

Provision	Sections in Franchise Agreement or Other Agreement	Summary
u. Dispute resolution by arbitration or mediation	Section 19	Subject to applicable state law and except for certain claims, all disputes must be arbitrated in North Carolina
v. Choice of forum	Sections 19.1 & 20.1	Subject to applicable state law, Arbitration must be in North Carolina (see state specific addenda)
w. Choice of law	Sections 19.1 & 20.1	Subject to applicable state law, North Carolina law applies (see state specific addenda)

ITEM 18 PUBLIC FIGURES

We do not currently 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 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 outlet or under particular circumstances.

Part 1 Main Line Brands, LLC - Hickory ("Local Operations")

Part 1 of this Financial Performance Representation includes the following detailed information for our company-owned and operated single territory in Hickory, North Carolina that has been in operation since 2009. The following information reflects the periods January 1, 2023 through December 31, 2023 and January 1, 2024 through December 31, 2024:

Part 1 omits information for a second, previously company-owned and operated Mosquito, Tick, Fly and Spotted Lantern Fly Control Specialty Business in West Chester, Pennsylvania, which we acquired from a franchisee in February 2023 and sold to a third-party franchisee in 2024.

[CHART BEGINS ON THE FOLLOWING PAGE]

Main Line Brands, LLC - Hickory
Profit & Loss
January through December 2023 and 2024

	<u>2023</u>	<u>2024</u>
Ordinary Income/Expense		
Income		
Barrier Spray Service	374,420.19	357,326.25
Pest Service	0.00	26,865.73
Total Income	374,420.19	384,191.98
Cost of Goods Sold		
Chemicals		
Barrier Spray	10,921.16	17,646.49
Fly Traps & Lures	1,775.00	0.00
Total · Chemicals	12,696.16	17,646.49
Technician Labor	55,924.78	63,540.56
Technician Bonus	10,400.00	4,375.00
Equipment	5,954.08	703.05
Customer Refunds	1,059.00	826.84
Total COGS	86,034.02	87,091.94
Gross Profit	288,386.17	297,100.04
Expense		
Royalty Fees	36,739.05	29,479.46
Advertising & Promotion	39,316.90	38,687.77
Technology Fee	7,200.00	7,000.00
Automobile Expense	13,240.69	16,666.63
Bank Service Charges	10,590.78	10,728.92
Call Center Fees	3,420.00	21,519.78
Contributions	2,500.00	1,000.00
Insurance Expense	11,422.48	13,309.14
Office Supplies	413.59	238.71
Postage & Delivery	545.10	549.85
Referral Payments	0.00	0.00
66000 · Payroll Expenses		
66100 · Wages	58,579.18	53,399.59
Bonus	500.00	250.00
66200 · FICA & Medicare Match	5,059.15	4,272.89
66500 · Payroll Fees	4,943.28	5,555.93
Employee Benefits	0.00	5,226.54
Total 66000 · Payroll Expenses	69,081.61	68,704.95
Repairs & Maintenance	860.36	407.04
Supplies	4,218.55	1,006.61
Taxes & Licenses	2,576.59	3,480.66

Telephone Expense	5,324.49	4,388.88
Travel	336.42	1,309.04
Meals & Entertainment	604.84	2,864.67
Rent Expense	5,550.00	22,200.00
Uniforms	2,753.25	980.01
Total Expense	216,694.70	244,522.12
EBITDA	<u>71,691.47</u>	<u>52,577.92</u>
Other Income/Expense		
Depreciation	18,543.69	22,988.82
Amortization	60,000.00	60,000.00
Total Other Expense	<u>78,543.69</u>	<u>82,988.82</u>
Net Income	<u><u>-6,852.22</u></u>	<u><u>-30,410.90</u></u>

Notes to Chart

- Total income represents revenue from mosquito, tick, & fly services, misting system installation/maintenance and special event services.
- Royalty fees represent a 10% royalty rate.
- Advertising and promotion fees represent an overall advertising spend of approximately 10% of gross revenue.
- Technology fee is \$7,000. The minimum software fee is \$100-\$1,200 per month for most locations.
- Call center fees of \$13,919.75 are based on a beta program.
- Insurance Costs may vary depending on the size of the Franchise Business and prior claims and may differ significantly based on the state in which the Franchised Business is located.
- Wages include the full-time managers salary of \$48,000 per year. The remainder of wage expenses are associated with 4 full-time hourly Specialists, 1 part-time hourly Customer Service Representative.
- Taxes & Licensing fees will vary from state to state.

Part II Main Line Brands, LLC ("Franchised Business Operations")

Part II of this financial performance representation reflects franchised Business operating information for the fiscal year of January 1, 2024 through December 31, 2024.

As of December 31, 2024, there were 154 Mosquito Authority franchisees owning 546 Mosquito

Authority franchised Businesses. As of December 31, 2023, there were 164 Mosquito Authority franchisees owning 539 Mosquito Authority franchised Businesses.

Of the 154 franchisees that owned and operated 546 franchised Businesses as of December 31, 2024, 128 of these franchisees operating 506 franchised Business were in *continual* operation for the entire calendar years of 2023 and 2024. The figures set forth below are based upon these 128 franchisees, and the figures are taken directly from Gross Revenues reports made by these franchised Businesses to us. Financial information concerning franchisees that were not Mosquito Authority franchisees for the entire 2023 and 2024 calendar years is not included in this representation.

The average Gross Revenue of the 128 franchisees that operated 506 franchised Businesses during the 2024 fiscal year was \$464,599.95.

The following information is included based on the 2024 season:

- Gross Revenue by Franchisee
- Gross Revenue by Number of Territories Owned per Franchisee
- Gross Revenue by Length of Time Franchisee Has Owned the Franchise in Years
- Gross Revenues by Franchisee by Number of Years Active

Gross Revenue by Franchisee

2024 Gross Revenue	Number of Franchisees	Number of Franchisees (%)	Number of Territories Owned & Operated by Franchisees	Number of Territories Owned & Operated by Franchisees (%)
\$2,000,001 - and up	3	2%	48	9%
\$1,000,001 - \$2,000,000	11	9%	109	21%
\$500,001 - \$1,000,000	20	16%	90	18%
\$250,001 - \$500,000	24	19%	92	18%
\$100,001 - \$250,000	45	35%	119	23%
\$50,001 - \$100,000	16	12%	32	6%
Less than \$50,000	10	8%	18	4%
Total Franchisees	129		508	

Gross Revenue by Number of Territories Owned per Franchisee					
2024 Gross Revenue	Low Number of Territories Owned Per Franchisee	Median Number of Territories Owned Per Franchisee	High Number of Territories Owned Per Franchisee	Average Number of Franchised Outlets Owned Per Franchisee	# of Franchisees that Exceed Average
\$2,000,001 - and up	4	9	35	16	1
\$1,000,001 - \$2,000,000	2	10	22	10	4
\$500,001-\$1,000,000	1	5	9	5	6
\$250,001-\$500,000	1	4	10	4	9
\$100,001-\$250,000	1	4	10	3	10
\$50,001-\$100,000	1	2	7	2	3
Less than \$50,000	1	2	7	2	1

Gross Revenue by Length of Time Franchisee Has Owned the Franchise in Years					
2024 Gross Revenue	Min Length of Time Franchisee Has Owned Franchise In Years	Median Length of Time Franchisee Has Owned Franchise In Years	Max Length of Time Franchisee Has Owned Franchise In Years	Average Length of Time Franchisee Has Owned Franchise In Years	# of Franchisees that Exceed Average
\$2,000,001 - and up	13.6	13.7	14.1	13.8	1
\$1,000,001 - \$2,000,000	4.9	12.4	14.7	11	7
\$500,001-\$1,000,000	8.7	11.8	14.8	12.1	10
\$250,001-\$500,000	2.9	8.0	13.7	8.5	11
\$100,001-\$250,000	2.0	7.8	13.8	8.0	22
\$50,001-\$100,000	1.8	4.3	15.1	6.3	6
Less than \$50,000	0.0	3.4	8.6	3.8	4

Gross Revenues by Franchisee by Number of Years Active

	Low Revenue	High Revenue	Average Revenue	Median Revenue	# of Franchisees	# of Outlets	# of Franchisees Who Exceed Average
At Least 2 Full Seasons	\$26,763.40	\$362,518.42	\$149,469.79	\$97,460.00	11	26	3
At Least 3 Full Seasons	\$1,410.00	\$445,945.70	\$152,335.17	\$100,254.50	17	48	7
At Least 4 Full Seasons	\$21,772.81	\$1,018,897.91	\$192,574.33	\$193,897.02	14	56	4
At Least 5 Full Seasons	\$62,197.93	\$1,224,326.99	\$416,935.26	\$240,902.91	6	41	2
At Least 6 Full Seasons	\$333,921.13	\$333,921.13	\$333,921.13	\$333,921.13	1	3	1
At Least 7 Full Seasons	\$71,255.23	\$339,354.55	\$178,341.38	\$243,162.78	8	11	3
At Least 8 Full Seasons	\$33,046.38	\$516,439.65	\$273,735.46	\$278,374.27	6	34	3
At Least 9 Full Seasons	\$96,151.75	\$630,484.86	\$330,098.86	\$263,302.64	6	14	3
At Least 10+ Full Seasons	\$63,252.40	\$6,329,113.54	#REF!	\$450,721.68	60	275	20

This is a historic financial performance representation. The representation only relates to the subset of franchised outlets identified above does not relate to the performance of all of the System's existing franchisees or franchised outlets.

No franchised outlets included in this Item 19 received any services that were not generally available to other Mosquito Authority franchised outlets, and each outlet offered similar products and services as would generally be offered by a typical Mosquito Authority franchised outlet.

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

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 Jason Pritchard, 2359 Perimeter Pointe Parkway, Suite 250, Charlotte, North Carolina 28208, 28602; Tel: (888) 824-6797, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY FOR FISCAL YEARS 2022 to 2024

Outlet Type	Year	Outlet at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	524	529	+5
	2023	529	539	+10
	2024	539	546	+7
Company-Owned***	2022	0	1	0
	2023	1	2	+1
	2024	2	1	-1
Total Outlets	2022	524	530	+6
	2023	530	541	+11
	2024	541	547	+6

*We list each separate Territory as an Outlet in the tables in Item 20. Many of our older franchisees have multiple franchise agreements and/or multiple Territories. As of the end of our 2024 fiscal year, 62 of the 546 Territories in operation are considered Home Town Franchises. See Exhibit C.

**In February 2022, we purchased and now own and operate a single Mosquito, Tick, Fly and Spotted Lantern Fly Control Specialty Businesses in Hickory, North Carolina, which prior to our purchase was owned by the wife of our founder and current Manager of Holdings. In 2023, we purchased a second Mosquito, Tick, Fly and Spotted Lantern Fly Control Specialty Businesses in West Chester, Pennsylvania, but we resold it to another franchisee in 2024. We also franchise Pest Authority Businesses that provide similar products and services to Mosquito, Tick, Fly and Spotted Lantern Fly Control Specialty Businesses.

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

State	Year	Number of Transfers
California	2022	0
	2023	0
	2024	2
Colorado	2022	0
	2023	5
	2024	4
Connecticut	2022	0