

Provision		Section	Summary
x.	Conversion Addendum	Attachment K to Franchise Agreement	Studio Barre franchisees that sign our franchise agreement in connection with re-branding their studios as barre3® studios must sign a form of our conversion addendum, which will include the specific terms offered to Studio Barre franchisees described in this disclosure document, as well a mutual release of claims related to the Studio Barre franchise agreement.

ITEM 18 PUBLIC FIGURES

We do not use any public figure to promote our franchises.

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.

Overview

Provided in this Item 19, is Gross Revenue (defined below) data from franchisee-owned outlets and company-owned outlets operating in the U.S. from February 1, 20232024 to January 31, 20242025 (the "Reporting Period"). The data used for the calculations presented in this Item 19 was collected from the point of sale software system we require franchisees to use and use ourselves. The figures reported to our point of sale system by franchisees have not been audited.

There were 428132 franchisee-owned outlets open in the U.S. during some or all of the Reporting Period. Charts 1(a), 1(c), and 2 include data on the 418122 franchisee-owned outlets that were open all 12 months of the Reporting Period, and excludes 10 franchisee-owned outlets that operated their studios for less than 12 months in the Reporting Period either due to the fact that these outlets either opened, temporarily closed, or permanently closed during the Reporting Period.

There were 56 company-owned outlets open and operating in the U.S. during some or all of the Reporting Period. Charts 1(b) and 2 include data on allthe 5 company-owned outlets that were open all 12 months of the Reporting Period.

All franchisee-owned outlets and company-owned outlets for which data is presented in this Item 19 are called "Reporting Units."

Gross Revenue

Gross Revenues means the total of all receipts derived from all sales of products or services at or through a Reporting Unit; insurance claims for lost profits to the extent a claim is paid by the insurer; and all other

products and services sold or provided by or through the Reporting Unit, whether the receipts are evidenced by cash, credit, checks, gift certificates, scrip, payment coupons, services, property or other means of exchange.

Gross Revenue does not include: the amount of any tax imposed by any governmental authority directly on sales collected from customers, provided that the amount of any such tax is shown separately and in fact paid by the Reporting Unit to the appropriate governmental authority. Gross Revenues are deemed received by a Reporting Unit at the time the services or products from which they were derived, delivered, or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) actually has been received by the Reporting Unit.

Gross Revenue data used for purposes of the calculations presented in this Item 19 was obtained for each Reporting Unit from our required point-of-sale software system. However, assumptions were made for franchisees who own more than one outlet, because our required point of sale software system aggregates revenue generated from online sales across all outlets under common ownership. To attribute Gross Revenue for a Reporting Unit owned by a franchisee who owns multiple Reporting Units, the combined revenue attributed to service (not product) revenue for all Reporting Units under such common ownership was multiplied by the percentage of customers attending classes at the particular Reporting Unit relative to the total number of customers attending classes at all commonly owned Reporting Units during the Reporting Period; the product of that equation was then attributed to the Reporting Unit.

Because franchisee-owned Reporting Units may have one or two classrooms, charts 1(a) first report figures for those Reporting Units with one classroom, then for those Reporting Units with two classrooms, and then for all Reporting Units combined. Of these Reporting Units with one classroom, the student capacity of such classrooms ranges from 2418 to 3031 per class. Of these Reporting Units with two classrooms, the student capacity in the first classroom ranges from 2423 to 30 per classroom and the student capacity in the second classroom ranges from 8 to 15 per class; however, many studios were not operating the second classroom during the reporting period.

Chart 1a: Gross Revenue for Franchisee-Owned Reporting Units in the Reporting Period

The following chart displays the monthly average Gross Revenue, median Gross Revenue, minimum Gross Revenue, and maximum Gross Revenue for the franchisee-owned Reporting Units during the Reporting Period. The chart also displays the number and percentage of franchisee-owned Reporting Units within the group that achieved or surpassed the reported average Gross Revenue during the particular Reporting Period month. The average Gross Revenue (annualized) for all franchisee-owned Reporting Units during the Reporting Period was \$377,000414,000 and represents a 2710% increase over the prior 12 months.

One Room Studios															
	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Current 12-Month Avg	Previous 12-Month	YoY % Change
Number of Franchisee-Owned Reporting Units	110	110	110	110	110	110	110	110	110	110	110	110			
Average Gross Revenue	\$ 36,998	\$ 30,898	\$ 48,490	\$ 30,598	\$ 30,095	\$ 33,926	\$ 26,887	\$ 30,266	\$ 39,893	\$ 36,025	\$ 34,200	\$ 28,991	\$ 396,898	\$ 269,898	19%
Median Gross Revenue	\$ 24,649	\$ 22,388	\$ 38,697	\$ 28,987	\$ 29,092	\$ 21,409	\$ 27,053	\$ 26,949	\$ 29,879	\$ 37,047	\$ 28,122	\$ 24,145	\$ 365,713	\$ 205,466	29%
Min. Gross Revenue	\$ 4,658	\$ 5,242	\$ 4,760	\$ 5,693	\$ 4,661	\$ 4,726	\$ 2,458	\$ 3,891	\$ 3,345	\$ 6,927	\$ 4,474	\$ 5,433	\$ 68,972	\$ 65,959	-12%
Max. Gross Revenue	\$ 68,664	\$ 76,558	\$ 105,587	\$ 73,630	\$ 99,570	\$ 100,505	\$ 67,087	\$ 80,594	\$ 79,360	\$ 102,914	\$ 84,145	\$ 74,953	\$ 867,453	\$ 847,585	14%
Number and % that Achieved Average	50 (45%)	49 (44%)	48 (43%)	47 (43%)	50 (45%)	47 (42%)	46 (49%)	48 (43%)	47 (42%)	43 (39%)	45 (45%)				
Two Room Studios															
	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Current 12-Month Avg	Previous 12-Month	YoY % Change
Number of Franchisee-Owned Reporting Units	18	18	18	18	18	18	18	18	18	18	18	18			
Average Gross Revenue	\$ 44,844	\$ 46,204	\$ 69,476	\$ 12,250	\$ 38,969	\$ 48,103	\$ 40,731	\$ 44,888	\$ 48,040	\$ 65,155	\$ 48,738	\$ 48,027	\$ 582,892	\$ 367,894	24%
Median Gross Revenue	\$ 50,948	\$ 47,316	\$ 66,924	\$ 44,559	\$ 41,564	\$ 51,642	\$ 47,942	\$ 46,936	\$ 46,385	\$ 67,627	\$ 48,715	\$ 49,253	\$ 582,120	\$ 329,768	26%
Min. Gross Revenue	\$ 18,986	\$ 16,897	\$ 23,674	\$ 16,386	\$ 17,879	\$ 18,184	\$ 16,058	\$ 16,498	\$ 19,849	\$ 47,268	\$ 15,743	\$ 29,836	\$ 362,818	\$ 336,819	11%
Max. Gross Revenue	\$ 65,738	\$ 66,067	\$ 97,867	\$ 53,354	\$ 58,722	\$ 78,328	\$ 62,455	\$ 70,899	\$ 73,259	\$ 105,832	\$ 68,314	\$ 77,051	\$ 785,130	\$ 684,338	13%
Number and % that Achieved Average	6 (55%)	6 (55%)	4 (36%)	6 (53%)	6 (58%)	6 (55%)	5 (49%)	6 (55%)	4 (36%)	4 (50%)	5 (48%)	5 (53%)			
All Studios															
	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Current 12-Month Avg	Previous 12-Month	YoY % Change
Number of Franchisee-Owned Reporting Units	122	122	122	122	122	122	122	122	122	122	122	122			
Average Gross Revenue	\$ 32,220	\$ 32,038	\$ 44,889	\$ 31,567	\$ 30,972	\$ 34,566	\$ 29,990	\$ 31,530	\$ 33,263	\$ 42,792	\$ 35,509	\$ 34,447	\$ 413,794	\$ 376,851	10%
Median Gross Revenue	\$ 29,880	\$ 29,351	\$ 40,659	\$ 30,002	\$ 29,399	\$ 32,574	\$ 27,345	\$ 28,626	\$ 30,077	\$ 38,046	\$ 32,019	\$ 31,397	\$ 370,783	\$ 345,236	7%
Min. Gross Revenue	\$ 12,458	\$ 12,209	\$ 16,569	\$ 12,209	\$ 12,209	\$ 12,209	\$ 12,209	\$ 12,209	\$ 12,209	\$ 16,227	\$ 12,209	\$ 14,464	\$ 144,227	\$ 127,850	12%
Max. Gross Revenue	\$ 7,375	\$ 9,167	\$ 7,903	\$ 3,927	\$ 4,071	\$ 5,122	\$ 4,216	\$ 4,502	\$ 4,123	\$ 3,256	\$ 3,374	\$ 65,969	\$ 64,835	2%	
Number and % that Achieved Average	57 (47%)	53 (43%)	49 (40%)	52 (43%)	49 (40%)	53 (43%)	51 (42%)	49 (40%)	47 (39%)	48 (39%)	47 (39%)	52 (44%)			
Number and % that Achieved Average	49 (42%)	50 (42%)	48 (41%)	49 (42%)	50 (42%)	48 (41%)	51 (43%)	51 (43%)	49 (42%)	48 (41%)	52 (44%)				

Chart 1b: Gross Revenue for Company-Owned Reporting Units in the Reporting Period

The following chart displays the monthly average Gross Revenue, median Gross Revenue, minimum Gross Revenue, and maximum Gross Revenue for company-owned Reporting Units during the Reporting Period. (company-owned Reporting Units do not have any two room studios that operated during the Reporting Period). The chart also displays the number and percentage of company-owned Reporting Units that achieved or surpassed the reported average Gross Revenue during the particular Reporting Period month. The average Gross Revenue (annualized) for all company-owned Reporting Units during the Reporting Period was \$718,000797,000 and represents a 3311% increase over the prior 12 months.

One Room Studios															
	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Current 12-Month Avg	Previous 12-Month	YoY % Change
Number of Franchisee-Owned Reporting Units	5	5	5	5	5	5	5	5	5	5	5	5			
Average Gross Revenue	\$ 63,808	\$ 64,806	\$ 91,695	\$ 65,286	\$ 59,219	\$ 83,759	\$ 57,485	\$ 56,461	\$ 62,044	\$ 80,282	\$ 62,282	\$ 54,436	\$ 797,928	\$ 547,523	31%
Median Gross Revenue	\$ 65,250	\$ 65,240	\$ 89,120	\$ 58,059	\$ 50,387	\$ 87,248	\$ 56,762	\$ 60,964	\$ 61,544	\$ 84,245	\$ 64,661	\$ 51,728	\$ 792,460	\$ 507,056	45%
Min. Gross Revenue	\$ 48,352	\$ 56,769	\$ 77,282	\$ 45,830	\$ 48,875	\$ 99,529	\$ 33,348	\$ 43,083	\$ 49,183	\$ 62,889	\$ 47,070	\$ 502,089	\$ 482,023	3%	
Max. Gross Revenue	\$ 80,430	\$ 84,316	\$ 104,629	\$ 71,476	\$ 66,790	\$ 95,065	\$ 66,737	\$ 78,418	\$ 78,125	\$ 96,147	\$ 70,076	\$ 68,409	\$ 864,325	\$ 681,883	29%
Number and % that Achieved Average	2 (60%)	3 (60%)	2 (40%)	3 (60%)	3 (60%)	3 (60%)	3 (60%)	2 (60%)	2 (60%)	3 (60%)	3 (60%)	3 (60%)			
Number and % that Achieved Average	30 (42%)	50 (42%)	48 (41%)	49 (42%)	50 (42%)	48 (41%)	51 (43%)	51 (43%)	49 (42%)	48 (41%)	52 (44%)				

Chart 1c: Gross Revenue for Franchisee-Owned Fully Scheduled Qualified Studios in the Reporting Period

The following chart displays the monthly average Gross Revenue, median Gross Revenue, and a range of minimum to maximum Gross Revenue for all franchisee-owned Reporting Units separated by the number of classes offered during a particular calendar month. A Reporting Unit is considered a Fully Scheduled Qualified Studio if they scheduled at least 140 classes during the respective calendar month. A Reporting Unit that schedules fewer than 140 classes during the respective calendar month is considered a Minimally Scheduled Qualified Studio. The chart also displays the number and percentage of Reporting Units that achieved or surpassed the reported average Gross Revenue during the particular Reporting Period month. The average Gross Revenue (annualized) for all franchisee-owned Reporting Units during the Reporting Period was \$718,000797,000 and represents a 3311% increase over the prior 12 months.

(Modified) includes the data relevant to Fully Scheduled Qualified Studios that were open and operating during the Reporting Period and offered 840 or more classes, as of the particular calendar month:

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Number of Fully Scheduled Qualified Studios	40	47	50	51	52	49	49	45	62	38	39	51
Average Gross Revenue	\$ 46,409	\$ 48,789	\$ 63,490	\$ 43,032	\$ 44,766	\$ 48,568	\$ 88,029	\$ 45,339	\$ 43,085	\$ 66,808	\$ 54,283	\$ 46,610
# of Fully Scheduled Studios that Met or Exceeded the Average	18 (45.0%)	29 (44.7%)	24 (40.0%)	26 (47.8%)	25 (50.0%)	18 (40.9%)	20 (44.9%)	19 (42.2%)	23 (46.8%)	17 (45.9%)	13 (38.3%)	29 (43.2%)
Median Gross Revenue	\$ 48,026	\$ 63,894	\$ 58,926	\$ 40,686	\$ 44,823	\$ 43,859	\$ 38,842	\$ 48,422	\$ 39,209	\$ 68,502	\$ 59,320	\$ 45,305
Range of Gross Revenue	\$69,667 to \$28,086	\$83,598 to \$18,250	\$102,282 to \$38,618	\$87,639 to \$19,926	\$80,206 to \$20,743	\$87,827 to \$32,596	\$80,586 to \$18,326	\$74,968 to \$23,808	\$105,080 to \$19,888	\$84,035 to \$33,5020	\$78,859 to \$30,656	\$26,329

The following table provides the data relevant to Minimally Scheduled Qualified Studios that, were open and operating during the Reporting Period, and offered fewer than 140 classes, as of the particular calendar month:

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Number of Minimally Scheduled Qualified Studios	88	75	88	71	80	79	73	82	60	85	88	76
Average Gross Revenue	\$ 25,883	\$ 24,986	\$ 32,303	\$ 23,235	\$ 23,340	\$ 28,987	\$ 22,580	\$ 23,976	\$ 23,069	\$ 32,692	\$ 28,855	\$ 25,314
# of Minimally Scheduled Studios that Met or Exceeded the Average	48 (50.0%)	38 (50.7%)	32 (52.9%)	37 (52.1%)	48 (52.5%)	39 (50.0%)	38 (66.8%)	89 (33.0%)	28 (68.3%)	42 (69.6%)	45 (50.0%)	35 (49.0%)
Median Gross Revenue	\$ 25,090	\$ 25,042	\$ 32,809	\$ 23,924	\$ 24,946	\$ 26,822	\$ 21,568	\$ 24,896	\$ 22,059	\$ 32,695	\$ 28,788	\$ 25,489
Range of Gross Revenue	\$56,365 to \$4,698	\$56,861 to \$5,880	\$73,279 to \$4,768	\$46,395 to \$5,688	\$56,452 to \$4,360	\$60,308 to \$4,089	\$58,469 to \$2,458	\$56,300 to \$3,896	\$70,442 to \$3,985	\$72,498 to \$4,627	\$52,692 to \$4,629	\$5,083

Chart 2: Gross Revenue Category as Percentage of Total Gross Revenue for Reporting Units in the Reporting Period

We categorize revenue generated from the sale of services and products at studios in three categories: “non-recurring service revenue,” “recurring service revenue” and “retail revenue.” Chart 2 reports the percentage of each revenue category as compared with the total Gross Revenue receipts for both franchisee-owned and company-owned during the Reporting Period.

Recurring service revenue means receipts from the sale of services that are sold on a membership basis (e.g. monthly membership) where those memberships automatically renew upon expiration. Non-recurring service revenue means receipts for the sale of classes that are not sold on an automatically recurring basis (e.g. individual class sales). Retail revenue means the sale of retail products at the studio (e.g. athletic apparel). To calculate the percentages reported in Charts 2, the amount of Gross Revenue generated in each revenue category was divided by the total revenue for the appropriate group of Reporting Units.

	Number of Reporting Units	Recurring Service Revenue	Non-Recurring Service Revenue	Retail Revenue	Total
Franchisee-Owned Reporting Units	418122	6368%	2925%	87%	100%
Company-Owned Reporting Units	5	5061%	4232%	87%	100%
All Reporting Units	423127	6267%	3026%	87%	100%

Some outlets have sold the amounts disclosed in this Item 19. Your individual results may vary. There is no assurance that you will earn as much.

We will provide written substantiation for these financial performance representations to you upon reasonable request.

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 Harper Kalin, Vice President of Operations, B3 Franchising LLC, 25 N. Shaver Street, Portland, Oregon 97227, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide 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 Outlets US	2022	132	126	-6
	2023	126	126	0
	2024	126	151	+25
Franchised International (including Puerto Rico)	2022	9	8	-1
	2023	8	5	-3
	2024	5	5	0
Company – Owned ¹	2022	6	6	0
	2023	6	6	0
	2024	6	6	0
Total Outlets	2022	147	140	-7
	2023	140	137	-3
	2024	137	162	+25

¹Outlets owned by our affiliates, B3 Studios, B3 PDX, LLC, and B3 NYC Holdings LLC.

Table No. 2
Transfers of Outlets From Franchisees to New Owners
(Other than the Franchisor or an Affiliate)
For Years 2022 to 2024

State	Year	Number of Transfers
Arizona	2022	3
	2023	0
	2024	1