

DEVELOPMENT AGREEMENT			
	Obligation	Section in Development Agreement	Summary
			Agreement contains provisions that may affect your legal rights, including a waiver of jury trial, waiver of punitive or exemplary damages, and limitations on when claims may be raised. Please also see Section 27 of the Franchise Agreement, which is incorporated by reference into the Development Agreement. Please also see the various state disclosure addenda and agreement amendments attached to this FDD, which contain additional terms that may be required under applicable state law.
v.	Choice of forum	9.14	Any action you bring against us must be brought only in courts with jurisdiction over where we then maintain our principal place of business. Any action we bring against you may be brought in the jurisdiction where we then maintain our principal place of business. Your state law may impact this provision.
w.	Choice of law	9.14	Georgia law governs the Development Agreement. Your state law may impact this provision.

Item 18 **Public Figures**

We do not use any public figures 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.

We provide in the 2 tables below historical data relating to the monthly Gross Sales and monthly Active Students for franchised Learning Centers and Studio Centers for 2024. These tables should be read together with all of the related information about the factual bases and material assumptions underlying them.

The results in the below tables include the franchised Learning Centers and Studio Centers that were open and operational at least 12 months before the calendar year 2024 start date, and do not include Learning Centers or Studio Centers that opened or closed during 2024. Of the 244 Centers that were open at the end of 2024, 17 Centers were excluded because they opened during 2024 and 41 Centers were excluded because they closed during 2024. There are therefore 227 Centers in the below tables.

Table 1 – Annual Gross Sales by Sales Quartile and Location Type

Location Type	Sales Quartile	Average Gross Sales	Max Gross Sales	Median Gross Sales	Min Gross Sales	Locations at or Above Average	Locations in Subset
Center	Center Overall	\$241,242	\$694,995	\$225,536	\$50,469	96 (45%)	214
	Top 25%	\$381,693	\$694,995	\$349,947	\$301,778	19 (35%)	54
	Mid-Upper 25%	\$264,738	\$298,660	\$266,712	\$225,939	29 (55%)	53
	Mid-Lower 25%	\$192,721	\$225,133	\$195,822	\$161,393	27 (51%)	53
	Lower 25%	\$125,353	\$159,881	\$128,882	\$50,469	30 (56%)	54
Studio	Studio Overall	\$187,848	\$332,585	\$182,502	\$106,256	6 (46%)	13
	Top 25%	\$269,422	\$332,585	\$251,923	\$223,757	1 (33%)	3
	Mid-Upper 25%	\$200,215	\$207,604	\$199,532	\$193,509	1 (33%)	3
	Mid-Lower 25%	\$175,319	\$182,502	\$180,251	\$163,203	2 (67%)	3
	Lower 25%	\$126,789	\$142,573	\$129,162	\$106,256	2 (50%)	4
All Locations	Overall	\$238,184	\$694,995	\$220,751	\$50,469	100 (44%)	227

Table 2 – Monthly Active Students by Sales Quartile and Location Type

Location Type	Sales Quartile	Average Monthly Active Students	Max Monthly Active Students	Median Monthly Active Students	Min Monthly Active Students	Locations at or Above Average	Locations in Subset
Center	Center Overall	87	223	84	11	102 (48%)	214
	Top 25%	129	223	125	43	23 (43%)	54
	Mid-Upper 25%	98	181	96	54	24 (45%)	53
	Mid-Lower 25%	73	167	71	17	23 (43%)	53
	Lower 25%	49	97	49	11	26 (48%)	54
Studio	Studio Overall	67	117	66	36	7 (54%)	13
	Top 25%	85	117	88	63	2 (67%)	3
	Mid-Upper 25%	69	90	74	36	2 (67%)	3
	Mid-Lower 25%	66	84	66	52	2 (67%)	3
	Lower 25%	52	72	53	37	1 (25%)	4
All Locations	Overall	86	223	82	11	109 (48%)	227

Notes to Tables 1-2:

1. **“Sales Quartile”** means the subset of locations being represented. Sales quartiles other than ‘Overall’ are determined by individual annual gross sales rankings. Groupings for both tables are based on annual gross sales.
2. **“Gross Sales”** means all revenue related to the operations of the Learning Center or Studio Center (excluding customer refunds made in good faith and sales taxes collected and remitted to the proper authorities).

“Average Gross Sales” means the mean average Gross Sales, which is calculated as the sum of the Gross Sales at each Learning Center or Studio Center divided by the number of Learning Centers or Studio Centers included in the results.

“Median Gross Sales” means the Gross Sales at the Learning Center or Studio Center that represents the middle of the Learning Centers or Studio Centers (or if two Learning Centers or Studio Centers, or the middle two Learning Centers or Studio Centers if an even number, the mean average of those two) included in the results.

3. **“Monthly Active Students”** means all students with active subscriptions for Core programs at the Learning Center or Studio Center.

“Active” means a student (1) has a subscription start before or during the defined period, and (2) the subscription does not end or ends during or after the defined period.

“Subscription” means either (1) a scheduled, recurring payment plan, often initiated automatically on a single day every month, or (2) a paid in full payment plan, often initiated ad hoc and covers an extended timeframe.

“Core programs” mean any program related to Code Ninjas’ scheduled or drop-in services: Code Ninjas CREATE, Code Ninjas JR, and Code Ninjas After School Program.

“Average Monthly Active Students” means the average monthly active students, which is calculated as the sum of monthly active students at each Learning Center or Studio Center divided by the number of months (12) and number of Learning Centers or Studio Centers included in the results.

“Median Monthly Active Students” means the monthly active students at the Learning Center or Studio Center that represents the middle of the Learning Centers or Studio Centers (or if two Learning Centers or Studio Centers, or the middle two Learning Centers or Studio Centers if an even number, the average of those two) included in the results.

4. In both tables, the periods referred to are the calendar years indicated.
5. Both tables share the same sample of locations by year, sales quartile and location type.

6. Costs are not included in the data presented in these tables. You will incur costs in the operation of your Learning Center including, for example, employee wages and benefits, rent and related occupancy costs (such as utilities), furniture, fixture and equipment costs, marketing expenses, computer hardware and software upgrades, renovations, improvements, and repair/maintenance expenses, legal and professional fees, insurance, income and other non-real estate taxes, as well as royalty fees, marketing contributions, and various other expenses. You should determine and account for yourself the costs that you will incur in the operation of your Learning Center.

Some Code Ninjas Learning Centers and Studio Centers have earned these amounts. Your individual results may differ. There is no assurance you will earn as much.

Written substantiation of the data used in preparing the information in this Item 19 is on file at our offices and will be made available to you on reasonable request. The information in this Item 19 is a compilation of financial information that has not been audited.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Navin Gurnaney at Code Ninjas, LLC, 3500 Parkway Lane, Suite 400, Peachtree Corners, GA 30092 (phone: 855.446.4652), the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

Outlets and Franchisee Information

Table No. 1:
Systemwide Outlet Summary for 2022 to 2024 (Notes 1 and 2)

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	283	284	+1
	2023	284	262	-22
	2024	262	239	-23
Company-Owned	2022	4	5	+1
	2023	5	7	+2
	2024	7	5	-2
Total Outlets	2022	287	289	+2
	2023	289	269	-20
	2024	269	244	-25