

	PROVISION	SECTION IN MULTI-UNIT AGREEMENT	SUMMARY
			details. You agree that there will be no class actions. (subject to applicable state law)
w.	Choice of law	Section 4.1	The Multi-Unit Agreement is governed by the laws of the State of Michigan (subject to applicable state law). See the State Specific Addenda attached as Exhibit I to this Disclosure Document for further details.

**ITEM 18
PUBLIC FIGURES**

PSP does not use any public figure to promote its 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 any reasonable basis for the information, and if the information is included in the disclosure document. Financial information that differs from that included in 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.

BACKGROUND

This Item sets forth historical gross sales information for franchised-owned outlets for the measurement period of January 1, 2024, to December 28, 2024 (the "Measurement Period"), which was provided to our predecessor by its franchised-owned Stores. There were 485 Franchised Stores that were open and operating at the start of the Measurement Period, 19 of which transferred during the Measurement Period, three (3) of which were reacquired by the predecessor Franchisor during the Measurement Period, and eight (8) of which ceased operations during the Measurement Period.

Excluded from this Item are 41 stores that were in operation for the full Measurement Period, which were acquired from another system, because their smaller store size and certain and other variables, such as lack of services, lack of live pet sales, and reduced merchandise assortment, are not representative of the System as a whole, nor substantially similar to the franchise offered in this disclosure document. Specifically, this Item sets forth average weekly and annual gross sales data, average annual gross margin percentage, average annual rent, average annual rent percent of gross sales, average annual labor expense, and average annual labor expense percent of gross sales for the 347 Franchised Stores that were open and began operating prior to January 1, 2024, and operated the full Measurement Period under the same owner (the "Reporting Franchised Stores"). The Reporting Franchised Stores excludes the 19 Franchised Stores that transferred, the 3 Franchises Stores that were reacquired by the Franchisor, and the 8 Franchised

Stores that ceased operations during the Measurement Period. The Reporting Franchised Stores also excludes the 41 stores that are not representative of the system as a whole, and the 3 Franchised Stores that did not fully or timely report all items presented.

We will provide you with written substantiation for the financial performance representation upon reasonable request.

REPORTING FRANCHISED STORES' GROSS SALES, GROSS MARGIN, RENT AND LABOR EXPENSES

The tables and charts below present the Reporting Franchised Stores' Average Weekly Gross Sales¹; Average Annual Gross Sales²; Average Annual Gross Margin Percentage³; Average Annual Rent⁴, Average Annual Rent as a Percentage of Gross Sales⁵, Average Annual Labor Expenses⁶, and Average Annual Labor Expenses as a Percentage of Gross Sales⁷ during the Measurement Period.

January 1, 2024 to December 28, 2024

Reporting Franchised Stores	1-Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average Weekly Gross Sales ⁸	\$32,566	\$40,041	\$45,513	\$56,489	\$51,283
Average Annual Gross Sales ⁹	\$1,693,451	\$2,082,112	\$2,366,665	\$2,937,419	\$2,666,693
Annual Gross Margin % ¹⁰	40.5%	40.5%	40.3%	36.9%	38.0%
Annual Rent ¹¹	\$176,225	\$171,118	\$176,204	\$186,747	\$183,091
Annual Rent Percent of Gross Sales ¹²	10.4%	8.2%	7.4%	6.4%	6.9%
Annual Labor Expense ¹³	\$325,366	\$389,644	\$390,334	\$390,411	\$383,393
Annual Labor Expense Percent of Gross Sales ¹⁴	19.2%	18.7%	16.5%	13.3%	14.4%

NOTES

1. For purposes of this Item 19, Gross Sales is defined as the total revenue earned by a Store. We calculated each individual Reporting Franchised Store's "Average Weekly Gross Sales" by taking the Gross Sales achieved by each Reporting Franchised Store during the Measurement Period and dividing it by the number of weeks in the Measurement Period. The Reporting Franchised Stores were then organized into four groups: 1 Year, 2 Years, 3 Years, and 4+ Years based on the number of years the store has been open. The average for each group was calculated by taking the sum of each Reporting Franchised Store's Average Weekly Gross Sales for each group and dividing it by the number of Reporting Franchised Stores in each group. We calculated the average of the Reporting Franchised Stores' Average Weekly Gross Sales by calculating the sum of each Reporting Franchised Store's Average Weekly Gross Sales and dividing it by the number of Reporting Franchised Stores.

2. The “Average Annual Gross Sales” for each group of Reporting Franchised Stores was calculated by taking the sum of each Reporting Franchised Store’s Annual Gross Sales for each group and dividing it by the number of Reporting Franchised Stores in each group. We calculated the “Average Annual Gross Sales” for all Reporting Franchised Stores by taking the sum of all the Reporting Franchised Stores’ Annual Gross Sales and dividing it by the number of Reporting Franchised Stores.
3. The “Annual Gross Margin Percentage” for each Reporting Franchised Store was calculated by dividing each Reporting Franchised Store’s “Gross Profit” by their Annual Gross Sales. Gross Profit is calculated by subtracting “Cost of Sales” from Annual Gross Sales. “Cost of Sales” includes the cost of acquiring merchandise including all pet food, pet supplies, pets, and products required in connection with pet grooming and bathing services, net of discounts, rebates, allowances and freight charges. The “Average Annual Gross Margin Percentage” for each group of Reporting Franchised Stores was calculated by taking the sum of each Reporting Franchised Store’s Annual Gross Margin Percentage for each group and dividing it by the number of Reporting Franchised Stores in the group. We calculated the “Average Annual Gross Margin Percentage” for all Reporting Franchised Stores by taking the sum of all of the Reporting Franchised Stores’ Annual Gross Margin Percentages and dividing it by the number of Reporting Franchised Stores.
4. “Annual Rent” for each Reporting Franchised Store includes all expenses required to occupy the Store, including base gross rent, real estate taxes paid to landlord, building insurance paid to landlord and common area maintenance paid to the landlord. The “Average Annual Rent” for each group of Reporting Franchised Stores was calculated by taking the sum of each Reporting Franchised Store’s Annual Rent for each group and dividing it by the number of Reporting Franchised Stores in the group. We calculated the “Average Rent Expense” for all Reporting Franchised Stores by taking the sum of all of the Reporting Franchised Stores’ Annual Rent and dividing it by the number of Reporting Franchised Stores.
5. The “Annual Rent Percentage” was calculated by dividing each Reporting Franchised Store’s Annual Rent by its Annual Gross Sales. The “Average Annual Rent Percentage” for each group of Reporting Franchised Stores was calculated by taking the sum of each Reporting Franchised Store’s Annual Rent for each group and dividing it by the sum of Reporting Franchised Stores Annual Gross Sales in the group. We calculated the “Average Annual Rent Percentage” for all Reporting Franchised Stores by taking the sum of all of the Reporting Franchised Stores’ Annual Rent and dividing it by the sum of all Reporting Franchised Store’s Annual Gross Sales.
6. “Annual Labor Expense” for each Reporting Franchised Store includes all direct labor expenses required to operate the Store, including wages, payroll taxes and benefits, and specifically including the salary of the Store’s manager and other supervisory personnel. It does not include salary, distributions or “Interest” taken by ownership, or salary paid to district managers unless those individuals spend at least 70% of their time directly operating an individual Store. The “Average Annual Labor Expense” for each group of Reporting Franchised Stores was calculated by taking the sum of each Reporting Franchised Store’s Annual Labor Expense for each group and dividing it by the number of Reporting Franchised Stores in the group. We calculated the “Average Annual Labor Expense” for all Reporting Franchised Stores by taking the sum of all of the Reporting

Franchised Stores' Annual Labor Expense and dividing it by the number of Reporting Franchised Stores.

7. The "Annual Labor Expense Percentage" was calculated by dividing each Reporting Franchised Store's Annual Labor Expense by its Annual Gross Sales. The "Average Annual Labor Expense Percentage" for each group of Reporting Franchised Stores was calculated by taking the sum of each Reporting Franchised Store's Annual Labor Expense for each group and dividing it by the sum of Reporting Franchised Stores Annual Gross Sales in the group. We calculated the "Average Annual Labor Expense Percentage" for all Reporting Franchised Stores by taking the sum of all of the Reporting Franchised Stores' Annual Labor Expense and dividing it by the sum of all Reporting Franchised Store's Annual Gross Sales.

8. Average Weekly Gross Sales	1 Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average	\$ 32,566	\$ 40,041	\$ 45,513	\$ 56,489	\$ 51,283
Median	\$ 32,467	\$ 40,108	\$ 44,649	\$ 53,979	\$ 48,001
% over average	48.6%	50.0%	45.5%	42.8%	43.8%
Low	\$ 18,428	\$ 19,366	\$ 22,212	\$ 24,625	\$ 18,428
High	\$ 62,080	\$ 58,927	\$ 85,058	\$ 132,180	\$ 132,180

9. Average Annual Gross Sales	1 Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average	\$ 1,693,451	\$ 2,082,112	\$ 2,366,665	\$ 2,937,419	\$ 2,666,693
Median	\$ 1,688,265	\$ 2,085,636	\$ 2,321,758	\$ 2,806,907	\$ 2,496,071
% over average	48.6%	50.0%	45.5%	42.8%	43.8%
Low	\$ 958,273	\$ 1,007,028	\$ 1,155,048	\$ 1,280,489	\$ 958,273
High	\$ 3,228,158	\$ 3,064,219	\$ 4,422,997	\$ 6,873,341	\$ 6,873,341

10. Annual Gross Margin %	1 Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average	40.5%	40.5%	40.3%	36.9%	38.0%
Median	40.3%	40.2%	40.3%	36.2%	37.4%
% over average	48.6%	44.1%	51.5%	41.6%	45.8%
Low	30.4%	31.5%	34.1%	27.7%	27.7%

High	50.8%	50.3%	47.2%	48.2%	50.8%
11. Annual Rent	1 Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average	\$ 176,225	\$ 171,118	\$ 176,204	\$ 186,747	\$ 183,091
Median	\$ 162,051	\$ 167,901	\$ 176,291	\$ 177,411	\$ 172,823
% over average	37.8%	47.1%	51.5%	44.4%	42.4%

12. Annual Rent % of Sales	1 Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average	10.4%	8.2%	7.4%	6.4%	6.9%
Median	11.2%	8.3%	7.5%	6.2%	6.7%
% over average	51.4%	50.0%	51.5%	46.9%	47.0%

13. Annual Labor Expense	1 Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average	\$ 325,366	\$ 389,644	\$ 390,334	\$ 390,411	\$ 383,393
Median	\$ 304,549	\$ 366,309	\$ 373,874	\$ 357,738	\$ 352,920
% over average	37.8%	44.1%	45.5%	40.3%	41.2%

14. Annual Labor % of Sales	1 Year	2 Years	3 Years	4+ Years	Average of All Stores
Store Count	37	34	33	243	347
Average	19.2%	18.7%	16.5%	13.3%	14.4%
Median	20.0%	17.8%	16.4%	12.8%	14.5%
% over average	56.8%	47.1%	48.5%	44.4%	51.0%

GENERAL NOTES TO ITEM 19

1. In some instances, when calculating averages, variations in calculations occurred which are associated with rounding figures and compounded when calculating the average of an average. The differences in the calculations are not errors and they should be considered accurate.

2. **Some Outlets have sold this amount. Your individual results may differ. There is no assurance you'll sell as much.**
3. Other than the preceding financial performance representation, we do not make any additional 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 our management by contacting our corporate offices at 17410 College Parkway, Livonia, MI 48152-2369, telephone number (734) 793-6600, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
System-wide Outlet Summary
For years 2022-2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	374	429	+55
	2023	429	485	+56
	2024	485	502	+17
Company-Owned or Affiliate-Owned	2022	227	231	+4
	2023	231	234	+3
	2024	234	233	-1
Total Outlets	2022	601	660	+59
	2023	660	719	+59
	2024	719	735	+16

Table 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor)
For years 2022-2024

State	Year	Number of Transfers
California	2022	1
	2023	0
	2024	1
Connecticut	2022	0
	2023	5