

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC 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 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 that 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.

Background

This financial representation includes certain historical sales information for the PRESERVE SERVICES affiliate-owned business, SRMB Contracting, LLC, which operates under the mark “PRESERVE SERVICES” in Salem, Massachusetts, and two franchises which meet the criteria below. The PRESERVE SERVICES affiliate-owned business is substantially similar to and does not materially differ from the single unit franchise offered.

We believe that the following financial data has been compiled using generally accepted accounting principles, but the data is unaudited and no assurance can be offered that the data does not contain inaccuracies that an audit might disclose.

In this Item, because business maturation for our business model can take up to 12 months, we are reporting only on those businesses open for 12 months or more and which provided reports for the period.

The following is an historic financial representation for the period of January 1, 2024 to December 31, 2024 of PRESERVE SERVICES affiliate-owned business operating under the PRESERVE SERVICES Mark for a minimum of 12 months. As of December 31, 2024, of our seven franchises open, we had seven franchise units which were open for 12 months or more under the same ownership. The affiliate-owned business in this financial representation is a mature PRESERVE SERVICES business which has been operating consistently under the same ownership since 2018.

AFFILIATE

The table below sets forth the Gross Sales and related information for the PRESERVE SERVICES affiliate-owned business for the fiscal year ending 2024. Gross Sales is defined as the business’s total sales billed to the customer for all completed sales.

Fiscal Year	Gross Sales*	COGS**	Gross Profit	Gross Margin %
2024	\$3,870,485	\$2,589,942	\$1,280,543	33%

Notes:

*Gross Sales includes income from the sale of carpentry, painting and roofing services, less sales, use or service taxes, customer refunds and adjustments.

** Cost of Goods Sold (COGS) includes labor, material, permits, trash removal and the affiliate's disclosure adjusted to allocate for the payment of 5% Royalties, 2% Marketing Fund fees and 1% Technology Fee.

2024 Revenue by Percent Per Service Category		
Carpentry 54%	Painting 42%	Roofing 6%

2024 Sales Data		
Number of Estimates - 1072	Number of Contracts - 488	Sales Conversion 45%

FRANCHISES

The table below sets forth the Gross Sales and related information for the two PRESERVE SERVICES franchised businesses as defined above for the fiscal year ending 2024. Gross Sales is defined as the business's total sales billed to the customer for all completed sales.

Franchises	Gross Sales*	COGS**	Gross Profit	Gross Margin %
#1	\$508,272	\$309,618	\$198,654	39%
#2	\$640,433	\$437,283	\$203,150	32%
#3	\$1,070,110	\$755,076	\$311,960	29%
#4	\$764,390	\$510,556	\$253,834	33%
#5	\$655,062	\$463,759	\$191,303	29%
#6	\$488,425	\$301,334	\$183,811	38%
#7	\$777,780	\$545,990	\$231,790	30%

Notes:

*Gross Sales includes income from the sale of carpentry and painting services, less sales, use or service taxes, customer refunds and adjustments.

** Cost of Goods Sold (COGS) includes labor, material, permits, trash removal, 5% Royalties, 2% Marketing Fund fees and 1% Technology Fee.

2024 Revenue by Percent Per Service Category			
Franchise	Carpentry	Painting	Roofing
#1	47%	54%	0%
#2	54%	46%	0%

#3	56%	42%	2%
#4	60%	40%	0%
#5	30%	70%	0%
#6	46%	51%	3%
#7	54%	46%	0%

2024 Sales Data			
Franchises	Number of Estimates	Number of Contracts	Sales Conversion
#1	290	153	52%
#2	134	46	39%
#3	327	116	36%
#4	221	92	41%
#5	180	70	39%
#6	261	54	21%
#7	193	75	34%

The above figures do not reflect the costs of sales, operating expenses or other costs and expenses that must be deducted from the gross revenue or gross receipt figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your PRESERVE SERVICES Franchised Business. Franchisees listed in the Disclosure Document, may be one source of this information.

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

Written substantiation of the data used in preparing the earnings claim will be made available to you upon reasonable request.

Other than the preceding financial performance representation, 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 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 our Managing Member, Sean O'Connor, Preserve Services Franchise Systems, LLC, 203 Washington Street, #256, Salem, Massachusetts 01970, the Federal Trade Commission, and the appropriate state regulatory agencies.

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OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2022 TO 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	3	6	+3
	2023	6	8	+2
	2024	8	7	-1
Company-Owned*	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	4	7	+3
	2023	7	9	+2
	2024	9	8	-1

* We do not operate any Company-Owned outlets. The Company-owned Outlet reflected in the above chart is owned and operated in Massachusetts by our affiliate, as described in Item 1.

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Number of Transfers
MA	2022	0
	2023	0
	2024	1
Totals	2022	0
	2023	0
	2024	1