Conair Corp.

QUARTERLY DISCLOSURE STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2018

1. Name of the issuer and its predecessor (if any).

Conair Corp. ("Conair", the "Company", "We", "Us", "Issuer")

Item 2. Address of the issuer's principal executive offices.

Principal Executive Offices: 246 Broadway
Garden City Park, NY 11040
Telephone: 516-294-8860
Facsimile: 516-294-8869
Website: theconairgroup.com

Investor Relations Officers: None

Item 3. Security Information

A. **Trading symbol:** CNGA
Exact title and class: Conair, common stock
CUSIP: 255888100
Par or Stated Value: $.01
Total shares authorized, 10,000,000 and **outstanding,** 5,852,692 **as of:** June 30, 2018

B. **Preferred** – None

C. **Transfer Agent:** Continental Stock Transfer & Trust Company
17 Battery Place
New York, NY 10004
Telephone: 212-509-4000
http://www.continentalstock.com
cstmail@continentalstock.com

There are no trading suspension orders issued by the SEC on the Company's securities. Of the 5,852,692 common shares outstanding at June 30, 2018, approximately 992,000 shares are fully tradable in the open market without restrictions. All other shares are either restricted securities under Rule 144 or "control securities" owned by officers, directors and/or affiliated persons.

Item 4. Issuance History

In the past two fiscal years and any interim period, there were no sales of the Company's securities by the Company.

Item 5. Financial Statements

The financial statements for quarter ended June 30, 2018 follow this page.

CONAIR CORP.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Nine and Three Months Ended June 30, 2018

CONAIR CORP. AND SUBSIDIARIES

CONTENTS

mwe
Margolin, Winer & Evens LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Conair Corp. and Subsidiaries
Garden City Park, New York

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements of Conair Corp. and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of June 30, 2018, and the related consolidated statements of operations, stockholders' equity, and cash flows for the nine and three month periods then ended, and the related notes to the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the consolidated financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these consolidated financial statements.

Margolin, Winer & Evens LLP

Garden City, New York
August 13, 2018

Headquarters
400 Garden City Plaza, 5th Floor, Garden City, NY 11530-3323 Tel: 516 747-2000 Fax: 516 747-6707 www.mwellp.com

New York Office
757 Third Avenue, Suite 2002, New York, NY 10017 Tel: 212 973-1000 Fax: 212 973-1004 www.mwellp.com

CONAIR CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(Unaudited)

June 30,	2018
ASSETS	
Current Assets:	
Cash	$ 927,807
Accounts receivable (net of allowance for doubtful accounts of $45,000)	937,850
Inventory - materials	16,600
Costs and estimated earnings in excess of billings on uncompleted contracts	20,396
Prepaid expenses and other assets	54,545
Total Current Assets	1,957,198
Marketable Securities - long-term	1,400,000
Property, Plant and Equipment, at cost:	
Land	40,300
Building and improvements	287,078
Automobiles and trucks	700,745
Office equipment and fixtures	267,201
	1,295,324
Less accumulated depreciation	1,249,477
Property, Plant and Equipment - net	45,847
Deferred Tax Asset	57,000
Total Assets	$ 3,460,045

	2018
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities:	
Accounts payable and accrued expenses	$ 1,063,206
Due to related party	38,000
Billings in excess of costs and estimated earnings on uncompleted contracts	1,077,451
Payroll and other taxes payable	9,391
Income taxes payable	73,977
Deferred service contract revenue	35,639
Total Current Liabilities	2,297,664
Long-term Liabilities - Security deposit	7,875
Total Liabilities	2,305,539
Commitments and Contingencies	-
Stockholders' Equity:	
Common stock, $.01 par value, 10,000,000 shares authorized, 5,852,692 shares issued and outstanding	58,527
Additional paid-in capital	798,973
Retained earnings	297,006
Total Stockholders' Equity	1,154,506
Total Liabilities and Stockholders' Equity	$ 3,460,045

See independent accountants' compilation report.
The accompanying notes are an integral part of this statement.

CONAIR CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

Nine Months and Three Months Ended June 30, 2018

	Nine Months	Three Months
Contract and Service Revenue Earned	$ 3,450,971	$ 1,275,871
Cost of Contract and Service Revenue Earned:		
Materials	673,018	213,608
Subcontractors	307,211	112,566
Direct labor	854,505	271,596
Payroll taxes, union benefits and insurance	278,548	111,171
Truck expenses and repairs	103,504	26,688
Other expenses	21,321	350
Total Cost of Contract and Service Revenue Earned	2,238,107	735,979
Gross Profit	1,212,864	539,892
Selling, General and Administrative Expenses - including interest expense of $4,601 and $2,624, respectively	877,850	299,144
Other Income:		
Rental income	38,724	12,908
Interest and other	11,622	5,094
Income Before Provision for Income Taxes	385,360	258,750
Provision for Income Taxes	198,000	98,000
Net Income	$ 187,360	$ 160,750
Income Per Share -		
Basic	$ 0.032	$ 0.027
Weighted Average Number of Shares Outstanding -		
Basic	5,842,892	5,848,492

CONAIR CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)

Nine Months and Three Months Ended June 30, 2018

	Nine Months Ended June 30, 2018			
	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL
Balance - beginning of period	$ 58,401	$ 790,783	$ 109,646	$ 958,830
Stock-based Compensation	126	8,190	-	8,316
Net Income	-	-	187,360	187,360
Balance - end of period	$ 58,527	$ 798,973	$ 297,006	$ 1,154,506

	Three Months Ended June 30, 2018			
	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL
Balance - beginning of period	$ 58,401	$ 790,783	$ 136,256	$ 985,440
Stock-based Compensation	126	8,190	-	8,316
Net Income	-	-	160,750	160,750
Balance - end of period	$ 58,527	$ 798,973	$ 297,006	$ 1,154,506

See independent accountants' compilation report.
The accompanying notes are an integral part of these statements.

CONAIR CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

Nine Months and Three Months Ended June 30, 2018

	Nine Months	Three Months
Cash Flows from Operating Activities:		
Net income	$ 187,360	$ 160,750
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	7,253	2,520
Deferred income taxes	123,000	48,000
Stock-based compensation	8,316	8,316
(Increase) decrease in operating assets:		
Accounts receivable	203,445	(335,575)
Costs and estimated earnings in excess of billings on uncompleted contracts	19,960	(1,821)
Prepaid expenses and other assets	36,497	23,633
Prepaid income taxes	773	-
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(623,286)	(138,364)
Billings in excess of costs and estimated earnings on uncompleted contracts	240,943	148,295
Payroll and other taxes payable	5,024	6,134
Income taxes payable	73,977	50,000
Deferred service contract revenue	(9,917)	(2,569)
Net Cash Provided by (Used in) Operating Activities	273,345	(30,681)
Cash Flows from Investing Activities:		
Purchase of marketable securities	(300,000)	-
Purchase of equipment	(3,635)	(2,140)
Net Cash Used in Investing Activities	(303,635)	(2,140)
Cash Flows from Financing Activities:		
Due to related party	(79,500)	(39,000)
Principal repayments of notes payable - stockholders	(24,325)	-
Net Cash Used in Financing Activities	(103,825)	(39,000)
Net Decrease in Cash	(134,115)	(71,821)
Cash - beginning of period	1,061,922	999,628
Cash - end of period	$ 927,807	$ 927,807
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period for income taxes	$ 250	$ -
Cash paid during the period for interest	4,601	2,624

See independent accountants' compilation report.

The accompanying notes are an integral part of these statements.

1. **Summary of Significant Accounting Policies**

Nature of business - Conair Corp. and its wholly owned subsidiaries (the "Company") service and install commercial air conditioning systems principally in the New York metropolitan area. Conair Franchise Development Corp. ("FDC") was formed as a wholly owned subsidiary of Conair Corp. during 2017 to explore potential franchise development opportunities.

Principles of consolidation - The consolidated financial statements include the accounts of Conair Corp. and its wholly owned subsidiaries, Conair Weather Service, Inc. ("CWS"), Airvel Air-Conditioning Corp. ("AAC"), Safecon Systems, Inc., and FDC. All significant intercompany balances and transactions have been eliminated.

Cash - At times, the Company maintains cash balances with a financial institution in an amount that exceeds the federal government's deposit insurance.

Accounts receivable - Trade accounts receivable are reported on the balance sheet at their outstanding principal balance net of an estimated allowance for doubtful accounts.

Sales terms usually provide for payment within 30 days of invoice date. An allowance for doubtful accounts is provided based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts receivable are charged against the allowance (written-off) when substantially all collection efforts cease. Recoveries of accounts receivable previously charged off are recorded when received. No bad debt expense for the nine and three months ended June 30, 2018 was recognized.

The Company's sales arrangements generally do not provide for interest on past due accounts.

Retainages included in accounts receivable are approximately $155,000.

Accounts receivable include approximately $369,000 in amounts outstanding over ninety days, net of an allowance for doubtful accounts of $45,000.

Inventory - Inventory is stated at the lower of cost (first-in, first-out) and net realizable value.

Property, plant and equipment - Depreciation is provided over the estimated useful lives of the depreciable assets which range from five to thirty-three years principally by application of the straight-line method.

Maintenance and repairs are charged to expense when incurred.

Betterments and major renewals or replacements are capitalized.

Income taxes - The Company accounts for income taxes in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, "Income Taxes," pursuant to which deferred taxes are determined based on the differences between the financial statement and tax basis of assets and liabilities, using enacted tax rates, as well as any net operating loss or tax credit carryforwards expected to reduce taxes payable in future years.

The Company files consolidated federal, state and local income tax returns.

The Company follows the provisions pertaining to uncertain tax positions of FASB ASC 740, and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

On December 22, 2017, the U.S. federal government enacted the Tax Cuts and Jobs Act (the "Act"). The Act makes major changes to U.S. corporate income tax law, including reducing the corporate income tax rate to 21% (from 35%) and allowing for the immediate expensing of certain qualified property. FASB ASC 740 requires deferred tax assets and liabilities to be measured at the enacted tax rate expected to apply when temporary differences are to be realized or settled. Because a change in tax law is accounted for in the period of enactment, the Company has remeasured its deferred tax assets and liabilities as of December 31, 2017 based upon the new 21% tax rate. The effect of the rate change has been recorded as a component of the income tax provision related to continuing operations during the nine months ending June 30, 2018.

Income per share - Income per common share is presented in accordance with FASB ASC 260, "Earnings Per Share." Basic income per common share is computed using the weighted average number of common shares outstanding during the period.

Revenue and cost recognition - Revenue from construction contracts is recognized on the percentage-of-completion method, measured by the percentage of costs incurred to date to total estimated costs for each contract. For the nine and three months ended June 30, 2018, revenue from construction contracts approximated $2,243,000 and $815,000, respectively.

Contract costs include all direct materials and labor costs and all other direct and indirect costs related to contract performance. Provisions for estimated losses on uncompleted contracts are made in the period in which the losses are determined. Changes in job performance, job conditions, estimated profitability and final contract settlements are recognized in the period in which the revisions are determined and may result in revisions to costs and income in the future.

The asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenue recognized in excess of amounts billed. The liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings in excess of revenue recognized.

Service contract revenue, which excludes sales tax, is recognized on a straight-line basis over the contract period. Deferred service contract revenue represents billings in advance of the maintenance period. Incremental direct costs resulting from the sale of such contracts are not material and are expensed currently. Additional revenue from the sale of parts and service primarily to customers under service contracts, which excludes sales tax, is recognized upon installation. For the nine and three months ended June 30, 2018, service contract and parts revenue approximated $1,208,000 and $461,000, respectively.

Fair value of financial instruments - FASB ASC 825, "Financial Instruments," requires certain entities to disclose the fair value of certain financial instruments in their financial statements. The Company estimates that the fair value of its cash, accounts receivable, accounts payable and accrued expenses, payroll and other taxes payable, due to related party, and income taxes payable, approximate their carrying amounts due to the short maturity of these instruments. See Note 3 concerning fair value of marketable securities.

Share-based compensation - The Company accounts for stock grants and vesting to non-employees in accordance with ASC Topic 505-50 "*Equity-Based Payments to Non-Employees*" and accordingly the value of the stock compensation to non-employees is based upon the measurement date as determined as the earlier of a) the date at which a commitment for performance is reached with the counterparty, or b) at the date at which the necessary performance to earn the equity instruments is complete. The Company values the compensation in the form of shares of stock issued to non-employees based on the fair value of the stock, as the value is more reliably measurable than the fair value of the consideration or services received. The expense is recognized on a straight-line basis over the performance period.

Comprehensive income - FASB ASC 220, "Comprehensive Income," established standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. Comprehensive income includes net income and other comprehensive income. Comprehensive income is defined as the change in net assets of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. The difference between the cost and fair value of the Company's marketable securities at June 30, 2018 is insignificant. Accordingly, comprehensive income (loss) has not been reported.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates used in preparing these financial statements include those assumed in computing profit percentages and percent complete under the percentage-of-completion revenue recognition method, and estimating valuation reserves on deferred tax assets. It is at least reasonably possible that the estimates used will change within the next year.

Accounting standard not yet adopted - In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* (Topic 606) which supersedes existing US GAAP revenue recognition requirements, including most industry-specific revenue recognition guidance. The core principle of the ASU is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration which the entity expects to be entitled to receive in exchange for those goods or services. To achieve that core principle, an entity will be required to apply the following five steps:

- identify the contract(s) with the customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract; and
- recognize revenue when (or as) the entity satisfies a performance obligation.

In addition, there are revised criteria relating to the accounting for incremental costs to obtain or costs to fulfill a customer contract that are not otherwise addressed in other accounting standards. The ASU also requires enhanced disclosures that are intended to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The ASU allows for a full retrospective or a modified retrospective approach and for nonpublic entities is effective for annual reporting periods beginning after December 15, 2018, as modified by ASU 2015-14. Early application is permitted for reporting periods beginning after December 15, 2016. The Company is currently evaluating the effects the provisions of ASU 2014-09 will have on its financial statements.

Subsequent events - The Company has evaluated events and transactions for potential recognition or disclosure through August 13, 2018, the date the financial statements were available to be issued.

2. Income Taxes

The provision for income taxes for the nine months ended June 30, 2018 consists of:

	Federal	State and Local	Total
Current	$ -	$ 75,000	$ 75,000
Deferred	123,000	-	123,000
	$ 123,000	$ 75,000	$ 198,000

The provision for income taxes for the three months ended June 30, 2018 consists of:

	Federal	State and Local	Total
Current	$ -	$ 50,000	$ 50,000
Deferred	48,000	-	48,000
	$ 48,000	$ 50,000	$ 98,000

The provision for income taxes differs from the amount computed by applying the statutory federal income tax rate primarily due to the impact of applying the provisions of the Tax Cuts and Jobs Act (the "Act"), enacted on December 22, 2017. The Act, amongst various other changes, reduced the statutory federal corporate tax rate from 35% to

21%. Accordingly, the deferred tax asset was reduced to the rate expected to be applicable when the differences reverse resulting in a $53,000 deferred tax expense.

The approximate tax effect of temporary differences and carryforwards is as follows:

Deferred tax assets:	
Allowance for doubtful accounts	$ 17,000
Federal net operating loss carryforwards	15,000
Property, plant and equipment	6,000
Other	19,000
Deferred tax assets	57,000
Deferred tax liabilities	-
Net deferred tax assets	$ 57,000

In assessing the realizability of deferred tax assets management considers whether it is more likely than not that some portion or all of the deferred tax assets and liabilities will be realized. The ultimate realization is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible or operating loss carryforwards are available. Management considers the Company's past performance, the scheduled timing of the reversals of deferred tax assets and liabilities and expiration of operating loss carryforwards in making this assessment.

Federal net operating loss carryforwards of approximately $60,000 will expire beginning in 2031.

Tax years ended September 30, 2015 through 2018 remain subject to examination for Federal, New York State and New York City purposes.

3. Marketable Securities

The Company accounts for its marketable securities in accordance with FASB ASC 320, "Investments - Debt and Equity Securities." The Company's marketable securities have been classified as securities available for sale and are reported at their approximate fair value. Fair value of municipal and corporate debt securities is based on quoted prices in markets that are not active or other inputs that are observable or are corroborated by observable market data (Level 2 of the fair value hierarchy established under FASB ASC 820, "Fair Value Measurement").

Municipal bond debt securities from the State and City of New York are adjustable rate bonds and represent 100% of the total marketable securities as of June 30, 2018. The total cost of the municipal debt securities approximates their fair value as of June 30, 2018, and no unrealized holding gain or loss has been recognized.

The Company has classified its debt securities that mature after one year from the balance sheet date as non-current. The contractual maturities of the Company's debt securities as of June 30, 2018 are as follows:

Due after ten years but within fifteen years	$ 200,000
Due after fifteen years	1,200,000
	$ 1,400,000

During the nine and three months ended June 30, 2018, there were no sales or maturities of marketable securities. Realized gains and losses are determined on the basis of sales price less original cost or amortized cost determined on a first-in, first-out basis.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the Company's financial position and results of operations.

4. Note Payable - Stockholder

During 2011, the Company borrowed approximately $712,000 from one of its two principal stockholders/officers. The unsecured note bore interest at a rate of 1.95% per annum and the remaining balance of approximately $24,000 was paid in full during the nine months ended June 30, 2018. Interest expense aggregated approximately $100 for the nine months ended June 30, 2018.

5. Due to Related Party

During 2015 and 2014, the Company borrowed an aggregate of $125,000 from an entity related to its two principal stockholders/officers. The amounts borrowed do not call for interest. As of June 30, 2018, the amount outstanding was $38,000 and the Company anticipates repaying these advances in weekly payments of $1,500, based upon available cash flows of the Company, with $38,000 expected to be repaid during the twelve months ending June 30, 2019.

6. Rentals Under Operating Lease

The Company is the lessor of commercial space under an operating lease that expires February 28, 2019. Rent income for the nine and three months ended June 30, 2018 was approximately $39,000 and $13,000, respectively.

Minimum future rentals to be received on this noncancelable lease as of June 30, 2018 during the twelve months ending June 30 2019 are approximately $35,000.

7. 401(k) Plan

The Company has a 401(k) plan covering substantially all employees not covered by union sponsored plans. Contributions to the 401(k) plan are at the discretion of the Board of Directors. Contributions to the 401(k) plan for the nine and three months ended June 30, 2018 were approximately $5,000 and $1,000, respectively.

8. Pension and Welfare Benefits

The Company is obligated under a multiemployer union pension plan, Metal Trades Branch Local Union 638 Pension Fund, under the collective bargaining agreement terms that cover its union-represented employees. The risks of participating in multiemployer plans differ from those of single-employer plans in the following respects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, then the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the Company chooses to stop participating in the multiemployer plan, then it may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Company's participation in the plan for the nine and three months ended June 30, 2018 is outlined in the table below.

Pension Fund	EIN	Pension Protection Act Zone Status 2017	FIP/RP Status Pending/ Implemented	Contributions Nine Months	Contributions Three Months	Surcharge Imposed	Collective Bargaining Agreement Exp. Date
001	13-254-1630	Green	None	$ 52,000	$ 18,000	No	6/30/21

Unless otherwise noted, the most recent Pension Protection Act zone status available in 2018 is for the plan's year-end at June 30, 2017. There have been no significant changes that affect the comparability of the contributions. The Company's contributions to the plan for the year ended June 30, 2017 represent less than 5% of the total contributions to the plan.

Estimates used in determining funded status and plan contributions are based on numerous assumptions as well as asset values that continually change. The plan's certified zone status under the Pension Protection Act of 2006 was "Green" for the plan year ended June 30, 2017, based on the plan actuary's determination that the plan's funded ratio was over 80% at July 1, 2016. The plan has not sought or received an amortization extension under Section 304(d) of ERISA. The Company currently has no intention of withdrawing from the plan. However, should the Company decide to withdraw from the plan, the withdrawal liability could be significant. Accordingly, as circumstances evolve, amounts recorded in the financial statements relating to this plan could have a material adverse effect on the Company's financial condition and results of operations.

The Company also contributes to a multiemployer welfare plan for the benefit of current employees covered by the collective bargaining agreement. The welfare plan provides various benefits including, but not limited to, healthcare benefits to eligible current employees. There were no changes to the welfare plan that affected comparability of the Company's contributions from the prior year. Contributions to the plan for the nine and three months ended June 30, 2018 amounted to approximately $99,000 and $32,000, respectively.

9. Major Customers

One customer accounted for approximately 10% of revenue for the nine months ended June 30, 2018. Three customers accounted for approximately 35% of revenue for the three months ended June 30, 2018.

As of June 30, 2018, one customer represented approximately 26% of the Company's net accounts receivable.

10. Surety Bonds

The Company has executed general indemnity agreements in favor of a surety in order to obtain surety bonds for its construction contracts.

The two principal stockholders have guaranteed obligations that may arise under the construction surety bonds.

11. Costs and Estimated Earnings on Uncompleted Contracts

Costs and estimated earnings on uncompleted contracts as of June 30, 2018 are approximately as follows:

Costs incurred on uncompleted contracts	$ 6,876,000
Estimated earnings	1,954,000
	8,830,000
Less: Billings to date	9,887,000
	$ (1,057,000)

Included in the accompanying balance sheet under the following captions:

Costs and estimated earnings in excess of billings on uncompleted contracts	$ 20,000
Billings in excess of costs and estimated earnings on uncompleted contracts	(1,077,000)
	$ (1,057,000)

12. Stock-based Compensation

During April 2018, the Company entered into two separate consulting agreements where the Company has agreed to grant each party 25,200 shares of restricted stock in exchange for services provided to the Company for one year. The agreements may be terminated by either the Company or the consultant with thirty days written notice. In May 2018, the Company issued 6,300 shares to each of the consultants. The fair value of the restricted stock is estimated by the market price of the Company's common stock at the date of grant ($0.66 per share during April 2018) and is being amortized over the one year term of the agreements. The Company has recorded approximately $8,000 in expense for the nine and three months ended June 30, 2018 which is included in selling, general and administrative expenses.

13. Litigation

The Company, from time to time, is subject to routine claims and lawsuits in the ordinary course of business. In the opinion of management the ultimate disposition of these claims will not have a material adverse effect on the Company.

Item 6. Describe the Issuer's Business, Products and Services

A. Business of Issuer

Conair Corp. and its wholly-owned subsidiaries are in the business of installing and servicing commercial air conditioning, heating, refrigeration and ventilation systems ("HVAC").

Company Subsidiaries

Conair Weather Services, Inc. – wholly-owned subsidiary
Airvel Air Conditioning Corp. – wholly-owned subsidiary
Safecon Systems, Inc. – wholly-owned subsidiary

B. Date and State (or Jurisdiction) of Incorporation: January 24, 1964, New York

C. Primary and secondary SIC code;

3585 – Refrigeration and Heating

D. The issuer's fiscal year end date: September 30, 2018

E. Principal products or services, and their markets:

The Company and its subsidiaries are in the business of sales and service for commercial HVAC systems. The Company was established in 1964 and its business was, and is, commercial HVAC systems. CNGA established Conair Weather Service in 1969 to provide services to its clients. Airvel Air Conditioning was established in 1947 and acquired by us in 1988. This acquisition allowed Conair to expand our business and brought long term clientele to our already growing client base.

Safecon Systems was formed in 1995 in response to the Montreal Protocol on Substances that Deplete the Ozone Layer ("Protocol"). The Protocol regulates the manufacture of chemicals that damage the ozone layer and at the same time encourages member nations to search for other ozone friendly alternatives.

Because refrigerants used in HVAC systems were on the regulated list, Mr., Stransky, the Company's CEO, saw a need to development a product in line with the requirements of the Protocol. Mr. Stransky invented a line of refrigerant conservation devices, received three U.S. Patents which expired in 2014, and started Safecon Systems to sell the devices.

In calendar 2018, the Company may expand its revenue base through franchising operations of its name, logo and business.

Intellectual Property

Patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration:

Conair company logo is pending its trademark approval.

Government Regulation

Conair adheres to the rules and regulations dictated in the USA for handling refrigerant gases.

Employees

The Company has approximately 30 full-time employees, approximately 20% of which are represented by a union.

Item 7. Describe the Issuer's Facilities

The Company owns a 10,000 square foot commercial office space and leases a portion of the space to a non-industry related entity. The lease expires February 28, 2019.

Item 8. Officers, Directors and Control Persons

A. Directors and Executive Officers

Barry Stransky, President and Chairman, Control Person

Barry Stransky, age 56, has served as Chairman, Chief Executive Officer and President of the Company since 1993. He has been a full-time employee since 1983.

2. Control Person

Mark Stransky is a control person and a former officer and director from 1993 – 2016. Mark Stransky is the brother of Barry Stransky.

B. Legal/disciplinary history

Please identify whether any of the executive officers and directors have, in the last five years, been the subject of:

1. **A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);** None
2. **The entry of an order, judgment or decree, not subsequently reversed, suspended or vacated by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities or banking activities;** None

3. **A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended or vacated;** None
4. **The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activity;** None

C. Beneficial Shareholders

Provide a list of the name, address and shareholdings of all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities.

As of June 30, 2018, (a) all persons or groups known by the Company to be the beneficial owners of 5% or more of its outstanding Common Stock and (b) all the Company's directors and executive officers as a group.

Title of Class	Name of Beneficial Owner	Number of Shares	Approx. Percent
Common Stock	Barry Stransky	2,874,000	49%
Common Stock	Mark Stransky	2,000,000	34%
Common Stock	All officers and directors as a group (one person)	2,874,000	49%

Item 9. Third Party Providers

The following are the name, address, telephone number and email address of each of the outside providers listed below that advise the Company on matters relating to operations, business development and disclosure:

Legal Counsel
Steven Morse, Esq.
Morse & Morse, PLLC
1400 Old Country Road, Ste. 302
Westbury, NY 11590
Telephone: 516.487.1446
Website: www.morseandmorse.com
Email: morgold@aol.com

Accountant

Preparation of the Company's financial statements is the responsibility of the Company's management. The Company's independent accounting firm, Margolin, Winer & Evens LLP ("MWE") was responsible for reviewing the year-end September 30, 2017 consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. For the nine and three month periods ended June 30, 2018 MWE performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. They did not audit or review the consolidated financial statements nor were they required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, they did not express an opinion, a conclusion, nor provide any form of assurance on the nine and three month periods ended June 30, 2018 consolidated financial statements.

MWE is licensed in the State of New York and registered with the Public Company Accounting Oversight Board ("PCAOB). Fees for professional review-related services rendered by MWE for review of the Company's annual financial statements for the year ended September 30, 2017 totaled approximately $32,000. For the fiscal year ended September 30, 2017 there was approximately $10,000 in non-review fees billed for tax and limited consulting services by MWE.

Accountant contact information:

Margolin, Winer & Evens LLP
400 Garden City Plaza
Garden City, NY
Telephone: (516) 747-2000
Attn: Michael McVetty
E-mail: mmcvetty@mellp.com

All Other Fees
The Company does not utilize the services of any third party investor relations consultant or other advisor.

Item 10. Issuer's Certifications

I, Barry Stransky, CEO, Chairman of the Board and President, certify that:

1. We have reviewed this annual disclosure statement of Conair Corp.;

2. Based on our knowledge, this annual disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the

statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on our knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

DATE: August 13, 2018

/s/ Barry Stransky, Chief Executive Officer