

Provision	Section in Franchise Agreement	Summary
(n) Our right of first refusal to acquire your business	13.H	Provide us with copy of written offer; we notify you of our intent to purchase on terms within 30 days.
(o) Our option to purchase your business	Not applicable	Not applicable
(p) Your death or disability	9.H and 13.D	Franchised business must be transferred to approved person within 6 months; we may operate the business.
(q) Non-competition covenants during the term of the franchise	9.H, 16.D and Attachment 11	Cannot divert customers or have any interest in a competitive business (subject to state law).
(r) Non-competition covenants after transfer, or after the franchise expires, terminates or is not renewed	13.C, 16.D and Attachment 11	Cannot divert customers or have any interest in a competitive business within 5-mile radius of franchised business or any of our other franchised businesses for continuous 2-year period (subject to state law).
(s) Modification of the agreement	17.I	Parties must agree in writing.
(t) Integration/merger clause	17.I	Only terms of the franchise agreement, including its attachments, are binding (subject to state law). Any representations or promises outside of this disclosure document and the franchise agreement may not be enforceable.
(u) Dispute resolution by arbitration or mediation	17.H	All disputes, except disputes involving trademark claims or claims for injunctive relief, must be arbitrated.
(v) Choice of forum	17.H	San Diego, California (subject to state law).
(w) Choice of law	17.H	California law applies, except the law of the state where your retail center is located will apply to your obligations under Subsection 16.D of the franchise agreement (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 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.

Fiscal Year Ended September 30, 2025

CHART 1	
ANNUAL GROSS SALES, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025, OF FRANCHISED STANDARD AND FLEX RETAIL CENTERS IN OPERATION 12 MONTHS OR MORE AS OF SEPTEMBER 30, 2025, AND THAT ATTENDED THE 2025 NATIONAL CONVENTION	
ALL FRANCHISED	
NO. OF CENTERS:	299
AVERAGE ANNUAL GROSS SALES:	\$401,000
RANGE OF ANNUAL GROSS SALES:	\$1,659,000 to \$31,000
MEDIAN ANNUAL GROSS SALES:	\$358,000
UPPER 50% FRANCHISED	
NO. OF CENTERS:	150
AVERAGE ANNUAL GROSS SALES:	\$572,000
RANGE OF ANNUAL GROSS SALES:	\$1,659,000 to \$358,000
MEDIAN ANNUAL GROSS SALES:	\$516,000
LOWER 50% FRANCHISED	
NO. OF CENTERS:	149
AVERAGE ANNUAL GROSS SALES:	\$229,000
RANGE OF ANNUAL GROSS SALES:	\$264,000 to \$31,000
MEDIAN ANNUAL GROSS SALES:	\$236,000

Chart 1 Explanatory Note:

As of September 30, 2025, 317 PostalAnnex/PostalAnnex+ standard and flex franchised centers, 161 Pak Mail standard and flex franchised centers, 42 AIM Mail standard and flex franchised centers, 20 Parcel Plus standard and flex franchised centers, 8 Handle With Care Packaging Store standard and flex franchised centers, and 1 Sunshine Pack & Ship standard and flex franchised centers were in operation, for a total of 549 standard and flex franchised centers. The averages, ranges and medians above are based on the actual Gross Sales, for the fiscal year ended September 30, 2025, of the 299 standard and flex franchised centers that had been in operation 12 months or more as of September 30, 2025 (22 standard and flex franchised centers were excluded because they had not been in operation for 12 months) and that attended the 2025 National Convention (228 standard and flex franchised centers were excluded because they did not attend). 55, or 37%, of the 150 standard and flex franchised centers in the upper 50% of annual Gross Sales met or exceeded the average annual Gross Sales figure of \$572,000; 81, or 54%, of the 149 standard and flex franchised centers in the lower 50% of annual Gross Sales met or exceeded the average annual Gross Sales figure of \$229,000; and 129, or 43%, of all 299 standard and flex franchised centers met or exceeded the average annual Gross Sales figure of \$401,000.

In our fiscal year ended September 30, 2025, 24 franchised centers ceased operations (0 after being terminated and 24 for other reasons), and no franchised centers closed after being open

less than 12 months.

CHART 2	
ANNUAL GROSS SALES, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025, OF FRANCHISED STANDARD AND FLEX RETAIL CENTERS IN OPERATION 12 MONTHS OR MORE AS OF SEPTEMBER 30, 2025	
ALL FRANCHISED	
NO. OF CENTERS:	527
AVERAGE ANNUAL GROSS SALES:	\$368,000
RANGE OF ANNUAL GROSS SALES:	\$1,659,000 to \$30,000
MEDIAN ANNUAL GROSS SALES:	\$331,000
UPPER 50% FRANCHISED	
NO. OF CENTERS:	264
AVERAGE ANNUAL GROSS SALES:	\$523,000
RANGE OF ANNUAL GROSS SALES:	\$1,659,000 to \$331,000
MEDIAN ANNUAL GROSS SALES:	\$464,000
LOWER 50% FRANCHISED	
NO. OF CENTERS:	263
AVERAGE ANNUAL GROSS SALES:	\$213,000
RANGE OF ANNUAL GROSS SALES:	\$330,000 to \$30,000
MEDIAN ANNUAL GROSS SALES:	\$222,000

Chart 2 Explanatory Note:

As of September 30, 2025, 317 PostalAnnex/PostalAnnex+ standard and flex franchised centers, 161 Pak Mail standard and flex franchised centers, 42 AIM Mail standard and flex franchised centers, 20 Parcel Plus standard and flex franchised centers, 8 Handle With Care Packaging Store standard and flex franchised centers, and 1 Sunshine Pack & Ship standard franchised center were in operation, for a total of 549 standard and flex franchised centers. The averages, ranges and medians above are based on the actual Gross Sales, for the fiscal year ended September 30, 2025, of the 527 standard and flex franchised centers that had been in operation 12 months or more as of September 30, 2025 (22 standard and flex franchised centers were excluded because they had not been in operation for 12 months). 101, or 38%, of the 264 standard and flex franchised centers in the upper 50% of annual Gross Sales met or exceeded the average annual Gross Sales figure of \$523,000; 140, or 53%, of the 263 standard and flex franchised centers in the lower 50% of annual Gross Sales met or exceeded the average annual Gross Sales figure of

\$213,000; and 219, or 42%, of all 527 standard and flex franchised centers met or exceeded the average annual Gross Sales figure of \$368,000.

In our fiscal year ended September 30, 2025, 24 franchised centers closed (0 after being terminated and 24 for other reasons), and no franchised centers closed after being open less than 12 months.

General Explanatory Notes:

1. “Gross Sales” include all revenue for products and services sold to customers, including products and services with higher margins such as shipping services (including ground, next day, freight and custom packaging), faxes, copies and metered postage, and products and services with lower margins such as postage stamps, but exclude: (i) sales, use or service taxes collected and paid to appropriate taxing authorities; (ii) customer refunds and adjustments; (iii) the cost of electronic funds transfers for resale; (iv) the cost of money orders for resale; (v) utility funds collected; (vi) the cost of lottery tickets for resale and phone cards for resale; (vii) the cost of 3rd party truck rental sales; (viii) the cost of eBay sales; and (ix) the cost of ancillary fees paid to the appropriate government agencies to process fingerprinting, LiveScan and passports. Our franchisees pay royalty fees and marketing fees based on Gross Receipts (defined in Item 6), which are calculated by excluding the cost of metered postage and postage stamps from Gross Sales. Both Gross Sales and Gross Receipts include fees and commissions generated from electronic funds transfers, money order sales, utility collections, lottery ticket sales, phone card sales, 3rd party truck rental sales, fingerprinting, LiveScan, passport services, and eBay sales. We reserve the right periodically, in our sole discretion, to add additional exclusions to the list above as new programs, products or services are established, or as changes to existing programs, products or services are established, as specified by us in our Manuals, in writing or otherwise. The mix of postal, printing and copying, packaging and shipping, and business support services offered to the public by each individual center varies at the discretion of each franchisee. The Gross Sales attainable by a franchisee are largely dependent on the type and quality of service offered to the public, and individual sales and marketing efforts.

2. An “average” is calculated by adding the numerical values of all data points in a set and dividing by the number of data points in the set. A “median” is the numerical value of the data point in the middle of all data points in a set. If a set contains an even number of data points, the median is calculated by identifying the 2 data points in the middle of the set, adding their numerical values, and dividing by 2.

3. The Gross Sales figures reported above do not reflect cost of sales, payroll and related expenses, rent, office expenses, amortization, depreciation, income taxes or similar expenses or debt service obligations.

4. We prepared the information above from sales reports submitted by the centers. Those reports are not audited, and we have not undertaken to independently verify the accuracy of the

information. However, we know of no instance in which, and have no reason to believe that, any centers overstated their Gross Sales or Gross Receipts in any reports.

5. There are no material differences between the operation of, or the products or services offered by, the centers whose results are reported above, and the franchises we currently offer.

6. We will make written substantiation of the information above available to you on reasonable request. This analysis is intended to be used as a reference when you conduct due diligence before signing our franchise agreement. We recommend that you make your own independent investigation to determine whether a center may be profitable, and that you consult with legal, accounting and other business advisors before signing our franchise agreement.

7. Standard and flex franchised centers are similar in size, are required to sell a full suite of products and services, and are capable of achieving similar Gross Sales results. Express franchised centers are smaller in size, are not required to offer a full suite of products and services, are located within other primary businesses, and are not capable of achieving the Gross Sales results of standard and flex franchised centers. This Item 19 does not contain Gross Sales information for express franchised centers. As of September 30, 2025, only 16 express franchised centers were in operation, representing less than 3% of our franchised centers.

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

Other than the preceding financial performance representation, we do 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 report it to the franchisor's management by contacting Ms. Mary Ann Canup, Senior Vice President of Franchise Compliance, 7580 Metropolitan Drive, Suite 200, San Diego, CA 92108, 800-456-1525, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

POSTALANNEX/POSTALANNEX+ RETAIL CENTERS

TABLE NO. 1

POSTALANNEX/POSTALANNEX+ RETAIL CENTERS

Systemwide Outlet Summary for 2023 to 2025

Outlet Type	Year	Outlets At Start Of Year	Outlets At End Of Year	Net Change
Franchised	2023	305	315	+10
	2024	315	322	+7
	2025	322	327	+5