

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.

TABLE 1
2025 AVERAGE GROSS REVENUES
OF TEN AFFILIATE-OWNED BAKERIES

The following table contains historic financial performance information of ten Affiliate-owned Bakeries in the United States that were open and operating for the full fiscal period from December 30, 2024 to December 28, 2025 (the "Reporting Period"). This includes eight Flagship (Full-Bake) Stores and two No-Bake Stores.

Average Gross Revenues	\$4,595,074
Range of Gross Revenues	\$1,975,515 - \$8,377,505
Median Gross Revenues	\$4,555,650
Number and Percentage of Bakeries that Met or Exceeded Average Gross Revenues	5 / 50%

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TABLE 2
2025 PERCENTAGE OF GROSS REVENUES BY SALES CHANNEL
OF TEN AFFILIATE-OWNED BAKERIES

The following chart presents the percentage of Gross Revenues that were earned by sales channel for the ten Affiliate-owned Bakeries that were in operation for the 2025 calendar year. This includes eight Flagship (Full-Bake) Stores and two No-Bake Stores.

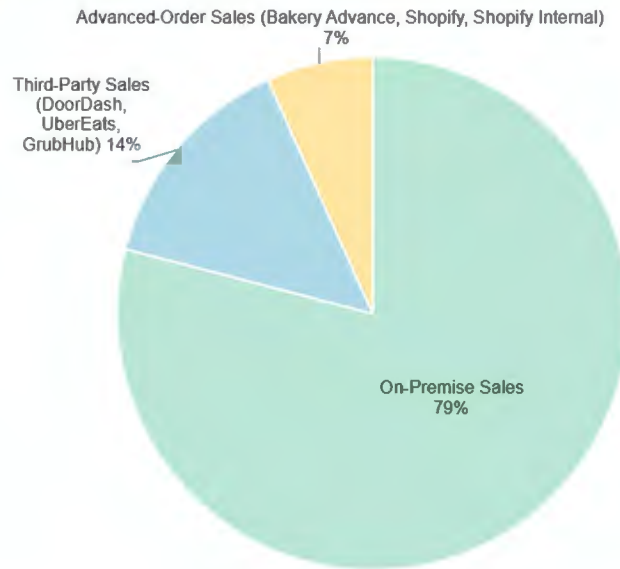


TABLE 3
2025 PERCENTAGE OF GROSS REVENUES BY PRODUCT CATEGORY
OF TEN AFFILIATE-OWNED BAKERIES

The following chart presents the percentage of Gross Revenues earned by product category for the ten Affiliate-owned Bakeries that were in operation for the 2025 calendar year. This includes eight Flagship (Full-Bake) Stores and two No-Bake Stores.

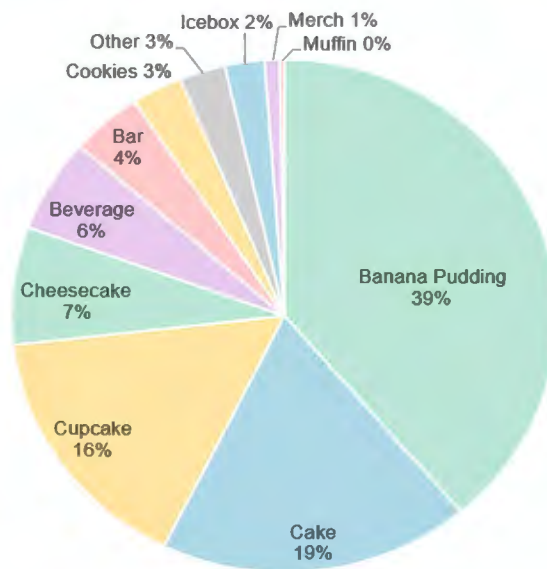


TABLE 4
2025 DAYPART ANALYSIS OF TEN AFFILIATE-OWNED BAKERIES

The following table contains daypart definitions and historic transactional data by daypart of our ten Affiliate-owned Bakeries that were open and operating for the full Reporting Period. This includes eight Flagship (Full-Bake) Stores and two No-Bake Stores.

Category	Morning 7am – 12pm	Mid-Day 12pm – 5pm	Night 5pm – 12am	Total
Average Transactions per Day Part per Bakery	107	355	364	827
Average Customer Ticket per Bakery	\$15.60	\$14.46	\$14.03	\$14.42
Average Daily Sales per Bakery	\$1,673	\$5,137	\$5,108	\$11,918
% of Total Transactions	13%	43%	44%	100%

TABLE 5
2025 THIRD-PARTY DAILY SALES OF TEN AFFILIATE-OWNED BAKERIES

The following table contains historic third-party revenue data of our ten Affiliate-owned Bakeries were open and operating for the full Reporting Period. This includes eight Flagship (Full-Bake) Stores and two No-Bake Stores.

Platform	DoorDash	Uber Eats	Grub Hub	Total
Total Annual Third-Party Sales per Bakery	\$290,348.70	\$272,760.80	\$93,525.20	\$656,633.70
Average Third-Party Daily Sales per Bakery	\$797.70	\$749.30	\$256.90	\$1,803.90
% of Third-Party Sales	44%	42%	14%	100%

TABLE 6
2025 GROSS REVENUES AND EXPENSES BY CITY
OF EIGHT AFFILIATE-OWNED FLAGSHIP (FULL-BAKE) STORES

The following table contains historic financial performance information of our eight Affiliate-owned Flagship (Full-Bake) Stores that were open and operating for the full Reporting Period. The table is a statement of the average Gross Revenue, Costs and Expenses, and Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”) achieved during the Reporting Period by these Magnolia Bakeries. This table excludes the performance of our two Affiliate-owned No-Bake Stores in New York, New York that do not produce menu items on site.

Category	6 New York, New York Bakeries	% of Revenue	1 Chicago, Illinois Bakery	% of Revenue	1 Los Angeles, California Bakery	% of Revenue
Average Gross Revenue	\$5,490,343	100%	\$4,370,965	100%	\$3,018,387	100%
Costs and Expenses						
Food and beverage cost of sales	\$1,460,289	27%	\$1,077,382	25%	\$854,714	28%
Payroll expenses & benefits	\$1,436,238	26%	\$1,069,692	24%	\$978,654	32%
Occupancy expenses	\$727,080	13%	\$487,755	11%	250,555	8%
Controllable expenses	\$110,874	2%	\$106,546	2%	\$100,190	3%
General and administrative	\$419,830	8%	\$395,225	9%	\$369,396	12%
Paid Media	\$88,733	2%	\$109,149	2%	\$150,132	5%
Total Costs and Expenses	\$4,243,044	77%	\$3,245,748	74%	\$2,703,640	90%
EBITDA	\$1,247,299	23%	\$1,125,216	26%	\$314,747	10%
Range of Gross Revenues (NY Bakeries)	\$3,317,997 - \$8,377,505					
Median Gross Revenues (NY Bakeries)	\$5,329,330					
Number and Percentage of NY Bakeries that Met or Exceeded Average Gross Revenues	3 / 50%					

TABLE 7
2025 GROSS REVENUES AND EXPENSES BY OF
TWO NEW YORK, NEW YORK AFFILIATE-OWNED NO-BAKE STORES

The following table contains historic financial performance information of our two Affiliate-owned No-Bake Stores that were open and operating in New York, New York for the full Reporting Period. The table is a statement of the Average Gross Revenue, Costs and Expenses, and Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") achieved during the Reporting Period by these Magnolia Bakeries. This table excludes the performance of our eight Affiliate-owned Flagship (Full-Bake) Stores.

Category	2 New York, New York No-Bake Stores	% of Revenue
Average Gross Revenue	\$2,809,667	100%
Costs and Expenses		
Food and beverage cost of sales	\$1,132,907	40%
Payroll expenses and benefits	\$534,402	19%
Occupancy expenses	\$225,429	8%
Controllable expenses	\$41,075	1%
General and administrative	\$220,314	8%
Paid Media	\$45,410	2%
Total Costs and Expenses	\$2,199,537	78%
EBITDA	\$610,130	22%
Range of Gross Revenues	\$1,975,515 - \$3,643,818	
Median Gross Revenues	\$2,809,667	
Number and Percentage of Bakeries that Met or Exceeded Average Gross Revenues	1 / 50%	

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TABLE 8
2025 AVERAGE GROSS REVENUES FOR ONE FRANCHISED BAKERY
OPERATING AT A NON-TRADITIONAL LOCATION

The following table contains the 2025 Gross Revenues for one franchised Bakery operating at a Non-Traditional Location at LaGuardia Airport in Queens, New York. The data represented is for the Reporting Period.

Gross Revenue	\$988,503
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TABLE 9
ADDITIONAL EXPENSES FOR FRANCHISED MAGNOLIA BAKERIES
BASED ON THE AVERAGE GROSS REVENUES IN TABLE 1

The following table presents the Royalty Fees, Marketing Fund Contributions, and Technology Development Fees that a prospective franchisee would expect to pay whose Magnolia Bakery achieved the Average Gross Revenues presented in Table 1.

Royalty Fees	\$275,704
Marketing Fund Contributions	\$137,852
Technology Development Fees	\$7,800

NOTES

1. “Gross Revenue” means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Bakery, whether for cash or credit (and regardless of collection in the case of credit), whether from sales at the premises, by delivery, from catering, or at wholesale (whether the sales method is permitted or not). The following are not included in Gross Revenue: (1) sales taxes or other taxes collected from customers for transmittal to the appropriate taxing authority (2) proceeds from the sale of gift cards or stored value cards; and (3) customer refunds made in good faith.

2. Tables 1 – 7 exclude the performance of one franchised Bakery operating at a Non-Traditional Location, the performance of which is include in Table 8. This franchised Bakery offers a limited product assortment as part of a pilot program for this format. The menu primarily features our consumer-packaged goods, with the product mix condensed to select core items including brownies and blondies, banana pudding, a limited selection of cheesecake flavors, a two-cookie assortment, and a limited selection of cake slices and loaves. The beverage program is restricted to grab-and-go options. This location also operates with reduced hours compared to traditional Magnolia Bakery locations. The data presented for this franchised Bakery was reported to us by our franchisee.

3. The results shown in this financial performance representation for the Affiliate-owned Bakeries were prepared from data compiled in the ordinary course of business by our employees. The characteristics of the Affiliate-owned Bakeries reflected in this financial performance representation do not differ materially from those of new Bakeries developed by our franchisees. One Affiliate-owned Flagship (Full-Bake) Store provides menu items for a kiosk operating at the same facility and the sales from the kiosk are included in the results for the Flagship (Full-Bake) Store.

4. The data appearing in this financial performance representation constitutes a historic representation. Written substantiation for the financial performance representations appearing in this financial performance representation will be made available to all prospective franchisees upon reasonable request.

5. Some Magnolia Bakeries have sold and/or earned this amount. Your individual results may differ. There is no assurance that you'll sell and/or earn as much.

Other than the preceding financial performance representation, Magnolia Bakery International, LLC does 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 immediately report it to the franchisor's management by contacting our Chief Executive Officer, Nathan Louer, 244 West 54th Street, Suite 501, New York NY, 10019, (212) 265-2777, 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 Outlets	2023	0	0	0
	2024	0	1	+1
	2025	1	1	0
Affiliate-Owned Outlets	2023	10	10	0
	2024	10	10	0
	2025	10	10	0
Total Outlets	2023	10	10	0
	2024	10	11	+1
	2025	11	11	0

* As of December 31, 2023, December 29, 2024, and December 28, 2025.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor)
For Years 2023 to 2025*

State	Year	Number of Transfers
Total	2023	0
	2024	0
	2025	0

* As of December 31, 2023, December 29, 2024, and December 28, 2025. States not listed had no activity to report.