

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		subject to state law. Only if a court invalidates a jury waiver or a class action waiver will the dispute be resolved through arbitration, subject to state law.
v. Choice of venue	14(H)	Unless state law supersedes this provision, venue for mediation, arbitration, and litigation is in McLennan County, Texas.
w. Choice of law	14(G)(1)	Texas law applies unless state law supersedes this provision.

SEE THE ATTACHED STATE ADDENDA (Exhibit M) FOR ADDITIONAL DISCLOSURES.

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise business.

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 financial performance representations included in this Item 19 present data for the 52-week period beginning on January 1, 2024 and ending on December 31, 2024 (the “Reporting Period”) for Franchised Businesses that had been open and continuously operated during the entire 12-month period ended on December 31, 2024 (the “Continually Operated Businesses”). Franchised Businesses that were in operation for less than 12 full months during the Reporting Period (the “Excluded Businesses”) are not included in this Item 19.

As of December 31, 2024, there were 172 Franchised Businesses in operation in the U.S., and 166 of them had been open and continuously operated as Franchised Businesses for more than 12 months and have been included in this Item 19 as Continually Operated Businesses. Six Franchised Businesses are Excluded Businesses that have not been included in this Item 19 because they opened during the year 2024 and did not operate for the full 12 months of the Reporting Period. Tables 1-A, 1-B, and 2 include data for all 166 Continually Operated Businesses. Of the 166 Continually Operated Businesses, 82 businesses

offered Dumpster Services during the entire Reporting Period. Table 1-C includes data for the Reporting Period for the 82 Continually Operated Businesses that offered Dumpster Services during the Reporting Period.

Six franchised businesses closed during the Reporting Period and are therefore excluded from this Item 19 because they did not report data for all 12 months of the Reporting Period. No business closed after being open for less than 12 months.

Table 1-A describes Gross Sales data for the Continually Operated Businesses for the Reporting Period, as reported by the Continually Operated Businesses to us. In this Item 19, “Gross Sales” means the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of — or in connection with — a Junk King business whether under any of the Marks or otherwise. Gross Sales exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing. Table 1-B describes Gross Hauling Revenues for the Continually Operated Businesses for the Reporting Period, as reported by the Continually Operated Businesses to us. In this Item 19, “Gross Hauling Revenues” mean Gross Sales generated from hauling sales only. Table 1-C describes Gross Dumpster Revenues for the Continually Operated Businesses that offered Dumpster Services during the Reporting Period, as reported by the Continually Operated Businesses to us. “Gross Dumpster Revenues” means Gross Sales generated from dumpster sales only. Franchisees are permitted to offer Dumpster Services. “Gross Sales” equals the sum of Gross Hauling Revenues and Gross Dumpster Revenues. Gross Hauling Revenues and Gross Dumpster Revenues are not adjusted for cost of goods sold, operating expenses, royalties, or other costs or expenses that must be deducted from the gross sales to obtain net income or profit. Neither Gross Hauling Revenues nor Gross Dumpster Revenues are the same as Gross Sales, which includes all products and services sold by a franchisee. The data in Tables 1-A, 1-B and 1-C is divided into quartiles based on the level of Gross Sales, Gross Hauling Revenues and/or Gross Dumpster Revenues achieved, as applicable.

Table 1-A: Gross Sales in Calendar Year 2024 for Continually Operated Businesses

Franchised Businesses Quartiles	Number of Franchised Businesses in Subset	Average Gross Sales	Number and Percentage of Outlets Attaining or Exceeding Average Gross Sales	Median Gross Sales	Lowest Gross Sales	Highest Gross Sales
Top Quartile	41	\$1,115,211	12/29%	\$987,098	\$707,736	\$2,805,138
2 nd Quartile	42	\$556,491	20/48%	\$538,763	\$436,338	\$705,899
3 rd Quartile	42	\$355,222	22/52%	\$360,162	\$285,389	\$434,989
Bottom Quartile	41	\$193,696	22/54%	\$196,387	\$81,223	\$284,559

Franchised Businesses Quartiles	Number of Franchised Businesses in Subset	Average Gross Sales	Number and Percentage of Outlets Attaining or Exceeding Average Gross Sales	Median Gross Sales	Lowest Gross Sales	Highest Gross Sales
All Franchised Businesses	166	\$553,959	61/37%	\$435,663	\$81,223	\$2,805,138

Table 1-B: Gross Hauling Revenues in Calendar Year 2024 for Continually Operated Business

Franchised Businesses Quartiles	Number of Franchised Businesses in Subset	Average Gross Hauling Revenue	Number/Percentage of Outlets Attaining /Exceeding Avg Gross Hauling Revenue	Median Gross Hauling Revenue	Lowest Gross Hauling Revenue	Highest Gross Hauling Revenue
Top Quartile	41	\$1,036,032	14/34%	\$898,927	\$666,342	\$2,794,002
2 nd Quartile	42	\$524,352	19/45%	\$509,649	\$420,617	\$661,226
3 rd Quartile	42	\$339,686	22/52%	\$354,264	\$263,623	\$414,810
Bottom Quartile	41	\$177,813	23/56%	\$181,925	\$75,323	\$262,095
All Franchised Businesses	166	\$518,417	61/37%	\$417,714	\$75,323	\$2,794,002

Table 1-C: Gross Dumpster Revenues in Calendar Year 2024 for Continually Operated Businesses

Franchised Businesses Quartiles	Number of Franchised Businesses in Subset	Average Dumpster Revenue	Number and Percentage of Outlets Attaining or Exceeding Average Dumpster Revenue	Median Dumpster Revenue	Lowest Dumpster Revenue	Highest Dumpster Revenue
Top Quartile	20	\$162,434	6/30%	\$146,251	\$99,113	\$409,425
2 nd Quartile	21	\$69,742	9/43%	\$65,966	\$54,609	\$98,564

Franchised Businesses Quartiles	Number of Franchised Businesses in Subset	Average Dumpster Revenue	Number and Percentage of Outlets Attaining or Exceeding Average Dumpster Revenue	Median Dumpster Revenue	Lowest Dumpster Revenue	Highest Dumpster Revenue
3 rd Quartile	21	\$40,017	10/48%	\$39,004	\$29,930	\$52,717
Bottom Quartile	20	\$17,315	11/55%	\$18,563	\$2,963	\$27,662
All Franchised Businesses	82	\$71,950	28/34%	\$53,663	\$2,963	\$409,425

Table 2 – Average and Median Gross Sales per Job in Calendar Year 2024 for Continually Operated Businesses

The below table shows the average and median Gross Sales per Job data for the Continually Operated Businesses during the Reporting Period.

Year	Number of Reporting Businesses	Average ¹	High ²	Low ²	Median ¹	Number/Percent At or Above Average ³
2024	166	\$399	\$766	\$203	\$389	72/43%

¹ We calculated the average and median Gross Sales per Job as follows: (i) first, we calculated the average Gross Sales Per Job during the Reporting Period for each Continually Operated Business, based on information provided by the Continually Operated Businesses to us through our Software System (the “Individual Business Average Gross Sales Per Job”) and (ii) then we calculated the average and median of all Continually Operated Businesses’ Individual Business Average Gross Sales Per Job (as determined in clause (i)) during the Reporting Period.

² This is the range between the Continually Operated Businesses’ lowest Individual Business Average Gross Sales Per Job and the highest Individual Business Average Gross Sales per Job during the Reporting Period, based on information provided by the Continually Operated Businesses to us.

³ This is the number and percentage of Continually Operated Businesses that achieved or exceeded the Average Gross Sales per Job.

Table 3: Cost of Services Sold as a Percentage of Gross Sales in Calendar Year 2024 for Reporting Businesses

Table 3 includes certain cost data for calendar year 2024 that we have collected from Continually Operated Businesses that responded to a survey that we circulated (“Reporting Businesses”). 145 out of the 166 Continually Operated Businesses responded to the survey. This Table 4 does not include data from 19 Continually Operated Businesses that did not respond to the survey.

	Average Percentage of Gross Sales	Number and Percentage of Businesses Attaining or Exceeding Average Percentage of Gross Sales	Median Percentage of Gross Sales	Lowest Percentage of Gross Sales	Highest Percentage of Gross Sales
Gasoline	3.3%	54/37.2%	3.0%	1.0%	14.3%
Dumping Fees	7.2%	66/45.5%	6.7%	1.0%	27.8%
Labor Expenses	20.6%	73/50.3%	20.8%	1.0%	57.7%
License Fees	8.0%	145/100%	8.0%	8.0%	8.0%
Customer Care Center Fees	4.7%	97/66.9%	5.0%	2.0%	5.0%
Cost of Services Sold	43.7%	63/43.5%	43.5%	13.3%	92/8%
Gross Profit Margin	56.3%	83/57.2%	56.5%	7.2%	86.7%

Notes to Table 3:

1. The percentages of Gross Sales for each Reporting Business are calculated by taking the total expenses for such category, dividing the expenses by Gross Sales, and multiplying the resulting figure by 100.
2. “Dumping Fees” include the payments that a Franchised Business makes to garbage dumps or recycling centers to dispose of the junk that has been collected. These fees vary by municipality.
3. “Labor Expenses” include all wages, benefits, and worker’s compensation expenses related to a Franchised Business’ employees.
4. Please note that we have adjusted the “Customer Care Center Fees” from the previous amount paid under the Franchise Agreement (4%) to the amount currently being paid by franchisees (5%).
5. “Gross Profit Margin” is calculated for each Reporting Business using this formula: $((\text{Gross Sales} - \text{Cost of Services Sold}) / \text{Gross Sales}) * 100$. “Cost of Services Sold” equals Gasoline + Dumping Fees + Labor Expenses + Customer Care Center Fees (which is 5% of Gross Sales) + License Fees (which is 8% of Gross Sales).
6. In addition to the categories of expenses described in Table 3, Franchised Businesses incur additional expenses, such as (among others) rent, vehicle loan payments, MAP Fund fees and advertising expenses, insurance premiums, and utility fees.

Notes to Item 19:

1. **Some outlets have sold this much. Your individual results may differ. There is no assurance you will sell as much.**
2. Written substantiation of the data used in preparing these financial performance representations will be made available to you upon reasonable request.

3. The data is based on the historical results from existing Franchised Businesses as reported to us by our franchisees.

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 Paul Tis, 1010 North University Parks Drive, Waco, TX 76707, (888) 888-5865, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

**Systemwide Outlet¹ 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	132	158	+26
	2023	158	169	+11
	2024	169	172	+3
Company-Owned ²	2022	3	5	+2
	2023	5	3	-2
	2024	3	0	-3
Total Outlets	2022	135	163	+28
	2023	163	172	+9
	2024	172	172	0

¹ Included in “outlets” are all Businesses that have opened an operating location. Neither sale of a new territory to an existing franchisee where a separate operating location will not be opened nor execution of a franchise agreement for a new location where the location is not yet open are included.

² The “Company-Owned” outlets were operated by our affiliate Junk King Enterprises, LLC.

Table No. 2

**Transfers² of Outlets from Franchisees to New Owners
(other than the Franchisor)**

State	Year	Number of Transfers
Arizona	2022	3
	2023	0
	2024	0