

Provision	Article in Franchise Agreement	Summary
j. Assignment of contract by franchisor	16	No restriction on our right to transfer
k. "Transfer" by franchisee – defined	16	Includes a transfer of all or substantially all of the assets of your business
l. Franchisor approval of transfer by franchisee	16	We have the right to approve transfers
m. Conditions for franchisor approval of transfer	16	Includes payment of money owed, you are not in default, you sign release (subject to state law), transferee qualifies, transferee signs new agreement, transferee satisfactorily completes training, and payment of the transfer fee
n. Franchisor's right of first refusal to acquire franchisee's business	16	We can match any offer
o. Franchisor's option to purchase franchisee's business	15	Upon expiration or termination of the Franchise Agreement, we may buy certain assets
p. Death or disability of franchisee	18	Interest must be transferred, with our approval, within one year after death or disability
q. Non-competition covenants during the term of the franchise	13	Includes prohibition on owning or operating business which sells the same or substantially similar products and services. <u>Subject to applicable state law.</u>
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. <u>Subject to applicable state law.</u>
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)

Provision	Article in Franchise Agreement	Summary
v. Choice of forum	20	Delaware (subject to state law)
w. Choice of law	20	Delaware (subject to 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 outlets in the system, including 2 corporately owned territories operated as 1 franchise business operation.

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 operations. 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
<u>Median Gross Sales¹</u>	<u>\$1,470,778</u>
Average Gross Sales¹ ^{Sales²} of Top Quartile¹ ^{Quartile}	\$2,949,020
<u>Median Gross Sales² of Top Quartile</u>	<u>\$2,888,126</u>
Average Gross Sales¹ ^{Sales²} of 2 nd Quartile¹ ^{Quartile}	\$1,785,816
<u>Median Gross Sales² of 2nd Quartile</u>	<u>\$1,742,058</u>
Average Gross Sales¹ ^{Sales²} of 3 rd Quartile¹ ^{Quartile}	\$1,193,707
<u>Median Gross Sales² of 3rd Quartile</u>	<u>\$1,096,057</u>
Average Gross Sales¹ ^{Sales²} of 4 th Quartile¹ ^{Quartile}	\$653,351

<u>Median Gross Sales² of 4th Quartile</u>	<u>\$611,386</u>
Average Cost of Goods Sold ³ <u>Sold³</u>	41.29%
<u>Median Cost of Goods Sold³</u>	<u>41.28%</u>
Average Labor Costs³ <u>Costs⁴</u>	24.23%
<u>Median Labor Costs⁴</u>	<u>23.73%</u>
Average Gross Margin ⁵	34.48%
<u>Median Gross Margin⁵</u>	<u>35.08%</u>
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%

<u>Median Unit Growth Rate in 2025⁶</u>	<u>3.50%</u>
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Note 1 – “**Gross Sales**” means the total of all revenues for all goods and services excluding taxes.

Note 2 – “**Gross Sales after 2 years**” means the average gross sales of operations in the data set that have been in operation for more than 24 months, ending December 31st, 2025. This includes 26 franchise business operations that operate 34 territories. 50% or 13 operations exceeded this average.

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 Unit 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

ADDENDUM REQUIRED BY THE STATE OF MINNESOTA

This addendum to the Disclosure Document is agreed to this ___ day of _____, 20___, and effectively amends and revises said Disclosure Document and Franchise Agreement as follows:

1. Item 13 of the Disclosure Document and Section 12 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding such use.”

2. Item 17 of the Disclosure Document and Sections 4 and 16 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes Sec. 80C.14, Subds.3, 4 and 5, which require (except in certain specified cases) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.”

3. Item 17 of the Disclosure Document and Section 20 of the Franchise Agreement are amended by the addition of the following language to amend the Governing Law, Jurisdiction and Venue, and Choice of Forum sections:

“Minn. Stat. Sec. 80C.21 and Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.”

4. Item 17 of the Disclosure Document and Sections 4 and 16 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release.”

5. Any reference to liquidated damages in the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits requiring you to consent to liquidated damages.

6. Section 20.19 of the Franchise Agreement is hereby modified to be in compliance with Minn. Rule 2860.4400J which prohibits waiver of a jury trial.

7. Section 20.19 of the Franchise Agreement regarding Limitations of Claims is hereby amended to comply with Minn. Stat. §80C.17, Subd. 5.

8. Item 6, Insufficient Fund Fees: NSF fees are governed by Minnesota Statute 604.113; which puts a cap of \$30 on a NSF check. This applies to everyone in Minnesota who accepts checks except banks.

9. Under Minn. Rule 2860.440J, the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required. The appropriate sections of the Franchise Agreement are hereby amended accordingly.

10. Based upon the franchisor's financial condition, the Minnesota Securities Registration Division has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

11. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

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