

## **ITEM 18 PUBLIC FIGURES**

We do not use any public figures to promote our franchise.

## **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 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 19 is a historic representation based on the financial performance in the period from January 1, 2025 to December 31, 2025 (“**Fiscal Year 2025**”) of (a) Franchised Businesses that operate as Dedicated Locations (excluding Dedicated Locations with SwimLabs Technology Package, formerly referred to as Dual Brand Locations) (“**Franchised Dedicated Locations**”) and (b) Franchised Businesses that operate as Hosted Locations (“**Franchised Hosted Locations**”). In this Item 19, we have only included data for SafeSplash Businesses that were open and operating through all 12 months of Fiscal Year 2025.

As of December 31, 2025, there were 106 Franchised Businesses, including 29 Franchised Dedicated Locations, 63 Franchised Hosted Locations, and 14 Franchised Businesses that operated as Dedicated Locations with SwimLabs Technology Package. This Item 19 does not include data for (a) 14 Franchised Businesses that operated as Dedicated Locations with SwimLabs Technology Package, as these units have revenue and expenses that vary materially from a standard Dedication Location, (b) affiliate-owned SafeSplash Businesses, (c) three Conversion Locations that converted to a SafeSplash Business in Fiscal Year 2025, and (d) 11 refranchised locations that were former affiliate-owned schools that converted to Franchised Businesses in 2025.

## **TABLE 1 GROSS REVENUE AND EXPENSES**

Gross Revenues and expenses for Franchised Dedicated Locations are presented in Table 1A and for Franchised Hosted Locations are presented in Table 1B. Notes for Tables 1A and 1B, including a description of each revenue and expense category, immediately follow Table 1B.

**TABLE 1A**  
**FRANCHISED DEDICATED LOCATIONS**  
**GROSS REVENUES AND EXPENSES IN FISCAL YEAR 2025**

The figures in Table 1 present actual Gross Revenues and expenses experienced by 14 Franchised Dedicated Locations during Fiscal Year 2025.

As of December 31, 2025, there were 29 Franchised Dedicated Locations. In this table, we have included data for 14 of the 29 units. Five of those 29 units opened in 2025 and are not included in Table 1 because they did not operate throughout all Fiscal Year 2025. Six of the 29 units were refranchised mid-year from affiliated-owned schools and were not included in Table 1. Four units did not submit complete profit and loss statements with revenues and expenses properly categorized. No Franchised Dedicated Locations were permanently closed in Fiscal Year 2025. The Franchised Dedicated Locations in this Table had been open an average of 4.7 years as of December 31, 2025.

		Average	% of Gross Revenues
(1)	<b>Gross Revenues</b>	<b>\$1,058,090</b>	
(2)	Payroll - Staff	\$292,026	27.6%
(3)	Payroll - Management	\$54,441	5.1%
(4)	Occupancy	\$211,600	20.0%
(5)	Merchant and Credit Card Fees	\$16,973	1.6%
(6)	Supplies	\$19,391	1.8%
(7)	Repairs and Maintenance	\$17,374	1.6%
(8)	Insurance	\$19,421	1.8%
(9)	Other	\$55,343	5.2%
(10)	Royalties	\$63,485	6.0%
(11)	Marketing	\$44,963	4.2%
(12)	Enhanced Services	\$37,430	3.5%
(13)	<b>Adjusted 4-WALL EBITDA</b>	<b>\$225,652</b>	<b>21.3%</b>

**Additional Details:**

	Average	#/% Met or Exceeded Average Amount	Median	Low	High
<b>Gross Revenues</b>	\$1,058,090	6 of 14 (43%)	\$964,348	\$557,002	\$1,703,924
<b>Adjusted 4-WALL EBITDA</b>	\$225,642	4 of 14 (29%)	\$202,141	\$84,016	\$475,941

**TABLE 1B**  
**FRANCHISED HOSTED LOCATIONS**  
**GROSS REVENUES AND EXPENSES IN FISCAL YEAR 2025**

The figures in Table 1B present actual Gross Revenues and expenses experienced by 23 Franchise Hosted Locations during Fiscal Year 2025.

As of December 31, 2025, there were 63 Franchised Hosted Locations. In this table, we have included data for 23 of the 63 units. The data does not include (a) 14 Franchised Hosted Locations that first opened in Fiscal Year 2025 (including three that converted from other brands and four that converted from affiliate-

owned schools to Franchised Businesses) and (b) five Franchised Hosted Locations that closed for portions of Fiscal Year 2025, as these 19 units were not open and operating for all Fiscal Year 2025. In addition, the data does not include 21 Franchised Hosted Locations did not submit complete profit and loss statements. 14 Franchised Hosted Locations were permanently closed in Fiscal Year 2025 and were not included in the data, since they were not open as of December 31, 2025.

		Average	% Gross Revenues
(1)	<b>Gross Revenue</b>	<b>\$262,404</b>	
(2)	Payroll - Staff	\$73,892	28.2%
(3)	Payroll - Management	\$2,001	0.8%
(4)	Occupancy	\$40,212	15.3%
(5)	Merchant and Credit Card Fees	\$2,737	1.0%
(6)	Supplies	\$1,852	0.7%
(7)	Repairs and Maintenance	\$477	0.2%
(8)	Insurance	\$1,531	0.6%
(9)	Other	\$11,915	4.5%
(10)	Royalties	\$15,617	6.0%
(11)	Marketing	\$10,651	4.1%
(12)	Enhanced Services	\$27,125	10.3%
(13)	<b>Adjusted 4-Wall EBITDA</b>	<b>\$74,393</b>	<b>28.4%</b>

**Additional Details:**

	Average	#/% Met or Exceeded Average Amount	Median	Low	High
<b>Gross Revenues</b>					
5 to 7 Average Operating Days	\$392,792	2 of 9 (22%)	\$283,801	\$116,526	\$887,843
2 to 4 Average Operating Days	\$188,293	6 of 13 (46%)	\$140,594	\$73,961	\$364,987
All Locations	\$262,404	9 of 23 (39%)	\$240,428	\$52,344	\$887,843
<b>Adjusted 4-Wall EBITDA</b>					
5 to 7 Average Operating Days	\$124,784	2 of 9 (22%)	\$38,487	(\$22,422)	\$463,846
2 to 4 Average Operating Days	\$45,037	6 of 13 (46%)	\$23,570	(\$15,584)	\$152,953
All Locations	\$74,459	5 of 23 (22%)	\$23,570	(\$22,422)	\$463,846

**Notes to Tables 1A and 1B:**

- 1) “**Gross Revenues**” means all revenue a franchisee receives or otherwise derives from operating the SafeSplash Business and/or using the System or the Marks (including all revenue from swimming-related and aquatics-related services, retail sales, parties, coaches fees, annual service fees, late withdrawal fees, and sales made away from the Swim Facility), whether the receipts are evidenced by cash, credit, checks, gift certificates, services, property, or other means of exchange. Gross Revenues do not include: (1) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers of the SafeSplash Business, provided that the amount of any such tax is shown separately and in fact paid by you to the appropriate governmental authority; and (2) all customer refunds and valid discounts and credits made by the SafeSplash Business

(exclusions will not include any reductions for credit card user fees, returned checks or reserves for bad credit or doubtful accounts).

- 2) “**Payroll - Staff**” means hourly and salary payroll expenses for staff providing swimming lessons instruction for students in the pool as well as front desk personnel who are not in the pool, including bonuses, plus all other payroll expenses including but not limited to payroll taxes, workers compensation, and benefits (e.g., health insurance, 401k match, disability, life). This amount excludes the payroll for any management costs.
- 3) “**Payroll - Management**” means hourly and salary payroll expenses for managers responsible for managing the Swim Facility, including bonuses, plus all other payroll expenses including but not limited to payroll taxes, workers compensation, and benefits (e.g., health insurance, 401k match, disability, life). You may not incur any such management expenses, as franchisees will often perform these duties themselves and these management duties may be performed by one person across multiple schools and format. By way of example, one manager can perform management duties for one Dedicated Location plus one to three Hosted Locations.

Out of the 14 Franchised Dedicated Locations included in Table 1A, seven had employees on payroll who performed these management duties, and these locations incurred an average of \$108,882 for such management expenses. Each of the other seven Franchised Dedicated Locations in Table 1A did not incur any expenses in this line item.

Of the 23 Franchised Hosted Locations included in Table 1B, three owned by a single franchisee reported management expenses, but none of the locations had a dedicated manager and 20 reported no management expenses.

- 4) “**Occupancy**” means expenses relating to Swim Facility rent, common area maintenance expenses, property taxes, and utilities such as electricity, gas, water, Internet, and telephone.
- 5) “**Merchant and Credit Card Fees**” means payment processing fees, credit card transaction fees, bank charges, and other related fees.
- 6) “**Supplies**” means expenses associated with pool chemicals, janitorial/cleaning (including janitorial services), instructional supplies, uniforms, and office supplies.
- 7) “**Repairs and Maintenance**” means expenses associated with repairing and maintaining the Swim Facility, including the building, pool, and exterior.
- 8) “**Insurance**” means expenses relating to liability and other business insurance and excludes business owner-specific insurance such as umbrella liability and key man insurance.
- 9) “**Other**” means expenses associated with merchandise (including retail/food goods for sale), fees related to professional services (e.g., legal and accounting), business meals and travel, recruiting, training, employee screening, dues and subscriptions, security, shipping and postage, incidentals, and the Technology Fee (for franchisees that did not participate in our Enhanced Services Program, as described in Note 12).
- 10) “**Royalties**” include the royalty fees paid by the Franchised Businesses, which were equal to 6% of Gross Revenues.

- 11) **“Marketing”** includes Local Advertising Expenses and contributions to the Strategic Marketing and Promotions Fund. New Franchised Businesses are required to spend 2% of Gross Revenues on Local Advertising Expenses and to contribute 2% of Gross Revenues to the Strategic Marketing and Promotions Fund. As not all existing franchisees are required to spend and contribute such amounts, we adjusted the marketing expenditure for each Franchised Business to be equal to the greater of (a) the actual reported marketing expenditures of the Franchised Business or (b) an imputed figure equal to 4% of Gross Revenues, which reflects the required Strategic Marketing and Promotions Fund contribution of 2% of Gross Revenues plus the Local Advertising Expense equal to 2% of Gross Revenues that a new Franchised Business will be required to spend. The actual marketing expenses reported by Franchised Dedicated Locations was \$29,758, which was 2.8% of Gross Revenues, and by Franchised Hosted Locations was \$6,171, which was 2.4% of Gross Revenues.
- 12) **“Enhanced Service Fees”** is the fee paid by franchisees that participated in a program that we discontinued in the first quarter of 2026 (the **“Enhanced Services Program”**), in which we provided (a) call center services, (b) billing services, and (c) the software-related services that are currently covered by the Technology Fee to franchisees that agreed to pay a fee ranging from 7% to 13% of Gross Revenue for Franchised Dedicated Locations and 10% to 13% of Gross Revenue for Franchised Hosted Locations. Eight of the 14 Franchised Dedicated Locations included in Table 1A and all of the 23 Franchised Hosted Locations included in Table 1B participated in the Enhanced Services Program. The six Franchised Dedicated Locations that did not pay the Enhanced Services Fee paid us a \$450 per month Technology Fee for the software-related services (which is captured in the **“Other”** category) and used their employees to produce bills and answer calls.
- As we no longer offer this program, you will be required to pay the Technology Fee (which is currently \$950 per month (\$11,400 per year)) for the software-related services. You may elect to have your employees produce bills and answer calls or may outsource such functions to third-party vendors.
- 13) **“Adjusted 4-Wall EBITDA”** means the amounts that remain when all expenses listed in the statement (including imputed figures) are subtracted from Gross Revenues. **“EBITDA”** means earnings before interest, taxes, depreciation, and amortization.
- 14) The figures in this table do not include:
- (a) depreciation, amortization, and debt service related to the remodel and build-out costs a Franchised Business may incur, including such deductions related to certain equipment; and
  - (b) any draw or distribution to the owner of the SafeSplash Business.

**TABLE 2**  
**FRANCHISED HOSTED LOCATIONS**  
**GROSS REVENUES BY FRANCHISEE**  
**IN FISCAL YEAR 2025**

The figures in Table 2 present actual Gross Revenues experienced by 14 franchisees who owned and operated 44 Franchised Hosted Locations during Fiscal Year 2025. As most franchisees operate multiple Hosted Locations, we have presented the data in this table in groups based on the number of Hosted Locations operated by each franchisee.

As of December 31, 2025, there were 63 Franchised Hosted Locations. In this table, we have included data for 44 of the 63 units. The data does not include (a) 14 Franchised Hosted Locations that first opened in Fiscal Year 2025 (including three that converted from other brands and four that converted from affiliate-owned schools to Franchised Businesses) and (b) five Franchised Hosted Locations that closed for portions of Fiscal Year 2025, as these 19 units were not open and operating for all Fiscal Year 2025. 14 Franchised

Hosted Locations were permanently closed in Fiscal Year 2025 and were not included in the data, since they were not open as of December 31, 2025.

Number of Hosted Locations	Number of Franchisees	Average Number of Hosted Locations	Average	#/% Met or Exceeded Average Amount	Median	Low	High
1	3	1.0	\$145,000	1 of 3 (33%)	\$91,568	\$55,453	\$287,980
2 to 3	6	2.3	\$711,618	2 of 6 (33%)	\$462,718	\$158,935	\$1,834,314
4 to 10	5	5.4	\$1,049,582	2 of 5 (40%)	\$993,942	\$529,778	\$1,990,253

**TABLE 3  
FRANCHISED HOSTED LOCATIONS  
GROSS REVENUES BY INDIVIDUAL LOCATIONS  
BY AVERAGE OPERATING DAYS  
IN FISCAL YEAR 2025**

The figures in Table 3 present actual Gross Revenues experienced by 44 Franchised Hosted Locations during Fiscal Year 2025. The data is presented in three groups divided by the average number of days the Franchised Hosted Location conducted classes per week during Fiscal Year 2025 (the “Average Operating Days”) rounded up or down to the nearest whole number.

As of December 31, 2025, there were 63 Franchised Hosted Locations. In this table, we have included data for 44 of the 63 units. The data does not include (a) 14 Franchised Hosted Locations that first opened in Fiscal Year 2025 (including three that converted from other brands and four that converted from affiliate-owned schools to Franchised Businesses) and (b) five Franchised Hosted Locations that closed for portions of Fiscal Year 2025, as these 19 units were not open and operating for all Fiscal Year 2025. 14 Franchised Hosted Locations were permanently closed in Fiscal Year 2025 and were not included in the data, since they were not open as of December 31, 2025.

Please note that the performance of Hosted Locations varies significantly based on the arrangement between the franchisee and the third-party host facility, including the number and timing of hours and the amount of space in the pool that the franchisee is permitted to use. Because the pool in a Hosted Location is typically shared with the host facility’s users, most Hosted Locations are only permitted to conduct a limited number of classes per week. Accordingly, Hosted Locations are operated between one and seven days per week.

Average Operating Days	Number of Hosted Locations	Average Gross Revenues	#/% Met or Exceeded Average Gross Revenues	Median Gross Revenues	Low Gross Revenues	High Gross Revenues
1 to 2	5	\$380,326	1 of 5 (20%)	\$300,535	\$86,861	\$968,171
3 to 4	20	\$155,702	8 of 20 (40%)	\$84,865	\$49,051	\$345,240
5 or more	19	\$259,839	8 of 19 (42%)	\$227,259	\$29,903	\$866,143
All Hosted Locations	44	\$226,196	22 of 44 (50%)	\$199,066	\$29,903	\$968,171

**Notes to Table No. 3:**

1) Of the 44 Hosted Location included in the table, one averaged one Operating Day, four averaged two Operating Days, 13 averaged three Operating Days, seven averaged four Operating Days, eight averaged five Operating Days, 10 averaged six Operating Days, and one averaged seven Operating Days.

**Notes to All Tables in Item 19:**

1. **Some SafeSplash Businesses have sold or earned this amount. Your individual results may differ. There is no assurance that you'll sell or earn as much.**
2. The data in Tables 1A and 1B was obtained from profit and loss statements provided to us by our franchisees. The Gross Revenues data in Tables 2 and 3 was obtained from the point-of-sale system, which automatically sends revenue and other transactional data to a data warehouse that we use to generate revenue-related reports.
3. You are responsible for developing your own business plan for your SafeSplash Business, including capital budgets, financial statements, projections, and other elements appropriate to your particular circumstances.
4. Written substantiation for the financial performance representation will be made available to prospective franchisees upon request.

Other than as set forth above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 our management by contacting SafeSplash Brands, LLC, 1010 B Street, Suite 450, San Rafael, California 94901 (Telephone: (720) 735-9511, the Federal Trade Commission and the appropriate state regulatory agencies.

**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

This Item 20 includes only SafeSplash-branded Franchised Businesses, comprised of: (i) Dedicated Locations, (ii) Dedicated Locations with SwimLabs Technology Package (including those formerly referred to as Dual Brand Locations where the SafeSplash Business was operated in conjunction with a SwimLabs Business), and (iii) Hosted Locations. Because Satellite Locations are permanent locations that resemble Dedicated Locations or Hosted Locations, we treat them as separate outlets for purposes of this Item 20. This Item 20 does not include the Franchised Competing Businesses (other than the Dual Brand Locations), the Affiliated Competing Businesses, and the Saf-T Competing Businesses, which differ in certain ways from SafeSplash Businesses.

**TABLE NO. 1  
Systemwide Outlet Summary for Years 2023 to 2025**

<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>
Franchised	2023	94	103	+9
	2024	103	90	-13
	2025	90	106	+16