

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATION

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.

As of December 31, 2024, we had (i) one affiliate-owned 1-800-STRIPER Business in the Rochester, New York area (the "Affiliate-Owned Location") that operates in two contiguous Territories, and (ii) 44 franchisees operating in a total of 128 Territories (each, a "Franchised Location").

This Item sets forth certain historical data submitted by (i) our Affiliate-Owned Location, and (ii) five Franchised Locations that started the year operating in eight total Territories and added an additional four Territories during the 2024 calendar year. This Item excludes data in connection with 39 Franchised Locations operating in a total of 116 Territories that opened during the 2024 calendar year and otherwise did not operate for an entire year.

Part I of this Item discloses the historical Gross Revenue generated, as well as certain COGS, Rent, Estimated Royalty Fees, Estimated Local Advertising and Marketing expenditures, Estimated Brand Fund contributions, Estimated Software Fees, and Labor incurred by the Affiliate-Owned Location over the 2020, 2021, 2022, 2023, 2024 calendar years (each, a "Measurement Period").

Part II of this Item discloses the historical Gross Revenue, Average Gross Revenue, High Gross Revenue, Low Gross Revenue, and Median Gross Revenue per customer type (contractors, end users, property management, and competition) during the 2024 Measurement Period.

Part III of this Item discloses the historical average and median job ticket based on the type of job (existing pavement, new pavement, new sealer, indoor, and sports court) split into four quartiles during the 2024 Measurement Period.

Part IV of this Item discloses the percentage of customers that were recurring customers during the 2021, 2022, 2023, and 2024 Measurement Periods.

Part V of this Item discloses the total Gross Sales, number of months open, largest invoice, smallest invoice, and number of jobs for the Franchised Locations during the 2024 calendar year.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

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PART I: TOTAL GROSS REVENUE AS WELL AS CERTAIN COSTS, OPERATING EXPENSES, AND ESTIMATED FEES OCCURRED BY THE AFFILIATE-OWNED LOCATION OVER THE 2020, 2021, 2022, 2023 AND 2024 MEASUREMENT PERIODS

2020

Expense/Category	Total	% of Gross Revenue
Gross Revenue ¹	\$402,332.92	100.00%
Cost of Goods Sold ²	\$46,341.89	11.52%
Rent ³	\$18,000.00	4.47%
Estimated Royalty Fees ⁴	\$28,163.30	7.00%
Estimated Local Advertising and Marketing Requirement ⁵	\$12,069.99	3.00%
Estimated Brand Fund Contribution ⁶	\$8,046.66	2.00%
Estimated Software Fee ⁷	\$6,600.00	1.64%
Labor ⁸	\$94,878.38	23.58%
Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$214,100.22	53.21%
Gross Revenue less Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$188,232.70	46.79%

2021

Expense/Category	Total	% of Gross Revenue
Gross Revenue ¹	\$889,859.63	100%
Cost of Goods Sold ²	\$81,805.41	9.19%
Rent ³	\$18,000.00	2.02%
Estimated Royalty Fees ⁴	\$62,290.17	7.00%
Estimated Local Advertising and Marketing Requirement ⁵	\$26,695.79	3.00%
Estimated Brand Fund Contribution ⁶	\$17,797.19	2.00%
Estimated Software Fee ⁷	\$6,600.00	0.74%
Labor ⁸	\$190,556.95	21.41%
Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$403,745.51	45.37%
Gross Revenue less Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$486,114.12	54.63%

2022

Expense/Category	Total	% of Gross Revenue
Gross Revenue ¹	\$1,031,513.55	100.00%
Cost of Goods Sold ²	\$111,601.36	10.82%
Rent ³	\$18,000.00	1.75%
Estimated Royalty Fees ⁴	\$72,205.95	7.00%
Estimated Local Advertising and Marketing Requirement ⁵	\$30,945.41	3.00%
Estimated Brand Fund Contribution ⁶	\$20,630.27	2.00%
Estimated Software Fee ⁷	\$6,600.00	0.64%
Labor ⁸	\$258,506.90	25.06%
Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$518,489.85	50.26%
Gross Revenue less Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$513,023.66	49.74%

2023

Expense/Category	Total	% of Gross Revenue
Gross Revenue ¹	\$1,189,221.29	100.00%
Cost of Goods Sold ²	\$146,263.88	12.30%
Rent ³	\$18,000.00	1.51%
Estimated Royalty Fees ⁴	\$83,245.49	7.00%
Estimated Local Advertising and Marketing Requirement ⁵	\$35,676.64	3.00%
Estimated Brand Fund Contribution ⁶	\$23,874.43	2.00%
Estimated Software Fee ⁷	\$6,600.00	0.55%
Labor ⁸	\$400,667.03	33.69%
Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$714,327.47	60.07%
Gross Revenue less Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$474,893.82	39.93%

2024

Expense/Category	Total	% of Gross Revenue
Gross Revenue ¹	\$1,400,808.97	100.00%
Cost of Goods Sold ²	\$145,688.67	10.40%
Rent ³	\$18,000.00	1.28%
Estimated Royalty Fees ⁴	\$98,056.63	7.00%
Estimated Local Advertising and Marketing Requirement ⁵	\$42,024.27	3.00%
Estimated Brand Fund Contribution ⁶	\$28,016.18	2.00%
Estimated Software Fee ⁷	\$6,600.00	0.47%
Labor ⁸	\$409,918.36	29.26%
Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$748,304.11	53.42%
Gross Revenue less Total COGS, Rent, Royalty, LAMR, Brand Fund and Software Expenses	\$652,504.86	46.58%

Explanatory Notes to Part I:

1. **Gross Revenue.** “Gross Revenue” includes all income of any type or nature and from any source that was derived from the operation of the Affiliate-Owned Location. Gross Revenue does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities.
2. **Cost of Goods Sold.** “Cost of Goods Sold” means the total amount that the Affiliate-Owned Location paid for paint.
3. **Rent.** “Rent” means the total amount that the Affiliate-Owned Location incurred in connection with rent over each Measurement Period.
4. **Estimated Royalty Fees.** “Estimated Royalty Fees” means the Royalty Fee that the Affiliate-Owned Location would have had to pay us over the Measurement Period if that Business were owned by a System franchisee and governed by our current form of Franchise Agreement. We calculated Royalty Fees by multiplying the Gross Revenues generated by the Affiliate-Owned Location by .07 to account for the Royalty Fee of 7% set forth and required under our current form of Franchise Agreement.
5. **Estimated Local Marketing and Advertising Requirement.** The term “Estimated Local Marketing and Advertising Requirement” means the total Local Marketing and Advertising expenditures that the Affiliate-Owned Location would have had to expend over each Measurement Period if the Affiliate-Owned Location were owned by a System franchisee and governed by our current form of Franchise Agreement. We calculated the Estimated Local Marketing and Advertising Requirement by multiplying the Gross Revenues generated by the Affiliate-Owned

Location by .03 to account for the Local Marketing and Advertising Requirement of 3% set forth and required under our current form of Franchise Agreement.

6. **Estimated Brand Fund Contribution.** “Estimated Brand Fund Contribution” means the Brand Fund Contribution that the Affiliate-Owned Location would have had to contribute over each Measurement Period if that Affiliate-Owned Location were owned by a System franchisee and governed by our current form of Franchise Agreement. We calculated the Estimated Brand Fund Contribution by multiplying the Gross Revenues generated by the Affiliate-Owned Location by .02 to account for the Brand Fund Contribution of 2% set forth and required under our current form of Franchise Agreement.
7. **Estimated Software Fee.** “Estimated Software Fee” means the Software Fee that the Affiliate-Owned Location would have had to pay over each Measurement Period if that Affiliate-Owned Location were owned by a System franchisee and governed by our current form of Franchise Agreement. We calculated the Estimated Software Fee by multiplying the current monthly Software Fee of \$550 by 12 to account for the Software Fee required under our current form of Franchise Agreement.
8. **Labor.** “Labor” means the total cost and compensation paid in connection with the engagement of labor, payroll taxes, payroll accounting and subcontractors.

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PART II:**GROSS REVENUE, AVERAGE GROSS REVENUE, HIGH, LOW AND MEDIAN GROSS REVENUE PER CUSTOMER TYPE GENERATED DURING THE 2024 MEASUREMENT PERIOD**

Customer Type¹	Gross Revenue²	Average Revenue per Customer³	Median Revenue per Customer⁴	Highest Amount Paid	Lowest Amount Paid	# and Percent Exceeding Average	Number of Customers	Percent of Total Revenue
Contractors	\$500,218.99	\$10,208.55	\$2,500.00	\$123,642.60	\$425.00	11 (22%)	49	36.82%
End Users	\$704,435.06	\$8,916.90	\$1,691.71	\$262,426.18	\$425.00	14 (18%)	79	51.84%
Property Management	\$154,125.47	\$9,066.20	\$3,163.37	\$56,151.74	\$425.00	6 (35%)	17	11.34%

Explanatory Notes to Part II:

1. **Customer Type.** “Customer Type” means the type of customer that the services were provided to.
2. **Gross Revenue.** “Gross Revenue” includes all income of any type or nature and from any source that was derived from the operation of the Affiliate-Owned Location. Gross Revenue does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities.
3. **Average Revenue Per Customer.** “Average Revenue Per Customer” is calculated by taking the total Gross Revenue for a Customer Type and dividing it by the Number of Customers.
4. **Median Revenue per Customer.** “Median Revenue Per Customer” is calculated by examining all of the data points for a customer type and taking the data point that is in the center.

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**PART III: AVERAGE, MEDIAN, HIGH, AND LOW JOB TICKET BY QUARTILE
BASED ON JOB TYPE FOR THE AFFILIATE-OWNED LOCATION
DURING THE 2024 MEASUREMENT PERIOD**

Affiliate-Owned Location						
Job Type	Data Point	Bottom Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile	Total
<u>Restripe</u>						
	Average Job Ticket ¹	\$468.65	\$870.24	\$2,033.02	\$10,641.74	\$3,531.47
	Median Job Ticket ²	\$425.00	\$811.99	\$1,848.71	\$8,521.36	\$1,244.70
	High Job Ticket	\$670.00	\$1,225.90	\$3,545.50	\$41,933.60	\$41,933.60
	Low Job Ticket	\$371.91	\$690.00	\$1,237.17	\$3,747.78	\$371.91
	Number That Met or Exceeded Average	20 (40%)	22 (44%)	20 (39%)	20 (39%)	52 (26%)
	Number of Tickets	50	50	51	51	202
	Total Revenue	\$23,432.70	\$43,511.77	\$103,684.05	\$542,728.90	\$713,357.42
Job Type	Data Point	Bottom Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile	Total
<u>Relayout</u>						
	Average Job Ticket	\$425.77	\$566.29	\$1,142.41	\$4,394.93	\$1,653.79
	Median Job Ticket	\$425	\$556.02	\$1104.92	\$3,067.16	\$759.92
	High Job Ticket	\$445	\$722.62	\$1600.00	\$18,367.50	\$18,367.50
	Low Job Ticket	\$425.00	\$450.79	\$739.44	\$1,742.00	\$425.00
	Number That Met or Exceeded Average	1 (3.8%)	10 (38.5%)	12 (44.4%)	8 (29.6%)	27 (25.5%)
	Number of Tickets	26	26	27	27	106
	Total Revenue	\$11,070.00	\$14,723.64	\$30,845.06	\$118,663.14	\$175,301.84
Job Type	Data Point	Bottom Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile	Total
<u>New Layout</u>						
	Average Job Ticket	\$416.38	\$562.60	\$1,173.34	\$6,024.78	\$2,044.27

	Median Job Ticket	\$425.00	\$549.60	\$1,132.12	\$2,987.85	\$819.00
	High Job Ticket	\$425.00	\$818.00	\$1,645.00	\$49,640.22	\$49,640.22
	Low Job Ticket	\$371.91	\$425.00	\$820.00	\$1,658.80	\$371.91
	Number that Met or Exceeded Average	38 82.6%	18 39.1%	20 43.4%	10 21.7%	32 (17.4%)
	Number of Tickets	46	46	46	46	184
	Total Revenue	\$19,153.37	\$25,879.39	\$53,973.50	\$277,140.10	\$376,146.36
Job Type	Data Point	Bottom Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile	Total
<u>Indoor</u>						
	Average Job Ticket	\$1,989.81	\$4,266.90	\$6,735.61	\$12,164.89	\$6,575.94
	Median Job Ticket	\$1,820.96	\$4,190.55	\$6,525.04	\$11,687.68	\$5,673.36
	High Job Ticket	\$2,671.97	\$5,249.00	\$8,219.00	\$16,348.40	\$16,348.40
	Low Job Ticket	\$1,476.50	\$3,437.50	\$5,673.36	\$8,935.80	\$1,476.50
	Number that Met or Exceeded Average	1 (33.33%)	2 (50%)	2 (50%)	2 (50%)	6 (40%)
	Number of Tickets	3	4	4	4	15
	Total Revenue	\$5,969.43	\$17,067.60	\$26,942.44	\$48,659.56	\$98,639.03
Job Type	Data Point	Bottom Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile	Total
<u>Sports Court</u>						
	Average Job Ticket	\$700.00	n/a	n/a	\$1,015.00	\$857.50
	Median Job Ticket	\$700.00	n/a	n/a	\$1,015.00	\$887.50
	High Job Ticket	\$700.00	n/a	n/a	\$1,015.00	\$1,015.00
	Low Job Ticket	\$700.00	n/a	n/a	\$1,015.00	\$700.00
	Number that Met or Exceeded Average	1 100%	n/a	n/a	1 100%	1 (50%)

	Number of Tickets	1	0	0	1	2
	Total Revenue	\$700.00	\$0	\$0	\$1,015.00	\$1,715.00

Explanatory Notes to Part III:

1. **Average Job Ticket.** “Average Job Ticket” is calculated by taking the amount of Gross Revenue that the Disclosed Location generated for each job and dividing it by the total number of jobs.
2. **Median Job Ticket.** “Median Job Ticket” is calculated by examining all of the job tickets for a job type and taking the data point that is in the center.

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PART IV: PERCENT OF RECURRING CUSTOMERS FOR THE AFFILIATE-OWNED LOCATION DURING THE 2021, 2022, 2023 AND 2024 MEASUREMENT PERIODS

Affiliate-Owned Location	
Calendar Year	Percent of Recurring Customers
2021	47%
2022	34%
2023	40%
2024	38%

PART V: TOTAL GROSS SALES, LARGEST INVOICE, SMALLEST INVOICE, AND NUMBER OF JOBS FOR THE FRANCHISED LOCATIONS DURING THE 2024 MEASUREMENT PERIOD

Franchisee (Region)	Number of Territories	Model	2024 Gross Sales	# of months open in 2024	Largest Invoice	Smallest Invoice	Number of Jobs in 2024
Franchisee 1 (North)	3	Operator	\$446,371.00	12	\$132,181.00	\$495.00	70
Franchisee 2 (South)	2	Operator	\$221,824.00	12	\$9,794.56	\$150.00	134
Franchisee 3 (North)	3	Operator	\$218,847.00	12	\$37,379.25	\$168.20	120
Franchisee 4 (North)	2	Executive	\$168,386.00	12	\$49,615.56	\$250.00	58
Franchisee 5 (North)	2	Executive	\$122,271.00	12	\$49,615.56	\$160.50	56

General Notes to Item 19:

1. This analysis does not contain complete information concerning the operating costs and expenses that you will incur in operating your Business. This analysis also does not account for your Initial Franchise Fee, as well as owner compensation/salaries, late fees, training fees, and other fees and expenses that you may incur as a System franchisee. Operating costs and expenses may vary from business to business. Additionally, the above figures exclude finance charges, interest expense, interest income, depreciation, amortization and other income or expenses will vary substantially from business to business, depending on the amount and kind of financing you obtain to establish your business.