

<b>Provision</b>	<b>Section in Development Agreement (“DA”) (unless otherwise specified)</b>	<b>Summary</b>
v. Choice of venue	Section 16	Unless state law supersedes this provision, venue for mediation, arbitration, and litigation is in McLennan County, Texas.
w. Choice of law	Section 16	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.

As of December 31, 2024, there were a total of 261 ShelfGenie franchised businesses. Such total of 261 franchised businesses consisted of 4 franchised businesses with approximately 250,000 household territories and 257 franchised businesses with approximately 125,000 household territories. For purposes of consistency, we have reported the number of businesses for purposes of this Item 19 such that each of the 4 franchised businesses (with 250,000 household-territories) were treated as two businesses (each business with a 125,000 household-territory), resulting in a total of 265 franchised businesses each with a territory of approximately 125,000 households. Of these 265 businesses, 254 businesses (the “Reporting Businesses”) were open during the reporting period of January 1, 2024 through December 31, 2024 (the “Reporting Period”). Excluded from this Item 19 are four franchisees (operating a total of 11 franchised businesses) who did not have at least one franchised business open for the entire Reporting Period.

Businesses that closed during the Reporting Period are excluded from the data reported in this Item 19. Twenty-two ShelfGenie franchised businesses closed during 2024. Of the 22 businesses that closed, one business closed after being open for less than 12 months.

The following tables present information regarding the (a) average and median Gross Sales per Order for the Reporting Period, (b) systemwide percentage of Appointments Resulting in a Closed Order for the Reporting Period, and (c) the actual gross sales, cost of goods sold, sales per territory, gross margin, and annual rebate amount for each franchisee (by market) for the Reporting Period.

The following tables also include the number of SHELFGENIE businesses (i.e., 125,000-household territories) owned by those franchisees included in the data for each applicable chart; however, the average and median Gross Sales per Order amounts and the systemwide Percentage of Appointments Resulting in a Closed Order include Gross Sales, orders and appointments from adjacent territories operated by the franchisees where the franchisee does not own the territory but has the right to offer and provide services in the additional territory under an “Out of Area” Amendment to its Franchise Agreement (k/n/a Territory Available for Sale Amendment). Not all franchisees operate in additional territories under a Territory Available for Sale Amendment; however, those that do, report Gross Sales per order and appointment information to us, which is included in the financial disclosures in this Item 19.

We obtained the data included in these tables from information provided to us by ShelfGenie franchisees through our software program for the Reporting Period. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

<b>AVERAGE AND MEDIAN GROSS SALES PER ORDER FOR SYSTEM DURING 2024 REPORTING PERIOD</b>				
Group	Number of Reporting Franchisees in the Group	Number of SHELFGENIE Businesses (i.e., 125,000-household territories) owned by the Franchisees in the Group	High and Low and Average (Avg) and Median (Med) Gross Sales per Order (not including Excluded Orders)	Number and Percentage of Orders for the System that achieved or surpassed the Average Gross Sales per Order (not including Excluded Orders)/ Number and percent of franchisees that achieved the Average or greater
All SHELFGENIE Franchisees operating under the System for all of 2024 that had orders that were not Excluded Orders	50	254	High: \$7,052 Avg: \$5,140 Med: \$5,041 Low: \$3,506	3,510 orders (51%)  22 Franchisees (44%)
				Number and % of Franchisees in the Quintile that Achieved or Surpassed that Quintile’s Average Order
1st Quintile	10	72	High: \$7,052 Avg: \$6,072 Median: \$6,062 Low: \$5,628	(4) (40%)
2nd Quintile	10	42	High: \$5,518 Avg: \$5,405 Median: \$5,415	(6) (60%)

AVERAGE AND MEDIAN GROSS SALES PER ORDER FOR SYSTEM DURING 2024 REPORTING PERIOD				
Group	Number of Reporting Franchisees in the Group	Number of SHELFGENIE Businesses (i.e., 125,000-household territories) owned by the Franchisees in the Group	High and Low and Average (Avg) and Median (Med) Gross Sales per Order (not including Excluded Orders)	Number and Percentage of Orders for the System that achieved or surpassed the Average Gross Sales per Order (not including Excluded Orders)/ Number and percent of franchisees that achieved the Average or greater
			Low \$5,242	
3rd Quintile	10	45	High: \$5,236 Avg: \$5,058 Median: \$5,041 Low: \$4,897	(4) (40%)
4th Quintile	10	58	High: \$4,873 Avg: \$4,556 Median: \$4,552 Low: \$4,296	(5) (50%)
5th Quintile	10	37	High: \$4,210 Avg: \$3,947 Median: \$3,998 Low: \$3,506	(7) (70%)

Notes for chart above:

1. “Franchisee” refers to an individual or entity that is our franchisee that operated at least one SHELFGENIE Business for the Reporting Period. As shown by the list of our current franchisees in Exhibit F-1 of this Disclosure Document, several of our Franchisees own and operate multiple SHELFGENIE Businesses which are typically for territories that share common borders in the same region. If a franchisee operates multiple SHELFGENIE Businesses in the same metropolitan area (each a “Market”), such franchisee is counted in the definition of Franchisees only once for such Market, and if a franchisee operates SHELFGENIE Businesses in multiple Markets, such franchisee is counted in the definition of Franchisee once for each such Market. Included in the column “Number of SHELFGENIE Businesses owned by the Franchisees in the Group”, are the total number of SHELFGENIE Businesses (i.e., 125,000 household-territories) that were owned and operated by the applicable Franchisees in that group during the Reporting Period. The Chart reflects Franchisees that were open for full 12 months throughout the Reporting Period. However, for some Franchisees with multiple Businesses/territories, some of the multiple businesses or territories may not have been open for the entire Reporting Period.

2. “Average Gross Sales per Order” was calculated by dividing the total amount of System Gross Sales (in dollars) reported by Franchisees by the total number of orders for the System during the Reporting Period. In calculating the Average Gross Sales per Order for the System, we excluded all Excluded Orders (as defined in Note 4 below). Average Gross Sales per Order for the System does not include any sales taxes that were collected or paid in connection with the orders.

3. The “Number and Percentage of Orders for the System that Achieved or Surpassed the Average Order” was the absolute number of orders and the percentage of orders for which the Gross Sales volume was equal to or greater than the system-wide Average Gross Sales per Order.

4. “Excluded Orders” refers to orders that were for friends or family, charitable events and employees involving a discount of 80% or more off the franchisee’s suggested retail price and were not a true representation of an actual customer order. An order having a discount of 80% or more off the Franchisee’s suggested retail price indicates or suggests (a) the order was a reorder of products, (b) the order was for personal or display usage, and/or (c) the order was not an arms-length sales transaction.

5. “Quintile” refers to the relative performance of the Franchisees in the sample. Each quintile represents approximately 20% of the sample. The 1st Quintile refers to the top 20% performing Franchisees operating SHELFGENIE Businesses (based on Average Gross Sales per Order for all of the SHELFGENIE Businesses owned and operated by the reporting Franchisees), the 2nd Quintile refers to the next highest 20% performing Franchisees operating SHELFGENIE Businesses, and so on. We have provided the Quintile information to show you the performance of the Franchisees on a Gross Sales per Order basis, not each of their SHELFGENIE Businesses. Therefore, a Franchisee’s placement in a quintile does not mean that all of their SHELFGENIE Businesses met or surpassed the Average Order for that Quintile. The Quintile measures, and reflects, the Average Gross Sales per Order (by dollar) for each Franchisee in the sample, and then groups them based on performance. Each Franchisee in the sample reported the total number of orders in the reporting year, along with the total Gross Sales for those orders. Each franchisee has its own Average Gross Sales per Order (in dollars). Then those Average Gross Sales per Order figures for the Franchisees in the Quintile (ten Franchisees per Quintile for the Reporting Period) are added together and divided by the number of Franchisees to arrive at an Average Gross Sales per Order (in dollars) for the Quintile. The tables reflect the Average Gross Sales per Order, by Quintile, as well as the number / percentage of Franchisees in the Quintile that achieved or surpassed that Quintile’s Average Gross Sales per Order.

6. The orders included in the Reporting Period are for sales orders placed during the Reporting Period.

7. For repeat customers, each order for a project placed by a customer is treated as a separate order.

8. The information is based on data reported by Franchisees for their SHELFGENIE Businesses.

<b>PERCENTAGE OF CUSTOMER APPOINTMENTS THAT RESULTED IN A CLOSED CUSTOMER ORDER DURING 2024 REPORTING PERIOD</b>					
<b>Group</b>	<b>Number of SHELFGENIE Territories (consisting of approximately 125,000 households each) / Total Number of Reporting Franchisees</b>	<b>Total Number of Appointments for the System (not including Excluded Orders)</b>	<b>Total Number of Closed Orders for the System Resulting from Appointments (not including Excluded Orders)</b>	<b>Percentage of Appointments Resulting in a Closed Order (not including Excluded Orders)</b>	<b>Number and Percent of Reporting Franchisees that Achieved or Exceeded the Stated Percentage of Closed Appointments</b>
All Reporting Franchisees for all of 2024 that had orders that were not Excluded Orders	254 / 50	13,040	6,992	53%	28 / 56%

Notes for chart above:

1. “Reporting Franchisee” refers to an individual or entity that is our franchisee that operated at least one SHELFGENIE Business for the entire applicable year. As shown by the list of our current franchisees in Exhibit F-1 of this Disclosure Document, several of our Franchisees own and operate multiple SHELFGENIE Businesses which are typically for territories that share common borders in the same region. If a franchisee operates multiple SHELFGENIE Businesses in the same metropolitan area (each a “Market”), such franchisee is counted in the definition of Reporting Franchisees only once for such Market, and if a franchisee operates SHELFGENIE Businesses in multiple Markets, such franchisee is counted in the definition of Reporting Franchisee once for each such Market. The chart reflects Franchisees that were open for the entire Reporting Period. However, for some Franchisees with multiple Businesses/ territories, some of the multiple businesses or territories may not have been open for the entire Reporting Period. A SHELFGENIE Business did not have to be in operation by the applicable Franchisee for the entire Reporting Period to be included in the chart.

2. The “Percentage of Appointments Resulting in a Closed Order” was calculated by dividing the total number of Closed Orders for the System during the Reporting Period by the total number of Appointments for the System during the Reporting Period (whether or not the Appointment was booked by the call center) and multiplying the result by 100. In calculating the Percentage of Appointments Resulting in a Closed Order, we did not include Excluded Orders.

3. An “Appointment” is viewed as an initial meeting at a customer’s home or business where the work will be performed. A “Closed Order” is an order where a Franchisee reported a sale to a customer. A Closed Order may involve more than one meeting with the same customer to close the sale.

4. In the event of a new order by a customer, the new order is treated as an additional Closed Order with an additional Appointment.

5. The information is based on data reported by Franchisees for their SHELFGENIE Businesses.

6. We do not have access to data related to any referral appointments or self-generated appointments (“Referral Leads”) that do not result in a Closed Order. We do not require franchisees to track Referral Leads or provide to us information on Referral Leads that do not result in Closed Orders.

7. The information in the above chart for the Reporting Period is based on data from 50 Reporting Franchisees that had at least one SHELFGENIE Business open and operating for the entire Reporting Period (operating a total of 254 franchise territories of 125,000 households each). A SHELFGENIE Business did not have to be in operation by the applicable Franchisee for the entire Reporting Period to be included in the chart.

### **2024 FRANCHISEE GROSS SALES, COST OF GOODS SOLD, GROSS MARGIN, AND ANNUAL REBATE AMOUNT**

Included in the chart below is data for the Reporting Period for 50 Franchisees who owned and operated a total of 254 SHELFGENIE Businesses during the Reporting Period. If a franchisee operates multiple SHELFGENIE Businesses in the same metropolitan area (each a “Market”), such franchisee is counted in the definition of Franchisees only once for such Market, and if a franchisee operates SHELFGENIE Businesses in multiple Markets, such franchisee is counted in the definition of Franchisee once for each such Market.

<b>Franchisee (Identified based on its Market(s))</b>	<b># of Territories</b>	<b>Year 1st Territory Opened</b>	<b>Gross Sales</b>	<b>Gross Sales Per Territory</b>	<b>Cost of Goods Sold (COGS)</b>	<b>Gross Margin</b>	<b>Annual Rebate</b>
Fort Myers/Naples	3	2016	\$1,655,622	\$551,874	\$450,721	72.8%	\$0
Wilmington/Myrtle Beach	2	2018	\$1,006,400	\$503,200	\$287,765	71.4%	\$5,548
Raleigh	7	2023	\$2,186,120	\$312,303	\$585,198	73.2%	\$42,583
San Antonio	3	2009	\$931,770	\$310,590	\$252,675	72.9%	\$9,088
Midsouth/Memphis	2	2020	\$566,706	\$283,353	\$153,786	72.9%	\$0
Savannah	2	2019	\$557,318	\$278,659	\$135,837	75.6%	\$0
Omaha	2	2014	\$529,788	\$264,894	\$130,982	75.3%	\$0
Seattle	14	2010	\$3,664,083	\$261,720	\$879,760	76.0%	\$83,376
West Palm Beach	7	2011	\$1,682,928	\$240,418	\$473,911	71.8%	\$0
Indianapolis	4	2018	\$896,924	\$224,231	\$257,884	71.2%	\$0
West Phoenix	2	2023	\$443,210	\$221,605	\$143,972	67.5%	\$2,445
Columbus	4	2011	\$791,025	\$197,756	\$225,708	71.5%	\$2,256
Charleston	2	2019	\$394,776	\$197,388	\$98,488	75.1%	\$0
North Florida	1	2020	\$192,160	\$192,160	\$62,950	67.2%	\$0
Treasure Valley	2	2019	\$377,625	\$188,813	\$98,803	73.8%	\$0

<b>Franchisee (Identified based on its Market(s))</b>	<b># of Territories</b>	<b>Year 1st Territory Opened</b>	<b>Gross Sales</b>	<b>Gross Sales Per Territory</b>	<b>Cost of Goods Sold (COGS)</b>	<b>Gross Margin</b>	<b>Annual Rebate</b>
Jacksonville	7	2019	\$1,285,029	\$183,576	\$305,033	76.3%	\$0
Sarasota/Greater Tampa	9	2011	\$1,599,487	\$177,721	\$376,483	76.5%	\$15,832
Richmond	8	2019	\$1,399,614	\$174,952	\$377,323	73.0%	\$10,750
Idaho Falls	1	2023	\$164,832	\$164,832	\$50,903	69.1%	\$0
Greenville	3	2022	\$491,712	\$163,904	\$129,584	73.6%	\$0
East Tennessee	4	2017	\$575,868	\$143,967	\$173,972	69.8%	\$0
Cincinnati	8	2020	\$1,026,744	\$128,343	\$301,599	70.6%	\$10,372
Frederick and Leesburg	2	2023	\$244,868	\$122,434	\$71,314	70.9%	\$0
Winston/Salem	2	2021	\$233,740	\$116,870	\$55,160	76.4%	\$0
Atlanta	10	2010	\$1,156,834	\$115,683	\$325,555	71.9%	\$8,213
Portland	6	2012	\$685,304	\$114,217	\$184,845	73.0%	\$2,614
Baltimore West	5	2021	\$533,301	\$106,660	\$151,257	71.6%	\$0
Mesa	3	2023	\$310,612	\$103,537	\$77,384	75.1%	\$0
Orlando	6	2021	\$599,313	\$99,886	\$143,764	76.0%	\$0
Norwalk	8	2009	\$769,692	\$96,212	\$187,953	75.6%	\$2,448
Kansas City	5	2014	\$475,009	\$95,002	\$119,503	74.8%	\$0
Metro DC	5	2020	\$468,999	\$93,800	\$131,154	72.0%	\$0
Quad Cities and Iowa City	3	2022	\$268,730	\$89,577	\$64,896	75.9%	\$0
Cleveland	8	2019	\$678,382	\$84,798	\$160,935	76.3%	\$2,525
Farmington Hills	4	2023	\$333,735	\$83,434	\$83,393	75.0%	\$0
Milwaukee	6	2018	\$488,157	\$81,360	\$114,525	76.5%	\$0
San Marcos	4	2023	\$324,170	\$81,043	\$95,122	70.7%	\$0
Annapolis	3	2021	\$238,896	\$79,632	\$70,479	70.5%	\$0
Austin	6	2018	\$477,312	\$79,552	\$139,435	70.8%	\$0
Nashville/Huntsville	6	2009	\$469,751	\$78,292	\$145,305	69.1%	\$0
Charlotte	6	2022	\$458,062	\$76,344	\$130,366	71.5%	\$0
Chicago West	4	2022	\$303,474	\$75,869	\$74,708	75.4%	\$0
Chicago North	8	2015	\$596,088	\$74,511	\$144,149	75.8%	\$0
Massachusetts	12	2010	\$861,883	\$71,824	\$207,776	75.9%	\$2,040
Philly	4	2018	\$258,177	\$64,544	\$64,642	75.0%	\$0

<b>Franchisee (Identified based on its Market(s))</b>	<b># of Territories</b>	<b>Year 1st Territory Opened</b>	<b>Gross Sales</b>	<b>Gross Sales Per Territory</b>	<b>Cost of Goods Sold (COGS)</b>	<b>Gross Margin</b>	<b>Annual Rebate</b>
Dallas	6	2020	\$384,540	\$64,090	\$122,218	68.2%	\$0
Houston	16	2018	\$973,284	\$60,830	\$245,397	74.8%	\$2,207
Boulder - Denver North	3	2023	\$174,468	\$58,156	\$47,352	72.9%	\$0
Detroit Northeast	4	2020	\$172,860	\$43,215	\$44,822	74.1%	\$0
West Brooklyn	2	2022	\$28,048	\$14,024	\$8,675	69.1%	\$0

Notes for the above chart:

1. Cost of Goods Sold (“COGS”) means the cost of the Core Products (e.g., shelving, cabinets, etc.) sold by the franchisee to the customer as well as freight costs. COGS does not include (i) miscellaneous items like clips, spacers and other supplies that may be necessary to install the Core Products, (ii) insurance, shipping or freight on boxed (non-palletized) orders, and delivery charges for the Core Products, and (iii) any sales tax, use tax or other taxes that may be due in connection with franchisee purchases of Core Products.

2. COGS does not include any additional manufacturing rebates that Manufacturing may have offered during the Reporting Period.

3. The term “Gross Sales” includes 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 SHELFGENIE 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. Gross Sales also exclude sales from any Excluded Services (as defined in a mutually executed Excluded Services Addendum).

4. “Gross Sales Per Territory” were calculated by taking the total Gross Sales number for the applicable Market (as defined in the above table) and dividing the number by the number of territories included in the Market.

5. “Gross Margin” is the proportion, expressed as a percentage, that each Franchisee’s total Gross Sales, as defined in Note 3 above, excluding COGS, represents in relation to each Franchisee’s total Gross Sales before deducting COGS.

6. The Rebate amounts included in the above chart are rebates that Franchisees received during the Reporting Period from Manufacturing based on purchases the Franchisees made from Manufacturing. Rebates begin only after a Franchisee meets a minimum quarterly purchase threshold, imposed per franchised business.

7. Each territory for purposes of the above table includes approximately 125,000 houses or households. The table is broken up by Market (defined above) (or portion thereof if multiple Franchisees operate within a single Market), such that there may be some Franchisees represented more than once if they operate in multiple separate Markets.

\* \* \*



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

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

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 Anthony Wayne Ditzler, 1010 North University Parks Drive, Waco, Texas 76707, (PH) (205) 623-4398, 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	227	227	0
	2023	227	255	+28
	2024	255	261	6
Company-Owned**	2022	16	13	-3
	2023	13	16	+3
	2024	16	20	4
Total Outlets	2022	243	240	-3
	2023	240	271	+31
	2024	271	281	10

\*In 2019, we reduced the standard territory size that we granted to franchisees under each Franchise Agreement from 250,000 households to 125,000 households (for the Executive franchise model) or 75,000 households (for the Owner/Operator franchise model). Therefore, franchisees renewing their franchise in 2022 - 2024 may have executed multiple renewal franchise agreements in lieu of their expired franchise agreement even though their total territory size did not change as a result of the renewal. The franchised outlet counts in Table 1 and Table 3 were not adjusted for these situations where a renewing franchisee retained the same overall territory size but executed more renewal franchise agreements upon renewal. Therefore, in this Item 20, the franchised outlets may differ in size of their territory, ranging from a territory size of 125,000 households to a territory size of 250,000 households for the Executive franchise model, or a territory size of 75,000 households for the Owner/Operator franchise model.