

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.

This Item presents certain historical data as provided by our franchisees and our subsidiary owned outlets. We have not audited this information, nor independently verified this information. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request. The information contained in this Item is for the period January 1, 2024 through December 31, 2024 (the "2024 Calendar Year").

As of December 31, 2024, we had 580 franchised outlets open in the United States and 15 subsidiary-owned outlets open in the United States (the "Corporate Spas"). We, through our subsidiaries, acquired 10 of the 15 Corporate Spas in the 2021 Calendar Year. One of the Corporate Spas is located in New Jersey and the remaining 14 are located in Florida. The Corporate Spas are substantially similar to the franchise outlets being offered under this Franchise Disclosure Document.

The financial performance information presented in this Item 19 does not include information for the 57 franchised outlets that were not open and operating for a full twelve months as of December 31, 2024, comprised of 55 franchised outlets that opened and 2 franchised outlets that closed during the 2024 Calendar Year. The financial performance information presented in this Item 19 includes performance information for the remaining 502 franchised outlets that were open for at least 12 months as of December 31, 2024 (the "Franchised Outlets"), the 23 franchised outlets that converted their existing spas into HAND AND STONE SPAS in 2023, (the "2023 Converted Spas") and the Corporate Spas. One franchised outlet is excluded from the 2023 Converted Spas because it was not open and operating for a full 12 months as of December 31, 2024.

Table #1a presents the 2024 Calendar Year Average Gross Sales for the Corporate Spas, as a total, and by year of opening. Table #1b presents the 2024 Calendar Year Average Gross Sales for the Franchised Outlets, as a total, and by year of opening, with the Average Gross Sales for the 2023 Converted Spas identified separately. Table #1c presents the combined 2024 Calendar Year Average Gross Sales for the Corporate Spas and the Franchised Outlets, as a total, and grouped by year of opening, for a total of 517 locations, with the 2023 Converted Spas excluded from that total, and represented in a separate row.

Table #2a presents the 2024 Calendar Year Average Massage Sales Information for the Corporate Spas, as a total, and by year of opening. Table #2b presents the 2024 Calendar Year Average Massage Sales Information for the Franchised Outlets, as a total, and by year of opening, with the 2023 Converted Spas in a separate row. Table #2c presents the combined 2024 Calendar Year Average Massage Sales Information for the Corporate Spas and the Franchised Outlets, as a total, and by year of opening, for a total of 517 locations, with the 2023 Converted Spas excluded from that total, and represented in a separate row.

Table #3a presents the 2024 Calendar Year Average Facial Sales Information for the Corporate Spas, as a total, and by year of opening. Table #3b presents the 2024 Calendar Year Average Facial Sales Information for the Franchised Outlets, as a total, and by year of opening, with the 2023 Converted Spas in

a separate row. Table #3c presents the combined 2024 Calendar Year Average Facial Sales Information for the Corporate Spas and the Franchised Outlets, as a total, and by year of opening for a total of 517 locations, with the 2023 Converted Spas excluded from that total, and represented in a separate row.

Table #4a presents the presents the 2024 Calendar Year Average Gift Card Sales Information for the Corporate Spas, as a total, and by year of opening. Table #4b presents the 2024 Calendar Year Average Gift Card Sales Information for the Franchised Outlets, as a total, and by year of opening, with the 2023 Converted Spas in a separate row. Table #4c presents the combined 2024 Calendar Year Average Gift Card Sales Information for the Corporate Spas and the Franchised Outlets, as a total, and by year of opening for a total of 517 locations, with the 2023 Converted Spas excluded from that total, and represented in a separate row.

Table #5a presents the presents the 2024 Calendar Year Average Retail Sales Information for the Corporate Spas, as a total, and by year of opening. Table #5b presents the 2024 Calendar Year Average Retail Sales Information for the Franchised Outlets, as a total, and by year of opening, with the 2023 Converted Spas in a separate row. Table #5c presents the combined 2024 Calendar Year Average Retail Sales Information for the Corporate Spas and the Franchised Outlets, as a total, and by year of opening, for a total of 517 locations, with the 2023 Converted Spas excluded from that total, and represented in a separate row.

Table #6 presents Average Size, First Year Gross Rent and Landlord Improvement Allowance for 25 United States franchised outlets that first opened for business in the 2024 Calendar Year.

Table #7a presents certain Corporate Spa Average Revenue and Expenses for the 15 Corporate Spas for the 2024 Calendar Year. Table #7b presents Average Revenue and Expenses for 188 of the 502 Franchised Outlets for the 2024 Calendar Year. 314 of the 502 Franchised Outlets were excluded from the results presented in Table #7b because they did not report their expenses to us.

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Table #1a
Average Gross Sales for Corporate Spas by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Corporate Spas	2024 Average Gross Sales	Number Above/Below Average	% Above/Below Average	2024 Median Gross Sales	2024 Min Gross Sales	2024 Max Gross Sales	2024 Median Members	2024 Average Members	Number Above/Below Average	% Above/Below Average	2024 Max Members	2024 Min Members
2019	1	2,250,973	n/a	n/a	2,250,973	2,250,973	2,250,973	1,717	1,717	n/a	n/a	1,717	1,717
2018	1	1,806,984	n/a	n/a	1,806,984	1,806,984	1,806,984	1,434	1,434	n/a	n/a	1,434	1,434
2017	1	1,895,750	n/a	n/a	1,895,750	1,895,750	1,895,750	1,534	1,534	n/a	n/a	1,534	1,534
2016	1	1,770,536	n/a	n/a	1,770,536	1,770,536	1,770,536	1,500	1,500	n/a	n/a	1,500	1,500
2015	3	2,403,751	2/1	67/33	2,774,938	1,501,451	2,934,865	2,250	2,000	2/1	67/33	2,548	1,201
2014	2	2,067,652	1/1	50/50	2,067,652	1,780,969	2,354,336	1,720	1,720	1/1	50/50	1,910	1,529
2013	1	1,205,437	n/a	n/a	1,205,437	1,205,437	1,205,437	1,014	1,014	n/a	n/a	1,014	1,014
2011	2	3,275,480	1/1	50/50	3,275,480	3,272,604	3,278,355	2,915	2,915	1/1	50/50	2,972	2,858
2010	2	2,627,918	1/1	50/50	2,627,918	2,609,145	2,646,690	2,240	2,240	1/1	50/50	2,255	2,224
2009	1	2,246,665	n/a	n/a	2,246,665	2,246,665	2,246,665	1,945	1,945	n/a	n/a	1,945	1,945
Total*	15	2,288,647	11/4	73/27	2,250,973	1,205,437	3,278,355	1,910	1,926	11/4	73/27	2,972	1,014

Table #1b
Average Gross Sales for Franchised Outlets by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Franchised Outlets	2024 Average Gross Sales	Number Above/Below Average	% Above/Below Average	2024 Median Gross Sales	2024 Min Gross Sales	2024 Max Gross Sales	2024 Median Members	2024 Average Members	Number Above/Below Average	% Above/Below Average	2024 Max Members	2024 Min Members
2023	20	687,470	9/11	45/55	627,701	284,858	1,617,394	377	479	9/11	45/55	1,055	178
2022	35	850,644	13/22	37/63	744,334	387,981	1,940,758	520	607	16/19	46/54	1,616	238
2021	22	827,028	9/13	41/59	823,871	358,245	1,330,822	581	622	10/12	45/55	1,170	224
2020	29	1,179,879	13/16	45/55	1,039,498	450,979	2,109,194	793	861	13/16	45/55	1,780	227
2019	44	1,183,586	21/23	48/52	1,118,034	316,505	2,220,943	845	901	19/25	43/57	2,057	254
2018	44	1,280,309	23/21	52/48	1,311,748	511,019	2,205,284	938	972	20/24	45/55	1,727	372
2017	39	1,474,281	15/24	38/62	1,325,074	641,019	3,221,836	1,030	1,167	15/24	38/62	2,851	443
2016	50	1,553,663	21/29	42/58	1,445,207	498,401	3,785,419	1,136	1,222	22/28	44/56	3,288	369
2015	50	1,443,261	20/30	40/60	1,348,125	461,380	2,831,130	961	1,115	20/30	40/60	2,802	352
2014	47	1,536,793	17/30	36/64	1,418,364	600,114	3,583,059	1,070	1,219	18/29	38/62	2,976	428
2013	41	1,514,542	17/24	41/59	1,416,731	626,324	3,257,082	1,123	1,193	18/23	44/56	2,720	449
2012	25	1,716,693	11/14	44/56	1,525,008	692,947	2,984,106	1,308	1,355	11/14	44/56	2,532	460
2011	21	1,705,226	11/10	52/48	1,714,763	977,840	2,498,909	1,380	1,341	11/10	52/48	2,066	746
2010	8	2,023,416	3/5	38/63	1,743,994	1,198,368	3,572,884	1,343	1,613	3/5	38/63	3,016	826
2009	7	2,181,341	2/5	29/71	1,860,625	1,492,262	3,672,257	1,520	1,676	3/4	43/57	2,706	1,181
2008	20	2,086,078	8/12	40/60	1,850,893	884,957	4,360,094	1,354	1,654	6/14	30/70	4,299	613
Total*	502	1,390,276	213/289	42/58	1,311,889	284,858	4,360,094	971	1,076	214/288	43/57	4,299	178
2023 Converted Spas	23	783,387	11/12	48/52	757,655	175,395	1,454,531	612	600	12/11	52/48	1,108	147

Table #1c
Average Gross Sales for All Outlets by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Corporate Spas and Franchised Outlets	2024 Average Gross Sales	Number Above/Below Average	% Above/Below Average	2024 Median Gross Sales	2024 Min Gross Sales	2024 Max Gross Sales	2024 Median Members	2024 Average Members	Number Above/Below Average	% Above/Below Average	2024 Max Members	2024 Min Members
2023	20	687,470	9/11	45/55	627,701	284,858	1,617,394	377	479	9/11	45/55	1,055	178
2022	35	850,644	13/22	37/63	744,334	387,981	1,940,758	520	607	16/19	46/54	1,616	238
2021	22	827,028	9/13	41/59	823,871	358,245	1,330,822	581	622	10/12	45/55	1,170	224
2020	29	1,179,879	13/16	45/55	1,039,498	450,979	2,109,194	793	861	13/16	45/55	1,780	227
2019	45	1,207,306	22/23	49/51	1,133,678	316,505	2,250,973	853	919	19/26	42/58	2,057	254
2018	45	1,292,013	24/21	53/47	1,314,442	511,019	2,205,284	941	982	20/25	44/56	1,727	372
2017	40	1,484,817	16/24	40/60	1,334,488	641,019	3,221,836	1,041	1,176	14/26	35/65	2,851	443
2016	51	1,557,915	22/29	43/57	1,448,075	498,401	3,785,419	1,139	1,227	23/28	45/55	3,288	369
2015	53	1,497,628	21/32	40/60	1,361,600	461,380	2,934,865	983	1,165	22/31	42/58	2,802	352
2014	49	1,558,461	19/30	39/61	1,443,890	600,114	3,583,059	1,097	1,239	20/29	41/59	2,976	428
2013	42	1,507,182	17/25	40/60	1,415,292	626,324	3,257,082	1,102	1,189	18/24	43/57	2,720	449
2012	25	1,716,693	11/14	44/56	1,525,008	692,947	2,984,106	1,308	1,355	11/14	44/56	2,532	460
2011	23	1,841,770	11/12	48/52	1,780,269	977,840	3,278,355	1,382	1,478	9/14	39/61	2,972	746
2010	10	2,144,317	4/6	40/60	1,916,493	1,198,368	3,572,884	1,544	1,738	4/6	40/60	3,016	826
2009	8	2,189,507	3/5	38/63	1,990,771	1,492,262	3,672,257	1,618	1,709	4/4	50/50	2,706	1,181
2008	20	2,086,078	8/12	40/60	1,850,893	884,957	4,360,094	1,354	1,654	6/14	30/70	4,299	613
Total*	517	1,416,341	222/295	43/57	1,330,761	284,858	4,360,094	987	1,101	218/299	42/58	4,299	178
2023 Converted Spas	23	783,387	11/12	48/52	757,655	175,395	1,454,531	612	600	12/11	52/48	1,108	147

Table #2a
Average Massage Sales for Corporate Spas by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Corporate Spas	2024 Average Massage Service Sales	Number Above/Below Average	% Above/Below Average	2024 Median Massage Service Sales	2024 Min Massage Service Sales	2024 Max Massage Service Sales
2019	1	1,324,964	n/a	n/a	1,324,964	1,324,964	1,324,964
2018	1	1,264,688	n/a	n/a	1,264,688	1,264,688	1,264,688
2017	1	1,031,561	n/a	n/a	1,031,561	1,031,561	1,031,561
2016	1	1,137,765	n/a	n/a	1,137,765	1,137,765	1,137,765
2015	3	1,249,166	2/1	67/33	1,323,793	835,014	1,588,690
2014	2	1,152,093	1/1	50/50	1,152,093	1,106,716	1,197,470
2013	1	713,495	n/a	n/a	713,495	713,495	713,495
2011	2	1,942,208	1/1	50/50	1,942,208	1,844,283	2,040,133
2010	2	1,286,132	1/1	50/50	1,286,132	1,210,611	1,361,653
2009	1	1,256,232	n/a	n/a	1,256,232	1,256,232	1,256,232
Total*	15	1,282,471	11/4	73/27	1,256,232	713,495	2,040,133

Table #2b
Average Massage Sales for Franchised Outlets by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Franchised Outlets	2024 Average Massage Service Sales	Number Above/Below Average	% Above/Below Average	2024 Median Massage Service Sales	2024 Min Massage Service Sales	2024 Max Massage Service Sales
2023	20	454,271	7/13	35/65	344,463	161,403	1,000,453
2022	35	590,206	11/24	31/69	525,265	282,057	1,711,962
2021	22	563,920	13/9	59/41	588,570	228,224	903,095
2020	29	734,542	14/15	48/52	646,102	234,997	1,334,894
2019	44	728,884	20/24	45/55	693,069	227,507	1,400,270
2018	44	799,703	20/24	45/55	744,192	262,437	1,417,405
2017	39	884,085	19/20	49/51	844,437	352,254	1,842,624
2016	50	916,494	24/26	48/52	878,228	193,160	2,006,898
2015	50	805,616	19/31	38/62	782,169	318,559	1,955,375
2014	47	873,506	21/26	45/55	840,072	256,440	2,301,650
2013	41	824,587	19/22	46/54	795,994	318,443	1,664,036
2012	25	992,931	11/14	44/56	937,988	391,276	1,937,983
2011	21	931,375	12/9	57/43	996,310	323,018	1,508,717
2010	8	1,088,598	2/6	25/75	939,303	703,648	1,816,453
2009	7	1,216,503	3/4	43/57	1,110,478	807,258	1,949,783
2008	20	1,128,357	7/13	35/65	1,005,010	445,070	2,101,187
Total*	502	817,390	222/280	44/56	779,299	161,403	2,301,650
2023 Converted Spas	23	567,963	11/12	48/52	543,562	80,351	1,142,179

Table #2c
Average Massage Sales for All Outlets by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Corporate Spas & Franchised Outlets	2024 Average Massage Service Sales	Number Above/Below Average	% Above/Below Average	2024 Median Massage Service Sales	2024 Min Massage Service Sales	2024 Max Massage Service Sales
2023	20	454,271	7/13	35/65	344,463	161,403	1,000,453
2022	35	590,206	11/24	31/69	525,265	282,057	1,711,962
2021	22	563,920	13/9	59/41	588,570	228,224	903,095
2020	29	734,542	14/15	48/52	646,102	234,997	1,334,894
2019	45	742,130	21/24	47/53	707,789	227,507	1,400,270
2018	45	810,036	20/25	44/56	749,849	262,437	1,417,405
2017	40	887,772	20/20	50/50	873,387	352,254	1,842,624
2016	51	920,832	24/27	47/53	905,588	193,160	2,006,898
2015	53	830,723	22/31	42/58	787,241	318,559	1,955,375
2014	49	884,876	23/26	47/53	855,684	256,440	2,301,650
2013	42	821,942	20/22	48/52	784,710	318,443	1,664,036
2012	25	992,931	11/14	44/56	937,988	391,276	1,937,983
2011	23	1,019,273	12/11	52/48	1,028,009	323,018	2,040,133
2010	10	1,128,105	4/6	40/60	1,060,188	703,648	1,816,453
2009	8	1,221,469	4/4	50/50	1,183,355	807,258	1,949,783
2008	20	1,128,357	7/13	35/65	1,005,010	445,070	2,101,187
Total*	517	830,883	233/284	45/55	790,548	161,403	2,301,650
2023 Converted Spas	23	567,963	11/12	48/52	543,562	80,351	1,142,179

Table #3a
Average Facial Sales for Corporate Spas by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Corporate Spas	2024 Average Facial Service Sales	Number Above/Below Average	% Above/Below Average	2024 Median Facial Service Sales	2024 Min Facial Service Sales	2024 Max Facial Service Sales
2019	1	796,543	n/a	n/a	796,543	796,543	796,543
2018	1	546,438	n/a	n/a	546,438	546,438	546,438
2017	1	631,093	n/a	n/a	631,093	631,093	631,093
2016	1	514,108	n/a	n/a	514,108	514,108	514,108
2015	3	735,365	2/1	67/33	810,576	396,419	999,100
2014	2	569,487	1/1	50/50	569,487	446,418	692,556
2013	1	324,303	n/a	n/a	324,303	324,303	324,303
2011	2	969,252	1/1	50/50	969,252	839,217	1,099,287
2010	2	746,516	1/1	50/50	746,516	745,748	747,284
2009	1	664,006	n/a	n/a	664,006	664,006	664,006
Total*	15	683,540	11/4	73/27	692,556	324,303	1,099,287

Table #3b
Average Facial Sales for Franchised Outlets by Year of Opening
Open 12 months or more
Calendar Year 2024

Opening Year	2024 Franchised Outlets	2024 Average Facial Service Sales	Number Above/Below Average	% Above/Below Average	2024 Median Facial Service Sales	2024 Min Facial Service Sales	2024 Max Facial Service Sales
2023	20	212,625	9/11	45/55	195,286	76,230	488,957
2022	35	260,890	12/23	34/66	216,641	111,755	873,893
2021	22	261,338	10/12	45/55	243,858	130,836	417,122
2020	29	363,164	12/17	41/59	337,641	132,725	622,486
2019	44	366,097	20/24	45/55	347,984	91,041	798,100
2018	44	393,853	20/24	45/55	378,239	166,559	697,454
2017	39	462,844	13/26	33/67	380,061	195,706	1,082,553
2016	50	466,172	23/27	46/54	438,746	107,204	1,073,019
2015	50	485,702	22/28	44/56	450,350	129,908	1,066,372
2014	47	481,560	19/28	40/60	398,130	127,412	1,325,968
2013	41	496,523	18/23	44/56	450,272	197,188	1,473,293
2012	25	514,484	9/16	36/64	487,517	209,563	986,579
2011	21	540,357	9/12	43/57	529,030	233,579	810,124
2010	8	653,767	2/6	25/75	528,434	427,587	1,361,803
2009	7	685,084	3/4	43/57	616,049	388,384	1,066,208
2008	20	713,491	10/10	50/50	669,554	267,813	1,851,807
Total*	502	438,731	211/291	42/58	391,889	76,230	1,851,807
2023 Converted Spas	23	130,691	10/13	43/57	112,066	18,232	275,237