

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.

Definitions Used Throughout Item 19

- “Gross Revenue” means the total revenue generated by a given Studio, including all revenue generated from the sale and provision of any and all approved services at, from, or otherwise through, that Studio. Gross Revenue excludes sales tax (that the Studio owner must pay directly to the appropriate taxing authority). Please note, Gross Revenue is defined differently than how “Gross Sales” is defined in the Franchise Agreement, and as such, the amount of Royalty fees you pay under the Franchise Agreement may be different than if applied to Gross Revenue data provided below.
- “Measurement Period” means the period beginning on January 1, 2024, and ending on December 31, 2024.
- “Non-Traditional Site” means any location that is situated within or as part of a larger venue or facility and, as a result, is likely to draw the predominance of its customers from those persons who are using or attending events in the larger venue or facility (for example, “big box” gyms and/or fitness facilities, cruise ships, military bases, shopping malls, airports, sports facilities and stadiums, industrial or office complexes, hotels, train stations and other transportation facilities, travel plazas, casinos, hospitals, theme parks, convention centers, colleges/universities, multi-unit residential properties, and other similar captive market locations).
- A “Qualified Studio” means a Studio that was owned and operated by a franchisee for the entire Measurement Period. Qualified Studios do not include Studios that operated at Non-Traditional Sites.

General Notes

The data presented in the charts below is historical data related to Qualified Studios that we obtained by polling the information directly from the franchisees' studio management software systems and/or from profit and loss reports provided to us by franchisees. In all cases, the data used was the franchisees' data. We do not anticipate that the characteristics of the Studios included in this Item 19 will materially differ from Studios operated by new franchisees.

In each instance in which we show an average in this Item 19, we also show the range of the data points and the median data point. The range is the space between the lowest and highest points in the data set. The median is the middle data point; that is, the data point in the center of all data points. Where the number of data points is an even number, there is no middle data point, so the median is the average of the two middle data points.

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Part A - Qualified Studios During the Measurement Period

As of December 31, 2024, there were a total of 189 Studios in operation in the United States, all of which were owned and operated by third-party franchisees. Of the 189 Studios, 183 were Qualified Studios, and therefore, 6 Studios were excluded below because they did not operate for the entire Measurement Period. Part A-1: Gross Revenue of Qualified Studios

In this Part A, we sorted the 183 Qualified Studios, ranked (highest to lowest) by the amount of Gross Revenue reported by the Qualified Studios for the Measurement Periods, into four (4) quartiles, with the 1st Quartile comprising of 45 Qualified Studios and the 2nd, 3rd, and 4th Quartiles each comprising 46 Qualified Studios.

The chart below provides, for the 183 Qualified Studios, the average, median, and range of Gross Revenue during the Measurement Period for each quartile along with the same information for the complete set of 183 Qualified Studios.

	Number Qualified Studios	Average	Median	Range (Min)	Range (Max)	Number/ Percentage of Qualified Studios that Met or Exceeded the Average
1st Quartile	45	\$709,117	\$656,617	\$539,368	\$1,282,643	14/31%
2nd Quartile	46	\$472,797	\$470,233	\$407,615	\$536,820	20/43%
3rd Quartile	46	\$328,479	\$325,733	\$259,774	\$406,514	23/50%
4th Quartile	46	\$192,302	\$206,669	\$29,307	\$257,728	27/59%
Total	183	\$424,125	\$406,514	\$29,307	\$1,282,643	83/45%

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Part A-2: Monthly Active Members of Qualified Studios

In this Part A-2, we sorted the 183 Qualified Studios, ranked (highest to lowest) by the amount of average Monthly Active Members reported by the Qualified Studios for the Measurement Period, into four (4) quartiles, with the 1st Quartile comprising of 45 Qualified Studios and the 2nd, 3rd, and 4th Quartiles each comprising 46 Qualified Studios. “Monthly Active Members” means Studio members who were party to an effective studio membership agreement with a Qualified Studio for a particular calendar month.

We calculated the average Monthly Active Members as follows: (a) we totaled the number of Monthly Active Members for each calendar month during the Measurement Period for each Qualified Studio; then (b) we calculated a simple average of the Monthly Active Members for the entire Measurement Period to determine the average Monthly Active Members during the Measurement Period for each such Qualified Studio; then (c) we calculated a simple average of all such Qualified Studios’ average Monthly Active Members to determine the average Monthly Active Members for all 183 Qualified Studios noted above. We also show the range and median of Monthly Active Members for all 183 Qualified Studios.

	Number of Qualified Studios	Average	Median	Range (Min)	Range (Max)	Number / Percentage of Qualified Studios that Met or Exceeded the Average
1st Quartile	45	434	388	339	850	14 / 31%
2nd Quartile	46	278	270	242	336	19 / 41%
3rd Quartile	46	213	213	186	239	22 / 48%
4th Quartile	46	140	145	31	186	26 / 57%
Total	183	265	239	31	850	69 / 38%

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Part A-3: Monthly New Memberships of Qualified Studios

In this Part A-3, we sorted the 183 Qualified Studios, ranked (highest to lowest) by the amount of Monthly New Memberships reported by the Qualified Studios for the Measurement Period, into four (4) quartiles, with the 1st Quartile comprising of 45 Qualified Studios and the 2nd, 3rd, and 4th Quartiles each comprising 46 Qualified Studios. “Monthly New Memberships” means new Studio members who signed a studio membership agreement with a Qualified Studio for a particular calendar month.

We calculated the average Monthly New Memberships as follows: (a) we totaled the number of Monthly New Memberships for each calendar month during the Measurement Period for each Qualified Studio; then (b) we calculated a simple average of the Monthly New Memberships for the entire Measurement Period to determine the average Monthly New Memberships during the Measurement Period for each Qualified Studio; then (c) we calculated a simple average of all such Qualified Studios’ average Monthly New Memberships to determine the average Monthly New Memberships for all 183 Qualified Studios noted above. We also show the range and median of Monthly New Memberships for all 183 Qualified Studios.

	Number Qualified Studios	Average	Median	Range (Min)	Range (Max)	Number/ Percentage of Qualified Studios that Met or Exceeded the Average
1st Quartile	45	46	41	32	90	18 / 40%
2nd Quartile	46	28	28	25	31	22 / 48%
3rd Quartile	46	20	20	16	25	23 / 50%
4th Quartile	46	12	13	4	16	25 / 54%
Total	183	26	25	4	90	81 / 44%

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Part B: Member Information for New Studios

The chart below provides the data relevant to New Studios as of the particular month after they conducted their Soft Opening in calendar year 2024:

		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
<i>Number of New Studios¹</i>		6	6	6	6	5	3	3	3	3	3	0	0
<i>Gross Revenue</i>	Average	\$21,748	\$42,026	\$43,343	\$42,289	\$38,191	\$35,100	\$31,933	\$33,121	\$33,469	\$33,651	N/A	N/A
	Number / Percenta ge of New Studios that met or exceeded the average	2 / 33%	3 / 50%	3 / 50%	3 / 50%	2 / 40%	2 / 67%	2 / 67%	1 / 33%	1 / 33%	2 / 67%	N/A	N/A
	Median	\$16,111	\$43,739	\$42,119	\$43,494	\$36,827	\$35,345	\$32,098	\$31,240	\$30,780	\$34,178	N/A	N/A
	Range (Max)	\$48,957	\$60,305	\$57,368	\$48,034	\$46,840	\$41,387	\$39,045	\$40,391	\$40,089	\$35,214	N/A	N/A
	Range (Min)	\$2,058	\$22,690	\$28,032	\$30,917	\$29,863	\$28,569	\$24,658	\$27,732	\$29,538	\$31,562	N/A	N/A
<i>Active Members</i>	Average	294	322	339	338	304	300	290	279	272	265	N/A	N/A
	Number / Percenta ge of New Studios that met or exceeded the average	3 / 50%	3 / 50%	3 / 50%	3 / 50%	3 / 60%	2 / 67%	2 / 67%	2 / 67%	1 / 33%	1 / 33%	N/A	N/A

		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
	Median	293	305	334	343	318	328	322	294	260	251	NA	NA
	Range (Max)	454	442	452	432	369	346	324	323	320	310	N/A	N/A
	Range (Min)	129	219	247	246	239	225	223	221	235	233	N/A	N/A
<i>New Memberships</i>	Average	120	81	63	37	22	24	24	27	33	26	NA	NA
	Number / Percentage of New Studios that met or exceeded the average	3 / 50%	2 / 33%	3 / 50%	3 / 50%	3 / 60%	2 / 67%	2 / 67%	1 / 33%	1 / 33%	1 / 33%	N/A	N/A
	Median	129	64	63	38	24	26	25	23	32	18	NA	NA
	Range (Max)	217	160	112	58	28	30	30	39	36	41	N/A	N/A
	Range (Min)	26	31	28	14	15	15	18	19	32	18	N/A	N/A

1. Does not include Studios that operated at Non-Traditional Sites.

Additional Definitions (Part B)

- “Active Members” means Studio members who were party to an effective studio membership agreement with a New Studio at the conclusion of the particular calendar month.
- “New Memberships” means the total number of new Studio members who signed a studio membership agreement in the particular calendar month. New Memberships are included in the number of Active Members for that particular calendar month.
- A “New Studio” means a Studio that was owned and operated by a franchisee and that conducted its Soft Opening in calendar year 2024. New Studios do not include Studios that operated at Non-Traditional Sites.
- “Soft Opening” means a Studio opened its doors to the general public for participation in regular classes in the physical premises of the Studio.

Data Set and Methodology (Part B)

The chart in this Part B reflects the monthly average, median, and range of Gross Revenue, Active Members, and New Memberships of New Studios during the 12 months after the Studio’s Soft Opening. “Month 1” refers to the calendar month in which the Studio launched its Soft Opening. The Gross Revenue data provided in Month 1 only includes the Gross Revenue generated by the New Studio after its Soft Opening during that calendar month and does not include pre-opening membership sales prior to the New Studio’s Soft Opening during that calendar month. The New Studio’s Soft Opening Month 1 is the calendar month containing its specific Soft Opening date. “Month 2” refers to the calendar month after Month 1, and the same sequence repeats itself through “Month 12.” No New Studios ceased operations during the first 12 months of operation after their Soft Opening.

We calculated the average of each category (Gross Revenue Active Members, and New Memberships) for each month of the New Studios’ monthly opening phase by adding the total monthly amount of the particular category (Gross Revenue Active Members, and New Memberships) generated by the New Studios, then dividing that number by the number of New Studios for that month.

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Part C: Monthly Membership Attrition Rate

	Monthly Membership Attrition Rate
Average	7.7%
Number / Percentage that met or exceeded the average	79/ 43.2%
Median	7.5%
Maximum	14.7%
Minimum	3.7%

Additional Definitions (Part C)

“Membership Attrition Rate” means the number of cancelled Studio memberships during a particular calendar month divided by the number of Studio members at the end of the prior respective calendar month.

Data Set and Methodology (Part C)

The chart above reflects the average monthly Membership Attrition Rate during the Measurement Period (i.e., January 1, 2024 to December 31, 2024) for the 183 Qualified Studios.

We calculated the average monthly Membership Attrition Rate as follows: (a) we calculated the Membership Attrition Rate for each calendar month during 2024 for each such Qualified Studio by calculating the percentage of members that cancelled their memberships in a particular calendar month at each such Qualified Studio; then (b) we calculated an annual Membership Attrition Rate for each such Qualified Studio by determining a weighted average of each such Qualified Studio’s Membership Attrition Rate for the twelve months during the 2024 calendar year by allocating weight to the particular month’s Membership Attrition Rate based on the number of members that such Qualified Studio had during that month (for example, if a Qualified Studio had 200 members at the end of January 2024 and had 300 members at the end of February 2024, the Qualified Studio’s Membership Attrition Rate for February 2024 was weighted 1.5 times greater than the Qualified Studio’s Membership Attrition Rate for January 2024, as a 300 membership base is 1.5 times greater than a 200 membership base); then (c) we calculated a simple average of all such Qualified Studios’ weighted average monthly Membership Attrition Rate to determine the average Monthly Membership Attrition Rate for all 183 Qualified Studios noted above. We also show the range and median of Monthly Membership Attrition Rates for such Qualified Studios.

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Part D: Average Revenue Mix

	Memberships	Services	Fees	Products
Average	76%	20%	0%	3%
Number / Percentage of that met or exceeded the average	107 / 58%	76 / 42%	51 / 28%	76 / 42%
Median	78%	18%	0%	3%
Maximum	94%	54%	4%	14%
Minimum	43%	6%	0%	0%

Additional Definitions (Part D)

- “Fees” means Gross Revenue attributed to fees charged by Studios, such as set up fees, cancellation fees, monthly freeze fees, and enhancement fees.
- “Memberships” means Gross Revenue attributed to down payments and recurring dues for Studio memberships and membership add-ons.
- “Products” means Gross Revenue attributed to retail products sold by Studios.
- “Services” means Gross Revenue attributed to services that Studios provide, such as personal training services, drop-in fees, and studio class packages.

Data Set and Methodology (Part D)

The chart above reflects the average Gross Revenue that is attributed to Memberships, Services, Fees, and Products during the Measurement Period for the 183 Qualified Studios. Each category (Memberships, Services, Fees, and Products) are exclusive of each other.

We calculated the average of each category (Memberships, Services, Fees, and Products) for each such Qualified Studio by adding the total amount of annual Gross Revenue generated by such Qualified Studio for each category (Memberships, Services, Fees, and Products), then dividing that number by the annual Gross Revenue generated by such Qualified Studio. Then, we calculated a simple average of those calculations for each category (Memberships, Services, Fees, and Products) to provide the average allocation of Memberships, Services, Fees, and Products for the entire set of 183 Qualified Studios.

Some Studios have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.

Written substantiation for these financial performance representations will be made available to the prospective franchisee 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 Studio, 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 our management by contacting CycleBar Franchising SPV, LLC, 17877 Von Karman Ave., Suite 100, Irvine, CA 92614, or via telephone at (949) 346-3000; the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
Systemwide Outlet Summary
for years 2022 to 2024 ^{1,2}

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised ²	2022	233	248	+15
	2023	248	216	-32
	2024	216	189	-27
Company-Owned	2022	5	11	+6
	2023	11	1	-10
	2024	1	0	-1
Total Outlets	2022	238	259	+21
	2023	259	217	-42
	2024	217	189	-28

1. The numbers are as of December 31 of each year in each of the tables provided in Item 20.
2. As disclosed in XFI's most recent Form 10-K filed March 14, 2025, with the U.S. Securities and Exchange Commission, XFI deems a Studio no longer operating if (a) the company has reason to believe, after reasonable inquiry, that the Studio is permanently closed with no plans for re-opening or relocation, or (b) it has no sales for nine consecutive months or more, whichever comes first. Thus, the total number of open Studios provided above may not equal the number of open Studios cited in XFI's publicly-filed documents.

TABLE 2
Transfer of Outlets from Franchisees to New Owners
for years 2022 To 2024

State	Year	Number of Transfers
AZ	2022	3
	2023	1
	2024	0
CA	2022	1
	2023	0
	2024	0
CO	2022	3
	2023	0
	2024	0
FL	2022	3
	2023	4
	2024	2