

<b>Provision</b>	<b>Section in Multi-Unit Agreement</b>	<b>Summary</b>
u. Dispute resolution by arbitration or mediation	Article 12	<p>We and you must first use good faith efforts to discuss and resolve all disputes and controversies arising under the Multi-Unit Agreement before initiating arbitration or litigation. Upon failure of informal dispute resolution and except for our right to seek injunctive relief in any court of competent jurisdiction, the dispute must be submitted for mediation to JAMS, which will take place at our or, as applicable, our successor's or assign's, then-current principal place of business (currently, Irvine, California), or via a videoconferencing platform, if we and you agree. If the matter is mediated, the parties will split the mediator's fees and bear all of their other respective costs of the mediation.</p> <p>Except for our right to seek injunctive relief in any court of competent jurisdiction and as otherwise described above, we and you must arbitrate all disputes at a location within 50 miles of our or, as applicable, our successor's or assign's then-current principal place of business (currently, in Irvine, California) (subject to state law), or via a videoconferencing platform, if we and you agree, in accordance with JAMS' then-current Comprehensive Arbitration Rules &amp; Procedures.</p>
v. Choice of forum	Section 12.F	<p>Subject to the arbitration requirement, litigation must be brought in the court nearest to our or, as applicable, our successor's or assign's then current principal place of business (currently, Irvine, California) (subject to state law). However, we may seek injunctive relief in any court of competent jurisdiction.</p>
w. Choice of law	Section 12.A	<p>Except for the U.S. Trademark Act, the Federal Arbitration Act other federal laws, and disputes involving non-competition covenants (which are governed by the law of the state in which your Studio is located), California law applies (subject to state law).</p>

Applicable state law may require additional disclosures related to the information in this Disclosure Document. These additional disclosures appear in Exhibit H, entitled State Specific Addenda, to this Disclosure Document.

## **ITEM 18 PUBLIC FIGURES**

We do not currently use any public figure or personality to promote the franchise being offered in this Disclosure Document.

## **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**

- “Expansion Site” means a Studio premises in which more than 12 Pilates Reformers were utilized in connection with the Studio.
- A “Expanded Studio” means a Studio that was owned and operated by a franchisee for the entire Measurement Period at an Expansion Site.
- “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) and revenue the Studios may have generated by providing the Teacher Training Program. 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 (i) Studios that operated at Non-Traditional Sites, or (ii) Expanded Studios.

### **General Notes**

The data presented in the charts below is historical data related to Qualified Studios and Expanded 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 and Expanded Studios During the Measurement Period**

As of December 31, 2024, there were a total of 1,029 Studios in operation in the United States, all of which were owned and operated by third-party franchisees. Of the 1,029 Studios, 849 were Qualified Studios and 11 were Expanded Studios. 165 Studios were excluded below because they did not operate for the entire Measurement Period and 4 Studios were excluded below because they operated at Non-Traditional Sites.

### **Part A-1: Gross Revenue of Qualified Studios and Expanded Studios**

In this Part A-1, we sorted the 849 Qualified Studios, ranked (highest to lowest) by the amount of Gross Revenue reported by the Qualified Studios for the Measurement Period, into four (4) quartiles, with the 1<sup>st</sup>, 2<sup>nd</sup>, and 4<sup>th</sup> Quartiles each comprising 212 Qualified Studios and the 3<sup>rd</sup> Quartile comprising 213 Qualified Studios.

The chart below provides, for the 849 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 849 Qualified Studios.

	<b>Number of Qualified Studios</b>	<b>Average</b>	<b>Median</b>	<b>Range (Min)</b>	<b>Range (Max)</b>	<b>Number / Percentage of Qualified Studios that Met or Exceeded the Average</b>
<b>1st Quartile</b>	212	\$1,305,116	\$1,261,234	\$1,142,347	\$2,325,810	78 / 37%
<b>2nd Quartile</b>	212	\$1,051,803	\$1,048,027	\$969,985	\$1,141,717	100 / 47%
<b>3rd Quartile</b>	213	\$894,131	\$894,375	\$811,438	\$969,022	107 / 50%
<b>4th Quartile</b>	212	\$686,457	\$713,766	\$356,528	\$811,436	128 / 60%
<b>Total</b>	<b>849</b>	<b>\$984,270</b>	<b>\$969,022</b>	<b>\$356,528</b>	<b>\$2,325,810</b>	<b>407 / 48%</b>

The chart below provides, for the 11 Expanded Studios, the average, median, and range of Gross Revenue during the Measurement Period for the complete set of 11 Qualified Studios.

	<b>Number of Qualified Studios</b>	<b>Average</b>	<b>Median</b>	<b>Range (Min)</b>	<b>Range (Max)</b>	<b>Number / Percentage of Qualified Studios that Met or Exceeded the Average</b>
<b>Total</b>	11	\$1,477,615	\$1,364,420	\$736,077	\$2,350,170	5 / 45%

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## Part A-2: Monthly Active Members of Qualified Studios and Expanded Studios

In this Part A-2, we sorted the 849 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 1<sup>st</sup>, 2<sup>nd</sup>, and 4<sup>th</sup> Quartiles each comprising 212 Qualified Studios and the 3<sup>rd</sup> Quartile comprising 213 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.

The chart below provides, for the 849 Qualified Studios, the average, median, and range of Monthly Active Members during the Measurement Period for each quartile along with the same information for the complete set of 849 Qualified Studios.

	<b>Number of Qualified Studios</b>	<b>Average</b>	<b>Median</b>	<b>Range (Min)</b>	<b>Range (Max)</b>	<b>Number / Percentage of Qualified Studios that Met or Exceeded the Average</b>
<b>1st Quartile</b>	212	568	555	502	1,292	86 / 41%
<b>2nd Quartile</b>	212	469	467	438	502	102 / 48%
<b>3rd Quartile</b>	213	407	408	373	438	107 / 50%
<b>4th Quartile</b>	212	318	328	139	372	124 / 58%
<b>Total</b>	<b>849</b>	<b>440</b>	<b>438</b>	<b>139</b>	<b>1,292</b>	<b>417 / 49%</b>

The chart below provides, for the 11 Expanded Studios, the average, median, and range of Monthly Active Members during the Measurement Period along with the same information for the complete set of 11 Qualified Studios.

	<b>Number of Qualified Studios</b>	<b>Average</b>	<b>Median</b>	<b>Range (Min)</b>	<b>Range (Max)</b>	<b>Number / Percentage of Qualified Studios that Met or Exceeded the Average</b>
<b>Total</b>	11	619	569	297	1,040	5 / 45%

### Methodology for Part A-2

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 (or Expanded 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 (or Expanded Studio); then (c) we calculated a simple average of all such Qualified Studios’ (or Expanded Studios’) average Monthly Active Members to determine the average Monthly Active Members for all 849 Qualified Studios (or 11 Expanded Studios) noted above. We also show the range and median of Monthly Active Members for all 849 Qualified Studios (or 11 Expanded Studios).

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### Part A-3: Monthly New Memberships of Qualified Studios

In this Part A-3, we sorted the 849 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 1<sup>st</sup>, 2<sup>nd</sup>, and 4<sup>th</sup> Quartiles each comprising 212 Qualified Studios and the 3<sup>rd</sup> Quartile comprising 213 Qualified Studios. “Monthly New Memberships” means new Studio members who signed a studio membership agreement with a Qualified Studio for a particular calendar month.

The chart below provides, for the 849 Qualified Studios, the average, median, and range of Monthly New Memberships during the Measurement Period for each quartile along with the same information for the complete set of 849 Qualified Studios.

	<b>Number of Qualified Studios</b>	<b>Average</b>	<b>Median</b>	<b>Range (Min)</b>	<b>Range (Max)</b>	<b>Number / Percentage of Qualified Studios that Met or Exceeded the Average</b>
<b>1st Quartile</b>	212	58	56	49	88	74 / 35%
<b>2nd Quartile</b>	212	45	45	41	49	105 / 50%
<b>3rd Quartile</b>	213	38	38	34	41	109 / 51%
<b>4th Quartile</b>	212	29	30	12	34	125 / 59%
<b>Total</b>	<b>849</b>	<b>42</b>	<b>41</b>	<b>12</b>	<b>88</b>	<b>397 / 47%</b>

The chart below provides, for the 11 Expanded Studios, the average, median, and range of Monthly Active Members during the Measurement Period along with the same information for the complete set of 11 Qualified Studios.

	<b>Number of Qualified Studios</b>	<b>Average</b>	<b>Median</b>	<b>Range (Min)</b>	<b>Range (Max)</b>	<b>Number / Percentage of Qualified Studios that Met or Exceeded the Average</b>
<b>Total</b>	11	65	66	36	96	6 / 55%

### Methodology for Part A-3

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 (or Expanded 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 (or Expanded Studio); then (c) we calculated a simple average of all such Qualified Studios’ (or Expanded Studios’) average Monthly New Memberships to determine the average Monthly New Memberships for all 849 Qualified Studios (or 11 Expanded Studios) noted above. We also show the range and median of Monthly New Memberships for all 849 Qualified Studios (or 11 Expanded Studios).

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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 it conducted its 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 Studios<sup>1</sup></i>		158	146	135	125	108	89	75	70	53	38	18	5
<i>Gross Revenue</i>	Average	\$26,420	\$57,600	\$69,311	\$74,326	\$72,440	\$72,466	\$73,511	\$75,054	\$76,016	\$77,454	\$75,470	\$82,290
	Number / Percentage of New Studios that met or exceeded the average	78 / 49%	72 / 49%	67 / 50%	57 / 46%	52 / 48%	44 / 49%	36 48%	34 / 49%	26 / 49%	17 / 45%	8 / 44%	3 / 60%
	Median	\$26,082	\$56,696	\$69,152	\$72,973	\$72,008	\$70,651	\$72,777	\$74,926	\$74,169	\$70,503	\$68,558	\$87,246
	Range (Max)	\$77,980	\$123,582	\$126,344	\$166,497	\$115,914	\$110,537	\$118,689	\$119,079	\$135,665	\$129,912	\$115,998	\$101,500
	Range (Min)	\$4,169	\$14,783	\$22,080	\$36,005	\$34,581	\$36,021	\$41,711	\$41,575	\$42,954	\$41,764	\$44,798	\$64,857
<i>Active Members</i>	Average	285	350	390	386	375	380	387	388	393	397	395	424
	Number / Percentage of New Studios that met or exceeded the average	77 / 49%	73 / 50%	69 / 51%	64 / 51%	54 / 50%	49 / 55%	41 / 55%	38 / 54%	26 / 49%	20 / 53%	10 / 56%	2 / 40%
	Median	285	351	393	387	375	390	397	396	390	405	407	421
	Range (Max)	608	675	724	617	594	562	554	567	561	584	528	518
	Range (Min)	89	128	124	207	202	204	209	215	208	191	189	352
<i>New Memberships</i>	Average	131	89	62	55	49	51	50	48	44	41	41	43
	Number / Percentage of New Studios that met or exceeded the average	79 / 50%	69 / 47%	60 / 44%	65 / 52%	55 / 51%	42 / 47%	30 / 40%	41 / 59%	26 / 49%	20 / 53%	8 / 44%	2 / 40%
	Median	131	85	60	56	50	50	48	49	44	42	40	42
	Range (Max)	323	244	176	107	97	128	121	96	88	75	66	56
	Range (Min)	27	16	4	17	9	7	14	16	11	12	18	25

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

***The chart below provides the data relevant to New Studios that operated at Expansion Sites as of the particular month after it conducted its 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 Studios<sup>1</sup></i>		7	5	5	5	4	3	3	3	2	2	2	0
<i>Gross Revenue</i>	Average	\$33,678	\$78,344	\$90,124	\$96,580	\$96,406	\$118,281	\$116,844	\$127,844	\$135,486	\$133,091	\$135,863	N/A
	Number / Percentage of New Studios that met or exceeded the average	3 / 43%	3 / 60%	3 / 60%	3 / 60%	2 / 50%	1 / 33%	1 / 33%	1 / 33%	1 / 50%	1 / 50%	1 / 50%	N/A
	Median	\$33,401	\$80,943	\$95,394	\$98,424	\$102,768	\$109,102	\$115,013	\$121,714	\$135,486	\$133,091	\$135,863	NA
	Range (Max)	\$59,051	\$144,416	\$145,869	\$160,053	\$147,165	\$147,000	\$144,677	\$148,832	\$146,691	\$147,736	\$141,975	N/A
	Range (Min)	\$11,972	\$29,419	\$31,495	\$34,425	\$32,924	\$98,742	\$90,844	\$112,987	\$124,281	\$118,446	\$129,752	N/A
<i>Active Members</i>	Average	345	419	454	459	479	586	597	619	667	659	648	NA
	Number / Percentage of New Studios that met or exceeded the average	3 / 43%	3 / 60%	3 / 60%	3 / 60%	2 / 50%	1 / 33%	1 / 33%	1 / 33%	1 / 50%	1 / 50%	1 / 50%	N/A
	Median	324	475	500	496	520	562	578	602	667	659	648	NA
	Range (Max)	530	682	743	735	721	734	737	774	724	723	710	N/A
	Range (Min)	104	118	141	151	154	462	477	481	610	595	586	N/A
<i>New Memberships</i>	Average	139	134	64	57	53	65	60	84	60	49	49	NA
	Number / Percentage of New Studios that met or exceeded the average	2 / 29%	2 / 40%	2 / 40%	2 / 40%	2 / 50%	1 / 33%	2 / 67%	1 / 33%	1 / 50%	1 / 50%	1 / 50%	N/A
	Median	137	105	52	51	58	57	75	75	60	49	49	NA
	Range (Max)	225	240	109	95	78	93	75	118	64	54	56	N/A
	Range (Min)	43	23	31	28	19	45	31	58	56	44	42	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: Average Revenue Mix for Qualified Studios and Expanded Studios**

The chart below reflects the average Gross Revenue that is attributed to Memberships, Services, Fees, and Products during the Measurement Period for the 849 Qualified Studios. Each category (Memberships, Services, Fees, and Products) are exclusive of each other.

<b>Qualified Studios</b>	<b>Memberships</b>	<b>Services</b>	<b>Fees</b>	<b>Products</b>
Average	87%	8%	1%	3%
Number / Percentage of that met or exceeded the average	487 / 57%	339 / 40%	380 / 45%	349 / 41%
Median	87%	8%	1%	3%
Maximum	95%	24%	7%	15%
Minimum	71%	3%	0%	0%

The chart below reflects the average Gross Revenue that is attributed to Memberships, Services, Fees, and Products during the Measurement Period for the 11 Expanded Studios. Each category (Memberships, Services, Fees, and Products) are exclusive of each other.

<b>Expanded Studios</b>	<b>Memberships</b>	<b>Services</b>	<b>Fees</b>	<b>Products</b>
Average	86%	9%	2%	3%
Number / Percentage of that met or exceeded the average	7 / 64%	5 / 45%	3 / 27%	5 / 45%
Median	87%	8%	2%	3%
Maximum	91%	14%	6%	5%
Minimum	80%	6%	0%	2%

### **Additional Definitions (Part C)**

- “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 C)**

We calculated the average of each category (Memberships, Services, Fees, and Products) for each such Qualified Studio (or Expanded Studio) by adding the total amount of annual Gross Revenue generated by such Qualified Studio (or Expanded Studio) for each category (Memberships, Services, Fees, and Products), then dividing that number by the annual Gross Revenue generated by such Qualified Studio (or Expanded 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 849 Qualified Studios (or 11 Expanded 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 our Brand President, Tianna Strateman at Club Pilates Franchise 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<sup>1,2</sup>**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	2022	660	753	+93
	2023	753	868	+115
	2024	868	1029	+161
<b>Company Owned</b>	2022	0	8	+8
	2023	8	8	0
	2024	8	0	-8
<b>Total Outlets</b>	2022	660	761	+101
	2023	761	876	+115
	2024	876	1029	+153

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.