

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.

As of January 31, 2025, there were 13 franchised Studios and 3 Affiliate-Owned Studios open and in operation in the United States. Of the 13 franchised Studios, 4 were not open for at least 6 full months as of January 31, 2025 and therefore were excluded altogether from this financial performance representation. Of the 3 Affiliate-Owned Studios, all 3 were open for at least 6 full months as of January 31, 2025. No Affiliated-Owned Studios or franchised Studios closed between February 1, 2024 and January 31, 2025 (the "**Covered Period**"). No Affiliate-Owned Studios were excluded from this financial performance representation. There are no material financial or operational characteristics of the Affiliate-Owned Studios that we reasonably anticipate to differ from operational franchise outlets.

The financial performance representation below provides the monthly Gross Revenue (defined below), the monthly Membership Revenue (defined below) as a percentage of monthly Gross Revenue, and the monthly Leads of the Qualified Studios during the Covered Period for the applicable franchised Studios and Affiliate-Owned Studios. "**Qualified Studios**" means the franchised Studios or the Affiliate-Owned Studios, as applicable, that were open and operating for at least 6, 12, or 24 full calendar months (as applicable) as of the first day of the applicable calendar month.

We define Gross Revenue in this Item 19 the same way we define it in Item 6. "**Gross Revenue**" means all revenue that the Studio receives or otherwise derives from operations, whether from cash, check, credit or debit card, gift card or gift certificate, or other credit transactions, including any implied or imputed Gross Revenue from any business interruption insurance and promotional allowances or rebates paid in connection with the Studio's purchase of products or supplies or the Studio's referral of customers. Gross Revenue does not include (i) any bona fide returns and credits that are actually provided to customers; (ii) any sales or other taxes that the Studio collects from customers and pays directly to the appropriate taxing authority; and (iii) the face value of coupons or discounts that customers redeem. The Studio may not deduct payment provider fees (i.e., bank or credit card company fees and gift card vendor fees) from its Gross Revenue calculation.

"**Membership Revenue**" means all revenue that the Studio receives or otherwise derives from operations, whether from cash, check, credit or debit card, gift card or gift certificate, or other credit transactions, from (i) sales of Studio memberships to new or existing Studio members; and (ii) ongoing membership and subscription fees from Studio members.

"**Lead**" means each potential customer who has provided contact information to the applicable Studio through a measurable channel, such as a web form, landing page, ad campaign, or referral link.

Gross Revenue of Qualified Studios

	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Covered Period
Affiliate Owned Studios, Open >24 Months													SUM
Number of Qualified Studios	3	3	3	3	3	3	3	3	3	3	3	3	
Average Gross Revenue of Qualified Studios	\$73,817	\$79,783	\$79,605	\$92,346	\$80,284	\$83,095	\$77,784	\$80,389	\$83,865	\$81,545	\$75,458	\$89,768	\$977,740
# / % of Qualified Studios that Met or Exceeded the Average Gross Revenue of Qualified Studios	2/67%	2/67%	1/33%	1/33%	1/33%	1/33%	1/33%	1/33%	1/33%	1/33%	1/33%	1/33%	
Median Gross Revenue of Qualified Studios	\$78,246	\$83,336	\$74,539	\$88,619	\$76,110	\$80,478	\$75,476	\$78,076	\$78,643	\$73,126	\$69,409	\$81,941	\$938,002
High Gross Revenue of Qualified Studios	\$93,490	\$93,765	\$104,231	\$116,989	\$100,629	\$110,634	\$101,790	\$109,783	\$118,186	\$115,221	\$104,126	\$121,504	\$1,290,348
Low Gross Revenue of Qualified Studios	\$49,714	\$62,249	\$60,043	\$71,429	\$64,113	\$58,173	\$56,086	\$53,308	\$54,766	\$56,289	\$52,840	\$65,858	\$704,870
Franchised Studios, Open >12 Months													
Number of Qualified Studios	1	1	1	1	1	1	2	2	3	3	3	3	
Average Gross Revenue of Qualified Studios	\$47,120	\$51,623	\$51,430	\$58,701	\$46,357	\$51,039	\$46,153	\$45,849	\$43,286	\$42,373	\$43,278	\$44,446	\$571,655
# / % of Qualified Studios that Met or Exceeded the Average Gross Revenue of Qualified Studios	1/ 100%	1/ 100%	1/100%	1/100%	1/100%	1/100%	1/50%	1/50%	1/33%	1/33%	2/67%	2/67%	
Median Gross Revenue of Qualified Studios	\$47,120	\$51,623	\$51,430	\$58,701	\$46,357	\$51,039	\$46,153	\$45,849	\$42,620	\$41,676	\$45,208	\$45,582	\$573,358
High Gross Revenue of Qualified Studios	\$47,120	\$51,623	\$51,430	\$58,701	\$46,357	\$51,039	\$47,963	\$51,685	\$46,802	\$47,352	\$48,868	\$47,282	\$596,222
Low Gross Revenue of Qualified Studios	\$47,120	\$51,623	\$51,430	\$58,701	\$46,357	\$51,039	\$44,342	\$40,013	\$40,437	\$36,093	\$35,757	\$40,474	\$545,386
Franchised Studios, Open >6 Months													
Number of Qualified Studios	2	2	3	3	3	3	3	4	5	8	9	9	
Average Gross Revenue of Qualified Studios	\$39,784	\$46,590	\$43,114	\$50,008	\$40,785	\$43,178	\$42,213	\$44,462	\$40,451	\$39,553	\$39,304	\$40,871	\$510,312
# / % of Qualified Studios that Met or Exceeded the Average Gross Revenue of Qualified Studios	1/50%	1/50%	1/33%	2/67%	2/67%	2/67%	2/67%	2/50%	3/60%	4/50%	4/44%	4/44%	
Median Gross Revenue of Qualified Studios	\$39,784	\$46,590	\$40,428	\$50,663	\$42,731	\$45,019	\$44,342	\$45,700	\$42,620	\$39,884	\$35,757	\$40,474	\$513,993
High Gross Revenue of Qualified Studios	\$47,120	\$51,623	\$51,430	\$58,701	\$46,357	\$51,039	\$47,963	\$51,685	\$51,266	\$47,882	\$48,868	\$51,076	\$605,010
Low Gross Revenue of Qualified Studios	\$32,447	\$41,556	\$37,485	\$40,660	\$33,268	\$33,475	\$34,335	\$34,761	\$21,129	\$25,478	\$27,207	\$25,454	\$387,255

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Membership Revenue as a Percentage of Gross Revenue of Qualified Studios

	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025
Affiliate Owned Studios, Open >24 Months												
Number of Qualified Studios	3	3	3	3	3	3	3	3	3	3	3	3
Average Membership Revenue as % of Gross Revenue of Qualified Studios	61%	60%	59%	51%	55%	56%	58%	59%	57%	56%	60%	56%
# / % of Qualified Studios that Met or Exceeded the Average Membership Revenue as % of Gross Revenue of Qualified Studios	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	2 / 67%	2 / 67%	2 / 67%	2 / 67%
Median Membership Revenue as % of Gross Revenue of Qualified Studios	56%	56%	58%	49%	53%	53%	56%	58%	57%	59%	62%	58%
High Membership Revenue as % of Gross Revenue of Qualified Studios	74%	68%	66%	55%	61%	66%	66%	69%	65%	59%	64%	60%
Low Membership Revenue as % of Gross Revenue of Qualified Studios	52%	56%	52%	48%	52%	49%	52%	51%	49%	50%	54%	50%
Franchised Studios, Open >12 Months												
Number of Qualified Studios	1	1	1	1	1	1	2	2	3	3	3	3
Average Membership Revenue as % of Gross Revenue of Qualified Studios	69%	68%	65%	55%	67%	65%	68%	68%	71%	70%	68%	73%
# / % of Qualified Studios that Met or Exceeded the Average Membership Revenue as % of Gross Revenue of Qualified Studios	1 / 100%	1 / 100%	1 / 100%	1 / 100%	1 / 100%	1 / 100%	1 / 50%	1 / 50%	2 / 67%	2 / 67%	2 / 67%	2 / 67%
Median Membership Revenue as % of Gross Revenue of Qualified Studios	69%	68%	65%	55%	67%	65%	68%	68%	73%	72%	73%	75%
High Membership Revenue as % of Gross Revenue of Qualified Studios	69%	68%	65%	55%	67%	65%	77%	78%	75%	77%	76%	78%
Low Membership Revenue as % of Gross Revenue of Qualified Studios	69%	68%	65%	55%	67%	65%	60%	58%	64%	62%	56%	65%
Franchised Studios, Open >6 Months												
Number of Qualified Studios	2	2	3	3	3	3	3	4	5	8	9	9
Average Membership Revenue as % of Gross Revenue of Qualified Studios	78%	74%	77%	69%	76%	72%	70%	70%	73%	70%	70%	74%
# / % of Qualified Studios that Met or Exceeded the Average Membership Revenue as % of Gross Revenue of Qualified Studios	1 / 50%	1 / 50%	2 / 67%	2 / 67%	2 / 67%	2 / 67%	2 / 67%	2 / 50%	3 / 60%	6 / 75%	6 / 67%	6 / 67%
Median Membership Revenue as % of Gross Revenue of Qualified Studios	78%	74%	82%	74%	76%	75%	73%	71%	73%	71%	73%	75%
High Membership Revenue as % of Gross Revenue of Qualified Studios	86%	80%	84%	79%	84%	78%	77%	78%	79%	77%	77%	83%
Low Membership Revenue as % of Gross Revenue of Qualified Studios	69%	68%	65%	55%	67%	65%	60%	58%	64%	60%	56%	59%

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Leads of Qualified Studios

	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Covered Period
Affiliate Owned Studios, Open >24 Months													
Number of Qualified Studios	3	3	3	3	3	3	3	3	3	3	3	3	SUM
Average Leads of Qualified Studios	577	493	620	676	539	761	677	616	668	565	527	940	7,659
# / % of Qualified Studios that Met or Exceeded the Average Leads of Qualified Studios	2 / 67%	2 / 67%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%	1 / 33%
Median Leads of Qualified Studios	605	534	583	610	498	744	538	524	515	432	447	744	6,774
High Leads of Qualified Studios	661	572	697	845	729	846	1,089	936	1,047	904	741	1,390	10,457
Low Leads of Qualified Studios	464	372	581	574	390	693	403	388	443	359	392	687	5,746
Franchised Studios, Open >12 Months													
Number of Qualified Studios	1	1	1	1	1	1	2	2	3	3	3	3	
Average Leads of Qualified Studios	549	497	407	574	389	346	383	331	381	292	267	449	4,864
# / % of Qualified Studios that Met or Exceeded the Average Leads of Qualified Studios	1 / 100%	1 / 100%	1 / 100%	1 / 100%	1 / 100%	1 / 100%	1 / 50%	1 / 50%	2 / 67%	1 / 33%	1 / 33%	1 / 33%	1 / 33%
Median Leads of Qualified Studios	549	497	407	574	389	346	383	331	444	281	237	412	4,850
High Leads of Qualified Studios	549	497	407	574	389	346	420	383	459	322	347	554	5,247
Low Leads of Qualified Studios	549	497	407	574	389	346	345	279	241	273	216	380	4,496
Franchised Studios, Open >6 Months													
Number of Qualified Studios	2	2	3	3	3	3	3	4	5	8	9	9	
Average Leads of Qualified Studios	428	356	283	406	334	339	362	370	321	258	240	387	4,083
# / % of Qualified Studios that Met or Exceeded the Average Leads of Qualified Studios	1 / 50%	1 / 50%	1 / 33%	2 / 67%	2 / 67%	2 / 67%	1 / 33%	3 / 75%	2 / 40%	5 / 63%	3 / 33%	4 / 44%	
Median Leads of Qualified Studios	428	356	225	406	385	339	345	394	305	277	216	380	4,054
High Leads of Qualified Studios	549	497	407	574	389	346	420	415	459	322	347	605	5,330
Low Leads of Qualified Studios	306	214	216	237	228	332	322	279	156	113	167	228	2,798

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Notes to Tables

1. “**Average Gross Revenue**” is determined by taking the sum of the Qualified Studios’ Gross Revenue during the applicable month and dividing it by the number of Qualified Studios.
2. “**Median Gross Revenue**” is determined by sorting the Qualified Studios’ Gross Revenue during the applicable month in ascending order and identifying the point above and below which 50% of the data falls.
3. We determined the average Membership Revenue as a percentage of monthly Gross Revenue by first dividing the total monthly Membership Revenue for each Qualified Studio by each Qualified Studio’s monthly Gross Revenue and multiplying by 100. Then, we took the sum of those results and divided the total by the number of Qualified Studios.
4. We determined the median Membership Revenue as a percentage of monthly Gross Revenue by first dividing the total monthly Membership Revenue for each Qualified Studio by each Qualified Studio’s monthly Gross Revenue and multiplying by 100. Then, we sorted those results in ascending order and identified the point above and below which 50% of the data fell.
5. “**Average Leads**” is determined by taking the sum of the Qualified Studios’ Leads during the applicable month and dividing it by the number of Qualified Studios.
6. “**Median Leads**” is determined by sorting the Qualified Studios’ Leads during the applicable month in ascending order and identifying the point above and below which 50% of the data falls.
7. In October 2024, the data for franchised Studios open more than 6 months includes the results of 1 Studio that operates in a lower-density area with fewer than 5,000 Targeted Households located in the Studio’s zip code (a “**Lower-Density Studio**”). “**Targeted Households**” are households that align with the current customer profile for Studios, as determined by a third-party customer profile platform. In November 2024 through January 2025, the data for franchised Studios open more than 6 months includes the results of 2 Lower-Density Studios.
8. In May 2024 and July 2024, the data in the third table for franchised Studios open more than 6 months excludes the results of 1 franchised Studio. The excluded Studio (which was open for more than 6 months in May 2024 and July 2024) experienced large spikes in Leads during those months due to a programmatic video and acquisition email campaign that we tested. This test campaign is not representative of the marketing campaigns we anticipate a typical Studio will conduct nor are the Leads in those months representative of the monthly Leads we anticipate a typical Studio will achieve.
9. This financial performance representation does not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the Gross Revenue 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

Studio. Franchisees listed in this disclosure document may be one source of this information.

We calculated the figures in the table above using information that our affiliate and our franchisees provided. Upon your reasonable request, we will provide written substantiation for these financial performance representations.

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

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 Stacey Heald at 730 W. Randolph Street, Chicago, Illinois 60661, 813-505-6921, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

All numbers appearing in Tables 1 through 5 below are as of December 31 in each year. Our affiliate operates the Studios listed as "company-owned."

**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	3	+3
	2024	3	13	+10
Company-Owned	2022	3	3	+0
	2023	3	3	+0
	2024	3	3	+0
Total Studios	2022	3	3	+0
	2023	3	6	+3
	2024	6	16	+10

**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