

FRANCHISE DISCLOSURE DOCUMENT

ZENSHI

Advanced Fresh Concepts Franchise Corp.

a California corporation
19700 Mariner Avenue
Torrance, California 90503
Telephone: 310-604-3200
info@afcsushi.com
www.afcsushi.com



Advanced Fresh Concepts Franchise Corp. (“AFC”) will grant you a franchise to use our system to offer prepared sushi and other Asian style foods from one or more (i) Zenshi Counters at a grocery store, retail center or other location that someone else owns (“Zenshi Counter”); (ii) AFC food service counters at a grocery store, retail center or other location that someone else owns (“AFC Food Service Counter”); (iii) Wild Blue Counters at a university or other select locations (“Wild Blue Counter”).

The total investment necessary to begin operation of a Zenshi Counter/AFC Food Service Counter/Wild Blue Counter is as follows: (1) if you are a new franchisee, the estimated total investment for one full-time or part-time Zenshi Counter/AFC Food Service Counter/Wild Blue Counter is between \$41,104 and \$138,804 for a non-AFC operated location and between \$42,104 and \$238,804 if you purchase an existing AFC operated location. This includes \$38,344 to \$224,474 that must be paid to us; (2) if you are an existing franchisee purchasing an additional full-time or part-time Zenshi Counter/AFC Food Service Counter/Wild Blue Counter, the estimated total investment necessary to begin operation of each additional Zenshi Counter/AFC Food Service Counter/Wild Blue Counter is between \$38,119 and \$117,724 for a non-AFC operated location and \$39,119 and \$217,724 for an existing AFC operated location. This includes \$36,869 to \$214,924 that must be paid to us; (3) if you are an existing franchisee purchasing a self-service Zenshi Counter/AFC Food Service Counter/Wild Blue Counter, the estimated total investment necessary to begin operations is between \$3,350 and \$17,900. This includes \$3,350 to \$17,000 that must be paid to us.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact ~~Jeff Seiler~~ Vincenzo Calcagni, at 19700 Mariner Avenue, Torrance, California 90503, Telephone: 310-604-3200.

The terms of your contract will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make your mind. More information on franchising, such as “A Consumer Guide’s to Buying a Franchise,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

FTC Issuance Date: July 23, 2024, as amended May 22, 2025

There is an existing market for sushi and other prepared food products at stand-alone Food Service Counters and restaurants, and also at grocery stores. You will sell prepared foods mainly to customers who shop at the grocery store or visit the venue where your Food Service Counter is located. Customer traffic will be generated primarily by the facility and its owner. You are only permitted to sell your prepared food products at the Food Service Counter(s) we designate. The facility owner has the right to sell competing products at other locations in the facility. The market for sushi and other food products is fairly developed and is enjoyed by customers year round.

You must comply with federal and state laws on operating a restaurant, health, safety and sanitation laws which also include health department inspections, and menu and food labeling laws. This also includes the Hazard Analysis and Critical Control Point (“HACCP”) food safety program adopted by the U.S. Food & Drug Administration, and rules on handling, preparing and serving foods by people with communicable or infectious diseases. Your Food Service Counter may also be subject to laws on disposing hazardous wastes. Some states have laws requiring you to employ a person who is certified in food safety. See Exhibit O for state specific laws that may apply to you.

As an employer, you must comply with laws on minimum wages, overtime, maximum working hours, working conditions, unlawful discrimination, restricting employment of children and other labor laws and the Department of Homeland Security’s E-Verify program, if required by the facility owner.

You will compete with quick service restaurants and other food alternatives where your Food Service Counter is located. You will also compete with company owned stores (if any are located near you, see Item 20), other Food Service Counters, restaurants and people’s other choices for dining and shopping for food.

ITEM 2 BUSINESS EXPERIENCE

~~Member of the Board, Chief Executive Officer, President, Secretary and Chief Financial Executive Officer:~~
~~Jeffery Seiler~~Vincenzo Calcagni

~~Mr. Jeffery Vincenzo Seiler Calcagni has been a member of our Board of Directors and our Chief Executive Officer, our President, Secretary and Chief Financial Executive Officer since November 2018.~~May 2025. He Mr. Calcagni served as our General Manager of Operations from October 2022 to May 2025. Mr. Calcagni was unemployed from March 2022 to October 2022. Mr. Calcagni served as Vice President of Operations for Yoshinoya America in Torrance, California from March 2017 to March 2022, also serves as a Director and the Chief Executive Officer, President, Secretary and Chief Financial Officer of AFCC, a Director and Secretary of AFCDC, and a Director, President and Secretary of AFCPL, all since November 2018 in Rancho Dominguez, California.

Member of the Board: Yohei Ogawa

Mr. Yohei Ogawa has been a member of our Board of Directors since November 2018. Mr. Ogawa is also the Chairman of the Board of Directors for AFCC and a Director of AFCPL since November 2018. Mr. Ogawa is also the Senior General Manager of Zensho Holdings in Tokyo, Japan since June 2016.

General Manager of Product Management: Noriyuki Honda

~~Mr. Honda has been the General Manager of Product Management for AFCFC since June 2022. Mr. Honda served as the General Manager of Research and Development from August 2021 to June 2022. Mr. Honda served as Chief Operating Officer for Zensho Food Indian Private Limited in Delhi, India from April~~

~~2019 to March 2021. Mr. Honda served as the Senior Manager for Zensho Holdings in Tokyo, Japan from April 2018 to September 2021.~~

General Manager of Research and Development and Member of the Board: Masahiko Tajima

Mr. Tajima has been our General Manager of Research and Development since June 2022 and a member of our Board of Directors since November 2018. Mr. Tajima served as our General Manager of Product Development from January 1, 2021 to June 2022. Mr. Tajima served as our General Manager of Research and Development in Rancho Dominguez, California from June 1998 to December 2020.

General Manager of Business Development: Daniel Hayes

~~Mr. Hayes has been our General Manager of Business Development since March 2023. Mr. Hayes served as General Manager and owner of Hayes Companies LLC in Irvine, California from December 2015 to February 2023.~~

General Manager of Compliance: Gerardo Siordia Posadas

Mr. Posadas has been our General Manager of Compliance since July 2020. Mr. Posadas was unemployed from March 2020 to July 2020. Mr. Posadas served as a Franchise Business Consultant for Yogurtland Franchising Inc. in Irvine, California from February 2019 to March 2020.

Vice President of Business Development: Michelle Narain

Ms. Narain has been our Vice President of Business Development since May 2025. Ms. Narain was unemployed from March 2025 to April 2025. Ms. Narain served as Vice President of Sales & Marketing for Sofidel in Horsham, Pennsylvania from November 2024 to February 2025. Ms. Narain served as Vice President of Sales & Marketing for Clearwater in Spokane, Washington from February 2022 to October 2024. Ms. Narain was unemployed in January 2022. Ms. Narain served as Vice President of Private Label for Smart & Final in Commerce, California from May 2018 to December 2021.

General Manager of Product Management Division: Yoshiya Kohda

Mr. Kohda has been our General Manager of Product Management since April 2024. Mr. Kohda was our Senior Manager of Product Management from February 2023 to March 2024. Mr. Kohda was our Field Manager from November 2021 to January 2023. Mr. Kohda was our Manager of Product Management from May 2021 to October 2021. Mr. Kohda was a Global Data Analyst for Zensho in Tokyo, Japan from 2014 to December 2021.

Senior Vice President of Operations: Eddie Y. Fujita

Mr. Fujita has been our Senior Vice President of Operations since April 2025. Mr. Fujita was our Deputy General Manager from February 2021 to March 2025. Mr. Fujita was our Division Manager from September 2019 to January 2021.

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.

We do not make any representations about a franchisee's future financial performance or the 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 of your future income, you should report it to the franchisor's management by contacting ~~Jeff Seiler~~ Vincenzo Calcagni, 19700 Mariner Avenue, Torrance, California 90503, Telephone: (310) 604-3200, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
Zenshi Counters
for the years ended March 31 2022, 2023 and 2024¹

Outlet Type	Year	Outlets at the Start of the Year	Outlets and the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	2,217	+2,217
Company Owned	2022	0	0	0
	2023	0	0	0
	2024	0	57	+57
Total Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	2,274	+2,274

1. We are in the process of rebranding our AFC Counters to "Zenshi". As a result, the number of outlets listed as open as of March 31, 2024 is abnormally high.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the franchisor)
Zenshi Counters
For the years ended March 31 2022, 2023 and 2024

State	Year	Number of Transfers
Alabama	2022	0
	2023	0
	2024	1
California	2022	0
	2023	0
	2024	1
Colorado	2022	0
	2023	0
	2024	1

self-executing, and shall remain in effect after and regardless of expiration or termination of this Agreement. If a party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party regardless of such failure to appear. The prevailing party in any arbitration or other proceeding shall be entitled to recover its reasonable attorneys' fees and costs.

10.4 Governing Law. The validity, construction and performance of this Agreement shall be governed by the laws, without regard to the laws as to choice or conflict of laws, of the State of California.

10.5 Entire Agreement. This Agreement, including its Exhibits is the entire agreement between the parties on its subject matter, and supersede all prior agreements, understandings, negotiations, representations and discussions, whether verbal or written pertaining to the subject. There are no promises, terms, conditions or obligations of the parties pertaining to that subject matter other than as contained in this Agreement. Nothing in this Agreement is intended to disclaim the representations made to Buyer in the Franchise Disclosure Document.

10.6 Binding Effect. This Agreement shall bind and benefit the parties and their successors and permitted assigns.

10.7 Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to confer on any person or entity other than the parties any right or remedy under or by reason of this Agreement.

10.8 Notices. Any notice or communication required or permitted by this Agreement shall be deemed sufficiently given if in writing and when delivered personally or 48 hours after deposit with the U.S. Postal Service as registered or certified mail, postage prepaid, and addressed as follows:

If to Buyer:

Attention: _____

If to Seller:

Advanced Fresh Concepts Corp.
19700 Mariner Avenue
Torrance, California 90503
Attention: Vincenzo Calcagni Jeff Seiler

or such other address as a party to whom notice is to be given has furnished to the other party in the manner provided above.

10.9 Amendments and Waiver. This Agreement may be amended, modified or supplemented only by a writing executed by each of the parties.

owner requests that operations be converted from a full time location to a self-service, or part time location, or vice versa).

D. Seller makes no warranty or representation about the length of time Buyer may be permitted to operate the Food Service Counter at the Location or any other warranty or representation of any kind.

7. Interpretation. Section numbers and headings in this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement. The provisions of this Agreement shall be interpreted according to their fair meanings, and shall not be strictly construed for or against either party.

8. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions; they shall remain in effect and this Agreement shall be construed as if any invalid or unenforceable provision were omitted.

9. Governing Law. The validity, construction and performance of this Agreement shall be governed by California law, without regard to rules on choice or conflict of laws.

10. Arbitration: Any controversy or claim that arises out of or relates to this Agreement, or any breach of this Agreement, including without limitation any claim that any of this Agreement (including this Section 10) is invalid, illegal, voidable or void, shall be submitted to arbitration in accordance with the rules of the American Arbitration Association and judgment on the award may be entered in any court having jurisdiction. Arbitration shall occur in Los Angeles, California. This arbitration provision shall be self-executing, and shall remain in effect after and regardless of expiration or termination of this Agreement. If a party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party regardless of such failure to appear. The prevailing party in any arbitration or other proceeding shall be entitled to recover its reasonable attorney's fees and costs.

11. Parties in Interest. This Agreement shall bind and benefit the parties and their successors and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any person or entity other than the parties any right or remedy under or by reason of this Agreement.

12. Notices. Any notice or communication required or permitted by this Agreement shall be deemed sufficiently given if in writing and when delivered personally or 48 hours after deposit with the U.S. Postal Service as registered or certified mail, postage prepaid, and addressed as follows:

To Buyer:

Attention: _____

To Seller:

Advanced Fresh Concepts Franchise Corp.
19700 Mariner Avenue

Torrance, California 90503

Attention: Vincenzo Calcagni Jeff Seiler

or other address that a party to whom notice is to be given has notified the other party as provided above.

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Exempt
Hawaii	October 21, 2024, <u>as amended</u>
Illinois	Exempt
Indiana	July 30, 2024, <u>as amended</u>
Maryland	Exempt
Michigan	July 31, 2024, <u>as amended</u>
Minnesota	October 4, 2024, <u>as amended</u>
North Dakota	October 1, 2024, <u>as amended</u>
New York	Exempt
Rhode Island	August 1, 2024, <u>as amended</u>
South Dakota	July 31, 2024
Virginia	Exempt
Washington	October 17, 2024, <u>as amended</u>
Wisconsin	July 30, 2024, <u>as amended</u>

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT
(Franchisee's Copy)

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If AFC offers you a franchise, AFC must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration that relates to the franchise relationship, whichever occurs first.

If AFC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the state administrator listed in Exhibit N to the disclosure document.

The name, principal business address and phone number of each franchise seller offering the franchise is:

Franchisor:

Advanced Fresh Concepts Franchise Corp.
19700 Mariner Avenue
Torrance, California 90503
Telephone: 310-604-3200
info@afcsushi.com
www.afcsushi.com

Franchise Seller:

Name of Individual(s) selling on behalf of Franchisor:

Advanced Fresh Concepts Franchise Corp.
19700 Mariner Avenue
Torrance, California 90503
Telephone: 310-604-3200

Issuance Date: July 23, 2024, as amended May 22, 2025.

We authorize Incorp Services, Inc. 5716 Corsa Avenue, Suite 110, Westlake Village, California 91362-7354 to receive service of process for us or see Exhibit N if you are located outside California.

I received a Disclosure Document dated July 23, 2024, as amended May 22, 2025, that included the following Exhibits:

A.	Financial Statements	J.	Food Service Counter Transfer Agreement
B.	Franchise Application	K.	Promissory Note
C.	Franchise Agreement	L.	Table of Contents of Manuals
D.	Full-Time Location Franchise Addendum	M.	List of Franchisees, Company Owned Locations, Transfers, Terminations, Non-Renewals, Ceased Operations/Other in our Last Fiscal Year
E.	Part-Time Location Franchise Addendum	N.	List of State Administrators and Agents for Service of Process
F.	Self-Service Location Addendum	O.	State Specific Addenda
G.	General Release	P.	Confidentiality Agreement
H.	Assignment of Franchise Agreement and Franchisor Consent	Q.	Tablet and Rice Sheeter Specifications
I.	Asset Sale and Purchase Agreement	R.	Receipts

Date: _____

PROSPECTIVE FRANCHISEE'S SIGNATURE

(Print Name)

Keep This Copy for Your Records.

RECEIPT
(Franchisor's Copy)

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19700 Mariner Avenue
Torrance, California 90503
Telephone: 310-604-3200
info@afcsushi.com
www.afcsushi.com

Franchise Seller:

Name of Individual(s) selling on behalf of Franchisor:

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H.	Assignment of Franchise Agreement and Franchisor Consent	Q.	Tablet and Rice Sheeter Specifications
I.	Asset Sale and Purchase Agreement	R.	Receipts

Date: _____

PROSPECTIVE FRANCHISEE'S SIGNATURE

(Print Name)

Return this copy to us.