

No public figures are involved in our franchise program.

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 this Item 19 may only be given 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.

Financial Performance Representation

The following tables contain historical financial performance representations for franchised outlets that operated for more than 6 months from during the January 1 to December 31, 2024 calendar year: (1) monthly and total gross sales; (2) average and median annual gross sales; and (3) average and median number of estimates, the number of estimates sold, and the correlated closing percentage of estimates sold. The data in the following tables comes from the reported historical performance.

There were 36 Painter1 franchised locations in the United States that were open as of January 1, 2024 and that reported sales for the entire reporting period. 2 additional franchised locations opened after January 1, 2024 but reported sales for at least 10 months during the reporting period. So, 38 franchised locations are included in the dataset for the following tables. Four of these franchises operated in a protected territory, the rest operated in open territories without territory protection. See the notes following the tables for additional details. We excluded from the tables and their data 3 franchises that opened during the 2024 reporting period but only had 6 months or fewer of operations during the reporting period. We excluded 1 franchise that did not report to us sufficient information. We excluded 2 franchises that closed or suspended operations during the 2024 reporting period; these 2 excluded franchise outlets closed or suspended operations during the 2024 reporting period after being open less than 12 months.

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TABLE 1: 2024 Annual Gross Sales Data

The following table shows 2024 Gross Sales for the 27 franchise outlets that operated for the entire 2024 calendar year.

Table 1
Painter1 Franchise System
Franchisee Gross Sales
January through December 2024

Franchise	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	2024 Total	Avg. Monthly
Boca Raton, FL	\$47,737	\$67,737	\$79,235	\$91,182	\$102,474	\$51,126	\$47,759	\$103,790	\$63,656	\$63,605	\$102,901	\$61,965	\$883,166	\$73,597
Central, FL	\$29,596	\$30,407	\$15,759	\$10,931	\$26,844	\$28,150	\$24,704	\$14,543	\$17,006	\$12,394	\$22,821	\$83,981	\$317,136	\$26,428
Orlando, FL	\$10,376	\$41,323	\$24,929	\$36,674	\$30,239	\$6,516	\$13,738	\$14,525	\$44,712	\$90,192	\$17,444	\$17,700	\$348,369	\$29,031
Marietta, GA	\$2,104	\$14,653	\$15,348	\$42,751	\$31,296	\$14,873	\$16,357	\$9,699	\$4,185	\$65,088	\$14,653	\$13,837	\$244,842	\$20,404
North GA	\$2,701	\$33,263	\$11,854	\$19,862	\$60,716	\$23,817	\$40,478	\$53,891	\$21,048	\$48,634	\$27,764	\$28,077	\$372,105	\$31,009
South GA	\$2,525	\$18,738	\$6,240	\$22,950	\$13,081	\$24,615	\$23,643	\$19,806	\$15,037	\$32,317	\$33,865	\$8,864	\$221,680	\$18,473
Boise, ID	\$37,202	\$34,428	\$40,293	\$62,492	\$122,128	\$79,441	\$188,724	\$95,422	\$95,456	\$142,005	\$66,189	\$79,363	\$1,043,142	\$86,929
Indianapolis, IN	\$31,318	\$45,149	\$42,020	\$47,681	\$62,789	\$47,937	\$49,848	\$75,934	\$32,255	\$32,511	\$13,178	\$6,340	\$486,960	\$40,580
Washington, DC./MD	\$7,519	\$5,695	\$10,972	\$5,357	\$17,275	\$7,440	\$23,366	\$20,001	\$1,042	\$2,431	\$8,602	\$0	\$109,700	\$9,142
Mid Michigan, MI	\$28,818	\$11,370	\$33,337	\$44,348	\$40,741	\$73,212	\$59,074	\$67,889	\$46,554	\$21,225	\$30,132	\$17,238	\$473,939	\$39,495
New England, NH	\$0	\$10,610	\$3,000	\$20,923	\$20,550	\$39,022	\$29,558	\$23,160	\$11,192	\$12,947	\$18,057	\$0	\$189,020	\$15,752
Charlotte, NC	\$6,329	\$5,406	\$0	\$2,600	\$7,308	\$0	\$10,331	\$0	\$0	\$950	\$0	\$0	\$32,923	\$2,744
Fayetteville, NC	\$7,369	\$9,451	\$21,531	\$30,589	\$24,937	\$6,038	\$14,099	\$29,672	\$17,269	\$2,545	\$2,873	\$8,110	\$174,483	\$14,540
Raleigh, NC	\$32,950	\$49,532	\$55,353	\$42,312	\$52,282	\$82,745	\$60,221	\$83,091	\$76,891	\$126,215	\$70,795	\$63,709	\$796,095	\$66,341
Cincinnati Metro, OH	\$0	\$1,745	\$28,483	\$18,000	\$6,406	\$6,300	\$3,717	\$0	\$8,582	\$0	\$0	\$0	\$73,232	\$6,103
Cincinnati, OH	\$6,103	\$7,765	\$27,293	\$27,501	\$33,303	\$38,940	\$14,248	\$10,570	\$8,058	\$15,527	\$9,322	\$5,392	\$204,023	\$17,002

Franchise	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	2024 Total	Avg. Monthly
Columbus, OH*	\$59,660	\$27,634	\$56,201	\$56,711	\$83,862	\$88,122	\$76,198	\$83,464	\$95,476	\$124,509	\$64,871	\$20,462	\$837,168	\$69,764
Tulsa, OK	\$13,070	\$11,526	\$19,496	\$4,555	\$23,502	\$23,729	\$24,290	\$27,513	\$18,560	\$50,149	\$21,061	\$25,943	\$263,394	\$21,950
Portland, OR	\$13,325	\$9,768	\$21,705	\$28,663	\$26,351	\$47,566	\$34,493	\$63,360	\$44,489	\$53,880	\$21,345	\$6,190	\$371,134	\$30,928
Main Line, PA	\$21,554	\$26,362	\$43,739	\$62,250	\$59,395	\$45,867	\$49,893	\$45,327	\$31,008	\$37,506	\$50,915	\$65,101	\$538,917	\$44,910
Coastal Carolina, SC			\$735	\$18,834	\$34,013	\$29,031	\$17,202	\$7,560	\$8,938	\$30,055	\$35,218	\$5,501	\$187,087	\$18,709
Lowcountry, SC*	\$10,506	\$37,839	\$38,354	\$30,176	\$52,626	\$32,183	\$28,102	\$38,225	\$36,123	\$42,490	\$4,942	\$15,952	\$367,518	\$30,627
Upstate, SC*	\$24,760	\$35,209	\$24,371	\$49,196	\$50,602	\$31,485	\$46,988	\$46,597	\$46,061	\$38,849	\$48,825	\$60,216	\$503,160	\$41,930
Chattanooga, TN	\$10,098	\$31,706	\$48,363	\$38,932	\$36,544	\$44,684	\$43,906	\$29,928	\$33,175	\$31,047	\$42,874	\$75,147	\$466,405	\$38,867
Knoxville, TN	\$101,691	\$124,375	\$160,406	\$119,763	\$200,285	\$157,330	\$91,259	\$88,005	\$102,786	\$120,635	\$65,999	\$119,904	\$1,452,438	\$121,036
Memphis, TN	\$8,723	\$13,320	\$14,828	\$49,544	\$45,114	\$21,551	\$34,170	\$43,207	\$30,863	\$41,621	\$41,163	\$44,661	\$388,763	\$32,397
Austin Metro, TX	\$10,834	\$3,278	\$20,312	\$19,194	\$20,898	\$18,416	\$5,861	\$21,626	\$36,758	\$19,149	\$400	\$500	\$177,226	\$14,769
Great Austin, TX	\$22,314	\$26,735	\$36,575	\$25,391	\$9,975	\$18,368	\$11,261	\$27,377	\$45,840	\$35,816	\$21,218	\$23,185	\$304,054	\$25,338
Bayou City, TX	\$6,990	\$8,926	\$19,288	\$34,172	\$14,675	\$16,917	\$45,803	\$7,691	\$15,860	\$8,543	\$17,862	\$17,156	\$213,884	\$17,824
Dallas, TX	\$47,425	\$31,278	\$32,047	\$31,991	\$61,484	\$62,506	\$51,577	\$31,382	\$41,855	\$52,496	\$44,588	\$31,667	\$520,296	\$43,358
DFW, TX	\$23,515	\$29,548	\$0	\$4,140	\$9,934	\$10,355	\$500	\$6,552	\$21,425	\$6,597	\$11,753	\$1,254	\$125,573	\$10,464
Northern Utah, UT	\$3,962	\$5,369	\$1,114	\$9,513	\$15,556	\$21,580	\$9,706	\$14,313	\$19,373	\$17,036	\$25,567	\$2,716	\$145,805	\$12,150
Greater SLC, UT	\$44,681	\$62,536	\$87,949	\$122,920	\$116,394	\$133,987	\$76,399	\$86,461	\$73,063	\$123,154	\$101,414	\$57,326	\$1,086,283	\$90,524
Salt Lake City, UT	\$7,318	\$19,908	\$20,524	\$35,655	\$30,287	\$37,171	\$30,203	\$25,594	\$25,175	\$32,517	\$34,307	\$21,887	\$320,545	\$26,712
St. George, UT*	\$78,642	\$50,761	\$58,744	\$58,540	\$28,324	\$58,167	\$16,900	\$7,540	\$35,187	\$36,974	\$32,193	\$17,695	\$479,667	\$39,972
Utah County, UT	\$46,370	\$25,844	\$37,960	\$109,156	\$103,726	\$100,183	\$112,260	\$70,627	\$76,414	\$109,182	\$81,720	\$27,477	\$900,919	\$75,077
Wasatch Summit, UT	\$5,915	\$4,620	\$981	\$14,642	\$18,837	\$18,051	\$14,147	\$26,963	\$24,736	\$29,401	\$5,720	\$2,037	\$166,049	\$13,837
Spokane, WA			\$0	\$7,706	\$48,581	\$18,011	\$26,910	\$49,071	\$48,207	\$42,250	\$10,260	\$797	\$251,793	\$25,179

Notes:

- 1) “**” means the franchisee operated in a protected territory
- 2) “Gross Sales” means all income and receipts generated whether based on coating (such as paint, sealers, epoxy, etc.) and cleaning (prep work, power washing, etc.). The “2024 Total” column is the sum of all monthly amounts in the cells to the left in the given row. The “Avg. Monthly” column is the average monthly Gross Sales for the franchise in the given row, which is calculated by dividing the amount from the “2024 Total” column by the number of months for which sales were reported in each row.
- 3) As this table discloses the actual reported Gross Sales for our various franchisees, each outlet actually attained its stated number. As this financial performance representation only discloses gross sales, and not profits or margins, it does not include information concerning royalty fees, brand development fees, and other fees or payments made by franchisees to us. You will be expected to pay the royalty fees, brand development fees, and other fees as outlined in your Franchise Agreement.

TABLE 2: 2024 Average and Median Annual Gross Sales

The following table shows the average and median annual Gross Sales for the 38 franchise outlets that operated for more than 6 months during the 2024 calendar year.

Table 2
Painter1 Franchise System
Average and Median Annual Gross Sales
January through December 2024

	Annual Gross Sales
Franchises	38
Average	\$422,076
Attained or surpassed the Average	14 (37%)
Median	\$334,457
Attained or surpassed the Median	19 (50%)
High	\$1,452,438
Low	\$32,923

- 1) "Gross Sales" means all income and receipts generated whether based on coating (such as paint, sealers, epoxy, etc.) and cleaning (prep work, power washing, etc.). "Annual Gross Sales" refers to the total amount of Gross Sales derived from a franchise in the 2024 reporting period. The "Average" means the average Annual Gross Sales of the 38 franchises that operated during the entire 2024 reporting period. The "Median" Annual Gross Sales of the 38 franchises. The "High" is the highest Annual Gross Sales from among the 38 franchises. The "Low" is the lowest Annual Gross Sales from among the 38 franchises.
- 2) As this financial performance representation only discloses gross sales, and not profits or margins, it does not include information concerning royalty fees, brand development fees, and other fees or payments made by franchisees to us. You will be expected to pay the royalty fees, brand development fees, and other fees as outlined in your Franchise Agreement.

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TABLE 3: 2024 Total Estimates, Estimates Sold, and Conversion Percentage Data

The following table shows the number of total estimates, total estimates sold, and the estimates-to-sold closing percentage data for the 38 franchise outlets that operated more than 6 months during the 2024 calendar year.

Table 3
Painter1 Franchise System
Franchisee Total Estimates, Total Estimates Sold, and Closing Percentage
January through December 2024

	Total Estimates	Total Estimates Sold	Closing Percentage
Franchises	38	38	38
Average	229	92	41%
Attained or surpassed the Average	11 (28%)	13 (34%)	21 (55%)
Median	160	70	41%
Attained or surpassed the Median	20 (53%)	22 (58%)	23 (61)%
High	955	329	100%
Low	14	8	13%

- 1) "Total Estimates" means the number of estimates or bids for painting and/or coating jobs that a given franchisee received during the 2024 reporting period. "Total Estimates Sold" means the number of Total Estimates that the customer accepted for a given franchisee during the 2024 reporting period. The "Closing Percentage" measures the closing rate by dividing Total Estimates Sold by the Total Estimates for a given franchisee during the 2024 reporting period. The "Average" means the average number of the 38 franchises during the 2024 reporting period for each column. The "Median" means the median number of the 38 franchises for each column. The "High" is the highest number from among the 38 franchises for each column. The "Low" is the lowest number from among the 38 franchises for each column.
- 2) As this financial performance representation only discloses the number of estimates received and sold by franchises and the corresponding closing rates and not revenue, sales, profits or margins, it does not include information concerning royalty fees, brand development fees, and other fees or payments made by franchisees to us. You will be expected to pay the royalty fees, brand development fees, and other fees as outlined in your Franchise Agreement.

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

Written substantiation for this financial performance representation is available to you upon reasonable written request.

Other than the preceding financial performance representation, Stratify, LLC dba Painter1 does 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 Rick Dennis at 2000 West Henderson Rd, Suite 300, Columbus, OH 43220 AND (614)714-6009 , the Federal Trade Commission, and the appropriate state regulatory agencies.

20. OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1
SYSTEMWIDE OUTLET SUMMARY
As of December 31 for Years 2022 to 2024**

<u>Column 1 Outlet Type</u>	<u>Column 2 Year</u>	<u>Column 3 Outlets at the Start of the Year</u>	<u>Column 4 Outlets at the End of the Year</u>	<u>Column 5 Net Change</u>
Franchised	2022	31	36	+5
	2023	36	38	+2
	2024	38	42	+4
Company or Affiliate Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	31	36	+5
	2023	36	38	+2
	2024	38	42	+4

**Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(other than the Franchisor)
As of December 31 for Years 2022 to 2024**

<u>Column 1 State</u>	<u>Column 2 Year</u>	<u>Column 3 Number of Transfers</u>
Arizona	2022	0
	2023	1**
	2024	1***
Nevada	2022	1
	2023	0
	2024	0
Ohio	2022	0
	2023	0
	2024	1

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Number of Transfers</u>
Oregon	2022	0
	2023	0
	2024	1
South Carolina	2022	0
	2023	0
	2024	1
Texas	2022	1*
	2023	0
	2024	0
Utah	2022	1
	2023	0
	2024	0
Total	2022	3
	2023	1
	2024	4

* Inactive franchise for Texas transferred to new owner who relocated franchise to Ohio.

** Transferred to new owner that relocated to territory in Florida

*** Transferred to new owner that relocated to territory in Utah

Table No. 3
STATUS OF FRANCHISED OUTLETS
As of December 31 for Years 2022 to 2024

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets at the Start of the Year</u>	<u>Column 4</u> <u>Outlets Opened</u>	<u>Column 5</u> <u>Terminations</u>	<u>Column 6</u> <u>Non-Renewals</u>	<u>Column 7</u> <u>Reacquired by Franchisor</u>	<u>Column 8</u> <u>Ceased Operations – Other Reasons</u>	<u>Column 9</u> <u>Outlets at End of the Year</u>
Alabama	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Arizona	2022	0	1	0	0	0	0	1
	2023	1	1	0	0	0	1	1
	2024	1	0	0	0	0	1*	0
Colorado	2022	1	0	1	0	0	0	0
	2023	0	0	0	0	0	0	0

<u>Column 1 State</u>	<u>Column 2 Year</u>	<u>Column 3 Outlets at the Start of the Year</u>	<u>Column 4 Outlets Opened</u>	<u>Column 5 Terminations</u>	<u>Column 6 Non- Renewals</u>	<u>Column 7 Reacquired by Franchisor</u>	<u>Column 8 Ceased Operations – Other Reasons</u>	<u>Column 9 Outlets at End of the Year</u>
	2024	0	0	0	0	0	0	0
Delaware	2022	0	1	0	0	0	0	1
	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
Florida	2022	1	1	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	1	0	0	0	1^	3
Georgia	2002	2	0	0	0	0	0	2
	2023	2	2	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Idaho	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Indiana	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Maryland	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Michigan	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Nevada	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	1^	0
	2024	0	0	0	0	0	0	0
New Hampshire	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
North Carolina	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	1	3
	2024	3	2	0	0	0	0	5
Ohio	2022	1	2	0	0	0	0	3