

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
		of disputes in King County, Washington, subject to state law.
v. Choice of Forum	Section 9.7	Arbitration and litigation must be in King County, Washington (subject to applicable state law).
w. Choice of Law	Section 9.7	Washington law applies except to the extent governed by the United States Trademark Act (subject to applicable state law).

ITEM 18 PUBLIC FIGURES

No public figure is involved in our franchise program.

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 only be given 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 following disclosures include historical and pro forma financial performance representations for Mobile Grooming franchisees.

Historical Financial Performance Representations

Average Ticket

Description	Mean	Median	# Included Franchisees
Average Ticket	\$140	\$155	5

# Above Mean	% Above Mean	# Below Mean	% Below Mean	# Above Median	% Above Median	# Below Median	% Below Median
4	80%	1	20%	3	60%	2	40%

Gross Sales

Description	Mean	Median	# Included Franchisees
Gross Sales	\$320,063.00	\$320,063.00	1

Notes to Historical Representations:

- Some outlets have sold this amount. Your individual results may differ. There is no assurance you'll sell as much.**
- The Average Ticket table includes all five Mobile Grooming franchisees in operation as of September 30, 2024. They all reported sufficient information to be included.
- The Gross Sales table only includes our single Mobile Grooming franchisee in operation for at least 300 days as of September 30, 2024.
- In the Gross Sales table, "Gross Sales" means all receipts generated by the franchisee from Mobile Grooming services, but it does not include discounts, returns, tips, and sales taxes.
- The disclosures are based on information reported to us by our franchisees and available information pulled directly into our consolidated database from accessible locations. The information has not been audited.
- The historical financial performance figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.
- Written substantiation of this financial performance representation will be made available to you upon reasonable request.

Pro Forma Financial Performance Representations

Grooming Sales		1 Van		2 Vans		3 Vans	
	Grooming Sales (assumes 5 dogs per day at \$155 per ticket per Item 19 with an equivalent total of 6 days per week **typically 2 groomers with alternating schedules per van)	\$241,800		\$483,600		\$725,400	
		Total Grooming	\$241,800	Total Grooming	\$483,600	Total Grooming	\$725,400

		Sales		Sales		Sales	
COS							
	Merchant Processing (Assumption - 2.75% of Total Sales)	\$ 8,463		\$ 16,926		\$ 25,389	
	COS (shampoos, supplies, etc.)	\$ 4,000		\$8,000		\$12,000	
		Total COS	\$12,463	Total COS	\$24,926	Total COS	\$37,389
Gross Profit			\$229,337		\$458,674		\$688,011
Expenses							
	Vehicle Lease Payment (est. \$2,400 per month)	\$28,800		\$57,600		\$86,400	
	Vehicle & Liability Insurance	\$4,800		\$9,600		\$14,400	
	Fuel (18 mpg, at 7 mile drive per groom at \$5.00 per gallon for diesel)	\$3,539		\$7,078		\$10,617	
	Vehicle Storage/Cleaning	\$3,600		\$6,300		\$11,025	
	Licenses and Permits	\$1,000		\$1,500		\$2,000	
	Dues and Subscriptions	\$1,200		\$1,440		\$2,160	
	Repairs and Maintenance	\$5,000		\$10,000		\$15,000	
	Supplies	\$4,000		\$8,000		\$12,000	
	Royalty Fee (8% up to 399k, 7% from 400-499k, 6% from 500-599k, 5% from 600k+)	\$19,344		\$37,772		\$51,270	
	Marketing Fee (1.5%)	\$3,627		\$7,254		\$10,881	
	Payroll Groomers (35% commission of grooming sales paid as employees)	\$84,630		\$169,260		\$253,890	
	Payroll Taxes (assumes 10.5% for federal & state)	\$8,886		\$17,772		\$26,658	
	Worker's Compensation Insurance (assumes \$70 per month per employee)	\$1,680		\$3,360		\$5,040	
	Payroll Fees	\$1,200		\$1,500		\$1,800	
	Professional Fees	\$2,500		\$5,000		\$7,500	
	Miscellaneous	\$5,000		\$10,000		\$15,000	
		Total Expenses	\$178,806	Total Expenses	\$353,436	Total Expenses	\$525,641
		EBITDA (1 Van)	\$50,531	EBITDA (2 Vans)	\$105,238	EBITDA (3 Vans)	\$162,370

Notes to Pro Forma Representations:

1. **These figures are only estimates of what we think you may earn. Your individual results may differ. There is no assurance that you'll earn as much.**
2. The financial performance representation is a 12-month projection of a franchisee's potential future financial performance.
3. In this representation, the following definitions shall apply:

“Grooming Sales” means all receipts generated by the franchisee from Mobile Grooming services, but it does not include discounts, returns, tips, and sales taxes.

“COS” means cost of sales, which refers to the cost of producing or acquiring goods or services for sale.

“Gross Profit” means Grooming Sales minus COS.

“EBITDA” means Gross Profit minus ordinary and recurring operating expenses and excluding interest, taxes, depreciation, and amortization.
4. The pro forma is intended to include typical costs of goods sold and expenses for franchisees in our franchise system that meet the criteria identified above. However, you may incur additional expenses not included in the pro forma.
5. These representations are based on the experience of our mobile grooming franchisees and the material bases and assumptions described in the table.
6. Written substantiation of this financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, NPM 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 our President and Chief Development Officer, Daniel Webb, 19400 144th Ave NE, Ste. E, Woodinville, Washington 98072, (800) 314-9765 EXT. 1, franchise@earthwisepet.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY*
As of September 30, 2022, 2023 and 2024

<u>Column 1</u> <u>Outlet Type</u>	<u>Column 2</u> <u>Fiscal Year</u>	<u>Column 3</u> <u>Outlets at the</u> <u>Start of the</u> <u>Year</u>	<u>Column 4</u> <u>Outlets at the</u> <u>End of the</u> <u>Year</u>	<u>Column 5</u> <u>Net Change</u>
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	5	+5
Company or Affiliate- Owned	2022	0	0	0
	2023	0	0	0
	2024	0	2	+2
Total Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	7	+7

* The numbers of area representatives are not reflected in this Item 20 because this disclosure document is for our unit franchise offering. However, if applicable, the individual unit franchises owned and operated by our area representatives are reflected in this Item 20.

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(other than the Franchisor)
As of September 30, 2022, 2023 and 2024

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Fiscal Year</u>	<u>Column 3</u> <u>Number of Transfers</u>
All States	2022	0
	2023	0
	2024	0
Totals	2022	0
	2023	0
	2024	0