affiliate Locations except they do not operate from a Studio.

Table One provides Gross Sales information for the two Affiliate Locations for each calendar year from 2015 to 2024. Kidcreate Two in One Studio Businesses will share many of the same characteristics as our Affiliate Locations, including degree of competition, and products and services offered, except that

the Affiliate Locations did not pay the Royalty or the Technology Fee, and were not required to meet the Local Advertising Requirement. Kidcreate Mobile Studio Businesses also share similar characteristics as Affiliate Locations except they do not operate from a Studio.

Table 1
Gross Sales for the Affiliate Locations
Years 2015 to 2024

Year	Gross Sales Eden Prairie	Gross Sales Woodbury
2024	\$692,624	\$503,504 ⁽¹⁾ (\$383,949 as an Affiliate Location, \$119,555 as a franchise location)
2023	\$711,289	\$637,260
2022	\$820,104	\$646,500
2021	\$705,811	\$512,127
2020	\$274,678	\$209,834
2019	\$466,044	\$332,952
2018	\$468,960	\$287,370
2017	\$430,800	\$249,106
2016	\$411,278	\$240,435
2015	\$397,717	\$230,468

Table One Notes:

1. The Affiliate Locations are located in Eden Prairie, Minnesota and Woodbury, Minnesota, and have been in operation since 2008 and 2013, respectively. The Woodbury, Minnesota location operated as an Affiliate Location until August 19, 2024, when it was sold to a franchisee who operated it the remainder of the year.
2. The earnings claims figures in Table 1 do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

Table Two-Franchise Locations

Of the 24 Franchised Kidcreate Businesses in operation as of December 31, 2024, 16 were open for the full 2024 calendar year (“Franchise Reporting Group”). KidScientific Modules are currently offered in the following cities: Broomfield, Colorado; Bloomfield, Michigan; Mansfield, Texas; Ashburn, Virginia; and Fairfax Station, Virginia. Little Hands Discovery Modules are currently offered in the following cities:

Ashburn, Virginia and Fairfax Station, Virginia. Eight Franchised Kidcreate Businesses that were not operating for the full 2024 calendar year and have not been included in this Item 19. One franchised location was purchased from our affiliate as described in Table 1 and is not included in Table 2. The financial information provided in the following tables represents the Gross Sales as well as the year over year increase for the Reporting Group for the 2023 and 2024 calendar years. Unless otherwise noted, the locations in Table 2 operated Kidcreate Two in One Studio Businesses.

Table 2
Gross Sales for the Franchised Kidcreate Businesses

Location	2023 Gross Sales	2024 Gross Sales	Year Over Year Increase
Dana Point, CA	\$294,490.21	\$326,306.41	10.80%
Broomfield, CO	\$146,760.58	\$135,655.61	-7.57%
North Miami, FL*	\$124,399.00	\$147,743.31	18.77%
Johns Creek, GA	\$220,471.62	\$231,950.39	5.21%
Lakeview, IL	\$340,078.47	\$324,126.00	-4.69%
Oak Park, IL	\$263,147.97	\$254,983.80	-3.10%
Bloomfield, MI	\$262,912.33	\$314,628.83	19.67%
Fayetteville, NC	\$102,248.97	\$90,809.86	-11.19%
Brownsville, TX ⁽¹⁾ *	N/A	\$16,871.47	N/A
Greater Heights, TX	\$473,431.58	\$499,584.06	5.52%
Mansfield, TX	\$123,295.63	\$115,767.39	-6.11%
San Antonio, TX	\$298,798.63	\$267,355.47	-10.52%
Alexandria, VA	\$244,289.35	\$256,394.93	4.96%
Ashburn, VA	\$444,023.15	\$433,886.51	-2.28%
Fairfax Station, VA	\$227,957.57	\$418,471.85	83.57%
Newport News, VA	\$215,323.22	\$185,473.59	-13.86%

*These businesses were operated as Kidcreate Mobile Studios

Table Two Notes:

1. The Brownsville, Texas location was not open for the full calendar year in 2023.
2. The earnings claims figures in Table 2 do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.
3. Reporting Franchised Kidcreate Two in One Studio Businesses offer both services from a Studio and through mobile units from off-premise locations. Reporting Franchised Kidcreate Mobile Studio Businesses offer services through mobile units from off premises locations only.

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

Written substantiation pertaining to these financial performance representations is available for inspection at our principal business address and will be provided upon reasonable request.

Other than the preceding financial performance representation, Kidcreate Studio Franchising, 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 report it to the franchisor's management by contacting Lara Olson at Kidcreate Studio Franchising LLC, 7566 Market Place Drive, Eden Prairie, Minnesota 55344, (952) 937-7600; the Federal Trade Commission; and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

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	2022	14	16	+2
	2023	16	16	0
	2024	16	24	+8
Company-Owned**	2022	2	2	0
	2023	2	2	0
	2024	2	1	-1
Total Outlets	2022	16	18	+2
	2023	18	18	0
	2024	18	25	+7

**These locations are all Kidcreate Two in One Studio Businesses owned by our parent company, LSO and our affiliate GM.

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	1
Virginia	2022	1
	2023	0
	2024	0
Total	2022	2
	2023	0