

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

During the calendar years ended December 31, 2024, December 31, 2023, and December 31, 2022, our affiliated entities, Future Stars, LLC and Kids United SI, LLC, which are listed in Item 1 of this Franchise Disclosure Document, operated a business similar to the Kids United Business offered pursuant to this Franchise Disclosure Document on Staten Island, New York and in Woodbridge, New Jersey. Our affiliate entity, Kids United SI, LLC, founded the first businesses in July 2017, and operated the business from a single location through December 31, 2021 (defined below as “Corporate Location 1”). In 2019, our affiliated entity, Future Stars, LLC, opened a second location, which operates in Woodbridge, New Jersey (defined below as “Corporate Location 2”). Until 2022, these business operated under a different name. Since mid-2022, they have operated under the Kids United Name.

Corporate Location 1 is located at 2955 Veterans Road West, Staten Island, New York. Corporate Location 1 opened in November 2018 and occupies 4,000 square feet of commercial space. It is representative of the franchise offered by way of this Franchise Disclosure Document, as it is currently operating as a Kids United Business.

Corporate Location 2 is located at 250 Woodbridge Center Drive, Woodbridge, New Jersey. Corporate Location 2 opened in November 2019 and occupies 6200 square feet of commercial space. It currently representative of the franchise offered by way of this Franchise Disclosure Document, as it is currently operating as a Kids United Business.

The information contained in Parts I, III, and V of this Financial Performance Representation presents the results of our affiliated-owned Corporate Locations 1 and 2 for the period January 1, 2022 through December 31, 2024.

During the calendar year ended December 31, 2024, we had three franchised businesses that operated for the entire calendar year 2024. During the calendar year ended December 31, 2023, we had one franchised business that operated for the entire calendar year 2023.

As outlined in Item 20 of this Franchise Disclosure Document, we have other franchisees that opened in 2024, however, they did not operate for the entire calendar year. The disclosed franchised locations opened in June 2022 (“Franchised Location 1”), March 2023 (“Franchised Location 2”), and November 2023 (“Franchised Location 3”). The disclosed franchised locations