

## **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.

Here, we set forth two historical Financial Performance Representations ("FPR 1 and FPR 2") with certain Gross Revenue information for our franchised outlets. For purposes of these FPRs, "Gross Revenue" means the aggregate sales price of all products and services sold by the outlet. Excluded from these amounts are (1) the amount of any refund or credit given in respect of any services provided to a customer for which a refund of the whole or part of the purchase price is made or for which a credit is given in the ordinary course of business, and (2) any amounts collected by the outlet for any governmental authority and paid out to that governmental authority on account of sales taxes or other taxes imposed upon the sale of goods or services. We have also provided in FPR 3 the Profit and Loss of our affiliate's location.

#### **FPR #1**

##### **Franchised Outlets' 2024 Annual Gross Revenue (by Performance Tier)**

The following tables present Annual Gross Revenue information for our franchised outlets during the 2024 calendar year. Each of the outlets included in the tables below had been open for at least a year and operated for the entire reporting year. In 2024, we had 86 franchised outlets, of which 80 operated for the full year under the same owner.

This Item 19 information sets forth gross sales submitted by 79 Franchised locations that operated for the entirety of 2024. Of the 79 locations, 9 operated more than one territory (Multi-Territory) and 70 operated one territory (Single Territory).

The charts represent average annual Gross Sales and median annual Gross sales during 2024 for both Multi-Territory and Single-Territory locations.

Each of these multiple location franchises, while separate territories under single unit franchise agreements, for operational efficiency are permitted to file their operation reports for all their units as a single operational entity. It is not practical or possible to report on the performance of these individual franchise locations and therefore we report on each of these multiple unit franchisees' performance as a whole based on the information provided by the franchisees.

### FPR #1

#### Single Territory Flying Locksmiths Outlets

Performance by Tier	# Single Territory Outlets	Number of Territories	Average Gross Revenue by Quartile	Highest Gross Revenue in Quartile	Lowest Gross Revenue in Quartile	Number that Exceeded Average	Median Gross Revenue by Quartile	Percent of Outlets Exceeding Group Average
Top Quartile	17	17	\$ 1,378,139	\$ 2,447,928	\$ 1,041,340	7	\$ 1,362,068	41%
Second Quartile	18	18	\$ 748,801	\$ 1,033,559	\$ 594,795	6	\$ 709,683	33%
Thrid Quartile	18	18	\$ 488,484	\$ 556,766	\$ 393,471	10	\$ 494,169	56%
Fourth Quartile	17	17	\$ 257,639	\$ 386,860	\$ 77,464	9	\$ 279,457	53%
<b>All</b>	<b>70</b>	<b>70</b>	<b>\$ 715,419</b>	<b>\$ 2,447,928</b>	<b>\$ 77,464</b>	<b>32</b>	<b>\$ 575,780</b>	<b>46%</b>

#### Multi Territory Flying Locksmiths Outlets

Performance by Tier	# Multi Territory Outlets	Number of Territories	Average Gross Revenue by Quartile	Highest Gross Revenue in Quartile	Lowest Gross Revenue in Quartile	Number that Exceeded Average	Median Gross Revenue by Quartile	Percent of Outlets Exceeding Group Average
Top Quartile	2	4	\$ 1,785,284	\$ 2,453,215	\$ 1,117,354	1	\$ 1,785,284	50%
Second Quartile	2	4	\$ 1,069,615	\$ 1,114,120	\$ 1,025,110	1	\$ 1,069,615	50%
Thrid Quartile	3	7	\$ 788,094	\$ 840,920	\$ 755,763	1	\$ 767,599	33%
Fourth Quartile	2	4	\$ 579,076	\$ 638,118	\$ 520,035	1	\$ 579,076	50%
<b>All</b>	<b>9</b>	<b>19</b>	<b>\$ 1,025,804</b>	<b>\$ 2,453,215</b>	<b>\$ 520,035</b>	<b>4</b>	<b>\$ 840,920</b>	<b>44%</b>

\* \* \*

### FPR #2

#### Franchised Outlets' 2024 Average Monthly Gross Revenue (by Months in Operation as of December 31, 2024)

The following table presents the Average Monthly Gross Revenue information for our franchised outlets during the 2024 calendar year, based on the number of months they were in operation as of December 31, 2024. In 2024, we had 79 franchised outlets that operated the entire year. Here, we set forth the average monthly Gross Revenues of the 79 outlets, sorting the outlets by the number of months the outlets had been in operation.

### FPR #2

Months in Operation as of December 31, 2024	# Outlets in the Subset	Average 2024 Monthly Gross Revenue for Subset	# of outlets that attained or surpassed Average Monthly Gross Revenue for Subset	% of outlets that attained or surpassed Average Monthly Gross Revenue for Subset	Highest Average Monthly Gross Revenue in Subset	Lowest Average Monthly Gross Revenue in Subset	Median Average Monthly Gross Revenue in Subset
12 - 24	2	\$29,921	1	50%	\$45,018	\$14,825	\$29,921
25 - 36	0	n/a	n/a	n/a	n/a	n/a	n/a
37 - 48	1	\$25,618	1	100%	\$25,618	\$25,618	\$25,618
49+	76	\$62,364	30	39%	\$204,435	\$6,455	\$51,937

\* \* \*

### **Notes Applicable to FPR 1 and FPR 2**

The information is based on information generated from monthly reports that were provided to us by the franchisees for the periods cited.

“**Gross Revenue**” means the aggregate sales price of all products and services sold by the Franchisee or any of its Affiliates, in connection with or arising out of the operation of the Franchised Business. The Gross Revenue numbers do not reflect the costs of sales, operating expenses, royalties, or other costs or expenses that must be deducted from the Gross Revenue to obtain net income or profit.

### **FPR #3**

#### **AFFILIATE OUTLET as of December 31, 2024**

The following table is a financial performance representation of the revenues, cost of goods sold and gross profit that our affiliate The Flying Locksmiths, Inc. realized in operating a locksmith business in Quincy, Massachusetts in 2024. The Flying Locksmiths, Inc. has been in business at this location since 1946 and operates substantially the same locksmith services as described in this Disclosure Document. However, The Flying Locksmiths, Inc. does not operate a franchised unit. It is a separate company that is owned by the same persons who own a majority interest in the Franchisor. It also operates in a larger service territory than the average single territory franchisee would, servicing a territory of approximately 1.5 million people.

#### **The Flying Locksmiths, Inc. – Boston Schedule of Net Revenues and Gross Profits For the Year Ended December 31, 2024 (Unaudited)**

Revenues, net of discounts	\$ 2,419,567	Note 1
Cost of goods sold	<u>\$ 1,199,286</u>	Note 2
Gross profit	\$1,220,281	Note 3

### **Notes Applicable to FPR 3**

Note 1 - Revenue, net of discounts- “Revenue” means the aggregate sales price of all products and services sold by the outlet. Excluding from these amounts are (1) the amount of any refund or credit given in respect of any services provided to a customer for which a refund of the whole or part of the purchase price is made or for which a credit is given in the ordinary course of business, and (2) any amounts collected by the outlet for any governmental authority and paid out to that governmental authority and paid out to that government authority on account of sales taxes or other taxes imposed upon the sale of goods or services.

Note 2 – Cost of goods consists primarily of the cost of product and direct labor, including the salaries and related payroll taxes for 9 full-time technicians, and installation supplies and tools.

Note 3 – Gross profit percentage for the years ended December 31, 2024 and 2023 were 50% and 48% respectively

### **Notes Applicable to All FPRs**

**Some outlets have earned this amount. Your individual results may differ. There is no assurance you will do as well.**

You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

Written substantiation for this financial performance representation will be made available to you upon reasonable request.

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 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 Brett M. McMenimon, at 859 Willard Street, Suite 100, Quincy, MA 02169, Telephone: (781) 963-5080, 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**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	<b>2022</b>	<b>97</b>	<b>93</b>	<b>-4</b>
	<b>2023</b>	<b>93</b>	<b>92</b>	<b>-1</b>
	<b>2024</b>	<b>92</b>	<b>94</b>	<b>+2</b>
<b>Company-Owned*</b>	<b>2022</b>	<b>1</b>	<b>1</b>	<b>0</b>
	<b>2023</b>	<b>1</b>	<b>1</b>	<b>0</b>
	<b>2024</b>	<b>1</b>	<b>1</b>	<b>0</b>