

was a featured speaker at HOTWORX Franchising, L.L.C.'s 2017 Franchise Convention. Ms. May does not manage or own an interest in HOTWORX.

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.

Franchised Outlets Financial Performance Representations:

Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data

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

These studios are substantially similar to the studio you will operate if you decide to become a franchisee.

During the 2025 fiscal year, HOTWORX had 797 open franchise outlets of which 700 studios were operational for 12 full months in fiscal year 2025.

The following representations are based on the 2025 performance of the 149 first-year franchise outlets that were open and fully operational during the full 2025 fiscal year as well as all franchised outlets, opened from 2017 through 2024, that were fully operational in 2025, of which there were 700. The financials are unaudited.

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

First Year Operational Studios 2025 Financial Performance Representations:
Franchised Outlets Historical Data

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

These studios are substantially similar to the studio you will operate if you decide to become a

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franchisee.

All of the 149 studios accounted for below in Table 19.1 are first full-year franchised businesses that were fully operational for 12 full months in 2025. Table 19.1 is based on historical financial data related to those 149 studios, which is provided to us by our proprietary software for our franchised locations. The financials are unaudited.

The franchise outlets have been classified into thirds: Top, Middle, and Bottom. There is a range of performance within each group.

The leading franchise outlet out of the 149 first full-year outlets, the franchise outlet with the highest EBITDA within this group, had annual Total Revenues during the 2025 fiscal year of \$696,487 with an EBITDA of \$321,028. This studio is located in Chula Vista, California.

The last outlet in the 149 first full-year outlets, the franchise outlet with the lowest EBITDA within this group, had annual Total Revenues during the 2025 fiscal year of \$147,932 with an EBITDA of \$(85,268). This studio is located in Shawnee, Oklahoma.

The average number of memberships for first year studios was 458. The leading franchise outlet of the 149 first full-year outlets, the franchise outlet with the highest EBITDA within this group, had 718 members and the last outlet in the 149 first full-year outlets, the franchise outlet with the lowest EBITDA within this group, had 229 members. The median number of memberships for first year studios was 430.

During the 2025 fiscal year, the average of the monthly cancellation rates for the 149 operational franchise outlets was 6.48% with a high of 7.44% and a low of 5.53%. The median monthly cancellation rate was 6.57%. The cancellation rate measures the total number of active members versus the total number of membership cancellations by month, calculated by the total number of cancellations at month's end for all studios in the group divided by the total active members at month end for all studios in the group.

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

[TABLE TO FOLLOW]

**Table 19. 1 – For 2025 Fiscal Year – First Year Studios
Franchise Outlets Financial Performance Representations:
Franchised Outlets Historical Data**

| | Top Third | | Middle Third | | Bottom Third | | All Locations | |
|--|------------|------------|--------------|------------|--------------|------------|---------------|------------|
| | Average | Median | Average | Median | Average | Median | Average | Median |
| Revenue | | | | | | | | |
| Membership | \$ 407,725 | \$ 401,346 | \$ 289,989 | \$ 288,002 | \$ 212,661 | \$ 217,402 | \$ 304,068 | \$ 290,669 |
| Retail¹ | \$ 66,095 | \$ 65,712 | \$ 47,850 | \$ 46,898 | \$ 31,860 | \$ 30,006 | \$ 48,714 | \$ 46,348 |
| Total Revenue² | \$ 473,820 | \$ 471,445 | \$ 337,839 | \$ 334,697 | \$ 244,520 | \$ 249,945 | \$ 352,781 | \$ 336,613 |
| Wholesale Goods Purchased³ | \$ 39,833 | \$ 39,420 | \$ 27,565 | \$ 25,496 | \$ 18,705 | \$ 16,732 | \$ 28,768 | \$ 27,380 |
| Gross Profit⁴ | \$ 433,986 | \$ 427,350 | \$ 310,274 | \$ 304,379 | \$ 225,815 | \$ 230,130 | \$ 324,013 | \$ 267,518 |
| Expenses | | | | | | | | |
| Payroll and Taxes⁵ | \$ 93,660 | \$ 94,097 | \$ 82,056 | \$ 82,211 | \$ 72,151 | \$ 70,222 | \$ 82,693 | \$ 81,109 |
| Rent | \$ 65,189 | \$ 65,366 | \$ 61,107 | \$ 60,839 | \$ 68,261 | \$ 67,282 | \$ 64,829 | \$ 64,902 |
| Royalties^{6,17} | \$ 6,751 | \$ 6,600 | \$ 6,804 | \$ 6,600 | \$ 6,775 | \$ 6,600 | \$ 6,776 | \$ 6,600 |
| Accounting⁷ | \$ 2,987 | \$ 1,996 | \$ 3,207 | \$ 2,065 | \$ 2,980 | \$ 2,003 | \$ 3,058 | \$ 2,029 |
| Bank Charges⁸ | \$ 14,021 | \$ 13,859 | \$ 9,698 | \$ 9,390 | \$ 7,729 | \$ 7,641 | \$ 10,501 | \$ 9,783 |
| Insurance⁹ | \$ 6,845 | \$ 6,034 | \$ 6,070 | \$ 5,922 | \$ 5,930 | \$ 5,924 | \$ 6,284 | \$ 5,969 |
| Maintenance and Repairs | \$ 2,818 | \$ 2,217 | \$ 1,813 | \$ 1,564 | \$ 2,199 | \$ 1,683 | \$ 2,277 | \$ 1,746 |
| Marketing and Advertising^{10,17} | \$ 30,150 | \$ 28,740 | \$ 29,434 | \$ 27,813 | \$ 27,471 | \$ 28,346 | \$ 29,029 | \$ 28,333 |
| Miscellaneous¹¹ | \$ 2,771 | \$ 1,732 | \$ 3,033 | \$ 1,846 | \$ 2,903 | \$ 1,954 | \$ 2,902 | \$ 1,843 |
| POS Fee¹⁷ | \$ 1,558 | \$ 1,548 | \$ 1,586 | \$ 1,548 | \$ 1,555 | \$ 1,548 | \$ 1,566 | \$ 1,548 |
| Staff Incentives | \$ 585 | \$ 205 | \$ 554 | \$ 100 | \$ 460 | \$ 150 | \$ 534 | \$ 164 |
| Supplies | \$ 4,782 | \$ 4,715 | \$ 4,243 | \$ 3,964 | \$ 3,421 | \$ 2,901 | \$ 4,154 | \$ 3,907 |
| Taxes and Licenses¹² | \$ 2,417 | \$ - | \$ 1,220 | \$ - | \$ 1,679 | \$ 275 | \$ 1,773 | \$ 65 |
| Telephone and Internet | \$ 4,081 | \$ 3,521 | \$ 4,204 | \$ 4,354 | \$ 4,193 | \$ 3,882 | \$ 4,159 | \$ 3,912 |
| Travel¹³ | \$ 2,653 | \$ 2,420 | \$ 2,118 | \$ 1,214 | \$ 1,577 | \$ 805 | \$ 2,119 | \$ 1,357 |
| Utilities¹⁴ | \$ 18,406 | \$ 18,171 | \$ 18,303 | \$ 17,243 | \$ 19,479 | \$ 17,479 | \$ 18,724 | \$ 17,558 |
| Virtual Instructor Fee^{15,17} | \$ 2,042 | \$ 1,860 | \$ 2,110 | \$ 1,893 | \$ 2,147 | \$ 1,980 | \$ 2,099 | \$ 1,980 |
| Expense Totals | \$ 261,716 | \$ 259,201 | \$ 237,559 | \$ 230,587 | \$ 230,909 | \$ 228,990 | \$ 243,478 | \$ 236,226 |
| EBITDA¹⁶ | \$ 172,270 | \$ 156,338 | \$ 72,714 | \$ 71,377 | \$ (5,093) | \$ (176) | \$ 80,535 | \$ 72,161 |

Of the Top Third outlets, 46 outlets (92%) met or exceeded the “All Locations” revenue average listed in Table 19.1. Of the Middle Third outlets, 18 outlets (36%) met or exceeded the revenue average listed in Table 19.1. Of the Bottom Third outlets, 2 outlets (4.1%) met or exceeded the revenue average listed in Table 19.1. Of all 149 first full year franchise outlets, 66 outlets (44.3%) met or exceeded the revenue average listed in Table 19.1. Of all 149 first full year operational outlets in Table 19.1, 123 outlets (82.5%) had an EBITDA reflecting a profit for the 2025 Fiscal Year. The range of these profits was \$2,147 to \$321,028. Of all 149 first full year operational outlets in Table 19.1, 26 outlets (17.4%) had an EBITDA reflecting a loss for the 2025 Fiscal Year. The range of these losses was \$(110) to \$(85,268).

In 2025, there were 96 franchise outlets that were in the pre-draft period, the period during which the franchise outlet conducts presale through the day before the studio processes its first membership draft. All locations conducted a pre-sale which began prior to the studio opening. The average duration of pre-sale in 2025 was 111 days and a median of 84.5 days. Revenue collected during this time consists of discounted enrollment fees and retail sales. The foregoing studios are not represented in the chart illustrated in Table 19.1 due to having only a partial year of financial data. The data below represents activity during this pre-draft period.

The average revenue generated prior to the first draft for the 96 franchise outlets that were in the pre-draft period during 2025 was \$26,181 with a median of \$22,846. The highest amount of revenue for this group, which was reported by the studio located in Davenport Florida (Four Corners), Florida that sold 609 memberships during this period, totaled \$81,012. The lowest reported total revenue of \$3,982 was from the studio located in Richmond (Bella Terra), Texas.

The average number of memberships sold prior to the first draft for the 96 franchise outlets that were in the pre-draft period during 2025 was 314. The highest number of memberships sold was 837, which was reported by the studio located in Grand Island, Nebraska that reported total revenue of \$79,015.83 prior to the first draft. The lowest number of memberships sold was 198 from the studio in Brentwood, Tennessee. The median number of memberships sold was 294.

Note 1: “Retail” includes retail sales, vending machine sales, and net gift card sales.

Note 2: “Total Revenue” means income generated from normal business operations for the full 12-month period during the 2025 fiscal year and is the gross revenue figure from which operating costs/expenses are subtracted to determine EBITDA.

Note 3: “Wholesale Goods Purchased” means the total cost for wholesale goods purchases during the 2025 fiscal year.

Note 4: “Gross Profit” means Total Revenue minus Wholesale Goods Purchased.

Note 5: “Payroll and Taxes” refers to payroll, monthly Paychex or Whirks payroll processing fees, and associated payroll taxes.

Note 6: These franchise outlets paid royalties of \$550, \$595 or \$695 per month in accordance with the franchise agreement signed for that location. Monthly royalty payments increased from \$550 to \$595 per month in 2023. Monthly royalty payments increased from \$595 to \$695 per month in 2024. See Item 6.

Note 7: These figures also include charges for monthly QuickBooks fee.

Note 8: These figures include merchant fees and fees for Nayax and Greenlite vending machine card reader services for studios that have vending machines

Note 9: These figures relate to the cost for required insurance. Payment plans for insurance premiums vary with some paying premiums on an annual basis and others paying on periodic installment basis.

Note 10: These expenses include SocialMadeSimple, HigherVisibility, Marq, SOCi, DYNAMIX, 14th & Boom, and the monthly SAIL fees. In April 2024, Drive became a social media advertising, and Google advertising approved vendor. In November 2025, 14th & Boom became an approved vendor for search engine optimization. Franchisor will begin billing Marq and SOCI fees following completion of marketing on-boarding call and DYNAMIX fee during pre-marketing. Franchisees

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are required to spend a minimum of \$2,000 or 10% of gross monthly revenue, whichever is greater, on local advertising but are not prohibited from spending more if they choose to do so. Your required monthly spending will decrease to 5% of your gross revenue once your NET EFT reaches a monthly minimum of \$30,000 USD. Should your monthly NET EFT drop below \$30,000 USD, the monthly spend will increase to 10% of gross revenue or \$2,000 a month, whichever is greater. See Sections 10.1 and 13.2 of Franchise Agreement.

Note 11: These figures relate to operating costs that do not typically fit into one of the other categories on the list of expenses. These figures also include the Secret Shopper inspection fee and RockBot subscription fee.

Note 12: These figures account for such things as franchise taxes, taxes on assets and licenses. These figures do not include amounts for sales tax or payroll taxes. The amount and payment period for taxes and/or license fees varies depending on geographic location.

Note 13: The required convention fee varies depending on the effective date of the franchise agreement. Since 2023, the annual convention fee has cost \$790 for two attendees. See Item 6.

Note 14: These figures also include monthly expenses related to Home Park Maintenance.

Note 15: The Virtual Instructor (“VI”) fee will vary depending on the number of saunas a franchisee has. These figures also include the monthly DIET TRAX fee. The VI fee increased from a monthly fee of \$10 per sauna to a monthly fee of \$20 per sauna in 2023. See Item 6.

Note 16: “EBITDA”, defined as earnings before interest, taxes, depreciation, and amortization, is a measure of a company’s overall financial performance and is used as an alternative to simple earnings or net income.

Note 17: Franchisor and Franchisor’s Affiliates will begin billing monthly royalty, VI, and DIET TRAX fees the first month after Franchisee’s operations begin. Billing for the monthly Tech fee begins in the month following the signing of your Franchise Agreement and billing for the SAIL fee and POS fee begins upon installation of software for pre-sale.

All Fully Operational Studios’ Financial Performance Representations:
Franchised Outlets Historical Data

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

These studios are substantially similar to the studio you will operate if you decide to become a franchisee.

The 700 studios accounted for below in Table 19.2 are comprised of franchised businesses that were opened between 2017 and 2024 and were fully operational for all 12 months in 2025. Table 19.2 is based on historical financial data related to those 700 studios, which is provided to us by

our proprietary software. The following representations do not include data relating to one studio that ceased operations during 2025 and one studio that temporarily closed and reopened in 2025. The foregoing studios are not represented in the chart illustrated in Table 19.2 due to having only a partial year of financial data.

The franchise outlets have been classified into thirds: Top, Middle, and Bottom. There is a range of performance within each group.

The leading franchise outlet out of these 700 outlets, the franchise outlet with the highest EBITDA within this group, had annual Total Revenues of \$901,879 with an EBITDA of \$554,589. This studio is located in Midland, TX.

The last outlet in these 700 outlets, the franchise outlet with the lowest EBITDA within this group, had annual Total Revenues in 2025 of \$163,899 with an EBITDA of \$(92,530). This studio is located in Ann Arbor, Michigan.

The average number of memberships for these 700 studios was 490. The leading franchise outlet of these 700 studios, the franchise outlet with the highest EBITDA within this group, had 1,253 members. The last outlet of these 700 studios, the franchise outlet with the lowest EBITDA within this group, had 243 members. The median number of memberships for the 700 franchise outlets was 456.

During the 2025 fiscal year, the average of the monthly cancellation rates for the 700 operational franchise outlets was 6.17% with a high of 6.98% and a low of 5.28%. The median monthly cancellation rate in 2025 was 6.29%. The cancellation rate measures the total number of active members versus the total number of membership cancellations by month, calculated by the total number of cancellations at month's end for all studios in the group divided by the total active members at month end for all studios in the group.

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

[TABLE TO FOLLOW]

**Table 19.2 – For 2025 Fiscal Year – All Fully Operational Studios
Franchise Outlets Financial Performance Representations:
Franchised Outlets Historical Data**

| | Top Third | | Middle Third | | Bottom Third | | All Locations | |
|--|------------|------------|--------------|------------|--------------|------------|---------------|------------|
| | Average | Median | Average | Median | Average | Median | Average | Median |
| Revenue | | | | | | | | |
| Membership | \$ 470,150 | \$ 447,931 | \$ 315,867 | \$ 308,365 | \$ 225,332 | \$ 227,021 | \$ 337,306 | \$ 314,864 |
| Retail¹ | \$ 59,638 | \$ 56,879 | \$ 39,668 | \$ 37,570 | \$ 26,593 | \$ 23,898 | \$ 41,992 | \$ 38,687 |
| Total Revenue² | \$ 529,788 | \$ 506,546 | \$ 355,535 | \$ 348,924 | \$ 251,925 | \$ 253,125 | \$ 379,298 | \$ 354,221 |
| Wholesale Goods Purchased³ | \$ 38,243 | \$ 37,374 | \$ 25,227 | \$ 23,564 | \$ 16,628 | \$ 14,905 | \$ 26,716 | \$ 24,098 |
| Gross Profit⁴ | \$ 491,545 | \$ 469,649 | \$ 330,307 | \$ 322,797 | \$ 235,298 | \$ 238,065 | \$ 352,582 | \$ 337,765 |
| Expenses | | | | | | | | |
| Payroll and Taxes⁵ | \$ 97,135 | \$ 97,122 | \$ 79,683 | \$ 76,619 | \$ 69,211 | \$ 67,115 | \$ 82,031 | \$ 79,241 |
| Rent | \$ 66,656 | \$ 66,253 | \$ 65,600 | \$ 63,154 | \$ 69,816 | \$ 69,455 | \$ 67,357 | \$ 66,598 |
| Royalties^{6,17} | \$ 6,587 | \$ 6,600 | \$ 6,681 | \$ 6,600 | \$ 6,648 | \$ 6,600 | \$ 6,638 | \$ 6,600 |
| Accounting⁷ | \$ 2,969 | \$ 1,947 | \$ 2,599 | \$ 1,769 | \$ 2,270 | \$ 1,409 | \$ 2,613 | \$ 1,692 |
| Bank Charges⁸ | \$ 15,403 | \$ 14,771 | \$ 10,451 | \$ 10,306 | \$ 7,762 | \$ 7,685 | \$ 11,211 | \$ 10,505 |
| Insurance⁹ | \$ 6,980 | \$ 6,368 | \$ 6,454 | \$ 6,119 | \$ 6,002 | \$ 5,973 | \$ 6,479 | \$ 6,175 |
| Maintenance and Repairs | \$ 4,215 | \$ 3,667 | \$ 3,290 | \$ 2,540 | \$ 2,549 | \$ 1,910 | \$ 3,353 | \$ 2,569 |
| Marketing and Advertising^{10,17} | \$ 29,723 | \$ 29,171 | \$ 28,864 | \$ 28,057 | \$ 27,051 | \$ 27,230 | \$ 28,548 | \$ 28,011 |
| Miscellaneous¹¹ | \$ 2,651 | \$ 1,738 | \$ 2,208 | \$ 1,652 | \$ 2,365 | \$ 1,657 | \$ 2,408 | \$ 1,690 |
| POS Fee¹⁷ | \$ 1,584 | \$ 1,548 | \$ 1,582 | \$ 1,548 | \$ 1,556 | \$ 1,548 | \$ 1,574 | \$ 1,548 |
| Staff Incentives | \$ 784 | \$ 116 | \$ 633 | \$ 100 | \$ 440 | \$ 50 | \$ 619 | \$ 84 |
| Supplies | \$ 5,523 | \$ 4,955 | \$ 4,347 | \$ 3,796 | \$ 3,235 | \$ 2,901 | \$ 4,370 | \$ 3,894 |
| Taxes and Licenses¹² | \$ 1,497 | \$ 8 | \$ 1,219 | \$ 67 | \$ 1,233 | \$ 201 | \$ 1,316 | \$ 107 |
| Telephone and Internet | \$ 4,440 | \$ 4,178 | \$ 4,414 | \$ 4,150 | \$ 4,285 | \$ 4,023 | \$ 4,380 | \$ 4,112 |
| Travel¹³ | \$ 2,417 | \$ 2,020 | \$ 1,702 | \$ 885 | \$ 1,500 | \$ 790 | \$ 1,874 | \$ 1,130 |
| Utilities¹⁴ | \$ 20,330 | \$ 18,886 | \$ 17,825 | \$ 17,371 | \$ 17,601 | \$ 16,382 | \$ 18,588 | \$ 17,486 |
| Virtual Instructor Fee^{15,17} | \$ 1,897 | \$ 1,860 | \$ 1,890 | \$ 1,860 | \$ 1,961 | \$ 1,860 | \$ 1,916 | \$ 1,860 |
| Expense Totals | \$ 270,792 | \$ 270,827 | \$ 239,443 | \$ 233,043 | \$ 225,483 | \$ 224,311 | \$ 245,276 | \$ 241,577 |
| EBITDA¹⁶ | \$ 220,753 | \$ 194,828 | \$ 90,865 | \$ 89,276 | \$ 9,814 | \$ 16,288 | \$ 107,306 | \$ 89,566 |

Of the Top Third outlets, 222 outlets (94.9%) met or exceeded the “All Locations” revenue average listed in Table 19.2. Of the Middle Third outlets, 71 outlets (30.5%) met or exceeded the “All Locations” revenue average listed in Table 19.2. Of the Bottom Third outlets, 7 outlets (3.0%) met or exceeded the revenue average listed in Table 19.2. Of all outlets listed in 19.2, 300 outlets (42.9%) met or exceeded the “All Locations” revenue average listed in Table 19.2. Of all outlets in Table 19.2, 621 outlets (88.7%) had an EBITDA reflecting a profit. The range of these profits was \$495 to \$554,589. Of all outlets listed in Table 19.2, 79 outlets (11.3%) had an EBITDA reflecting a loss for the 2025 Fiscal Year. The range of these losses was \$(110) to \$(92,530).

Note 1: “Retail” includes retail sales, vending machine sales, and net gift card sales.

Note 2: “Total Revenue” means income generated from normal business operations for the full 12-month period during the 2025 fiscal year and is the gross revenue figure from which operating costs/expenses are subtracted to determine EBITDA.

Note 3: “Wholesale Goods Purchased” means the total cost for wholesale goods purchases during the 2025 fiscal year.

Note 4: “Gross Profit” means Total Revenue minus Wholesale Goods Purchased.

Note 5: “Payroll and Taxes” refers to payroll, monthly Paychex or Whirks payroll processing fees, and associated payroll taxes.

Note 6: These franchise outlets paid royalties of \$550, \$595 or \$695 per month in accordance with the franchise agreement signed for that location. Monthly royalty payments increased to from \$550 to \$595 per month in 2023. Monthly royalty payments increased from \$595 to \$695 per month in 2024. See Item 6.

Note 7: These figures also include charges for monthly QuickBooks fee.

Note 8: These figures include merchant fees and fees for Nayax and Greenlite vending machine card reader services for those studios with vending machines.

Note 9: These figures relate to the cost for required insurance. Payment plans for insurance premiums vary with some paying premiums on an annual basis and others paying on periodic installment basis.

Note 10: These expenses include SocialMadeSimple, HigherVisibility, Marq, SOCI, DYNAMIX, 14th & Boom and the monthly SAIL fees. In April 2024, Drive became a social media advertising, and Google advertising approved vendor. In November 2025, 14th & Boom became an approved vendor for search engine optimization. Franchisor will begin billing Marq and SOCI fees following completion of marketing on-boarding call and DYNAMIX fee during pre-marketing. Franchisees are required to spend a minimum of \$2000 or 10% of gross monthly revenue, whichever is greater, on local advertising but are not prohibited from spending more if they choose to do so. Your required monthly spending will decrease to 5% of your gross revenue once your NET EFT reaches a monthly minimum of \$30,000 USD. Should your monthly NET EFT drop below \$30,000 USD, the monthly spend will increase to 10% of gross revenue or \$2,000 a month, whichever is greater. See Sections 10.1 and 13.2 of Franchise Agreement.

Note 11: These figures relate to operating costs that do not typically fit into one of the other categories on the list of expenses. These figures also include the monthly Secret Shopper inspection fee and RockBot subscription fee.

Note 12: These figures account for such things as franchise taxes, taxes on assets and licenses. These figures do not include amounts for sales tax or payroll taxes. The amount and payment period for taxes and/or license fees varies depending on geographic location.

Note 13: The required convention fee varies depending on the effective date of the franchise agreement. Since 2023, the annual convention fee has cost \$790 for two attendees. See Item 6.

Note 14: These figures also include monthly expenses related to Home Park Maintenance.

Note 15: The Virtual Instructor (“VI”) fee will vary depending on the number of saunas a franchisee has. The VI fee increased from a monthly fee of \$10 per sauna to a monthly fee of \$20 per sauna in 2023. These figures also include the monthly DIET TRAX fee. See Item 6.

Note 16: “EBITDA” is defined as earnings before interest, taxes, depreciation, and amortization, is a measure of a company’s overall financial performance and is used as an alternative to simple earnings or net income.

Note 17: Franchisor and Franchisor’s Affiliates will begin billing monthly royalty, VI, and DIET TRAX fees the first month after Franchisee’s operations begin. Billing for the monthly Tech fee begins in the month following the signing of your Franchise Agreement and billing for the SAIL fee and POS fee begin upon installation of software for pre-sale.

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

Company-Owned Financial Performance Representations:

Reasonable Basis for Financial Performance Representation: All Corporate studios (all corporately owned and/or managed studios and/or owned by individuals listed in Item 2) Historical Data

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

During the 2025 fiscal year, HOTWORX had fifteen (15) open, company-owned and/or managed studios that were operational for 12 full months.

The 15 studios accounted for below in Table 19.3 are comprised of studios that are corporately managed and/or corporately-owned and/or owned by individuals listed in Item 2 that were fully operational for 12 full months in 2025.

Table 19.3 is based on historical financial data related to those 15 studios, which is provided to us by our proprietary software. The financials are unaudited. The following table does not include data from a corporately-owned studio in New York, New York that ceased operations in the last quarter of 2025 due to a merger with the other New York corporate studio. The foregoing studio is not represented in the chart illustrated in Table 19.3 due to having only a partial year of financial data.

The studios have been classified into thirds: Top, Middle, and Bottom. There is a range of performance within each group.

The leading studio out of the 15 corporate studios, the studio with the highest EBITDA within this group, had annual Total Revenues during the 2025 fiscal year of \$1,146,455 with an EBITDA of \$708,002. This studio is located in Oxford, Mississippi.

The last studio out of the 15 corporate studios, the studio with the lowest EBITDA within this group, had annual Total Revenues during the 2025 fiscal year of \$313,809 with an EBITDA of \$(130,125). This studio is located in New York, New York.

The average number of memberships for these corporate studios was 554. The leading studio of the 15 corporate studios, the corporate studio with the highest EBITDA within this group, had 1,451 members and the last studio in the group, the corporate studio with the lowest EBITDA within this group, had 290 members. The median number of memberships for these studios was 527.

During the 2025 fiscal year, the average of the monthly cancellation rates for these studios was 5.81% with a high of 7.71% and a low of 4.77%. The median monthly cancellation rate in 2025 was 5.7%. The cancellation rate measures the total number of active members versus the total number of membership cancellations by month, calculated by the total number of cancellations at month's end for all studios in the group divided by the total active members at month's end for all studios in the group.

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

[TABLE TO FOLLOW]