

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 this disclosure document. Financial performance information that differs from that included in this Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet that 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.

We set forth below historic financial performance representations for our franchised and company owned outlets:

FPR #1-Franchised Outlets

2025

As of December 31, 2025, we had 18 franchised outlets, 14 of which operated the entire year. 2 other outlets opened part way through the year (in April 2024 or later) and 2 outlets closed part way through the year and we exclude earnings information on those outlets. Below, we present 2025 Gross Sales information on the franchised outlets which operated for all of 2025.

Gross Sales Achieved by Our Reporting Operational Franchise Outlets that Operated The Entire 2025 Year						
Performance Quartile	Average Gross Sales	Median Gross Sales	Highest Gross Sales	Lowest Gross Sales	Number of Outlets	Number and % of Outlets That Attained or Surpassed the Stated Result
Top 25%	\$359,089.42	\$357,598.17	\$414,759.50	\$306,401.84	4	2 (50%)
Mid-High 25%	\$252,003.14	\$257,195.07	\$257,330.75	\$241,483.60	3	2 (67%)
Mid-Low 25%	\$205,262.84	\$202,895.76	\$210,371.90	\$202,520.86	3	1 (33%)
Bottom 25%	\$85,567.55	\$75,687.42	\$128,651.55	\$62,243.81	4	1 (25%)

2024

As of December 31, 2024, we had 16 franchised outlets, 8 of which operated the entire year and one of which opened in February 2024, so we include that outlet as well. 7 other outlets opened part way through the year (in April 2024 or later) and 4 outlets closed part way through the year and we exclude earnings information on those outlets. Below, we present 2024 Gross Sales information on the franchised outlets which operated for all of 2024.

Gross Sales Achieved by Our Reporting Operational Franchise Outlets that Operated The Entire 2024 Year						
Performance Quartile	Average Gross Sales	Median Gross Sales	Highest Gross Sales	Lowest Gross Sales	Number of Outlets	Number and % of Outlets That Attained or Surpassed the Stated Result
Top 25%	\$334,764	\$334,764	\$334,764	\$308,834	2	1 outlet or 50%
Mid-High 25%	\$193,834	\$193,834	\$204,662	\$183,006	2	1 outlet or 50%
Mid-Low 25%	\$170,922	\$170,922	\$172,405	\$169,439	2	1 outlet or 50%
Bottom 25%	\$102,045	\$115,436	\$119,269	\$71,431	3	2 outlets or 66%

2023

As of December 31, 2023, we had 12 franchised outlets, nine of which operated the entire year. One outlet opened part way through the year and 2 outlets closed part way through the year and we exclude earnings information on those outlets. Below, we present 2023 Gross Sales information on the franchised outlets which operated for all of 2023.

Gross Sales Achieved by Our Reporting Operational Franchise Outlets that Operated the Entire 2023 Year						
Performance Quartile	Average Gross Sales	Median Gross Sales	Highest Gross Sales	Lowest Gross Sales	Number of Outlets	Number and % of Outlets That Attained or Surpassed the Stated Result
Top 25%	\$263,2432	\$284,820	\$356,434	\$148,476	3	2 outlets or 66%

Mid-High 25%	\$131,477	\$131,477	\$144,787	\$118,166	2	1 outlet or 50%
Mid-Low 25%	\$131,477	\$131,477	\$97,576	\$77,359	2	1 outlet or 50%
Bottom 25%	\$64,057	\$64,057	\$67,802	\$60,311	2	1 outlet or 50%

Notes:

“**Gross Revenue**” means the aggregate of all revenue collected from all sources in connection with the Franchised Business, including, without limitation, all proceeds from any business interruption insurance and any sales or grant money collected from or through any third party such as a county, state, or the federal government; but excluding (a) any revenue franchisee remits to a customer or property owner or collection agency that franchisee is contractually obligated to remit, (b) any chargeback fees franchisee pays to a collection agency, (c) any sales and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto, and (d) any rebate received by Franchisee from a manufacturer or supplier.

FPR #2- Company-Owned Outlet

Presented below are the Gross Revenue and Adjusted Gross Revenue figures for the company owned outlet for the 2025, 2024, and 2023. We have had one company outlet in operation and it has been open since 2014.

There are no material operational differences between the company outlet and the franchised outlets, except the age of the company owned outlet.

There are material financial differences between the company outlet and the franchised outlets in that the franchised outlets incur royalty fees (8% of Gross Revenues), Marketing Fund Contributions (2% of Gross Revenues), and IT fees (\$110/month used in 2025 and before), and other fees under their respective franchise agreements.

Company Owned	
	Year
Gross Revenue	2025 \$588,215.30
<i>Royalty Fee (8%)</i>	\$47,057.22
<i>Marketing Fund Contribution (2%)</i>	\$11,764.31
<i>IT Fee (\$110/month)</i>	\$1,320

Total Expenses that would be incurred if this were a franchised outlet:	\$60,141.53
Adjusted Gross Revenue as if a Franchised Outlet	\$528,073.77

Year	2024
Gross Revenue	\$532,573.13
<i>Royalty Fee (8%)</i>	\$42,605.85
<i>Marketing Fund Contribution (2%)</i>	\$10,651.46
<i>IT Fee (\$110/month)</i>	\$1,320
Total Expenses that would be incurred if this were a franchised outlet:	\$54,577.31
Adjusted Gross Revenue as if a Franchised Outlet	\$477,995.82

Year	2023
Gross Revenue	\$432,055.59
<i>Royalty Fee (8%)</i>	\$34,564.45
<i>Marketing Fund Contribution (2%)</i>	\$8,641.11
<i>IT Fee (\$110/month)</i>	\$1,320
Total Expenses that would be incurred if this were a franchised outlet:	\$44,525.56
Adjusted Gross Revenue as if a Franchised Outlet	\$387,530.03

FPR #3-Systemwide Information

Here we present certain systemwide earnings information for 2025, 2024, and 2023:

	2023	2024	2025
Average Gross Revenue	\$178,778.62	\$223,774.81	\$ 249,242.74
Median Gross Revenue	\$131,476.52	\$177,705.26	\$ 241,483.60
Average Monthly Gross Revenue	\$14,898.22	\$18,647.90	\$ 20,770.23

Median Monthly Gross Revenue	\$10,956.38	\$14,808.77	\$ 20,123.63
Low Gross Revenue	\$60,310.79	\$71,430.86	\$ 62,243.81
High Gross Revenue	\$432,055.59	\$532,573.13	\$ 588,215.30
% Increase with Respect of the previous year		25%	67%
Total Gross Revenue	1,787,786.23	\$2,237,748.11	\$ 3,738,641.12

Notes:

Gross Revenues- See definition of “Gross Revenues” in Note 1 above.

“**Less Expenses that would be incurred if this were a franchised outlet**” refers to royalty fees (8% of Gross Revenues), Marketing Fund Contributions (2% of Gross Revenues), and IT fees (\$110/month).

“**Adjusted Gross Revenue as if a Franchised Outlet**” refers to **Gross Revenue** minus **Expenses that would be incurred if this were a franchised outlet**.

Written substantiation for this financial performance representation is available to you upon reasonable written request.

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

Other than the preceding financial performance representation, Stemtree 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 Dr. Abdelghani Bellaachia, Stemtree Franchising, LLC at 220 Maple Avenue West, Vienna, Virginia 22180 and (877) 200-7836, the Federal Trade Commission, and the appropriate state regulatory agencies.

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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	2023	13	12	-1
	2024	12	16	+4
	2025	16	16	0
Company-Owned	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
Total Outlets	2023	14	13	-1
	2024	13	17	+4
	2025	17	17	0

TABLE NO. 2
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
Texas	2023	0
	2024	0
	2025	1
Total	2023	0
	2024	0
	2025	1