

DEVELOPMENT AGREEMENT			
	Obligation	Section in Development Agreement	Summary
w.	Choice of law	11.14	Michigan law. Your state law may impact this provision.

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 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.

The following information is provided for the purpose of helping you evaluate the potential earnings capability of a "Happy's Pizza" Restaurant unit franchise. Please carefully read all information in this Item 19, including the notes following the table, which explain the information and the limitations on the information contained in this Item 19. The data in this Item 19 is historical information for the calendar years indicated.

As of December 31, 2024, there were 54 "Happy's Pizza" Standard Restaurant franchises in operation, all of which were franchised outlets. The Gross Sales information in the table is based on Gross Sales for the calendar year 2024 for the 40 franchised outlets open and operating at the end of 2024 and that were open for the entire twelve-month period ending December 31, 2024, excluding the 4 franchised outlets that were not open for the full calendar year and 10 Restaurants that operate as co-branded with Savvy Sliders.

The data in this Item 19 does not include the results of (and do not apply to) "Happy's Express" units.

Gross Sales Information--2024

Description	Amount
Top 25 Standard Restaurants - Average Gross Sales <i>(9 of the 25 (36%) met or exceeded the average)</i>	\$1,190,213
Top 25 Standard Restaurants - Median Gross Sales	\$1,130,065
Bottom 25 Standard Restaurants - Average Gross Sales <i>(14 of the 25 (56%) met or exceeded the average)</i>	\$864,643
Bottom 25 Standard Restaurants - Median Gross Sales	\$887,997
All Standard Restaurants - Average Gross Sales (40 Standard Restaurants) <i>(20 of the 40 (50%) met or exceeded the average)</i>	\$1,051,642
All Standard Restaurants - Median Gross Sales (40 Standard Restaurants)	\$1,069,119
All Standard Restaurants - Highest Gross Sales (40 Standard Restaurants)	\$1,910,186
All Standard Restaurants - Lowest Gross Sales (40 Standard Restaurants)	\$471,439

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

Notes:

1. "Gross Sales," as used in the table, means all revenues from the Restaurant, excepting only sales taxes collected and paid to the taxing authority, cash refunded, and credits given to customers.
2. The figures in the table reflect, in part, information reported to us by independent owners of "Happy's Pizza" Restaurants. We do not know if the figures reported to us were audited or whether they were prepared in accordance with generally accepted accounting principles (GAAP). We have not independently audited the figures.
3. The Gross Sales data in the table is a compilation of information from existing Restaurants and should not be considered as the actual results that will be realized by you. Gross Sales do not reflect the actual potential net income of a "Happy's Pizza" Restaurant and should not be relied on in calculating profitability. There are a number of fixed and variable costs associated with the development and operation of a "Happy's Pizza" Restaurant that are not reflected above and that vary among individual "Happy's Pizza" Restaurant franchises. These expenses, which are likely to be significant, include, but are not limited to, the following: costs described in Items 6 and 7 of this Franchise Disclosure Document;

rent and other occupancy costs; food and supplies; labor and other employee costs; utilities; taxes; insurance; repairs and maintenance; credit card and bank fees; royalty and advertising payments; interest or finance charges if you finance some or all of the cost of the franchise; depreciation on property and equipment; accounting and legal fees and general administrative expenses; any pre-opening or amortization of organization costs; costs associated with regulatory compliance; and management costs. We strongly encourage you to consult with your financial advisors in reviewing the information in this Item 19, in particular, in estimating the categories and amount of expenses you will incur in establishing and operating a "Happy's Pizza" Restaurant franchise.

Written substantiation for the financial performance representation will be made available to the prospective franchisee on reasonable request.

Financial Information for Specific Operating Units

We may give a prospective franchisee who is seeking to buy a specific operating unit, whether owned by us, an affiliate or another franchisee, actual operating results of that unit.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you. You should use the above information only as a reference in conducting your analysis and preparing your own projected income statements and cash flow statements. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a franchised Restaurant.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or 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 or your future income, you should report it to the franchisor's management by contacting the Chief Administrative Officer at 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334 or (248) 538-0000, the Federal Trade Commission, and the appropriate state regulatory agencies.

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	61	56	-5
	2023	56	57	+1
	2024	57	54	-3
Affiliate-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0