

**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 that 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 set forth below historic financial performance representations for our franchised and company owned outlets:

**FPR #1-Franchised Outlets**

**2024**

As of December 31, 2024, we had 14 franchised outlets, nine of which operated the entire year. We set forth the Gross Revenues of those outlets here:

<b>Gross Sales Achieved by Our Reporting Operational Franchise Outlets that Operated Full-Time in 2024</b>						
<b>Performance Quartile</b>	<b>Average Gross Sales</b>	<b>Median Gross Sales</b>	<b>Highest Gross Sales</b>	<b>Lowest Gross Sales</b>	<b>Number of Outlets</b>	<b>Number and % of Outlets That Attained or Surpassed the Stated Result</b>
Top 25%	\$334,764	\$334,764	\$334,764	\$308,834	2	1 outlet or 50%
Mid-High 25%	\$193,834	\$193,834	\$204,662	\$183,006	2	1 outlet or 50%
Mid-Low 25%	\$170,922	\$170,922	\$172,405	\$169,439	2	1 outlet or 50%
Bottom 25%	\$102,045	\$115,436	\$119,269	\$71,431	3	2 outlets or 66%

**2023**

As of December 31, 2023, we had 14 outlets, nine of which operated the entire year. We set forth the Gross Revenues of those outlets here:

<b>Gross Sales Achieved by Our Reporting Operational Franchise Outlets that Operated Full-Time in 2023</b>						
<b>Performance Quartile</b>	<b>Average Gross Sales</b>	<b>Median Gross Sales</b>	<b>Highest Gross Sales</b>	<b>Lowest Gross Sales</b>	<b>Number of Outlets</b>	<b>Number and % of Outlets That Attained or Surpassed the Stated Result</b>
Top 25%	\$263,2432	\$284,820	\$356,434	\$148,476	3	2 outlets or 66%
Mid-High 25%	\$131,477	\$131,477	\$144,787	\$118,166	2	1 outlet or 50%
Mid-Low 25%	\$131,477	\$131,477	\$97,576	\$77,359	2	1 outlet or 50%
Bottom 25%	\$64,057	\$64,057	\$67,802	\$60,311	2	1 outlet or 50%

**2022**

As of December 31, 2022, we had 13 outlets, ten of which operated the entire year. We set forth the Gross Revenues of those outlets here:

<b>Gross Sales Achieved by Our Reporting Operational Franchise Outlets that Operated Full-Time in 2022</b>						
<b>Performance Quartile</b>	<b>Average Gross Sales</b>	<b>Median Gross Sales</b>	<b>Highest Gross Sales</b>	<b>Lowest Gross Sales</b>	<b>Number of Outlets</b>	<b>Number and % of Outlets That Attained or Surpassed the Stated Result</b>
Top 25%	\$126,059	\$126,765	\$143,328	\$107,376	4	2 outlets or 50%
Mid-High 25%	\$90,235	\$90,235	\$90,356	\$90,114	2	1 outlet or 50%
Mid-Low 25%	\$77,646	\$77,646	\$82,803	\$72,489	2	1 outlet or 50%
Bottom 25%	\$28,737	\$28,737	\$28,867	\$28,608	2	1 outlet or 50%

*Notes:*

1. **“Gross Revenue”** means the aggregate of all revenue collected from all sources in connection with the Franchised Business, including, without limitation, all proceeds from any business interruption insurance and any sales or grant money collected from or through any third party such as a county, state, or the federal government; but excluding (a) any revenue franchisee remits to a customer or property owner or collection agency that franchisee is contractually obligated to remit, (b) any chargeback fees franchisee pays to a collection agency, (c) any sales and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto, and (d) any rebate received by Franchisee from a manufacturer or supplier.

2. In a portion of 2021 and 2022, some outlets did not operate for at least 12 months because they experienced mandatory COVID-19 related temporary on-site closures for various periods of time. In response to on-site closure requirements, some of these units offered online classes, while others did not offer any services and closed temporarily.

3. We assigned “Unit 1,” Unit 2” etc. based on the order of performance of an outlet. Which franchised outlet has a given Unit number may vary year to year.

## **FPR #2- Company-Owned Outlet**

Presented below are the Gross Revenue and Adjusted Gross Revenue figures for the company owned outlet for the 2024, 2023, and 2022. We have had one company outlet in operation and it has been open since 2014.

There are no material operational differences between the company outlet and the franchised outlets, except the age of the company owned outlet.

There are material financial differences between the company outlet and the franchised outlets in that the franchised outlets incur royalty fees (8% of Gross Revenues), Marketing Fund Contributions (2% of Gross Revenues), and IT fees (\$110/month), and other fees under their respective franchise agreements.

<b>Year</b>	<b>2024</b>
<b>Gross Revenue</b>	\$532,573.13
<i>Royalty Fee (8%)</i>	\$42,605.85
<i>Marketing Fund Contribution (2%)</i>	\$10,651.46
<i>IT Fee (\$110/month)</i>	\$1,320
<b>Total Expenses that would be incurred if this were a franchised outlet:</b>	\$54,577.31
<b>Adjusted Gross Revenue as if a Franchised Outlet</b>	\$477,995.82

<b>Year</b>	<b>2023</b>
<b>Gross Revenue</b>	\$432,055.59
<i>Royalty Fee (8%)</i>	\$34,564.45
<i>Marketing Fund Contribution (2%)</i>	\$8,641.11
<i>IT Fee (\$110/month)</i>	\$1,320
<b>Total Expenses that would be incurred if this were a franchised outlet:</b>	\$44,525.56
<b>Adjusted Gross Revenue as if a Franchised Outlet</b>	\$387,530.03

<b>Year</b>	<b>2022</b>
<b>Gross Revenue</b>	\$399,321.43
<i>Royalty Fee (8%)</i>	\$31,945.71

<i>Marketing Fund Contribution (2%)</i>	\$7,986.43
<i>IT Fee (\$110/month)</i>	\$1,320
<b>Total Expenses that would be incurred if this were a franchised outlet:</b>	\$41,252.14
<b>Adjusted Gross Revenue as if a Franchised Outlet</b>	\$358,069.29

### **FPR #3-Systemwide Information**

Here we present certain systemwide earnings information for 2024, 2023, and 2022:

	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Average Gross Revenue</b>	\$89,747.10	\$178,778.62	\$223,774.81
<b>Median Gross Revenue</b>	\$90,234.75	\$131,476.52	\$177,705.26
<b>Average Monthly Revenue</b>	\$9,824.19	\$14,898.22	\$18,647.90
<b>Low Gross Sales</b>	\$28,607.57	\$60,310.79	\$71,430.86
<b>High Gross Sales</b>	\$399,321.43	\$432,055.59	\$532,573.13
<b>% Increase with Respect of the previous year</b>	52%	50%	21%
<b>Total Gross Sales</b>	\$897,471.00	1,787,786.23	\$2,237,748.11

*Notes:*

4. **Gross Revenues-** See definition of “Gross Revenues” in Note 1 above.
5. **“Less Expenses that would be incurred if this were a franchised outlet”** refers to royalty fees (8% of Gross Revenues), Marketing Fund Contributions (2% of Gross Revenues), and IT fees (\$110/month).
6. **“Adjusted Gross Revenue as if a Franchised Outlet”** refers to **Gross Revenue** minus **Expenses that would be incurred if this were a franchised outlet**.

Written substantiation for this financial performance representation is available to you upon reasonable written request.

**Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.**

Other than the preceding financial performance representation, Stemtree Franchising, LLC, does 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 Dr. Abdelghani Bellaachia, Stemtree Franchising, LLC at 220 Maple Avenue

West, Vienna, Virginia 22180 and (877) 200-7836, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NO. 1**  
**Systemwide Outlet Summary**  
**For Years 2022 to 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	10	13	+3
	2023	13	12	-1
	2024	12	16	+4
Company-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	11	14	+3
	2023	14	13	-1
	2024	13	17	+4

**TABLE NO. 2**  
**Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)**  
**For Years 2022 to 2024**

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