



FYZICAL[®]

Therapy & Balance Centers

An Introduction to FYZICAL

ABOUT

FYZICAL Therapy & Balance Centers



- FYZICAL Therapy & Balance Centers is the largest franchised physical therapy company in the world with 578 open locations across the U.S.
- Founded in 2012 and began franchising in October 2013
- Provides traditional physical therapy services for injury and surgery rehab
- What sets FYZICAL apart from other PT Businesses?
Our proprietary ***balance & vestibular therapy program (huge demand and no competition)***
- Cash-based services like audiology, hearing aid sales, custom orthotic fitting and sales, massage therapy and other wellness-related services for additional revenue
- Can be run as a "manage the manager" model
- **No healthcare or clinical experience necessary**

A FEW REASONS WE LOVE THIS BUSINESS



A GROWING DEMAND FOR OUR SERVICES

Today, Americans age 65+ make up about 15% of the population. It's estimated that they'll make up about 25% of the population by 2060, while the number of 65+ adults will triple. This increased patient base, as well as the shift in the healthcare industry towards care coordination and managing patient ailments prior to the onset of more acute symptoms, has dramatically increased the interest of investors in physical therapy.



A FRAGMENTED MARKET SHARE

Ours is a fragmented industry with no clear leading companies. Our work in the industry has led us to operate under the understanding that 20 of the largest providers capture roughly 21% of market share. That means the large majority of outpatient clinics are "mom and pops." This spells great opportunity for FYZICAL investors who are able to leverage our time-tested business model and far-reaching support network.



LIFESTYLE FRIENDLY BUSINESS

Like most healthcare related businesses, FYZICAL clinics are open M-F from 8-6 and not open on weekends. Our franchisees love the flexibility that this provides.



SMALL STAFFING REQUIREMENT WITH PROFESSIONAL EMPLOYEES:

Unlike businesses that employ many hourly employees, we hire degreed professionals that take their career very seriously. The typical Physical Therapist goes to school for 7 years to obtain their Doctorate degree. This is a profession to them not just a job. A typical location will have only 5-6 employees once fully ramped.



LOW-COST INVESTMENT

FYZICAL makes it easy to break into the industry with a low barrier to entry – the cost to open one of our locations average initial investment of approx. \$400k.



OUR PROPRIETARY BALANCE THERAPY

Over 40% of the U.S. adult population will experience dizziness and balance issues in their lifetime. The sad fact is that there are very few providers of treatment to address these issues. FYZICAL specializes in the treatment of these types of patients and this gives us a very big advantage over the typical PT clinic.

CLINIC EXTERIORS



CLINIC INTERIORS



THE GROWING PHYSICAL THERAPY INDUSTRY



GROWING DEMAND FOR PHYSICAL THERAPY

In 2020, approximately 56 million people were older than 65, forecasted to increase to 95 million by 2060. Of the individuals older than 65, 70% have two or more chronic conditions, 30% experience joint pain associated with arthritis, and 25% fall every year often leading to hip fractures. Physical therapy is positioned to play an important role in care, recovery, and preventative measures.

THE \$59.4 BILLION PHYSICAL THERAPY INDUSTRY

The physical therapy industry in the United States is estimated at \$59.4 Billion in 2024 with a forecast growth of 10.1% to an estimated value of \$128 Billion by 2032. The demand for physical therapists is projected to grow 15% between 2022 to 2032.

INNOVATING THE PHYSICAL THERAPY INDUSTRY

35% of adults over age 40 demonstrate a form of vestibular dysfunction when tested with a postural metric. FYZICAL brings innovation to the industry through our proprietary fall prevention, balance and vestibular rehabilitation therapies known as the FYZICAL Balance Paradigm.

**OUR PROPRIETARY BALANCE
THERAPY IS A
MAJOR COMPETITIVE
ADVANTAGE**



The Largest Opportunity in Clinical Care

Practice owners are always on the lookout for services with low competition and substantial market opportunity. As you can see, balance fits the bill perfectly:



Each year, nearly 28% of adults over 65 experience a fall, resulting in over 38,000 deaths¹



40% of US population will experience clinical dizziness or balance difficulty in their lifetime²



35% of adults aged **40+** (69M Americans) demonstrate a form of vestibular dysfunction when tested with a postural metric³



Clinical education in balance and vestibular therapy is rare – most DPT programs offer only a few days of education on the topic prior to graduation

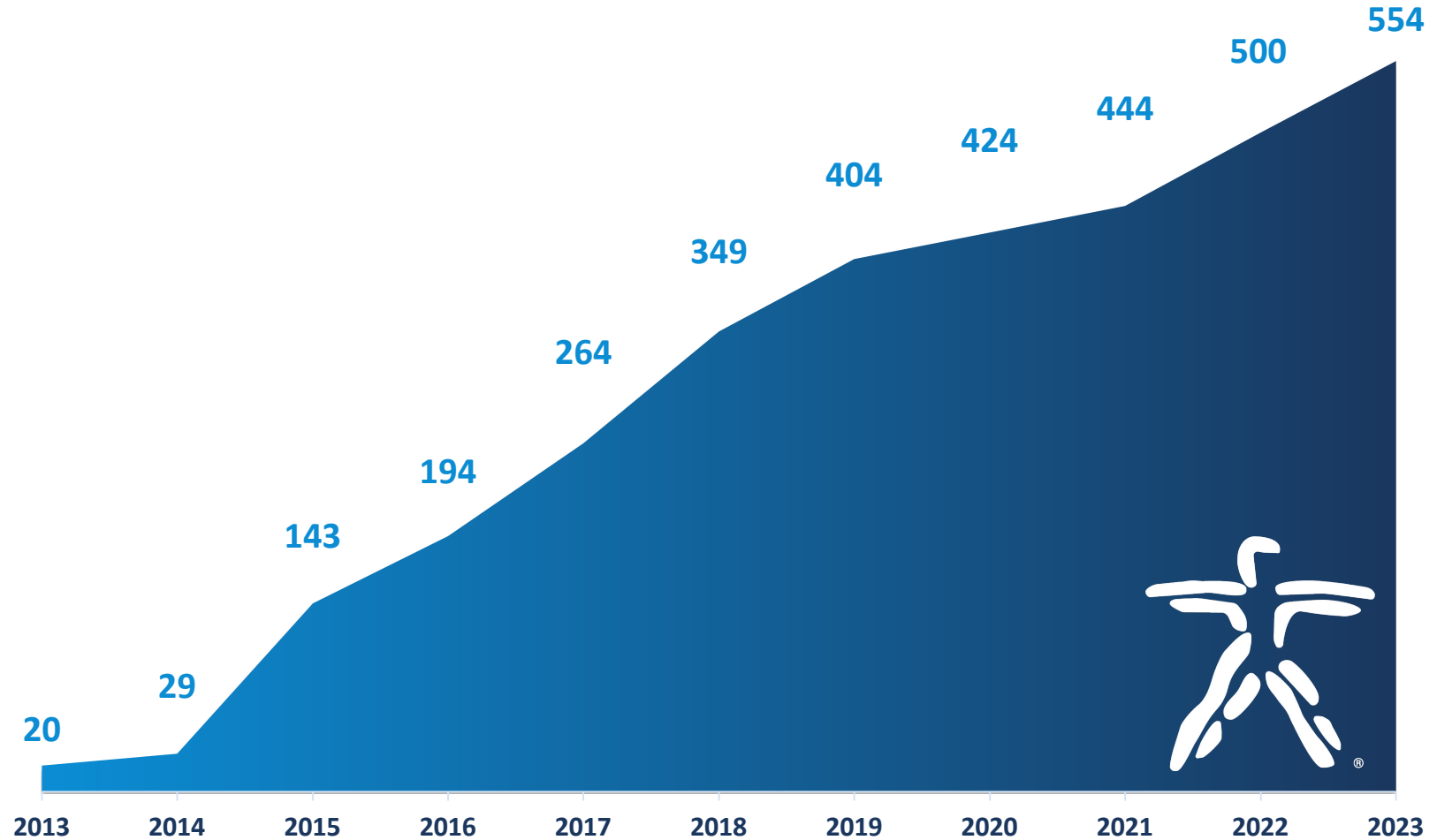
¹ Kakara, R., Bergen, G., Burns, E., & Stevens, M. (2023). Nonfatal and Fatal Falls Among Adults Aged ≥65 Years - United States, 2020-2021. MMWR. Morbidity and mortality weekly report, 72(35), 938-943, from <https://doi.org/10.15585/mmwr.mm7235a1>

² Balance System Disorders. (n.d.). Retrieved August 13, 2020, from <https://www.asha.org/PRPSpecificTopic.aspx?folderid=8589942134>

³ Balance System Disorders. (n.d.). Retrieved August 13, 2020, from <https://www.asha.org/PRPSpecificTopic.aspx?folderid=8589942134>

FYZICAL's RAPID GROWTH

Open Locations by Year



- 156 licenses sold in 2023
- 300 + additional units in development

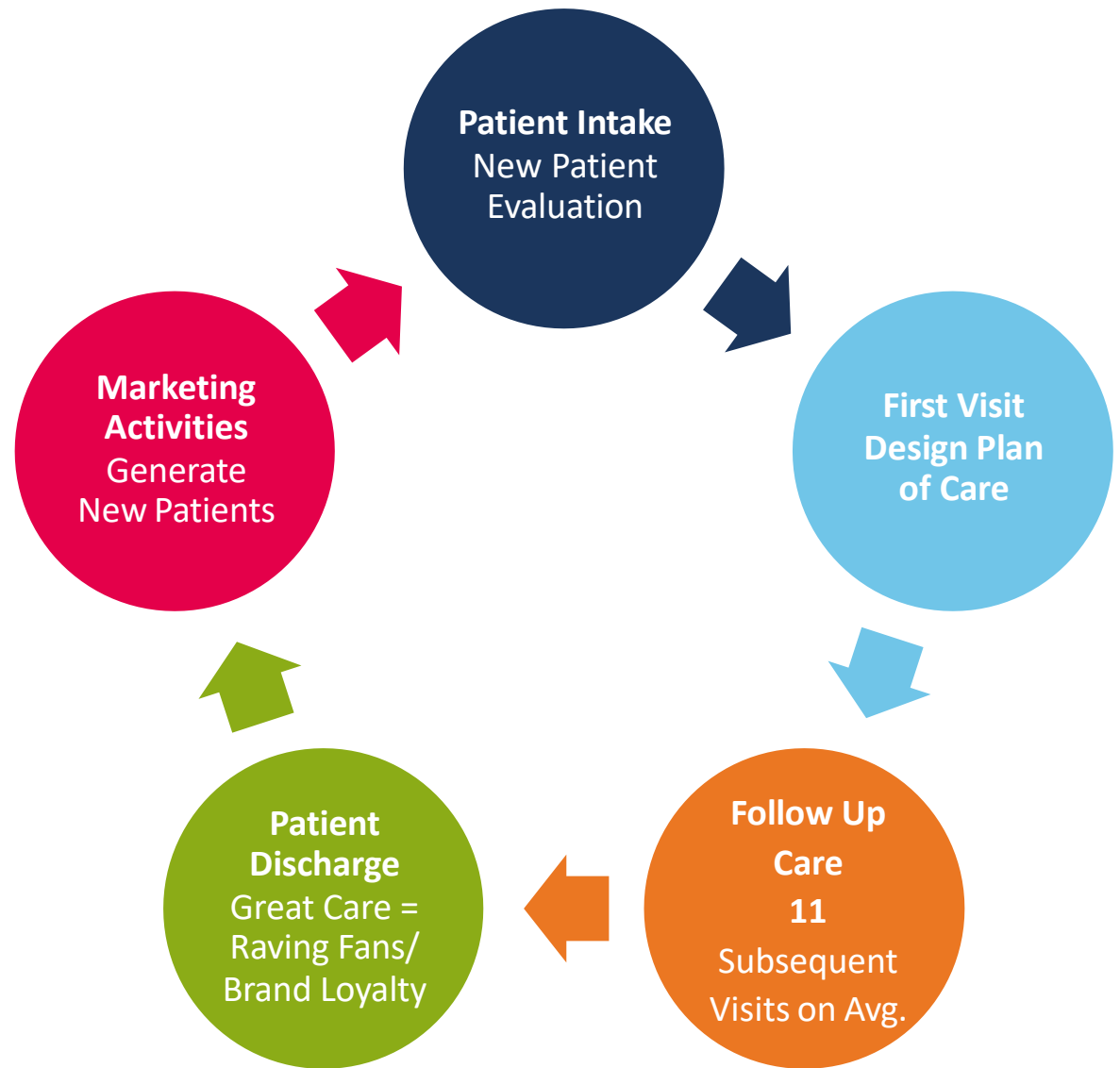
BRIAN BELMONT

Chief Executive Officer
Former COO at Planet Fitness



A SIMPLE BUSINESS MODEL

No Cash
Prevents Theft Issues
Normal Business Hours
Recurring Revenue Model



ROLES & EMPLOYEES

Small staff equates to big
business!



Owner | Responsible for managing metrics, involved in hiring, financials of business

DPT | Clinical Director, oversees day to day operations, hiring, training of new clinical staff, PT activities, all initial evaluations and releases

Client Care Specialist | Clerical responsibilities, scheduling of patients, client intake, basic insurance knowledge

Sales/Marketing Rep. | Physician outreach, networking and marketing activities

FRANCHISE DISCLOSURE DOCUMENT

Item 19 – Financial Performance



Mature Clinic Average Gross Revenue per Location

2023 Company Owned Centers	
Average Gross Revenue	\$902,442

2023 Average Gross Revenue Per Franchisee Location

Avg. Revenue	Median	Highest Gross Revenue	Lowest Gross Revenue
\$756,043	\$710,805	\$2,666,562	\$99,000

**The lowest performing Center does not follow recommended operational or marketing processes.*

FRANCHISE DISCLOSURE DOCUMENT

Item 7 – Estimated Initial Investment New Center (w/Clinical Director)



Estimated Initial Investment New Center <i>(with a Clinical Director)</i>	
Initial Franchise Fee	\$49,000
Training Expenses (including food, lodging & travel – per person)	\$1,750 - \$5,000
Lease Deposit & Rent	\$4,000 - \$15,000
Build Out & Improvements	\$39,000 - \$187,000
Security System	\$500 - \$2,500
Computer System	\$1000 - \$3,000
Furniture, Fixtures and Equipment	\$15,000 - \$50,000
Signage, Branding, Design	\$500 - \$15,000
Grand Opening Marketing Fund	\$5,000 - \$18,000
Utility Deposits, Business Licenses & Other Prepaid Expenses	\$1,000 - \$5,000
Insurance (12 Months)	\$3,000 - \$5,000
Miscellaneous Opening Costs	\$1,000 - \$5,000
Additional Funds (9 months)	\$75,000 –\$150,000
Total Estimated Initial Investment	\$195,750 - \$509,000

RECESSION RESISTANT SERVICE



- Need for healthcare services is present regardless of economic conditions
- Healthcare related businesses have low sensitivity to economic downturn and fared best over the pandemic
- Communities need affordable and accessible healthcare options
- Healthcare is not a discretionary expense
- Layer of insurance protection from high costs for consumer
- FYZICAL is an essential business

A HIGHLY REGARDED BRAND



In 2023, FYZICAL received the **top score** using the Franchise Times return on investment metric.



2023

Franchise Times | Zor Winner Healing Touch: Top Franchise to Buy
Entrepreneur Magazine | Top 150 Brands for Multi-Unit Owners
Entrepreneur Magazine | #1 in Physical Therapy Franchises
Franchise Business Review | Most Innovative Franchises
Inc. 5000 | America's Fastest Growing Private Companies

2022

Inc. 5000 | America's Fastest Growing Private Companies
Entrepreneur Magazine | Top Franchises for Less Than \$150k
Entrepreneur Magazine | #1 in Physical Therapy Franchises
Franchise Business Review | Top Recession-Proof Franchise
Franchise Business Review | Top Brand Culture

2021

Franchise Business Review | Most Profitable Franchises
Franchise Business Review | Top Culture Award
Inc. 5000 | Fastest Growing Private Companies
Entrepreneur Magazine | Ranks #66 Franchise 500

2020

Inc. 5000 | America's Fastest Growing Private Companies
Entrepreneur Magazine | Top 500 Franchises
Entrepreneur Magazine | #1 in Physical Therapy Franchises
Franchise Times | Top 200+
Franchise Times Fast & Serious List | Ranks #4
Franchise Business Review | Top 200

AREA REPRESENTATIVE MODEL MEANS BIG OPPORTUNITY FOR YOU AND YOUR CLIENTS



FYZICAL offers an Area Representative model (master franchise)

Features of the AR model:

- Minimum territory purchase = 1M population
- Cost per person = \$.30 each (300k minimum buy in)
- Once purchased, AR pays no additional fees for locations they open within their own territory
- AR receives reduced royalty of 3.9% vs 6% for their locations
- AR receives 65% of fees collected for deals in their territory
- AR receives 2.1% of ongoing royalty for locations that open in their territory

A few recent examples of ARs we have sold:

- \$133,750 fee paid to consultant
- \$85,450 fee paid to consultant
- \$122,700 fee paid to consultant
- \$126,651 fee paid to consultant

FRANCHISE FEES, ROYALTY AND CONSULTANT FEES

Franchise fees

\$49k – single unit

\$35k – for second unit

\$20k – for three plus units

Reduced fees above given for purchases at one-time.

Royalty = 6% of gross revenue

Consultant fee structure

\$24k – single unit

40% of fees collected for multi-unit deals

25% of fees collected for AR deals

