

Provision	Section in Agreement	Summary
u. Dispute resolution	Section 18	All controversies, disputes or claims between us must be submitted for binding arbitration to the American Arbitration Association on demand of either party. We and you must arbitrate all disputes at a location in or within 50 miles of our then-principal place of business (currently, Chester, New Jersey) (subject to state law, if applicable).
v. Choice of forum	Section 18.1 and 18.5	Arbitration in the city in which we maintain our principal business address (currently, Chester, New Jersey). The venue for any other proceeding is exclusively the courts located in the county in which we maintain our principal business address, currently, Chester, New Jersey (subject to applicable state law).
w. Choice of law	Section 18.4	All matters relating to arbitration will be governed by the Federal Arbitration Act. Except to the extent governed by the Federal Arbitration Act, the U.S. Trademark Act of 1946, or other federal law, any agreement between us and our affiliates and you and your affiliates, will be governed by the laws of the State of New Jersey (subject to applicable state law).

ITEM 18

PUBLIC FIGURES

We do not use any public figures 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 franchise you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance of a particular location or under particular circumstances.

This Item 19 presents the following historical data for certain franchised outlets for the calendar year ended December 31, 2024: (1) average and median annual Gross Revenue; (2) average and median annual Gross Revenue separated based on the number of active LSAs; (3) average and median annual Gross Revenue per LSA; (4) average and median Gross Revenue per job; and (5) average and median annual Gross Profit.

In this Item 19, "Gross Revenue" is defined as it is in the Franchise Agreement, as total revenues, receipts, and dollar volume from the sale of all products, services and merchandise sold and booked in connection with the Franchised Business, whether under any of the Marks or otherwise. Gross Revenue is calculated on an accrual basis regardless of whether you have collected payment. Gross Revenue excludes sales taxes added to

the sales price and collected from the customer. Third-party fees and payments and uncollected funds are not excluded from Gross Revenue. This information about Gross Revenue is compiled from reports submitted to us by the franchisees. These statements have not been audited and we have not undertaken to independently verify the accuracy of the information submitted to us by the franchisees. The data in this Item 19 is presented on a per franchisee basis and not a per LSA basis, because a number of franchisees operate multiple LSAs, which are reported together. The estimated population in each franchisee's LSA varies, but is provided below in the footnotes of applicable tables below. The information on population has been estimated based on available US census figures.

In this Item 19, "Gross Profit" means the Gross Revenue minus Cost of Goods Sold. Gross Profit does not reflect net profits and does not deduct all operating expenses. For example, Gross Profit does not deduct ongoing fees payable to us, such as royalties and minimums, marketing contributions, technology fees, and does not deduct other typical operating expenses such as automotive expenses, marketing expenses, office supplies, and professional fees. "Cost of Goods Sold" means total Labor Expenses plus total Material Expenses. "Labor Expenses" means wages and compensation paid to technicians, field workers, and contractors performing services, but it does not include any owner/operator salary or compensation, and it does not include any payroll taxes, costs, or benefits. "Material Expenses" means the cost of supplies and materials used to perform customer services.

As of December 31, 2024, a total of 130 franchised LSAs were in operation. In this Item 19, we report Gross Revenue for 39 franchisees operating a total of 89 LSAs. We have excluded data from (i) 36 LSAs that were opened by a new franchisee in 2024 and therefore did not operate in the system for the entire 2024 calendar year (1 location was opened in 2024 by a franchisee already operating in our system for more than 12 months and the information for such LSA was included in such franchisee's data), and (ii) 5 for which we had incomplete reporting during the 2024 calendar year. In this Item 19, we report Gross Profit, Labor Expenses, Costs of Goods Sold, and Material Expenses for 21 franchisees with a total of 50 LSAs. We report Gross Profit, Labor Expenses, Costs of Goods Sold, and Material Expenses for this subset of franchisees because they were operating for the entirety of 2024 and have timely provided us with the required financial reports. If a franchisee purchased an additional LSA in 2024, the franchisee was reported in this Item 19 based on the LSAs owned at the end of the year. The data in this Item 19 also excludes 13 LSAs that ceased operation and/or were terminated in 2024, of which none had been open for fewer than 12 months as of the date of closure or termination.

Table 1
Average and Median Annual Gross Revenue of PatchMaster Franchisees
For the Twelve Months Ending December 31, 2024

The following is a statement of average and median annual Gross Revenue for calendar year 2024 for the 39 reporting PatchMaster franchisees. The information is presented for all reporting franchisees, plus for the top 10% and bottom 10% of reporting franchisees based on Gross Revenue, plus reporting franchisees broken into three subsets (tertiles) based on Gross Revenue.

Subset based on Gross Revenue	Total Franchisees	Average Gross Revenue	# (and %) of Franchisees at or above Average	Median Gross Revenue
Top 10% (Note 1)	4	\$1,005,665	2 (50%)	\$991,928
1 st Tertile (Note 2)	13	\$605,109	5 (38%)	\$466,383

Subset based on Gross Revenue	Total Franchisees	Average Gross Revenue	# (and %) of Franchisees at or above Average	Median Gross Revenue
2nd Tertile (Note 3)	13	\$255,792	7 (54%)	\$263,002
3rd Tertile (Note 4)	13	\$131,059	7 (54%)	\$137,188
Bottom 10% (Note 5)	4	\$88,548	3 (75%)	\$89,543
All Franchisees (Note 6)	39	\$330,653	13 (33%)	\$263,002

NOTE 1

The lowest Gross Revenue in this subset was \$822,389; the highest Gross Revenue in this subset was \$1,216,417. The lowest population in this subset was 723,886; the highest population in this subset was 2,294,242.

NOTE 2

The lowest Gross Revenue in this subset was \$340,471; the highest Gross Revenue in this subset was \$1,216,417. The lowest population in this subset was 249,807; the highest population in this subset was 2,294,242.

NOTE 3

The lowest Gross Revenue in this subset was \$199,776; the highest Gross Revenue in this subset was \$309,845. The lowest population in this subset was 301,951; the highest population in this subset was 893,702.

NOTE 4

The lowest Gross Revenue in this subset was \$76,078; the highest Gross Revenue in this subset was \$189,788. The lowest population in this subset was 338,871; the highest population in this subset was 1,110,279.

NOTE 5

The lowest Gross Revenue in this subset was \$76,078; the highest Gross Revenue in this subset was \$99,028. The lowest population in this subset was 355,013; the highest population in this subset was 715,337.

NOTE 6

The lowest Gross Revenue in this subset was \$76,078; the highest Gross Revenue in this subset was \$1,216,417. The lowest population in this subset was 249,807; the highest population in this subset was 2,294,242.

Table 2
Average and Median Annual Gross Revenue of PatchMaster Franchisees Per LSA
For the Twelve Months Ending December 31, 2024

The following is a statement of average and median annual Gross Revenue for calendar year 2024 the 39 reporting PatchMaster franchisees per LSA. Because franchisees do not report Gross Revenue per LSA: (i) the average Gross Revenue per LSA is obtained by dividing total Gross Revenue of each franchisee by the total number of LSAs held by such franchisee; and (ii) the median Gross Revenue per LSA is calculated as the median of such averages. The average number of years operating is based on when each franchisee entered our franchise system for the first time and not the date of acquiring any additional LSA. The information is

presented for all reporting franchisees, plus for the top 10% and bottom 10% of reporting franchisees based on Gross Revenue, plus for reporting franchisees broken into three subsets (tertiles) based on Gross Revenue.

Subset based on Gross Revenue	# of Franchisees	# of Active LSAs	Avg LSAs per Franchisee	Avg Gross Revenue per LSA	Median Gross Revenue per LSA	Average Years Operating
Top 10% (Note 1)	4	20	5.0	\$224,726	\$244,018	5.0
1st Tertile (Note 2)	13	44	3.4	\$241,529	\$205,597	4.2
2nd Tertile (Note 3)	13	23	1.8	\$165,309	\$147,599	3.5
3rd Tertile (Note 4)	13	22	1.7	\$86,295	\$88,580	2.5
Bottom 10% (Note 5)	4	6	1.5	\$66,660	\$69,047	2.3
Total (Note 6)	39	89	2.3	\$144,893	\$131,501	3.4

NOTE 1

The lowest Gross Revenue per LSA was \$106,762; the highest Gross Revenue per LSA in this subset was \$304,104. 2 out of 4 (50%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 2

The lowest Gross Revenue per LSA was \$63,815; the highest Gross Revenue per LSA in this subset was \$658,895. 5 out of 13 (38%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 3

The lowest Gross Revenue per LSA was \$93,198; the highest Gross Revenue per LSA in this subset was \$300,607. 4 out of 13 (31%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 4

The lowest Gross Revenue per LSA was \$38,039; the highest Gross Revenue per LSA in this subset was \$156,874. 7 out of 13 (54%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 5

The lowest Gross Revenue per LSA was \$38,039; the highest Gross Revenue per LSA in this subset was \$49,514. 2 out of 4 (50%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 6

The lowest Gross Revenue per LSA was \$38,039; the highest Gross Revenue per LSA in this subset was \$658,895. 18 out of 39 (46%), of the franchisees in this subset attained or surpassed the stated average.

Table 3
Average and Median Annual Gross Revenue of PatchMaster Franchisees Based on # of LSAs
For the Twelve Months Ending December 31, 2024

The following is the average and median annual Gross Revenue for calendar year 2024 for the 39 reporting PatchMaster franchisees based on the number of LSAs of such franchisees: 1- LSA, 2- LSAs, and 3 or more- LSAs. This calculation is based on the number of LSAs held by reporting franchisee as of December 31, 2024.

Subset based on # of LSAs Owned	# of Franchisees	Avg LSA(s) per Franchisee	Average Gross Revenue per Franchisee	Median Gross Revenue per Franchisee	Average Gross Revenue per LSA	Median Gross Revenue per LSA
1 LSA (Note 1)	12	1.0	\$254,676	\$232,783	\$254,676	\$232,783
2 LSAs (Note 2)	17	2.0	\$220,945	\$206,928	\$110,472	\$103,464
3 or more LSAs (Note 3)	10	4.3	\$608,330	\$470,664	\$141,472	\$110,806
Total (Note 4)	39	2.3	\$330,653	\$263,002	\$144,893	\$131,501

NOTE 1

The lowest Gross Revenue in this subset was \$88,580; the highest Gross Revenue in this subset was \$658,895. 6 out of 12 (50%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 2

The lowest Gross Revenue in this subset was \$76,078; the highest Gross Revenue in this subset was \$466,383. 6 out of 17 (35%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 3

The lowest Gross Revenue in this subset was \$154,699; the highest Gross Revenue in this subset was \$1,216,417. 4 out of 10 (40%) of the franchisees in this subset attained or surpassed the stated average.

NOTE 4

The lowest Gross Revenue in this subset was \$76,078; the highest Gross Revenue in this subset was \$1,216,417. 13 out of 39 (33%) of the franchisees in this subset attained or surpassed the stated average.

Table 4
Average and Median Job Size of PatchMaster Franchisees
For the Twelve Months Ending December 31, 2024

The following is a statement of average and median Gross Revenue per job for calendar year 2024 for the 39 reporting PatchMaster franchisees. Each job is based on the completed job order for a single customer. The information is presented for all reporting franchisees, plus for reporting franchisees broken into three subsets (tertiles) based on Gross Revenue.

Subsets based on Gross Revenue	Total Franchisees	Average Job Size (US\$)	# (and %) of Franchisees at or above Average	Median Job Size (US\$)
1st Tertile (Note 1)	13	\$1,747	5 (38%)	\$1,555
2nd Tertile (Note 2)	13	\$1,280	8 (62%)	\$1,342
3rd Tertile (Note 3)	13	\$1,262	6 (46%)	\$1,230
All Franchisees (Note 4)	39	\$1,526	13 (33%)	\$1,341

NOTE 1

The lowest average job size in this subset was \$849; the highest average job size in this subset was \$6,074.

NOTE 2

The lowest average job size in this subset was \$609; the highest average job size in this subset was \$2,197.

NOTE 3

The lowest average job size in this subset was \$775; the highest average job size in this subset was \$3,105.

NOTE 4

The lowest average job size in this subset was \$609; the highest average job size in this subset was \$6,074.

Table 5
Gross Profit, Labor Expenses, Costs of Goods Sold, and Material Expenses of PatchMaster Franchisees
For the Twelve Months Ending December 31, 2024

The following is a statement of average and median Labor Expenses, Material Expenses, Cost of Goods Sold, and Gross Profit for calendar year 2024 for the 21 reporting PatchMaster franchisees. The information is broken into three subsets (tertiles) based on Gross Revenue of reporting franchisees as described on Tables 1 to 4. The average percentage of Gross Revenue is calculated by dividing the total of each category of expenses of such tertile by the total Gross Revenue of such tertile.

	1st Tertile		2nd Tertile		3rd Tertile	
Avg. Gross Revenue (Note 1)	\$587,800		\$255,160		\$141,822	
	Amount	% of Gross Revenue	Amount	% of Gross Revenue	Amount	% of Gross Revenue
Avg. Labor Expenses (Note 2)	\$229,778	39%	\$81,258	32%	\$45,928	32%

Avg. Material Expenses (Note 3)	\$57,476	10%	\$27,387	11%	\$17,983	13%
Avg. Cost of Goods Sold (Note 4)	\$287,254	49%	\$108,644	43%	\$63,911	45%
Avg. Gross Profit (Note 5)	\$300,546	51%	\$146,515	57%	\$77,912	55%

NOTE 1

In the 1st tertile average Gross Revenue ranged from \$346,836 to \$1,116,295 with a median of \$459,909. 3 of 9 (33%) franchisees in the 1st tertile had Gross Revenue that met or exceeded the average. In the 2nd tertile average Gross Revenue ranged from \$203,756 to \$332,359 with a median of \$240,446. 4 of 8 (50%) franchisees in the 2nd tertile had Gross Revenue that met or exceeded the average. In the 3rd tertile average Gross Revenue ranged from \$94,483 to \$185,582 with a median of \$143,612. 2 of 4 (50%) franchisees in the 3rd tertile had Gross Revenue that met or exceeded the average.

NOTE 2

In the 1st tertile Labor Expenses ranged from \$103,961 to \$492,132 with a median of \$171,919. 5 of 9 (56%) franchisees in the 1st tertile had Labor Expenses that met or were below the average. In the 2nd tertile average Labor Expenses ranged from \$3,303 to \$153,995 with a median of \$71,120. 5 of 8 (63%) franchisees in the 2nd tertile had Labor Expenses that met or were below the average. In the 3rd tertile average Labor Expenses ranged from \$6,681 to \$89,424 with a median of \$43,803. 2 of 4 (50%) franchisees in the 3rd tertile had Labor Expenses that met or were below the average.

NOTE 3

In the 1st tertile average Material Expenses ranged from \$360 to \$119,634 with a median of \$52,468. 5 of 9 (56%) franchisees in the 1st tertile had Material Expenses that met or were below the average. In the 2nd tertile average Material Expenses ranged from \$15,685 to \$38,783 with a median of \$28,177. 4 of 8 (50%) franchisees in the 2nd tertile had Material Expenses that met or were below the average. In the 3rd tertile average Material Expenses ranged from \$6,807 to \$40,940 with a median of \$12,092. 3 of 4 (75%) franchisees in the 3rd tertile had Material Expenses that met or were below the average.

NOTE 4

In the 1st tertile average Cost of Goods Sold ranged from \$149,704 to \$611,766 with a median of \$180,194. 6 of 9 (67%) franchisees in the 1st tertile had Cost of Goods Sold that met or were below the average. In the 2nd tertile average Cost of Goods Sold ranged from \$41,564 to \$184,534 with a median of \$98,354. 5 of 8 (63%) franchisees in the 2nd tertile had Cost of Goods Sold that met or were below the average. In the 3rd tertile average Cost of Goods Sold ranged from \$47,621 to \$96,231 with a median of \$55,895. 3 of 4 (75%) franchisees in the 3rd tertile had Cost of Goods Sold that met or were below the average.

NOTE 5

In the 1st tertile average Gross Profit ranged from \$114,187 to \$599,191 with a median of \$229,408. 3 of 9 (33%) franchisees in the 1st tertile had Gross Profit that met or exceeded the average. In the 2nd tertile average Gross Profit ranged from \$87,078 to \$290,795 with a median of \$130,640. 2 of 8 (25%) franchisees in the 2nd tertile had Gross Profit that met or exceeded the average. In the 3rd tertile average Gross Profit ranged from \$42,697 to \$137,961 with a median of \$65,495. 1 of 4 (25%) franchisees in the 3rd tertile had Gross Profit that met or exceeded the average.

Written substantiation for the financial performance representation presented above will be made available to a prospective franchisee on reasonable request.

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

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 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 Paul Ferrara, 88 East Main Street #345, Mendham, NJ 07945 or (973) 944-4900 x 404; the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEM-WIDE OUTLET SUMMARY
FOR YEARS 2022 TO 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised ¹	2022	97	114	+17
	2023	114	107	-7
	2024	107	130	+23
Affiliate-Owned ²	2022	3	5	+2
	2023	5	3	-2
	2024	3	3	0
Total Outlets	2022	110	119	+9
	2023	119	110	-9
	2024	110	133	+23

¹ Since December 31, 2024, 6 LSAs have ceased operations.

² Affiliated-owned outlets are owned by our officers.

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2022 TO 2024

STATE	YEAR	NUMBER OF TRANSFERS
Colorado	2022	0
	2023	1
	2024	0