

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 franchised business or under particular circumstances.

Overview

The first franchised Scenter opened on December 14, 2020. As of December 31, 2025, there are 148 operating franchised Scenters. The financial performance representations below include franchised Scenters that were open and operating for a full 24 months as of December 31, 2025. From January 1, 2025 to December 31, 2025 (the “**Reporting Period**”), one franchised Scenter was reacquired by Franchisor and one franchised Scenter was terminated. Therefore, 69 out of 71 Scenters were open for a full 24 months ending December 31, 2025.

For these franchised Scenters, we have provided two main categories of financial performance representations (“**FPR**”): Revenue FPR and Operating Income FPR, as defined below. Because Scenthound is a membership-based business, the Revenue FPR includes information on membership counts and member contributions to revenue. The criteria for inclusion of a location (a “**Qualifying Scenter**”) in the following tables of information are as follows:

- (1) 2025 Gross Revenue and Membership Counts (the “**Revenue FPR**”):
 - a. Qualifying Scenter must be open and operating continuously during the full Reporting Period
 - b. Qualifying Scenter must have been open and operating continuously for the full Reporting Period
 - c. Qualifying Scenter must have been open and operating for 24 months as of December 31, 2025
 - d. 69 of 69 Qualifying Scenters reported:
 - i. Table 1: Sources of Gross Revenue
 - ii. Table 2: Sources of Gross Revenue by Quartile
 - iii. Table 3: Membership Counts by Quartile for First 12 Months after Opening
 - e. See Note 1 for definitions of terms.

- (2) 2025 Net Operating Income (the “**Operating Income FPR**”):
 - a. Qualifying Scenter must have opened prior to January 1, 2025
 - b. Qualifying Scenter must have been open and operating continuously for the full Reporting Period

- c. Qualifying Scenter must have been open and operating for 24 months as of December 31, 2025
- d. 52 of 69 Qualifying Scenters reported:
 - i. Table 4: 2025 Net Operating Income Dollars by Quartile
 - ii. Table 5: 2025 Net Operating Income % of Gross Revenue by Quartile
 - iii. Table 6: 2025 Net Operating Income Dollars
 - iv. Table 7: 2025 Net Operating Income % of Gross Revenue
- e. See Note 2 for definitions of terms.

Table 1: Sources of Gross Revenue				
69 of 69 Qualifying Scenters Reported	Maximum	Median	Minimum	Average
Membership Count	1004	489	129	512
Average Monthly Dog Visits	1100	603	218	605
Gross Revenue	\$991,061	\$489,150	\$153,190	\$507,331
Membership Fees	\$483,073	\$251,327	\$95,810	\$261,348
% of Gross Revenue from Membership Fees	49%	51%	63%	52%
Other Revenue from Members	\$379,712	\$159,731	\$45,067	\$168,012
Total Revenue from Members	\$862,785	\$411,057	\$140,877	\$429,360
% of Revenue from Members	87%	84%	92%	85%
Revenue from Non-Members	\$128,276	\$78,093	\$12,313	\$77,971
% of Revenue from Non-Members	13%	16%	8%	15%

Table 2: Sources of Gross Revenue by Quartile				
69 of 69 Qualifying Scenters Reported	Top Quartile	Top-Middle	Bottom-Middle	Bottom Quartile
Membership Count	718	579	450	298
Average Monthly Dog Visits	838	687	526	364
Gross Revenue	\$759,865	\$564,671	\$416,864	\$284,553
Membership Fees	\$380,323	\$289,287	\$220,577	\$153,562
% of Gross Revenue from Membership Fees	50%	51%	53%	54%
Other Revenue from Members	\$264,811	\$192,521	\$127,900	\$85,373
Total Revenue from Members	\$645,134	\$481,808	\$348,477	\$238,935
% of Revenue from Members	85%	85%	84%	84%
Revenue from Non-Members	\$114,730	\$82,864	\$68,386	\$45,618
% of Revenue from Non-Members	15%	15%	16%	16%

Table 3: Membership Counts by Quartile for First 12 Months after Opening						
69 of 69 Qualifying Scenters Reported	Top Quartile	Top- Middle	Bottom- Middle	Bottom Quartile	Average	% Above Average/ % Below Average
Count of Qualifying Scenters	17	18	17	17	69	
Month 1	338	239	202	189	242	38% 62%
Month 2	392	278	240	213	281	42% 58%
Month 3	450	313	266	233	316	46% 54%
Month 4	490	347	286	250	343	48% 52%
Month 5	533	374	304	267	370	46% 54%
Month 6	562	393	312	278	386	42% 58%
Month 7	585	403	331	288	402	42% 58%
Month 8	604	417	349	298	417	43% 57%
Month 9	628	431	366	302	432	42% 58%
Month 10	634	441	381	303	440	42% 58%
Month 11	640	450	386	306	445	41% 59%
Month 12	655	458	398	303	454	43% 57%

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Table 4 – 2025 Net Operating Income Dollars by Quartile					
	Top Quartile	Top- Middle	Bottom- Middle	Bottom Quartile	All
52 of 69 Qualifying Scenters Reported	13	13	13	13	52
Membership Count	718	565	552	386	555
Average Monthly Dog Visits	834	664	661	472	657
Gross Revenue	\$755,858	\$564,675	\$518,377	\$377,500	\$554,102
Expenses:					
Payroll, Taxes & Benefits	\$303,357	\$266,310	\$259,478	\$207,002	\$259,037
Rent	\$53,791	\$51,344	\$56,879	\$57,736	\$54,937
Other Occupancy Expenses	\$15,583	\$13,366	\$15,766	\$10,064	\$13,695
Royalty Fees	\$45,351	\$33,880	\$31,103	\$22,650	\$33,246
Technology Fees	\$8,100	\$8,031	\$8,100	\$8,100	\$8,083
Brand Fund Contributions	\$7,559	\$6,226	\$5,858	\$4,110	\$5,938
Local Advertising	\$35,093	\$27,692	\$27,651	\$27,608	\$29,511
Other Operating Expenses	\$78,120	\$64,468	\$68,770	\$49,598	\$65,239
Net Operating Income	\$208,890	\$93,346	\$44,761	(\$9,374)	\$84,406

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Table 5 – 2025 Net Operating Income % of Gross Revenue by Quartile					
	Top Quartile	Top-Middle	Bottom-Middle	Bottom Quartile	All
52 of 69 Qualifying Scenters Reported	13	13	13	13	52
Gross Revenue	100%	100%	100%	100%	100%
Expenses:					
Payroll, Taxes & Benefits	40.10%	47.10%	50.00%	54.80%	46.70%
Rent	7.20%	9.10%	11.00%	15.30%	10.00%
Other Occupancy Expenses	2.10%	2.40%	3.10%	2.70%	2.50%
Royalty Fees	6.00%	6.00%	6.00%	6.00%	6.00%
Technology Fees	1.00%	1.40%	1.50%	2.10%	1.40%
Brand Fund Contributions	1.00%	1.20%	1.20%	1.10%	1.10%
Local Advertising	4.60%	4.90%	5.30%	7.30%	5.30%
Other Operating Expenses	10.30%	11.40%	13.20%	13.10%	11.70%
Net Operating Income	27.60%	16.50%	8.60%	-2.40%	15.20%

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Table 6 – 2025 Net Operating Income Dollars				
52 of 69 Qualifying Scenters Reported	Maximum	Median	Minimum	Average
Membership Count	1004	525	342	555
Average Monthly Dog Visits	1100	578	373	657
Gross Revenue	\$949,604	\$489,150	\$289,687	\$554,102
Expenses:				
Payroll, Taxes & Benefits	\$344,634	\$238,070	\$200,871	\$259,037
Rent	\$58,175	\$23,015	\$35,518	\$54,937
Other Occupancy Expenses	\$19,520	\$9,486	\$6,699	\$13,695
Royalty Fees	\$56,976	\$29,349	\$17,381	\$33,246
Technology Fee	\$8,100	\$8,100	\$8,100	\$8,083
Brand Fund Contributions	\$9,496	\$4,891	\$4,345	\$5,938
Local Advertising	\$42,732	\$39,125	\$34,695	\$29,511
Other Operating Expenses	\$66,809	\$69,058	\$37,275	\$65,239
Net Operating Income	\$343,146	\$68,033	(\$55,204)	\$84,406

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Table 7 – 2025 Net Operating Income % of Gross Revenue				
52 of 69 Qualifying Scenters Reported	Maximum	Median	Minimum	Average
Gross Revenue	100%	100%	100%	100%
Expenses:				
Payroll, Taxes & Benefits	36.20%	48.60%	69.30%	46.70%
Rent	6.10%	4.70%	12.20%	9.90%
Other Occupancy Expenses	2.00%	1.90%	2.30%	2.40%
Royalty Fees	6.00%	6.00%	6.00%	6.00%
Technology Fees	0.80%	1.60%	2.70%	1.40%
Brand Fund Contributions	1.00%	1.00%	1.50%	1.00%
Local Advertising	4.50%	7.90%	11.90%	5.30%
Other Operating Expenses	7.00%	14.10%	12.80%	11.70%
Net Operating Income	36.10%	13.90%	-19.00%	15.20%

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

NOTES

1. **“Gross Revenue”** in this Item 19 and in this Disclosure Document is defined as all sales, revenues, charges and receipts from whatever source (whether in the form of cash, check, credit or debit card, barter exchange, trade credit or other credit transactions) that arise, directly or indirectly, from the operation of or in connection with a Scenter. Gross Revenue includes all revenues earned from products and services offered at a Scenter, space in a Scenter leased to subcontractors (if approved by us), usage income, and insurance proceeds received in the event of a loss or interruption of business due to a casualty or similar event at your Scenter. Gross Revenue excludes sales taxes collected from customers and paid to the appropriate taxing authority, tips or gratuities provided to employees and any other bona fide refunds to customers.

2. Defined terms in **Revenue FPR** tables:
 - a. **“Membership Counts”** include any current member (a single canine) as of December 31, 2025, whose membership has not been cancelled either by choice of the dog parent or by the Qualifying Scenter due to failed payment.
 - b. **“Membership Fees”** are a source of Gross Revenue representing a recurring monthly amount determined by the level of services selected at the time of enrollment. There are several tiers of monthly membership programs but minimally include bath with towel-dry, ear cleaning, nail trimming, teeth brushing, and a 6-point wellness check.
 - c. **“Other Revenue from Members”** are sources of Gross Revenue from member’s add-on services such as de-shedding treatments, haircuts, plaque cleanses, etc., as well as from retail product sales and miscellaneous fees.
 - d. **“Revenue from Non-Members”** are sources of Gross Revenue from customers who have not joined a membership program. This revenue is from services similar to those provided by the Monthly Membership Fees and Other Revenue from Members but at higher prices on a single-transaction basis.

3. Defined terms in **Operating Income FPR** tables:
 - a. **“Payroll, Taxes, and Benefits”** includes payroll, payroll taxes, benefits, and independent contractor costs. Amounts were increased for circumstances such as franchise owners performing significant work on behalf of the Qualifying Scenter not accounted for in Payroll or other expense line items. Amounts were decreased to account for circumstances such as franchisees either paying themselves or their managers above-market manager rates or for adding new managers to existing locations in advance of subsequent Scenter openings. Adjusted Payroll assumes a manager salary between \$45,000 and \$60,000 depending on market conditions.
 - b. **“Rent”** is the cost for space paid to the landlord under terms of the lease for the Qualifying Scenters.
 - c. **“Other Occupancy Expenses”** include utilities, repair and maintenance costs, and business insurance for the Qualifying Scenters.
 - d. **“Royalty Fees”**, **“Technology Fees”**, and **“Brand Fund Contributions”** represent actual amounts paid by the Qualifying Scenters to us in 2025.
 - e. **“Local Advertising”** includes digital and non-digital marketing expenses including agency fees to promote the local Scenthound franchise.
 - f. **“Other Operating Expenses”** include credit/debit card processing fees (generally ranging between 2.7% and 3.1% of Gross Revenue), grooming supplies needed to support sales (generally ranging between 2.1% and 2.9% of Gross Revenue), and other items such as recruiting expenses, uniforms, office and cleaning supplies, and other necessary expenditures to conduct business.
 - g. Expenses of the Qualifying Scenters exclude Depreciation & Amortization, Interest Expense, expenses related to more than one Scenter owned by a single franchisee, as well as extraordinary expenses that are not standard in the operation of a Scenter such as 401(k) contributions, automobile expenses, charitable contributions (that are non-

marketing expenses) and other non-business-related expenses such as meals and entertainment.

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

Other than the preceding financial performance representation, Scenthound Franchising LLC 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 information or projections of your future income, you should report it to the franchisor's management by contacting Timothy Vogel, 1070 E. Indiantown Road, Suite #300, Jupiter, Florida 33477, and (561) 288-3997, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

TABLE 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 TO 2025

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	34	71	+37
	2024	71	117	+46
	2025	117	148	+31
Company-Owned	2023	5	5	0
	2024	5	5	0
	2025	5	6	+1
Total Outlets	2023	39	76	+37
	2024	76	122	+46
	2025	122	154	+32