

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.

Please carefully read all the information in this Item 19, and all the notes prior to and following the charts, in conjunction with your review of the data. We also encourage you to review this data with your financial advisor and accountant, and to contact the franchisees to obtain additional information about their operations, including their financial results.

Preliminary Comments on the Town Square Center Businesses in Operation for at Least 12 Months:

As a preliminary note and explanation, “guests” or “customers” are referred to as “Members.” Each person who is a member may attend a Town Square Business, or Center, on any day he or she chooses to attend. The Centers charge Members a daily fee to attend, and that fee is also referred to as the “daily rate” or “Daily Member Rate.” The Daily Member Rate may vary from Center to Center, and may vary over time for a particular Center. Daily rates are set by the franchisee or owner of the Town Square Business.

As of December 31, 2025, there were 8 Legacy Model Center franchises that had been open for more than 12 months as of December 31, 2025. In addition, as of December 31, 2025, there was one Town Square Center in Perry Hall, Maryland that is owned by Town Square Corporate, that had been in operation for at least twelve months as of December 31, 2025. That Town Square Center is a Legacy Model Center. Also, the Glenner Town Square Business in Chula Vista, CA, which opened in 2018, had been opened for at least twelve (12) months. It too is a Legacy Model Center.

As noted in Item 1, we are currently offering franchises for only the Standard Model Centers, and most recently the Main Street Centers.

The principal difference between a Legacy Model Center, the Standard Model Center, and the Main Street Center is the square footage of the Center. All other elements of the three types of Centers are the same. For example, all Centers will have the internal retail stores, restaurants, and entertainment venues (e.g., 1950s style diner; movie theatre, and town park), that is used in reminiscence therapy, as well as other facilities, such as rest rooms, offices, storage, etc.

From a revenue perspective, the factor that may limit revenue for all Town Square Centers, regardless of size, is the local capacity restrictions for people (who may be guests or customers, whom we refer to as “members”) at the Center. These capacity restrictions are established by local ordinances and laws. Generally, a larger facility will have a higher capacity than a smaller facility.

In our experience, and based on information provided by our franchisees, a Legacy Model Center that is 10,000 square feet will have a capacity limit of 150 people. A Standard Model Center that is 6,000 square feet will generally have a capacity limit of 75 people. Based on our experience with our corporate operation of one Center in 2025, the average daily attendance was 35 people (or Members) per day. That figure is significantly lower than the maximum capacity of the typical 6,000 square foot standard Model Center. In addition, the average daily attendance of the Centers reflected in the charts in section 19-A below, ranged from a low of 13 to a high of 58. Consequently, even though the Centers in section 19-A are Legacy Centers, due to their respective daily Member count, they were significantly less than the maximum capacity of a Standard Model Center. Accordingly, we believe that a Standard Model Center could accommodate the number of daily Members as reflected in the data for the Centers in the charts in section 19-A.

19-A: Town Square Businesses: Center Gross Revenue and Members

This section 19-A presents gross revenue data for the nine Town Square Centers that were in operation for at least twelve months as of December 31, 2025. This section has three charts: the first includes revenue and Member data, as reported on an individualize Center basis. The second and third charts report average revenue data, and average Membership data for all Centers, broken into two groups: Centers that were open for at least one year, but not more than two years (“1-3 Years”), and Centers that were open at least three years but not more than five years (“3-5 Years”). None of these Centers have been open for more than five years.

Franchise ID	Years Open	Total 2025 Revenue	2025 Average No. of Members
MD-CORP	3-5 Years	\$1,607,591	35
Franchise #1	3-5 Years	\$1,122,949	26
Franchise #2	3-5 Years	\$1,643,524	40
Franchise #3	3-5 Years	\$645,186	12
Franchise #4	3-5 Years	\$523,194	18
Franchise #5	3-5 Years	\$2,402,864	58
Franchise #6	1-3 Years	\$636,389	15
Franchise #7	1-3 Years	\$834,902	19
Franchise #8	1-3 Years	\$628,617	13

2025 Annual Revenue							
Years Open	Centers	Average Revenue	# Above the Average	% Above the Average	Median	High	Low
3-5	6	\$1,324,218	3	50%	\$1,365,270	\$2,402,864	\$523,194
1-2	3	\$699,969	1	33%	\$636,389	\$834,902	\$628,617

2025 Members Per Day							
Years Open	Centers	Average Members per Day	# Above the Average	% Above the Average	Median	High	Low
3 - 5	6	32	3	50%	31	58	12
1 -2	3	16	1	33%	15	19	13

Explanations and Notes for 19-A

1. The term “Gross Revenue” means the actual gross revenue received by the operating units in the sample for the period January 1, 2025, to December 31, 2025. Included in gross revenue are all revenues from the offer and sales of all services (and products) to customers and clients.
2. The term “Average Revenue” as used in this section 19-A means the total reported Gross Revenues from all of the Centers in the sample, divided by the number of Centers in each of the data sets, which is this case is six for the “3 to 5 Years” group, and three for the “1 to 3 Years” group. Also, for each of the two groups of Centers for which there is an average, the charts indicates the number of Centers in that group that met or exceeded the average, and the percentage of Centers that met or exceeded the average.
3. The term “Average No. of Members” is the numbers of Members that attend the specific Center on a daily basis, as reported to us by the Center. We understand that the Centers review their respective daily membership or attendance figures, and then divide by the number of days in the month to arrive at an average number of Members per day, per month, and then do a similar calculation of the average of the 12 months.
4. The term “Average Members per Day” is calculated by adding the 2025 “Average No. of Members” for each Center, and then dividing by the number of Centers in that group (which are those open at least one year, but less than 3 years, and those open at least three years).
5. The term, “Median” means the data point that is in the center of all data points used in the sample set. In this chart, there are two groups of Centers: those open at least one year, but less than 3 years, and those open at least three years.
6. The terms “High” and “Low” as used in this section 19-A refers to the highest and lowest number in each range in the groups.

19-B: Town Square Business: Glenner Town Square Business

The following information presents data from the Glenner Town Square – Chula Vista, California, which opened in 2018. The chart below shows data starting in 2023 as COVID severely affected Center operations in 2020 with multiple temporary closures over in 2020 through 2022

Glenner Town Square Business <i>(Glenner Town Square Business open since 2018)</i>	
Number of Units	1
Daily Care Rates	\$100 per day per member

2023		2024		2025	
Month Ending	Members	Month Ending	Members	Month Ending	Members
January	65	January	57	January	50
February	63	February	60	February	53
March	62	March	60	March	53
April	67	April	62	April	52
May	66	May	59	May	51
June	64	June	59	June	54
July	67	July	58	July	57
August	67	August	55	August	55
September	64	September	57	September	55
October	64	October	56	October	56
November	61	November	55	November	59
December	60	December	50	December	54

Explanations and Notes for 19-B

1. Chart shows average daily Member attendance or counts for the Glenner Town Square Chula Vista in each of the months from 2021 through 2023. The Chart also reports the Average Daily Member Rates for this Center. The information in this Chart 19-B was reported to us by Glenner. We have not verified or audited this information provided to us.
2. The Chula Vista Center would be considered a Legacy Center, and is approximately 10,500 to 12,000 square feet. It is important to note that the average daily Member counts at this Town Square Center, for 2022 and 2023, could be at the top end of certain local governmental capacity limitations for 6,000 square foot Centers.
3. The Chula Vista Center is neither a franchised business, nor an affiliate-owned business. The Chula Vista Center is the first Town Center opened, and is the basis for the Town Center concept, as it was developed by Glenner, and has been operated by Glenner. While the Chula Vista Center is not subject to a franchise agreement, and does not pay us a Royalty Fee, the Chula Vista Town Square Center operates using the same physical attributes, and staffing model, as the other Town Square Businesses that provide adult care using reminiscence therapy. Accordingly, we believe that it is representative of the operations of a mature Town Square Business.

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Additional Notes, Applicable to this Entire Item 19:

As noted above, we strongly encourage you to review these figures with your financial and legal advisors, and to speak with existing franchisees. Their names and contact information are in Exhibit D to this Disclosure Document.

Some franchised businesses have earned this amount. Your individual results may differ.

Written substantiation for the data described in the charts will be made available by us to prospective franchisees upon reasonable request.

Other than the preceding financial performance representation, we do 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 our management by contacting Melanie Miranda-Lusby, VP Operations, Town Square Franchising, LLC, 9708 Belair Road, Perry Hall, MD 21236 410-846-2474, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1:
Systemwide Outlet Summary
For Years 2023 to 2025**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised (1)	2023	5	7	2
	2024	7	8	1
	2025	8	10	2
Company- Owned	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
Total Outlets	2023	6	8	2
	2024	8	9	1
	2025	9	11	2

(1) The franchised outlets are pursuant to franchise agreements with Former Franchisor. We and Former Franchisor intend to execute a management or services agreement under which we will provide services and assistance to existing Town Square franchisees operating under franchise agreements with Former Franchisor.