

Provision	Section in Franchise Agreement	Summary
n. Our right of first refusal to acquire your business	12.3	We can match any offer for your business.
o. Our option to purchase your business	Not Applicable	Not Applicable, subject to state law
p. Your death or disability	12.4	Your heirs may inherit your franchise provided they qualify and meet other requirements for transfer (see m, above).
q. Non-competition covenants during the term of the franchise	15.2	No involvement in competing business, can't divert customers to competitor or do anything that impairs goodwill associated with our system, can't encroach on other franchisees' territory.
r. Non-competition covenants after the franchise is terminated or expires	15.3	No involvement in competing business for 2 years in or within 15 miles of any franchisee's territory, and no solicitation of customers and shared referral sources of the franchised business for 2 years, subject to state law
s. Modification of the agreement	9.3 and 18.1	Modification only by written agreement, but we may modify Operations Manual so long as it does not change your fundamental status and rights.
t. Integration/merger clause	18.1	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable (subject to state law).
u. Dispute resolution by arbitration or mediation	16.1 – 16.3	Except for certain claims, and subject to state law: all disputes must be arbitrated in Hamilton County, Ohio; claims may not be consolidated with claims of other franchisees; parties waive right to jury trial and punitive damages; except for certain claims, all claims must be brought within 1 year.
v. Choice of forum	16.7	Except for claims arising under a franchise law of the state where the franchised business is located, all litigation or arbitration must be in Hamilton County, Ohio.
w. Choice of law	18.3	Except for claims arising under a franchise law of the state where the franchised business is located, Ohio law applies.

¹ This provision may not be enforceable under federal bankruptcy law.

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote our franchises.

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 performance at a particular location or under particular circumstances.

Presented below are historic gross revenue figures for certain Pet Wants franchises for the one-year periods ending December 31, 202²⁴, December 31, 202³², and December 31, 202⁴³. The data is presented by quartile and then cumulatively. Data is presented first for Store Franchises, not delivery-

only franchises. Only data from Stores that were open for the entire year and that reported gross revenue for the entire year are included in the table.

GROSS REVENUES FOR STORES

First Quartile of Store Franchises	Year Ending 12/31/22	Year Ending 12/31/23	Year Ending <u>12/31/24</u>
Average Gross Revenues	\$1,103,304	\$1,111,268	<u>\$729,270.21</u>
Median Range of Gross Revenues	\$977,879	\$851,139	<u>\$933,655</u>
High Range of Gross Revenues	\$1,730,232	\$1,720,511	<u>\$1,784,994</u>
Low Range of Gross Revenues	\$755,914	\$726,690	<u>\$699,146</u>
Percentage of franchisees that attained or surpassed Average Gross Revenue	50%	43%	<u>45%</u>
# of Franchises	6	7	<u>9</u>

Second Quartile of Store Franchises	Year Ending 12/31/22	Year Ending 12/31/23	Year Ending <u>12/31/24</u>
Average Gross Revenues	\$545,797	\$591,658	<u>\$548,186</u>
Median Range of Gross Revenues	\$517,390	\$586,241	<u>\$509,660</u>
High Range of Gross Revenues	\$746,007	\$722,084	<u>\$696,728</u>
Low Range of Gross Revenues	\$444,492	\$470,813	<u>\$438,460</u>
Percentage of franchisees that attained or surpassed Average Gross Revenue	43%	50%	<u>33%</u>
# of Franchises	7	8	<u>9</u>

Third Quartile of Store Franchises	Year Ending 12/31/22	Year Ending 12/31/23	Year Ending <u>12/31/24</u>
Average Gross Revenues	\$387,287	\$381,932	<u>\$348,743</u>
Median Range of Gross Revenues	\$394,587	\$379,732	<u>\$369,272</u>
High Range of Gross Revenues	\$436,826	\$424,860	<u>\$434,986</u>
Low Range of Gross Revenues	\$319,613	\$345,535	<u>\$225,197</u>

Percentage of franchisees that attained or surpassed Average Gross Revenue	50%	50%	<u>60%</u>
# of Franchises	6	8	<u>10</u>

Fourth Quartile of Store Franchises	Year Ending 12/31/22	Year Ending 12/31/23	<u>Year Ending 12/31/24</u>
Average Gross Revenues	\$241,760	\$228,011	<u>\$168,173</u>
Median Range of Gross Revenues	\$298,708	\$221,812	<u>\$161,958</u>
High Range of Gross Revenues	\$310,237	\$307,543	<u>\$217,775</u>
Low Range of Gross Revenues	\$151,388	\$153,713	<u>\$106,160</u>
Percentage of franchisees that attained or surpassed Average Gross Revenue	57%	50%	<u>40%</u>
# of Franchises	7	8	<u>10</u>

Cumulative Store Franchises	Year Ending 12/31/22	Year Ending 12/31/23	<u>Year Ending 12/31/24</u>
Average Gross Revenues	\$556,017	\$561,022	<u>\$438,585</u>
Median Range of Gross Revenues	\$440,659	\$424,860	<u>\$436,723</u>
High Range of Gross Revenues	\$1,730,232	\$1,720,511	<u>\$1,784,994</u>
Low Range of Gross Revenues	\$151,388	\$153,713	<u>\$106,160</u>
Percentage of franchisees that attained or surpassed Average Gross Revenue	31%	35%	<u>34%</u>
# of Franchises	26	31	<u>38</u>

There were 58²⁵ Pet Wants Store franchises (each franchise consists of a single franchise territory) in operation as of December 31, 20241, which were owned by 55 franchisees. Of those, 38 all of which were in operation for the entire year.

There were 38 Stores in operation as of December 31, 2023, 31 of which were in operation the entire year. There were 29 Store in operation as of December 31, 2022, of which 26 were in operation the entire year. ~~There were 25 Store in operation as of December 31, 2021, all of which were in operation for the entire year.~~

~~The tables below combine data from Pet Wants Store franchisees that owned single units and from Pet Wants Store franchisees that owned multiple units. The data is presented by quartile and then cumulatively.~~

Combined Single and Multiple Unit Store Owners

First Quartile

<u>Average Gross Rev</u>	<u>\$729,270.21</u>
<u>Median Gross Rev</u>	<u>\$933,655</u>
<u>High Range of Gross Rev</u>	<u>\$1,784,994</u>
<u>Low Range of Gross Rev</u>	<u>\$699,146</u>
<u>% attained or surpassed Average</u>	<u>45%</u>
<u># of Franchises</u>	<u>9</u>

Second Quartile

<u>Average Gross Rev</u>	<u>\$548,186</u>
<u>Median Gross Rev</u>	<u>\$509,660</u>
<u>High Range of Gross Rev</u>	<u>\$696,728</u>
<u>Low Range of Gross Rev</u>	<u>\$438,460</u>
<u>% attained or surpassed Avg</u>	<u>33%</u>
<u># of Franchises</u>	<u>9</u>

Third Quartile

<u>Average Gross Rev</u>	<u>\$348,743</u>
<u>Median Gross Rev</u>	<u>\$369,272</u>
<u>High Range of Gross Rev</u>	<u>\$434,986</u>
<u>Low Range of Gross Rev</u>	<u>\$225,197</u>
<u>% attained or surpassed Avg</u>	<u>60%</u>
<u># of Franchises</u>	<u>10</u>

Fourth Quartile

<u>Average Gross Rev</u>	<u>\$168,173</u>
<u>Median Gross Rev</u>	<u>\$161,958</u>
<u>High Range of Gross Rev</u>	<u>\$217,775</u>
<u>Low Range of Gross Rev</u>	<u>\$106,160</u>
<u>% attained or surpassed Avg</u>	<u>40%</u>
<u># of Franchises</u>	<u>10</u>

Cumulatively for 2024

<u>Average Gross Rev</u>	<u>\$438,585</u>
<u>Median Gross Rev</u>	<u>\$436,723</u>
<u>High Range of Gross Rev</u>	<u>\$1,784,994</u>
<u>Low Range of Gross Rev</u>	<u>\$106,160</u>

<u>% attained or surpassed Avg</u>	<u>34%</u>
<u># of Franchises</u>	<u>38</u>

The below table presents data for 34 Pet Wants Store franchisees that owned single units and excludes the data for the Pet Wants Store franchisees that owned multiple units; the table also excludes data from 15 other Store franchises that were not open and did report gross revenues for the entire year. The data is presented by quartile and then cumulatively.

Single Unit Store Owners

First Quartile

<u>Average Gross Rev</u>	<u>\$740,674</u>
<u>Median Gross Rev</u>	<u>\$708,930</u>
<u>High Range of Gross Rev</u>	<u>\$933,655</u>
<u>Low Range of Gross Rev</u>	<u>\$650,340</u>
<u>% attained or surpassed Average</u>	<u>38%</u>
<u># of Franchises</u>	<u>8</u>

Second Quartile

<u>Average Gross Rev</u>	<u>\$470,625</u>
<u>Median Gross Rev</u>	<u>\$471,245</u>
<u>High Range of Gross Rev</u>	<u>\$535,441</u>
<u>Low Range of Gross Rev</u>	<u>\$410,236</u>
<u>% attained or surpassed Avg</u>	<u>50%</u>
<u># of Franchises</u>	<u>8</u>

Third Quartile

<u>Average Gross Rev</u>	<u>\$317,775</u>
<u>Median Gross Rev</u>	<u>\$308,309</u>
<u>High Range of Gross Rev</u>	<u>\$395,921</u>
<u>Low Range of Gross Rev</u>	<u>\$217,775</u>
<u>% attained or surpassed Avg</u>	<u>44%</u>
<u># of Franchises</u>	<u>9</u>

Fourth Quartile

<u>Average Gross Rev</u>	<u>\$162,662</u>
<u>Median Gross Rev</u>	<u>\$158,997</u>
<u>High Range of Gross Rev</u>	<u>\$206,946</u>
<u>Low Range of Gross Rev</u>	<u>\$106,160</u>
<u>% attained or surpassed Avg</u>	<u>44%</u>
<u># of Franchises</u>	<u>9</u>

Cumulatively for 2024

<u>Average Gross Rev</u>	<u>\$412,186</u>
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<u>Median Gross Rev</u>	<u>\$392,458</u>
<u>High Range of Gross Rev</u>	<u>\$933,655</u>
<u>Low Range of Gross Rev</u>	<u>\$106,160</u>
<u>% attained or surpassed Avg</u>	<u>44%</u>
<u># of Franchises</u>	<u>34</u>

The below table presents Gross Revenue data from 2024 for the 4 Pet Wants Store franchisees that owned multiple units.

Multiple Unit Owners

<u>Average Gross Rev</u>	<u>\$651,938.54</u>
<u>Median Gross Rev</u>	<u>\$1,379,232</u>
<u>High Range of Gross Rev</u>	<u>\$1,784,994</u>
<u>Low Range of Gross Rev</u>	<u>\$1,008,076</u>
<u>% attained or surpassed Avg</u>	<u>100%</u>
<u># of Franchises</u>	<u>4</u>

We formerly offered both store and mobile franchises, but now only offer store franchises. There were 159 franchises in operation as of December 31, 2024, of which 59 were store franchises and 100 were mobile franchises. Two store franchises closed in 2024. The preceding data has been extracted from financial reports submitted to us by our franchisees. The financial reports submitted to us were prepared by the franchisee. There were 59 Stores in operation as of December 31, 2024, 34 of which were in operation the entire year.

The preceding data has been extracted from financial reports submitted to us by our franchisees. The financial reports submitted to us were prepared by the franchisee in most cases, not reviewed or audited by an independent accountant. We have not audited or independently verified this information.

For purposes of this Item 19, "Gross Revenue" means the total of all income arising from the operation of the franchised business, ~~whether cash or credit. It is recognized on an accrual basis and regardless of collection, which means that a franchisee's Gross Revenue for any period represents how much a franchisee billed its clients during the period, not how much the franchisee received.~~ Gross Revenue does not include the amount of refunds and discounts made to clients, or the amount of sales or excise taxes that are separately stated and that the franchisee is required to and does collect from clients and pays to the appropriate taxing authority.

The Gross Revenue figures do not reflect the costs of sales, other operating expenses, or other costs or expenses that must be deducted from Gross Revenue to obtain your net income or profit. Those expenses include fees you are required to pay us under the terms of your franchise agreement, such as royalties and national branding contributions. Your sales and operating expenses will vary depending on many factors, such as the geographic location of your territory, competition from other providers in your market, the effectiveness of your advertising, whether you manage your franchise yourself or hire a general manager, your pricing, the prices you pay for supplies, employee salaries and benefits (health insurance, retirement plan, etc.), other employment conditions in your market, insurance costs, and ability to generate clients. You should conduct an independent investigation of the costs and expenses you will incur in operating a Pet Wants franchise.

We strongly suggest that you consult a financial advisor or accountant for assistance in reviewing the table and in preparing your own financial projections, and for advice about the income and other taxes you will incur in operating a Pet Wants franchise and the effect of non-cash expenses such as depreciation and amortization on your business.

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

Written substantiation for the financial performance representation will be made available to you upon request.

Other than the preceding financial performance representations, Pet Wants Franchise System, 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 Jeff Siehl, General Counsel/Vice President, 4755 Lake Forest Drive, Suite 100, Cincinnati, Ohio 45202, (513) 999-9893, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
For Years 20221 through 20243³

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	202 <u>21</u>	<u>113802</u>	<u>138138</u>	<u>0+36</u>
	202 <u>32</u>	<u>138138</u>	<u>146138</u>	<u>+80</u>
	202 <u>43</u>	<u>146138</u>	<u>159146</u>	<u>+8+13</u>
Company-Owned	202 <u>21</u>	0	0	0
	202 <u>32</u>	0	0	0
	202 <u>43</u>	0	0	0
Total Outlets	202 <u>21</u>	<u>138102</u>	<u>138138</u>	<u>0+36</u>
	202 <u>32</u>	<u>138138</u>	<u>146138</u>	<u>+80</u>
	202 <u>43</u>	<u>146138</u>	<u>159146</u>	<u>+8+13</u>

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
For Years 20221 through 20243

State	Year	Number of Transfers
California	202 <u>21</u>	<u>01</u>
	202 <u>32</u>	0
	202 <u>43</u>	<u>20</u>

³ All numbers are for December 31 of each year and include both store and delivery franchises.