

Provision	Section In Franchise Agreement	Summary
		the grant of the franchise.
w. Choice of Law	Section 19	Subject to the Federal Arbitration Act and other federal and state laws, Puerto Rico's law governs.

A provision in your franchise agreement that terminates the franchise upon your bankruptcy may not be Enforceable under Title 11, United States Code Section 101 *et seq.* Applicable state law may require additional disclosures related to the information contained in this Item 17. These additional disclosures, if any, appear in Exhibit D.

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.

BACKGROUND

As of December 31, 2024, there were 31 open and operating StretchMed Studios. The Historical unaudited financial performance representation includes a variety of performance data, including Gross Revenue, Net Profit, and Number of Active Members of Studios. We do not provide any data for company or affiliate-owned Studios. We have utilized different groups measured sharing similar characteristics to show the historical financial performance of the Studios. All the groups measured offer substantially the same products and services to the public. None of the Studios received services that were not generally available to our franchisees, and substantially the same services will be offered to new franchisees.

Table 1. 2024 Average Gross Revenue, Expenses and Profit

Table 1 sets forth the Average Gross Revenue, Expenses, and Profit based on the data that has been provided by three (3) Studios that have been in open, continuous and fully operational for a period exceeding three (3) years, for the calendar year ending December 31, 2024. The data includes the average, median, highest and lowest Gross Revenue, Expenses, and Profit, and we have determined the number of studios and its corresponding percentage that met or exceeded the average Gross Revenue, Expenses, and Profit of the three (3) Studios.

2024 Average Revenue, Expense and Profit	
For Studios Fully Operational for More Than 3 Years	
Average Gross Revenue	\$518,977
Average Gross Expense	\$408,956
Average Gross Profit	\$110,021
Number of Studios Fully Operational for More Than 3 Years	3
Number of Studios that met/exceeded the average revenue	2
Percentage of Studios that met/exceeded the average revenue (%)	66.67%
Highest Gross Revenue	\$610,820
Median Gross Revenue	\$546,340
Lowest Gross Revenue	\$399,772
Number of Studios that met/exceeded the Average Expenses	2
Percentage of Studios that met/exceeded the Average Expenses (%)	66.67%
Highest Expenses	\$459,097
Median Expenses	\$457,671
Lowest Expenses	\$310,100
Number of Studios that met/exceeded the average Profit	2
Percentage of Studios that met/exceeded the average Profit (%)	66.67%
Highest Profit	\$151,723
Median Profit	\$89,672
Lowest Profit	\$88,669

Table 2. 2024 Average Gross Revenue

The financial performance representation based on Average Gross Revenue and Number Active Members include data from the seventeen (17) franchised Studio who have been opened and operating from January 1, 2024 through December 31, 2024, excluding studios with permitted temporary closures or relocations, and Studios that opened during a specific month within the last calendar year.

2024 Average Gross Revenue	
of All Studios Open and Operational for the Entire Last Calendar Year	
Average Gross Revenue	\$310,242
Number of Studio Open	17
Number of Studios that met/exceeded the average revenue	7

Percentage of Studios that met/exceeded the average revenue (%)	41.18%
Highest Gross Revenue	\$651,480
Median Gross Revenue	\$263,392
Lowest Gross Revenue	\$94,315

Table 3. Gross Revenue Ramp-Up and Number of Active Members

The Gross Revenue Ramp-Up table sets forth the Monthly Gross Revenue and Number of Active Members during the initial operation for each of the eleven (11) franchised Studios that commenced operations in 2024. These Studios were the first to grand open and operate under our new Credit Model system.

For purposes of this financial performance representation, the Studios' first month of operation includes the total Gross Revenue generated by the Studio regardless of the total number of days the Studio was open during that month. The data is based on the actual historical Gross Revenue figures for these Studios

Gross Revenue Ramp-Up of Newly Opened Credit Model Studios														
Monthly Gross Revenue	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	
Glendale, CA	\$2,360	\$6,060	\$10,060	\$10,370	\$10,465	\$10,755	\$12,520	\$14,720	\$14,960	\$17,251	\$20,420	\$22,653	\$23,703	
Annapolis, MD			\$13,253	\$19,069	\$23,172	\$28,408	\$31,428	\$34,773	\$35,555	\$41,520	\$43,671	\$44,834	\$51,410	
New Haven, CT					\$2,928	\$8,402	\$13,672	\$15,174	\$16,698	\$21,592	\$22,132	\$26,517	\$28,038	
Marlborough, MA						\$2,490	\$12,595	\$16,718	\$20,914	\$30,488	\$33,397	\$38,110	\$37,850	
Five Forks, SC						\$3,264	\$6,187	\$7,650	\$10,420	\$13,152	\$15,361	\$16,928	\$19,516	
Cypress, TX								\$3,761	\$6,700	\$9,708	\$13,196	\$14,598	\$12,696	
Las Vegas, NV								\$1,973	\$5,980	\$8,598	\$10,289	\$14,536	\$17,100	
Westford, MA										\$8,952	\$15,902	\$20,384	\$24,067	
Cambridge, MA										\$7,291	\$14,048	\$19,474	\$21,892	
East Greenwich, RI												\$9,139	\$15,069	
Kent Island, MD													\$11,852	
Number of Active Members of Newly Opened Credit Model Studios														
Active Members	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	

Glendale, CA	46	87	114	130	143	159	179	181	170	181	206	220	224
Annapolis, MD			113	163	204	243	275	301	305	347	368	368	388
New Haven, CT					34	98	150	171	185	204	216	225	230
Marlborough, MA						29	152	192	216	283	305	330	325
Five Forks, SC						41	73	86	100	134	154	171	194
Cypress, TX								49	75	104	137	149	149
Las Vegas, NV								25	73	104	127	152	160
Westford, MA										93	142	181	211
Cambridge, MA										57	115	159	188
East Greenwich, RI											59	136	
Kent Island, MD													73

Explanatory Notes to Item 19 Tables above:

1. The term “Gross Revenue” means the total revenue generated by a Studio in the given time period.
2. The Gross Revenue in the preceding tables were reported to us by each franchise owner, we did not independently audit or verify this information.
3. The Expenses information was reported to us by each franchise owner, we did not independently audit or verify this information.
4. Profit was calculated by subtracting Expenses from Gross Revenue, we did not independently audit or verify this information.
5. The figures contained herein do not account for interest on debt, any tax liability, amortization, or depreciation.
6. For each Calendar Year in the Measurement Period, “Average Year Gross Revenue Reported” was calculated by (a) taking the sum of all Yearly Gross Revenue generated by the franchised studios that completed the Operational Year, and (b) dividing that figure by the number of franchised Studios in that subset.
7. For each Operational Year, the “Median Reported” is determined by (a) taking the middle value reported amongst the franchised studios that were open for that Operational Year if the subset has an odd number of Studios, or (b) taking the average of the two (2) middle reported values from those franchised studios if there is an even number of Studios in the applicable subset.

Written substantiation for the unaudited financial performance representation will be made available to the prospective franchisee upon reasonable request. The Disclosed Studios have sold these amounts. Your individual results may differ. There is no assurance that you'll sell as much.

The revenues and expense of your Studio will depend on many factors, we suggest you speak to your business advisors and/or current franchise owners regarding the financial aspects of the business. The revenues and expenses of your business will be directly affected by many factors, such as: (a) your Approved Territory's geographic location and population demographics; (b) advertising effectiveness based on market saturation; (c) whether you operate the business

personally or hire a third party to serve as your Designated Manager; (d) your product and service pricing; (e) vendor prices on materials, supplies and inventory; (f) personnel salaries and benefits (life and health insurance, etc.); (g) insurance costs; (h) weather conditions; (i) ability to generate customers; (j) customer loyalty; (k) employment conditions in the market; and (l) the efforts you and your personnel put into your Franchised Business.

Other than the preceding financial performance representation, 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 the franchisor's management by contacting Brian Cook at StretchMed Franchise, LLC 954 Avenida Ponce De Leon, Suite 205-PMB# 10076, San Juan, Puerto Rico 00907, or by telephone at 939-545-8944, or 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 2022-2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	6	11	+5
	2023	11	17	+6
	2024	17	31	+14
Affiliate Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	6	11	+5
	2023	11	17	+6
	2024	17	31	+14

Table No. 2
Transfers of Outlets From Franchisees to New Owners (other than Franchisor or Affiliate) For years 2022-2024