

Provision	Article in Franchise Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	13	Includes prohibition on owning or operating business which sells the same or substantially similar products and services for two years and located within 25 miles of any unit in the System. Subject to applicable state law.
s. Modification of the agreement	20	Must be in writing by both parties
t. Integration/merger clause	20.16	Only the terms of the Franchise Agreement are binding (subject to federal and/or state law). Any other promises may not be enforceable
u. Dispute resolution by arbitration or mediation	20	Mediation and arbitration in Delaware (subject to state law)
v. Choice of forum	20	Delaware (subject to applicable state law)
w. Choice of law	20	Delaware (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 Businesses, 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 business 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.

This Item contains a historical financial performance representation of our U.S. franchised operations, as of December 31, 2025, our fiscal year end.

As of December 31, 2025, we had **41** U.S. franchised territories in the system, including 2 corporately owned territories operated as 1 franchise business operation. 41 franchise territories were operated by **34** individual business operations. All of the 41 territories and 34 business operations are defined and or were established as primary markets.

The table below represents data for 2025 Average Annual Gross Sales, Average Gross Sales by Quartile, Average Annual Costs of Goods Sold, Average Labor Costs, and Average Annual Gross Profit of **30** franchise business operations that operate **37** territories that had been open and operating for a full 12 months ending December 31, 2025. We have excluded the performance of 4 non-conforming franchise

business operations that operate in 4 territories. Non-confirming includes defaults including but not limited accounting records that have not been properly maintained or businesses operating in a part time capacity including the failure to open a showroom as required by the franchise agreement. This data also excludes our franchise operations and our single corporately owned operation in Canada.

Financial Performance Representation #1-Average Gross Sales, Average Cost of Goods Sold (COGS), Average Gross Profits and Average Labor Costs

Category	Financial Performance Representation
Average Gross Sales ¹	\$1,631,626
Highest Gross Sales of Top Quartile ¹	\$3,592,713
Average Gross Sales ¹ of Top Quartile ¹	\$2,949,020
Lowest Gross Sales of Top Quartile ¹	\$2,221,732
Median Gross Sales ¹ of Top Quartile	\$2,888,126
Highest Gross Sales of 2 nd Quartile ¹	\$2,152,071
Average Gross Sales ¹ of 2 nd Quartile ¹	\$1,785,816
Lowest Gross Sales of 2 nd Quartile ¹	\$1,479,494
Median Gross Sales ¹ of 2 nd Quartile	\$1,742,058
Highest Gross Sales of 3 rd Quartile ¹	\$1,462,062
Average Gross Sales ¹ of 3 rd Quartile ¹	\$1,193,707
Lowest Gross Sales of 3 rd Quartile ¹	1,057,091
Median Gross Sales ¹ of 3 rd Quartile	\$1,096,057
Highest Gross Sales of 4 th Quartile ¹	1,048,166
Average Gross Sales ¹ of 4 th Quartile ¹	\$653,351
Lowest Gross Sales of 4 th Quartile ¹	\$322,407
Median Gross Sales ¹ of 4 th Quartile	\$611,386
Average Cost of Goods Sold ³	41.29%
Median Cost of Goods Sold ³	41.28%
Average Labor Costs ⁴	24.23%
Median Labor Costs ⁴	23.73%
Average Gross Margin ⁵	34.48%
Median Gross Margin ⁵	35.08%
Median Gross Sales	\$1,470,778
Highest Gross Sales	\$3,592,713
Lowest Gross Sales	\$322,407
Average Unit Growth Rate in 2025 ⁶	7.17%
Median Unit Growth Rate in 2025 ⁶	3.50%

Single Territory Franchise Operations						
Tier	Territories in Tier	Business Unit	Gross Sales/Territory			
			Low	High	Average	Median
Top Quartile	6	6	\$1,742,058	\$ 3,592,713	\$2,519,267	\$2,508,793
2nd Quartile	6	6	\$1,269,804	\$1,661,698	\$1,447,999	\$1,470,778
3rd Quartile	6	6	\$846,676	\$1,096,057	\$1,034,250	\$1,061,498
4th Quartile	6	6	\$322,407	\$818,626	\$555,328	\$554,529

Multi Territory Franchise Operations						
Tier	Territories in Tier	Business Unit	Gross Sales/Territory			
			Low	High	Average	Median

Top Quartile	6	3	\$2,852,054	\$3,131,314	\$3,007,606	\$3,131,314
2nd Quartile	6	3	\$2,251,362	\$3,039,449	\$2,714,288	\$2,992,600
3rd Quartile	6	3	\$2,221,732	\$2,852,054	\$2,441,716	\$2,551,708
4th Quartile	7	3	\$2,111,823	\$2,251,362	\$2,194,972	\$2,229,139

Note 1 – “**Gross Sales**” means the total of all revenues for all goods and services excluding taxes.

Note 2 – “**Average Gross Sales**”- In the fiscal year ending December 31, 2025, 13 business units (43%) operating in 20 territories (54%) exceeded the average gross sales.

Note 3 – “**Cost of Goods Sold**” is the total cost of materials, freight, inventory adjustments, use tax, consumables and supplies expensed to provide the products/services resulting in the generation of gross sales. This percentage is a blended average of all product categories sold under the trademark.

Note 4 – “**Labor Costs**” is the total cost of labor – direct and indirect required to generate gross revenue. This percentage excludes the amount/percentage drawn by the owner of the franchise regardless of their role in the operation.

Note 5 – “**Gross Margin**” average gross margin is the Average Gross Sales less the Average Cost of Goods Sold and the Labor Costs.

Note 6 – “**Average Annual Growth Rate**” includes the 30 business operations and 37 territories that were open and operating for a full 12 months in the previous year ending December 31, 2025, excluding 4 non-conforming units.

Written substantiation will be made available to you upon reasonable request.

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

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 Businesses. 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 Business, however, we may provide you with the actual records of that Business. 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 Aaron Cash at 201 Chrislea Road, Vaughan, Ontario, Canada L4L 8N6 and (905) 856-7175, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1
Systemwide Outlet Summary
For years 2023 to 2025**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	41	50	+9
	2024	50	49	-1
	2025	49	47	-2