

ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our 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 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.

Some Dog Training Gyms have earned this amount. Your individual results may differ. There is no assurance you will earn as much.

Background

As of our last fiscal year, ended August 31, 2025, there were 58 open franchised outlets.

Table 1. Same Store Sales

Revenue Source	2025 FY vs 2024 FY
FRANCHISED LOCATIONS	
AVERAGE	11.9%
MEDIAN	8.8%
RANGE	-20.5% to 81.8%
LOCATIONS EXCEEDING AVERAGE	40% (14 out of 35 locations)

Notes to Table 1. Locations included: Ankeny, Arrowhead, Austin, Belmont, Cary, Centerville, Chandler, Chicago, Colorado Springs, Hulen Bend, Huntington Beach, Kearny Mesa, Long Beach, Longwood, McKinney, Mission Bay, New Albany, Overland Park, Reno, Richmond, Sandy Springs, Savannah, Scottsdale, Sherman Oaks, South Austin, St Louis, Tacoma, Thousand Oaks, Toledo, Torrance, Virginia Beach, West Allis, West Des Moines, Winter Park, Woodland Hills. These locations have been opened from September 1, 2023 through August 31, 2025.

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Table 2. Profit and Loss - All Stores
(48 stores open at minimum full fiscal year 2024-2025)

EXPENSE	RANGE	MEDIAN	AVERAGE	% of Gross
GROSS REVENUES	\$166,691-\$931,758	\$390,448	\$409,758	
Cost of Good Sold	\$3,894-\$89,420	\$22,909	\$25,137	6.1%
Total Payroll	\$22,051-\$311,262	\$139,802	\$152,396	37.2%
Payroll Paid to Owners	\$0-\$104,950	\$4,231	\$21,000	5.1%
Payroll	\$22,051-\$311,262	\$123,284	\$131,396	32.1%
Royalties	\$12,138-\$73,728	\$29,738	\$32,070	7.8%
National Advertising Fund	\$1,517-\$9,216	\$3,717	\$4,009	1.0%
Software Fee	\$1,350-\$8,676	\$6,834	\$6,186	1.5%
Merchant Processing Fees	\$1,671-\$21,242	\$10,449	\$11,470	2.8%
Office & Janitorial Supplies	\$600-\$26,973	\$3,193	\$4,180	1.0%
Repairs & Maintenance	\$0-\$8,521	\$882	\$1,385	0.3%
Electricity	\$0-\$11,864	\$6,014	\$5,908	1.4%
Telephone/Internet	\$380-\$5,361	\$1,803	\$2,238	0.5%
Total Utilities	\$552-\$14,769	\$7,899	\$8,146	2.0%
Local Marketing	\$13,274-\$91,490	\$34,340	\$36,550	8.9%
Worker's Comp	-\$235-\$8,622	\$1,950	\$2,257	0.6%
Liability Insurance	\$0-\$23,412	\$2,538	\$3,573	0.9%
Total Insurance	\$0-\$25,332	\$5,124	\$5,830	1.4%
Accounting	\$0-\$13,570	\$4,105	\$4,682	1.1%
Rent	\$51,244-\$228,642	\$98,512	\$105,056	25.6%
TOTAL EXPENSES	\$195,403-\$651,750	\$376,238	\$376,096	
NET PROFIT	-\$238,913-\$298,109	\$24,155	\$33,663	
NET PROFIT MARGIN	-143.3%-42.2%	8.5%	0.4%	

Notes to Table 2.

(1) Locations included: Tacoma, St Louis, Sherman Oaks, Colorado Springs, West Allis, Reno, Long Beach, Belmont, Huntington Beach, Littleton, Richmond, Ankeny, Plano, Fort Mill, Woodland Hills, Chandler, West Des Moines, Cary, Sandy Springs, Torrance, Mission Bay, Kearny Mesa, Thousand Oaks, McKinney, Winter Park, Nashville, Williamsburg, Chicago, New Albany, Virginia Beach, Lakewood, Hulen, Bend, Savannah, Longwood, Clifton Park, Toledo, Centerville, Sugar Land, Coral Springs, Indian Trail, South Austin, Overland Park, Redlands, St Petersburg, Scottsdale, Arrowhead, Hillsboro, Knoxville.

(2) The term “**Gross Revenues**” means the total of all revenues and income from the sale of all Zoom Room Franchised Business products and services to customers of each location. Gross Revenues does not include the sale of gift cards sold for use at the Zoom Room Franchised Business, PPP loan funds, or sales tax or any comps. The information regarding Gross Revenue has been provided to us by each of the 48 Operating Franchisees and has not been audited.

(3) “**Payroll**” excludes salaries paid to the owner(s) of the Franchised Locations.

(4) The term “**Total Expenses**” was calculated by adding all of the values for rows three through eighteen for each location listed. The term “**Net Profit**” was calculated by subtracting the value of the Total Expenses for each location from the Gross Revenues of each location. The “**Net Profit Margin**” was calculated by dividing the Gross Revenues by the Net Profit for each location.

(5) To find the **Average** we divided the sum of the amounts (whether it was Gross Revenues, costs, or a calculated value) for each location by four. To find the **Median** we arranged the amount (whether it was Gross Revenues, costs, or a calculated value) for each location in numerical order, then we identified the middle number. To find the **Range** we took the lowest dollar amount or percentage in each category and the highest dollar amount or percentage in each category.

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Table 3. Profit and Loss - Top 25% of Stores

(12 of the 48 stores open at minimum full fiscal year 2024-2025)

EXPENSE	RANGE	MEDIAN	AVERAGE	% of Gross
GROSS REVENUES	\$354,731-\$931,758	\$602,602	\$609,066	
Cost of Goods Sold	\$19,750-\$53,945	\$32,442	\$33,654	5.5%
Total Payroll	\$78,835-\$311,262	\$200,091	\$179,857	29.5%
Payroll Paid to Owners	\$0-\$104,950	\$33,564	\$37,454	6.1%
Payroll	\$31,997-\$311,262	\$122,528	\$142,404	23.4%
Royalties	\$28,895-\$73,728	\$45,456	\$47,380	7.8%
National Advertising Fund	\$3,612-\$9,216	\$5,682	\$5,922	1.0%
Software Fee	\$6,834-\$8,676	\$6,834	\$7,000	1.1%
Merchant Processing Fees	\$1,671-\$21,242	\$18,327	\$15,802	2.6%
Office & Janitorial Supplies	\$823-\$8,664	\$2,848	\$3,625	0.6%
Repairs & Maintenance	\$0-\$8,521	\$838	\$1,538	0.3%
Electricity	\$2,212-\$11,348	\$6,414	\$6,484	1.1%
Telephone/Internet	\$380-\$4,579	\$1,800	\$2,310	0.4%
Total Utilities	\$3,773-\$14,365	\$8,941	\$8,794	1.4%
Local Marketing	\$27,905-\$91,490	\$39,504	\$42,430	7.0%
Worker's Comp	\$0-\$6,403	\$2,877	\$2,948	0.5%
Liability Insurance	\$0-\$16,944	\$2,458	\$3,700	0.6%
Total Insurance	\$0-\$18,819	\$5,883	\$6,648	1.1%
Accounting	\$0-\$8,350	\$3,395	\$3,873	0.6%
Rent	\$64,680-\$228,642	\$95,035	\$108,294	17.8%
TOTAL EXPENSES	\$257,391-\$651,750	\$434,591	\$427,364	
NET PROFIT	\$97,339-\$298,109	\$175,729	\$181,702	
NET PROFIT MARGIN	16.8%-42.2%	29.7%	29.6%	
AGE OF STORE	1.1-12.5	3.0	5.1	

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Table 4. Profit and Loss - Bottom 25% of Stores

(12 of the 48 stores open at minimum full fiscal year 2024-2025)

EXPENSE	RANGE	MEDIAN	AVERAGE	% of Gross
GROSS REVENUES	\$166,691-\$359,342	\$303,708	\$283,771	
Cost of Goods Sold	\$3,894-\$41,517	\$22,878	\$22,137	7.8%
Total Payroll	\$84,681-\$292,760	\$169,146	\$174,128	61.4%
Payroll Paid to Owners	\$0-\$72,641	\$11,171	\$22,532	7.9%
Payroll	\$84,681-\$225,033	\$144,931	\$151,596	53.4%
Royalties	\$12,138-\$29,045	\$24,593	\$22,685	8.0%
National Advertising Fund	\$1,517-\$3,631	\$3,074	\$2,836	1.0%
Software Fee	\$1,350-\$6,834	\$6,834	\$5,445	1.9%
Merchant Processing Fees	\$4,869-\$9,898	\$8,498	\$7,951	2.8%
Office & Janitorial Supplies	\$1,299-\$9,186	\$3,258	\$4,219	1.5%
Repairs & Maintenance	\$0-\$6,850	\$1,131	\$1,829	0.6%
Electricity	\$0-\$11,864	\$5,743	\$5,886	2.1%
Telephone/Internet	\$552-\$4,744	\$1,943	\$2,388	0.8%
Total Utilities	\$552-\$14,769	\$7,382	\$8,274	2.9%
Local Marketing	\$18,642-\$59,853	\$37,035	\$37,263	13.1%
Worker's Comp	\$0-\$3,251	\$2,017	\$1,784	0.6%
Liability Insurance	\$1,154-\$23,412	\$3,239	\$5,553	2.0%
Total Insurance	\$3,269-\$25,332	\$5,292	\$7,336	2.6%
Accounting	\$2,700-\$11,395	\$5,183	\$6,411	2.3%
Rent	\$75,290-\$162,032	\$114,536	\$113,775	40.1%
TOTAL EXPENSES	\$274,776-\$503,247	\$390,523	\$391,756	
NET PROFIT	-\$238,913--\$54,536	-\$82,881	-\$107,985	
NET PROFIT MARGIN	-143.3%--16.2%	-30.4%	-42.1%	
AGE OF STORE	1.1-5.0	1.9	2.1	

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Table 5. Cost to Acquire, Lifetime Revenue, Retention

Category	Range	Average Value	Median Value	Number of Locations Exceeding the Average
Cost to Acquire a Customer	\$15 - \$150	\$63	\$56	19
Average Revenue per Customer (First 8 Weeks)	\$367 - \$2021	\$679	\$606	13
Historical Lifetime Revenue per Customer	\$1194 - \$3236	\$2249	\$2273	6
Historical Lifetime Revenue per High Value Customer (top 25% of Customers)	\$2689 - \$9303	\$5168	\$4860	5
Historical Lifetime Revenue per Low Value Customer (bottom 25% of Customers)	\$352 - \$1101	\$647	\$576	5

Notes to Table 5.

(1) The “Cost to Acquire” a Customer was calculated based on new clients acquired between September 1, 2024 and August 31, 2025, and the amounts spent on advertising during the period of August 1, 2024 and July 31, 2025, as reported by the 48 franchisees open as of July 1, 2024 (for the purposes of this Table 5, the “**Operating Franchisees**”) included are all locations open since on or before Jul 1, 2024: Ankeny, Arrowhead, Belmont, Cary, Centerville, Chandler, Chicago, Clifton Park, Colorado Springs, Coral Springs, Fort Mill, Hillsboro, Hulen Bend, Huntington Beach, Indian Trail, Kearny Mesa, Knoxville, Lakewood, Littleton, Long Beach, Longwood, McKinney, Mission Bay, Metcalf, Nashville, New Albany, Overland Park, Plano, Redlands, Reno, Richmond, Sandy Springs, Savannah, Scottsdale, Sherman Oaks, South Austin, St Louis, St Petersburg, Sugar Land, Tacoma, Thousand Oaks, Toledo, Torrance, Virginia Beach, Williamsburg, West Allis, West Des Moines, Winter Park, Woodland Hills.

(2) The “**Average Revenue per Customer (First Eight Weeks)**” was determined by examining training customers purchases during their first eight weeks as training customers, which initial eight-week period began on the date of their first visit, looking at the period between January 1, 2024 and December 31, 2025 as reported by the 48 Operating Franchisees. It was calculated by adding up the cumulative amount spent by all new training customers in their first eight weeks as a training customer at each of the 48 Operating Franchisees and dividing that sum by the total number of training customers who made their first purchases during the same period. The “**Range**” reflects the lowest Average Revenue per Customer (First Eight Weeks) and the highest Average Revenue per Customer (First Eight Weeks) on a per location basis. The “**Average Value**” was calculated by adding up the Average Revenue per Customer (First Eight Weeks) for each of the 48 Operating Franchisees and dividing that sum by 48. The “**Median Value**” was determined by putting the Average Revenue per Customer (First Eight Weeks) for each of the 48 Operating Franchisees in numerical order; then we identified the middle pair of numbers and we calculated the value that was halfway between them by adding them together and dividing by two. The “**Number of Locations Outperforming the Average**” means the number of Operating Franchisees whose Average Revenue per Customer (First Eight Weeks) was higher than the Average Value.

(3) The “**Historical Lifetime Revenue per Customer**” was determined by examining training customers who received services from September 1, 2021 through August 31, 2022 (“**Analyzed Customers**”) and analyzing the revenue from those Analyzed Customers during the period between September 1, 2019 to August 31, 2023. It was calculated by taking the cumulative amount spent by the Analyzed Customers at each of the eleven Operating Franchisees that were open and operating for at least three years (Arrowhead, Arizona; Austin, Texas; Belmont, California; Huntington Beach, California;

McKenny, Texas; Reno, Nevada; Sherman Oaks, California; Thousand Oaks, California; Torrance, California; and Virginia Beach, Virginia), which includes the amounts spent by Analyzed Customers who only made a single purchase during that period and Analyzed Customer who made multiple purchases during that period, and dividing that sum by the total number of Analyzed Customer examined for each of the seven applicable Operating Franchisees. The **“Range”** reflects the lowest Lifetime Revenue received from an Analyzed Customer and the highest Lifetime Revenue received from an Analyzed Customer. The **“Average Value”** was calculated by adding up the Historical Lifetime Revenue per Customer for each of the eleven applicable Operating Franchisees and dividing that sum by eleven. The **“Median Value”** was determined by putting the Historical Lifetime Revenue per Customer for each of the eleven applicable Operating Franchisees in numerical order; then we identified the middle pair of numbers and we calculated the value that was halfway between them by adding them together and dividing by two. The **“Number of Locations Outperforming the Average”** means the number of Operating Franchisees whose Historical Lifetime Revenue per Customer was higher than the Average Value.

(4) The term **“High Value Customer”** means an Analyzed Customer whose total purchases put that Analyzed Customer in the top 25% of Analyzed Customer at a particular Dog Training Gym. To determine the **“Average Lifetime Revenue per High Value Customer”** we looked at the cumulative purchases of each High Value Customer at each of the eleven Operating Franchisees that were open and operating for at least three years (Arrowhead, Arizona; Austin, Texas; Belmont, California; Huntington Beach, California; McKenney, California; Reno, Nevada; Sherman Oaks, California; Thousand Oaks, California; Torrance, California; and Virginia Beach, Virginia), during the period between September 1, 2019 to August 31, 2023 as reported by the eleven applicable Operating Franchisees. We then added up the gross revenue of all of the purchases of the High Value Customers of each of the reporting locations and divided that number by the total number of High Value Customers in the system. The **“Range”** reflects lowest Average Lifetime Revenue per High Value Customer and the highest Average Lifetime Revenue per High Value Customer on a per location basis, calculated using the same formula. The **“Average Value”** was calculated by adding up the Average Lifetime Revenue per High Value Customer for each of the eleven applicable Operating Franchisees and dividing that sum by eleven. The **“Median Value”** was determined by putting the Average Lifetime Revenue per High Value Customer for each of the eleven applicable Operating Franchisees in numerical order; then we identified the middle pair of numbers and we calculated the value that was halfway between them by adding them together and dividing by two. The **“Number of Locations Outperforming the Average”** means the number of Operating Franchisees whose Average Lifetime Revenue per High Value Customer was higher than the Average Value.

(5) The term **“Low Value Customer”** means an Analyzed Customer whose total purchases put that Analyzed Customer in the bottom 25% of Analyzed Customer at a particular Dog Training Gym. To determine the **“Average Lifetime Revenue per Low Value Customer”** we looked at the cumulative purchases of each Low Value Customer at each of the eleven Operating Franchisees that were open and operating for at least three years (Arrowhead, Arizona; Austin, Texas; Belmont, California; Huntington Beach, California; McKenney, California; Reno, Nevada; Sherman Oaks, California; Thousand Oaks, California; Torrance, California; and Virginia Beach, Virginia) during the period between September 1, 2019 to August 31, 2023 as reported by the eleven applicable Operating Franchisees. We then added up the gross revenue of all of the purchases of the Low Value Customers of each of the reporting locations and divided that number by the total number of Low Value Customers in the system. The **“Range”** reflects lowest Average Lifetime Revenue per Low Value Customer and the highest Average Lifetime Revenue per Low Value Customer on a per location basis, calculated using the same formula. The **“Average Value”** was calculated by adding up the Average Lifetime Revenue per Low Value Customer for each of the eleven applicable Operating Franchisees and dividing that sum by eleven. The **“Median Value”** was determined by putting the Average Lifetime Revenue per Low Value Customer for each of the eleven applicable Operating Franchisees in numerical order; then we identified the middle pair of numbers and we calculated the value that was halfway between them by adding them together and dividing by two. The **“Number of Locations Outperforming the Average”** means the number of Operating Franchisees whose Average Lifetime Revenue per Low Value Customer was higher than the Average Value.

(6) The “**Customer Retention Rate**” was determined by examining customers who purchased training services for the first time between September 1, 2023 and August 31, 2024. We looked at whether they made a subsequent purchase, during the period between September 1, 2024 and August 31, 2025. In order to constitute a subsequent purchase, and therefore be used to indicate retention, a customer must have made two or more purchases over multiple days during this time period (“**Retained Customers**”). It was calculated by dividing the number of Retained Customers by the number of total customers who made a training purchase during the period between September 1, 2023 and August 31, 2024 and expressing that quotient as a percentage. The “**Range**” reflects the lowest Customer Retention Rate and the highest Customer Retention Rate for each of the 35 Operating Franchisees that were open and operating for at least two years (Ankeny, Iowa; Arrowhead, Arizona; Belmont, California; Cary, North Carolina; Centerville, Ohio; Chandler, Arizona; Chicago, Illinois; Colorado Springs, Colorado; Hulen Bend, Texas; Huntington Beach, California; Kearny Mesa, California; Long Beach, California; McKinney, California; Mission Bay, California; New Albany, New York; Overland Park, Kansas; Reno, Nevada; Richmond, Virginia; Sandy Springs, Texas; Savannah, Georgia; Scottsdale, Arizona; Sherman Oaks, California; South Austin, Texas; St. Louis, Missouri; St. Petersburg, Florida; Tacoma, Washington; Thousand Oaks, California; Toledo, Ohio; Torrance, California; Virginia Beach, Virginia; West Allis, Wisconsin; Winter Park, Florida; and Woodland Hills, California). The “**Average Value**” was calculated by adding up the Customer Retention Rate for each of the 35 applicable Operating Franchisees and dividing that sum by 35. The “**Median Value**” was determined by putting the Customer Retention Rate for each of the 35 applicable Operating Franchisees in numerical order; then we identified the middle number. The “**Number of Locations Outperforming the Average**” means the number of Operating Franchisees whose Customer Retention Rate was higher than the Average Value.

(7) We determined the Cost to Acquire a Customer, Average Revenue per Customer (First Eight Weeks), Average Lifetime Revenue per Customer, Average Lifetime Revenue per High Value Customer, and Customer Retention Rate based upon information provided to us from the applicable Operating Franchisees. The information has not been audited.

Other than the preceding financial performance representation, Zoom Room 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 Mark Van Wye at Zoom Room Franchising, LLC, 11836 Teale Street, Culver City, CA 90230, telephone 877-966-6766, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For Years 2023-2025

<u>Outlet Type</u>	<u>Year</u>	<u>Outlets at the Start of the Year</u>	<u>Outlets at the End of the Year</u>	<u>Net Change</u>
<u>Franchised</u>	2023	24	52	+28
	2024	52	64	+12
	2025	64	58	-6
<u>Company-Owned</u>	2023	1	2	+1
	2024	2	3	+1
	2025	3	2	-1
<u>Total Outlets</u>	2023	25	54	+29
	2024	54	67	+12
	2025	67	60	-7

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