

| Provision | Section in franchise or other agreement | Summary |
|--------------------|---|--|
| v. Choice of forum | F.A. §§ 17.2; 17.6 | Arbitration will take place in Delaware (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States in Delaware or, if this court lacks jurisdiction, the state courts of Delaware (subject to applicable state law). |
| w. Choice of law | F.A. § 18.8 | Delaware law will govern (subject to applicable state law). |

Item 18 PUBLIC FIGURES

We do not 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 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 Item 19 discloses the historical financial performance of certain Modern PURAIR businesses operating under the Proprietary Marks and utilizing the System in Canada pursuant to franchise agreements with our Canadian Parent, Modern PURAIR, Inc. (each, a “**CN Business**” and, collectively, the “**CN Businesses**”). Our Canadian Parent’s fiscal year runs from September 1 to August 31. As of August 31, 2024, there were twenty (20) CN Businesses operating in Canada. There were no corporate or affiliate outlets operated by us or our affiliates during this time period.

This Item discloses certain historical financial performance information and data regarding the operations of the twelve (12) CN Businesses that (i) had been open for one (1) year as of August 31, 2024, (ii) operated continuously from September 1, 2023 to August 31, 2024 (the “**Measurement Period**”), and (iii) were materially compliant with their franchise agreements with

our Canadian Parent (collectively, the “**Disclosed CN Businesses**” and each a “**Disclosed CN Business**”). Section I contains an overview of the Disclosed CN Businesses.

We have excluded the remaining eight (8) CN Businesses from this Item because one (1) CN Business had not been open for one (1) year as of August 31, 2024; and seven (7) CN Businesses were in material non-compliance with the terms of their franchise agreements with our Canadian Parent for issues including failure to maintain local management, failure to meet advertising spending thresholds, failure to follow required operational procedures, and failure to report accurate financials.

The financial data in this Item 19 was reported to us and our Canadian Parent by its franchisees and has not been independently audited.

Note Regarding Currency Exchange Rates

Currency Exchange Rates. All financial figures disclosed in this Item 19 have been converted to United States dollars (“U.S. Dollars” or “USD”) from Canadian dollars (“Canadian Dollars” or “CAD”). However, (i) the Disclosed CN Businesses owners reported this information to our Canadian Parent in Canadian Dollars given that their operations (and our Canadian Parent) are located in Canada; and (ii) the currency exchange rate between U.S. Dollars and Canadian Dollars is constantly in flux such that the rates may have substantially changed between the date the Disclosed CN Businesses reported these figures to our Canadian Parent, the issuance date of this Disclosure Document, and the date you receive this Disclosure Document and/or purchase franchise rights from us. Further, as of the issuance date of this Disclosure Document, the United States federal government has enacted tariffs on a global scale, which have elicited new or increased tariffs from other countries, including Canada. This has, in turn, affected exchange rates globally, including the exchange rate between U.S. Dollars and Canadian Dollars. Therefore, you should consider the exchange rates as of the dates you receive this Disclosure Document and purchase a franchise.

The financial data included in this Item 19 was converted from Canadian Dollars to U.S. Dollars with the average historical exchange rate between January 1, 2024 and December 31, 2024 of \$1 CAD = \$0.73 USD according to the U.S. Internal Revenue Service yearly average currency exchange rates found at <https://www.irs.gov/individuals/international-taxpayers/yearly-average-currency-exchange-rates>.

Written substantiation of the data used in preparing this financial performance representation will be made available to you as a prospective franchisee upon reasonable written request.

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

Section I

Modern PURAIR System Overview

Table 1 – Disclosed CN Business Details

Our Canadian Parent offers franchises with territories based on approximately 150,000 people per territory (“Canadian Territories”). A CN Business’s number of Canadian Territories may be rounded up or down, depending on how close they are to the nearest multiple of 150,000. The franchise offered under this Disclosure Document includes territories based on 250,000 people per territory. The Disclosed CN Businesses include both single-territory and multi-territory franchises. The table below reflects the “Owned Service Area” of each Disclosed CN Business, which is the geographic area that the applicable franchisee purchased the rights to operate their Disclosed CN Business within. The following table also includes the approximate population within each Disclosed CN Business’s Owned Service Area along with the number of Canadian Territories each Disclosed CN Business operates within according to our Canadian Parent’s territory structure of 150,000 people per territory. The population figures and Owned Service Area descriptions in this table are based on data from the Statistics Canada – 2021 Census, local municipal websites and community profiles, regional planning documents and CMA boundaries, Modern PURAIR internal franchise maps and service zones, and franchise-supplied breakdowns (i.e., “Vancouver Zones,” “Hamilton South,” and “West Edmonton”). **Note:** The Disclosed CN Businesses may operate outside of their Owned Services Areas; the franchise offered under this Disclosure Document does not allow for operation outside of a franchisee’s territory(ies) except under limited circumstances.

| Disclosed CN Business | Month/Year Opened | Owned Service Area | Approximate Total Population | # of Canadian Territories |
|------------------------------|--------------------------|---|-------------------------------------|----------------------------------|
| Kelowna ¹ | May 2010 | Kelowna, West Kelowna, Vernon | 325,326 | 2 |
| Calgary | August 2014 | Calgary (entire metro) | 1,306,784 | 9 |
| Fraser Valley | December 2011 | Langley (City & Township), Chilliwack, Abbotsford, Mission, Cloverdale, Delta, Surrey (North, South, East, West), White Rock, Pitt Meadows, Maple Ridge | 1,134,664 | 9 |
| Victoria ² | March 2017 | Greater Victoria (Victoria, Saanich, Oak Bay, Esquimalt, Langford, Colwood, Sidney, Sooke, Central & North Saanich, etc.) | 397,237 | 2 |
| Barrie | December 2021 | Barrie CMA – includes Barrie, Innisfil, Springwater | 212,856 | 2 |
| Vancouver | October 2022 | Vancouver Zones 1–6, Burnaby (North & South), Richmond (North & South), Coquitlam, New Westminster | 1,280,026 | 11 |
| South Okanagan | August 2009 | Penticton, Oliver, Osoyoos | 47,535 | 1 |
| Kootenays ³ | March 2011 | Castlegar, Nelson, Trail, Golden, Invermere | 35,267 | 1 |
| Nanaimo | August 2016 | Nanaimo CMA – includes City of Nanaimo, Lantzville, Gabriola Island, surrounding areas | 115,459 | 1 |
| Kamloops ⁴ | September 2023 | Kamloops, Salmon Arm, Merritt | 124,385 | 1 |

| | | | | |
|----------|-----------|--|---------|---|
| Edmonton | July 2018 | West Edmonton (limited franchise-owned region) | 350,000 | 2 |
| Hamilton | June 2021 | Hamilton – D, Hamilton – S | 250,181 | 2 |

Notes to Table 1:

1. The Kelowna CN Business previously received income from our Canadian Parent for providing training and related services to other Canadian franchisees.
2. The Victoria CN Business was transferred from a prior Canadian franchisee to the current owner in July of 2023.
3. The Kootenays CN Business was transferred from a prior Canadian franchisee to the current owner in September of 2022.
4. There was previously a Canadian franchisee operating in the territory of the current Kamloops CN Business, but that prior franchisee did not renew their franchise agreement with our Canadian Parent. The current owner opened the Kamloops CN Business in September of 2023.

General Notes to Section I:

The Disclosed CN Businesses pay our Canadian Parent Royalty Fees, Sales Center Fees, and Technology Fees that are different than those set forth in Item 6 of this Disclosure Document. The Disclosed CN Businesses also contribute 1% of their Gross Revenue to the PURKIDS Foundation. Other than these differences and the notes in the table above, there are no material financial or operational differences between the Disclosed CN Businesses and the franchise offered under this Disclosure Document.

The following table reflects the Net Revenue of each Disclosed CN Business during the Measurement Period along with Cost of Goods Sold (“COGS”) and Certain Expenses incurred during the Measurement Period. The table also reflects the number of “Sprinters” operated by each Disclosed CN Business during the Measurement Period. The Sprinters are substantially the same form of vehicle our U.S. franchisees will operate as described in Item 7 of this Disclosure Document.

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Table 2 – Disclosed CN Business Performance (CAD)

The following table discloses certain historical financial performance data from the Disclosed CN Businesses during the Measurement Period in Canadian Dollars (as they were reported to our Canadian Parent).

| | Kelowna | Calgary | Fraser Valley | Victoria | Barrie | Vancouver | South Okanagan | Kootenays | Nanaimo | Kamloops | Edmonton | Hamilton | TOTALS | AVERAGE | MEDIAN |
|--------------------------------------|-------------|-------------|---------------|-------------|---------------|--------------|----------------|------------|-------------|----------------|-----------|-----------|--------------|-------------|-----------|
| YEAR OPENED | May 2010 | August 2014 | December 2011 | March 2017 | December 2021 | October 2022 | August 2009 | March 2011 | August 2016 | September 2023 | July 2018 | June 2021 | Totals | Average | Median |
| TOTAL SPRINTERS | 11 | 8 | 6 | 5 | 3 | 4 | 3 | 3 | 3 | 3 | 2 | 2 | 53 | 4.4 | 3.0 |
| AVG SPRINTER NET REVENUE | \$367,855 | \$256,079 | \$294,775 | \$257,913 | \$402,593 | \$252,411 | \$295,614 | \$279,933 | \$251,189 | \$242,936 | \$264,066 | \$225,252 | | \$293,553 | \$260,989 |
| | Kelowna | Calgary | Fraser Valley | Victoria | Barrie | Vancouver | South Okanagan | Kootenays | Nanaimo | Kamloops | Edmonton | Hamilton | TOTALS | AVERAGE | MEDIAN |
| NET REVENUE | \$4,046,401 | \$2,048,633 | \$1,768,651 | \$1,289,564 | \$1,207,778 | \$1,009,642 | \$886,842 | \$839,799 | \$753,568 | \$728,808 | \$528,131 | \$450,504 | \$15,558,321 | \$1,296,527 | \$948,242 |
| COGS | \$1,724,590 | \$800,214 | \$810,974 | \$623,919 | \$342,109 | \$485,784 | \$376,097 | \$373,721 | \$320,515 | \$463,371 | \$299,612 | \$266,126 | \$6,887,033 | \$573,919 | \$419,734 |
| GROSS PROFIT | \$2,321,811 | \$1,248,419 | \$957,677 | \$665,645 | \$865,669 | \$523,858 | \$510,745 | \$466,078 | \$433,053 | \$265,437 | \$228,519 | \$184,378 | \$8,671,288 | \$722,607 | \$517,302 |
| CERTAIN EXPENSES | \$1,157,945 | \$754,651 | \$649,749 | \$440,155 | \$257,424 | \$493,412 | \$334,235 | \$371,440 | \$218,024 | \$242,300 | \$146,561 | \$134,250 | \$5,200,146 | \$433,345 | \$352,837 |
| NET REVENUE MINUS CERTAIN EXPENSES | \$1,163,866 | \$493,768 | \$307,928 | \$225,490 | \$608,246 | \$30,446 | \$176,510 | \$94,638 | \$215,029 | \$23,137 | \$81,957 | \$50,128 | \$3,471,142 | \$289,262 | \$195,770 |
| NET REVENUE MINUS CERTAIN EXPENSES % | 29% | 24% | 17% | 17% | 50% | 3% | 20% | 11% | 29% | 3% | 16% | 11% | 22% | 22% | 17% |

Table 3 – Disclosed CN Business Performance (USD)

The following table discloses the same historical financial performance data from the Disclosed CN Businesses as the preceding table, but the figures have been converted to U.S. Dollars. See the note above regarding the exchange rate used to convert the data.

| | Kelowna | Calgary | Fraser Valley | Victoria | Barrie | Vancouver | South Okanagan | Kootenays | Nanaimo | Kamloops | Edmonton | Hamilton | TOTALS | AVERAGE | MEDIAN |
|--------------------------------------|-------------|-------------|---------------|------------|---------------|--------------|----------------|------------|-------------|----------------|-----------|-----------|--------------|-----------|-----------|
| YEAR OPENED | May 2010 | August 2014 | December 2011 | March 2017 | December 2021 | October 2022 | August 2009 | March 2011 | August 2016 | September 2023 | July 2018 | June 2021 | Totals | Average | Median |
| TOTAL SPRINTERS | 11 | 8 | 6 | 5 | 3 | 4 | 3 | 3 | 3 | 3 | 2 | 2 | 53 | 4.4 | 3.0 |
| AVG SPRINTER NET REVENUE | \$268,534 | \$186,938 | \$215,186 | \$188,276 | \$293,893 | \$184,260 | \$215,798 | \$204,351 | \$183,368 | \$177,343 | \$192,768 | \$164,434 | | \$214,294 | \$190,522 |
| | Kelowna | Calgary | Fraser Valley | Victoria | Barrie | Vancouver | South Okanagan | Kootenays | Nanaimo | Kamloops | Edmonton | Hamilton | TOTALS | AVERAGE | MEDIAN |
| NET REVENUE | \$2,953,873 | \$1,495,502 | \$1,291,115 | \$941,382 | \$881,678 | \$737,039 | \$647,395 | \$613,053 | \$550,105 | \$532,030 | \$385,536 | \$328,868 | \$11,357,574 | \$946,465 | \$692,217 |
| COGS | \$1,258,951 | \$584,157 | \$592,011 | \$455,461 | \$249,739 | \$354,622 | \$274,551 | \$272,817 | \$233,976 | \$338,261 | \$218,717 | \$194,272 | \$5,027,534 | \$418,961 | \$306,406 |
| GROSS PROFIT | \$1,694,922 | \$911,346 | \$699,104 | \$485,921 | \$631,939 | \$382,416 | \$372,844 | \$340,237 | \$316,129 | \$193,769 | \$166,819 | \$134,596 | \$6,330,040 | \$527,503 | \$377,630 |
| CERTAIN EXPENSES | \$845,300 | \$550,895 | \$474,317 | \$321,313 | \$187,919 | \$360,191 | \$243,991 | \$271,151 | \$159,157 | \$176,879 | \$106,990 | \$98,003 | \$3,796,106 | \$316,342 | \$257,571 |
| NET REVENUE MINUS CERTAIN EXPENSES | \$849,622 | \$360,451 | \$224,787 | \$164,608 | \$444,019 | \$22,225 | \$128,852 | \$69,086 | \$156,971 | \$16,890 | \$59,829 | \$36,593 | \$2,533,934 | \$211,161 | \$142,912 |
| NET REVENUE MINUS CERTAIN EXPENSES % | 29% | 24% | 17% | 17% | 50% | 3% | 20% | 11% | 29% | 3% | 16% | 11% | 22% | 22% | 17% |

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Table 4 – Disclosed CN Business Performance Summary

The following table provides a summary of the foregoing tables, highlighting the averages from the right column of each table and reflecting each category as a percentage of the Average Net Revenue.

| THE MODEL | | | |
|---|-------------|-----------|--------------------------|
| | CAD | USD | % of Average Net Revenue |
| AVERAGE NET REVENUE | \$1,296,527 | \$946,465 | |
| AVERAGE COGS | \$573,919 | \$418,961 | 44.3% |
| AVERAGE GROSS PROFIT | \$722,607 | \$527,503 | 55.7% |
| AVERAGE CERTAIN EXPENSES | \$433,345 | \$316,342 | 33.4% |
| AVERAGE NET REVENUE MINUS AVERAGE CERTAIN EXPENSES | \$289,262 | \$211,161 | 22.3% |

Notes to Section I:

The following definitions apply to this Section I and the remainder of this Item 19:

1. “Net Revenue” means all income that the Disclosed CN Businesses derived from providing Approved Products and Services during the Measurement Period. Net Revenue does not include any income the Disclosed CN Businesses may have derived from performing work subcontracted from another CN Business, providing training or consulting to another CN Business or to our Canadian Parent, selling a used vehicle and/or equipment, or from rebate or referral arrangements with other companies and vendors.
2. “Cost of Goods Sold” or “COGS” includes expenses related to certain Purchases, Credit Card Processing, Specialized Contract Labor, Tech Compensation, and Sprinter + Equipment Expenses.
3. “Gross Profit” means Net Revenue minus COGS.
4. “Certain Expenses” include expenses related to Imputed Royalty Fees, Imputed Sales Center Fees, Imputed Technology Fees, Brand Fund Contributions, Management Expenses, Advertising/Marketing, Business Development – Sales, Rent, Utilities, Telephone, Computer + Internet, Insurance, and General Operations that the applicable Disclosed CN Business incurred during the Measurement Period. See Section VII for a breakdown of these expenses. The Certain Expenses are not all of the expenses that the Disclosed CN Businesses incurred during the Measurement Period or all of the expenses you will incur in the development and operation of a Modern PURAIR Franchised Business. “Certain Expenses” do not include expenses the Disclosed CN Businesses incurred for: Contributions to the PURKIDS Foundation, Owner Compensation, Profit Sharing, Gifts, Travel, Meals & Entertainment, Donations, Benefits/Life Insurance, Business Coaching, Bad Debt/Collections, Mileage, Parking, Interest on Long Term Debt, Taxes, Depreciation, and Amortization.

5. “Gross Profit Minus Certain Expenses” means Gross Profit minus the total Certain Expenses for the applicable Disclosed CN Business during the Measurement Period.

Section II
Disclosed CN Business Net Revenue By Year

In this Section II, Table 1 and Table 3 disclose the Net Revenue earned by each of the Disclosed CN Businesses during “2022” (September 1, 2021 to August 31, 2022), “2023” (September 1, 2022 to August 31, 2023), and “2024” (September 1, 2023 to August 31, 2024). Only eleven (11) of the Disclosed CN Businesses were open for the entire 2022 period. Tables 2 & 4 are a summary of the data in Tables 1 & 3, respectively. Tables 1 & 2 disclose this data in Canadian Dollars as it was reported to our Canadian Parent by the Disclosed CN Businesses. Tables 3 & 4 disclose the same data in U.S. Dollars, using the currency exchange rate described above.

Table 1 – Disclosed CN Business Net Revenue By Year (CAD)

| Disclosed CN Business | 2022 | 2023 | 2024 |
|------------------------------|-------------|-------------|-------------|
| Kelowna | \$2,661,938 | \$3,309,682 | \$4,046,401 |
| Calgary | \$1,522,845 | \$2,005,532 | \$2,048,633 |
| Fraser Valley | \$2,113,308 | \$1,563,114 | \$1,768,651 |
| Victoria | \$794,592 | \$870,897 | \$1,289,564 |
| Barrie | \$355,072 | \$769,740 | \$1,207,778 |
| Vancouver | n/a | \$582,393 | \$1,009,642 |
| South Okanagan | \$707,150 | \$782,817 | \$886,842 |
| Kootenays | \$416,783 | \$673,436 | \$839,799 |
| Nanaimo | \$587,408 | \$772,486 | \$753,568 |
| Kamloops | \$855,894 | \$582,042 | \$728,808 |
| Edmonton | \$21,656 | \$542,813 | \$528,131 |
| Hamilton | \$258,102 | \$301,122 | \$450,504 |

Table 2 – Summarized Disclosed CN Business Net Revenue By Year (CAD)

| | 2022 | 2023 | 2024 |
|----------------------------------|-------------------|-------------------|-------------------|
| CN Businesses | 11 | 12 | 12 |
| Total Net Revenue | \$10,294,748 | \$12,756,074 | \$15,558,321 |
| <hr/> | | | |
| Average Net Revenue per Location | \$935,886 | \$1,063,006 | \$1,296,527 |
| Above Average | 3 out of 11 (27%) | 3 out of 12 (25%) | 3 out of 12 (25%) |
| Below Average | 8 out of 11 (73%) | 9 out of 12 (75%) | 9 out of 12 (75%) |
| <hr/> | | | |
| Low Net Revenue | \$21,656 | \$301,122 | \$450,504 |
| High Net Revenue | \$2,661,938 | \$3,309,682 | \$4,046,401 |
| Median Net Revenue | \$707,150 | \$771,113 | \$948,242 |

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Table 3 – Disclosed CN Business Net Revenue By Year (USD)

| Disclosed CN Business | 2022 | 2023 | 2024 |
|------------------------------|-------------|-------------|-------------|
| Kelowna | \$1,943,215 | \$2,416,068 | \$2,953,873 |
| Calgary | \$1,111,677 | \$1,464,038 | \$1,495,502 |
| Fraser Valley | \$1,542,715 | \$1,141,073 | \$1,291,115 |
| Victoria | \$580,052 | \$635,755 | \$941,382 |
| Barrie | \$259,203 | \$561,910 | \$881,678 |
| Vancouver | n/a | \$425,147 | \$737,039 |
| South Okanagan | \$516,220 | \$571,456 | \$647,395 |
| Kootenays | \$304,252 | \$491,608 | \$613,053 |
| Nanaimo | \$428,808 | \$563,915 | \$550,105 |
| Kamloops | \$624,803 | \$424,891 | \$532,030 |
| Edmonton | \$15,809 | \$396,253 | \$385,536 |
| Hamilton | \$188,414 | \$219,819 | \$328,868 |

Table 4 – Summarized Disclosed CN Business Net Revenue By Year (USD)

| | 2022 | 2023 | 2024 |
|----------------------------------|-------------------|-------------------|-------------------|
| CN Businesses | 11 | 12 | 12 |
| Total Net Revenue | \$7,515,166 | \$9,311,934 | \$11,357,574 |
| <hr/> | | | |
| Average Net Revenue per Location | \$683,197 | \$775,995 | \$946,465 |
| Above Average | 3 out of 11 (27%) | 3 out of 12 (25%) | 3 out of 12 (25%) |
| Below Average | 8 out of 11 (73%) | 9 out of 12 (75%) | 9 out of 12 (75%) |
| <hr/> | | | |
| Low Net Revenue | \$15,809 | \$219,819 | \$328,868 |
| High Net Revenue | \$1,943,215 | \$2,416,068 | \$2,953,873 |
| Median Net Revenue | \$516,220 | \$562,913 | \$692,097 |

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Section III **Disclosed CN Business Growth Rate**

In this Section III, the following tables disclose the total Net Revenue from the Disclosed CN Businesses during the 2022, 2023, and 2024 periods (as such periods of time are defined above). As disclosed above, only eleven (11) of the Disclosed CN Businesses were open for the entire 2022 period. The following tables also disclose the growth rate (in amount and percentage of growth) between the 2023 and 2024 periods and the 2022 and 2024 periods, respectively. Lastly, the following tables also disclose the Average Net Revenue per Location (“AVG Location”), as disclosed above in Section II, during the 2022, 2023, and 2024 periods and disclose the growth rate (in amount and percentage of growth) between the 2023 and 2024 periods and the 2022 and 2024 periods, respectively. Table 1 discloses this data in Canadian Dollars as it was reported to our Canadian Parent by the Disclosed CN Businesses. Table 2 discloses the same data in U.S. Dollars, using the currency exchange rate described above.

Table 1 – Disclosed CN Business Year-Over-Year Growth Rate (CAD)

| 2024 vs 2023 | | 2024 vs 2022 | |
|---------------------------------------|--------------|---------------------------------------|--------------|
| 2024 Net Revenue | \$15,558,321 | 2024 Net Revenue | \$15,558,321 |
| 2023 Net Revenue | \$12,756,074 | 2022 Net Revenue | \$10,294,748 |
| YOY Growth | \$2,802,247 | Systemwide Growth | \$5,263,573 |
| YOY Growth % | 22.0% | Systemwide Growth % | 51.1% |
| 2024 AVERAGE NET REVENUE PER LOCATION | \$1,296,527 | 2024 AVERAGE NET REVENUE PER LOCATION | \$1,296,527 |
| 2023 AVERAGE NET REVENUE PER LOCATION | \$1,063,006 | 2022 AVERAGE NET REVENUE PER LOCATION | \$935,886 |
| YOY Growth | \$233,521 | YOY Growth | \$360,641 |
| YOY Growth % | 22.0% | YOY Growth % | 38.5% |

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