

ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our license.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 performance at a particular location or under particular circumstances.

At this time, the maximum number of ICR sessions, including Pritikin ICR, approved by CMS exceeds the maximum number of other cardiac rehabilitation ("CR") sessions initially approved for Medicare beneficiaries by CMS. Additionally, the Medicare reimbursement rates currently approved by CMS vary based on a number of factors, including whether the sessions are CR or ICR and whether the Provider is hospital or non-hospital healthcare provider. As used in this disclosure document, the term "session" means each encounter that a patient has with a health care provider under a prescription issued by the patient's physician for the patient to receive cardiac rehabilitation services or, if applicable, intensive cardiac rehabilitation services, consistent with the requirements established by CMS for those services.

Presented below are tables that reflect the 2025 CMS approved Medicare reimbursement rates for CR and ICR when provided in a physician's office (POS code 11) and in a hospital outpatient setting (POS code 22), the maximum number of sessions approved by CMS, as well as certain historical data regarding average patient utilization rates of approved CR sessions. Using this information, the tables reflect the number of sessions and related reimbursement revenue both on a per patient basis and collectively at the stated numbers of patients. Table 1 presents data related to non-facility based physician's office and Table 2 presents data related to facility based outpatient setting. This information is provided as a reference that you may use as you evaluate your operations and your patients for whom your physicians deem appropriate to receive CR and ICR services.

Please read carefully all of the information in this Item 19 (including the tables below in, as well as the notes that follow those tables) for explanation of how the data in the tables were prepared.

**Table 1 – Reimbursement Revenue and Session Data
For Physician's Office (POS code 11)**

A. For Physician's Office - CR	Per Patient	If you have this number of patients enrolled for sessions (Notes 5 and 6)				
		25	50	100	150	200
2024 Medicare national average reimbursement rate (per session) for cardiac rehabilitation (Notes 1 and 1(a))	\$21	\$525	\$1,050	\$2,100	\$3,150	\$4,200
Maximum number of sessions approved by CMS (without KX modifier) (Note 2)	36	900	1,800	3,600	5,400	7,200
Total CR Revenue (using maximum number of sessions)	\$756	\$18,900	\$37,800	\$75,600	\$113,400	\$151,200
National Historical Utilization Rate 52.8% (19 sessions out of a possible max. of 36) (Notes 3 and 4)	19	475	950	1,900	2,850	3,800
Total CR Revenue (using historical utilization rate number of sessions)	\$399	\$9,975	\$19,950	\$39,900	\$59,850	\$79,800

B. Physician's Office - ICR	Per Patient	If you have this number of patients enrolled for sessions (Notes 5 and 6)				
		25	50	100	150	200
2024 Medicare national average reimbursement rate (per session) for ICR (Notes 1 and 1(b))	\$126	\$3,150	\$6,300	\$12,600	\$18,900	\$25,200
Maximum number of sessions approved by CMS for ICR (Note 2)	72	1,800	3,600	7,200	10,800	14,400
Total Revenue with ICR (using maximum number of sessions)	\$9,072	\$226,800	\$453,600	\$907,200	\$1,360,800	\$1,814,400
National Historical Utilization Rate 52.8% (38 sessions out of a possible max. of 72) (Note 4)	38	950	1,900	3,800	5,700	7,600
Total Revenue with ICR (using historical utilization rate number of sessions)	\$4,788	\$119,700	\$239,400	\$478,800	\$718,200	\$957,600

**Table 2 – Reimbursement Revenue and Session Data
For Facility Based Outpatient Setting (POS Code 22)**

C. For Facility Based Outpatient Setting – CR	Per Patient	If you have this number of patients enrolled for sessions (Notes 5 and 6)				
		25	50	100	150	200
2024 Medicare national average reimbursement rate (per session) for cardiac rehabilitation (Notes 1 and 1(c))	\$126	\$3,150	\$6,300	\$12,600	\$18,900	\$25,200
Maximum number of sessions approved by CMS (without KX modifier) (Note 2)	36	900	1,800	3,600	5,400	7,200
Total CR Revenue (using maximum number of sessions)	\$4,536	\$113,400	\$226,800	\$453,600	\$680,400	\$907,200
National Historical Utilization Rate 52.8% (19 sessions out of a possible max. of 36) (Notes 3 and 4)	19	475	950	1,900	2,850	3,800
Total CR Revenue (using national historical utilization rate number of sessions)	\$2,394	\$59,850	\$119,700	\$239,400	\$359,100	\$478,800

(Table 2 Continued on next page)

Table 2 *continued*

D. For Facility Based Outpatient Setting – ICR	Per Patient	If you have this number of patients enrolled for sessions (Notes 5 and 6)				
		25	50	100	150	200
2024 Medicare national average reimbursement rate (per session) for ICR (Notes 1 and 1d)	\$126	\$3,150	\$6,300	\$12,600	\$18,900	\$25,200
Maximum number of sessions approved by CMS for ICR (Note 2)	72	1,800	3,600	7,200	10,800	14,400
Total Revenue with ICR (using maximum number of sessions)	\$9,072	\$226,800	\$453,600	\$907,200	\$1,360,800	\$1,814,400
National Historical Utilization Rate 52.8% (38 sessions out of a possible max. of 72) (Note 4)	38	950	1,900	3,900	7,500	10,000
Total Revenue with ICR (using historical utilization rate number of sessions)	\$4,788	\$119,700	\$239,400	\$478,800	\$718,200	\$957,600

Notes to Tables 1 and 2

1 Reimbursement Rates. The following notes provide additional information regarding the reimbursement rates that are established by CMS (the federal Centers for Medicare & Medicaid Services, www.cms.gov). These payment rates may vary for each Provider for a number of factors included in CMS methodology, some of which include: place of service (POS code 11 or POS code 22), specific carrier locality, geographic differences, and the mix of services furnished by a particular Provider. Rates for services provided at a Physician's office are available at the Physician Fee Schedule Look-Up page on the CMS website (available at <http://cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PFSlookup/index.html>). Rates for services furnished in a facility-based outpatient setting are available at www.cms.gov. The payment rates that primary insurance providers will pay for these services may vary from rates established by CMS as described above.

1(a): CR in a Physician's Office: Based on the calendar year 2025 Medicare physician fee schedule, the national average payment rates for CR (cardiac rehabilitation) are as follows for the "CPT Codes" ("CPT" stands for the Current Procedural Terminology, a trademark owned by the American Medical Association) and HCPCS Codes ("HCPCS" stands for Healthcare Common Procedure Coding System):

- \$16.50 for CPT Code 93797 (Physician or other qualified health care professional services for outpatient cardiac rehabilitation; without continuous ECG monitoring (per session)); and

- \$24.58 for CPT Code 93798 (Physician or other qualified health care professional services for outpatient cardiac rehabilitation; with continuous ECG monitoring (per session))
- For purposes of Table 1, \$21.00 per session, is based on an average of one exercise session with ECG monitoring and one non-ECG monitored session for patient education, using the two applicable CPT Codes.

1(b): Pritikin ICR in a Physician's Office: Based on the calendar year 2025 Medicare physician fee schedule, the national average payment rates for ICR are as follows based on the HCPCS Codes:

- \$126.15 for HCPCS Code G0422 (Intensive cardiac rehabilitation; with or without continuous ECG monitoring with exercise, per session); and
- \$126.15 for HCPCS Code G0423 (Intensive cardiac rehabilitation; with or without continuous ECG monitoring; without exercise, per session).

1(c): CR in a Facility Based Outpatient Setting: Based on the calendar year 2025 Medicare Hospital Outpatient Prospective Payment System (OPPS), the national average payment rate for CR (cardiac rehabilitation) are as follows based on the CPT Codes.

- \$125.91 for CPT Codes 93797 and 93798: CPT Code 93797 is Physician or other qualified health care professional services for outpatient cardiac rehabilitation; without continuous ECG monitoring (per session). CPT Code 93798 is Physician or other qualified health care professional services for outpatient cardiac rehabilitation; with continuous ECG monitoring (per session).

1(d): Pritikin ICR in a Facility Based Outpatient Setting: Based on the calendar year 2025, the Medicare Hospital Outpatient Prospective Payment System (OPPS), the national average payment rate for Pritikin ICR are as follows based on the HCPCS Codes.

- \$125.91 for HCPCS Codes G0422 and G0423. HCPCS Code G0422 is Intensive cardiac rehabilitation; with or without continuous ECG monitoring with exercise, per session). HCPCS Code G0423 is Intensive cardiac rehabilitation; with or without continuous ECG monitoring; without exercise, per session).

Additional notes regarding reimbursement rates

- These rates listed do not include a 2% reduction in Medicare's share of payments that apply during sequestration, effective as of April 1, 2013.
- For purposes of the calculations in Table 1 and Table 2, the amounts are rounded to the nearest dollar for the CPT or HCPCS Code listed above.
- All rates shown are national averages, not adjusted for geographic variations in costs and other factors considered by Medicare.

2. Maximum Number of Sessions. This reflects the maximum number of covered sessions approved by CMS. CMS has established the maximum number of sessions at 36 sessions initially approved for CR, with an additional 36 sessions covered at contractor discretion; however, Pritikin ICR is subject to a maximum of 72 sessions under CMS' regulations. 42 C.F.R. § 410.49(f)(1) and (f)(2).

3. National Historical Utilization Rate. This data is from 19 sessions/patient; 2017-2018 Medicare data. (Source: CDC Preventing Chronic Disease Volume 20, April 13, 2023.) https://www.cdc.gov/pcd/issues/2023/22_0324.htm#:~:text=Participating%20patients%20averaged%2019.0%20sessions,CI%2C%200.85%20%930.95%5D).

4. Calculation of Pritikin ICR Sessions Using Historical CR Utilization.

A. Calculation Using Historical CR Utilization. In each of Table 1.B and Table 2.D, there is a row titled “*National Historical Utilization Rate 52.8%*.” The calculation in this row uses the same 52.8% average number of sessions (as referenced in Note 3 above) and applies that average utilization rate to the CMS maximum of 72 covered sessions of ICR (52.8% is 38 out 72 possible covered sessions for the average patient).

B. Potential Utilization - Number of Sessions. We cannot (and do not) make any projections as to the number of ICR sessions that your patients may decide to undertake once starting the Pritikin ICR program with you. As is always the case, patients and health care providers make, and are solely responsible for, decisions as to treatment and as to patients’ participation in any medical program. Note 7 below provides information regarding the reported utilization results of our licensees.

5. Number of Patients. The figures provided are simply placeholders to show the results across a spectrum. They are provided to assist you as a reference that you may use as you evaluate your operations and the number of your patients who you deem to be appropriate for CR and ICR services. We do not have any information regarding the number of patients that you currently have and we cannot (and do not) make any projections as to the number of patients that you may have in the future, or as to those among your patients that may be candidates for CR programs in general, and the Pritikin ICR program in particular.

These figures are estimates only of what we think you may earn. Your individual results may differ. There is no assurance that you'll earn as much.

7. Licensee Reported Results. The table below presents information for calendar year 2024. For calendar year 2024, we received data from 104 licensees that, as of the end of the year, had been operated using the Pritikin ICR Program for a full twelve-month period. The licensees during these periods reported the number of ICR sessions completed by their patients who were enrolled in Pritikin ICR with a 72-session prescription (the “Completed ICR Sessions”). According to the information that these licensees provided:

Year	Completed ICR Sessions for Medicare patients who were enrolled in Pritikin ICR with a 72-session prescription (see notes a – f below):	
2024	Average number: 46.8	Median number: 48.4

Notes (to Licensee Reported Results):

a. The averages were calculated at each licensee’s location, not an aggregate of all the patients treated at these licensees’ locations.

- b. For 2024, of these 104 licensees: 63 (61%) had an average number of Completed ICR Sessions that exceeded 46.8, and 41 (39%) had an average number of Completed ICR Sessions that were below 46.8; and the licensees' average number of Completed ICR Sessions ranged from 14.6 to 68.0, and within that range, the median average (*i.e.*, the median of the average results calculated for each of the 104 Licensees) was 48.4 Completed ICR Sessions.
- c. The data in this note 7 was reported to us by our licensees. We did not audit this data and have relied on the accuracy of the information that our licensees provided.
- d. The Pritikin ICR program offered at these licensee's locations is a 72 -session program, which (as described above) is the maximum number of sessions approved by Medicare patients enrolled in ICR. Certain patients may not be prescribed 72 sessions for reasons including, the number of sessions covered by their primary insurance provider if they are non-Medicare patients.
- e. The licensees reported that the data provided to us reflects all Medicare covered patients at their location discharged in the specified time period prescribed 72 sessions.

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

Additional Notes to Item 19

Substantiation. Written substantiation of the data used in preparing the information in this Item 19 will be made available to you upon reasonable request.

As described in Item 1 of this disclosure document, CMS approval of the Pritikin ICR Program was based on the data derived from patients who participated in the Pritikin ICR Program provided in a residential setting at the Pritikin Longevity Center in Doral, Florida. We developed the System so that additional Providers can conduct Pritikin ICR Programs at the place where they provide medical services to their patients. We do not have any information regarding whether CMS will in the future make any change in the reimbursement rates or the maximum number session for CR or ICR services when CMS reviews these types of services.

The data in this Item 19 relates only to revenue related to Medicare reimbursement rates at various patient participation levels. We do not provide cost information, but as a franchisee you will incur costs in preparing for and conducting Pritikin ICR Programs, such as Patient Engagement Kit costs, certification payments, and related expenses and other fees that you must pay to us (please refer to Items 5 and 6 of this disclosure document for those details). You will also incur various other costs such as rent and occupancy costs; employee salaries and benefits; insurance; facilities and property maintenance; business and regulatory fees and licenses; legal and accounting fees; and bookkeeping and other professional services – although as described in Item 7, we expect that you incur these types of costs in connection with your existing health care facilities and operations, even if you were not providing Pritikin ICR services.

We strongly advise you to conduct an independent investigation of this information and the opportunity to become a licensee so that you can decide whether or not you think the license will meet your financial needs. We suggest that you develop and review with your own

professional advisors a pro forma cash flow statement, balance sheet and statement of operations, and that you make your own financial projections regarding revenues from reimbursements, costs, patient base, and patient utilization rates. Additional factors to consider with your professional advisors in evaluating the Pritikin ICR Program and your business include the economic or market area conditions and demographics in your area, your capitalization level, the amount and terms of any financing that you have or may secure, lease rates, and the experience and skills of you and your staff.

Other than the preceding financial performance representation in this Item 19, 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 Terry Rogers, President of Pritikin ICR LLC, at 7733 Forsyth Boulevard, Floor 23, Clayton, Missouri 63105, (800) 677-0257, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Table 1:
Systemwide Outlet Summary
for years 2022-2024 (Note 1)

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	69	89	+20
	2023	89	111	+22
	2024	111	145	+34
Company-Owned (Note 2)	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	70	90	+20
	2023	90	112	+22
	2024	112	146	+34

Notes

- (1) All numbers are as of the fiscal year end. Our fiscal year end is December 31st.
- (2) As described in Item 1, our affiliate, Florida Pritikin Center LLC, began to operate a Pritikin ICR Business at the Pritikin Longevity Center in Doral, Florida in January 2012.