

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.

Monthly Gross Sales, Costs of Goods Sold and Labor Expense

This section describes monthly Gross Sales, Cost of Goods Sold and Labor percentages in 2024 for certain franchised Standard Shops as described below.

Monthly Gross Sales Information

As of December 31, 2024 there were 630 franchised Standard Shops open in the Tim Hortons franchise system. The Gross Sales information in this section was taken from 579 of these franchised Standard Shops (the "**2024 Shops**"). The 2024 Shops were open as of December 31, 2024 and reported to us at least 10 months of sales for 2024. The first of the 2024 Shops opened in 1985 and the most recent opened in 2024. Included in the 2024 Shops are 13 Shops operating under our New Model. We excluded from the 2024 Shops, 10 Standard Shops that operated under Operator Agreements, 34 Standard Shops that reported less than 10 months of sales information, and 7 Standard Shops that provided inconsistent information to us. Included in the excluded Shops are 11 Standard Shops that closed in 2024. None of these 11 Shops were open for less than 12 months before closing.

The average monthly Gross Sales of the 2024 Shops was \$105,737. The median monthly Gross Sales of the 2024 Shops was \$101,194. 270, or 47%, of the 2024 Shops had average monthly Gross Sales that met or exceeded \$105,737. The highest average monthly Gross Sales of the 2024 Shops was \$434,345 and the lowest was \$8,404.

Cost of Goods Sold and Labor Expense Information

The Cost of Goods Sold ("**COGS**") and labor expense information in this section was taken from 496 Standard Shops that were included in the 2024 Shops. Included in these Shops are 9 Shops operating under our New Model. 83 Standard Shops were excluded because they failed to report Cost of Goods Sold and/or Labor information or reported that information for less than 10 months.

The average monthly COGS as a percentage of Gross Sales for these Shops was 29% and the median was 30%. The average monthly labor expense as a percentage of Gross Sales for these Shops was 30% and the median was 30%. 260, or 52%, experienced an average monthly COGS as a percentage of Gross Sales at or above the 29% average. 260, or 52%, experienced an average monthly labor expense as a percentage of Gross Sales at or above the 30% average.

New Model Shops

The table below shows monthly Gross Sales Information, COGS and labor expense information (in dollars and as a percentage of Gross Sales) for the 9 Shops built under our New Model that were included

in the 2024 Shops. The first of these Shops opened in 2020, and the most recent opened in 2024. No Shops operating under our New Model closed during 2024.

	Average¹	Median
Gross Sales ²	\$95,595	\$94,274
COGS	\$27,350	\$26,457
COGS % of Sales ³	29%	28%
Labor	\$26,998	\$26,400
Labor % of Sales ⁴	28%	28%

1. The highest average monthly Gross Sales of the 9 New Model Shops was \$134,467 and the lowest was \$68,321.
2. Of the 9 New Model Shops 4, or 44%, had average monthly Gross Sales that were at or above the average monthly Gross Sales in the table above.
3. Of the 9 New Model Shops 3, or 33%, had a COGS as a percentage of Gross Sales at or above the 29% average in the table above.
4. Of the 9 New Model Shops 4, or 44%, had a labor expense as a percentage of Gross Sales at or above the 28% average in the table above.

Same Shop Gross Sales Standard and New Model 2023 Shops 2023-2024

The tables below show a comparison of the average and median same Standard Shop Gross Sales from 2023 to 2024 for all of the 2024 Shops that reported comparable sales for the same day of 2023 and 2024 and that were open as of December 31, 2024. There were 568 2024 Shops in this group. We did not include the information from 11 Standard Shops that would have otherwise been included in this group. Of these 11 Standard Shops, 2 were New Model Shops that opened in 2024 and the other 9 opened at the end of 2023 or early 2024 and did not have comparable sales periods.

Total Standard Shops, including New Model Shops				
Period	Shop SSS Growth	Total # of Shops	#/% of Shops exceeding Average SSS	Median Shop SSS Growth
2023-2024	0.8%	568	271/48%	0.6%

New Model Shops				
Period	Shop SSS Growth	Total # of Shops	#/% of Shops exceeding Average SSS	Median Shop SSS Growth
2023-2024	-4.0%	11	8/73%	-2.9%

Notes Applicable to all Information in this Item 19:

1. Gross Sales include all revenues received by the Tim Hortons Shop, less refunds and sales taxes. This is consistent with the definition of Gross Sales used in the Franchise Agreement. Cost of Goods Sold includes food and beverages and supplies. Labor costs include payroll, payroll taxes and benefits.
2. In preparing these tables, we relied on the data contained in the unaudited reports submitted to us by our franchisees.
3. The dollar amounts shown in this Item 19 have been rounded to the nearest dollar, the percentages shown for Costs of Goods Sold and Labor expense have been rounded to the nearest full percentage point and the percentages showing same shop sales have been rounded to the nearest tenth of a percent.
4. The information above concerning Cost of Goods Sold and Labor expenses does not reflect all costs of sales, operating expenses or other costs or expenses that must be deducted from the Gross Sales figures to reflect net income or profit. For example, these amounts do not take into account any royalties or other fees paid to us under the franchise agreements of the 2024 Shops included in this group. Moreover, this information should not be considered as the actual or probable sales results that will be realized by any franchisee or Tim Hortons Shop. Actual results vary from Tim Hortons Shop to Tim Hortons Shop and we cannot estimate the results of any specific Tim Hortons Shop. A new franchisee's Tim Hortons Shop results are likely to differ from those of established Tim Hortons Shops. We recommend that you make your own independent investigation, including an investigation of the costs and expenses you will incur in operating a Tim Hortons Shop, to determine whether your Tim Hortons Shop may be profitable. Franchisees or former franchisees listed in this disclosure document may be one source of this information.

Written substantiation for the data presented in this Item 19 will be made available to all prospective franchisees upon reasonable request.

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

We do not make any representation to prospective operators about an operator's past or future financial performance, the past or future financial performance of company-owned outlets, the future performance of our franchised shops, or any other information about the past performance of our franchised shops. We also do not authorize our employees or representatives to make any such representation 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 Ryan Ferranti, Head of Business Development & Franchising at 5707 Blue Lagoon Drive, Miami, FL 33126, (305) 378-3878, the Federal Trade Commission, and the appropriate state regulator.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide 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	637	636 ⁱ	-1
	2023	636	642 ⁱⁱ	+6
	2024	642	640 ⁱⁱⁱ	-2
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	23	+23
Total Outlets	2022	637	636	-1
	2023	636	642	+6
	2024	642	663	+21

- i. As of December 31, 2022, 32 of the 636 Shops were operated under an Operator Agreement.
- ii. As of December 31, 2023, 32 of the 642 Shops were operated under an Operator Agreement.
- iii. As of December 31, 2024, 11 of the 640 Shops were operated under an Operator Agreement.

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 ¹
Indiana	2022	4
	2023	0
	2024	0
Michigan	2022	12
	2023	4
	2024	17
New York	2022	3
	2023	0
	2024	10