

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 about possible performance at a particular location or under particular circumstances.

Part I of this Item 19 presents historical unaudited information about 186 franchised territories ("Franchised Territories") that were open and continuously operating from October 1, 2022, through September 30, 2023 (the "2022-2023 Accounting Period"). As the end of the 2022-2023 Accounting Period, there were 208 Franchised Territories open and operating in the United States. Of the 22 Franchised Territories excluded from the tables in Part I of this Item 19, 9 Franchised Territories are excluded because the U.S. Lawns Landscape Businesses for such territories were not continuously operating for the full 2022-2023 Accounting Period and are pending formal termination, 8 Franchised Territories are excluded because the franchisee reports were not submitted in a complete and timely fashion for inclusion in Part 1 of this Item 19, and 5 Franchised Territories are excluded from Part I of this Item 19 because the U.S. Lawns Landscape Business for such territory commenced operations during the 2022-2023 Accounting Period and was open less than the full 12 month 2022-2023 Accounting Period. In addition, 6 Franchised Territories closed during the 2022-2023 Accounting Period and are not included in this Item 19. Of the 6 that closed during the 2021-2022 Accounting Period, none were closed after being open for less than 12 months.

Part II of this Item 19 presents historical unaudited information about 196 franchised territories ("Franchised Territories") that were open and continuously operating from October 1, 2021, through September 30, 2022 (the "2021-2022 Accounting Period"). As the end of the 2021-2022 Accounting Period, there were 209 Franchised Territories open and operating in the United States. Of the 13 Franchised Territories excluded from the tables in Part II of this Item 19, 4 Franchised Territories are excluded because they U.S. Lawns Landscape Businesses for such territories were not continuously operating for the full 2021-2022 Accounting Period and are pending formal termination, 8 Franchised Territories are excluded because the franchisee reports were not submitted in a complete and timely fashion for inclusion in Part 1 of this Item 19, and 1 Franchised Territory is excluded from Part II of this Item 19 because the U.S. Lawns Landscape Business for such territory commenced operations during the 2021-2022 Accounting Period and was open less than the full 12 month 2021-2022 Accounting Period. In addition, 14 Franchised Territories closed during the 2021-2022 Accounting Period and are not included in this Item 19. Of the 14 that closed during the 2021-2022 Accounting Period, none were closed after being open for less than 12 months.

All amounts are shown in U.S. dollars.

PART I – 2022-2023 ACCOUNTING PERIOD DATA

STATEMENT OF AVERAGE AND MEDIAN GROSS SALES

The following Tables 1A and 1B present unaudited information about the average and median Gross Sales of the 186 Franchised Territories that were open and continuously operating for the 2022-2023 Accounting Period.

As used in this Item 19, the term "Gross Sales" means all revenue and income from any source derived or received by the Franchised Territories from, through, by or on account of the operation of the

Franchised Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the amount of any documented refunds given in good faith to customers and less any sales taxes. We obtained this Gross Sales information from unaudited franchisee reports submitted to us consistent with our reporting requirements. Neither we nor our independent certified public accountants have audited or verified any of the Gross Sales information reported to us. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

TABLE 1A
GROSS SALES OF THE 186 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2022-2023 ACCOUNTING PERIOD

# of Full Calendar Years	Average Gross Sales	High	Median	Low	Number & % Above Average	Number & % Below Average	Number & % Above Median	Number & % Below Median
1+	\$1,188,352	\$8,884,545	\$866,770	\$27,293	63 / 34%	123 / 66%	93 / 50%	93 / 50%

TABLE 1B
GROSS SALES BY “TIME PERIOD” OF THE 186 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2022-2023 ACCOUNTING PERIOD

# of Full Calendar Years	Average Gross Sales	High	Median	Low	Number & % Above Average	Number & % Below Average	Number & % Above Median	Number & % Below Median
5+	\$1,327,765	\$8,884,545	\$942,910	\$27,294	50 / 34%	97 / 66%	73 / 50%	74 / 50%
3-4	\$692,261	\$2,816,336	\$586,845	\$49,120	14 / 39%	22 / 61%	18 / 50%	18 / 50%
1-2	\$310,196	\$700,760	\$176,698	\$53,128	1 / 33%	2 / 67%	2 / 67%	1 / 33%

Footnotes to Tables 2A and 2B

- (1) Number of Full Calendar Years – The term “Number of Full Calendar Years” refers to the relative performance of the Franchised Territories included in this Item 19 by their length of time in operation, also referred to as the “time period”. Specifically, “1-2” full calendar years refers to Franchised Territories in operation between 12 months and 35 months; “3-4” full calendar years refers to Franchised Territories in operation between 36 months and 59 months; and “5+” full calendar years refers to Franchised Territories in operation 60 months or longer. Table 1A includes all 186 Franchised Territories open the entire 2022-2023 Accounting Period regardless of the number of full calendar years in operation. Table 1B includes all 186 Franchised Territories and is separated by the number of full calendar years in operation.
- (2) Gross Sales – As referenced above, “Gross Sales” means all revenue and income from any source derived or received by the Franchised Territory from, through, by or on account of the operation of the Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the amount of any documented refunds given in good faith to customers and less any sales taxes.

- (3) Average Gross Sales – In the above charts, Average Gross Sales is defined by the total Gross Sales of each time period divided by the number of Franchised Territories in each time period as referenced in the “Number of Full Calendar Years” description. As noted above, information relating to the Franchised Territories is based on unaudited franchisee reports submitted to us.
- (4) Median – This is the Median Gross Sales amount for each grouping of Franchised Territories in the charts above. In calculating the median for the Franchised Territories in the tables above, the two central amounts for an odd number of Franchised Territories were averaged.
- (5) High – Discloses the highest Gross Sales from a Franchised Territory within each time period.
- (6) Low – Discloses the lowest Gross Sales from a Franchised Territory within each time period.
- (7) Number & % Above Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales met or exceeded the Average Gross Sales.
- (8) Number & % Below Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales were less than the Average Gross Sales.
- (9) Number & % Above Median – Refers to the number percentage of Franchised Territories for each time period whose Gross Sales met or exceeded Median Gross Sales.
- (10) Number & % Below Median – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales were less than the Median Gross Sales.

STATEMENT ON AVERAGE AND MEDIAN GROSS SALES BY QUARTILE

The following Table 1C presents unaudited information about the average and median Gross Sales of the 186 Franchised Territories that were open and continuously operating during the 2022-2023 Accounting Period. 186 Franchised Territories are represented and divided into quartiles based on Gross Sales. The quartiles were derived by taking the 186 Franchised Territories and dividing them into four evenly-sized groups, with the Franchised Territories achieving the highest Gross Sales being in the fourth quartile, the next highest being in the third quartile, and so forth.

TABLE 1C
GROSS SALES BY QUARTILE OF THE 186 FRANCHISED TERRITORIES
OPEN FOR MORE THAN ONE YEAR AND THE ENTIRE 2022-2023 ACCOUNTING PERIOD

Quartile	First Quartile	Second Quartile	Third Quartile	Fourth Quartile	All Quartiles
Average Gross Sales	\$2,825,787	\$1,123,692	\$613,936	\$203,885	\$1,188,352
High	\$8,884,545	\$1,471,814	\$859,246	\$374,906	\$8,884,545
Low	\$1,473,765	\$866,770	\$387,755	\$27,294	\$27,293
Median	\$2,243,116	\$1,118,865	\$610,295	\$214,226	\$866,770
Number of Territories	46	47	47	46	186
Number / % Above Average	13 / 28%	21 / 45%	21 / 45%	25 / 54%	63 / 34%
Number / % Below Average	33 / 72%	26 / 55%	26 / 55%	21 / 46%	123 / 66%
Number / % Above Median	23 / 50%	23 / 49%	23 / 49%	23 / 50%	93 / 50%

Quartile	First Quartile	Second Quartile	Third Quartile	Fourth Quartile	All Quartiles
Number / % Below Median	23 / 50%	24 / 51%	24 / 51%	23 / 50%	93 / 50%

- (1) Gross Sales – As referenced above, “Gross Sales” means all revenue and income from any source derived or received by the Franchised Territory from, through, by or on account of the operation of the Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the amount of any documented refunds given in good faith to customers and less any sales taxes.
- (2) Average Gross Sales – In the above chart, Average Gross Sales is defined by the total Gross Sales of the Franchise Territory in each quartile during the 2022-2023 Accounting Period divided by the number of Franchised Territories in each quartile. As noted above, information relating to the Franchised Territories is based on unaudited franchisee reports submitted to us.
- (3) Median – This is the Median Gross Sales amount for each quartile of Franchised Territories in the chart above. In calculating the median for the Franchised Territories in the table above, the two central amounts for an odd number of Franchised Territories were averaged.
- (4) High – Discloses the highest Gross Sales from a Franchised Territory within each quartile.
- (5) Low – Discloses the lowest Gross Sales from a Franchised Territory within each quartile.
- (6) Number & % Above Average – Refers to the number and percentage of Franchised Territories for each quartile whose Gross Sales met or exceeded the Average Gross Sales for the relevant quartile.
- (7) Number & % Below Average – Refers to the number and percentage of Franchised Territories for each quartile whose Gross Sales were less than the Average Gross Sales for the relevant quartile.
- (8) Number & % Above Median – Refers to the number percentage of Franchised Territories for each quartile whose Gross Sales met or exceeded Median Gross Sales for the relevant quartile.
- (9) Number & % Below Median – Refers to the number and percentage of Franchised Territories for each quartile whose Gross Sales were less than the Median Gross Sales for the relevant quartile.

STATEMENT OF AVERAGE AND MEDIAN GROSS PROFITS

The following Tables 1D and 1E present unaudited information about the average Gross Profit of the 186 Franchised Territories that were open and continuously operating during the 2022-2023 Accounting Period. As used in this Item 19, the term “Gross Profit” means all revenue and income from any source derived or received by the Franchised Territories from, through, by or on account of the operation of the Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the cost of providing the service, including; direct costs (labor, materials, supplies, royalties), equipment overheads (payments, insurance, repairs & maintenance, gas & oil) and indirect costs (supervisory salaries, waste disposal, uniforms). We obtained this Gross Profit information from unaudited franchisee reports submitted to us consistent with our reporting requirements. Neither we nor our independent certified public accountants have audited or verified any of the Gross Profit information reported to us. Franchisees are not required to use generally accepted

accounting principles when reporting these figures.

TABLE 1D
GROSS PROFITS BY OF THE 186 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2022-2023 ACCOUNTING PERIOD

# of Full Calendar Years	Average Gross Profit	High	Median	Low	Number & % Above Average	Number & % Below Average	Number & % Above Median	Number & % Below Median
1+	\$406,438	\$3,517,790	\$260,481	(\$514)	52 / 28%	134 / 82%	93 / 50%	93 / 50%

TABLE 1E
GROSS PROFITS BY “TIME PERIOD” OF THE 186 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2022-2023 ACCOUNTING PERIOD

# of Full Calendar Years	Average Gross Profit	High	Median	Low	Number & % Above Average	Number & % Below Average	Number & % Above Median	Number & % Below Median
5+	\$449,612	\$3,517,790	\$286,034	\$4,111	40 / 27%	106 / 73%	73 / 50%	74 / 50%
3-4	\$249,846	\$905,813	\$174,501	(\$514)	15 / 42%	21 / 58%	18 / 50%	18 / 50%
1-2	\$170,041	\$394,416	\$98,175	\$17,532	1 / 33%	2 / 67%	2 / 67%	1 / 33%

Footnotes to Tables 1D and 1E

- (1) Number of Full Calendar Years – The term “Number of Full Calendar Years” refers to the relative performance of the Franchised Territories included in this Item 19 by their length of time in operation, also referred to as the “time period”. Specifically, “1-2” full calendar years refers to Franchised Territories in operation between 12 months and 35 months; “3-4” full calendar years refers to Franchised Territories in operation between 36 months and 59 months; and “5+” full calendar years refers to Franchised Territories in operation 60 months or longer. Table 1D includes all 186 Franchised Territories open the entire 2022-2023 Accounting Period regardless of the number of full calendar years in operation. Table 1E includes all 186 Franchised Territories and is separated by the number of full calendar years in operation.
- (2) Gross Profit – As referenced above, “Gross Profit” means all revenue and income from any source derived or received by the Franchised Territory from, through, by or on account of the operation of the Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the cost of providing the service, including; direct costs (labor, materials, supplies, royalties), equipment overheads (payments, insurance, repairs & maintenance, gas & oil) and indirect costs (supervisory salaries, waste disposal, uniforms).
- (3) Average Gross Profit – In the above charts, Average Gross Profit is defined by the total Gross Profits of each time period divided by the number of Franchised Territories in each time period as referenced in the “Number of Full Calendar Years” description. As noted above, information relating to the Franchised Territories is based on unaudited franchisee reports submitted to us.

- (4) Median – This is the Median Gross Profit amount for each grouping of Franchised Territories in the charts above. In calculating the median for the Franchised Territories in the tables above, the two central amounts for an odd number of Franchised Territories were averaged.
- (5) High – Discloses the highest Gross Profits from a Franchised Territory within each time period.
- (6) Low – Discloses the lowest Gross Profits from a Franchised Territory within each time period.
- (7) Number & % Above Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits met or exceeded the Average Gross Profits.
- (8) Number & % Below Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits were less than the Average Gross Profits.
- (9) Number & % Above Median – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits met or exceeded Median Gross Profits.
- (10) Number & % Below Median – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits were less than the Median Gross Profits.

STATEMENT ON AVERAGE COST PERCENTAGES BY CATEGORY

The following table presents unaudited information about the average cost percentages of the 186 Franchised Territories that were open and continuously operating during the 2022-2023 Accounting Period (meaning October 1, 2022 through September 30, 2023). Cost information is shown as a percentage of Gross Sales. As used in Item 19, the term “Gross Sales” means all revenue and income from any source derived or received by the Franchised Territories from, through, by or on account of the operation of the Franchised Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the amount of any documented refunds given in good faith to customers and less any sales tax. We obtained this cost information from unaudited franchisee reports submitted to us consistent with our reporting requirements. Neither we nor our independent certified public accountants have audited or verified any of the cost information reported to us. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

AVERAGE COST PERCENTAGES OF THE 186 FRANCHISED TERRITORIES OPEN FOR MORE THAN ONE YEAR AND FOR THE ENTIRE 2022-2023 ACCOUNTING PERIOD

Direct Costs	Equipment Overhead	Indirect Costs	Gross Profit	Administrative Costs	Net Profit
50.2%	11.4%	5.4%	33.0%	15.7%	17.3%

- (1) Direct Costs – Refers to the average percentage of Gross Sales that is attributed to Direct Costs. Direct Costs include labor, materials supplies, royalties, subcontractor payments and equipment rentals.

(2) Equipment Overhead – Refers to the average percentage of Gross Sales that is attributed to Equipment Overhead. Equipment Overhead includes payments, insurance, repairs, maintenance, gas and oil.

(3) Indirect Costs - Refers to the average percentage of Gross Sales that is attributed to Indirect Costs. Indirect Costs include supervisory salaries, waste disposal and uniforms.

(4) Gross Profit – Refers to the average Gross Profit percentage. Gross Profit is defined as Gross Sales less Direct Costs, Equipment Overhead and Indirect Costs.

(5) Administrative Costs – Refers to the average percentage of Gross Sales that is attributed to Administrative Costs. Administrative Costs include owner/officer salaries, owner benefit, rent, utilities, insurance, office supplies promotional/advertising expenses, sales expenses, licenses and interest.

(6) Net Profit – Refers to the percentage of Gross Sales that is remaining after all working expenses (direct, equipment, indirect and administrative) have been paid.

PART II – 2021-2022 ACCOUNTING PERIOD DATA

STATEMENT OF AVERAGE AND MEDIAN GROSS SALES

The following Tables 2A and 2B present unaudited information about the average and median Gross Sales of the 196 Franchised Territories that were open and continuously operating for the 2021-2022 Accounting Period.

As used in this Item 19, the term “Gross Sales” means all revenue and income from any source derived or received by the Franchised Territories from, through, by or on account of the operation of the Franchised Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the amount of any documented refunds given in good faith to customers and less any sales taxes. We obtained this Gross Sales information from unaudited franchisee reports submitted to us consistent with our reporting requirements. Neither we nor our independent certified public accountants have audited or verified any of the Gross Sales information reported to us. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

TABLE 2A
GROSS SALES OF THE 196 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2021-2022 ACCOUNTING PERIOD

# of Full Calendar Years (Note 1)	Average Gross Sales (Notes 2 and 3)	High (Note 5)	Median (Note 4)	Low (Note 6)	Number & % Above Average (Note 7)	Number & % Below Average (Note 8)	Number & % Above Median (Note 9)	Number & % Below Median (Note 10)
1+	\$1,076,284	\$6,606,471	\$745,761	\$35,083	63 / 32%	133 / 68%	98 / 50%	98 / 50%

TABLE 2B
GROSS SALES BY “TIME PERIOD” OF THE 196 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2021-2022 ACCOUNTING PERIOD

# of Full Calendar Years (Note 1)	Average Gross Sales (Notes 2 and 3)	High (Note 5)	Median (Note 4)	Low (Note 6)	Number & % Above Average (Note 7)	Number & % Below Average (Note 8)	Number & % Above Median (Note 9)	Number & % Below Median (Note 10)
5+	\$1,184,805	\$6,606,471	\$787,326	\$35,084	52 / 33%	108 / 67%	80 / 50%	80 / 50%
3-4	\$616,561	\$3,146,405	\$481,325	\$95,764	14 / 42%	19 / 58%	16 / 48%	17 / 52%
1-2	\$345,455	\$860,915	\$133,644	\$41,806	1 / 33%	2 / 67%	2 / 67%	1 / 33%

Footnotes to Tables 2A and 2B

- (11) Number of Full Calendar Years – The term “Number of Full Calendar Years” refers to the relative performance of the Franchised Territories included in this Item 19 by their length of time in operation, also referred to as the “time period”. Specifically, “1-2” full calendar years refers to Franchised Territories in operation between 12 months and 35 months; “3-4” full calendar years refers to Franchised Territories in operation between 36 months and 59 months; and “5+” full calendar years refers to Franchised Territories in operation 60 months or longer. Table 2A includes all 196 Franchised Territories open the entire 2021-2022 Accounting Period regardless of the number of full calendar years in operation. Table 2B includes all 196 Franchised Territories and is separated by the number of full calendar years in operation.
- (12) Gross Sales – As referenced above, “Gross Sales” means all revenue and income from any source derived or received by the Franchised Territory from, through, by or on account of the operation of the Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the amount of any documented refunds given in good faith to customers and less any sales taxes.
- (13) Average Gross Sales – In the above charts, Average Gross Sales is defined by the total Gross Sales of each time period divided by the number of Franchised Territories in each time period as referenced in the “Number of Full Calendar Years” description. As noted above, information relating to the Franchised Territories is based on unaudited franchisee reports submitted to us.
- (14) Median – This is the Median Gross Sales amount for each grouping of Franchised Territories in the charts above. In calculating the median for the Franchised Territories in the tables above, the two central amounts for an odd number of Franchised Territories were averaged.
- (15) High – Discloses the highest Gross Sales from a Franchised Territory within each time period.
- (16) Low – Discloses the lowest Gross Sales from a Franchised Territory within each time period.
- (17) Number & % Above Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales met or exceeded the Average Gross Sales.
- (18) Number & % Below Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales were less than the Average Gross Sales.

- (19) Number & % Above Median – Refers to the number percentage of Franchised Territories for each time period whose Gross Sales met or exceeded Median Gross Sales.
- (20) Number & % Below Median – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales were less than the Median Gross Sales.

STATEMENT ON AVERAGE AND MEDIAN GROSS SALES BY QUARTILE

The following Table 2C presents unaudited information about the average and median Gross Sales of the 196 Franchised Territories that were open and continuously operating during the 2021-2022 Accounting Period. 196 Franchised Territories are represented and divided into quartiles based on Gross Sales. The quartiles were derived by taking the 196 Franchised Territories and dividing them into four evenly-sized groups, with the Franchised Territories achieving the highest Gross Sales being in the fourth quartile, the next highest being in the third quartile, and so forth. All amounts are shown in U.S. dollars.

TABLE 2C
GROSS SALES BY QUARTILE OF THE 196 FRANCHISED TERRITORIES
OPEN FOR MORE THAN ONE YEAR AND THE ENTIRE 2021-2022 ACCOUNTING PERIOD

Quartile	First Quartile	Second Quartile	Third Quartile	Fourth Quartile	All Quartiles
Average Gross Sales (Notes 1 and 2)	\$2,568,437	\$949,154	\$563,603	\$223,942	\$1,076,284
High (Note 4)	\$6,606,471	\$1,303,569	\$736,108	\$394,471	\$6,606,471
Low (Note 5)	\$1,318,180	\$740,914	\$394,471	\$35,084	\$745,761
Median (Note 3)	\$2,110,173	\$896,130	\$537,772	\$237,586	\$35,083
Number of Territories	49	49	49	49	196
Number / % Above Average (Note 6)	17 / 35%	22 / 45%	21 / 43%	25 / 51%	63 / 32%
Number / % Below Average (Note 7)	32 / 65%	27 / 55%	28 / 57%	24 / 49%	133 / 68%
Number / % Above Median (Note 8)	24 / 49%	24 / 49%	24 / 49%	25 / 51%	98 / 50%
Number / % Below Median (Note 9)	25 / 51%	25 / 51%	25 / 51%	24 / 49%	98 / 50%

- (10) Gross Sales – As referenced above, “Gross Sales” means all revenue and income from any source derived or received by the Franchised Territory from, through, by or on account of the operation of the Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the amount of any documented refunds given in good faith to customers and less any sales taxes.
- (11) Average Gross Sales – In the above chart, Average Gross Sales is defined by the total Gross Sales of the Franchise Territory in each quartile during the 2020-2021 Accounting Period divided by the number of Franchised Territories in each quartile. As noted above, information relating to the Franchised Territories is based on unaudited franchisee reports submitted to us.
- (12) Median – This is the Median Gross Sales amount for each quartile of Franchised Territories in the chart above. In calculating the median for the Franchised Territories in the table above, the two central amounts for an odd number of Franchised Territories were averaged.

- (13) High – Discloses the highest Gross Sales from a Franchised Territory within each quartile.
- (14) Low – Discloses the lowest Gross Sales from a Franchised Territory within each quartile.
- (15) Number & % Above Average – Refers to the number and percentage of Franchised Territories for each quartile whose Gross Sales met or exceeded the Average Gross Sales for the relevant quartile.
- (16) Number & % Below Average – Refers to the number and percentage of Franchised Territories for each quartile whose Gross Sales were less than the Average Gross Sales for the relevant quartile.
- (17) Number & % Above Median – Refers to the number percentage of Franchised Territories for each quartile whose Gross Sales met or exceeded Median Gross Sales for the relevant quartile.
- (18) Number & % Below Median – Refers to the number and percentage of Franchised Territories for each quartile whose Gross Sales were less than the Median Gross Sales for the relevant quartile.

STATEMENT OF AVERAGE AND MEDIAN GROSS PROFITS

The following Tables 2D and 2E present unaudited information about the average Gross Profit of the 196 Franchised Territories that were open and continuously operating during the 2021-2022 Accounting Period. As used in this Item 19, the term “Gross Profit” means all revenue and income from any source derived or received by the Franchised Territories from, through, by or on account of the operation of the Territory, whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, less the cost of providing the service, including; direct costs (labor, materials, supplies, royalties), equipment overheads (payments, insurance, repairs & maintenance, gas & oil) and indirect costs (supervisory salaries, waste disposal, uniforms). We obtained this Gross Profit information from unaudited franchisee reports submitted to us consistent with our reporting requirements. Neither we nor our independent certified public accountants have audited or verified any of the Gross Profit information reported to us. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

TABLE 2D
GROSS PROFITS BY OF THE 196 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2021-2022 ACCOUNTING PERIOD

# of Full Calendar Years (Note 1)	Average Gross Profit (Notes 2 and 3)	High (Note5)	Median (Note 4)	Low (Note 6)	Number & % Above Average (Note 7)	Number & % Below Average (Note 8)	Number & % Above Median (Note 9)	Number & % Below Median (Note 10)
1+	\$385,687	\$2,482,673	\$249,641	(\$26,380)	66 / 34%	130 / 66%	98 / 50%	98 / 50%