

## 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.

The following Table provides certain historical information for all KidStrong Centers that were open and operating under the same ownership for at least 24 months as of December 31, 2024. At the beginning of 2023, there were 52 franchised Centers open and operating. Of these 52 Centers, 2 were excluded from the below table because they closed during 2024, 5 were excluded because they did not operate under the same ownership during the 24 months (transfers), and 2 were excluded because they did not report financial data to us accurately. The Gross Sales reported in the below table were for calendar year 2024.

United States Centers - Opened Full year 2023 and 2024					
	Top Quartile Revenue Range	2nd Quartile Revenue Range	Third Quartile Revenue Range	Bottom Quartile Revenue Range	
High	\$1,246,561	\$833,916	\$690,557	\$527,696	
Low	\$835,977	\$692,447	\$534,667	\$341,968	
Average	\$1,019,522	\$763,079	\$625,636	\$448,493	
Median	\$998,651	\$744,352	\$630,815	\$466,016	
No. Above Average	5	5	9	6	
% Above Average	42%	45%	82%	55%	
Total Centers	12	11	11	11	45

Notes to Table:

The count of centers is based on centers open before January 1, 2023

1) "Gross Sales" has the same definition as in Section 3.2(a) of the Franchise Agreement. Specifically, "Gross Sales" means all revenue generated in connection with the operation of the Center, and includes fees for all goods and services you lease or sell, whether for cash or credit, and all other income of any kind or nature related to the Center, including, without limitation (a) all membership fees, dues, application fees, enrollment fees, dues, transfer fees, renewal fees, third-party payor fees (including from insurance companies), paid-in-full membership fees and/or dues, presale revenue, revenue derived from the sale of clothing, merchandise and product sales. "Gross Sales" does not include any sales tax you collected from members and paid to any taxing authority, and does not include the portion of the normal full price of any goods or services that you do not collect as a result of an authorized sales discount or employee discount.

2) All KidStrong Centers offer substantially the same products and services to the public. The Centers reported in this Item 19 receive the same services that will be offered to new franchisees.

3) The foregoing data relates to Gross Sales only; we are not presenting any information on the expenses of operating a KidStrong Center. Operating a KidStrong Center incurs a wide variety of expenses that will reduce the Center's income from the revenue levels shown. Examples of the types of these expenses include, for example, rent and occupancy expenses; supply costs; salaries, wages and other personnel-related expenses; federal, state and local taxes and fees; utilities; financing costs (including on loans and leases); royalties and other amounts due us.

4) Characteristics of the Centers reported in this Item 19 may differ substantially from your Center depending on your previous business or management experience, competition in your area, length of time that the included Centers have operated compared to your Center, and the services or goods sold at your Center compared to the included Centers.

5) We obtained these historical financial results from information submitted by our franchisees that operate Centers. We have not audited the information presented above, nor have we independently verified this information.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

**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 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: CEO, Matt Sharp at 3801 Parkwood Boulevard, Suite 301, Frisco, Texas 75034 or by telephone at 859-806-1035; the Federal Trade Commission; and the appropriate state regulatory agencies.

## ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1**  
**System-wide Outlet Summary**  
**For fiscal years ending December 31, 2022, 2023, and 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	18	52	+34
	2023	52	89	+37
	2024	89	121	+32
Company Owned or Affiliate Owned	2022	7	9	+2
	2023	9	11	+2
	2024	11	10	-1
Total Outlets	2022	25	61	+36
	2023	61	100	+39
	2024	100	131	+31

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For fiscal years ending December 31, 2022, 2023, and 2024**

State	Year	Number of Transfers
Alabama	2022	0
	2023	1
	2024	0
Arizona	2022	0
	2023	0
	2024	2
California	2022	0
	2023	0
	2024	1
Florida	2022	0
	2023	0
	2024	4
Illinois	2022	0
	2023	1
	2024	0
Kansas	2022	0
	2023	0
	2024	2
Kentucky	2022	0
	2023	0
	2024	1