

Provision	Section in Franchise or Other Agreement	Summary
u. Dispute resolution by arbitration or mediation	Section 27 of the Franchise Agreement	None
v. Choice of forum	Section 27.2 of the Franchise Agreement	Litigation must be in Maryland (subject to state law), except if we seek injunctive relief.
w. Choice of law	Section 27.1 of the Franchise Agreement	Maryland law applies (subject to state law).

ITEM 18: PUBLIC FIGURES

KADF currently does not use any public figures to promote its franchises.

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 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.

The information below represents an actual historic financial performance representation. The information was obtained from the financial results reported to us by our existing Franchisee owned outlets for the full calendar year ended December 31, 2024 (the **“2024 Reporting Period”**). This information has not been audited or verified by us or a third party.

2024 Reporting Period Data Set

As of December 31, 2024, there were 344 franchised Academies. As of that date, 22 of these Academies (6.4% of the total) had been open and operational for less than 12 full months and have therefore been excluded from the 2024 Reporting Period data set. Of the remaining 322 Academies, 20 Academies (6.2% of the total) had failed to report the required information for the full calendar year ending December 31, 2024, and one Academy reported anomalous data. The results of these Academies have also been excluded from the 2024 Reporting Period data set. Accordingly, the financial performance information presented in the tables below for the 2024 Reporting Period represents the results of the remaining 301 Academies that had reported results as of December 31, 2024 (the **“2024 Reporting Academies”**). The results reported for the 2024 Reporting Academies are divided into two groups: the 280 Academies open 24 months or more as of the end of the 2024 Reporting Period (the **“2024 Mature Academies”**) and the 21 Academies open less than 24 months as of the end of the 2024 Reporting Period (the **“2024 Ramping Academies”**).

We have not conducted an independent investigation or an audit to verify the information provided to us by our franchisees. You should conduct an independent investigation of the costs and expenses You will incur in operating an Academy.

Financial performance information about our 2024 Mature and 2024 Ramping Academies includes Gross Revenue, Labor, Occupancy and Miscellaneous expenses and Gross Profit. All Academies offer substantially the same services and products to the public. However, the actual financial performance among Academies varies substantially. The results presented in the tables below indicate the Gross Profit, which is the Gross Revenue minus the listed operating expenses. More detailed descriptions of these expense items are presented in the notes below. In addition to the individual Academy financial performance information supplied in the tables, the average and median financial performance information for the Academies included in the report is also presented. The time periods expressed in the charts below are not meant to be an indication as to when or if an Academy will reach maturity. Each Academy's growth rate will vary by location, competitive environment, the region and market area in which the Academy is located, labor costs, programs and the individual Franchisee's marketing efforts and management skills. Accordingly, the information presented should only be used as a reference guide in conducting an independent analysis of the proposed business. Written substantiation of data used in preparing these financial performance representations is contained below but will also be made available to prospective Franchisees upon reasonable request.

MATURE ACADEMIES

DATA FOR CALENDAR YEAR ENDED DECEMBER 31, 2024

The data in the table below shows the results achieved by the Mature Academies in the listed categories. 124 Academies or 44% of the 2024 Mature Academies reported Gross Revenue above the reported average. 121 Academies or 43% of the 2024 Mature Academies reported Gross Profit above the reported average.

	Average	Median
Number of Academies	280	280
# of Months Open	115.42	96.63
Gross Revenue	\$2,193,070	\$2,100,792
Labor Expense	\$1,006,981	\$973,516
Occupancy Expense	\$359,158	\$354,874
Miscellaneous Expense	\$267,017	\$255,258
Gross Profit	\$559,914	\$495,797

The data in the table below shows the results achieved by the “Top Quarter” of Mature Academies measured by Gross Profit. This group is comprised of 70 Academies. 28 Academies or 40% of the Top Quarter reported Gross Revenue above the reported average. 26 Academies or 37% of the Top Quarter reported Gross Profit above the reported average.

	Top Quarter By Gross Profit	Top Quarter By Gross Profit
	Average	Median
Number of Academies	70	70
# of Months Open	109.40	96.38
Gross Revenue	\$3,098,496	\$2,888,826
Labor Expense	\$1,256,653	\$1,228,323
Occupancy Expense	\$389,390	\$398,720
Miscellaneous Expense	\$360,366	\$345,931
Gross Profit	\$1,092,088	\$975,421

The data in the table below shows the results achieved by the “Bottom Quarter” of Mature Academies measured by Gross Profit. This group is comprised of 70 Mature Academies. 34 Academies or 49% of the Bottom Quarter reported Gross Revenue above the reported average. 42 Academies or 60% of the Bottom Quarter reported Gross Profit above the reported average.

	Bottom Quarter By Gross Profit	Bottom Quarter By Gross Profit
	Average	Median
Number of Academies	70	70
# of Months Open	114.49	96.75
Gross Revenue	\$1,457,112	\$1,442,689
Labor Expense	\$785,531	\$791,715
Occupancy Expense	\$346,990	\$343,065
Miscellaneous Expense	\$194,900	\$191,569
Gross Profit	\$129,691	\$163,077

Following is the individual Academy performance reported for the 2024 Mature Academies:

Location #	1	2	3	4	5
Revenue	\$3,519,690	\$2,885,862	\$4,505,894	\$2,595,213	\$3,521,310
Labor Expense	\$1,662,548	\$1,368,029	\$1,696,498	\$1,160,475	\$1,424,901
Occupancy Expense	472,245	109,850	398,556	403,423	503,546
Misc Expense	388,033	368,481	484,047	299,155	393,327
Gross Profit	\$996,864	\$1,039,502	\$1,926,794	\$732,159	\$1,199,535

Location #	6	7	8	9	10
Revenue	\$2,660,451	\$2,197,401	\$2,195,558	\$2,784,159	\$2,901,268
Labor Expense	\$1,106,808	\$1,176,488	\$741,552	\$1,091,939	\$1,160,186
Occupancy Expense	534,928	77,869	495,689	410,269	278,188
Misc Expense	299,618	248,934	279,562	298,610	312,138
Gross Profit	\$719,097	\$694,111	\$678,755	\$983,341	\$1,150,757

Location #	11	12	13	14	15
Revenue	\$2,386,873	\$2,100,847	\$2,850,765	\$2,326,997	\$4,660,909
Labor Expense	\$1,221,709	\$853,069	\$1,420,488	\$960,444	\$1,862,721
Occupancy Expense	239,419	334,547	323,297	478,915	597,119
Misc Expense	264,762	235,682	339,100	286,443	508,307
Gross Profit	\$660,983	\$677,549	\$767,880	\$601,195	\$1,692,762

Location #	16	17	18	19	20
Revenue	\$2,695,238	\$2,630,081	\$2,203,216	\$2,120,771	\$2,178,869
Labor Expense	\$818,751	\$1,188,701	\$993,352	\$853,730	\$830,087
Occupancy Expense	679,914	371,973	369,889	403,111	326,077
Misc Expense	319,169	294,234	257,796	259,298	253,960
Gross Profit	\$877,403	\$775,173	\$582,179	\$604,633	\$768,746

Location #	21	22	23	24	25
Revenue	\$2,172,565	\$3,790,229	\$2,119,934	\$2,095,286	\$4,663,577
Labor Expense	\$1,085,992	\$1,573,150	\$882,976	\$965,268	\$1,833,747
Occupancy Expense	339,921	428,612	546,220	232,257	525,206
Misc Expense	230,231	421,013	223,216	272,415	558,775
Gross Profit	\$516,421	\$1,367,454	\$467,521	\$625,346	\$1,745,849

Location #	26	27	28	29	30
Revenue	\$2,512,204	\$2,964,768	\$2,485,562	\$1,128,122	\$2,068,710
Labor Expense	\$1,009,748	\$1,186,250	\$978,145	\$442,558	\$765,944
Occupancy Expense	513,322	440,049	435,316	217,986	534,134
Misc Expense	305,106	351,135	262,606	122,629	264,732
Gross Profit	\$684,028	\$987,333	\$809,494	\$344,950	\$503,900

Location #	31	32	33	34	35
Revenue	\$2,342,053	\$3,192,858	\$1,126,404	\$2,034,635	\$1,298,558
Labor Expense	\$1,202,285	\$946,779	\$466,554	\$967,418	\$763,235
Occupancy Expense	157,056	528,402	237,262	417,489	31,613
Misc Expense	288,081	363,521	176,517	246,431	182,979
Gross Profit	\$694,631	\$1,354,156	\$246,071	\$403,298	\$320,731

Location #	36	37	38	39	40
Revenue	\$2,491,719	\$3,507,056	\$2,154,833	\$1,602,193	\$2,811,212
Labor Expense	\$1,020,337	\$1,445,555	\$852,319	\$778,865	\$1,221,204
Occupancy Expense	597,823	935,607	425,638	318,792	429,453
Misc Expense	256,208	383,372	259,325	187,560	318,712
Gross Profit	\$617,351	\$742,522	\$617,550	\$316,975	\$841,844

Location #	41	42	43	44	45
Revenue	\$2,304,952	\$1,891,330	\$3,580,049	\$2,187,278	\$2,459,588
Labor Expense	\$1,046,353	\$1,099,947	\$2,382,574	\$1,043,662	\$870,536
Occupancy Expense	384,430	191,568	456,507	447,777	420,102
Misc Expense	300,294	222,422	380,589	263,902	275,539
Gross Profit	\$573,875	\$377,393	\$360,379	\$431,937	\$893,410

Location #	46	47	48	49	50
Revenue	\$4,612,835	\$2,001,370	\$1,643,645	\$2,820,356	\$1,724,708
Labor Expense	\$2,056,499	\$1,049,044	\$968,834	\$1,324,511	\$785,729
Occupancy Expense	790,290	363,022	312,825	510,228	385,528
Misc Expense	512,551	227,696	189,504	447,459	205,121
Gross Profit	\$1,253,495	\$361,608	\$172,482	\$538,158	\$348,330

Location #	51	52	53	54	55
Revenue	\$2,866,048	\$1,580,747	\$2,281,241	\$1,526,249	\$1,043,303
Labor Expense	\$1,242,078	\$776,373	\$1,151,983	\$685,928	\$504,912
Occupancy Expense	24,323	269,172	361,942	307,561	253,317
Misc Expense	355,055	186,087	343,039	212,407	114,441
Gross Profit	\$1,244,592	\$349,115	\$424,277	\$320,353	\$170,634

Location #	56	57	58	59	60
Revenue	\$2,449,810	\$1,405,135	\$2,441,979	\$2,006,663	\$2,791,377
Labor Expense	\$1,358,477	\$661,559	\$1,021,785	\$903,847	\$1,006,007
Occupancy Expense	259,467	228,935	394,738	546,012	571,698
Misc Expense	287,291	205,610	305,646	282,976	393,392
Gross Profit	\$544,575	\$309,031	\$719,810	\$273,829	\$820,281

Location #	61	62	63	64	65
Revenue	\$2,492,202	\$2,442,862	\$2,048,280	\$1,269,486	\$2,575,401
Labor Expense	\$1,336,413	\$1,275,533	\$879,783	\$591,804	\$1,235,442
Occupancy Expense	412,339	254,017	431,843	162,133	261,715
Misc Expense	368,825	312,475	255,398	177,991	298,546
Gross Profit	\$374,626	\$600,836	\$481,254	\$337,558	\$779,698

Location #	66	67	68	69	70
Revenue	\$2,467,996	\$1,782,648	\$2,100,736	\$1,827,089	\$2,027,768
Labor Expense	\$1,056,122	\$844,237	\$930,438	\$752,320	\$932,589
Occupancy Expense	373,577	64,312	3,365	276,504	420,872
Misc Expense	338,831	247,264	245,158	219,312	242,985
Gross Profit	\$699,466	\$626,834	\$921,774	\$578,954	\$431,322

Location #	71	72	73	74	75
Revenue	\$1,836,883	\$4,136,479	\$1,976,821	\$1,287,358	\$2,649,949
Labor Expense	\$929,638	\$1,477,287	\$913,618	\$649,759	\$1,337,100
Occupancy Expense	327,902	468,337	419,896	296,141	483,495
Misc Expense	216,205	466,076	257,295	170,482	316,955
Gross Profit	\$363,138	\$1,724,779	\$386,012	\$170,976	\$512,400

Location #	76	77	78	79	80
Revenue	\$4,006,611	\$2,481,849	\$1,609,794	\$1,790,825	\$3,691,350
Labor Expense	\$2,494,556	\$984,609	\$811,257	\$549,426	\$1,462,115
Occupancy Expense	464,192	452,513	311,678	395,234	495,624
Misc Expense	473,705	312,898	224,673	218,327	460,898
Gross Profit	\$574,158	\$731,828	\$262,187	\$627,838	\$1,272,713

Location #	81	82	83	84	85
Revenue	\$2,115,391	\$3,280,954	\$1,823,045	\$1,508,436	\$2,097,277
Labor Expense	\$1,013,811	\$1,347,892	\$904,771	\$686,813	\$1,076,587
Occupancy Expense	337,587	28,430	310,808	453,664	313,433
Misc Expense	234,298	370,146	216,843	186,636	267,673
Gross Profit	\$529,695	\$1,534,486	\$390,623	\$181,323	\$439,584

Location #	86	87	88	89	90
Revenue	\$2,298,858	\$2,066,482	\$2,653,954	\$2,313,179	\$3,231,636
Labor Expense	\$746,775	\$1,231,922	\$1,147,896	\$993,555	\$1,343,422
Occupancy Expense	401,202	458,040	544,893	345,242	293,354
Misc Expense	221,621	246,845	320,945	297,621	372,170
Gross Profit	\$929,260	\$129,675	\$640,220	\$676,761	\$1,222,689

Location #	91	92	93	94	95
Revenue	\$3,241,966	\$1,151,680	\$1,242,248	\$1,021,961	\$3,828,524
Labor Expense	\$1,294,194	\$519,334	\$678,359	\$445,119	\$1,749,356
Occupancy Expense	508,547	101,044	51,648	175,742	621,304
Misc Expense	285,157	146,648	219,613	142,408	429,622
Gross Profit	\$1,154,068	\$384,653	\$292,629	\$258,693	\$1,028,242

Location #	96	97	98	99	100
Revenue	\$2,726,114	\$1,927,128	\$962,165	\$2,121,579	\$2,849,244
Labor Expense	\$1,281,951	\$1,083,713	\$429,965	\$1,204,262	\$1,153,428
Occupancy Expense	419,724	306,089	330,365	456,417	61,903
Misc Expense	322,494	230,849	115,035	242,555	368,541
Gross Profit	\$701,945	\$306,477	\$86,800	\$218,345	\$1,265,372

Location #	101	102	103	104	105
Revenue	\$2,255,660	\$1,826,212	\$1,999,116	\$768,205	\$1,917,567
Labor Expense	\$1,104,828	\$907,367	\$841,341	\$383,508	\$1,009,588
Occupancy Expense	405,579	\$486,714	\$331,044	\$385,326	\$242,831
Misc Expense	266,991	\$267,665	\$197,873	\$130,902	\$201,214
Gross Profit	\$478,264	\$164,465	\$628,858	-\$131,530	\$463,935

Location #	106	107	108	109	110
Revenue	\$2,574,627	\$2,070,367	\$1,666,762	\$1,634,706	\$3,445,413
Labor Expense	\$1,236,696	\$782,908	\$1,002,468	\$689,662	\$1,475,895
Occupancy Expense	410,499	452,875	358,388	378,020	459,109
Misc Expense	309,000	245,027	202,348	191,975	463,876
Gross Profit	\$618,432	\$589,557	\$103,558	\$375,049	\$1,046,533

Location #	111	112	113	114	115
Revenue	\$2,365,178	\$2,218,462	\$2,000,388	\$1,673,963	\$3,617,038
Labor Expense	\$1,137,577	\$1,086,600	\$1,032,736	\$869,140	\$1,382,620
Occupancy Expense	312,808	393,195	96,166	326,155	465,105
Misc Expense	219,877	239,272	267,404	211,499	396,347
Gross Profit	\$694,916	\$499,395	\$604,080	\$267,168	\$1,372,965

Location #	116	117	118	119	120
Revenue	\$2,873,382	\$2,417,777	\$1,764,434	\$1,240,238	\$2,833,476
Labor Expense	\$840,408	\$788,063	\$894,470	\$717,029	\$1,347,053
Occupancy Expense	611,926	300,245	290,360	340,107	707,663
Misc Expense	341,626	237,301	229,872	144,613	412,252
Gross Profit	\$1,079,421	\$1,092,168	\$349,732	\$38,489	\$366,508

Location #	121	122	123	124	125
Revenue	\$1,903,955	\$1,596,847	\$1,539,811	\$2,466,727	\$3,537,208
Labor Expense	\$788,471	\$743,718	\$842,906	\$1,266,082	\$1,321,481
Occupancy Expense	425,729	292,209	67,963	502,210	942,870
Misc Expense	280,137	227,910	141,484	298,908	475,195
Gross Profit	\$409,618	\$333,010	\$487,458	\$399,527	\$797,662

Location #	126	127	128	129	130
Revenue	\$1,708,345	\$2,275,602	\$1,845,436	\$1,168,961	\$3,533,589
Labor Expense	\$657,813	\$1,410,940	\$741,984	\$483,627	\$1,774,456
Occupancy Expense	157,509	327,048	61,764	272,619	334,067
Misc Expense	204,940	273,978	225,569	113,642	563,653
Gross Profit	\$688,082	\$263,636	\$816,119	\$299,074	\$861,413

Location #	131	132	133	134	135
Revenue	\$2,599,033	\$2,566,730	\$2,133,609	\$1,895,659	\$2,907,500
Labor Expense	\$1,099,568	\$896,409	\$1,321,059	\$807,054	\$1,131,513
Occupancy Expense	482,507	593,738	388,278	65,429	398,883
Misc Expense	349,216	304,101	259,806	235,997	360,426
Gross Profit	\$667,743	\$772,483	\$164,465	\$787,178	\$1,016,679

Location #	136	137	138	139	140
Revenue	\$2,195,566	\$1,694,289	\$938,478	\$1,445,346	\$1,857,886
Labor Expense	\$1,058,065	\$785,481	\$664,370	\$788,465	\$982,708
Occupancy Expense	428,257	486,931	35,216	262,137	274,813
Misc Expense	249,049	209,472	153,151	160,947	211,385
Gross Profit	\$460,195	\$212,405	\$85,741	\$233,798	\$388,980

Location #	141	142	143	144	145
Revenue	\$1,273,665	\$1,644,506	\$1,419,096	\$1,387,440	\$3,181,156
Labor Expense	\$804,505	\$833,478	\$787,286	\$796,112	\$1,054,126
Occupancy Expense	211,062	334,103	324,244	200,489	1,092,623
Misc Expense	210,767	255,117	217,212	205,852	359,440
Gross Profit	\$47,330	\$221,808	\$90,354	\$184,987	\$674,968

Location #	146	147	148	149	150
Revenue	\$1,780,809	\$1,949,324	\$1,291,984	\$2,324,192	\$1,249,613
Labor Expense	\$552,197	\$1,092,311	\$798,079	\$1,095,221	\$591,284
Occupancy Expense	508,408	324,134	315,491	512,883	419,828
Misc Expense	222,681	225,391	213,183	303,512	187,087
Gross Profit	\$497,524	\$307,488	-\$34,769	\$412,575	\$51,414

Location #	151	152	153	154	155
Revenue	\$1,446,801	\$1,059,150	\$2,522,363	\$1,551,637	\$2,088,673
Labor Expense	\$636,483	\$589,774	\$1,078,638	\$934,193	\$993,057
Occupancy Expense	253,838	326,474	623,040	346,023	216,108
Misc Expense	170,088	141,891	326,614	191,537	256,324
Gross Profit	\$386,393	\$1,011	\$494,070	\$79,885	\$623,184

Location #	156	157	158	159	160
Revenue	\$2,891,790	\$2,768,988	\$1,547,382	\$1,886,633	\$1,780,014
Labor Expense	\$1,018,673	\$1,359,063	\$818,837	\$918,814	\$919,755
Occupancy Expense	523,519	348,197	266,741	306,334	175,960
Misc Expense	393,320	312,565	184,422	218,332	234,756
Gross Profit	\$956,277	\$749,162	\$277,382	\$443,154	\$449,542

Location #	161	162	163	164	165
Revenue	\$1,690,776	\$1,567,924	\$1,469,861	\$1,215,568	\$1,787,688
Labor Expense	\$718,295	\$706,587	\$1,033,836	\$756,411	\$702,818
Occupancy Expense	248,375	426,015	362,032	263,077	21,624
Misc Expense	126,337	152,026	191,601	161,194	205,569
Gross Profit	\$597,770	\$283,296	-\$117,608	\$34,887	\$857,677

Location #	166	167	168	169	170
Revenue	\$2,832,108	\$2,717,526	\$1,199,328	\$1,519,610	\$3,177,025
Labor Expense	\$1,343,557	\$1,109,639	\$489,840	\$736,251	\$1,409,976
Occupancy Expense	257,076	383,428	398,220	362,029	480,569
Misc Expense	368,510	270,841	149,580	209,300	330,192
Gross Profit	\$862,965	\$953,618	\$161,688	\$212,031	\$956,288

Location #	171	172	173	174	175
Revenue	\$3,411,841	\$843,976	\$1,874,916	\$1,907,804	\$572,749
Labor Expense	\$1,102,323	\$448,594	\$999,955	\$801,263	\$312,913
Occupancy Expense	612,881	70,679	406,491	321,402	24,294
Misc Expense	323,923	95,279	220,022	237,337	68,146
Gross Profit	\$1,372,715	\$229,424	\$248,448	\$547,802	\$167,396