

THE AREA DEVELOPMENT AGREEMENT			
PROVISION		SECTION IN AREA DEVELOPMENT AGREEMENT	SUMMARY
t.	Integration/merger clause	Article 20	Only the terms of the Area Development Agreement are binding. Any prior discussions and agreements are not enforceable; nothing stated in this Disclosure Document, however, is disclaimed or superseded by the integration/merger clause.
u.	Dispute resolution by arbitration or mediation	Article 18.2 and 18.3	All disputes and claims, other than those enforceable by us under Article 18.1 of the Area Development Agreement, are subject to mediation and arbitration in Columbus or Chillicothe, Ohio under the rules of the American Arbitration Association.
v.	Choice of forum	Article 18.1 and 18.7	Subject to applicable state law, litigation must be in a court of competent jurisdiction within Franklin County or in Ross County, State of Ohio. See State Specific Addenda in Exhibit H.
w.	Choice of law	Article 18.7	Subject to applicable state law, Ohio law applies. See State Specific Addenda in Exhibit H.

ITEM 18.
PUBLIC FIGURES

Petland does not currently 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 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 financial information in this Item has been prepared by the Company's management.

Set forth below are charts depicting the ranges of actual Gross Revenues for the year ending December 31, 2024 for stores, franchised and company-owned, located in the United States which, as of December 31, 2024, had been in operation for more than one year. Gross Revenues is defined

in Section 37 of the Franchise Agreement to mean the total sales of all goods and services of any kind and nature, whether sold by you or others, whether on or off premises, directly or indirectly connected with your franchised Petland® store business, as provided for in the Franchise Agreement. Gross Revenues does not include the amount of any sales tax or similar tax collected from customers that is imposed by any federal, provincial, municipal or governmental authority, as long as the amount of the tax is added to the selling price and actually paid to the governmental authority, nor does it include cash refunds made to customers. Each charge for sale upon installment or credit is treated as a sale for the full price in the period of seven days during which the charge or sale is made. The charge for sale upon installment does not depend on the time when you receive payment, whether partial or in full.

The information presented in chart form in this Item 19 includes data for 86 stores in the United States, 65 franchised stores, and 21 Company-owned stores. The 86 stores represent stores which had been in operation for at least one year as of December 31, 2024 and for which a full 12-month of reporting data is available. This data does not include stores outside of the United States. The only material difference between our company-owned and operated stores and franchise stores is that company-owned and operated stores do not pay Royalties. This financial performance representation is based on historical data concerning the franchise system's outlets (company-owned and franchised). The data on Gross Revenues for franchised stores and company-owned stores is presented separately below.

Gross Revenues for Franchised Stores

Following is information indicating the geographical breakdown of the 65 franchised stores which reported and are included in the charts below. We have divided the stores into six (6) regions, which include the listed states:

<u>REGION</u>	<u>STATES</u>
East Coast	Connecticut, New Jersey and Pennsylvania.
Midwest	Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, and Wisconsin.
Ohio Valley	Ohio
Southeast	Alabama, Arkansas, Florida, Georgia, North Carolina, South Carolina and Tennessee
Southwest	Arizona, New Mexico, Oklahoma, and Texas
West Coast	Nevada

The number of franchised stores within each region is as follows:

<u>REGION</u>	<u>NUMBER</u>
East Coast	6
Midwest	18
Ohio Valley	5
Southeast	24
Southwest	10
West Coast	2
TOTAL	65

We have not audited the Gross Revenues figures set forth in these charts. The figures reported were supplied by the individual store operators through our uniform reporting system.

<u>Range of Gross Revenues</u>	<u>No. of Stores</u>	<u>% of Total</u>
\$545,000 - \$999,999	5	7.7%
\$1,000,000 – \$1,499,999	8	12.3%
\$1,500,000 – \$1,999,999	10	15.4%
\$2,000,000 – \$2,499,999	8	12.3%
\$2,500,000 – \$2,999,999	5	7.7%
\$3,000,000 – \$3,499,999	10	15.4%
\$3,500,000 – \$3,999,999	2	3.1%
\$4,000,000 – \$4,499,999	9	13.8%
\$4,500,000 – \$4,999,999	4	6.2%
\$5,000,000 – \$5,499,999	2	3.1%
\$5,500,000 – \$5,999,999	0	0%
\$6,000,000 – \$6,499,999	1	1.5%
\$6,500,000 – \$6,999,999	0	0%
\$7,000,000 – \$7,499,999	0	0%
\$7,500,000 – \$7,999,999	0	0%
\$8,000,000 – \$9,999,999	1	1.5%
TOTAL	65	100.0¹
Average Store Gross Revenues:		\$2,868,840.35

¹ Percentages when added may not total 100% due to rounding.

<u>Range of Gross Revenues</u>	<u>No. of Stores</u>	<u>% of Total</u>
Median Store Gross Revenues:		\$2,684,184.35
Low Store Gross Revenues:		\$545,497.64
High Store Gross Revenues:		\$8,258,063.05
Number of Stores Below Average:		35
Number of Stores Above Average:		30
Percentage of Franchised Stores Achieving Gross Revenues at or above the Average:		46.2%

Gross Revenues for Company-Owned Stores

Following is information indicating the geographical breakdown of the 21 company operated stores included in the charts below. These stores are all operated in 3 regions, which include the listed states:

<u>REGION</u>	<u>STATES</u>
Midwest	Indiana
Ohio Valley	Ohio, Kentucky and West Virginia

The number of stores within each region is as follows:

<u>REGION</u>	<u>NUMBER</u>
Midwest	2
Ohio Valley	19
<u>TOTAL</u>	<u>21</u>

<u>Range of Gross Revenues</u>	<u>No. of Stores</u>	<u>% of Total</u>
\$500,000 - \$999,999	5	23.8%
\$1,000,000 - \$1,499,999	8	38.0%
\$1,500,000 - \$1,999,999	1	4.8%
\$2,000,000 - \$2,499,999	5	23.8%
\$2,500,000 - \$2,999,999	1	4.8%
\$3,000,000 - \$3,499,999	0	0%
\$3,500,000 - \$3,999,999	1	4.8%

TOTAL	21	100.0²
Average Store Gross Revenues:		\$1,640,872.45
Median Store Gross Revenues:		\$1,330,853.08
Low Store Gross Revenues:		\$594,474.90
High Store Gross Revenues:		\$3,970,184.67
Number of Stores Below Average:		13
Number of Stores Above Average:		8
Percentage of Company-Owned Stores Achieving Gross Revenues at or above the Average:		38%

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

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

Other than the preceding financial performance representations, 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 receive any financial performance information or projections of your future income outside of this Item 19, you should report it to the franchisor's management by contacting Steve Huggins at 250 Riverside Street, Chillicothe, Ohio 45601-5606, (740) 775-2464 and franchise@petlandinc.com., the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. **OUTLETS AND FRANCHISEE INFORMATION**

Attached as Exhibit D to this Disclosure Document is a list of the names of all of our current franchisees and the addresses and telephone numbers of all of their stores as of December 31, 2024. As of that date, there were 287 franchised and company owned stores located in the United States and foreign countries. We have 91 franchised and company owned stores located in the United

² Percentages when added may not total 100% due to rounding.