

Provision	Section in Franchise Agreement (“FA”)	Section in Area Development Agreement (“ADA”)	Summary
(w) Choice of law	Section 17F	Section 16	FA: The Commonwealth of Virginia (subject to applicable state law). ADA: The Commonwealth of Virginia (subject to applicable state law).

Applicable state law might require additional disclosures related to the information contained in this Item 17. These additional disclosures, if any, appear in Exhibit H.

### ITEM 18 PUBLIC FIGURES

We do not use any public figure 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 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.

This Financial Performance Representation consists of the following information about British Swim School:

1. **Important Historical Information.** A short summary of the history of British Swim School.
2. **Key Financial Metrics.** An overview of the franchise system performance consisting of revenue and customer performance by class year, and revenue growth by class year, for both 2025 and earlier years.
3. **Additional Performance Metrics.** A table providing contracted pool metrics for calendar years 2023 - 2025 in a question and answer format.

#### A. Important Historical Information

British Swim School began franchise operations in 2011 under our predecessor, BSCF, after operating as a non-franchise business in both the United Kingdom and the United States for almost 30 years. By leveraging available commercial pools instead of constructing pools, the business model supports a lower initial investment strategy and offers agility and scalability to enable franchise business owners to rapidly meet demand and changing demographics.



Upon launching franchise operations in 2011, BSCF operated a number of corporate-owned outlets in addition to its franchised outlets. Over time, BSCF transitioned to a franchise-only business model. As of December 31, 2025, British Swim School had 175 U.S.-based franchisees that owned and actively operated 289 outlets across 34 states (includes the District of Columbia).

## B. Key Financial Metrics

Table 1. 2025 Gross Revenue and Customer Performance

2025 Performance - Revenue						
	# of Outlets	2025 Average	# above Average (%)	Median	High Outlet	Low Outlet
Class of Pre-2022	88	\$ 574,744	33 (38%)	\$395,028	\$2,319,232	\$ 16,769
Class of 2022	13	\$ 384,722	4 (31%)	\$305,391	\$1,005,103	\$ 168,628
Class of 2023	36	\$ 376,169	13 (36%)	\$293,430	\$1,363,122	\$ 57,663
Class of 2024	69	\$ 256,871	25 (36%)	\$197,680	\$ 831,156	\$ 26,838
Class of 2025	38	\$ 119,685	12 (32%)	\$ 99,565	\$ 434,272	\$ 18,813

  

2025 Performance - Customers						
	# of Outlets	2025 Average	# above Average (%)	Median	High Outlet	Low Outlet
Class of Pre-2022	88	660	34 (39%)	539	2,380	39
Class of 2022	13	464	4 (31%)	393	993	216
Class of 2023	36	449	14 (39%)	382	1,096	117
Class of 2024	69	320	27 (39%)	276	895	40
Class of 2025	38	185	17 (45%)	173	483	44

Notes for the above table:

1. “Gross Revenue and Customer Performance” is based on the 244 outlets open and operating for at least six full months in 2025.
2. A “class” consists of the franchised outlets that signed franchise agreements during the stated year and were open and operating for at least six full months in 2025.
3. A “customer” is one unique individual.

Table 2a. Outlet Class Gross Revenue Performance, 2023-2025

	2023			2024			2025		
	Average	Median	# above Avg (%)	Average	Median	# above Avg (%)	Average	Median	# above Avg (%)
Class of Pre-2022	\$606,775	\$465,080	29 (34%)	\$596,178	\$425,232	31 (35%)	\$574,744	\$395,028	33 (38%)
Class of 2022	\$353,256	\$231,426	5 (38%)	\$323,911	\$275,222	5 (38%)	\$384,722	\$305,391	4 (31%)
Class of 2023	\$213,514	\$170,260	15 (42%)	\$330,867	\$246,022	16 (44%)	\$376,169	\$293,430	13 (36%)
Class of 2024	-	-	N/A	\$134,106	\$107,272	26 (38%)	\$256,871	\$197,680	25 (36%)
Class of 2025	-	-	N/A	-	-	N/A	\$119,685	\$ 99,565	12 (32%)

Notes for the above table:

1. “Class Gross Revenue Performance” is based on the 244 outlets open and operating for at least six full months in 2025.
2. A “class” consists of the franchised outlets that signed franchise agreements during the stated year and were open and operating for at least six full months in 2025.



Table 2b. Highest/Lowest-Performing Outlet for Gross Revenue by Year, 2023-2025

High / Low

	2023		2024		2025	
	High	Low	High	Low	High	Low
<b>Class of Pre-2022</b>	\$ 2,948,728	\$ 15,631	\$ 2,614,532	\$ 31,344	\$ 2,319,232	\$ 16,769
<b>Class of 2022</b>	\$ 938,391	\$ 141,098	\$ 756,801	\$ 148,099	\$ 1,005,103	\$ 168,628
<b>Class of 2023</b>	\$ 695,491	\$ 7,266	\$ 1,078,697	\$ 31,904	\$ 1,363,122	\$ 57,663
<b>Class of 2024</b>	\$ -	\$ -	\$ 496,827	\$ 101	\$ 831,156	\$ 26,838
<b>Class of 2025</b>	\$ -	\$ -	\$ -	\$ -	\$ 434,272	\$ 18,813

Notes for the above table:

1. “Highest/Lowest-Performing Outlet for Gross Revenue by Year” is based on the 244 outlets open and operating for at least six full months in 2025.
2. A “class” consists of the franchised outlets that signed franchise agreements during the stated year and were open and operating for at least six full months in 2025.

Table 3. Average Pre-2022 Outlet Gross Revenue by Quartile

Average Pre-2022 Outlet Revenue by Quartile

	2023	2024	2025
<b>1st quartile (top 25%)</b>	\$1,369,980	\$1,356,644	\$1,307,986
<b>2nd quartile</b>	\$611,875	\$585,541	\$557,986
<b>3rd quartile</b>	\$346,873	\$318,532	\$309,131
<b>Bottom quartile</b>	\$110,507	\$123,994	\$123,873

Notes for the above table:

1. “Average Pre-2022 Outlet Revenue by Quartile” is based on the 88 outlets from the pre-2022 class open and operating for at least six months in 2025 including the full month of December.

Table 4. January 1, 2025 – December 31, 2025 Income Statement Performance

	Average	Ratios (%)	# Above Average (%)	Median	High	Low
<b>Gross Revenue</b>	<b>\$432,912</b>	<b>100%</b>	<b>58 (35%)</b>	<b>\$295,286</b>	<b>\$ 2,319,232</b>	<b>\$ 16,769</b>
<b>Cost of Sales</b>						
Labor	\$142,480	33%	59 (35%)	\$104,552	\$ 865,603	\$ 4,864
Pool Rental	\$ 72,719	17%	59 (35%)	\$ 29,136	\$ 335,168	\$ 5,086
Lesson Supplies	\$ 11,744	3%	31 (26%)	\$ 2,068	\$ 22,314	\$ 305
<b>Total Cost of Sales</b>	<b>\$226,943</b>	<b>52%</b>	<b>23 (14)%</b>	<b>\$164,893</b>	<b>\$ 1,223,085</b>	<b>\$ 10,256</b>
<b>Gross Profit</b>	<b>\$205,968</b>		<b>59 (35%)</b>	<b>\$130,393</b>	<b>\$ 1,096,147</b>	<b>\$ 6,513</b>
<i>% of Gross Revenue</i>	<b>48%</b>			<b>44%</b>	<b>47%</b>	<b>39%</b>
<b>Operating Expenses</b>						
Royalty	\$ 43,291	10%	58 (35%)	\$ 29,529	\$ 231,923	\$ 1,677
Marketing Fee	\$ 8,658	2%	58 (35%)	\$ 5,906	\$ 46,385	\$ 335
IT	\$ 4,951	1%	59 (35%)	\$ 3,812	\$ 13,059	\$ 1,006
Advertising & Promotion	\$ 21,951	5%	66 (39%)	\$ 17,213	\$ 182,776	\$ 2,026
Office Supplies/Expense	\$ 1,758	0%	36 (21%)	\$ 519	\$ 3,936	\$ -
Merchant and Bank Fees	\$ 10,567	2%	54 (32%)	\$ 6,629	\$ 62,706	\$ 574
Training	\$ 1,596	0%	48 (29%)	\$ 538	\$ 15,449	\$ -
Insurance	\$ 4,739	1%	56 (33%)	\$ 3,153	\$ 18,496	\$ 128
<b>Total Operating Expenses</b>	<b>\$ 97,512</b>	<b>23%</b>	<b>53 (32%)</b>	<b>\$ 67,298</b>	<b>\$ 574,730</b>	<b>\$ 5,747</b>
<b>Net Operating Income</b>	<b>\$108,457</b>		<b>60 (36%)</b>	<b>\$ 63,095</b>	<b>\$ 521,417</b>	<b>\$ 766</b>
<i>% of Gross Revenue</i>	<b>25%</b>		<b>76 (45%)</b>	<b>21%</b>	<b>22%</b>	<b>5%</b>

Notes for the above table:

1. Table above is based on the 168 U.S. outlets open and operating for at least nine months in 2025, for which income statement information was provided. We have chosen to use outlets that were operating for at least nine months because of the higher-than-usual expenses for the first three months of an outlet's operation.
2. There are 44 multi-outlet franchisees meeting the operating criteria as defined in Note 1 above whose cost of sales and expense line items are divided proportionally across their respective outlets based on the revenue generated in each outlet. These 44 multi-outlet franchisees did not report financial information for each outlet, rather they reported consolidated financial information for their franchise entity as a whole. Note that not all outlets within a multi-outlet entity perform exactly the same.
3. The figures in each line item category (row) depicted in the Average and Median columns are the actual average and median data points for the 168 U.S. outlets that provided 2025 income statement information. No relationship should be inferred from one line category (row) to the next line category (row) in the Average and Median columns. The Average and Median columns should NOT be viewed as being a complete income statement for any single outlet.



4. In 2025, the highest-performing outlet (\$2,319,232) and the lowest-performing outlet (\$16,769) were operated by multi-outlet franchisees who meet the operating criteria defined in Note 1. The cost of sales and expenses for these franchisees are divided proportionally across their outlets based on the revenue generated by each outlet. These multi-outlet franchisees reported consolidated financial information for their franchise entity as a whole, rather than separate financial details for each outlet.
5. Unless noted below, all Cost of Sales and Operating Expenses were self-reported by franchisees.
6. Royalty is calculated at 10% of aggregated Gross Revenue, per franchise agreement.
7. Marketing Fee is calculated at 2% of aggregated Gross Revenue, per franchise agreement.
8. Advertising and promotion expenditures may vary. Some franchisees who executed prior franchise agreements have different marketing requirements and some franchisees spend more than others.
9. Net Operating Income is calculated before owner's compensation.
10. This table excludes other expenses that you may incur and that are not included in the line items presented above. Such expenses may include, but are not limited to, expenses associated with office locations (owned or leased), personal franchise owner expenses (such as health care, vehicle, travel/entertainment, and retirement expenses), aggregated franchise owner financial expenses (such as interest, amortization, and depreciation), miscellaneous expenses not essential to running a British Swim School business, other income/expense and owner's compensation.
11. Some owners choose to add a management team at the entity level as their businesses scale. Payroll for management teams at the entity level are not included.

### C. Additional Performance Metrics

#### Contracted Pools per Franchise Outlet

Metric Tracked	Question/Answer	Notes
Contracted Pools per franchise outlet – <u>2025</u>	<p><b>What is the average number of pools operated per franchise outlet?</b></p> <p>For calendar year 2025, franchise business owners contracted with an average of 2 pools per outlet. The median number of pools contracted was 2, with a low of 1 and high of 9.</p>	1, 4
Contracted Pools per franchise outlet – <u>2024</u>	<p><b>What is the average number of pools operated per franchise outlet?</b></p> <p>For calendar year 2024, franchise business owners contracted with an average of 2 pools per outlet. The median number of pools contracted was 2, with a low of 1 and high of 8.</p>	2, 4
Contracted Pools per franchise outlet – <u>2023</u>	<p><b>What is the average number of pools operated per franchise outlet?</b></p> <p>For calendar year 2023, franchise business owners contracted with an average of 2.3 pools per outlet. The median number of pools contracted was 2, with a low of 1 and high of 10.</p>	3, 4



## Revenue per Contracted Pool

<b>Metric Tracked</b>	<b>Question/Answer</b>	<b>Notes</b>
Revenue per contracted pool - <b><u>2025</u></b>	<b>What is the average revenue per contracted pool?</b> For calendar year 2025, contracted pools generated an average revenue of \$178,624, with a median revenue of \$110,671. The low revenue for a contracted pool was \$205, while the high revenue for a contracted pool was \$1,334,364.	1, 5
Revenue per contracted pool - <b><u>2024</u></b>	<b>What is the average revenue per contracted pool?</b> For calendar year 2024, contracted pools generated an average revenue of \$156,388, with a median revenue of \$82,535. The low revenue for a contracted pool was \$347, while the high revenue for a contracted pool was \$1,427,799.	2, 5
Revenue per contracted pool - <b><u>2023</u></b>	<b>What is the average revenue per contracted pool?</b> For calendar year 2023, contracted pools generated an average revenue of \$192,266, with a median revenue of \$113,644. The low revenue for a contracted pool was \$480, while the high revenue for a contracted pool was \$1,296,857.	3, 5

### Notes:

1. Contracted Pool data are based on 565 contracted pools where franchisees provided services for more than 30 days in calendar year 2025, as captured in the British Swim School POS system.
2. Contracted Pool data are based on 559 contracted pools where franchisees provided services for more than 30 days in calendar year 2024, as captured in the British Swim School POS system.
3. Contracted Pool data are based on 361 contracted pools where franchisees provided services for more than 30 days in calendar year 2023, as captured in the British Swim School POS system.
4. Franchise business owners add or remove contracted pools from their inventory due to a variety of factors including demand, lane availability and operating hour availability.
5. Performance in a given contracted pool varies due to a variety of factors including number of months in operation, lane availability and operating hour availability.

### Additional Notes

1. The information set forth in this Item 19 summarizes financial performance of the historic operations of our franchisees operating in Standard Territories for calendar years 2023, 2024 and 2025. Since we began offering Targeted Territories as of April 17, 2025, the issuance date of this disclosure document, this Item 19 does not contain any information about the performance of franchises operating in Targeted Territories.
2. **Some outlets have sold and/or earned these amounts. Your individual results may differ. There is no assurance that you will sell as much or earn as much.**
3. Written substantiation for the basis for the information set forth in this Item 19 will be made available to any prospective franchisee upon reasonable request.



Other than the preceding financial performance representation, British Swim School Franchising does not make any financial performance representation. 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 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 Ashley Gundlach at British Swim School Franchising, LLC, 2829 Guardian Lane, Suite 100, Virginia Beach, Virginia 23452 and (757) 215-4253, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1

**System wide Outlet Summary  
For Years 2023 – 2025**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised	2023	138	194	+56
	2024	194	258	+64
	2025	258	289	+31
Company Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	138	194	+56
	2024	194	258	+64
	2025	258	289	+31

Table No. 2

**Transfers of Outlets from Franchisees To New Owners (Other Than Franchisor)  
For Years 2023-2025**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
California	2023	0
	2024	1
	2025	2
Colorado	2023	0
	2024	0
	2025	2

