

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 us to provide information about the actual or potential financial performance of our Franchised Businesses, 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) we provide the actual records of an existing Franchised Business You are considering buying; or (2) we supplement the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Mr. Duct Cleaner's Affiliate's performance is provided here as a sole proprietor (e.g., not franchise). Mr. Duct Cleaner Affiliate has operated in the Dallas – Fort Worth, Texas, metro area for the past 16 years. During the past five years, Mr. Duct Cleaner's Affiliate has operated one of the franchise territories, Collin County, with two crews with vans to serve this area. There is no assurance You'll do as well. If You rely on our figures, You must accept the risk of not doing as well. We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize Our employees or representatives to make any such representations either orally or in writing.

Table 1 – AFFILIATE PROFIT & LOSS - 2025

The Profit and Loss (restated EBITDA) for our affiliate, Mr. Duct Cleaner Collin County, for 2025 is provided below.

<i>Job Income</i>	
Duct Cleaning and Related Income	<u>\$574,809.37</u>
Total for Income	<u>\$574,809.37</u>
<i>Cost of Goods Sold</i>	
Job Materials Purchased	\$ 23,304.49
Royalties (6%)	\$ 34,488.56
Marketing Fee (2%)	\$ 11,496.19
Equipment Rental for Jobs	\$ 5,544.74
Referral Fees	\$ 1,167.50
Commissions	\$ 65.00
Subcontractors Expense	\$ 1,582.67
Merchant Account Fees	<u>\$ 14,291.40</u>
Total for Cost of Goods Sold	<u>\$ 91,940.55</u>
Gross Profit	<u>\$482,868.82</u>

Expenses**Advertising and Promotion**

Advertising	\$ 2,003.22
Business Meals	\$ 457.22
Online Lead Companies	\$ <u>1,138.41</u>
Total Advertising and Promotion	\$ <u>3,598.85</u>

Office and Admin Expense

Office supplies, license, and admin	\$ 3,152.44
Dues and Subscriptions	\$ 3,770.64
Bank Service Charges	\$ 489.56
Business Licenses and Permits	\$ 104.98
Telephone Expense	\$ 2,682.89
Training Expense	\$ 1,120.00
Travel Expense	\$ 801.21
Uniforms	\$ 273.87
Rent Expense	\$ 5,700.93
Storage Fee	\$ <u>4,124.55</u>
Office and Admin Expense Total	\$ <u>22,221.07</u>

Insurance Expense

General Liability Insurance	\$ <u>5,680.06</u>
Total Insurance Expense	\$ <u>5,680.06</u>

Fleet Expenses

Auto Insurance	\$ 21,027.07
Auto Repairs and Maintenance	\$ 4,754.52
Gas & Fuel	\$ 11,638.52
Tolls/Parking/Licenses	\$ 3,074.00
Vehicle Registration	\$ 78.50
Repairs and Maintenance	\$ <u>3,772.88</u>
Total for Fleet Related	\$ <u>44,345.49</u>

Payroll Expenses

Payroll	\$157,462.35
Payroll Taxes	\$ <u>19,926.86</u>
Total for Payroll Expenses	\$ <u>177,389.21</u>

Professional Services

Legal & Accounting	\$ <u>6,350.00</u>
Total for Professional Services	\$ <u>6,350.00</u>

Total for Expenses	\$ <u>259,584.68</u>
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ADJUSTED EBITDA

\$223,284.14

Six franchisees, not including our franchise affiliate, operated for the entire 2025. These are listed in Table 3. One franchisee started the year but stopped operations before the year end.

Table 2 – FRANCHISE BUSINESS GROSS VOLUME - 2025

<u>Unit Identifier</u>	<u>2025 Revenue</u>	<u>Territories</u>	<u>Population</u>
Unit #1	\$ 319,454	1	1,239,889
Unit #2	\$ 747,647	2	2,259,904
Unit #3	\$ 529,711	2	1,314,344
Unit #4	\$ 502,502	1	2,419,822
Unit #5	\$ 416,479	1	1,649,918
Unit #6	<u>\$ 183,647</u>	<u>1</u>	<u>1,286,330</u>
Average	<u>\$ 449,907</u>	<u>8</u>	
Low	\$ 183,647		
High	\$ 747,647		
Median	\$ 465,647		

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much. Our Affiliate does not pay all of the royalties and other fees that Franchisees are required to pay. We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize Our employees or representatives to make any such representations either orally or in writing.

Note 1: The Franchised Businesses included above operate under the same marks and offer the same services that you will offer. The FRANCHISEES under the Mr. Duct Cleaner Franchise System are directly responsible for all costs and expenses associated with their independently owned and operated businesses.

Note 2: Territories vary in size across the Mr. Duct Cleaner franchise system. In situations, where a franchisee reports combined Gross Volume collectively across multiple territories, We have provided the total revenue produced by territories producing that Gross Volume.

There is no assurance You'll do as well. If You rely on our figures, You must accept the risk of not doing as well. We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize Our employees or representatives to make any such representations either orally or in writing.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable written request. We strongly recommend that you conduct your own independent investigation to determine whether a Franchised Business may be profitable for you. The above information is only a reference point, and we strongly suggest that you make

your own analysis and prepare your own projections. We strongly encourage you to consult with your professional advisors regarding your financial projections and federal, state, and local tax and other laws that may impact the performance and operations of a Franchised Business.

Other than the preceding financial performance representation, Mr. Duct Cleaner does not make any financial performance representations.

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 Les Clow, CEO/Chief Duct Cleaner of Mr. Duct Cleaner Franchise Systems, Inc, 190 East Stacy Road. Suite 306-224, Allen, TX 75002, 844-444-DUCT or 469-260-6500, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 - OUTLETS AND FRANCHISEE INFORMATION

Systemwide Outlet Summary For Years 2023 to 2025

**Table No. 1
System-wide Outlet Summary
For Years 2023–2025**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	8	10	2
	2024	10	9	-1
	2025	9	16	7
Company Owned	2023	1	2	1
	2024	2	1	-1
	2025	1	1	0
Total Outlets	2023	9	12	3
	2024	12	10	-2
	2025	10	17	7