

Provisions		Article in Additional Territory Option Agreement	Summary
u.	Dispute resolution by arbitration or mediation	Sections 4.2 and 4.3	You must bring all disputes before FCI's President and CEO prior to bringing a claim before a third party. After exhausting this internal dispute resolution procedure, at our option, all disputes will be submitted first to non-binding mediation (subject to state law).
v.	Choice of forum	Section 4.4	Legal action must be in state or federal court in Georgia (subject to applicable state law).
w.	Choice of law	Section 4.1	Georgia law will apply (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 franchised and/or franchisor-owned outlets, if there is any reasonable basis for the information, and if the information is included in the disclosure document. Financial information that differs from that included in Item 19 may only be given 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.

Background

This Item sets forth certain historical data submitted by our franchisees. As set forth in each table below, this Item discloses certain information for each of the Reporting Franchisees, and not for discrete businesses or territories. Some Reporting Franchisees may own more than one business and/or operate in more than one territory. Written substantiation of the data used in preparing this information will be made available upon reasonable request. We have not audited this information, nor independently verified this information. The information is for the period of January 1, 2024, through December 31, 2024 (the "Measurement Period"). This Item presents certain information for our 195 US franchisees that were open for the full measurement period and excludes information from 122 franchisees that were not (i) open for the full measurement period, (ii) do not report using our current standard software, or use it inconsistently, and thus for whom we do not have complete sales data, or (ii) do not operate the franchise as a full-time venture.

Gross Revenue Installed, Gross Revenue Landed and Average Job Information

This Table presents the Gross Revenue Installed, Gross Revenue Landed and certain Job Information as reported to us by our 136 U.S. franchisees that were open and operating for more than 24 months as of December 31, 2024, and for whom we have complete sales data (the “Reporting Franchisees”). This table excludes franchises (a) who had not been open and operating for a full 24 months as of December 31, 2024, (b) for whom we do not have complete sales data, and (c) that do not operate the franchise as a full-time venture. For the purposes of this Item 19, a franchisee is deemed to have operated less than full time if the franchisee was not operating for at least one full calendar month during the Measurement Period. Data for startup Franchisees who were not open and operating for a full 24 months as of December 31, 2024, was excluded from this Table. The following table presents the average Gross Revenue Installed, Gross Revenue Landed and certain Job Information for the 136 Reporting Franchisees during the Measurement Period. We have broken down the data into five groups (each, a “Group”) based on the Reporting Franchisees’ Gross Revenue Installed, as further described below.

Gross Revenue Installed, Gross Revenue Landed and Average Job Information For Calendar Year 2024

Group by Average Revenue Installed	Number of Reporting Franchisees	Average Gross Revenue Installed	Average Gross Revenue Landed	Leads	Proposals	Average Job Size	Success Rate	Slippage Rate	Gross Margin %	Median and Number of Reporting Franchisees Meeting or Exceeding the Average
Top 10%	14	\$2,890,948	\$3,178,976	1,534	741	\$8,787	52%	45%	44%	<p>Rev. Installed: 3 (22%) Median: \$2,367,577 High: \$8,670,960 Low: \$2,005,576</p> <p>Rev. Landed: 3 (22%) Median: \$2,661,886 High: \$9,571,598 Low: \$1,972,973</p> <p>Leads: 6 (43%) Median: 1,387 High: 2,679 Low: 243</p> <p>Proposals: 5 (36%) Median: 696 High: 1,657 Low: 203</p>

Group by Average Revenue Installed	Number of Reporting Franchisees	Average Gross Revenue Installed	Average Gross Revenue Landed	Leads	Proposals	Average Job Size	Success Rate	Slippage Rate	Gross Margin %	Median and Number of Reporting Franchisees Meeting or Exceeding the Average
										Job Size: 6 (43%) Median: \$8,473 High: \$13,855 Low: \$5,175 Success Rate: 7 (50%) Median: 51% High: 77% Low: 30% Slippage Rate: 9 (64%) Median: 53% High: 74% Low: 16% Gross Margin: 10 (71%) Median: 45% High: 49% Low: 31%
Top 25%	34	\$2,142,278	\$2,329,248	1,306	601	\$8,536	47%	50%	45%	Rev. Installed: 7 (21%) Median: \$1,844,931 High: \$8,670,960 Low: \$1,401,810 Rev. Landed: 13 (38%) Median: \$1,960,846 High: \$9,571,598 Low: \$1,479,786 Leads: 15 (56%) Median: 1,147 High: 2,679 Low: 243 Proposals: 13 (38%) Median: 550 High: 1,657 Low: 203 Job Size: 15 (46%) Median: \$7,944 High: \$15,460 Low: \$5,175

Group by Average Revenue Installed	Number of Reporting Franchisees	Average Gross Revenue Installed	Average Gross Revenue Landed	Leads	Proposals	Average Job Size	Success Rate	Slippage Rate	Gross Margin %	Median and Number of Reporting Franchisees Meeting or Exceeding the Average
										<p>Success Rate: 14 (41%) Median: 45% High: 77% Low: 30%</p> <p>Slippage Rate: 21 (62%) Median: 53% High: 74% Low: 16%</p> <p>Gross Margin: 21 (62%) Median: 45% High: 50% Low: 31%</p>
Top 50%	68	\$1,631,888	\$1,754,555	1,143	482	\$8,241	45%	54%	45%	<p>Rev. Installed: 21 (31%) Median: \$1,395,102 High: \$8,670,960 Low: \$783,682</p> <p>Rev. Landed: 21 (31%) Median: \$1,514,498 High: \$9,571,598 Low: \$911,017</p> <p>Leads: 26 (38%) Median: 1,035 High: 2,679 Low: 134</p> <p>Proposals: 27 (40%) Median: 427 High: 1,657 Low: 115</p> <p>Job Size: 29 (43%) Median: \$8,241 High: \$15,460 Low: \$4,860</p> <p>Success Rate: 32 (47%) Median: 44% High: 100% Low: 26%</p>

Group by Average Revenue Installed	Number of Reporting Franchisees	Average Gross Revenue Installed	Average Gross Revenue Landed	Leads	Proposals	Average Job Size	Success Rate	Slippage Rate	Gross Margin %	Median and Number of Reporting Franchisees Meeting or Exceeding the Average
										<p>Slippage Rate: 40 (59%) Median: 57% High: 47% Low: 14%</p> <p>Gross Margin: 42 (62%) Median: 45% High: 51% Low: 31%</p>
Bottom 50%	68	\$587,555	\$631,737	645	231	\$7,048	42%	58%	44%	<p>Rev. Installed: 35 (51%) Median: \$588,531 High: \$885,863 Low: \$265,903</p> <p>Rev. Landed: 34 (50%) Median: \$623,355 High: \$1,027,826 Low: \$323,970</p> <p>Leads: 35 (51%) Median: 622 High: 1,483 Low: 59</p> <p>Proposals: 31 (46%) Median: 223 High: 393 Low: 42</p> <p>Job Size: 32 (47%) Median: \$7,073 High: \$13,701 Low: \$3,980</p> <p>Success Rate: 25 (37%) Median: 38% High: 100% Low: 22%</p> <p>Slippage Rate: 44 (65%) Median: 63% High: 84% Low: 0%</p>

Group by Average Revenue Installed	Number of Reporting Franchisees	Average Gross Revenue Installed	Average Gross Revenue Landed	Leads	Proposals	Average Job Size	Success Rate	Slippage Rate	Gross Margin %	Median and Number of Reporting Franchisees Meeting or Exceeding the Average
										Gross Margin: 39 (57%) Median: 45% High: 50% Low: 31%
Bottom 25%	34	\$451,369	\$482,1592	537	193	\$7,004	39%	59%	44%	Rev. Installed: 17 (50%) Median: \$441,228 High: \$588,232 Low: \$265,903
										Rev. Landed: 14 (41%) Median: \$444,086 High: \$797,526 Low: \$323,970
										Leads: 20 (59%) Median: 561 High: 1,045 Low: 106
										Proposals: 19 (56%) Median: 195 High: 351 Low: 81
										Job Size: 19 (56%) Median: \$7,092 High: \$9,487 Low: \$3,980
										Success Rate: 11 (32%) Median: 35% High: 100% Low: 22%
										Slippage Rate: 19 (56%) Median: 59% High: 84% Low: 24%
										Gross Margin: 21 (62%) Median: 45% High: 50% Low: 31%

Group by Average Revenue Installed	Number of Reporting Franchisees	Average Gross Revenue Installed	Average Gross Revenue Landed	Leads	Proposals	Average Job Size	Success Rate	Slippage Rate	Gross Margin %	Median and Number of Reporting Franchisees Meeting or Exceeding the Average
Bottom 10%	14	\$359,418	\$391,139	496	175	\$6,737	38%	58%	43%	<p>Rev. Installed: 7 (50%) Median: \$366,010 High: \$423,015 Low: \$265,903</p> <p>Rev. Landed: 7 (50%) Median: \$392,009 High: \$442,614 Low: \$323,970</p> <p>Leads: 8 (57%) Median: 542 High: 970 Low: 126</p> <p>Proposals: 7 (50%) Median: 179 High: 263 Low: 95</p> <p>Job Size: 8 (57%) Median: \$7,092 High: \$9,487 Low: \$3,980</p> <p>Success Rate: 6 (43%) Median: 34% High: 100% Low: 22%</p> <p>Slippage Rate: 9 (64%) Median: 64% High: 79% Low: 25%</p> <p>Gross Margin: 8 (57%) Median: 44% High: 50% Low: 31%</p>

Group by Average Revenue Installed	Number of Reporting Franchisees	Average Gross Revenue Installed	Average Gross Revenue Landed	Leads	Proposals	Average Job Size	Success Rate	Slippage Rate	Gross Margin %	Median and Number of Reporting Franchisees Meeting or Exceeding the Average
All Reporting Franchisees	136	\$1,109,721	\$1,193,146	894	356	\$7,645	43%	56%	45%	<p>Rev. Installed: 58 (43%) Median: \$895,993 High: \$8,670,960 Low: \$265,903</p> <p>Rev. Landed: 52 (38%) Median: \$974,285 High: \$9,571,598 Low: \$323,970</p> <p>Leads: 65 (41%) Median: 833 High: 2,679 Low: 59</p> <p>Proposals: 53 (39%) Median: 321 High: 1,657 Low: 42</p> <p>Job Size: 54 (40%) Median: \$7,417 High: \$15,460 Low: \$3,980</p> <p>Success Rate: 62 (46%) Median: 37% High: 100% Low: 22%</p> <p>Slippage Rate: 71 (52%) Median: 59% High: 84% Low: 0%</p> <p>Gross Margin: 77 (57%) Median: 45% High: 51% Low: 31%</p>

Notes:

1. Gross Revenue Installed is defined as a franchisee's total sales invoices or other items or services billed to the customer for all "Completed Sales", less discounts, cancellations or

returns by FCI. Sales of products and services are deemed to be Completed Sales for purposes of reporting to FCI when the franchisee completes the final installation of all products or services sold to the customer.

2. Gross Revenue Landed is defined as Gross Revenue Installed (except as set forth below), plus the total sales invoices or services billed to customers for all ongoing jobs where franchisee has not yet completed final installation but has been engaged by the customer and has begun to provide the products and services requested. Specifically omitted from Gross Revenue Landed is any amount of Gross Revenue Installed from the provision of products or services which were ordered, invoiced or first billed for during the preceding calendar year (2023).

3. The Average Gross Revenue Installed and Gross Revenue Landed for each Group is defined as the sum of the Gross Revenue Installed/Landed of the Reporting Franchisees in each Group divided by the number of Reporting Franchisees in each Group.

4. Leads are all inquiries that the franchisee received from potential customers to provide the approved products and services.

5. Proposals are the number of estimates, bids and other proposals generated and delivered by a franchisee to provide products and/or services to customers.

6. Average Job Size is defined as the total Gross Revenue Installed of all jobs in each operating category divided by the number of jobs performed by franchisees in each operating category.

7. Average Success Rate is the average percentage of jobs landed over the number of first proposals.

8. Average Slippage Rate is the average percentage of Leads that failed to result in Proposals (e.g. a franchisee converting 100 leads to 80 proposals, would result in a slippage rate of 20%).

9. Gross Margin is the percentage of profit in the jobs performed by franchisees, which is calculated by subtracting product and installation costs from revenue, dividing the result by revenue, and converting into a percentage.

10. As of December 31, 2024, twelve 12 Reporting Franchisees operated in two (2) or more discrete territories, and over one hundred (100) franchisees operate outside of their territories in areas that in many cases are as large as, or larger than, the total area served by franchisees operating in two separate territories. In addition, almost all of the Reporting Franchisees were awarded DMAs that are larger than a single unit's DMA offered in this disclosure document. The smallest Reporting Franchisee DMA was 82,833 single family homes and the largest was 746,636

single family homes. The average was 198,083 and the median DMA was 168,944 single family homes. 46 of the 136 Reporting Franchisees had DMA's larger than the average (34%).

Group By Average Revenue Installed (In Operation More than 2 Years)	Median/Average/High/Low DMA Size in Single Family Homes	Number of Franchisees Exceeding Average DMA Size in Group
Top 10%	253,929/327,518/692,226/123,414	4/14 (29%)
Top 25%	193,458/243,929/746,636/99,067	14/34 (41%)
Top 50%	184,221/224,477/746,636/99,067	20/68 (29%)
Bottom 50%	163,842/164,652/302,041/82,833	34/68(50%)
Bottom 25%	153,475/159,897/302,041/89,833	15/34 (44%)
Bottom 10%	164,475/160,437/262,258/89,833	8/14 (57%)

11. Certain Reporting Franchisees have been granted the right to perform services for residential jobs in which the aggregate contract amount exceeds \$50,000, or any other flooring services not specifically identified as Residential Services in this disclosure document, including but not limited to any flooring services for businesses or other commercial buildings, hotels or academic institutions (“Commercial Services”). See Item 12 for more information related to Commercial Services. Upon signing our Commercial Services Addendum, completion of our Commercial Training Program and satisfaction of such other conditions as we may require, you will be qualified to provide Commercial Services.

Certain Job Information – Start-Up and Mature Businesses

The following table presents the Average Job Size, Success Rate, Slippage Rate, and Gross Margin for 59 of our franchisees open less than two years but more than one year, and 136 of our franchisees open and operating for more than two years, as of December 31, 2024, that reported data in these categories to us. This table excludes franchisees (a) who had not been open and operating for a full year as of December 31, 2024, (b) for franchisees who do not report using our current standard software, or use it inconsistently, and thus for whom we do not have complete sales data, and (c) that do not operate the franchise as a full-time venture.