

	Provision	Section in Development Agreement	Summary
u.	Dispute resolution by arbitration or mediation	Section 10	<p>Prior to filing most proceedings, a party must submit the dispute to non-binding mediation.</p> <p>Except for disputes arising under the Lanham Act, disputes that otherwise relate to the validity or ownership of any of the Intellectual Property, disputes that involve enforcement of our intellectual property rights or protection of our Proprietary Information, and disputes related to payments of amounts that you owe to us or our affiliates, all disputes will be resolved by binding arbitration at the American Arbitration Association's offices or other suitable office that we select in the metropolitan area in which our principal place of business is then located (currently, Newport Beach, California) (subject to state law).</p>
v.	Choice of forum	Section 10	Subject to arbitration obligations, with limited exception, litigation is in the United States District Court for the district in which we have our principal place of business at the time of the filing (currently, Newport Beach, California) (or if, federal jurisdiction cannot be obtained, the state court in such city) (subject to state law).
w.	Choice of law	Section 10	Except for Federal Arbitration Act and other federal law, the laws of the State of Delaware apply to all claims (subject to state law).

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 this disclosure document. Financial performance information that differs from that included in this 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 Item 19 presents information about the financial performance of the four Studios that were in operation as of March 31, 2025 (the “**Covered Studios**”), including three franchised Studios and one Studio operated by Predecessor’s affiliate (which we have categorized as an “**Affiliate-Owned Studio**”). In this Item 19, we have included data from all four Covered Studios. One Studio permanently closed in 2024 (which had been open approximately six months prior to its closure) and was, therefore, not a Covered Studio.

**TABLE 1: NUMBER OF ACTIVE MEMBERS
FOR ALL COVERED STUDIOS
AS OF MARCH 31, 2025**

Table 1 presents the total Active Members as of March 31, 2025 for Covered Studios. An “**Active Member**” is a member with an Active Membership that was in effect as of March 31, 2025. An “**Active Membership**” includes (a) a recurring membership with ongoing payments that continues indefinitely or for a specified term and (b) a paid-in-full membership that includes a certain number of prepaid months of membership or prepaid Sessions. Active Memberships do not include any memberships for staff members. The Covered Studios have been sorted into franchised Studios and Affiliate-Owned Studios. For each subset, the average, median, highest, and lowest number of Active Members for the Covered Studios in such subset have been calculated and disclosed.

Type of Studio	#	Average Active Members	# Met or Surpassed Average	% Met or Surpassed Average	Median Active Members	Lowest Active Members	Highest Active Members
Franchised Studios	3	159	2	66.7%	191	84	203
Affiliate-Owned Studios	1	158	1	100.0%	158	158	158
All Covered Studios	4	159	2	50.0%	175	84	203

**TABLE 2: NUMBER OF ONE-TIME SESSIONS
FOR ALL COVERED STUDIOS
DURING MARCH 2025**

Table 2 presents the number of One-Time Sessions completed during the month of March 2025 for each Covered Studio. A “**One-Time Session**” is a one-time Session that has been purchased individually and not as part of an Active Membership. While some customers choose to become Active Members, other customers prefer to schedule and complete one or more one-time sessions from time to time (or supplement their Active Memberships with One-Time Sessions).

Type of Studio	#	Average Non-Member Sessions	# Met or Surpassed Average	% Met or Surpassed Average	Median Non-Member Sessions	Lowest Non-Member Sessions	Highest Non-Member Sessions
Franchised Studios	3	269	2	66.7%	278	126	402
Affiliate-Owned Studios	1	353	1	100.0%	353	353	353
All Covered Studios	4	290	2	50.0%	316	126	402

NOTES TO ITEM 19:

1. **Some Studios have sold or earned this amount. Your individual results may differ. There is no assurance that you'll sell or earn as much.**
2. We calculated the figures in the tables in these financial performance representations using financial reports submitted to Predecessor by franchisees and Predecessor's affiliates.

3. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, we do 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 our Chief Executive Officer Verdine Baker, 4000 MacArthur Blvd., Suite 800, Newport Beach, CA 92260 (Tel: 949-629-4333), the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Our fiscal year ends on December 31 of each year. As we acquired the franchise system in December 2024, Predecessor was the franchisor for fiscal years 2022, 2023, and most of 2024. In that period, Predecessor's affiliate owned and operated one Studio, which we have categorized as an "Affiliate-Owned Studio" in this Item 20. After our acquisition of the system, our affiliate, iFlex Studios LLC, became the owner and operator of that Affiliate-Owned Studio, and it therefore remains categorized as an Affiliate-Owned Studio.

Table No. 1
Systemwide Studio Summary
For years 2022 to 2024

Studio Type	Year	Studios at the Start of the Year	Studios at the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	3	+3
Affiliate-Owned	2022	0	1	+1
	2023	1	1	0
	2024	1	1	0
Total Studios	2022	0	1	+1
	2023	1	1	0
	2024	1	4	+3

Table No. 2
Transfers of Studios from Franchisees to New Owners (other than to us)
For years 2022 to 2024

State	Year	Number of Transfers
Total	2022	0
	2023	0
	2024	0