

<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
(t) Integration/merger clause	19.11	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	19.7.C	All disputes, except disputes involving trademark claims or claims for injunctive relief, must be arbitrated, and arbitration on a class-wide basis is prohibited (subject to state law).
(v) Choice of forum	19.7.C	San Diego, California (subject to state law).
(w) Choice of law	19.8	California law applies, except the law of the state where your commercial center is located will apply to your obligations under Subsection 9.2 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.

The information is based solely on reports supplied by the commercial centers. Except as noted below, all of the commercial centers were full, standard size, commercial facilities using the Navis Pack & Ship Marks and the Navis System, and generally were operated from physical warehouses in light industrial areas.

The financial performance representations in this Item 19 show historical results. They should be read in conjunction with the explanatory notes.

**Fiscal Year Ended September 30, 2024**

The information below is based on the actual Gross Volume in the fiscal year ended September 30, 2024, of the franchised Navis Pack & Ship commercial centers open 12 months or more as of September 30, 2024.

**CHART 1**

**Annual Gross Volume Ranges, and Average and Median Annual Gross Volumes,  
in Fiscal Year Ended September 30, 2024, of Franchised Navis Pack & Ship Commercial  
Centers Open 12 Months or More as of September 30, 2024**

COMMERCIAL CENTERS IN SAMPLE			39
AVERAGE ANNUAL GROSS VOLUME			\$671,000
% MEETING OR EXCEEDING AVERAGE ANNUAL GROSS VOLUME			41%
RANGE OF ANNUAL GROSS VOLUME	\$3,115,000	to	\$77,000
MEDIAN ANNUAL GROSS VOLUME			\$470,000
RANGES, AVERAGES AND MEDIANS OF ANNUAL GROSS VOLUME GROUPED BY THIRDS:			
UPPER THIRD - AVERAGE ANNUAL GROSS VOLUME			\$1,260,000
- RANGE OF ANNUAL GROSS VOLUME	\$3,115,000	to	\$855,000
- MEDIAN ANNUAL GROSS VOLUME			\$1,106,000
MIDDLE THIRD - AVERAGE ANNUAL GROSS VOLUME			\$526,000
- RANGE OF ANNUAL GROSS VOLUME	\$796,000	to	\$353,000
- MEDIAN ANNUAL GROSS VOLUME			\$470,000
LOWER THIRD - AVERAGE ANNUAL GROSS VOLUME			\$226,000
- RANGE OF ANNUAL GROSS VOLUME	\$340,000	to	\$77,000
-MEDIAN ANNUAL GROSS VOLUME			\$243,000

**Chart 1 - Explanatory Note:**

1. As of September 30, 2024, 47 franchised Navis Pack & Ship commercial centers were in operation. The data in the chart above represents the actual operating results, in the fiscal year ended September 30, 2024, of the 39 commercial centers that were open 12 months or more as of September 30, 2024 (1 commercial centers were excluded for this reason), that had open and operating physical locations (5 franchisees were excluded for not having physical locations, since we no longer offer commercial center franchises for businesses of this type), and that operated primarily as commercial centers (2 franchisees were excluded for this reason, since 1 primarily

operated an independent custom furniture business and 1 primarily operated an independent full-service moving business). 16 of the 39 commercial centers (41%) achieved or exceeded the stated average annual Gross Volume. Ranges, averages and medians grouped by thirds were as follows: of the 13 commercial centers in the upper third, 3 achieved or exceeded the stated average annual Gross Volume; of the 13 commercial centers in the middle third, 5 achieved or exceeded the stated average annual Gross Volume; and of the 13 commercial centers in the lower third, 8 achieved or exceeded the stated average annual Gross Volume. In the fiscal year ended September 30, 2024, 0 Navis Pack & Ship commercial centers ceased operations, 0 after being terminated, 0 after not renewing, and 0 for other reasons.

### **Fiscal Year Ended September 30, 2024**

The information below is based on the actual Gross Margins in the fiscal year ended September 30, 2024, of the franchised Navis Pack & Ship commercial centers open 12 months or more as of September 30, 2024.

### **CHART 2**

#### **Average Annual Gross Margin and Median Annual Gross Margin, in Fiscal Year Ended September 30, 2024, of Franchised Navis Pack & Ship Commercial Centers Open 12 Months or More as of September 30, 2024**

<i>Average Annual Gross Margin</i>
<b>65%</b>
<i>Median Annual Gross Margin</i>
<b>63%</b>

#### **Chart 2 - Explanatory Notes:**

1. As of September 30, 2024, 47 franchised Navis Pack & Ship commercial centers were in operation. The data in the chart above represents the actual operating results, in the fiscal year ended September 30, 2024, of the 39 commercial centers that were open 12 months or more as of September 30, 2024 (1 commercial centers were excluded for this reason), that had open and operating physical locations (5 franchisees were excluded for not having physical locations, since we no longer offer commercial center franchises for businesses of this type), and that operated primarily as commercial centers (2 franchisees were excluded for this reason, since 1 primarily operated an independent custom furniture business and 1 primarily operated an independent full-service moving business). 16 of the 39 commercial centers (41%) achieved or exceeded the stated average annual Gross Volume. Ranges, averages and medians grouped by thirds were as follows: of the 13 commercial centers in the upper third, 3 achieved or exceeded the stated average annual Gross Volume; of the 13 commercial centers in the middle third, 5 achieved or exceeded the stated average annual Gross Volume; and of the 13 commercial centers in the lower third, 8 achieved or exceeded the stated average annual Gross Volume. In the fiscal year ended September 30, 2024, 0 Navis Pack & Ship commercial centers ceased operations, 0 after being terminated, 0 after not renewing, and 0 for other reasons.

2. 15 of the 39 commercial centers (65%) achieved or exceeded the stated average annual Gross Margin.
3. “Gross Margin” is Gross Volume, less the cost of freight, packaging materials, and freight insurance.
4. Although territory size may have an effect on Gross Margin, you should not assume that by merely purchasing a larger territory, your Gross Margin will be larger than otherwise.
5. The figures in the chart take into account only the cost of freight, packaging materials, and freight insurance, and do not take into account many of the other material costs involved in acquiring or operating a Navis Pack & Ship commercial center, including costs for: (a) marketing materials or other assorted merchandise you may use in your commercial center; (b) rent, utilities and insurance premiums; (c) taxes you may be required to pay to governmental authorities, including income taxes, property taxes, and other assorted taxes; (d) salaries paid to management personnel; or (e) other expenses associated with your commercial center, but which may not be listed here. The figures in the chart also do not take into account royalty fees or marketing fees paid to us. Gross Volume, Gross Margin, costs (including wages), net profit or profit (if any), and other figures will vary substantially from location to location, and from franchise to franchise (depending in part on how long a commercial center has been in business).

Charts 1-2 - General Explanatory Notes:

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” means 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.

We have prepared the information above based on sales reports submitted by the franchised commercial centers. Those reports are not audited, and we have not undertaken to independently verify the accuracy of the reports. We know of no instances in which, and have no reason to believe that, any franchised commercial centers overstated their Gross Volume or Gross Margin in any of the reports.

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 centers we currently franchise.

We will make written substantiation of the information above available to you on reasonable request, subject possibly to a requirement to sign a confidentiality agreement.

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 or not a franchised business may be profitable, and that you consult with legal, accounting and other business advisors before signing our franchise agreement.

There are no financial performance representations made for our existing Handle With Care Packaging Store commercial centers. This is because the existing commercial centers differ from new commercial centers being franchised. The existing commercial centers were added to our system when we acquired The Packaging Store, Inc., have different franchise agreements from

our standard franchise agreement, do not use our ABConnect proprietary software, have a different marketing fee structure, and have locations that may not conform to our current real estate criteria.

**Some commercial 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**

#### **NAVIS PACK & SHIP COMMERCIAL CENTERS**

#### **. TABLE NO. 1**

#### **NAVIS PACK & SHIP COMMERCIAL CENTERS**

#### **Systemwide Outlet Summary for Years 2022 to 2024**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets At Start Of Year</b>	<b>Outlets At End Of Year</b>	<b>Net Change</b>
Franchised	2022	47	45	-2
	2023	45	46	+1
	2024	46	47	+1
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
<b>Total Outlets</b>	<b>2022</b>	<b>47</b>	<b>45</b>	<b>-2</b>
	<b>2023</b>	<b>45</b>	<b>46</b>	<b>+1</b>
	<b>2024</b>	<b>46</b>	<b>47</b>	<b>+1</b>