

Provision	Section(s) in Area Development Agreement	Summary
(u) Dispute resolution by arbitration or mediation	16.2 and 16.3	Except for certain claims, we and you must first mediate, and if unsuccessful arbitrate, all disputes at a location within 5 miles of our then current principal place of business (currently in Pearland, Texas). (Subject to applicable state law.)
(v) Choice of forum	16.4	All litigation proceedings must be conducted in (or closest to) the county of our then current principal place of business (currently in Pearland, Texas). (Subject to applicable state law.)
(w) Choice of law	16.1	Texas (subject to applicable state law).

The provision of the Franchise Agreement or Area Development Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

See Exhibit B, the State Specific Addendum, for special state disclosures.

## **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.

We provide prospective franchisees with certain information regarding the actual historical gross revenue as well as active membership data for our Iron 24 Fitness + Recovery gyms. As of December 31, 2023, we have five corporate owned outlets and two franchised owned outlets in operation. In the chart below, we have included aggregate gross revenue data as well as the aggregate active membership data for these outlets in operation through March 31, 2024.

The gross revenue information presented below is based on all revenue collected during the months of operation.

## STATEMENT OF HISTORIC GROSS REVENUE FOR OUTLETS IN OPERATIONS

	Month -4	Month -3	Month -2	Month -1	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Average	\$ 218.00	\$ 537.00	\$ 502.49	\$ 1,398.56	\$ 3,179.70	\$ 4,913.24	\$ 5,229.55	\$ 5,569.40	\$ 5,880.75	\$ 6,600.75
Median	\$ 218.00	\$ 537.00	\$ 474.50	\$ 1,501.00	\$ 2,585.00	\$ 4,636.05	\$ 4,127.00	\$ 4,427.00	\$ 4,795.00	\$ 5,738.50
Min	\$ 187.00	\$ 422.00	\$ 20.00	\$ 297.00	\$ 1,226.00	\$ 2,624.00	\$ 3,340.00	\$ 4,171.00	\$ 4,349.00	\$ 4,915.00
Max	\$ 249.00	\$ 652.00	\$ 1,189.00	\$ 1,935.00	\$ 5,589.01	\$ 7,096.31	\$ 9,935.00	\$ 9,638.00	\$ 9,584.00	\$ 10,011.00
Location Count	2	2	6	7	7	6	6	5	4	4

	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15
Average	\$ 7,028.00	\$ 7,734.33	\$ 8,314.00	\$ 8,959.00	\$ 9,129.50	\$ 11,703.00	\$ 13,073.00	\$ 12,439.00	\$ 13,073.00
Median	\$ 5,754.00	\$ 6,739.00	\$ 7,395.00	\$ 8,959.00	\$ 9,129.50	\$ 11,703.00	\$ 13,073.00	\$ 12,439.00	\$ 13,073.00
Min	\$ 5,506.00	\$ 5,455.00	\$ 6,541.00	\$ 7,004.00	\$ 7,265.00	\$ 11,703.00	\$ 13,073.00	\$ 12,439.00	\$ 13,073.00
Max	\$ 9,824.00	\$ 11,009.00	\$ 11,006.00	\$ 10,914.00	\$ 10,994.00	\$ 11,703.00	\$ 13,073.00	\$ 12,439.00	\$ 13,073.00
Location Count	3	3	3	2	2	1	1	1	1

- (1) “Month” is the # of open months for each unit in operation. Negative (-) months represent pre-sales prior to doors opening.
- (2) “Average” Is the gross revenue of all units in operation for the given period divided by the total number of units operational within the given period.
- (3) “Median” Is the middle point between the high and low revenue for the number of units operational within the given period
- (4) “Min” is the lowest gross revenue of the units operational within the given period.
- (5) “Max” is the highest gross revenue of the units operational within the given period.
- (6) “Location Count” is the number of units with gross revenue to report within the given period.

## STATEMENT OF HISTORIC MEMBER SUBSCRIPTIONS FOR OUTLETS IN OPERATION

	Month -4	Month -3	Month -2	Month -1	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Average	7	11	13	46	65	86	103	112	129	150
Median	7	11	15	45	63	80	87	98	117	137
Min	2	2	1	30	41	63	77	92	91	98
Max	11	20	26	75	100	111	154	171	191	230
Location Count	3	3	6	6	7	6	6	5	4	4

	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15
Average	157	174	195	215	222	233	261	296	337
Median	119	143	178	215	222	233	261	296	337
Min	113	121	144	169	191	233	261	296	337
Max	239	257	263	261	252	233	261	296	337
Location Count	3	3	3	2	2	1	1	1	1

- (7) “Month” is the # of open months for each unit in operation. Negative (-) months represent pre-sales prior to doors opening.
- (8) “Average” Is the membership subscriptions sold for the given period divided by the total number of units operational within the given period.
- (9) “Median” Is the middle point between the high and low subscription members for the number of units operational within the given period.
- (10) “Min” is the lowest subscription members of the units operational within the given period.
- (11) “Max” is the highest subscription members of the units operational within the given period.
- (12) “Location Count” is the number of units with subscription members to report within the given period.

Sales will vary from outlet to outlet and will depend upon many variables and factors, including size, location, type of business premises, seasonality, socio economic conditions of the population surrounding the outlet, competition, general economic conditions, the condition and attractiveness of the outlet, relationships with customers, the reputation for quality of service at the outlet, how effectively the operator participates in our programs and marketing, and the efficiency with which the operator operates the outlet.

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

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

Other than the preceding financial performance representation, we do not make any financial performance 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 Marty Flanagan, Iron 24 Franchising, LLC, 2880 Broadway Bend Drive, Building #1, Pearland, Texas 77584, (877) 903-2927, ext. 809, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1**  
**Systemwide Outlet Summary**  
**For years 2021, 2022 and 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
<b>Franchised</b>	<b>2021</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2022</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2023</b>	<b>0</b>	<b>2</b>	<b>2</b>
<b>Company-Owned or Affiliate-Owned</b>	<b>2021</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2022</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2023</b>	<b>0</b>	<b>5</b>	<b>5</b>
<b>Total Outlets</b>	<b>2021</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2022</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2023</b>	<b>0</b>	<b>7</b>	<b>7</b>

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2021, 2022 and 2023**

State	Year	Number of Transfers
Florida	2021	0
	2022	0
	2023	0
Texas	2021	0
	2022	0
	2023	0
<b>TOTAL</b>	2021	<b>0</b>
	2022	<b>0</b>
	2023	<b>0</b>