

FRANCHISE RELATIONSHIP		
Provision	Section in Franchise Agreement	Summary
p. Your death or disability	Section 16.4	Any transfer, including by will or intestacy, requires our prior written consent. You will have 3 months to complete the transfer.
q. Non-competition covenants during the term of the franchise	Section 15.1	You will not solicit or compete with the business of Pet Passages during the term of the franchise.
r. Non-competition covenants after the franchise is terminated or expires	Section 15.2	For a 5 year period following the termination or non-renewal of franchise agreement, Franchisee will not solicit or compete with the business of Pet Passages within (i) the Territory; sixty-five (65) miles of the Territory; (iii) any zip code where Franchisee's Franchised Business served Pet Parents during the term, or (iv) sixty-five (65) miles from any other then-existing Pet Passages' location.
s. Modification of the agreement	Section 21.1	Requires writing signed by both parties; other modifications primarily to comply with various states laws.
t. Integration/ merger clause	Section 22.14	Only the terms of the Franchise Agreement and attachments to Franchise Agreement are binding (subject to state law). Other promises may not be enforceable. Notwithstanding the foregoing, nothing in the franchise agreement or any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.
u. Dispute resolution by arbitration	Section 22.1	Except for certain claims, all disputes must be arbitrated in New York State (except as otherwise disclosed in Exhibit "G" to this Disclosure Document).
v. Choice of forum	Section 22.12	All disputes must be litigated or arbitrated in Monroe County, New York State (except as otherwise disclosed in Exhibit "G" to this Disclosure Document). Suits involving the Marks or our proprietary information can be instituted in Rochester, New York. (subject to applicable state law).
w. Choice of Law	Section 22.11	New York law (except as otherwise disclosed in Exhibit "G" to this Disclosure Document). (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 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.

The information provided below is the historic gross annual revenue for 2024 through 2025 for all of the locations that were open in the fiscal years for which they are listed, which is 13 locations in 2024, and 15 locations in 2025. These locations are operating in New York, New Hampshire, Connecticut, Michigan, Florida, Oklahoma, Louisiana, Texas, Pennsylvania, North Carolina, Utah, Montana and Arkansas. The represented locations are located mostly in areas zoned as light industrial and they are located

in both freestanding and plaza type buildings. All locations offer the same products and services. Table 2 shows the company or affiliate owned locations, there are 3 in 2024, and 3 in 2025. There are no material differences in the gross sales of franchised and company owned locations. Also provided is the dollar amount and percentage of annual revenue increase for these locations from year to year, as well as the average annual revenue increase and percentage increase for these locations for each year.

Table 1: Franchised Locations

Store Number	Approx. Population and Household Size:	2024 Revenue	Gross	2025 Revenue	Gross	2024-2025 Revenue Increase	Gross Revenue Change 2024 to 2025
2	Population 922,000, household 353,000	\$318,475		\$351,928		\$33,453	10%
4	Population 581,000, household 229,000	\$265,942		\$318,201		\$52,259	16.50%
5	Population 960,000, household 420,000	\$266,227		\$315,079		\$48,852	15.50%
6	Population 993,000, household 393,000	\$725,405		\$777,942		\$52,087	6.50%
7	Population 1,200,000, household 528,000	\$259,025		\$359,961		\$100,936	28%
8	Population 495,000, household 206,000	\$219,204		\$238,039		\$18,835	8%
9	Population 668,000, household 265,000	\$168,555		\$205,230		\$36,675	18%
10	Population 1,098,000, household 439,000	\$329,524		\$419,579		\$90,055	21.50%
11	Population 640,000, household 251,000	\$174,349		\$232,251		\$57,902	25%
13	Population 763,000, household 291,000	\$260,024		\$265,260		\$5,236	2%
14	Population 1,100,000, household 423,000	\$75,031 (Location opened July 2024)		\$213,193		\$138,162	65%
15	Population 219,000 household 90,000	\$32,275 (Location opened October 2024)		\$159,718		\$127,443	80%
16	Population 1,250,000 household 400,000	\$34,584 (Location opened October 2024)		\$190,067		\$155,483	82%
17	Population 903,000 household 294,000	N/A		\$81,185 (Location opened June 2025)		N/A	N/A
18	Population 1,300,000 household 450,000	N/A		\$8,003 (Location opened December 2025)		N/A	N/A
Average	Population 751,077 household 329,846	\$240,663		\$275,709		\$70,568	29%
Median	Population 763,000 household 353,000	\$259,025		\$238,039		\$52,259	18%
Highest	Population 1,200,000 household 528,000	\$725,405		\$777,942		\$155,483	82%
Lowest (Open for the full fiscal year)	Population 219,000 household 90,000	\$168,555		\$159,718		\$5,236	2%

Table 2: Company Owned Outlets

Store Number	Approx. Population and Household Size	2024 Revenue	2025 Revenue	2024-2025 Revenue Increase	Gross Revenue Change 2024 to 2025
1	Population 620,000, household 252,000	\$318,513	\$319,290	\$777	0.03%
3	Population 845,000, household 354,000	\$1,055,995	\$1,055,116	\$0	0%
12	Population 763,000, household 291,000	\$222,129	\$256,111	\$33,982	13.50%
Average	Population 742,667, household 299,000	\$532,199	\$319,290	\$11,586	4.51%
Median	Population 763,000 household 291,000	\$318,513	\$543,505	\$777	0.03%
Highest	Population 845,000 household 354,000	\$1,055,995	\$1,055,116	\$33,982	13.50%
Lowest	Population 620,000 household 252,000	\$222,129	\$256,111	\$0	0%

Table 3: Passages by Source Classification

<u>Year</u>	<u>2024</u>	<u>2025</u>
Vet Hospital	4,447	4,725
Direct from public	1,698	1,795
Total Passages	6,145	6,520

Table 4: Gross Revenue and Certain Crematory Operation Expenses of the Ontario NY Company Owned Outlet (location of Corporate Headquarters)

<u>Year</u>	<u>2024</u>	<u>2025</u>
INCOME		
Total Sales	\$1,055,995.30	\$1,055,116.00
COGS	\$125,842.23	\$71,151.00
Gross Profit	\$930,153.10	\$983,965.00
EXPENSES		
Advertising & Marketing	\$14,000.00	\$15,141.00
Vehicle Payments	\$15,177.84	\$23,324.00
Auto Fuel	\$18,673.37	\$14,309.00
Auto Insurance	\$11,136.18	\$8,656.00
Liability Insurance	\$4,673.24	\$5,767.00
Office Supplies	\$2,200.11	\$2,773.00
Cremation Equipment Payment	\$21,750.84	\$21,750.00
Payroll (Payroll Taxes, Workers Comp, Disability Ins., medical, 401K)	\$325,473.47	\$351,076.00
Rent	\$42,000.00	\$42,000.00

Utilities (gas, electric, internet, refuse)	\$89,884.94	\$95,941.00
Total Expenses	\$544,969.99	\$582,737.00
Franchise Adjustments		
Royalty Fee 6%	\$63,359.72	\$63,307.00
Brand Fund 1%	\$10,559.55	\$10,551.00
EBITA (if franchised)	\$311,263.84	\$327,370.00
EBITA (if franchised margin)	29.5%	31%

Definitions:

“Gross revenue” is the total amount of money a business earns from its primary operations (such as sales of products or services) before any expenses, deductions, discounts, or returns are subtracted.

"COGS" stands for Cost of Goods Sold, reflecting direct costs of product to be sold (urns, jewelry,)

“Gross Profit” is the income a company makes after deducting the direct costs associated with producing and selling its goods or services, known as the Cost of Goods Sold (COGS).

“EBITA” (Earnings Before Interest, Taxes, and Amortization) is a financial metric showing a company's operational profitability by adding back interest, taxes, and amortization (a non-cash charge for intangibles) to net income

Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you will sell as much.

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

Other than the preceding financial performance representations, Pet Passages Franchising, Inc. does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance representations or projections of your future income, you should report it to the Franchisor's management by contacting mikeharris@petpassages.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

TABLE 1: SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023 TO 2025 ¹

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
FRANCHISED	2023	10	12	2
	2024	12	15	3
	2025	15	15	0
COMPANY-OWNED ²	2023	3	4	1
	2024	4	3	-1
	2025	3	3	0
TOTAL OUTLETS	2023	13	16	3
	2024	16	18	2
	2025	18	18	0

1 Our fiscal year ends on December 31. All references to years in these tables refers to December 31st of that year.

2. Our affiliate MindyAnn, Inc. operates 2 “company owned” outlets and our affiliate Ellis Wallace Enterprises, Inc. operates 1 company owned outlet. All references to company owned outlets in these tables refers to Pet Passages Franchising, Inc. as well as any affiliates with common ownership with Pet Passages Franchising, Inc.

3 The outlets listed in this table only refer to outlets that are open on the relevant date. In addition to these outlets, we currently have signed franchise agreements for 3 additional outlets that have not opened as of December 31, 2025.

TABLE 2: TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2023 TO 2025

STATE	YEAR	NUMBER OF TRANSFERS
TOTAL	2023	0
	2024	0
	2025	0

TABLE 3: STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025 (UNITED STATES ONLY – FRANCHISOR WILL BEGIN OFFERING FRANCHISES IN CANADA)

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED-OTHER	OUTLETS AT END OF YEAR
AR	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
CT	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
FL	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
MI	2023	2	0	0	0	0	0	2