

Provision	Section in Franchise Agreement	Summary
		arbitration, which will take place in Wilmington, Delaware.
v. Choice of forum	29	All claims and causes of action arising out of the Franchise Agreement must be initiated and litigated to conclusion (unless settled) in Wilmington, Delaware (subject to state law).
w. Choice of law	29.03	Delaware law applies. Your state law may supersede this provision and it may not be enforceable in your state. (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.

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

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

The first table below reflects information for the calendar year ending December 31, 2023; (the a "Measurement Period"). We requested financial statements from all locations. We received 14 submissions for Table 1. All other locations were excluded. Any franchise or affiliate owned location open for the entire Measurement Period and timely submitted the required information is included (each a "Qualifying" location). Each of the locations below are of the same model being offered pursuant to this disclosure document.

## Part 1: Revenue & Disclosed Expenses

Location	#1*	#2*	#3*	#4*	#5	#6*	#7	#8	#9	#10	#11	#12	#13	#14
Year Opened	2018	2021	2018	2018	2019	2019	2019	2020	2020	2019	2021	2022	2022	2020
Revenue	887,994	694,272	1,413,750	1,445,569	1,112,148	770,860	792,843	707,355	668,065	994,143	393,358	384,812	172,438	432,246
Discounts	(195,368)	(206,303)	(397,443)	-	(39,271)	(106,797)	(241,799)	(41,626)	(6,074)	-	(26,736)	(129,418)	(100)	-
Net Revenue	692,626	487,969	1,016,307	1,445,569	1,072,878	664,063	551,044	665,729	661,991	994,143	366,623	255,394	172,338	432,246
Material and Supplies	158,887	118,388	241,246	425,465	363,573	278,461	208,554	172,718	181,222	331,864	149,737	89,051	91,046	187,198
Labor	156,934	125,466	211,010	291,222	196,390	110,589	95,274	130,481	61,589	201,571	88,563	35,049	34,822	96,425
Commissions	52,805	46,901	88,105	79,910	106,896	36,206	22,630	-	-	-	-	-	-	-
Auto & Fuel	17,177	11,564	23,984	37,196	25,190	9,531	16,596	-	11,526	11,629	18,510	6,237	8,120	18,239
Non-Owner Payroll	76,985	80,417	95,541	75,582	20,146	15,225	-	595	-	-	-	2,520	35,872	-
Royalties (calculated)	41,558	29,278	60,978	86,734	64,373	39,844	33,063	39,944	39,719	59,649	21,997	15,324	10,340	25,935
Brand Development Fund (calculated)	13,853	9,759	20,326	28,911	21,458	13,281	11,021	13,315	13,240	19,883	7,332	5,108	3,447	8,645
Tech/POS/Software (calculated)	10,422	10,422	10,422	10,422	10,422	10,422	10,422	10,422	10,422	10,422	10,422	10,422	10,422	10,422
Call Center Fee (calculated)	10,389	7,320	15,245	21,684	16,093	9,961	8,266	9,986	9,930	14,912	5,499	3,831	2,585	6,484
Credit Card Fees	13,995	10,271	19,632.91	30,897	22,910	7,699	7,385	1,767	-	20,117	2,754	2,263	271	2,738
Insurance	13,273	9,959	15,575.31	85,267	41,552	27,451	23,070	14,355	25,547	27,168	-	7,619	6,606	2,230
Revenue Less Disclosed Expenses	126,350	28,223	214,242	272,278	183,875	105,394	114,764	272,146	308,796	296,928	61,806	77,969	(31,193)	73,930

**“Year Opened”** means this calendar year in which the Franchised Business began operations.

**“Revenue”** means all revenue generated by the Franchised Business.

**“Discounts”** means expenses associated with seasonal incentives, promotions, and referral incentive payments.

**“Materials and Supplies”** means the variable costs associated with general labor which is primarily epoxy but may include other supplies.

**“Labor”** means all variable labor costs including wages, taxes and insurance.

**“Commissions”** means all wages paid a variable expense resulting from generating sales.

**“Non-Owner Payroll”** means all other wages and payroll taxes except for Commissions and Labor.

**“Royalties”** means the calculated Royalty Fees based on 6% of Revenue.

**“Brand Development Fund”** means the actual (in the case of a franchisee) or the estimated (in the case of an affiliate) Fund expenditures.

**“Revenue Less Disclosed Expenses”** means Revenue less all of the disclosed expenses. It does not consider any other expenses.

A “\*” denotes an affiliate location.

## Part 2: Leads, Appointments, Conversion Rates, Invoices, & Close Ratio

The following table shows data for all Franchise and Affiliate locations who were open for the entire Measurement Period of the Calendar year 2023. It excludes data from our licensees. The location numbers correspond to those in Table 1. Our licensees were excluded on the basis that they do not utilize our point of sale system. This chart also exclude franchisees who opened during the Measurement Period.

<b>Estimate Conversion and Close Ratios, 2023</b>						
Location	Year Opened	Leads	Appointments	Invoices	Lead Conversion	Close Ratio
#1*	2018	651	495	166	76.0%	33.5%
#2*	2022	445	301	92	67.6%	30.6%
#3*	2021	1201	486	207	40.5%	42.6%
#4*	2018	1243	898	323	72.2%	36.0%
#5	2019	1045	905	388	86.6%	42.9%
#6*	2019	545	398	192	73.0%	48.2%
#7	2019	504	284	192	56.3%	67.6%
#8	2020	543	413	153	76.1%	37.0%
#9	2020	306	196	123	64.1%	62.8%
#10	2021	881	675	348	76.6%	51.6%
#11	2021	143	124	48	86.7%	38.7%
#12	2022	431	210	198	48.7%	94.3%
#13	2022	139	70	35	50.4%	50.0%
#14	2020	395	196	127	49.6%	64.8%
#15	2021	336	156	73	46.4%	46.8%

## Part 3: Invoices Data

The following table shows data for all Franchise and Affiliate locations whose data we had access to. It excludes data from our licensees. The location numbers do not correspond to those in prior tables. Our licensees were excluded on the basis that they do not utilize our point of sale system.

<b>Average, Max, Min, and Median Invoices (Locations Open Prior to 1/1/23)</b>					
Location	Opened	Average Invoice	Max Invoice	Min Invoice	Median Invoice
#1*	2018	4,356	13,672	150	3,626
#2*	2022	2,828	15,750	897	3,845
#3*	2021	4,768	40,000	750	4,000
#4*	2018	5,273	84,493	320	4,878
#5	2019	3,982	13,600	1,350	3,573
#6*	2019	3,794	17,017	150	3,240
#7	2019	3,299	17,986	395	2,954
#8	2020	4,371	9,185	50	4,128
#9	2020	3,471	23,210	248	3,013
#10	2021	3,068	24,000	75	3,035
#11	2021	7,434	36,000	350	4,771

#12	2022	2,881	11,281	833	2,526
#13	2022	3,785	29,106	987	3,693
#14	2020	2,888	12,162	1,005	2,535
#15	2021	3,485	9,876	99	3,558
<b>Average, Max, Min, and Median Invoices (Locations Opened in 2023)</b>					
Location	Opened	Average Invoice	Max Invoice	Min Invoice	Median Invoice
#1	Jun-23	3,267	8,147	1,015	2,814
#2	Aug-23	3,764	5,993	1,000	3,500
#3	Sep-23	6,902	21,167	2,900	5,184
#4	Aug-23	4,596	6,543	2,092	4,500
#5	Aug-23	5,789	11,925	1,138	4,410
#6	Nov-23	2,626	6,258	495	2,389
#7	Aug-23	4,617	15,000	1,170	3,906
#8	Feb-23	4,102	17,500	801	3,355
#9	Sep-23	3,539	5,495	1,350	3,639

#### Part 4: Addition Service Data

In 2023, Garage Kings began piloting additional services among approved franchise locations. These programs were optional for existing franchisees. The pilot for Cabinets and Slat Walls began in July 2023. The pilot for Garage Doors and Garage Door Openers began with only 1 approved pilot location in October 2023. The pilot for overhead storage began in December 2023. The follow table provides information about the results of the Pilot Program.

<b>Avg Ticket for Additional Services - Pilot Program</b>			
	<b># of Locations</b>	<b># of Jobs</b>	<b>Avg Ticket</b>
Cabinets	9	21	8,408
Slat Walls	12	46	1,567
Overhead Storage	2	5	846
Garage Doors	1	9	5,972
Garage Door Openers	1	1	3,827

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 Troy Rainsberg, 1831 Delaware Avenue, Wilmington, Delaware 19806, and 302-330-2219, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1**  
**Systemwide Outlet Summary**  
For years 2021-2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised**	2021	16*	20*	+4*
	2022	20*	20*	0*
	<b>2023</b>	<b>20</b>	<b>27</b>	<b>+7</b>
Company-Owned	2021	2*	3*	+1*
	2022	3*	5*	+2*
	<b>2023</b>	<b>5</b>	<b>5</b>	<b>0</b>
Total Outlets	2021	18	23	+5
	2022	23	25	+2
	<b>2023</b>	<b>25</b>	<b>32</b>	<b>+7</b>

\* Corrected from previous Disclosure Document

\*\* The outlets represented in this Table reflect both franchisee and licensees who currently operate a Garage Kings Business under the Proprietary Marks.

**Table No. 2**  
**Transfers of Franchised Outlets**  
**from Franchisees to New Owners (other than the Franchisor)**  
For years 2021-2023

State	Year	Number of Transfers
Florida	2021	0
	2022	0
	<b>2023</b>	<b>1</b>
Total	2021	0
	2022	0
	<b>2023</b>	<b>1</b>

**Table No. 3**  
**Status of Franchised Outlets**  
For years 2021-2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
California	2021	2	0	0	0	0	1	1
	2022	1	0	0	0	0	0	1
	<b>2023</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>