

## **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 is a historic financial performance representation. The representation only relates to the subset of Outlets identified below and does not relate to the performance of all of the System's existing Outlets.

### **The 81 Franchised Outlets Included in the Representations Displayed in Tables A and B and C**

As of March 20, 2024, there were 82 franchised RETROFITNESS® Outlets open and in operation (each, a "Franchised Outlet"). Of those 82 Franchised Outlets, 81 were open to the public for more than a year. All 81 of these Franchised Outlets were included in the results displayed in Tables A, B and C below (the "ABC Outlets").

**TABLE A**

**Average Gross Sales from March 1, 2023 to February 29, 2024  
of 81 Outlets open to the public for more than a year**

Average Gross Sales	Percentile	Number of ABC Clubs in the Stated Percentile	Number of ABC Clubs in the Percentile that Attained or Exceeded the Average Gross Sales	Percentage of ABC Clubs in Percentile that Attained or Exceeded the Average Gross Sales
\$2,481,088	Top 10%	8	3	37%
\$1,948,683	Top 25%	20	7	35%
\$ 1,537,801	Top 50%	41	16	40%
\$1,317,027	Top 75%	61	23	38%
\$1,133,395	100%	81	31	38%

**TABLE B**

**Average Revenue Per Square Foot from March 1, 2023 to February 29, 2024  
of 81 Outlets open to the public for more than a year**

Average Revenue Per Square Foot	Percentile	Number of ABC Clubs in the Stated Percentile	Number of ABC Clubs in the Percentile that Attained or Exceeded the Average Revenue Per Square Foot	Percentage of ABC Clubs in Percentile that Attained or Exceeded the Average Revenue Per Square Foot
\$152	Top 10%	8	2	25%
\$123	Top 25%	20	9	44%
\$99	Top 50%	41	14	35%
\$85	Top 75%	61	23	38%
\$72	100%	81	40	49%

**TABLE C**

**Average Membership of Outlets as of February 28, 2024 of  
81 Outlets open to the public for more than a year**

Average Number of Members	Top Percentile	Number of ABC Clubs in the Stated Percentile	Number of ABC Clubs in the Percentile that Attained or Exceeded the Average Number of Members	Percentage of ABC Clubs in Percentile that Attained or Exceeded the Average Number of Members
5,390	Top 10%	8	3	37%
4,449	Top 25%	20	9	44%
3,661	Top 50%	41	14	35%
3,212	Top 75%	61	23	38%
2,812	100%	81	33	41%

## **NOTES TO TABLES A, B & C**

### **Notes to Table A**

The highest Gross Sales figure for the top 10% of the ABC Outlets is \$3,520,083, the lowest Gross Sales figure in this range is \$1,827,144 and the median is \$2,315,545. The corresponding bottom 10% of the ABC Outlets averaged \$431,852 in Gross Sales. The highest Gross Sales figure for the bottom 10% is \$518,155, the lowest Gross Sales figure is \$341,683, and the median is \$438,239. Thirty-seven percent of the bottom 10%, or 3 Outlets, fell below the average of \$431,852.

The highest Gross Sales figure for the top 25% of the ABC Outlets is \$3,520,083, the lowest Gross Sales figure in this range is \$1,416,945 and the median is \$1,718,779. The corresponding bottom 25% of the ABC Outlets averaged \$580,864 in Gross Sales. The highest Gross Sales figure for the bottom 25% of the ABC Outlets is \$731,804, the lowest Gross Sales figure is \$341,683, and the median is \$617,410. Forty-four percent of the bottom 25% of the ABC Outlets, or 9 Outlets, fell below the average of \$580,864.

The highest Gross Sales figure used to calculate the Average Gross Sales for the top 50% of the ABC Outlets is \$3,520,083, the lowest Gross Sales figure in this range is \$9887,553, and the median is \$1,377,590. The corresponding bottom 50% of the ABC Outlets averaged \$718,877 in Gross Sales. The highest Gross Sales figure used to calculate the Average Gross Sales for the bottom 50% of the ABC Outlets is \$987,553 the lowest Gross Sales figure in this range is \$341,683, and the median is \$731,804. Forty-seven percent of these ABC Outlets, or 19 Outlets, fell below the average of \$718,877.

The highest Gross Sales figure used to calculate the Average Gross Sales for the top 75% of the ABC Outlets is \$3,520,083, the lowest Gross Sales figure in this range is \$731,804, and the median is \$1,146,217. The corresponding bottom 75% of the ABC Outlets averaged \$874,827 in Gross Sales. The highest Gross Sales figure used to calculate the Average Gross Sales for the bottom 75% of the ABC Outlets is \$1,416,945, the lowest Gross Sales figure in this range is \$341,683, and the median is \$862,392. Fifty-three percent of these ABC Outlets, or 32 Outlets, fell below the average of \$874,827.

The highest Gross Sales figure used to calculate the Average Gross Sales for 100% of the ABC Outlets is \$3,520,083, the lowest Gross Sales figure in this range is \$341,683, and the median is \$987,553.

### **Notes to Table B**

The highest revenue per square foot figure used to calculate the average for the top 10% of the ABC Outlets is \$205 the lowest figure in this range is \$122, and the median is \$148. The corresponding bottom 10% of the ABC Outlets averaged \$27 per square foot. The highest figure in the range is \$33, the lowest figure in the range is \$20 and the median is \$24. Thirty-seven percent of these ABC Outlets, or 3 Outlets, fell below the average of \$27.

The highest revenue per square foot figure used to calculate the average for the top 25% of the ABC Outlets is \$205, the lowest figure in this range is \$90, and the median is \$116. The corresponding bottom 25% of the ABC Outlets averaged \$37 per square foot. The highest figure in the range is \$47, the lowest figure in the range is \$20 and the median is \$42. Forty-four percent of these ABC Outlets, or 9 Outlets, fell below the average of \$37.

The highest revenue per square foot figure used to calculate the average for the top 50% of the ABC Outlets is \$205, the lowest figure in this range is \$68, and the median is \$90. The corresponding bottom 50% of the ABC Outlets averaged \$46 per square foot. The highest figure in the range is \$68, the lowest figure in the

range is \$20 and the median is \$47. Forty percent of these ABC Outlets, or 16 Outlets, fell below the average of \$47.

The highest revenue per square foot figure used to calculate the average for the top 75% of the ABC Outlets is \$205, the lowest figure in this range is \$47, and the median is \$78. The corresponding bottom 75% of the ABC Outlets averaged \$57 per square foot. The highest figure in the range is \$89, the lowest figure in the range is \$20 and the median is \$57. Forty-nine percent of these ABC Outlets, or 30 Outlets, fell below the average of \$57.

The highest revenue per square foot figure used to calculate the average for 100% of the ABC Outlets is \$205, the lowest figure in this range is \$20, and the median is \$68.

#### **Notes to Table C**

The highest number of members figure used to calculate the average for the top 10% of the ABC Outlets is 6,589, the lowest figure in this range is 4,690 and the median is 5,245. The corresponding bottom 10% of the ABC Outlets averaged 1,269 members. The highest figure in the range is 1,575 the lowest figure in the range is 982, and the median was 1,260. Forty-nine percent of these ABC Outlets, or 4 Outlets, fell below the average of 1,269.

The highest number of members figure used to calculate the average for the top 25% of the ABC Outlets is 6,589, the lowest figure in this range is 3,290 , and the median is 4,327. The corresponding bottom 25% of the ABC Outlets averaged 1,592 members, with the highest membership of 1,972 members, a low of 982 members, and a median of 1,724 members. Forty percent of these ABC Outlets, or 8 Outlets, fell below the average of 1,592.

The highest number of members figure used to calculate the average for the top 50% of the ABC Outlets is 6,589, the lowest figure in this range is 2,646, and the median is 3,285. The corresponding bottom 50% of the ABC Outlets averaged 1,942 members, with the highest membership of 2,646 members, a low of 884 members, and a median of 2,054 members. Forty-eight percent of these ABC Outlets, or 20 Outlets, fell below the average of 1,942.

The highest number of members figure used to calculate the average for the top 75% of the ABC Outlets is 6,589, the lowest figure in this range is 1,989, and the median is 2,844. The corresponding bottom 75% of the ABC Outlets averaged 2,258 members, with the highest membership of 3,285 members, a low of 884 members, and a median of 2,272 members. Fifty-nine percent of these ABC Outlets, or 29 Outlets, fell below the average of 2,134.

The highest number of members figure used to calculate the average for 100% of the ABC Outlets is 6,589, the lowest figure in this range is 982, and the median is 2,646.

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

All information reported in this Item 19 pertains to franchisee-owned Retrofitness Outlets and reflects the membership and sales numbers reported by Franchisees. Retrofitness franchisees are required to report sales and membership data to ABC Financial. Retrofitness franchisees are required to provide us with a copy of their federal tax returns. As such, the figures above are derived from reports generated from computer data reported to ABC Financial by Retrofitness franchisees, maintained by ABC Financial, and reported to Retrofitness.

The financial performance representations do not reflect any other specific costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your RETROFITNESS® Outlet. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

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 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 Financial Officer, Robert Sprechman, Retrofitness, LLC, 1601 Belvedere Road, Suite E-500, West Palm Beach, FL 33406, 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 to 2023**

Column 1 <b>Outlet Type</b>	Column 2 <b>Year</b>	Column 3 <b>Outlets at the Start of the Year</b>	Column 4 <b>Outlets at the End of the Year</b>	Column 5 <b>Net Change</b>
Franchised	2021	105	98	(-7)
	2022	98	86	(-12)
	2023	86	86	0
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	2	2
Total Outlets	2021	105	98	(-7)
	2022	98	86	(-12)
	2023	86	88	2

**Table No. 2**  
**Transfers of Outlets From Franchisees**  
**To New Owners (Other Than The Franchisor)**  
**For years 2021 to 2022**

Column 1 <b>State</b>	Column 2 <b>Year</b>	Column 3 <b>Number of Transfers</b>
California	2021	0
	2022	0
	2023	0
Delaware	2021	1
	2022	0
	2023	0