

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 by, for example, providing information about possible performance at a particular location or under particular circumstances.

Historic Financial Performance Representation

This Item 19 contains certain historic financial performance information of our two (2) Affiliate-Owned Studios, each of which operate in a manner substantially similar to how we expect System franchised Studios will operate.

As of the issuance date of this disclosure document, we have two (2) Affiliate-Owned Studios open and in operation, both located in the State of Indiana (in Crown Point and Valparaiso, respectively). The Crown Point Studio first opened in April 2023, and the Valparaiso Studio opened in February 2025. As disclosed in Item 1, from April 2023 until October 31, 2025, the Affiliate-Owned Studios operated under the trade name “Sweat 219.” As of November 1, 2025, the Affiliate-Owned Studios each operate under our current Mark, “Vibe House Pilates.”

The Affiliate-Owned Studios are located in close proximity to each other, and certain of the trainers and instructors of the Affiliate-Owned Studios provide training and instruction at both Studios. Because of the Studios’ close proximity to each other and the overlap in trainers/instructors, in the calendar year 2025 (following the opening of the Valparaiso Studio), the Affiliate-Owned Studios reported their financial performance to us together using one set of financial statements. Please see the notes following the table below for additional characteristics regarding the Affiliate-Owned Studios.

Part I of this Item 19 discloses (i) the Gross Revenue, certain disclosed expenses, and associated data for the Crown Point Studio during the 2024 calendar year (the “2024 Measurement Period”), and (ii) the combined Gross Revenue, certain disclosed expenses, and associated data for both the Crown Point and Valparaiso Studios for the 2025 calendar year (the “2025 Measurement Period”).

Part II of this Item 19 discloses the monthly Gross Revenue of the Crown Point Studio since its inception in April 2023 through the end of the 2023 calendar year (the “2023 Measurement Period”) and the 2024 Measurement Period, as well as the combined Gross Revenue of both the Crown Point and Valparaiso Studios for the 2025 Measurement Period.

Part III of this Item 19 sets forth (i) certain membership information of both the Crown Point and Valparaiso Studios as of the end of the 2025 Measurement Period, as well as (ii) combined membership information for both Studios as of the ends of the 2023, 2024, and 2025 Measurement Periods.

Part IV of this Item 19 discloses certain pricing information of the Affiliate-Owned Studios as of the issuance date of this disclosure document, including monthly membership and “class pack” pricing information.

Part V of this Item 19 discloses attendance information for both the Crown Point Studio and Valparaiso Studio, broken out by time of day, along with certain associated data, for the indicated Measurement Periods.

The information below has been reported to us by the Affiliate-Owned Studios, and we have not audited this information. Written substantiation of the information provided below will be provided to the prospective franchisee upon reasonable request.

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

PART I

Table 1.A: Gross Revenue and Certain Disclosed Expenses of Crown Point Studio During 2024 Measurement Period

Crown Point Studio (1 Studio)	
1/1/2024 – 12/31/2024 (2024 Measurement Period)	
Gross Sales ¹	\$753,558
Cost of Goods Sold (COGS) ²	\$14,163
Gross Sales Less Cost of Goods Sold	\$739,395
<i>Additional Disclosed Expenses</i>	
Advertising & Marketing	\$17,871
Dues & Subscriptions ³	\$18,625
Legal & Professional Fees	\$5,382
Merchant & Bank Fees	\$19,549
Office Supplies, Postage, & Software	\$3,942
Studio Equipment & Supplies ⁴	\$46,191
Training & Development ⁵	\$1,500
Licenses ⁶	\$381
Rent ⁷	\$42,090
Utilities	\$18,167
Repairs & Maintenance ⁸	\$16,471
Payroll (incl. tax) ⁹	\$196,704
Total Additional Disclosed Expenses	\$386,873
Gross Sales Less COGS and Disclosed Expenses	\$352,523
<i>Imputed Fees¹⁰</i>	
Royalties (Imputed)	\$52,749
Brand Fund (Imputed)	\$15,071
Local Advertising (Imputed)	\$22,607
Tech Fee (Imputed)	\$4,200
Gross Sales Less COGS, Disclosed Expenses, and Imputed Fees	\$257,896

Table 1.B: Combined Gross Revenue and Certain Disclosed Expenses of Crown Point and Valparaiso Studios During 2025 Measurement Period

Crown Point and Valparaiso Studios (2 Studios) 1/1/2025 – 12/31/2025 (2025 Measurement Period)	
Gross Sales ¹	\$1,828,108
<i>Cost of Goods Sold (COGS)</i> ²	\$15,094
Gross Sales Less Cost of Goods Sold	\$1,813,013
<i>Additional Disclosed Expenses</i>	
<i>Advertising & Marketing</i>	\$43,132
<i>Dues & Subscriptions</i> ³	\$29,938
<i>Legal & Professional Fees</i>	\$5,000
<i>Merchant & Bank Fees</i>	\$77,068
<i>Office Supplies, Postage, & Software</i>	\$16,399
<i>Studio Equipment & Supplies</i> ⁴	\$64,470
<i>Training & Development</i> ⁵	\$1,119
<i>Licenses</i> ⁶	\$526
<i>Rent</i> ⁷	\$80,767
<i>Utilities</i>	\$36,538
<i>Repairs & Maintenance</i> ⁸	\$28,699
<i>Payroll (incl. tax)</i> ⁹	\$510,028
Total Additional Disclosed Expenses	\$893,684
Gross Sales Less COGS and Disclosed Expenses	\$919,329
<i>Imputed Fees</i> ¹⁰	
<i>Royalties (Imputed)</i>	\$127,968
<i>Brand Fund (Imputed)</i>	\$36,562
<i>Local Advertising (Imputed)</i>	\$54,843
<i>Tech Fee (Imputed)</i>	\$8,400
Gross Sales Less COGS, Disclosed Expenses, and Imputed Fees	\$691,556

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PART II

Table 2: Monthly Gross Revenue of Affiliate-Owned Studios During Indicated Measurement Period

	2023	# of Studios	2024	# of Studios	2025*	# of Studios
Jan	-	-	\$40,263	1	\$93,718	1
Feb	-	-	\$50,186	1	\$129,589	2
Mar	\$198	1	\$51,745	1	\$159,322	2
Apr	\$17,103	1	\$57,328	1	\$133,815	2
May	\$23,955	1	\$65,202	1	\$163,252	2
Jun	\$21,676	1	\$57,181	1	\$160,700	2
Jul	\$26,063	1	\$66,187	1	\$151,699	2
Aug	\$29,144	1	\$73,290	1	\$158,573	2
Sep	\$30,086	1	\$55,952	1	\$179,165	2
Oct	\$33,988	1	\$71,669	1	\$165,894	2
Nov	\$35,294	1	\$88,087	1	\$161,446	2
Dec	\$36,345	1	\$83,855	1	\$172,219	2
Total	\$253,851	1	\$760,943	1	\$1,829,392	2

PART III

Table 3.A: Active Memberships at Crown Point and Valparaiso Studios as of 12/31/2025 (End of 2025 Measurement Period)

Active Memberships as of 12/31/25				
	Crown Point	Valparaiso	Multi-Location	Total
Unlimited Membership	331	186	9	526
Student Membership*	155	107		262
8 Sessions/Month	74	51		125
4 Sessions/Month	5			5
Class Packs			611	611
Total Active Memberships	565	344	620	1529
<i>Presale Memberships at Opening</i>	<i>100</i>	<i>133</i>		

Table 3.B: Combined Active Memberships (Excluding Class Packs) for Crown Point and Valparaiso Studios at Ends of 2023, 2024 and 2025 Measurement Periods

Active Members (excluding Class Packs), 2023-2025	# of Studios
Dec. 31, 2023	289
Dec. 31, 2024	421
Dec. 31, 2025	918

PART IV

Table 4: Pricing Information for Affiliate-Owned Studios as of the Issuance Date

Monthly Memberships	Tier 1	Tier 2	Tier 3	Tier 4
Unlimited Membership	\$149/month	\$199/month	\$249/month	Location Dependent
Student/Teacher Membership*	\$119/month	\$159/month	\$179/month	
8 Sessions/Month	\$99/month	\$129/month	\$149/month	

Class Packs	Tier 1	Tier 2	Tier 3	Tier 4
Intro Offer - 3 Class Special	\$38	\$49	\$59	Location Dependent
Single Drop-In	\$28	\$35	\$39	
5-Pack	\$125	\$150	\$175	
10-Pack	\$240	\$275	\$300	
20-Pack	\$400	\$500	\$550	

PART V

Table 5.A: Attendance Information by Time of Day for Crown Point Studio During 2025 Measurement Period

Attendance by Time of Day Crown Point Studio 2025 Measurement Period (1/1/2025 - 12/31/25)						
Hour	Total Sessions	Avg Paid Registration	Median	Sessions Exceeding Avg	Max	Min
5:00	234	35	36	121	49	5
6:00	102	30	30	49	41	14
7:00	284	34	35	144	45	11
8:00	342	38	40	205	46	3
9:00	308	34	36	170	47	1
10:00	103	33	33	49	47	10
4:00	203	35	35	92	47	14
5:00	206	39	41	128	46	10
6:00	213	36	37	118	45	5
7:00	39	23	22	15	45	10
Total	2034	35	36	1089	49	1

Table 5.B: Attendance Information by Time of Day for Valparaiso Studio During 2025 Measurement Period

Attendance by Time of Day Valparaiso Studio 2025 Measurement Period (2/3/25 - 12/31/25)						
Hour	Total Sessions	Avg. Paid Registration	Median	Sessions Exceeding Avg	Max	Min
5:00	184	27	28	80	33	7
7:00	210	26	27	115	33	7
8:00	292	28	29	169	35	2
9:00	216	25	27	131	35	1
10:00	88	24	25	44	33	6
11:00	28	22	24	15	33	10
4:00	126	30	31	65	36	4
5:00	169	30	31	94	35	8
6:00	89	27	29	51	35	12
7:00	80	26	26	37	35	15
Total	1482	27	29	871	36	1

Notes to Item 19:

General Notes

(A) The historical financial performance representation included in this Item 19 includes certain performance information reported by the Affiliate-Owned Studios for the indicated Measurement Periods only. It is not a projection of what you can expect to achieve in connection with the operation of a franchised Studio, nor a projection of what the Affiliate-Owned Studios will achieve in the future.

(B) You are strongly encouraged to develop your own business plan for your franchise, including capital budgets, financial statements, projects, pro forma financial statements, and other elements appropriate to your circumstances before you invest in this franchise opportunity. We encourage you to consult with your own accounting, business, and legal advisers to assist you in preparing your business plan.

(C) Other than the payroll taxes disclosed in Part I above, the information presented in this Item 19 excludes tax liabilities. You will be responsible for all taxes incurred in connection with the operation of your franchised Studio. You are strongly encouraged to consult with a tax professional before investing in this franchise opportunity.

Notes to Part I

(A) The information presented in Part I of Item 19 discloses only the Gross Sales and certain additional disclosed expenses as reported by the Affiliate-Owned Studios during the applicable Measurement Periods, as reflected in the above chart. It does not include or reflect all operating expenses incurred by the Affiliate-Owned Studios, including but not limited to automobile expenses, financing costs, owners' compensation,

certain professional fees, travel expenses, meals and entertainment expenses, charitable contributions, and other expenses that you will incur in operating a franchised Studio.

(2) Defined Terms

- 1) *Gross Sales* means the total reported revenues and receipts from the sale of all products and services sold through the Affiliate-Owned Studios during the indicated Measurement Period, as reported to us by the Affiliate-Owned Studios. Gross Sales does not include sales tax or any other taxes collected by the Affiliate-Owned Studios and transmitted to the applicable tax authorities.
- 2) *Cost of Goods Sold (COGS)* means the costs incurred by the Affiliate-Owned Studios during the indicated Measurement Period for the goods and services offered for sale at the Affiliate-Owned Studios, including but not limited to the costs for the Approved Products offered for retail sale on-premises.
- 3) *Dues and Subscriptions* means the costs incurred by the Affiliate-Owned Studios during the indicated Measurement Period for point-of-sale software fees, as well as additional software fees and subscriptions.
- 4) *Studio Equipment and Supplies* means the costs incurred by the Affiliate-Owned Studios in connection with the items, equipment, and supplies used in the provision of classes at the Studios, including but not limited to Pilates balls, weights, bars, bands, and similar equipment.
- 5) *Training and Development* means the amounts expended by the Affiliate-Owned Studios in connection with providing the Studios' Master Trainer with certain third-party Pilates and associated fitness training and certification.
- 6) *Licenses* means the amounts expended by the Affiliate-Owned Studios in connection with broadcast music and font licenses during the applicable Measurement Period.
- 7) *Rent* means the rent and occupancy expenses incurred by the Affiliate-Owned Studios during the indicated Measurement Period and includes common area maintenance (CAM) charges. The Crown Point Studio is approximately 2,500 square feet in size, while the Valparaiso Studio is approximately 1,590 square feet in size.
- 8) *Repairs & Maintenance* means the costs incurred by the Affiliate-Owned Studios during the indicated Measurement Period on the repair and maintenance of the premises of the Studios, as well as the repair and maintenance of Studio equipment and supplies.
- 9) *Payroll (inc. tax)* means the total cost of salaries and wages for the employees of the Affiliate-Owned Studios during the indicated Measurement Period, including bonuses and additional employee compensation, as well as payroll taxes and workman's comp costs for such employees.
- 10) *Imputed Fees*. The Affiliate-Owned Studios did not pay any of the "Imputed Fees" listed in the above charts to us during the applicable Measurement Periods. The Imputed Fees are defined as the Imputed Royalty (7% of Gross Sales), Imputed Brand Fund Contribution (2% of Gross Sales), Imputed Local Advertising Requirement (3% of Gross Sales), and Imputed Technology Fee (\$350 per month). The amounts set forth in Tables 1.A and 1.B above are representations of what the Affiliate-Owned Studios would have paid to us for each of these items had the Affiliate-Owned Studios entered into our current form of Franchise Agreement. You will be required to pay these fees, as well as all other fees due under the Franchise Agreement.

Notes to Part II

(A) As disclosed above, the Crown Point Studio first opened in April 2023. The Valparaiso Studio first opened in February 2025. The financial performance information during the 2025 Measurement Period as disclosed in Table 2 above includes, commencing from February 2025 until the end of the 2025

Measurement Period, the combined monthly Gross Sales for both the Crown Point Studio and the Valparaiso Studio.

Notes to Part III

(A) The Affiliate-Owned Studios offer reduced rate “Student” and “Teacher” membership options. Currently, we do not require you to offer the same or similar reduced membership rates for students and/or teachers.

Notes to Part IV

(A) As of the issuance date of this disclosure document, both the Crown Point Studio and the Valparaiso Studio offer “Tier 1” membership pricing.

(B) “Tier 4” pricing is subject to mutual agreement by the franchisee and Franchisor and may vary depending on market rates, rent costs, and other factors.

(C) The Affiliate-Owned Studios offer reduced rate “Student” and “Teacher” membership options. Currently, we do not require you to offer the same or similar reduced membership rates for students and/or teachers.

Notes to Part V

(A) The Crown Point Studio has a maximum class capacity of 40. The Valparaiso Studio has a maximum class capacity of 32.

(B) Tables 5.A and 5.B reflect all paid registrations for the indicated Measurement Periods for the Crown Point Studio and Valparaiso Studio, respectively, including late cancellations and “no-shows,” for which there are associated fees. Of a total of 71,075 bookings at the Crown Point Studio during the 2025 Measurement Period, there were 8,996 late cancellations and 122 “no-shows.” Of a total of 44,317 bookings at the Valparaiso Studio during the 2025 Measurement Period, there were 4,330 late cancellations and 95 “no-shows.”

(C) The “Hours” indicated in Tables 5.A and 5.B include all classes that start within the indicated hour. For example, a class that starts at 6:30pm would be reflected under the “6:00” row in these Tables.

Other than the above representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 our management by contacting our Chief Executive Officer, Rosalie Black, c/o Vibe House Pilates Franchising, LLC, 1123 Merrillville Road, Crown Point Indiana 46307, 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***

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	0	1	+1
	2024	1	1	0
	2025	1	2	+1
Totals	2023	0	1	+1
	2024	1	1	0
	2025	1	2	+1

**Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For Years 2023 - 2025**

State	Year	Number of Transfers
Totals	2023	0
	2024	0
	2025	0

**Table No. 3
Status of Franchised Outlets
For years 2023-2025**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Totals	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0