

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-36724

The Joint Corp.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of
Incorporation)

90-0544160

(I.R.S. Employer
Identification No.)

16767 North Perimeter Drive, Suite 110, Scottsdale, Arizona

(Address of Principal Executive Offices)

85260

(Zip Code)

(480) 245-5960

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title Of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name Of Each Exchange On Which Registered</u>
Common Stock, \$0.001 Par Value Per Share	JYNT	The NASDAQ Capital Market LLC

Securities Registered Pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was approximately \$172.5 million as of June 30, 2025 based on the closing sales price of the common stock on the NASDAQ Capital Market.

There were 14,114,334 shares of the registrant's common stock outstanding as of March 9, 2026.

Documents Incorporated by Reference

Portions of the registrant's Proxy Statement relating to its 2026 Annual Meeting of Stockholders, filed with the Securities and Exchange Commission (the "SEC") pursuant to Regulation 14A within 120 days after the registrant's fiscal year ended December 31, 2025, are incorporated by reference in Part III of this Form 10-K.

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Forward-Looking Statements and Terminology

Forward-Looking Statements

The information in this Annual Report on Form 10-K (this “Form 10-K”), including the discussions under the headings “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” contains forward-looking statements and information within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which are subject to the “safe harbor” created by those sections. All statements, other than statements of historical facts, included or incorporated in this Form 10-K could be deemed forward-looking statements, particularly statements about our plans, strategies and prospects under the headings “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “continue,” “intend,” “seek,” “strive,” or the negative of these terms, “mission,” “goal,” “objective,” or “strategy,” or other comparable terminology. All forward-looking statements in this Form 10-K are made based on our current expectations, forecasts, estimates and assumptions, and involve risks, uncertainties and other factors that could cause results or events to differ materially from those expressed in the forward-looking statements. In evaluating these statements, you should specifically consider various factors, uncertainties and risks that could affect our future results or operations as described from time to time in our SEC reports, including those risks outlined under “Risk Factors” in Item 1A of this Form 10-K. These factors, uncertainties and risks may cause our actual results to differ materially from any forward-looking statement set forth in this Form 10-K. You should carefully consider the trends, risks and uncertainties described below and other information in this Form 10-K and subsequent reports filed with or furnished to the SEC before making any investment decision with respect to our securities. We undertake no obligation to update or revise publicly any forward-looking statements, other than in accordance with legal and regulatory obligations. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

The specific forward-looking statements in this Form 10-K include the following:

- our mission to improve quality of life through routine and affordable chiropractic care and to offer quality, affordable and convenient care to our patients;
 - that we seek to be the leading provider of chiropractic care in the markets we serve and to become the most recognized brand in our industry;
 - that we will continue the franchise-focused expansion of chiropractic clinics in key markets throughout North America and potentially abroad;
 - that we strive to accomplish our mission by making quality care readily available and affordable in a retail setting;
 - that our future growth strategy will focus on accelerating the development of our franchise base through the sale of additional franchises and through the continued support of our regional developer network;
 - our belief that our approach, especially our commitment to affordable pricing and our ready service delivery model, will attract existing consumers of chiropractic services and will also appeal to the growing market of consumers who seek alternative or non-invasive wellness care, but have not yet tried chiropractic;
 - our belief that we are a key driver in expanding the overall market for chiropractic;
 - our belief that the demand for our chiropractic services will continue to grow as a result of several additional drivers, such as the growing recognition of the benefits of regular maintenance therapy coupled with an increasing awareness of the convenience of our service and of our pricing at a significant discount to the cost of traditional chiropractic adjustments and, in most cases, at or below the level of insurance co-payment amounts;
 - our belief that certain characteristics of the chiropractic industry are evidence of an underserved market with potential consumer demand that is favorable for an efficient, low-cost, consumer-oriented provider;
 - our belief that most chiropractors who use a third-party reimbursement model would find it economically difficult to discount the prices they charge for their services to levels comparable with our pricing;
 - our belief that certain industry and cultural trends favor our business model;
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- *our belief that certain competitive strengths have contributed to our success and will continue to position us for future growth;*
 - *our intention to continue to drive awareness of our brand by continuing to locate clinics mainly at retail centers and convenience points, displaying prominent signage and employing consistent, proven and targeted marketing tools;*
 - *our belief that the time our chiropractors save by not having to perform administrative duties related to insurance reimbursement allows more time to see more patients, establish and reinforce chiropractor/patient relationships, and educate patients on the benefits of chiropractic maintenance therapy;*
 - *our belief that our model helps us to recruit chiropractors who want to focus their practice principally on patient care;*
 - *our belief that our strongest competitive advantages are our convenience and affordability;*
 - *our belief that our pricing and service offering structure helps us to generate higher usage;*
 - *our belief that as the leader in the vertical, and as one of few players of scale, we occupy an advantageous position in an otherwise highly fragmented market;*
 - *our belief that our geographic reach represents a competitive advantage and that we are able to remain competitive nationally when extraordinary events heavily impact specific markets;*
 - *our belief that our management team's experience and demonstrated success in building and operating a robust franchise system is a key driver of our growth and has positioned us well for achieving our long-term strategy;*
 - *our goal not only to capture a significant share of the existing market, but also to expand the market for chiropractic care;*
 - *our long-term growth tactics;*
 - *our belief that the experience we have gained in developing and refining management systems, operating standards, training materials and marketing and customer acquisition activities has contributed to our system's revenue growth;*
 - *our belief that increasing awareness of our brand has contributed to revenue growth, particularly in markets where the number and density of our clinics has made cooperative and mass media advertising attractive;*
 - *our belief that our ability to leverage aggregated and general media digital advertising and search tools will continue to grow as the number and density of our clinics increases;*
 - *our intention that to elevate our brand equity and drive awareness, we will strive to increase our active patient count by improving the intake process, by expanding the roll out of setting up appointments for the initial visits only, and by optimizing local clinic marketing;*
 - *our plan to lengthen the time patients stay engaged with The Joint Corp. and to reactivate lapsed patients by leveraging new content, automated messaging, and enticing promotions;*
 - *our intention to employ new media campaigns to increase our new patient leads;*
 - *our intention to transition to a pure-play franchisor business from our historical operations of both franchisor and operator of chiropractic clinics;*
 - *our focus on growing our franchise business through the strategic divestitures of all of our company-owned or managed clinics;*
 - *our belief that to secure leadership in our industry and to maximize our opportunities in our markets, it is important to gain brand equity and consumer awareness as rapidly as possible, consistent with a disciplined approach to opening clinics;*
 - *our belief that continued sales of franchises in selected markets is the most effective way to drive brand awareness in the short term;*
 - *our belief that we were able to achieve our current scale faster by using a regional developer model, which is employed by many successful franchisors;*
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- *our plan to continue to support our franchisees and regional developers to open clinics and to achieve sustainable performance as rapidly as possible;*
 - *our expectation to drive greater efficiencies across our operations, development and marketing programs and further leverage our technology and existing support infrastructure;*
 - *our belief that we will be able to control corporate costs over time to enhance margins as general and administrative expenses grow at a slower rate than our clinic base and sales;*
 - *our expectation, at the clinic level, to drive margins and labor efficiencies through continued sales growth and consistently applied operating standards as our clinic base matures and the average number of patient visits increases;*
 - *our continued consideration of introducing selected and complementary branded products such as nutraceuticals or dietary supplements and related additional services;*
 - *our expectation that the regulatory focus on privacy, security and data use issues will continue to increase and laws and regulations concerning the protection of personal information will expand and become more complex;*
 - *our belief that our operations comply with legally required standards for privacy and security of personal information to the extent applicable under federal or state law and that we strive to comply with additional standards that we identify as “best practices”;*
 - *our expectations of the various risks and uncertainties for our business related to potential state and federal regulations;*
 - *our expectation that other direct competitors will join our industry as our visibility, reputation and perceived advantages become more widely known;*
 - *our belief that our first mover advantage, proprietary operations systems and potential for strong unit level economics will continue to accelerate our growth even with the spawning of additional competition;*
 - *our belief that a strong culture of engagement and alignment is essential to the ongoing success of our business and therefore, it is important to attract, develop and retain a diverse and engaged workforce at all levels of our business;*
 - *our commitment to fostering a workplace where our employees feel aligned with our mission, proud of our culture and engaged in their work, with opportunities to grow and develop in their careers, supported by competitive compensation and benefits;*
 - *our belief that our employees are among our most valuable resources and are critical to our continued success;*
 - *that we strive to make The Joint the career path of choice for chiropractors, with opportunities for our chiropractors to grow and develop in their careers, supported by competitive compensation and benefits, and with our simple business model that allows our chiropractors to focus on patient care;*
 - *our plan to continue to expand and strengthen our relationship with chiropractic colleges to increase engagement with students and to increase the applicant flow of qualified candidates;*
 - *our plan to continue to utilize engagement surveys to understand the perception of our brand as an employer and the effectiveness of our employee and compensation programs and to learn where we can improve across our company;*
 - *our commitment to providing market competitive compensation and benefits;*
 - *our intention that our compensation practices are merit-based, focused on roles, responsibilities, experience and performance with no consideration given to gender, age, ethnicity or other similar factors;*
 - *our plan to re-engage the KnowBe4 system in 2026 with a heightened focus on phishing awareness;*
 - *our expectation that we will not pay cash dividends on our common stock in the foreseeable future;*
 - *our current strategy to grow through the continued sale and development of additional franchises;*
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- *our plan to rebrand or sell the full portfolio of our company-owned or managed clinics, which refined strategy will leverage our greatest strength — our capacity to build a franchise — to drive long-term growth for both our franchisees and The Joint as a public company;*
- *our goal to generate significant proceeds that will provide us with value creating capital allocation opportunities, which opportunities could include reinvestment in the brand and related marketing, continued investment in our IT platforms, the repurchase of regional developer territories, certain merger or acquisition opportunities and/or a stock repurchase program;*
- *our expectation that 2026 will continue to be a volatile macroeconomic environment;*
- *our belief that we have created a robust framework for the rebranding effort, organizing clinics into clusters, and generating comprehensive disclosure packets for marketing efficiency, and that we have received significant interest to date from our existing franchisees;*
- *our belief that our existing cash and cash equivalents, our anticipated cash flows from operations and amounts available under our line of credit will be sufficient to fund our anticipated operating and investment needs for at least the next 12 months;*
- *our belief as of the date of this Form 10-K, that we have adequate capital resources and sufficient access to external financing sources to satisfy our current and reasonably anticipated requirements for funds to conduct our operations and meet other needs in the ordinary course of our business;*
- *our expectation for 2026 that we will use or redeploy our cash resources to support our business within the context of prevailing market conditions, which, given the ongoing uncertainties described herein, could rapidly and materially deteriorate or otherwise change; and*
- *our belief that our long-term capital requirements, primarily for acquisitions and other corporate initiatives, could be dependent on our ability to access additional funds through the debt and/or equity markets.*

Factors that could contribute to these differences include, but are not limited to, our inability to identify and recruit enough qualified chiropractors and other personnel to staff our clinics, due in part to the nationwide labor shortage and an increase in operating expenses due to measures we may need to take to address such shortage; inflation, leading to increased labor costs and interest rates, as well as changes to import tariffs, may lead to reduced discretionary spending, all of which may negatively impact our business; our failure to profitably operate company-owned or managed clinics; our failure to rebrand as planned; short-selling strategies and negative opinions posted on the internet, which could drive down the market price of our common stock and result in class action lawsuits; our failure to remediate future material weaknesses in our internal control over financial reporting, which could negatively impact our ability to accurately report our financial results, prevent fraud, or maintain investor confidence; and other factors described in our filings with the SEC, including in the section entitled “Risk Factors” in this Form 10-K and subsequent filings with the SEC.

Additionally, there may be other risks that are otherwise described from time to time in the reports that we file with the SEC. Any forward-looking statements in this Form 10-K should be considered in light of various important factors, including the risks and uncertainties listed above, as well as others.

Terminology

As used in this Form 10-K:

- “we,” “us,” “our” and “our company” refer to The Joint Corp., its variable interest entities (“VIEs”) and its wholly owned subsidiary, The Joint Corporate Unit No. 1, LLC, collectively (“The Joint”);
 - a “clinic” refers to a chiropractic clinic operating under our “Joint” brand, which may be (i) owned by a franchisee, (ii) owned by a professional corporation or limited liability company and managed by a franchisee; (iii) owned directly by us; or (iv) owned by a professional corporation or limited liability company and managed by us;
 - when we identify an “operator” of a clinic, a party that is “operating” a clinic or a party by whom a clinic is “operated,” we are referring to the party that operates all aspects of the clinic in certain jurisdictions, and to the party that manages all aspects of the clinic other than the practice of chiropractic in certain other jurisdictions; and
 - “GAAP” refers to accounting principles generally accepted in the United States of America.
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PART I

ITEM 1. BUSINESS

"Our mission is to improve
quality of life through routine and
affordable chiropractic care."

Overview

We are a growing franchisor and operator of chiropractic clinics that uses a private pay, non-insurance, cash-based model. We seek to be the leading provider of chiropractic care in the markets we serve and to become the most recognized brand in our industry. We delivered over 14.4 million patient visits in 2025, down from 14.7 million patient visits in 2024, generating over \$532.4 million and \$530.3 million of system-wide sales, respectively, across our highly franchised network. We will continue the franchise-focused expansion of chiropractic clinics in key markets throughout North America and potentially abroad. We strive to accomplish our mission by making quality care readily available and affordable in a retail setting. We have created a growing network of modern, consumer-friendly chiropractic clinics operated or managed by franchisees and by us that employ licensed chiropractors. Our model enables us to price our services below most competitors' pricing for similar services and below most insurance co-payment levels (i.e., below the patient co-payment required for an insurance-covered service).

Since acquiring the predecessor to our company in March 2010, we have grown our enterprise from eight to 960 clinics in operation as of December 31, 2025, with an additional 82 franchise licenses sold but not yet developed across our network, and 57 letters of intent for 57 future clinic licenses. As of December 31, 2025, our franchisees owned or managed 885 clinics, and we owned or managed 75 clinics. Our future growth strategy will focus on accelerating the development of our franchise base through the sale of additional franchises and through the continued support of our regional developer network. We collect a royalty of 7.0% of gross sales from franchised clinics. We remit a 3.0% royalty to our regional developers on the gross sales of franchises opened within certain regional developer protected territories. We also collect a national marketing fee of 2.0% of gross sales of all franchised clinics. We receive an initial franchise fee of \$39,900 for each franchise we sell directly and offer a veterans discount, as well as a \$10,000 per license discount for franchisees who purchase multiple location franchises. For each franchise sold through our network of regional developers, the regional developer typically receives up to 50% of the respective franchise fee.

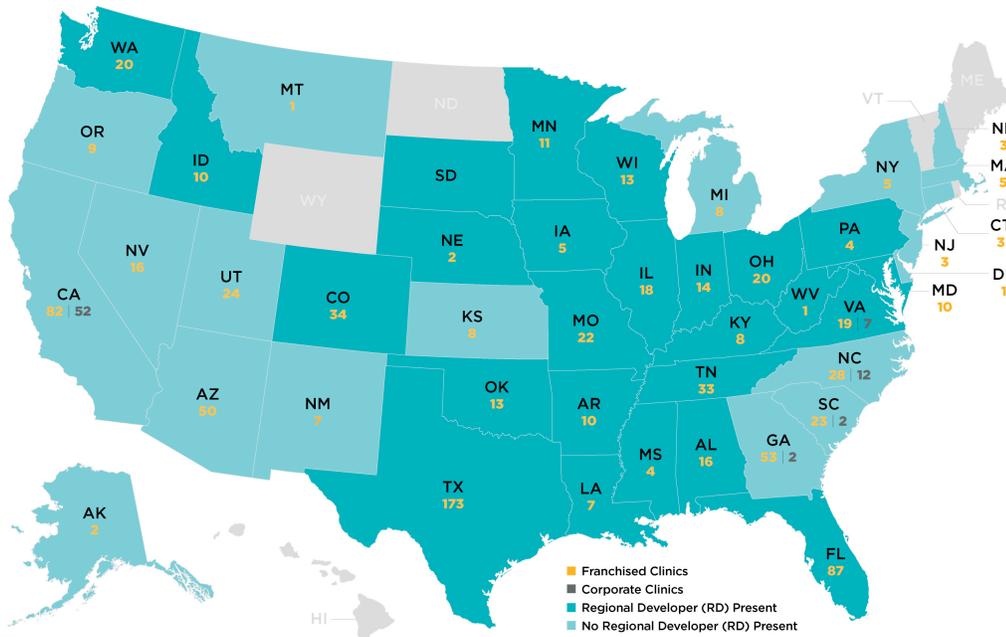
On November 14, 2014, we completed our initial public offering (the "IPO") of 3,000,000 shares of common stock at an initial price to the public of \$6.50 per share. Our underwriters exercised their option to purchase 450,000 additional shares of common stock to cover over-allotments on November 18, 2014. After giving effect to the over-allotment exercise, the total number of shares offered and sold in our IPO was 3,450,000 and we received aggregate net proceeds of \$19.8 million.

On November 25, 2015, we closed our follow-on public offering of 2,272,727 shares of common stock at a price to the public of \$5.50 per share. Our underwriters exercised their option to purchase 340,909 additional shares of common stock to cover over-allotments on December 30, 2015. After giving effect to the over-allotment exercise, the total number of shares offered and sold in our follow-on public offering was 2,613,636 shares and we received aggregate net proceeds of \$13.3 million.

We deliver convenient, appointment-free chiropractic adjustments in an inviting, open bay environment at prices that are approximately 51% lower than the average industry cost for comparable procedures offered by traditional chiropractors, according to 2025 industry data from Chiropractic Economics. In support of our mission to offer quality, affordable and convenient care to our patients, our clinics offer a variety of customizable membership and wellness treatment plans and packages, which provide additional value pricing as compared with our single-visit pricing schedules. These flexible plans are designed to attract patients and encourage repeat visits and routine usage as part of an overall health and wellness program.

We intend to transition to a pure-play franchisor business from our historical operations of both franchisor and operator of chiropractic clinics. We are focused on growing our franchise business through the strategic divestitures of all of our company-owned or managed clinics. During the year ended December 31, 2024, we completed five clinic divestitures. During the year ended December 31, 2025, we completed 41 clinic divestitures and entered into an Asset Purchase Agreement for the sale of 22 additional clinics, which represents a major milestone of our strategic shift to a pure-play franchisor business and our financial statements now reflect our previous company-owned or managed clinic segment as discontinued operations.

As of December 31, 2025, we had 960 franchised or company-owned or managed clinics in operation in 43 states. The map below shows the states in which we or our franchisees manage or operate clinics and the number of clinics open in each state as of December 31, 2025.



Our retail locations have been selected to be visible, accessible and convenient. We offer a welcoming, consumer-friendly experience that attempts to redefine the chiropractic doctor/patient relationship. Our clinics are open longer hours than many of our competitors, including weekend days, and our patients do not need appointments. We accept cash or major credit cards in return for our services. We do not accept insurance and do not provide Medicare covered services. We believe that our approach, especially our commitment to affordable pricing and our ready service delivery model, will attract existing consumers of chiropractic services and will also appeal to the growing market of consumers who seek alternative or non-invasive wellness care, but have not yet tried chiropractic. According to our patient survey conducted in 2024 by WestGroup Research, 36% of our new patients had never tried chiropractic care before they came to The Joint. This is also an increase from 16% from the same survey in 2013, demonstrating our continued impact on the chiropractic market and offering validation to our thesis that we are a key driver in expanding the overall market for chiropractic.

Our patients arrive at our clinics without appointments at times convenient to their schedules. Once a patient has joined our system and is returning for treatment, they simply swipe their membership card at a card reader at the reception desk or check in using the official mobile app to announce their arrival. The patient is then escorted to our open adjustment area, where they are required to remove only their outerwear to receive their adjustment. Each patient's records are digitally updated for retrieval in our proprietary data storage system by our chiropractors in compliance with all applicable medical records security and privacy regulations. The adjustment process, administered by a licensed chiropractor, takes approximately 15 to 20 minutes on average for a new patient and five to seven minutes on average for a returning patient.

Our consumer-focused service model targets the non-acute treatment market, which is part of the \$21.9 billion chiropractic services market, according to an IBIS market research report in October 2025. As our model does not focus on the treatment of severe or acute injury, we do not provide expensive and invasive diagnostic tools such as MRIs and X-rays. Instead, we refer those with severe or acute symptoms to alternate healthcare providers, including traditional chiropractors.

Our Industry

Chiropractic care is widely accepted among individuals with a variety of medical conditions, particularly back pain. A 2018 Gallup report commissioned by Palmer College of Chiropractic shows that among all U.S. adults, including those who did not have neck or back pain, 16% went to a chiropractor in the last 12 months. These numbers represent a marked increase over the 2012 National Health Interview Survey that measured chiropractic use at 8% of the population. According to the American Chiropractic Association, 80% of Americans experience back pain at least once in their lifetime. According to the same 2018 Gallup report commissioned by the Palmer College of Chiropractic, eight in 10 adults in the United States (80%) prefer to see a health care professional who is an expert in spine-related conditions for neck or back pain care instead of a general medicine professional who treats a variety of conditions (15%).

Chiropractic care is increasingly recognized as an effective treatment for pain and potentially for a variety of other conditions. The American College of Physicians (the “ACP”) now recommends non-drug therapy such as spinal manipulation as a first line of treatment for patients with chronic low-back pain. The ACP states that treatments such as spinal manipulation are shown to improve symptoms with little risk of harm. The National Center for Complementary and Integrative Health of the National Institutes of Health has stated that spinal manipulation appears to benefit some people with low-back pain and also may be helpful for headaches, neck pain, upper- and lower-extremity joint conditions and whiplash-associated disorders. The Mayo Clinic has recognized chiropractic as safe when performed by trained and licensed chiropractors, calling out research that shows spinal manipulation works to treat certain types of lower back and neck pain. The Cleveland Clinic has stated that chiropractors are established members of the mainstream medical team with chiropractic adjustments being an effective treatment option for all ages and the most common alternative treatment option in the United States.

The chiropractic industry in the United States is large and highly fragmented. An article appearing in the Journal of the American Medical Association entitled “US Healthcare Spending by Payer and Health Condition, 1996-2016” estimates that \$134 billion was spent in 2016 on back pain in the United States. According to a report issued by IBIS World Chiropractors Market Research in October 2025, expenditures for chiropractic services in the U.S. are approximately \$21.9 billion annually. The United States Bureau of Labor Statistics expects employment of chiropractors to grow 10% from 2023 to 2033, much faster than the average for all occupations. Some of the factors that the Bureau of Labor Statistics identified as driving this growth are rising interest in integrative or complementary healthcare, which has led to more acceptance of chiropractic treatment of the back, neck, limbs, and involved joints; an aging population (specifically the continued aging of the large baby boomer generation) requiring more health care and technological advances; and the need to replace workers who exit the labor force through retirement. We believe that the demand for our chiropractic services will continue to grow as a result of several additional drivers, such as the growing recognition of the benefits of regular maintenance therapy coupled with an increasing awareness of the convenience of our service and of our pricing at a significant discount to the cost of traditional chiropractic adjustments and, in most cases, at or below the level of insurance co-payment amounts.

Today, most chiropractic services are provided by sole practitioners, generally in medical office settings. The chiropractic industry differs from the broader healthcare services industry in that it is more heavily consumer-driven, market-responsive and price sensitive, in large measure a result of many treatment options falling outside the bounds of traditional insurance reimbursable services and fee schedules. According to the October 2025 IBIS market research report, no single company accounts for more than 5% of the total industry market share. We believe these characteristics are evidence of an underserved market with potential consumer demand that is favorable for an efficient, low-cost, consumer-oriented provider.

Most chiropractic practices are set up to accept and to process insurance-based reimbursement. While chiropractors typically accept cash payment in addition to insurance, Medicare and Medicaid, they continue to incur overhead expenses associated with maintaining the capability to process third-party reimbursement. We believe that most chiropractors who use this third-party reimbursement model would find it economically difficult to discount the prices they charge for their services to levels comparable to our pricing.

Accordingly, we believe these and certain other trends favor our business model. Among these are:

- People, most notably Millennials – the largest portion of our patient base – have increasingly active lifestyles and are expected to live longer, requiring more medical, maintenance and preventative support;
- As people age, there is increasing focus on longevity and health, with emphasis on mobility cognition, independence and quality of life;
- People are increasingly open to alternative, non-pharmacological types of care;
- Utilization of more conveniently situated, local-sited urgent-care or “mini-care” alternatives to primary care is increasing; and
- Popularity of health clubs, massage and other non-drug, non-invasive wellness maintenance providers is growing.

Our Competitive Strengths

We believe the following competitive strengths have contributed to our success and will continue to position us for future growth:

Retail, consumer-driven approach. To support our consumer-focused model, we use strong, recognizable retail approaches to stimulate brand-awareness and attract patients to our clinics. We intend to continue to drive awareness of our brand by continuing to locate clinics mainly at retail centers and convenience points, displaying prominent signage and employing consistent, proven and targeted marketing tools. We offer our patients the flexibility to visit our clinics without an appointment where they will receive prompt attention. Additionally, most of our clinics offer extended hours of operation, including weekends, which is not typical among our competitors.

We attracted an average of 827 new patients per clinic (for all clinics open for the full 12 months of 2025) during the year ended December 31, 2025, as compared to the most recent chiropractic industry average of 364 new patients per year for traditional insurance-based non-multidisciplinary or integrated practices, according to a 2025 Chiropractic Economics survey (published in June 2025).

Quality, empathetic service. Across our system we have a community of more than 2,500 fully licensed chiropractic doctors, who performed approximately 14.4 million adjustments in 2025 alone. Our doctors provide personal and intuitive patient care focused on pain relief and ongoing wellness to promote healthy, active lifestyles. We provide our doctors with one-on-one training, as well as ongoing coaching and mentoring. Our doctors continually refine their skills, as our clinics see an average of 291 patient visits per week (for clinics open for the full 12 months of 2025), as compared to the most recent chiropractic industry average of 138 patients per week for non-multidisciplinary or integrated practices, according to the same 2025 Chiropractic Economics survey referred to above. Our service offerings encourage consumer trial, repeat visits and sustainable patient relationships.

By eliminating the administrative burdens of insurance processing, our model helps chiropractors focus on patient service. We believe the time our chiropractors save by not having to perform administrative duties related to insurance reimbursement allows more time to see more patients, establish and reinforce chiropractor/patient relationships, and educate patients on the benefits of chiropractic maintenance therapy.

Our approach has made us an attractive alternative for chiropractic doctors who want to spend more time treating patients than they typically do in traditional practices, which are burdened with greater overhead, personnel and administrative expense. We believe that our model helps us to recruit chiropractors who want to focus their practice principally on patient care.

Accessibility. We believe that our strongest competitive advantages are our convenience and affordability. By focusing on non-acute care in an open-bay environment and by not participating in insurance or Medicare reimbursement, we are able to offer a much less expensive alternative to traditional chiropractic services. We can do this because our clinics do not have the expenses of performing certain diagnostic procedures and processing reimbursement claims. Our model allows us to pass these savings on to our patients. According to Chiropractic Economics, published in September 2024, the average fee for a chiropractic treatment involving spinal manipulation in a cash-based practice in the United States is approximately \$76. By comparison, our average fee as of December 31, 2025 was approximately \$37, approximately 51% lower than the industry average price.

We believe our pricing and service offering structure helps us to generate higher usage. The following table sets forth our average price per adjustment as of December 31, 2025 for patients who pay by single adjustment plans, multiple adjustment packages and multiple adjustment membership plans. Our price per adjustment as of December 31, 2025 averaged approximately \$37 across all three groups.

	The Joint Service Offering		
	Single Visit	Package(s)	Membership(s)
Price per adjustment	\$55	\$21—\$37	\$17—\$25

Proven track record of opening clinics and growing revenue at the clinic level. We have grown our clinic revenue base consistently. From January 2012 through December 31, 2025, we have increased the annual system-wide sales from \$22.3 million to \$532.4 million (which is a non-GAAP financial measure for the year ended December 31, 2025). During this period, we increased the number of clinics in operation from 33 to 960. Please see Part II, Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operations – Overview – Key Performance Measures for a description of system-wide sales as a non-GAAP financial measure.

We continue to be encouraged by the ability of individual clinics to generate growth. While there is significant variation in results in our system, and the results of our top-performing clinics are not representative of our system overall, we believe it is worth noting that in January 2012, the highest-performing clinic in our system was a franchised clinic that had monthly sales of approximately \$45 thousand and in December 2025, the highest performing clinic in our system was a franchised clinic that had monthly sales of approximately \$165 thousand.

Market leading position with significant nationwide scale. We are the largest chiropractic franchisor in the United States with over 960 clinics operating across the United States. Our chiropractic brand is approximately six times larger than the next largest chiropractic chain, as of December 2025. As the leader in this vertical, and as one of few players of scale, we believe that we occupy an advantageous position in an otherwise highly fragmented market. In conjunction with our scale, we have been able to achieve broad geographic diversification across the United States with clinics in 43 states as of December 2025. Our geographic reach represents a competitive advantage, as we have demonstrated success across various markets, and we are able to remain competitive nationally when extraordinary events heavily impact specific markets.

Strong and proven management team. Our strategic vision is directed by our President and Chief Executive Officer, Sanjiv Razdan. Mr. Razdan has served as our President and Chief Executive Officer and as a director since October 2024. Prior to his employment with us, he served as the President, Americas & India for International Coffee & Tea, LLC d/b/a The Coffee Bean & Tea Leaf from March 2021 until May 2024. The Coffee Bean & Tea Leaf is a global specialty coffee and tea house operating approximately 1,200 cafes throughout 30 countries. From April 2018 to June 2020, Mr. Razdan served as the Chief Operating Officer of Sweetgreen, Inc., which is a public company in the food service industry operating more than 230 locations across multiple states. Mr. Razdan also served as the Senior Vice President and Chief Operations Officer of Applebee's Neighborhood Grill & Bar, a division of the public company Dine Brands Global, Inc., from November 2014 to September 2017. Applebee's Neighborhood Grill & Bar is the world's largest casual dining restaurant chain, with \$4.5 billion in system sales at the time of his employment. In addition, Mr. Razdan served in various positions at the public company, Yum! Brands, Inc., from June 1995 to October 2014, including most recently as the Country General Manager for India from October 2011 to October 2014. Mr. Razdan's executive leadership team includes the following individuals:

Scott J. Bowman has served as our Chief Financial Officer since June 2025. Mr. Bowman is a seasoned executive and three-time public company Chief Financial Officer with more than 30 years of experience across retail, restaurant, consumer goods, and manufacturing industries. He served as Chief Financial Officer at Leslie's Inc., a \$1.5 billion publicly traded pool supply retailer from 2023 to 2025; at True Food Kitchen, a \$270 million privately held restaurant company rooted in nutritional science, from 2021 to 2023; at Dave & Buster's, a \$1.4 billion publicly traded dining and entertainment company, from 2019 to 2021; and at Hibbett Sports, a \$1 billion publicly traded athletic specialty retailer that was subsequently acquired by JD Sports, from 2012 to 2019. Prior to that for over two decades, he worked in a series of roles with increasing responsibilities in the finance and accounting departments at The Home Depot, divisions of Newell Rubbermaid, and The Sherwin-Williams Company.

Charles Nelles joined us as our Chief Technology Officer in January 2022, bringing more than 20 years of technology experience in the healthcare and financial services industries. Prior to working at our company, Mr. Nelles held the role of the Vice President of Technology for American Express Global Business Travel. Prior to that, he served as the Vice President of Technical Operations Support and Cloud Enablement for Western Union.

Debbie Gonzalez has served as our Chief Marketing Officer since October 2025. Ms. Gonzalez is an experienced Chief Marketing Officer and board director known for building brands, modernizing go-to-market engines, and elevating customer experience with data, analytics, and artificial intelligence. Most recently, she was the Chief Marketing Officer/Senior Vice President of Global Marketing and Communications at Concentrix, a Fortune 500 company, where she led a global team across corporate and employer branding, performance marketing, digital, public relations/communications, and creative. Previously, she was the Chief Brand/Marketing Officer at Massage Envy Franchising, where she repositioned the business to a Total Body Care wellness platform, centralized performance marketing and digital, lifted brand awareness, and improved reputation ratings. Ms. Gonzalez also operated her own consultancy for multi-site consumer services, restaurant, and franchise brands. Early in her career, she held product leadership roles at PetSmart, Herman Miller and Gerber. She currently serves on the board of El Pollo Loco, chairing the Compensation and sitting on the Nominating and Governance Committees.

Beth Gross has served as our Senior Vice President, Human Resources since September 2024 and has over two decades of experience in human resources. Most recently, Ms. Gross held the role of Vice President of Human Resources at Spear Education, a private equity-owned dental education organization based in Scottsdale, Arizona. She owned all aspects of organizational development and evolution, including talent acquisition strategy and execution, and established and led the employer branding strategy. Under her guidance, Spear Education was a five-time "Top Companies to Work For in AZ" selection.

Craig Sherwood has served as our Senior Vice President, Development since March 2025. Mr. Sherwood brings over 25 years of executive leadership experience in global franchise development in both the fitness and QSR industries. Most recently, he served as the Chief Development Officer at Lumin Fitness, an AI-powered fitness start-up. Mr. Sherwood also served as the Chief Development Officer at Gold's Gym International, where he revitalized global franchising and drove record breaking expansion. His career also includes leadership roles at Wingstop, Little Caesars, Sonic Corp., and Yum! Brands.

Andra Terrell has served as our Senior Vice President, Legal since May 2025. Ms. Terrell most recently served as Senior Assistant General Counsel at Franchise World Headquarters (Subway), where she closed the sale of Subway to Roark Capital, the largest whole business securitization on record and a significant refinancing. Prior to that, she served as the SVP, General Counsel and Corporate Secretary at Regis Corporation, and as the VP, Deputy General Counsel and Assistant Secretary at Cajun Operating Company. She also held legal roles at Luxottica Retail North America, GNC Franchising and Decorating Den Systems.

Ron Stilwell has served as our Senior Vice President, Operations and Patient Experience since January 2026. Mr. Stilwell most recently served as President and Chief Development Officer of FullSpeed Automotive, a prominent automotive aftermarket conglomerate that operates and franchises quick oil change and service centers where he was responsible for the operational excellence and strategic growth initiatives for flagship brands such as Grease Monkey, SpeedDee Oil Change, and Kwik Kar Automotive. From 2018 to 2021, Mr. Stilwell was Vice President and Chief Development Officer of Marco's Pizza, which he helped position as a top franchise brand known for industry-leading growth and operational excellence. From 2007 through 2009, Mr. Stilwell served as SVP and Brand President for Kahala Brands, a diverse portfolio of nationally and internationally acclaimed quick-service restaurant franchise brands.

Steven Knauf, D.C. was promoted to our Vice President of Chiropractic and Compliance in 2022. Dr. Knauf began working at our company in 2011. After spending four years as a chiropractor in one of the clinics, he took the role of Senior Doctor of Chiropractic for 13 company-owned clinics and, subsequently, he was elevated to a director position at the corporate office. In August 2017, he was appointed by the governor to serve on the Arizona Board of Chiropractic Examiners, where he served for six years. He is an active member of both the International Chiropractors Association and the American Chiropractic Association.

We believe that our management team's experience and demonstrated success in building and operating a robust franchise system is a key driver of our growth and has positioned us well for achieving our long-term strategy.

Our Growth Strategy

Our goal is not only to capture a significant share of the existing market but also to expand the market for chiropractic care. We are accomplishing this through the geographic expansion of our affordable franchising program and the continued support of our regional developer network. Accordingly, our long-term growth tactics include:

- the continued growth of system sales through the increased attraction and retention of patients;
- the increase in royalty income through the acceleration of the opening of clinics already in development, the sale of additional franchises and the refranchising of our remaining company-owned or managed clinics; and
- improving operational margins and expanding additional revenue streams within our clinics.

Continued Growth of System Sales

System-wide same-store sales ("Comp Sales") for 2025 increased by \$2.1 million but were flat on a percentage basis, reflecting the continued resilience of our business model. Comp Sales include the sales from both company-owned or managed clinics and franchised clinics that in each case have been open at least 13 full months and exclude any clinics that have closed. We believe that the experience we have gained in developing and refining management systems, operating standards, training materials and marketing and customer acquisition activities has contributed to our system's revenue growth. In addition, we believe that increasing awareness of our brand has contributed to revenue growth, particularly in markets where the number and density of our clinics has made cooperative and mass media advertising attractive. We believe that our ability to leverage aggregated and general media digital advertising and search tools will continue to grow as the number and density of our clinics increases.

To elevate our brand equity and drive awareness, we will strive to increase our active patient count by improving the intake process, by expanding the roll out of setting up appointments for the initial visits only, and by optimizing local clinic marketing. We plan to lengthen the time patients stay engaged with The Joint and to reactivate lapsed patients by leveraging new content, automated messaging, and enticing promotions. Additionally, we intend to employ new media campaigns and tactics to increase our new patient leads.

Executing Strategic Divestitures

In 2024, we made the strategic decision to transition to a pure-play franchisor business from our historical operations of both franchisor and operator of chiropractic clinics. During the year ended December 31, 2024, we completed five clinic divestitures. During the year ended December 31, 2025, we completed 41 clinic divestitures and entered into an Asset Purchase Agreement for the sale of 22 additional clinics, which represents a major milestone of our strategic shift to a pure-play franchisor business.

Selling Additional Franchises

We will continue to sell franchises. We believe that to secure leadership in our industry and to maximize our opportunities in our markets, it is important to gain brand equity and consumer awareness as rapidly as possible, consistent with a disciplined approach to opening clinics. We believe that continued sales of franchises in selected markets is the most effective way to drive brand awareness in the short term.

We believe that we were able to achieve our current scale faster by using a regional developer model, which is employed by many successful franchisors. We sell a regional developer the rights to open a minimum number of clinics in a defined territory. They in turn help us to identify and qualify potential new franchisees in that territory and assist us in providing field training, clinic openings and ongoing support. In return, we share part of the initial franchise fee and pay the regional developer 3% of the 7% ongoing royalties we collect from the franchisees in their protected territory.

Opening Clinics in Development

In addition to our 960 operating clinics as of December 31, 2025, we have granted franchises, either directly or with our regional developers' support, for an additional 82 clinics that we believe will be developed in the future and executed letters of intent for 57 future clinic licenses. We will continue to support our franchisees and regional developers to open these clinics and to achieve sustainable performance as rapidly as possible.

Continuing to Improve Margins

As we continue to grow, we expect to drive greater efficiencies across our operations, development and marketing programs and further leverage our technology and existing support infrastructure. We believe we will be able to control corporate costs over time to enhance margins as general and administrative expenses grow at a slower rate than our clinic base and sales. At the clinic level, we expect to drive margins and labor efficiencies through continued sales growth and consistently applied operating standards as our clinic base matures and the average number of patient visits increases. In addition, we continue to consider introducing selected and complementary branded products such as nutraceuticals or dietary supplements and related additional services.

Regulatory Environment

HIPAA and State Privacy and Breach Notification Rules

Numerous federal and state laws, regulations, standards and other legal obligations govern the collection, dissemination, use, access to, confidentiality, security and processing of personal information, including cybersecurity breach notification and targeted advertising. For example, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") imposes extensive privacy and security requirements governing the transmission, use and disclosure of health information by covered entities in the healthcare industry. While we have determined that we are not a "covered entity" and thus do not currently fall under the purview of HIPAA, we may have access to sensitive data regarding our patients, and we recognize that some of the standards established by HIPAA represent "best practices" for our business. Even when entities are not covered by HIPAA, the Federal Trade Commission (the "FTC") has taken the position that a failure to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of the Federal Trade Commission Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities.

The California Consumer Privacy Act of 2018 (the "CCPA") creates individual privacy rights for California consumers and increases the privacy and security obligations of entities handling certain personal information. The CCPA regime became more complex as of January 1, 2023, pursuant to amendments adopted pursuant to the California Privacy Rights Act (the "CPRA"). The CPRA imposes additional data protection obligations on covered businesses, including additional consumer rights processes, limitations on data uses, new audit requirements for higher risk data, and opt outs for certain uses of sensitive data. The CPRA also creates a new California data protection agency to implement and enforce the CCPA and the CPRA, which could result in increased privacy and information

security enforcement. The CCPA has prompted a number of proposals for new privacy legislation. A new Virginia privacy law, the Virginia Consumer Data Protection Act (“VCDPA”), and a new Colorado law, the Colorado Privacy Act (“CPA”), impose many similar obligations regarding the processing and storing of personal information as the CCPA and the CPRA. Other states have enacted or are considering enacting privacy laws. All 50 states and the District of Columbia have adopted some form of breach notification laws, requiring businesses to notify individuals of security breaches of personal information.

We expect that the regulatory focus on privacy, security and data use issues will continue to increase and laws and regulations concerning the protection of personal information will expand and become more complex. Such new privacy laws add additional requirements, restrictions and potential legal risk and require additional investment in resources for compliance programs.

We believe that our operations comply with legally required standards for privacy and security of personal information to the extent applicable under federal or state law, and we strive to comply with additional standards that we identify as “best practices.” Such ongoing compliance involves significant time, effort and expense.

Despite the security measures we have in place to ensure compliance with applicable laws and rules, our facilities and systems, and those of our third-party service providers, may be vulnerable to security breaches, acts of cyber terrorism, vandalism or theft, computer viruses, misplaced or lost data, programming and/or human errors or other similar events. For example, in November 2022, one of our marketing vendors notified us that it had suffered a data breach that resulted in the release of certain information (names, email addresses, physical addresses consisting of city state, and zip codes, phone numbers and birthdates) of many of our patients and employees. The vendor further notified us that the information that had been released did not include credit card or bank account numbers, social security numbers or similar sensitive personal information. In addition, our vendor reported that they had quickly identified the source of the breach and rectified the situation, preventing the disclosure of additional information. We believe that a very limited number of affected individuals (all of whom had thejoint.com domain email address, with the exception of one) received ransom demands. Upon learning the details of the breach, we immediately embarked on an investigation and retained outside legal counsel to provide guidance with respect to any applicable legal obligations. Based on our investigation and the legal guidance we received, it was determined that the breach did not result in the release of “personal information,” as defined in the relevant data breach notification laws of all but two states. With respect to those two states, on or about May 1, 2023, counsel for The Joint Corp. delivered notices to the respective state Offices of the Attorneys General in compliance with state disclosure regulations. As of the current date, neither state has issued a response. Upon receipt of the root cause analysis from the vendors, we followed up with its leadership team to ensure that the specific breach had been remediated and to confirm that related processes and practices for future data protection had been updated. Based upon our investigation, we believe that the data breach did not have a material adverse effect on our business or result in any material damage to us. Furthermore, we are entitled to indemnification under the contract with the vendor for costs we incurred in addressing the data breach, including any costs with respect to breach notification.

State Regulations on Corporate Practice of Chiropractic

In states that regulate the “corporate practice of chiropractic,” chiropractic services are provided solely by legal entities organized under state laws as professional corporations (“PCs”) or their equivalents. Each of the PCs in our system is wholly owned by one or more licensed chiropractors and employs or contracts with chiropractors in one or more offices. We do not own any capital stock of (or have any other ownership interest in) any such PC. We and our franchisees that are not owned by chiropractors enter into management services agreements with PCs to provide the PCs on an exclusive basis with all non-clinical administrative services needed by the chiropractic practice.

In February 2020, the State of Washington Chiropractic Quality Assurance Commission delivered notices that it was investigating complaints made against three chiropractors who own clinics, or are (or were) employed by clinics, in Washington. These clinics receive management services from our franchisees that are not owned by chiropractors. The notices contained allegations of fee-splitting, specifically targeting a provision in our Franchise Disclosure Document (“FDD”) providing for the payment of royalty fees based on revenue derived from the furnishing of chiropractic care. The notices appeared to question our business model. The Commission posed a number of questions to the chiropractors and requested documentation describing the fee structure and related matters. All three chiropractors responded to the Commission, and the Commission has since closed the investigations with respect to two of the chiropractors, finding that the evidence did not support any claim of violation. It appears that the investigation with respect to the third chiropractor has either been closed or gone dormant.

In February 2019, a bill was introduced in the Arkansas state legislature prohibiting the ownership and management of a chiropractic corporation by a non-chiropractor. The bill was drafted by the Arkansas State Board of Chiropractic Examiners. This bill has since been withdrawn. While it is questionable whether the prohibition would have been applicable to our business model in Arkansas, the bill could have been interpreted to challenge that model if it had passed in its proposed form. We have no assurance that another bill posing a similar or greater challenge to our business model will not be introduced in the future. Previously, in 2015, the Arkansas

Board had questioned whether our business model might violate Arkansas law in its response to an inquiry we made on behalf of one of our franchisees. While the Arkansas Board did not thereafter pursue the matter of a possible violation, it might choose to do so at any time in the future.

In February 2019, the North Carolina Board of Chiropractic Examiners delivered notices alleging certain violations to sixteen chiropractors working for clinics in North Carolina for which our franchisees that are not owned by chiropractors provide management services. We retained legal counsel in this matter, and a preliminary hearing was conducted on February 21, 2019. The North Carolina Board issued its findings to each of the individual chiropractors, which generally included an overall finding that probable cause existed to show that the chiropractors violated one or more of the North Carolina Board's rules. The findings each also proposed an Informal Settlement Agreement in lieu of proceeding to a full hearing before the North Carolina Board. On April 22, 2019, each of the chiropractors, through their attorneys, delivered to the North Carolina Board notices refuting the North Carolina Board's findings and seeking revisions to the Settlement Agreement. The North Carolina Board replied with certain counterproposals, and all chiropractors have since accepted the terms. While the allegations consisted primarily of quality of care and advertising issues, it is possible that the actions of the North Carolina Board arose out of concerns related to our business model, and if so, we have no assurance that the North Carolina Board will not pursue other claims against the chiropractors in the future.

In November 2018, the Oregon Board of Chiropractic Examiners adopted changes to its rules to prohibit a chiropractor from owning or operating a chiropractic practice as a surrogate for a non-chiropractor. As in the case of the proposed Arkansas bill, it is questionable whether this prohibition is applicable to our business model in Oregon; however, depending upon how the amended rules are interpreted, they could similarly pose a threat. Since our franchisees began operating in Oregon, the Oregon Board has made several inquiries with respect to our business model. We have typically satisfied these inquiries by providing a brief response or documentation. In February 2018, the Oregon Board asked us for clarification regarding ownership of our franchise locations operating in Oregon, and we responded with the requested clarification. The Oregon Board has not taken any further action, but we have no assurance that it will not do so in the future or that we have satisfied the Oregon Board's concerns. One of our franchisees received a letter from the Oregon Board alleging a violation of the rules against the corporate practice of chiropractic, but after a further exchange of correspondence with the franchisee, the Oregon Board notified the franchisee in August 2018 that the case was closed.

In November 2015, the California Board of Chiropractic Examiners commenced an administrative proceeding to which we were not a party, in which it claimed that the doctor who owns the PC that we manage in southern California violated California's prohibition on the corporate practice of chiropractic, among other claims, because our management of the clinics operated by his PC involved the exercise of control over certain clinical aspects of his practice. The claims were subsequently dismissed congruent with the decision of the administrative law judge who conducted the proceeding; however, we cannot assure you that similar claims will not be made in the future, either against us or our affiliated PCs.

In a June 2015 Assurance of Discontinuance with the New York Attorney General, Aspen Dental Management, a provider of business support services to independently owned dental practices, agreed to settle claims that it improperly made business decisions impacting clinical matters, illegally engaged in fee-splitting with dental practices and required the dental practices to use the "Aspen Dental" trade name in a manner that had the potential to mislead consumers into believing that the "Aspen Dental"-branded offices were under common ownership with the provider. Pursuant to the settlement, Aspen Dental paid a substantial fine and agreed to change its business and branding practices, including changes to its website and marketing materials in order to make clear that the Aspen-branded dental offices were independently owned and operated. While it has not done so to date, we cannot assure you that the New York Attorney General will not similarly choose to challenge our contractual relationships with our affiliated PCs in New York and, in particular, to question whether use of The Joint trademark by our affiliated PCs misleads consumers, causing them to incorrectly conclude that we are the provider of chiropractic treatment.

The Kansas Healing Arts Board, in response to a third-party complaint about one of our franchisees, sent a letter to the franchisee in February 2015 questioning whether the franchise business model might violate Kansas law regarding the unauthorized practice of chiropractic care. At the time, we and the franchisee had several communications with the Kansas Healing Arts Board with respect to modifying the management agreement to address its concerns. While we have had no further communications with the Kansas Healing Arts Board since that time, we have also received no assurance that changes to the agreement satisfied all of its concerns, and thus we cannot assure you that similar claims will not be made in the future, either against us or our affiliated PCs.

While the effect of the Arkansas bill if passed, the Oregon rules changes, and the proceedings in Washington, North Carolina, California, New York and Kansas may be that our business practices in those states are under stricter scrutiny than elsewhere, we believe we are in substantial compliance with all applicable laws relating to the corporate practice of chiropractic.

Please see the risk factor in Item 1A for additional discussion of the "Risks Related to State Regulation of the Corporate Practice of Chiropractic" as they relate to our business model.

Regulation Relating to Franchising

We are subject to the rules and regulations of the FTC and various state laws regulating the offer and sale of franchises. The FTC and various state laws require that we furnish an FDD containing certain information to prospective franchisees, and a number of states require registration of the FDD at least annually with state authorities. Included in the information required to be disclosed in our FDD is our business experience, material litigation, all fees due to us from franchisees, a franchisee's estimated initial investment, restrictions on sources of products and services we impose on franchisees, development and operating obligations of franchisees, whether we provide financing to franchisees, our training and support obligations and other terms and conditions of our franchise agreement. We are operating under exemptions from registration in several states based on our qualifications for exemption as set forth in those states' laws. As of December 31, 2025, we were registered to sell franchises in every state (where registrations are required) except for Wyoming, North and South Dakota and could sell franchises in 47 of all 50 states.

Substantive state laws regulating the franchisor-franchisee relationship presently exist in many states. State laws often limit, among other things, the duration and scope of non-competition provisions and the ability of a franchisor to terminate or refuse to renew a franchise. A policy from the North American Securities Administrators Association, Inc. ("NASAA") rejects the use of required representations or waivers of claims by franchisees in franchise agreements for the purpose of insulating a franchisor from liability in disputes related to alleged fraud or misrepresentations during the offer and sale of a franchise. Although NASAA has no legal authority to prohibit such provisions, it is likely that state regulators will follow NASAA's guidance and limit their use, as California has already done. Franchisors risk exposure to unfair trade practice claims by state regulators if they try to use a franchisee's representations in a manner that offends NASAA's policy. The use of such offending representations also could increase the likelihood of successful lawsuits against franchisors by franchisees over claims of fraud or misrepresentation. Bills also have been introduced in Congress from time to time providing for protection of franchisee rights, including certain currently pending bills seeking to establish what are described as fair franchise practices. Compliance with new, complex and changing laws may cause our expenses to increase, and non-compliance with such laws could result in penalties or enforcement actions against us. However, we believe that our FDD and franchising procedures currently comply in all material respects with both the FTC guidelines and all applicable state laws regulating franchising in those states in which we have offered franchises. As those guidelines and laws change, we will revise our FDD and franchising procedures accordingly.

Other Federal, State and Local Regulation

We are subject to varied federal regulations affecting the operation of our business. We are subject to the U.S. Fair Labor Standards Act (the "FLSA"), the U.S. Immigration Reform and Control Act of 1986, the Occupational Safety and Health Act, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990 and various other federal and state laws governing such matters as minimum wage requirements, overtime, fringe benefits, workplace safety and other working conditions and citizenship requirements. A significant number of our clinic service personnel are paid at rates related to the applicable minimum wage, and increases in the minimum wage are likely to increase our labor costs. As of January 1, 2026, the minimum wage increased in a number of states, the District of Columbia and local municipalities, with many of these wage increases triggered automatically by increases in the cost of living due to high inflation. Many of our smaller franchisees qualify for exemption from the requirement to either provide health insurance benefits or pay a penalty to the IRS if not provided because of their small number of employees. The imposition of any requirement that we or our franchisees provide health insurance benefits to our or their employees that are more extensive than the health insurance benefits that we currently provide to our employees or that franchisees may or may not provide, or the imposition of additional employer paid employment taxes on income earned by our employees, could have an adverse effect on our results of operations and financial position. Our distributors and suppliers also may be affected by higher minimum wage and benefit standards, which could result in higher costs for goods and services supplied to us.

Joint Employer Rules

Significance of Joint Employer Rules for our Business Model. The replacement or withdrawal of the National Labor Relations Act (the "NLRA") and FLSA rules or new standards under federal and state discrimination statute (such as Title VII), which include or reinstate expansive definitions of "joint employer," have implications for our business model. If we are considered a joint employer, we could have responsibility for damages, reinstatement, back pay and penalties in connection with labor law and employment discrimination violations by our franchisees. Furthermore, it may be easier for our franchisees' employees to organize into unions, require us to participate in collective bargaining with those employees, provide those employees and their union representatives with bargaining power to request that we have our franchisees raise wages, and make it more expensive and less profitable to operate a franchised clinic.

Americans with Disabilities Act

We are required to comply with the accessibility standards mandated by the Americans with Disabilities Act of 1990 and related federal and state statutes, which generally prohibit discrimination on the basis of disability in places of public accommodation. We may, in the future, have to modify our clinics to provide service to or make reasonable accommodations for disabled persons. While these expenses could be material, our current expectation is that any such actions will not require us to expend substantial funds.

Competition

The chiropractic industry is highly fragmented. According to the October 2025 IBIS market research report, no single company accounts for more than 5% of the total industry market share. Our competitors include approximately 38,500 independent chiropractic offices currently open throughout the United States, according to a 2025 Kentley Insights market research report, as well as certain multi-unit operators. We may also face competition from traditional medical practices, outpatient clinics, physical therapists, med-spas, massage therapists and sellers of devices intended for home use to address back and joint discomfort. Our four largest multi-unit competitors are Airrosti, HealthSource Chiropractic, 100% Chiropractic and ChiroOne all of which are insurance-based models.

We have identified six competitors who are attempting to duplicate our cash-only, low-cost, appointment-free model. Based on publicly available information, five of these competitors each operate fewer than 16 clinics as franchises, and the largest competitor operated 24 clinics as franchises as of December 31, 2025. We anticipate that other direct competitors will join our industry as our visibility, reputation and perceived advantages become more widely known. We believe our first mover advantage, proprietary operations systems and strong unit level economics will continue to accelerate our growth even with the spawning of additional competition.

Human Capital Resources

We believe that a strong culture of engagement and alignment to be essential to the ongoing success of our business. Therefore, it is important to attract, develop and retain a diverse and engaged workforce at all levels of our business. To facilitate talent attraction and retention, we are committed to fostering a workplace where our employees feel aligned with our mission, proud of our culture and engaged in their work, with opportunities to grow and develop in their careers, supported by competitive compensation and benefits.

Workforce

As of December 31, 2025, we and our consolidated VIEs employed approximately 202 persons on a full-time basis and approximately 128 persons on a part-time basis. None of our employees are members of unions or participate in other collective bargaining arrangements.

Recruitment

We believe our employees are among our most valuable resources and are critical to our continued success. We focus significant attention on attracting and retaining talented and experienced individuals to operate our clinics and support our operations, and our management believes in a continuous improvement culture and routinely reviews employee turnover rates at various levels of the organization.

In order to continue our growth through clinic development and, in light of the recent shortage of qualified chiropractors, it is crucial that we continue to attract and retain qualified chiropractors. We strive to make The Joint the career path of choice for chiropractors, with opportunities for our chiropractors to grow and develop in their careers, supported by competitive compensation and benefits, and with our simple business model that allows our chiropractors to focus on patient care. Our competitive employment program for chiropractors includes (i) full time and flexible hours, with full benefits and paid time off, (ii) part time and flexible hours with some benefits, (iii) company-paid malpractice insurance, (iv) tuition reimbursement, sign-on and referral bonuses in certain circumstances, and (v) a competitive starting base salary. We continue to fine-tune and re-strategize our search for chiropractors. In addition, we continue to expand and strengthen our relationship with chiropractic colleges to increase engagement with students and to increase the applicant flow of qualified candidates.

In order to ensure that we are meeting our human capital objectives, we will continue to utilize engagement surveys to understand the perception of our brand as an employer and the effectiveness of our employee and compensation programs and to learn where we can improve across our company.

Talent Management and Development

Our employees' personal and professional growth is critical for the success of our business. Our approach to performance and development is designed to motivate our employees to develop, leverage their strengths, and support a coaching and feedback culture.

We offer numerous online courses and encourage our employees to attend conferences, training courses, and continuing education classes. Additionally, we conduct periodic assessments to identify talent needs and growth paths for our employees.

Compensation, Benefits, and Equity

We are committed to providing market competitive compensation and benefits. To ensure we remain competitive, we conduct periodic benchmarking to analyze our compensation data and take steps to ensure gender and other demographic equality is addressed. Our compensation practices are intended to be merit-based, focused on roles, responsibilities, experience and performance, with no consideration given to gender, age, ethnicity or other similar factors. We use a combination of fixed and incentive pay, including base salary, bonuses, and stock-based compensation. The principal purposes of our equity incentive plans are to attract, retain and motivate selected leaders through the granting of stock-based compensation awards. Our benefit offerings include comprehensive medical coverage, paid time off, a retirement savings plan and free family wellness membership at our clinics.

Code of Conduct & Ethics

In 2024, we updated our Code of Conduct to reinforce our commitment to adhering to moral and ethical principles. We hold ourselves to the highest standards of acting with integrity as outlined in our core values statements.

Facilities

We lease the property for our corporate headquarters and all of the properties for our company-owned or managed clinics. As of December 31, 2025, we leased 80 facilities in which we currently operate or manage, with our corporate headquarters being the only leased property that will remain after the completion of our refranchising strategy. We are obligated under three additional leases for facilities in which we have ceased clinic operations.

Our corporate headquarters are located at 16767 N. Perimeter Center Drive, Suite 110, Scottsdale, Arizona 85260. The term of our lease for this location expires on May 31, 2031. The primary functions performed at our corporate headquarters are finance and accounting, treasury, marketing, operations, human resources, information systems support and legal.

We are also obligated under non-cancellable leases for the clinics which we own or manage. Our clinics are on average 1,200 square feet. Our clinic leases generally have an initial term of five years, include one to two options to renew the term for five years each, and require us to pay a proportionate share of real estate taxes, insurance, common area maintenance charges and other operating costs.

As of December 31, 2025, we had 960 franchised or company-owned or managed clinics in operation in 43 states. All of our locations are leased.

Intellectual Property

Trademarks, Trade Names and Service Marks

Our registered trademarks include the following in the United States:

Trademark	Registration Date	Registration Number
DON'T DO PAIN. DO YOU.	August 2022	6810062
THE JOINT CHIROPRACTIC	December 2016	5095943
THE JOINT CHIROPRACTIC (STYLIZED-BLACK BOX)	April 2021	6331815
THE JOINT CHIROPRACTIC (STYLIZED-HORIZ LOGO)	April 2021	6331917
THE JOINT CHIROPRACTIC (STYLIZED-STCKD LOGO)	April 2021	6331918
YOU'RE BACK, BABY.	August 2020	6131833
YOU'RE BACK, BABY	December 2019	5940161
BACK-TOBER	September 2018	5571732
RELIEF RECOVERY WELLNESS	February 2018	5398367
PAIN RELIEF IS AT HAND	February 2018	5395995
WHAT LIFE DOES TO YOUR BODY, WE UNDO	February 2018	5396012
RELIEF. ON SO MANY LEVELS.	December 2015	4871809
THE JOINT	April 2015	4723892

THE JOINT... THE CHIROPRACTIC PLACE (STYLIZED)	April 2013	4323810
THE JOINT... THE CHIROPRACTIC PLACE	February 2011	3922558

Our registered trademarks include the following in Canada:

THE JOINT	July 2019	TMA1044029
THE JOINT CHIROPRACTIC	July 2019	TMA1044040
THE JOINT CHIROPRACTIC and Design	July 2019	TMA1044026

Corporate Information

We are a Delaware corporation. Our common stock is traded on the NASDAQ Capital Market under the symbol “JYNT.” Our corporate offices headquarters are located at 16767 N. Perimeter Center Drive, Suite 110, Scottsdale, Arizona 85260, and our telephone number is (480) 245-5960. Our website is www.thejoint.com. Except as specifically indicated otherwise, the information on, or that can be accessed through, our website or any other website identified herein is not incorporated by reference into this Form 10-K.

Available Information

We make available free of charge, through our website, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to these reports as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The SEC’s website, www.sec.gov, contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

ITEM 1A. RISK FACTORS

RISKS RELATED TO OPERATING OUR BUSINESS

The nationwide labor shortage has negatively impacted our ability to recruit chiropractors and other qualified personnel, and the measures we have taken in response have reduced our net revenues.

The current nationwide labor shortage and, in particular the shortage of qualified chiropractors, has negatively impacted our ability and the ability of our franchisees to recruit and retain qualified chiropractors, wellness coordinators and other qualified personnel. This shortage has limited our ability to open new clinics and has required us to enhance wages and benefits and shorten clinic operating hours. All of these measures have reduced our net revenues and increased our operating expenses and may continue to do so if labor shortages continue.

Inflation has led to increased labor costs and interest rates and may lead to reduced discretionary spending, all of which may negatively impact our business.

The primary inflationary factor affecting our operations is labor costs. Beginning in the fourth quarter of 2021 and through 2025, company-owned or managed clinics were negatively impacted by wage increases, which increased our general and administrative expenses and decreased profitability. A significant number of our clinic service personnel are paid at rates related to the applicable minimum wage, and increases in the minimum wage could increase our labor costs. As of January 1, 2024, the minimum wage increased in a number of states, the District of Columbia and local municipalities, with many of these wage increases triggered automatically by increases in the cost of living due to high inflation. Such wage increases likely will further increase our general and administrative expenses in the affected jurisdictions. A continued increase in labor costs is likely to continue to have an adverse impact on profitability and may result in additional price increases to offset their impact. Further, should we fail to continue to increase our wages competitively in response to any continued increase in wage rates, the quality of our workforce could decline, causing our patient services to suffer.

In addition to relief and recovery, our services emphasize preventive and maintenance care, which is generally not a medical necessity, and may be viewed as a discretionary medical expenditure. Discretionary spending is negatively impacted by, among other things, those factors disclosed in this Form 10-K under the caption “Significant Events and/or Recent Developments” in Management’s Discussion and Analysis of Financial Condition and Results of Operations -- unfavorable global economic or political conditions, such as labor shortages, inflation and other cost increases, and elevated interest rates. As further disclosed under the aforementioned caption, we anticipate that fiscal 2026 will continue to be a volatile macroeconomic environment and expect elevated levels of cost inflation to persist for 2026. Reductions in discretionary spending may adversely impact our business, financial condition, or results of operations. Elevated interest rates will also continue to make it more expensive for potential franchisees to finance new clinic acquisitions and thus may reduce the pool of available franchisees, which also could adversely impact our business.

In the event that a continued deterioration of economic conditions causes a significant decrease in demand for our services, this could negatively impact our ability to meet the financial covenants in our credit facility, although we were in compliance as of December 31, 2025. Furthermore, a deterioration of equity and credit markets may make other debt or equity financing difficult to obtain in a timely manner and on favorable terms, if at all, and if obtained, may be more costly or more dilutive. If we are unable to access our credit facility as a result of noncompliance with its covenants or are unable to obtain other debt or equity financing, this could limit our opportunity to acquire more clinics and regional developer rights and to pursue other corporate initiatives.

New clinics, once opened, may not be profitable, and the increases in average clinic sales and comparable clinic sales that our franchisees have experienced in the past may not be indicative of future results.

Our clinics continue to demonstrate increases in comparable clinic sales even as they mature. Our annual Comp Sales for the full year 2025 were flat. As such, we cannot assure you that increases in previous years in comparable clinic sales will continue for our existing clinics or that clinics that are opened in the future will see similar results. In new markets, the length of time before average sales for new clinics stabilize is less predictable and can be longer than we expect because of our limited knowledge of these markets and consumers’ limited awareness of our brand. New clinics may not be profitable, and their sales performance may not follow historical patterns. In addition, our average clinic sales and comparable clinic sales for existing clinics may deteriorate from the rates achieved over the past several years. Our franchisee's ability to operate new clinics profitably and increase average clinic sales and comparable clinic sales depends on many factors, some of which are beyond our control, including: (i) consumer awareness and understanding of our brand and changes in consumer preferences and discretionary spending; (ii) general economic conditions, which can affect clinic traffic, local rent and labor costs and prices we

pay for the supplies we use; (iii) competition, either from our competitors in the chiropractic industry or our own and our franchisees' clinics; (iv) the identification and availability of attractive sites for new facilities and the anticipated commercial, residential and infrastructure development near our new facilities; (v) changes in government regulation; (vi) in certain regions, decreases in demand for our services due to inclement weather; and (vii) other unanticipated increases in costs, any of which could give rise to delays or cost overruns.

If our new clinics do not perform as planned, our business and future prospects could be harmed. In addition, if we are unable to achieve our expected average clinics sales, our business, financial condition and results of operations could be adversely affected.

Our failure to manage our growth effectively could harm our business and operating results.

Our growth plan includes a significant number of new franchised clinics. Our existing clinic management systems, administrative staff, financial and management controls and information systems may be inadequate to support our continued expansion. Those demands on our infrastructure and resources may also adversely affect our ability to manage our existing clinics. Managing our growth effectively will require us to continue to enhance these systems, procedures and controls and to hire, train and retain managers and team members. We may not respond quickly enough to the changing demands that our expansion will impose on our management, clinic teams and existing infrastructure which could harm our business, financial condition and results of operations. We replaced and upgraded our IT platform in 2021, but we cannot provide assurances that our on-going improvements and enhancements efforts will be executed without delays, difficulties or service interruptions.

Our expansion into new markets may be more costly and difficult than we currently anticipate, which would result in slower growth than we expect.

Clinics our franchisees open in new markets may take longer to reach expected sales and profit levels on a consistent basis and may have higher construction, occupancy, marketing or operating costs than clinics opened in existing markets, thereby affecting our overall profitability. New markets may have competitive conditions, consumer preferences and discretionary spending patterns that are more difficult to predict or satisfy than our existing markets. We may need to make greater investments than we originally planned in advertising and promotional activity in new markets to build brand awareness. If we do not successfully execute our plans to enter new markets, our business, financial condition and results of operations could be materially adversely affected

Opening new clinics in existing markets may negatively affect revenue at existing clinics.

The target area of our franchised clinics varies by location and depends on a number of factors, including population density, other available retail services, area demographics and geography. As a result, the opening of a new clinic in or near markets in which our franchisees already have clinics could adversely affect the revenues of those existing clinics. Existing clinics could also make it more difficult to build the patient base for a new clinic in the same market. Our business strategy does not entail opening new franchised clinics that we believe will materially affect revenue at existing clinics, but we may selectively open new franchised clinics in and around areas of existing clinics that are operating at or near capacity to effectively serve the patients. Revenue "cannibalization" between clinics may become significant in the future as we continue to expand our operations and could affect our revenue growth, which could, in turn, adversely affect our business, financial condition and results of operations.

Damage to our reputation or our brand in existing or new markets could negatively impact our business, financial condition and results of operations.

We believe we have built our reputation on high quality, empathetic patient care, and we must protect and grow the value of our brand to continue to be successful in the future. Our brand may be diminished if we do not continue to make investments in areas such as marketing and advertising, as well as the day-to-day investments required for facility operations, equipment upgrades and staff training. Any incident, real or perceived, regardless of merit or outcome, that erodes our brand, such as failure to comply with federal, state or local regulations including allegations or perceptions of non-compliance or failure to comply with ethical and operating standards, could significantly reduce the value of our brand, expose us to adverse publicity and damage our overall business and reputation. Further, our brand value could suffer and our business could be adversely affected if patients perceive a reduction in the quality of service or staff.

Our marketing programs may not be successful.

We incur costs and expend other resources in our marketing efforts to attract and retain patients. Our marketing activities are principally focused on increasing brand awareness and driving patient volumes. As we open new clinics, we undertake aggressive marketing campaigns to increase community awareness about our growing presence. We plan to continue to utilize targeted marketing efforts within local neighborhoods through channels such as radio, digital media, community sponsorships and events, and a robust online/social media presence. These initiatives may not be successful, resulting in expenses incurred without the benefit of higher revenue. Our ability to market our services may be restricted or limited by federal or state law.

We will be subject to risks associated with leasing space subject to long-term non-cancelable leases for clinics that we intend to operate.

We do not own, and we do not intend to own, any of the real property where our company-owned or managed clinics operate. We anticipate that our leases generally will have an initial term of five or ten years and generally can be extended only in five-year increments (at increased rates). We expect that all of our leases will require a fixed annual rent, although some may require the payment of additional rent if clinic sales exceed a negotiated amount. We expect that our leases will typically be net leases, which require us to pay all of the costs of insurance, taxes, maintenance and utilities, and that these leases will not be cancellable by us. If a future company-owned or managed clinic is not profitable, resulting in its closure, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. These risks are heightened as we continue to increase our refranchising efforts which may adversely affect our financial condition or results of operations. In addition, we are secondarily liable on certain franchisees' clinic lease agreements, including lease agreements that we have guaranteed or assigned to franchisees, and our operating results and/or growth prospects could be impacted by any rent obligations to the extent such franchisees default on these lease agreements.

Changes in economic conditions and adverse weather and other unforeseen conditions could materially affect our ability to maintain or increase sales at our clinics.

Our services emphasize maintenance therapy, which is generally not a medical necessity, and should be viewed as a discretionary medical expenditure. The United States in general or the specific markets in which we operate may suffer from depressed economic activity, recessionary economic cycles, higher fuel or energy costs, low consumer confidence, high levels of unemployment, reduced home values, increases in home foreclosures, investment losses, personal bankruptcies, reduced access to credit or other economic factors that may affect consumer discretionary spending. As noted in a previous risk factor, the current period of high inflation, which is expected to persist through at least 2026, is likely to reduce consumer discretionary spending. Traffic in our clinics could decline if consumers choose to reduce the amount they spend on non-critical medical procedures. Negative economic conditions might cause consumers to make long-term changes to their discretionary spending behavior, including reducing medical discretionary spending on a permanent basis. In addition, given our geographic concentrations in the West, Southwest, Southeast, and mid-Atlantic regions of the United States, economic conditions in those particular areas of the country could have a disproportionate impact on our overall results of operations, and regional occurrences such as local strikes, terrorist attacks, increases in energy prices, adverse weather conditions, tornadoes, earthquakes, hurricanes, floods, droughts, fires or other natural or man-made disasters could materially adversely affect our business, financial condition and results of operations. All of our clinics depend on visibility and walk-in traffic, and the effects of adverse weather may decrease visits to malls in which our clinics are located and negatively impact our revenues. If clinic sales decrease, our profitability could decline as we spread fixed costs across a lower level of revenues. Reductions in staff levels and potential clinic closures could result from prolonged negative clinic sales, which could materially adversely affect our business, financial condition and results of operations.

RISKS RELATED TO USE OF THE FRANCHISE BUSINESS MODEL

Our dependence on the success of our franchisees exposes us to risks, including the loss of royalty revenue and harm to our brand.

A substantial portion of our revenues comes from royalties generated by our franchised clinics, which royalties are based on the revenues generated by those clinics. We anticipate that franchise royalties will represent a substantial part of our revenues in the future. As of December 31, 2025, we had franchisees operating or managing 885 clinics. We rely on the performance of our franchisees in successfully opening and operating their clinics and paying royalties and other fees to us on a timely basis. Our franchise system subjects us to a number of risks as described here and in the next four risk factors. These risks include a significant further decline in our franchisees' revenue, which occurred in 2020 as a result of the COVID-19 pandemic. Furthermore, in 2020, we took additional actions to support our franchisees that experienced challenges during the COVID-19 pandemic, further reducing our royalty revenues and other fees from franchisees. In 2020, for a period of time, we waived minimum royalty requirements, monthly software fees for clinics forced to close temporarily due to the pandemic, and minimum required marketing expenditures. We may need to re-implement, expand or extend these accommodations to

franchisees, further reducing our revenues from franchised clinics and reducing the visibility of “The Joint” brand in the marketplace. Any new or re-implemented accommodations and the occurrence of any of the other events described here and in the next four risk factors could impact our ability to collect royalty payments from our franchisees, harm the goodwill associated with our brand, and materially adversely affect our business and results of operations.

Our franchisees are independent operators over whom we have limited control.

Franchisees are independent operators, and their employees are not our employees. Accordingly, their actions are outside of our control. Although we have developed criteria to evaluate and screen prospective franchisees, we cannot be certain that our franchisees will have the business acumen or financial resources necessary to operate successful franchises in their approved locations, and state franchise laws may limit our ability to terminate or modify these franchise agreements. Moreover, despite our training, support and monitoring, franchisees may not successfully operate clinics in a manner consistent with our standards and requirements, or may not hire and adequately train qualified personnel. The failure of our franchisees to operate their franchises successfully and the actions taken by their employees could have a material adverse effect on our reputation, our brand and our ability to attract prospective franchisees, and on our business, financial condition and results of operations.

We are subject to the risk that our franchise agreements may be terminated or not renewed.

Each franchise agreement is subject to termination by us as the franchisor in the event of a default, generally after expiration of applicable cure periods, although under certain circumstances a franchise agreement may be terminated by us upon notice without an opportunity to cure. The default provisions under the franchise agreements are drafted broadly and include, among other things, any failure to meet operating standards and actions that may threaten our intellectual property. In addition, each franchise agreement has an expiration date. Upon the expiration of the franchise agreement, we or the franchisee may, or may not, elect to renew the franchise agreement. If the franchise agreement is renewed, the franchisee will receive a new franchise agreement for an additional term. Such option, however, is contingent on the franchisee’s execution of the then- current form of franchise agreement (which may include increased royalty payments, advertising fees and other costs) and the payment of a renewal fee. If a franchisee is unable or unwilling to satisfy any of the foregoing conditions, we may elect not to renew the expiring franchise agreement, in which event the franchise agreement will terminate upon expiration of its term. The termination or non-renewal of a franchise agreement could result in the reduction of royalty payments we receive.

Our franchisees may not meet timetables for opening their clinics, which could reduce the royalties we receive.

Our franchise agreements specify a timetable for opening the clinic. Failure by our franchisees to open their clinics within the specified time limit would result in the reduction of royalty payments we would have otherwise received and could result in the termination of the franchise agreement. As of December 31, 2025, we had active licenses and letters of intent for 139 clinics which we believe to be developable within the specified time periods, but we cannot be certain of this.

Our regional developers are independent operators over whom we have limited control.

Our regional developers are independent operators. Accordingly, their actions are outside of our control. We depend upon our regional developers to sell a minimum number of franchises within their territories and to assist the purchasers of those franchises to develop and operate their clinics. The failure by regional developers to sell the specified minimum number of franchises within the time limits set forth in their regional developer license agreements would reduce the franchise fees we would otherwise receive, delay the payment of royalties to us and result in a potential event of default under the regional developer license agreement. Of our total of 15 regional developers as of December 31, 2025, five had not met their minimum franchise sales requirements within the time periods specified in their regional developer agreements.

FINANCIAL RISK FACTORS

Our level of debt could impair our financial condition and ability to operate.

As of December 31, 2025, we had access to draw \$20.0 million under the Credit Agreement (defined at Note 6, *Debt*). Our level of debt could have important consequences to investors, including:

- requiring a portion of our cash flows from operations be used for the payment of interest on our debt, thereby reducing the funds available to us for our operations or other capital needs;

- limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate because our available cash flow, after paying principal and interest on our debt, may not be sufficient to make the capital and other expenditures necessary to address these changes;
- increasing our vulnerability to general adverse economic and industry conditions, since we will be required to devote a proportion of our cash flow to paying principal and interest on our debt during periods in which we experience lower earnings and cash flow;
- limiting our ability to obtain additional financing in the future to fund working capital, capital expenditures, acquisitions, and general corporate requirements; and
- placing us at a competitive disadvantage to other relatively less leveraged competitors that have more cash flow available to fund working capital, capital expenditures, acquisitions, and general corporate requirements.

We have identified a material weakness in our internal control over financial reporting. If we fail to maintain an effective system of internal controls over financial reporting, we may not be able to accurately report our financial results, prevent fraud, or maintain investor confidence.

We are subject to the internal control requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which require management to assess the effectiveness of our internal control over financial reporting.

Internal controls related to the operation of financial reporting and accounting systems are critical to maintaining adequate internal control over financial reporting. As discussed in Part II, Item 9A of this Form 10-K, our management concluded that our internal controls over financial reporting were not effective as of December 31, 2024 due to a material weakness in internal controls related to the accounting treatment in significant and complex areas. We did not design, implement and maintain effective controls to analyze and account for non-routine, unusual or complex transactions. Specifically, we did not design, implement and maintain controls to timely analyze and account for the impairment associated with certain assets held for sale within discontinued operations and for the application of valuation methodologies impacting impairment charges related to assets held for sale. We have undertaken and implemented remediation measures to address the material weakness, which measures will result in additional resources and other compliance expenses. During the fourth quarter of 2025, we completed our testing of the operating effectiveness of the implemented controls and found them to be effective. As a result, we have concluded the material weakness has been remediated as of December 31, 2025.

If we are unable to maintain effective internal control over financial reporting or disclosure controls and procedures, our ability to record, process and report financial information accurately, and to prepare financial statements within required time periods could be adversely affected, which could subject us to litigation or investigations requiring management resources and payment of legal and other expenses, negatively affect investor confidence in our financial statements and adversely impact our stock price.

Internal controls related to the operation of financial reporting and accounting systems are critical to maintaining adequate internal control over financial reporting. We cannot provide any assurance that additional material weaknesses will not occur in the future.

Our balance sheet includes intangible assets and goodwill. A decline in the estimated fair value of an intangible asset or a reporting unit could result in an impairment charge recorded in our operating results, which could be material.

Goodwill is tested for impairment annually and between annual tests if an event occurs or circumstances change that would indicate the carrying amount may be impaired. Also, we review our amortizable intangible assets for impairment if an event occurs or circumstances change that would indicate the carrying amount may not be recoverable. If the carrying amount of our goodwill or another intangible asset were to exceed its fair value, the asset would be written down to its fair value, with the impairment charge recognized as a noncash expense in our operating results. Adverse changes in future market conditions or weaker operating results compared to our expectations may impact our projected cash flows and estimates of weighted average cost of capital, which could result in a potentially material impairment charge if we are unable to recover the carrying value of our goodwill and other intangible assets.

Our balance sheet includes a significant number of long-lived assets in our corporate clinics, including operating lease right-of-use assets and property, plant and equipment. A decline in the current and projected cash flows in our corporate clinics could result in impairment charges, which could be material.

Long-lived assets, such as operating lease right-of-use (“ROU”) assets and property, plant and equipment in our corporate clinics, are tested for impairment if an event occurs or circumstances change that would indicate the carrying amount may not be recoverable. If the carrying amount of a long-lived asset were to exceed its fair value, the asset would be written down to its fair value and an impairment charge recognized as a noncash expense in our operating results. Adverse changes in future market conditions or weaker operating results compared to our expectations may impact our projected cash flows and estimates of weighted average cost of capital, which could result in a potentially material impairment charge if we are unable to recover the carrying value of our long-lived assets.

Our increased reliance on sources of revenue other than from company-owned or managed clinics exposes us to risks including the loss of revenue and reduction of working capital.

As our portfolio of company-owned or managed clinics has matured, we have placed more reliance on revenues from company-owned or managed clinics. As we execute on our refranchising strategy, we will place a greater reliance on revenue from franchise fees and royalties. As company-owned or managed clinics are sold to franchisees, the total amount of revenue will decrease. In addition, the length of time to complete the refranchising efforts could be in excess of our current expectations, and result in increased levels of general and administrative expenses for longer than anticipated. We may experience insufficient working capital to fully implement our growth plans, and our business, financial condition and results of operations could be adversely affected.

We have experienced net losses and may not achieve or sustain profitability in the future.

We have experienced periods of net losses in the past, and while we have achieved profitability from 2018 through 2022, and again in 2025, we have experienced net losses in both 2023 and 2024. As we execute on our refranchising strategy, the total amount of revenue will decrease and our ability to decrease our general and administrative expenses accordingly will drive our ability to achieve profitability in the future. Our ability to achieve profitability will be affected by the other risks and uncertainties described in this section and in Management’s Discussion and Analysis. If we are not able to achieve or sustain profitability, our business may be materially adversely affected and the price of our common stock may decline.

Any audit by the IRS with respect to our receipt of an employee retention credit (“ERC”) under The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) could result in additional taxes or costs to our company.

We received an ERC pursuant to the CARES Act in March 2023. Our eligibility to receive the ERC remains subject to audit by the IRS for a period of five years. If the IRS audits us during that time, it may find that we were not eligible to receive some or all of the ERC, in which case we would be required to return some or all of the ERC to the IRS. Additionally, 20% of the ERC was paid to an outside third party as a consulting fee. In the event we are required to return some or all of the ERC, we may not be able to recoup the consulting fee.

RISKS RELATED TO INDUSTRY DYNAMICS AND COMPETITION

Our clinics and chiropractors compete for patients in a highly competitive environment that may make it more difficult to increase patient volumes and revenues.

The business of providing chiropractic services is highly competitive in each of the markets in which our clinics operate. The primary basis of such competition are quality of care, reputation, price of services, marketing and advertising strategy implementation, convenience, traffic flow, visibility of office locations, and hours of operation. Our clinics compete with all other chiropractors in their local market. Many of those chiropractors have established practices and reputations in their markets. Some of these competitors and potential competitors may have financial resources, affiliation models, reputations or management expertise that provide them with competitive advantages over us, which may make it difficult to compete against them. Our four largest multi-unit competitors are Airrosti, which currently operates 154 clinics; HealthSource Chiropractic, which currently operates 143 clinics; ChiroOne, which currently operates 109 clinics; and 100% Chiropractic, which currently operates 61 clinics. All of these competitors are currently operating under an insurance-based model, including two of which also accept private pay. In addition, a number of other chiropractic franchises and chiropractic practices that are attempting to duplicate or follow our business model are currently operating in our markets and in other parts of the country and may enter our existing markets in the future.

Our success is dependent on the chiropractors who control the PCs, or PC owners, with whom we enter into management services agreements, and we may have difficulty locating qualified chiropractors to replace PC owners.

In states that regulate the corporate practice of chiropractic, our chiropractic services are provided by legal entities organized under state laws as PCs and their equivalents. Each PC employs or contracts with chiropractors in one or more offices. Each of the PCs is wholly owned by one or more licensed chiropractors, or medical professionals as state law may require, and we do not own any capital stock of any PC. We and our franchisees that are not owned by chiropractors enter into management services agreements with PCs, to provide to the PCs on an exclusive basis, all non-clinical services of the chiropractic practice. The PC owner is critical to the success of a clinic because he or she has control of all clinical aspects of the practice of chiropractic and the provision of chiropractic services. Upon the departure of a PC owner, we may not be able to locate one or more suitably qualified licensed chiropractors to hold the ownership interest in the PC and maintain the success of the departing PC owner.

RISKS RELATED TO STATE REGULATION OF THE CORPORATE PRACTICE OF CHIROPRACTIC

Our management services agreements, under which we provide non-clinical services to affiliated PCs, could be challenged by a state or chiropractor under laws regulating the practice of chiropractic. Some state chiropractic boards have made inquiries concerning our business model or have proposed or adopted changes to their rules that could be interpreted to pose a threat to our business model.

The laws of every state in which we operate contain restrictions on the practice of chiropractic and control over the provision of chiropractic services. The laws of many states where we operate permit a chiropractor to conduct a chiropractic practice only as an individual, a member of a partnership or an employee of a PC, limited liability company or limited liability partnership. These laws typically prohibit chiropractors from splitting fees with non-chiropractors and prohibit non-chiropractic entities, such as chiropractic management services organizations, from owning or operating chiropractic clinics or engaging in the practice of chiropractic and from employing chiropractors. The specific restrictions against the corporate practice of chiropractic, as well as the interpretation of those restrictions by state regulatory authorities, vary from state to state. However, the restrictions are generally designed to prohibit a non-chiropractic entity from controlling or directing clinical care decision-making, engaging chiropractors to practice chiropractic or sharing professional fees. The form of management agreement that we utilize, and that we recommend to our franchisees that are management service organizations, explicitly prohibits the management service organization from controlling or directing clinical care decisions. However, there can be no assurance that all of our franchisees that are management service organizations will strictly follow the provisions in our recommended form of management agreement. The laws of many states also prohibit chiropractic practitioners from paying any portion of fees received for chiropractic services in consideration for the referral of a patient. Any challenge to our contractual relationships with our affiliated PCs by chiropractors or regulatory authorities could result in a finding that could have a material adverse effect on our operations, such as voiding one or more management services agreements. Moreover, the laws and regulatory environment may change to restrict or limit the enforceability of our management services agreements. We could be prevented from affiliating with chiropractor-owned PCs or providing comprehensive business services to them in one or more states. Please see Part I, Item 1 – Business – Regulatory Environment – State Regulations on Corporate Practice of Chiropractic for a description of certain of these actions by states, including state legislatures, state chiropractic regulatory bodies and a state attorney general, to regulate and restrict the corporate practice of chiropractic.

RISKS RELATED TO OTHER LEGAL AND REGULATORY MATTERS

Uncertainties with federal regulations under the new presidential administration expanding the meaning of “joint employer” and evolving state laws increase our potential liability for employment law violations by our franchisees and the likelihood that we may be required to participate in collective bargaining with our franchisees’ employees.

Please see Part I, Item 1 – Business – Regulatory Environment – Joint Employer Rules for a detailed description of the background and current status of federal and state “joint employer” laws and regulations.

As discussed in the above-cited section, the proposed rules issued under the NLRA and the withdrawal of the Trump-era rules issued under the FLSA include or reinstate expansive definitions of “joint employer,” which could be used to deem a franchisor to be a joint employer of a franchisee’s employees. In the event of a finding of joint employer status under the NLRA, a franchisor would be required to collectively bargain or otherwise deal with a union that does not represent the franchisor’s own employees, lose the protections against union picketing of neutral employers in the event of a labor disagreement between a franchisee and a franchisee’s employees, and share in liability for labor and employment violations committed by a franchisee. Under the reversion to a more expansive definition of “joint employer” under the FLSA, a franchisor could be held jointly liable with its franchisee for minimum wages and overtime pay violations by the franchisee, depending on the extent of control and supervision the franchisor is able to exercise over the franchisee’s employees. Furthermore, there is an expectation that new rules will be issued by the Equal Employment Opportunity Commission, similarly expanding “joint liability” with respect to the enforcement of anti-discrimination laws.

Such expansions of joint employer liability have implications for our business model. We could have responsibility for damages, reinstatement, back pay and penalties in connection with labor law and employment discrimination violations by our franchisees over whom we have limited control. Furthermore, it may be easier for our franchisees' employees to organize into unions, require us to participate in collective bargaining with those employees, provide those employees and their union representatives with bargaining power to request that we have our franchisees raise wages, and make it more expensive and less profitable to operate a franchised clinic.

Similarly, state laws, such as California's AB-5 and similar laws adopted or being considered for adoption in other states, raise concerns with respect to the expansion of joint liability to the franchise industry. While AB-5 is not a franchise-specific law and does not address joint employer liability, a significant concern exists in the franchise industry that an expansive interpretation of AB-5 or similar law could be used to hold franchisors jointly liable for the labor law violations of its franchisees. Courts addressing this issue have come to differing conclusions, and it remains uncertain as to how the joint employer issue will finally be resolved in California, although potential new federal laws or regulations may ultimately be controlling on this issue. Furthermore, there have been private lawsuits in which parties have alleged that a franchisor and its franchisee "jointly employ" the franchisee's staff, that the franchisor is responsible for the franchisees' staff (under theories of apparent agency, ostensible agency, or actual agency), or otherwise.

Evolving labor and employment laws, rules and regulations, and theories of liability could result in expensive litigation and potential claims against us as a franchisor for labor and employment-related and other liabilities that have historically been borne by franchisees. This could negatively impact the franchise business model, which could materially and adversely affect our business, financial condition and results of operations.

An increased regulatory focus on the establishment of fair franchise practices could increase our risk of liability in disputes with franchisees and the risk of enforcement actions and penalties.

Recently, there has been an increased focus on unfair franchise practices. A policy from NASAA rejects the use of required representations or waivers of claims by franchisees in franchise agreements for the purpose of insulating a franchisor from liability in disputes related to alleged fraud or misrepresentations during the offer and sale of a franchise. It is expected that state regulators will follow NASAA's guidance and limit their use, as California has already done. We risk exposure to unfair trade practice claims by state regulators if we try to use a franchisee's representations in a manner that offends NASAA's policy. The use of such offending representations also could increase the likelihood of successful lawsuits against us by our franchisees over claims of fraud or misrepresentation. Bills also have been introduced in Congress from time to time providing for protections of franchisee rights, including certain currently pending bills seeking to establish what are described as fair franchise practices. Compliance with new, complex and changing laws may cause our expenses to increase, and non-compliance with such laws could result in penalties or enforcement actions against us. Please see Part I, Item 1 Business Regulatory Environment – Regulation Relating to Franchising for a description of other federal and state regulation related to franchising.

We conduct business in a heavily regulated industry, and if we fail to comply with these laws and government regulations, we could incur penalties or be required to make significant changes to our operations.

We, our franchisees and the chiropractor-owned PCs to which we and our franchisees provide management services are subject to extensive federal, state and local laws, rules and regulations, including: (i) federal and state laws governing the franchisor-franchisee relationship; (ii) state regulations on the corporate practice of chiropractic; (iii) federal and state laws governing the collection, dissemination, use, security and confidentiality of sensitive personal information; (iv) federal and state laws which contain anti-kickback and fee-splitting provisions and restrictions on referrals; (v) the federal Fair Debt Collection Practices Act and similar state laws that restrict the methods that we and third-party collection companies may use to contact and seek payment from patients regarding past due accounts; and (vi) federal and state labor laws, including wage and hour laws.

Many of the above laws, rules and regulations applicable to us, our franchisees and our affiliated PCs are ambiguous, have not been definitively interpreted by courts or regulatory authorities and vary from jurisdiction to jurisdiction. Accordingly, we may not be able to predict how these laws and regulations will be interpreted or applied by courts and regulatory authorities, and some of our activities could be challenged. In addition, we must consistently monitor changes in the laws and regulations that govern our operations. Furthermore, a review of our business by judicial, law enforcement or regulatory authorities could result in a determination that could adversely affect our operations. Although we have tried to structure our business and contractual relationships in compliance with these laws, rules and regulations in all material respects, if any aspect of our operations were found to violate applicable laws, rules or regulations, we could be subject to significant fines or other penalties, required to cease operations in a particular jurisdiction, prevented from commencing operations in a particular state or otherwise be required to revise the structure of our business or legal arrangements. Our efforts to comply with these laws, rules and

regulations may impose significant costs and burdens, and failure to comply with these laws, rules and regulations may result in fines or other charges being imposed on us.

Our chiropractors are subject to ethical guidelines and operating standards which, if not complied with, could adversely affect our business.

The chiropractors who work in our system are subject to ethical guidelines and operating standards of professional and trade associations and private accreditation agencies. Compliance with these guidelines and standards is often required by our contracts with our chiropractors, patients and franchise owners (and their contractual relationships) and serve to maintain our reputation. The guidelines and standards governing the provision of healthcare services may change significantly in the future. New or changed guidelines or standards may materially and adversely affect our business. In addition, a review of our business by accreditation authorities could result in a determination that could adversely affect our operations.

We, along with our affiliated PCs and their chiropractors, are subject to malpractice and other similar claims and may be unable to obtain or maintain adequate insurance against these claims.

The provision of chiropractic services by chiropractors entails an inherent risk of potential malpractice and other similar claims. While we do not have responsibility for compliance by affiliated PCs and their chiropractors with regulatory and other requirements directly applicable to chiropractors, claims, suits or complaints relating to services provided at the offices of our franchisees or affiliated PCs may be asserted against us. We have experienced a number of malpractice claims since our founding in March 2010, which we have defended or are vigorously defending and do not expect their outcome to have a material adverse effect on our business, financial condition or results of operations. The assertion or outcome of these claims could result in higher administrative and legal expenses, including settlement costs or litigation damages. Although we maintain insurance in amounts that we believe are reasonable, we may not be able to maintain such insurance on acceptable terms, and claims may exceed the amount of insurance coverage available to us. Our current minimum professional liability insurance coverage required for our franchisees, affiliated PCs and company-owned clinics is \$1.0 million per occurrence and \$3.0 million in annual aggregate. In addition, we have a corporate business owner's policy with coverage of \$2.0 million per occurrence and \$4.0 million in annual aggregate. If we are unable to obtain adequate insurance, our franchisees or franchisee doctors fail to name our company as an additional insured party, or if there is an increase in the future cost of insurance to us and the chiropractors who provide chiropractic services or an increase in the amount we have to self-insure, there may be a material adverse effect on our business and financial results.

Events or rumors relating to our brand names or our ability to defend successfully against intellectual property infringement claims by third parties could significantly impact our business.

Recognition of our brand names, including "THE JOINT CHIROPRACTIC," and the association of those brands with quality, convenient and inexpensive chiropractic maintenance care, are an integral part of our business. The occurrence of any events or rumors that cause patients to no longer associate the brands with quality, convenient and inexpensive chiropractic maintenance care may materially adversely affect the value of the brand names and demand for chiropractic services at our franchisees or their affiliated PCs.

Our ability to compete effectively depends in part upon our intellectual property rights, including but not limited to our trademarks. Our use of contractual provisions, confidentiality procedures and agreements, and trademark, copyright, unfair competition, trade secret and other laws to protect our intellectual property rights may not be adequate. Litigation may be necessary to enforce our intellectual property rights, or to defend against claims by third parties that the conduct of our businesses or our use of intellectual property infringes upon such third party's intellectual property rights. Any intellectual property litigation or claims brought against us, whether or not meritorious, could result in substantial costs and diversion of our resources, and there can be no assurances that favorable final outcomes will be obtained in all cases. Our business, financial condition or results of operations could be adversely affected as a result.

RISKS RELATED TO INFORMATION TECHNOLOGY, CYBERSECURITY AND DATA PRIVACY

Our failure to comply with applicable federal and state data privacy and security laws could result in civil or criminal sanctions or damage awards, and the proliferation of such laws increases our costs of compliance.

The data protection landscape is rapidly evolving, and we are or may become subject to numerous state and federal laws and regulations governing the collection, use, disclosure, retention, and security of personal information, including health-related information. While we have determined that we are not currently regulated as a covered entity under HIPAA and thus are not subject to its requirements or penalties, any entity may be prosecuted under HIPAA's criminal provisions either directly or

under aiding-and-abetting or conspiracy principles. Consequently, depending on the facts and circumstances, we could face substantial criminal penalties if we knowingly receive individually identifiable health information from a HIPAA-covered healthcare provider that has not satisfied HIPAA's requirements for disclosure of individually identifiable health information. Even when entities are not covered by HIPAA, the FTC has taken the position that a failure to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of the Federal Trade Commission Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. The FTC has broad authority to seek monetary redress for affected consumers and injunctive relief.

In addition, many states impose restrictions related to the confidentiality of personal information that apply more broadly than HIPAA. Please see Part I, Item 1 – Business – Regulatory Environment – HIPAA and State Privacy and Breach Notification Rules for a description of some of these state privacy rules. Such information may include certain identifying information and financial information of our patients. These state laws may impose notification requirements in the event of a breach of such personal information. Violations of these laws may result in criminal, civil and administrative sanctions and also may provide individuals with a private right of action with respect to disclosures of personal information. Failure to comply with such data confidentiality, security and breach notification laws may result in substantial monetary penalties or awards of damages.

We expect that the regulatory focus on privacy, security and data use issues will continue to increase and laws and regulations concerning the protection of personal information will expand and become more complex. Such new privacy laws add additional requirements, restrictions and potential legal risk and require additional investment in resources for compliance programs.

Our business model depends on proprietary and third-party management information systems that we use to, among other things, track financial and operating performance of our clinics, and any failure to successfully design and maintain these systems or implement new systems could materially harm our operations.

We depend on integrated management information systems, some of which are provided by third parties, and standardized procedures for operational and financial information, patient records and billing operations. In 2021, we replaced, upgraded and rolled out our new IT platform, and any problems with system performance could cause disruptions in our business operations, given the pervasive impact of the new system on our processes. In general, we may experience unanticipated delays, complications, data breaches or expenses in replacing, upgrading, implementing, integrating, and operating our systems. Our management information systems regularly require modifications, improvements or replacements that may require both substantial expenditures as well as interruptions in operations. Our ability to implement these systems is subject to the availability of skilled information technology specialists to assist us in creating, implementing and supporting these systems. Our failure to successfully design, implement and maintain all of our systems could have a material adverse effect on our business, financial condition and results of operations.

If we fail to properly maintain the integrity of our data or to strategically implement, upgrade or consolidate existing information systems, our reputation and business could be materially adversely affected.

We increasingly use electronic means to interact with our customers and collect, maintain and store individually identifiable information, including, but not limited to, personal financial information and health-related information. Despite the security measures we have in place to ensure compliance with applicable laws and rules, our facilities and systems, and those of our third-party service providers, may be vulnerable to security breaches, acts of cyber terrorism, vandalism or theft, computer viruses, misplaced or lost data, programming and/or human errors or other similar events. Please see Part I, Item 1 – Business – Regulatory Environment – HIPAA and State Privacy and Breach Notification Rules for a description of the November 2022 data breach suffered by one of our vendors, which resulted in the release of certain information with respect to our patients and employees. Additionally, the collection, maintenance, use, disclosure and disposal of individually identifiable data by our businesses are regulated at the federal and state levels as well as by certain financial industry groups, such as the Payment Card Industry organization. Federal, state and financial industry groups may also consider from time-to-time new privacy and security requirements that may apply to our businesses. Compliance with evolving privacy and security laws, requirements, and regulations may result in cost increases due to necessary systems changes, new limitations or constraints on our business models and the development of new administrative processes. They also may impose further restrictions on our collection, disclosure and use of individually identifiable information that is housed in one or more of our databases. Noncompliance with privacy laws, financial industry group requirements or a security breach involving the misappropriation, loss or other unauthorized disclosure of personal, sensitive and/or confidential information, whether by us or by one of our vendors, could have material adverse effects on our business, operations, reputation and financial condition, including decreased revenue;

material fines and penalties; increased financial processing fees; compensatory, statutory, punitive or other damages; adverse actions against our licenses to do business; and injunctive relief whether by court or consent order.

If our security systems are breached, we may face civil liability and public perception of our security measures could be diminished, either of which would negatively affect our ability to attract and retain patients.

Techniques used to gain unauthorized access to corporate data systems are constantly evolving, and there is a potential for increased cyber-attacks and security challenges as our employees and employees of our vendors and franchisees work remotely from non-corporate managed networks. We may be unable to anticipate or prevent unauthorized access to data pertaining to our patients, including credit card and debit card information and other personally identifiable information. Our systems, which are supported by our own systems and those of third-party vendors, are vulnerable to computer malware, trojans, viruses, worms, break-ins, phishing attacks, denial-of-service attacks, attempts to access our servers in an unauthorized manner, or other attacks on and disruptions of our and third-party vendor computer systems (as in the case of the November 2022 data breach of a vendor's computer system referenced in the preceding risk factor), any of which could lead to system interruptions, delays, or shutdowns, causing loss of critical data or the unauthorized access to personally identifiable information. If an actual or perceived breach of security occurs on our systems or a vendor's systems, we could face civil liability and reputational damage, either of which would negatively affect our ability to attract and retain patients. We also could be required to expend resources, time and/or effort to mitigate the breach of security and to address related matters, as we did in the case of the aforementioned November 2022 data breach, although we are entitled to indemnification under the contract with the vendor for costs incurred in the case of the November 2022 breach.

We may not be able to effectively control the unauthorized actions of third parties who may have access to the patient data we collect. Any failure, or perceived failure, by us to maintain the security of data relating to our patients and employees, and to comply with our posted privacy policy, laws and regulations, rules of self-regulatory organizations, industry standards and contractual provisions to which we may be bound, could result in the loss of confidence in us, or result in actions against us by governmental entities or others, all of which could result in litigation and financial losses, and could potentially cause us to lose patients, revenue and employees.

We are subject to a number of risks related to credit card and debit card payments we accept.

We accept payments through credit and debit card transactions. For credit and debit card payments, we pay interchange and other fees, which may increase over time. An increase in those fees would require us to either increase the prices we charge for our services, which could cause us to lose patients and revenue, or absorb an increase in our operating expenses, either of which could harm our operating results.

If we or any of our processing vendors have problems with our billing software, or the billing software malfunctions, it could have an adverse effect on patient satisfaction and could cause one or more of the major credit card companies to disallow our continued use of their payment products. In addition, if our billing software fails to work properly, and as a result, we do not automatically process monthly membership fees to our patients' credit cards on a timely basis or at all, or there are issues with financial insolvency of our third-party vendors or other unanticipated problems or events, we could lose revenue, which would harm our operating results.

We are also subject to payment card association operating rules, certification requirements and rules governing electronic funds transfers, which could change or be reinterpreted to make it more difficult for us to comply. Based on the self-assessment completed as of February 3, 2026, we are currently in compliance with the Payment Card Industry Data Security Standard, or PCI DSS, the payment card industry's security standard for companies that collect, store or transmit certain data regarding credit and debit cards, credit and debit card holders and credit and debit card transactions. There is no guarantee that we will maintain PCI DSS compliance. Our failure to comply fully with PCI DSS in the future could violate payment card association operating rules, federal and state laws and regulations and the terms of our contracts with payment processors and merchant banks. Such failure to comply fully also could subject us to fines, penalties, damages and civil liability and could result in the suspension or loss of our ability to accept credit and debit card payments. Although we do not store credit card information and we do not have access to our patients' credit card information, there is no guarantee that PCI DSS compliance will prevent illegal or improper use of our payment systems or the theft, loss, or misuse of data pertaining to credit and debit cards, credit and debit card holders and credit and debit card transactions.

If we fail to adequately control fraudulent credit card transactions, we may face civil liability, diminished public perception of our security measures and significantly higher credit card-related costs, each of which could adversely affect our business, financial condition and results of operations. If we are unable to maintain our chargeback or refund rates at acceptable levels, credit and debit card companies may increase our transaction fees, impose monthly fines until resolved or terminate their

relationships with us. Any increases in our credit and debit card fees could adversely affect our results of operations, particularly if we elect not to raise our rates for our service to offset the increase. The termination of our ability to process payments on any major credit or debit card would significantly impair our ability to operate our business.

GENERAL RISK FACTORS

We have restated our Previously Issued Financial Statements, which may lead to additional risks and uncertainties, including loss of investor confidence and negative impacts on our stock price.

On August 12, 2025, we restated our consolidated financial statements as of and for the years ended December 31, 2024 and 2023 and for the quarterly period ended March 31, 2025 (the “2024/2025 Restated Periods”). The determination to restate the financial statements for the 2024/2025 Restated Periods was made by our Audit Committee and our Board of Directors upon management’s recommendation following the identification of an error over the application of asset valuation accounting related to assets held for sale reported in discontinued operations that impacted impairment charges. Our management, after consultation with our independent registered accountants, concluded that our Previously Issued Financial Statements for the 2024/2025 Restated Periods should no longer be relied upon. Our Annual Report on Form 10-K for the years ended December 31, 2024 and 2023 has been amended by Form 10-K/A filed on August 12, 2025 and our Quarterly Report on Form 10-Q for the quarters ended March 2025 and 2024 has been amended by Form 10-Q/A filed on August 12, 2025 to, among other things, reflect the restatement of our financial statements for the 2024/2025 Restated Periods.

On September 26, 2023, we restated our consolidated financial statements as of and for the years ended December 31, 2022 and 2021 and for the quarterly periods within the fiscal years ended December 31, 2022 and 2021 (the “2022 Restated Periods”). The determination to restate the financial statements for the 2022 Restated Periods was made by our Audit Committee and our Board of Directors upon management’s recommendation following the identification of an error related to our method of accounting for the reacquisition of regional developer rights and transfer pricing adjustments for our VIEs. Our management, after consultation with our independent registered accountants, concluded that our Previously Issued Financial Statements for the 2022 Restated Periods should no longer be relied upon. Our Annual Report on Form 10-K for the years ended December 31, 2022 and 2021 has been amended by Form 10-K/A filed on September 26, 2023 to, among other things, reflect the restatement of our financial statements for the 2022 Restated Periods.

The restatement of our Previously Issued Financial Statements has been time-consuming and expensive and could expose us to additional risks that could materially adversely affect our financial position, results of operations and cash flows, including unanticipated costs for accounting and legal fees in connection with or related to the restatement and the risk of potential stockholder litigation. If lawsuits are filed, we may incur additional substantial defense costs regardless of the outcome of such litigation. Likewise, such events might cause a diversion of our management’s time and attention. If we do not prevail in any such litigation, we could be required to pay substantial damages or settlement costs. In addition, the restatement may lead to a loss of investor confidence and have negative impacts on the trading price of our common stock.

Short-selling strategies and negative opinions posted on the internet may drive down the market price of our common stock and could result in class action lawsuits.

Short selling occurs when an investor borrows a security and sells it on the open market, with the intention of buying identical securities at a later date to return to the lender. A short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares. Because it is in the short seller’s best interests for the price of the stock to decline, some short sellers publish, or arrange for the publication of, opinions or characterizations regarding an issuer, its business prospects, and similar matters which may create a negative depiction of our company. This information is often widely distributed, including through platforms that mainly serve as hosts seeking advertising revenue. Issuers who have limited trading volumes and are thus susceptible to higher volatility levels than large-cap stocks can be particularly vulnerable to such short seller attacks.

We may be subject to short selling strategies that may drive down the market price of our common stock. In 2021, we were the target of negative allegations posted on an internet platform designed to advise short sellers, which precipitated a decline in the price of our stock. Shortly thereafter, several plaintiffs’ law firms announced investigations into potential securities laws violations based on these allegations. While we believe these allegations are without merit, and no litigation has been commenced to date regarding such allegations, we still face the potential (albeit a diminishing one, given the passage of time) for litigation to be initiated against us. While we would vigorously defend against any such litigation, regardless of outcome, litigation can be costly and time-consuming, divert the attention of our management team, adversely impact our reputation and

brand, and if a plaintiff claim were successful, could result in significant liability, all of which could harm our business and financial condition.

Future sales of our common stock may depress our stock price and our share price may decline due to the large number of shares eligible for future sale or exchange.

The market price of our common stock could decline as a result of sales of a large number of shares of common stock in the market or the perception that such sales could occur. These sales, or the possibility that these sales may occur, might also make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. As of December 31, 2025, we had 14,142,626 outstanding shares of common stock and are authorized to sell up to 20,000,000 shares of common stock. The trading volume of shares of our common stock averaged approximately 76,000 shares per day during the year ended December 31, 2025. Accordingly, sales of even small amounts of shares of our common stock by existing stockholders may drive down the trading price of our common stock.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, we have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by our Board of Directors. Under the terms of such indemnification agreements, we are required to indemnify each of our directors and officers, to the fullest extent permitted by the laws of the state of Delaware, if the basis of the indemnitee's involvement was by reason of the fact that the indemnitee is or was a director or officer of our company or any of its subsidiaries or was serving at our request in an official capacity for another entity. Any claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims and may reduce the amount of money available to us.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Our Chief Technology Officer ("CTO") is responsible for cybersecurity within our company, including information technology risks, controls, strategies and procedures. The Cybersecurity Subcommittee of the Board of Directors oversees cybersecurity for our company and meets with the CTO at least quarterly to discuss the status of cybersecurity efforts as well as any security incidents. Cybersecurity Subcommittee materials are provided to the Audit Committee as well as the full Board of Directors. The members of the Cybersecurity Subcommittee collectively bring at least 40 years of expertise and executive-level experience in information technology and cybersecurity to successfully support the CTO to maintain a strong cybersecurity strategy within our company. The Board of Directors believes that a strong cyber strategy based on industry accepted best practices is vital to protect our business, customers and assets.

Our CTO leverages more than 20 years of technology experience in the healthcare and financial services industries involving managing information security, developing cybersecurity strategy, implementing effective information and cybersecurity programs and managing within highly regulated global environments. He has managed technology compliance under the regulatory governance of frameworks such as HIPAA, GDPR, FDA, CCPA and TJC Hospital Accreditation. Management has the responsibility to manage risk and bring to the Board of Directors attention the most material near-term and long-term risks to our Company. The CTO leads management's assessment and management of cybersecurity risk and regularly reviews cybersecurity matters with management. The CTO reports to our Chief Executive Officer.

A dedicated team of technology professionals works throughout the year to monitor all matters of risk relating to cybersecurity. We completed our ISO 27001 Information Security Management certification project culminating in a primary and secondary audit against the standard. We received our ISO 27001 certification after the successful completion of an external audit and remediation steps and will complete a regular external audit in March 2026. Additionally, we operate and are compliant under the following provisions: HIPAA attestation for the HIPAA Security Rule and the Health Information Technology for Economic and Clinical Health Act (HITECH) Breach Notification requirements.

Vendors that have access to our information are required to manage such information in accordance with laws and appropriate privacy and security standards. Standards are applied on a per-contract basis and include requirements to have an information security program and report to us any incidents in which its confidential information or systems are compromised. Depending

on the nature of the vendors' access to our information, we monitor and evaluate the controls and governance established with the vendors ranging from a continuous cadence to at least quarterly.

We have not directly encountered any incidents from cybersecurity threats to date, but in November 2022, a breach was suffered by one of our vendors, which resulted in the release of certain information with respect to our patients and employees. This breach is discussed in more detail in Item 1. Business, under Regulatory Environment entitled "HIPAA and State Privacy and Breach Notification Rules". Based upon our investigation and the cooperation with our vendor, we believe the data breach did not have a material adverse effect on our business or result in any material damage to us and do not believe are reasonably likely to materially affect our business strategy, results of operations, or financial condition. Although we have not yet been materially impacted by any cybersecurity incident, we are subject to cybersecurity threats, as discussed in Item 1A. Risk Factors, including in the risk factor entitled "If we fail to properly maintain the integrity of our data or to strategically implement, upgrade or consolidate existing information systems, our reputation and business could be materially adversely affected" and "If our security systems are breached, we may face civil liability and public perception of our security measures could be diminished, either of which would negatively affect our ability to attract and retain patients".

We annually assess our cybersecurity programs against third-party requirements, including HIPAA and the Sarbanes-Oxley Act of 2002. We test multiple aspects of cybersecurity regularly, including annual pen testing over our proprietary information systems and our technical recovery and incident response procedures annually.

We maintain a robust privacy compliance program. Employees receive periodic email communications, which train them to detect and report malware, ransomware and other malicious software and social engineering attempts that may compromise our information technology systems. In the second quarter of 2024, we implemented the KnowBe4 security training system and completed our first annual training in August 2024. In 2025, we completed a semi-annual security and privacy training cycle utilizing the SIMBUS360 platform. In 2026, we will re-engage the KnowBe4 system with a heightened focus on phishing awareness.

Currently, we rely on an established major incident management and communication process to address any potential cybersecurity incidents. This established process includes the use of third party partnerships to make available the distinct skill sets needed to assist in properly responding to any cybersecurity threat. We have established defined response procedures to effectively address any cyber threat that may occur regardless of the safeguards in place that minimize the chance of a successful cyberattack. The response procedures are designed to identify, analyze, contain and remediate such cyber incidents expeditiously. These procedures and approach to safeguard our information and assets will be continuously monitored by management and updated to evolve with the current cyber landscape in alignment with the ISO 27001 standard mentioned above.

ITEM 2. PROPERTIES

We lease the property for our corporate headquarters and all of the properties for our company-owned or managed clinics. As of December 31, 2025, we leased 80 facilities in which we operate, with our corporate headquarters being the only leased property that will remain after the completion of our refranchising strategy. We are obligated under three additional leases for facilities in which we have ceased clinic operations.

Our corporate headquarters are located at 16767 N. Perimeter Center Drive, Suite 110, Scottsdale, Arizona 85260. The term of our lease for this location expires on May 31, 2031. The primary functions performed at our corporate headquarters are finance and accounting, treasury, marketing, operations, human resources, information systems support and legal.

We are also obligated under non-cancellable leases for the clinics that we own or manage. Our clinics are on average 1,200 square feet. Our clinic leases generally have an initial term of five years, include one to two options to renew the term for five years each, and require us to pay a proportionate share of real estate taxes, insurance, common area maintenance charges and other operating costs.

ITEM 3. LEGAL PROCEEDINGS

Information regarding our legal proceedings is discussed in Note 10, *Commitments and Contingencies* in the Notes to the consolidated financial statements, which is incorporated herein by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

Our common stock is traded on the Nasdaq Capital Market under the symbol "JYNT."

Holder

As of December 31, 2025, there were approximately 38 holders of record of our common stock and 14,142,626 shares of our common stock outstanding.

Purchases of Equity Securities by the Issuer

On June 3, 2025, our Board of Directors approved a stock repurchase program (the "2025 SRP") to repurchase up to \$5.0 million of our common stock, par value \$0.001 per share, from time to time until June 3, 2027 or such other date as we have exhausted, or the Board of Directors otherwise terminates, the repurchase authorization. On November 4, 2025, the Board of Directors authorized an additional \$12.0 million for a total of \$17.0 million authorized for repurchase under the 2025 SRP and extended the repurchase date through November 4, 2027.

The timing, volume, price, and terms of the repurchases will depend on market and business conditions, applicable legal requirements, and other factors. The repurchases may be made on the open market, in privately negotiated transactions, or in such other manner (e.g., accelerated share repurchase transactions, block trades, derivatives, or otherwise) that complies with the terms of applicable federal and state securities laws and regulations.

The following table summarizes our monthly common stock repurchase activity under the 2025 SRP during the three months ended December 31, 2025.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Repurchased Under the 2025 SRP	Approximate Dollar Value of Shares that May Yet be Purchased Under the 2025 SRP
Repurchases from October 1 - 31, 2025	312,571	\$ 8.64	312,571	\$ —
Repurchases from November 1 - 30, 2025	628,234	8.38	628,234	6,734,509
Repurchases from December 1 - 31, 2025	126,680	8.36	126,680	5,675,604
Total	1,067,485	\$ 8.45	1,067,485	\$ 5,675,604

Dividends

Since our initial public offering, we have not declared nor paid dividends on our common stock, and we do not expect to pay cash dividends on our common stock in the foreseeable future.

ITEM 6. [Reserved]**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis of our results of operations and financial condition for the years ended December 31, 2025 and 2024 should be read in conjunction with the consolidated financial statements and the notes thereto, and other financial information contained elsewhere in this Form 10-K.

Overview

We are a growing franchisor that uses a private pay, non-insurance, cash-based model. We seek to be the leading provider of chiropractic care in the markets we serve and to become the most recognized brand in our industry. We delivered over 14.4 million patient visits in 2025, down from 14.7 million patient visits in 2024, generating over \$532.4 million and \$530.3 million

of system-wide sales, respectively, across our highly franchised network. We will continue the franchise-focused expansion of chiropractic clinics in key markets throughout North America and potentially abroad. We saw 797,100 new patients in 2025, and according to our patient survey conducted in 2024, approximately 36% of new patients were visiting a chiropractor for the first time. We are not only increasing our percentage of market share, but are also expanding the chiropractic market.

Key Performance Measures. We receive monthly performance reports from our system and our clinics, which include key performance indicators per clinic, including gross sales, Comp Sales, number of new patients, conversion percentage and member attrition. In addition, we review monthly reporting related to system-wide sales, clinic openings, clinic license sales and various earnings metrics in the aggregate and per clinic. We believe these indicators provide us with useful data with which to measure our performance and to measure our franchisees' and clinics' performance. Comp Sales include the sales from both company-owned or managed clinics and franchised clinics that in each case have been open at least 13 full months and exclude any clinics that have closed. System-wide sales are neither required by, nor presented in accordance with, GAAP. System-wide sales are the sum of company-owned or managed clinics and clinics operated by our franchisees. Our GAAP total revenue in our consolidated statements of income is limited to company-owned or managed clinic revenue and franchise revenue from our franchisees. Accordingly, system-wide sales should not be considered in isolation or as a substitute for our results reported under GAAP. Management believes the information is important in understanding the overall brand's financial performance, because these sales are the basis on which we calculate and record royalty fees and are indicative of the financial health of the franchisee base.

For the year ended December 31, 2025:

- Comp Sales of clinics that have been open for at least 13 full months were flat.
- System-wide sales for all clinics open for any amount of time slightly increased to \$532.4 million but remained flat on a percentage basis.
- We saw 797,100 new patients in 2025, compared with 957,000 new patients in 2024.

Key Clinic Development Trends. As of December 31, 2025, we and our franchisees operated or managed 960 clinics, of which 885 were operated or managed by franchisees and 75 were operated as company-owned or managed clinics. Our franchisees opened 29 clinics during 2025. This compares to 57 clinics opened in 2024, all of which were franchised clinics. Of the 75 company-owned or managed clinics at December 31, 2025, 30 were constructed and developed by us, and 45 were acquired from franchisees.

Our current strategy is to grow through the sale and development of additional franchises. After evaluating options for improvement, during 2023 the Board of Directors authorized management to initiate a plan to rebrand or sell the majority of our company-owned or managed clinics. During the third quarter of 2024, we, with the authorization of the Board of Directors, expanded the rebranding plan to include the full portfolio of our company-owned or managed clinics, marketing the clinics in large clusters grouped by geographic territory. This refined strategy will leverage our greatest strength — our capacity to build a franchise — to drive long-term growth for both our franchisees and The Joint as a public company. We have created a robust framework for the rebranding effort, organizing clinics into clusters, and generating comprehensive disclosure packets for marketing efficiency. We had given initial preference to existing franchisees and in the third quarter of 2024 expanded the marketing efforts to larger multi-unit, multi-brand operators and certain private equity firms interested in purchasing and operating large market-based clinic clusters and have received significant interest to date in most markets. In early 2025, we received draft letters of intent for our full portfolio of company-owned or managed clinics.

On June 30, 2025, we closed on the sale of 31 company-owned or managed clinics and associated franchise licenses located in Arizona and New Mexico to an existing franchisee, Joint Ventures, LLC, in exchange for \$8.3 million in cash and the regional developer territory rights of the Northwest region. We carried an upfront regional developer fee liability balance associated with the transaction of \$42 thousand, representing the unrecognized fee collected upon the execution of the regional developer agreement. We accounted for the acquisition of the regional developer rights as a release of liability and were included as part of the total consideration received to calculate the gain or loss on the sale. Losses on the sale were included with the loss on the sale of assets included in Net loss on disposition or impairment from discontinued operations. As part of the sale, Joint Ventures, LLC agreed to open an additional 10 clinics in the same region. On June 23, 2025, we also closed the sale of five clinics along with future development rights located in Kansas and Missouri to an existing franchisee, 93 Chiro, LLC.

On December 5, 2025, we entered into an Asset Purchase Agreement with Addisco Value, LLC, a North Carolina limited liability company, Triangle Chiropractic Associates P.C., a North Carolina professional corporation, and Bluffton TJ, LLC, a South Carolina limited liability company, collectively as “buyers”, and Alex Klaus, an individual, Todd Wegerski, DC, an individual, Lisa Ezell, an individual, Andrew Michael Evec, an individual, and Susan Ruth Train, an individual, collectively as

guarantors, pursuant to which we will sell the assets of, and grant franchise rights to, 22 company-owned or managed clinics located in Virginia, North Carolina and South Carolina for an aggregate purchase price of approximately \$1.5 million, subject to certain adjustments. In mid-December 2025, the buyers assumed business operations under Management Service Agreements that will remain in effect until lease reassignments are completed to permit ownership transfer. As of December 31, 2025, the transaction had not officially closed and therefore, the net assets and liabilities of the 22 clinics remain in our consolidated balance sheets.

In March 2026, we signed a letter of intent with a new potential buyer for five corporate-owned or managed clinics located in northern California.

Our goal will be to generate significant proceeds that will provide us with value creating capital allocation opportunities. These opportunities could include, but are not limited to, reinvestment in the brand and related marketing, continued investment in our IT platforms, the repurchase of regional developer territories, certain merger or acquisition opportunities and/or further repurchases of our outstanding common stock.

The number of franchise licenses sold for the year ended December 31, 2025 was 31, compared with 46 and 55 licenses for the years ended December 31, 2024 and 2023, respectively. We ended 2025 with 15 regional developers who were responsible for 26% of the 31 licenses sold during the year. We will continue to leverage the power of the regional developer program to accelerate the number of clinics sold, and eventually opened, across the country.

On June 24, 2024, we entered into an agreement pursuant to which we repurchased the right to develop franchises in various counties in Maryland. The total consideration for the transaction was \$0.6 million. We carried an upfront regional developer fee liability balance associated with this transaction of \$0.1 million, representing the unrecognized fee collected upon the execution of the regional developer agreement. We accounted for the termination of development rights associated with unsold or undeveloped franchises as a cancellation, and the associated upfront regional developer fee liability was netted against the aggregate purchase price. We recognized the net amount of \$0.5 million as a general and administrative expense for the year ended December 31, 2024.

We believe that we continue to have a sound business concept and will benefit from the fundamental changes taking place in the manner in which Americans access chiropractic care and their growing interest in seeking effective, affordable natural solutions for general wellness. These trends join with the preference we have seen among chiropractic doctors to reject the insurance-based model produce a combination that benefits the consumer and the service provider alike. We believe that these forces create an important opportunity to accelerate the growth of our network.

Significant Events and/or Recent Developments

Recent developments that may impact our business include unfavorable global economic or political conditions, such as uncertainties that come with changes to the presidential administration, labor shortages, and inflation and other cost increases. We anticipate that 2026 will continue to be a volatile macroeconomic environment.

The primary inflationary factor affecting our operations is labor costs. In 2024 and 2025, clinics owned or managed by us or our franchisees were negatively impacted by labor shortages and wage increases, which increased our general and administrative expenses. Further, should we fail to continue to increase our wages competitively in response to increasing wage rates, the quality of our workforce could decline, causing our patient service to suffer. While we anticipate that these continued headwinds can be partially mitigated by pricing actions, there can be no assurance that we will be able to continue to take such pricing actions. A continued increase in labor costs could have an adverse effect on our operating costs, financial condition and results of operations.

In addition, the expectation that interest rates will continue to remain elevated may adversely affect patients' financial conditions, resulting in reduced spending on our services. While the impact of these factors continues to remain uncertain, we will continue to evaluate the extent to which these factors will impact our business, financial condition, or results of operations. These and other uncertainties with respect to these recent developments could result in changes to our current expectations.

Stock Repurchase Program

On June 3, 2025, our Board of Directors approved the 2025 SRP to repurchase up to \$5.0 million of our common stock, par value \$0.001 per share, from time to time until June 3, 2027 or such other date as we have exhausted, or the Board of Directors otherwise terminates, the repurchase authorization. On November 4, 2025, the Board of Directors authorized an additional \$12.0 million under the 2025 SRP and extended the repurchase date through November 4, 2027.

The timing, volume, price, and terms of the repurchases will depend on market and business conditions, applicable legal requirements, and other factors. The repurchases may be made on the open market, in privately negotiated transactions, or in such other manner (e.g., accelerated share repurchase transactions, block trades, derivatives, or otherwise) that complies with the terms of applicable federal and state securities laws and regulations.

During the year ended December 31, 2025, we repurchased \$11.3 million of our common stock at an average price of \$8.73 per share, excluding related costs and fees. As of December 31, 2025, we had a remaining \$5.7 million authorized for repurchasing shares of our common stock. All shares of common stock that were repurchased are held as treasury stock.

Executive Officer Changes

Effective June 9, 2025, Jake Singleton resigned as our Chief Financial Officer.

Effective June 10, 2025, the Board of Directors appointed Scott J. Bowman as our Chief Financial Officer.

Effective October 10, 2024, Peter D. Holt resigned as our President and Chief Executive Officer and as a member of the Board of Directors.

Effective October 14, 2024, the Board of Directors appointed Sanjiv Razdan as our President and Chief Executive Officer and as a member of the Board of Directors.

Factors Affecting Our Performance

Our operating results may fluctuate significantly as a result of a variety of factors, including the timing of new clinic sales, openings, closures, markets in which they are contained and related expenses, general economic conditions, cost inflation, labor shortages, consumer confidence in the economy, consumer preferences, competitive factors, and disease epidemics and other health-related concerns, such as the COVID-19 pandemic.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements requires us to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. We base our accounting estimates on historical experience and other factors that we believe to be reasonable under the circumstances. Actual results could differ from those estimates. We have discussed the development and selection of critical accounting policies and estimates with our Audit Committee.

Acquisitions

We allocate the purchase price of acquired companies to the assets acquired and liabilities assumed based on estimated fair values at the acquisition date, with the excess of purchase price over the estimated fair value of the identifiable net assets acquired recorded as goodwill. When an acquisition is accounted for in accordance with the acquisition of assets rather than a business, goodwill is not recognized and instead, any excess of the cost of the acquisition over the fair value of net assets acquired is allocated to certain assets on the basis of relative fair values. The allocation of the purchase price requires us to make significant estimates and assumptions to determine the fair value of assets acquired and liabilities assumed and the related useful lives of the acquired assets, when applicable, as of the acquisition date.

Examples of critical estimates used in valuing certain intangible assets we have acquired or may acquire in the future include, but are not limited to, future expected cash flows and member relationships, revenue growth rates, the period of time the acquired member relationships will continue to be used, anticipated member attrition rates, and discount rates used to determine the present value of estimated future cash flows. We engage third-party valuation experts to assist in determining the fair value associated with our acquisitions and related identifiable intangible assets. These estimates are inherently uncertain and unpredictable, and if different estimates were used, the purchase price for the acquisition could be allocated to the acquired assets and assumed liabilities differently from the allocation that we have made.

Intangible Assets

Intangible assets consist primarily of reacquired franchise rights and customer relationships. We amortize the fair value of reacquired franchise rights over the remaining contractual terms of the reacquired franchise rights at the time of the acquisition,

which range from one to ten years. The fair value of customer relationships is amortized over their estimated useful life which ranges from two to four years. Intangible assets are attributable entirely to discontinued operations.

Goodwill

Goodwill consists of the excess of the purchase price over the fair value of tangible and identifiable intangible assets acquired in the acquisitions of franchises treated as a business combination under GAAP. Goodwill and intangible assets deemed to have indefinite lives are not amortized but are subject to annual impairment tests. As required, we perform an annual impairment test of goodwill as of the first day of the fourth quarter or more frequently if events or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. No impairments of goodwill were recorded for the years ended December 31, 2025 and 2024. Goodwill is attributable entirely to discontinued operations.

Long-Lived Assets

We review our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recovered. We look primarily to estimated undiscounted future cash flows in the assessment of whether or not long-lived assets are recoverable. We record an impairment loss when the carrying amount of the asset is not recoverable and exceeds its fair value.

Stock-Based Compensation

We account for share-based payments by recognizing compensation expense based on the estimated fair value of the awards on the date of grant. We determine the estimated grant-date fair value of restricted shares using the closing price on the date of the grant and the grant-date fair value of stock options using the Black-Scholes-Merton model. In order to calculate the fair value of the options, certain assumptions are made regarding the components of the model, including risk-free interest rate, volatility, expected dividend yield and expected option life. Changes to the assumptions could cause significant adjustments to the valuation. We recognize compensation costs ratably over the period of service using the straight-line method. Forfeitures are estimated based on historical and forecasted turnover, which is approximately 5%.

Revenue Recognition

We generate revenue through royalties, franchise fees, advertising fund contributions, IT-related income and computer software fees from our franchisees. Additionally, as we execute on our strategy to rebrand and divest from all of our company-owned or managed clinics, revenue generated through our company-owned or managed clinics is included in Income (loss) from discontinued operations before income tax expense.

Revenues from Company-Owned or Managed Clinics. We earn revenue from clinics that we own and operate or manage throughout the United States. In those states where we own and operate the clinic, revenues are recognized when services are performed. We offer a variety of membership and wellness packages which feature discounted pricing as compared with our single-visit pricing. Amounts collected in advance for membership and wellness packages are recorded as deferred revenue and recognized when the service is performed. Any unused visits associated with monthly memberships are recognized on a month-to-month basis. We recognize a contract liability (or a deferred revenue liability) related to the prepaid treatment plans for which we have an ongoing performance obligation. We recognize this contract liability, and recognize revenue, as the patient consumes his or her visits related to the package and we perform the services. If we determine that it is not subject to unclaimed property laws for the portion of the package that we do not expect to be redeemed (referred to as “breakage”), then we recognize breakage revenue in proportion to the pattern of exercised rights by the patient.

Franchise Fees. We require the entire non-refundable initial franchise fee to be paid upon execution of a franchise agreement, which typically has an initial term of 10 years. Initial franchise fees are recognized ratably on a straight-line basis over the term of the franchise agreement. Our services under the franchise agreement include training of franchisees and staff, site selection, construction/vendor management and ongoing operations support. We provide no financing to franchisees and offer no guarantees on their behalf. The services we provide are highly interrelated with the franchise license and as such are considered to represent a single performance obligation.

Software Fees. We collect a monthly fee from our franchisees for use of our proprietary chiropractic software, computer support, and internet services support. These fees are recognized ratably on a straight-line basis over the term of the respective franchise agreement.

Regional Developer Fees

We have a regional developer program where regional developers are granted an exclusive geographical territory and commit to a minimum development obligation within that defined territory. Regional developer fees are non-refundable and amortized on a straight-line basis over the term of the regional developer agreement and recognized as a decrease to franchise and regional developer cost of revenues.

In addition, we pay regional developers fees, which are funded by the initial franchise fees collected from franchisees upon the sale of franchises within their exclusive geographical territory, and a royalty of 3% of sales generated by franchised clinics in their exclusive geographical territory. Fees related to the sale of franchises within their exclusive geographical territory are initially deferred as deferred franchise costs and are recognized as an expense in franchise cost of revenues when the respective revenue is recognized, which is generally over the term of the related franchise agreement. Royalties of 3% of gross sales generated by franchised clinics in their regions are also recognized as franchise cost of revenues as franchisee clinic level sales occur, which is funded by the 7% royalties we collect from the franchisees in their regions. Certain regional developer agreements result in the regional developer acquiring the rights to existing royalty streams from clinics already open in the respective territory. In those instances, the revenue associated from the sale of the royalty stream is recognized over the remaining life of the respective franchise agreements.

Leases

The accounting guidance for leases requires lessees to recognize an ROU asset and a lease liability in the balance sheet for most leases. The lease liability is measured at the present value of the fixed lease payments over the lease term and the ROU asset is measured at the lease liability amount, adjusted for lease prepayments, lease incentives received and the lessee's initial direct costs. Certain leases include one or more renewal options, generally for the same period as the initial term of the lease. The exercise of lease renewal options is generally at our sole discretion and, as such, we typically determine that exercise of these renewal options is not reasonably certain. As a result, we do not include the renewal option period in the expected lease term and the associated lease payments are not included in the measurement of the ROU asset and lease liability. When available, we use the rate implicit in the lease to discount lease payments; however, the rate implicit in the lease is not readily determinable for substantially all of our leases. In such cases, we estimate our incremental borrowing rate as the interest rate we would pay to borrow an amount equal to the lease payments over a similar term, with similar collateral as in the lease, and in a similar economic environment. We estimate these rates using available evidence such as rates imposed by third-party lenders in recent financings or observable risk-free interest rate and credit spreads for commercial debt of a similar duration, with credit spreads correlating to our estimated creditworthiness.

For operating leases that include rent holidays and rent escalation clauses, we recognize lease expense on a straight-line basis over the lease term from the date it takes possession of the leased property. Pre-opening costs are recorded as incurred in general and administrative expenses. Variable lease payments, such as percentage rentals based on location sales, periodic adjustments for inflation, reimbursement of real estate taxes, any variable common area maintenance and any other variable costs associated with the leased property are expensed as incurred and are also included in general and administrative expenses on the consolidated income statements.

Income Taxes

We recognize deferred tax assets and liabilities for both the expected impact of differences between the financial statement amount and the tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax losses and tax credit carryforwards.

We record a valuation allowance against deferred tax assets when it is considered more likely than not that all or a portion of our deferred tax assets will not be realized. In making this determination, we are required to give significant weight to evidence that can be objectively verified. It is generally difficult to conclude that a valuation allowance is not needed when there is significant negative evidence, such as cumulative losses in recent years. Forecasts of future taxable income are considered to be less objective than past results. Therefore, cumulative losses weigh heavily in the overall assessment.

In addition to considering forecasts of future taxable income, we are also required to evaluate and quantify other possible sources of taxable income in order to assess the realization of our deferred tax assets, namely the reversal of existing temporary differences, the carry back of losses and credits as allowed under current tax law, and the implementation of tax planning strategies. Evaluating and quantifying these amounts involves significant judgments. Each source of income must be evaluated based on all positive and negative evidence; this evaluation involves assumptions about future activity. The actual realization of deferred tax assets may differ from the amounts we have recorded.

Significant judgment is also required in evaluating our uncertain tax positions. We establish accruals for uncertain tax positions when we believe that the full amount of the associated tax benefit may not be realized. If we prevail in matters for which accruals have been established previously or pay amounts in excess of reserves, there could be an effect on our income tax provisions in the period in which such determination is made.

We regularly assess the tax risk of our tax return filing positions, and we have identified \$0.6 million and \$0.9 million in uncertain tax positions as of December 31, 2025 and 2024, respectively.

Loss Contingencies

Accounting Standards Codification 450, Contingencies (“ASC 450”), governs the disclosure of loss contingencies and accrual of loss contingencies in respect of litigation and other claims. We record an accrual for a potential loss when it is probable that a loss will occur and the amount of the loss can be reasonably estimated. When the reasonable estimate of the potential loss is within a range of amounts, the minimum of the range of potential loss is accrued, unless a higher amount within the range is a better estimate than any other amount within the range. Moreover, if an accrual is not required, we provide additional disclosure related to litigation and other claims when it is reasonably possible (i.e., more than remote) that the outcomes of such litigation and other claims include potential material adverse impacts on us. Legal costs to be incurred in connection with a loss contingency are expensed as such costs are incurred.

Results of Operations

The following discussion and analysis of our financial results encompasses our consolidated results and results of our business segment: Franchise Operations. All financial results and metrics discussed below are on a continuing operations basis.

As discussed further in Note 3, *Divestitures*, in the Notes to consolidated financial statements, since the fourth quarter of 2024, we have classified our corporate clinic business segment as held for sale. The results of operations of the corporate clinic business segment are reported in Income (loss) from discontinued operations before income tax expense in the consolidated income statements for all periods presented and the related assets and liabilities associated with discontinued operations are classified as discontinued operation assets and liabilities in the consolidated balance sheets for all periods presented. The consolidated statement of cash flows includes cash flows related to the discontinued operations and accordingly, cash flow amounts for discontinued operations are disclosed in Note 3, *Divestitures* in the Notes to consolidated financial statements.

Total Revenues

Components of revenues for the year ended December 31, 2025, as compared to the year ended December 31, 2024, were as follows:

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Revenues:				
Royalty fees	33,203,885	32,144,796	1,059,089	3.3 %
Franchise fees	3,371,504	2,997,850	373,654	12.5 %
Advertising fund revenue	10,451,281	9,180,281	1,271,000	13.8 %
Software fees	6,037,385	5,687,326	350,059	6.2 %
Other revenues	1,831,537	2,153,177	(321,640)	(14.9)%
Total revenues	<u>\$ 54,895,592</u>	<u>\$ 52,163,430</u>	<u>\$ 2,732,162</u>	5.2 %

Total revenues increased by \$2.7 million, primarily due to the continued expansion and revenue growth of our franchise base, and included:

- Royalty fees and advertising fund revenue increased due to an increase in the number of franchised clinics in operation during 2025, along with continued sales growth in existing franchised clinics. As of December 31, 2025 and 2024, there were 885 and 842 franchised clinics in operation, respectively.
- Franchise fees increased due to the continued increase in active franchise licenses and the impact of accelerated revenue recognition resulting from terminated franchise license agreements, with 34 and 24 franchise license agreements terminated during the years ended December 31, 2025 and 2024, respectively.

- Software fees increased due to an increase in our franchised clinic base and the related revenue recognition over the term of the franchise agreement as described above.

Cost of Revenues

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Cost of Revenues	\$ 11,225,474	\$ 11,516,848	\$ (291,374)	(2.5)%

For the year ended December 31, 2025, as compared with the year ended December 31, 2024, the total cost of revenues decreased due to a reduction in regional developer royalties and sales commissions. We ended 2025 with 15 regional developers, as compared to 16 regional developers in 2024.

Selling and Marketing Expenses

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Selling and Marketing Expenses	\$ 13,299,399	\$ 10,973,610	\$ 2,325,789	21.2 %

Selling and marketing expenses increased \$2.3 million for the year ended December 31, 2025, as compared to the year ended December 31, 2024, driven by an increase in expenses associated with our digital marketing transformation efforts and the impact of a larger franchise base.

Depreciation and Amortization Expenses

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Depreciation and Amortization Expenses	\$ 1,644,161	\$ 1,371,389	\$ 272,772	19.9 %

Depreciation and amortization expenses increased \$0.3 million for the year ended December 31, 2025, as compared to the year ended December 31, 2024, primarily due to depreciation expenses related to internal use software enhancements and developments, including the launch of our official mobile app.

General and Administrative Expenses

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
General and Administrative Expenses	\$ 29,632,036	\$ 30,124,589	\$ (492,553)	(1.6)%

General and administrative expenses decreased during the year ended December 31, 2025 compared to the year ended December 31, 2024, primarily due to a decrease in professional fees, partially offset by an increase in payroll and related expenses. As a percentage of revenue, general and administrative expenses were 54% and 58% during the year ended December 31, 2025 and 2024, respectively.

Included in general and administrative expenses from continuing operations above are expenses of \$1.2 million and \$1.0 million related to workers' compensation insurance for the years ended December 31, 2025 and 2024, respectively, of which we believe that approximately \$1.1 million and \$0.9 million, respectively, relate to expenses that will not be incurred upon the completion of our refranchising strategy.

Net Loss on Disposition or Impairment

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Net Loss on Disposition or Impairment	\$ 7,898	\$ 66,019	\$ (58,121)	(88.0)%

Net loss on disposition or impairment decreased for the year ended December 31, 2025, as compared to the year ended December 31, 2024, primarily due to lower disposals of property and equipment.

Loss from Continuing Operations

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Loss from Continuing Operations	\$ (913,376)	\$ (1,889,025)	\$ 975,649	51.6 %

Loss from continuing operations decreased by \$1.0 million for the year ended December 31, 2025 compared to the year ended December 31, 2024, primarily due to the following:

- an increase of \$2.7 million in total revenues;
- a decrease of \$0.3 million in total cost of revenues;
- a decrease of \$0.5 million in general and administration expenses; and
- a decrease of \$0.1 million in loss on disposition or impairment; partially offset by
- an increase of \$2.3 million in selling and marketing expenses, and
- an increase of \$0.3 million in depreciation expenses.

Other Income, Net

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Other Income, net	\$ 683,872	\$ 280,287	\$ 403,585	144.0 %

Other income, net increased during the year ended December 31, 2025 compared to the year ended December 31, 2024, primarily due to the deployment of additional cash and cash equivalents during the middle of 2025 into higher interest rate money market funds resulting in increased interest income.

Income Tax Expense

	Year Ended December 31,		Change from Prior Year	Percent Change from Prior Year
	2025	2024		
Income Tax Expense	\$ 38,653	\$ 5,606	\$ 33,047	589.5 %

For the years ended December 31, 2025 and 2024, the effective tax rates were (16.8)% and (0.3)%, respectively. The fluctuation in the effective rate was primarily attributable to state income taxes (net of federal tax and permanent differences), changes in tax rates, stock-based compensation, shortfall/windfall on stock compensation expense, change in valuation allowance and uncertain tax positions during the year ended December 31, 2025, as compared to the year ended December 31, 2024.

Non-GAAP Financial Measures

The following table reconciles net income (loss) to Adjusted EBITDA for continuing operations, discontinuing operations and net operations for the years ended December 31, 2025 and 2024:

	Year Ended December 31,					
	2025			2024		
	from Continuing Operations	from Discontinued Operations	Net Operations	from Continuing Operations	from Discontinued Operations	Net Operations
Non-GAAP Financial Data:						
Net (loss) income	\$ (268,157)	\$ 3,175,422	\$ 2,907,265	\$ (1,614,344)	\$ (4,182,549)	\$ (5,796,893)
Net interest (income) expense	(799,273)	239	(799,034)	(280,287)	2,114	(278,173)
Depreciation and amortization expense	1,644,161	69,558	1,713,719	1,371,389	3,350,748	4,722,137
Income tax expense	38,653	25,207	63,860	5,606	210,263	215,869
EBITDA	615,384	3,270,426	3,885,810	(517,636)	(619,424)	(1,137,060)
Stock-based compensation expense	1,297,433	—	1,297,433	1,679,005	—	1,679,005
Acquisition related expense	—	—	—	478,710	—	478,710
Net loss on disposition or impairment	7,898	5,441,010	5,448,908	66,019	7,714,555	7,780,574
Costs related to restatement filings	115,402	—	115,402	—	—	—
Restructuring Costs	1,077,678	745,542	1,823,220	607,231	495,097	1,102,328
Litigation expense	15,000	386,439	401,439	—	1,481,000	1,481,000
Adjusted EBITDA	\$ 3,128,795	\$ 9,843,417	\$ 12,972,212	\$ 2,313,329	\$ 9,071,228	\$ 11,384,557

Adjusted EBITDA from continuing, discontinuing and net operations and consists of net income (loss) before interest, income taxes, depreciation and amortization, acquisition related expenses (which includes contract termination costs associated with reacquired regional developer rights), stock-based compensation expense, bargain purchase gain, (gain) loss on disposition or impairment, costs related to restatement filings, restructuring costs (consisting of non-recurring refranchising costs of all company-owned or managed clinics and non-recurring expenses related to changes to our executive leadership team), and litigation expenses (consisting of legal and related fees for specific proceedings that arise outside of the ordinary course of our business). We have provided Adjusted EBITDA, a non-GAAP measure of financial performance because it is commonly used for comparing companies in our industry. You should not consider Adjusted EBITDA as a substitute for operating profit as an indicator of our operating performance or as an alternative to cash flows from operating activities as a measure of liquidity. We may calculate Adjusted EBITDA differently from other companies.

We believe that the use of Adjusted EBITDA provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with other outpatient medical clinics, which may present similar non-GAAP financial measures to investors. In addition, you should be aware when evaluating Adjusted EBITDA, in the future we may incur expenses similar to those excluded when calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of Adjusted EBITDA may not be comparable to other similarly titled measures computed by other companies, because all companies do not calculate Adjusted EBITDA in the same manner.

Our management does not consider Adjusted EBITDA in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of Adjusted EBITDA is that it excludes significant expenses and income that are required by GAAP to be recorded in our financial statements. Some of these limitations include the following:

- Adjusted EBITDA does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements;

- Adjusted EBITDA does not reflect the (gain) loss on disposition or impairment, which represents the impairment of assets as of the reporting date. We do not consider this to be indicative of our ongoing operations; and
- While not included in the presented periods, Adjusted EBITDA would not reflect any bargain purchase gain, which would represent the excess of the fair value of net assets acquired over the purchase consideration.

Because of these limitations, Adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA only supplementally. You should review the reconciliation of Net Income (Loss) to Adjusted EBITDA above and not rely on any single financial measure to evaluate our business.

Liquidity and Capital Resources

Sources of Liquidity

As of December 31, 2025, we had cash and short-term bank deposits of \$23.6 million. We generated \$1.8 million of cash flows from operating activities from both continuing and discontinued operations in the year ended December 31, 2025. While unfavorable global economic or political conditions create potential liquidity risks, as discussed further below, we believe that our existing cash and cash equivalents, our anticipated cash flows from operations and amounts available under our line of credit will be sufficient to fund our anticipated operating and investment needs for at least the next 12 months.

While the interruptions, delays and/or cost increases resulting from political instability and geopolitical tensions, adverse weather conditions, economic weakness, inflationary pressures, elevated interest rates and other factors have created uncertainty as to general economic conditions for 2026, as of the date of this Form 10-K, we believe we have adequate capital resources and sufficient access to external financing sources, upon the completion of our anticipated amendment to the fixed charge coverage ratio debt covenant under our 2022 Credit Facility in the first half of 2026, to satisfy our current and reasonably anticipated requirements for funds to conduct our operations and meet other needs in the ordinary course of our business. For 2026, we expect to use or redeploy our cash resources to support our business within the context of prevailing market conditions, which, given the ongoing uncertainties described above, could rapidly and materially deteriorate or otherwise change. Our long-term capital requirements, primarily for corporate initiatives, could be dependent on our ability to access additional funds through the debt and/or equity markets. If the equity and credit markets deteriorate, including as a result of economic weakness, political unrest or war, or any other reason, it may make any necessary equity or debt financing more difficult to obtain in a timely manner and on favorable terms, if at all, and if obtained, it may be more costly or more dilutive. From time to time, we consider and evaluate transactions related to our portfolio and capital structure, including debt financings, equity issuances, purchases and sales of assets, and other transactions. Given the ongoing uncertainties described above, the levels of our cash flows from operations for 2026 may be impacted. There can be no assurance that we will be able to generate sufficient cash flows or obtain the capital necessary to meet our short and long-term capital requirements.

Analysis of Cash Flows

Net cash provided by operating activities for both continuing and discontinued operations was \$1.8 million for the year ended December 31, 2025, compared to net cash provided by operating activities for both continuing and discontinued operations of \$9.4 million for the year ended December 31, 2024. The decrease in net cash provided by operating activities was primarily attributable to a change in accrued expenses of \$3.4 million related to the settlement of a medical injury claim during the first quarter of 2025, which was partially offset by a related change in accounts receivable of \$1.9 million for insurance recoveries, a decrease in payroll liabilities of \$3.2 million primarily due to paid time off and payroll accruals related to employees no longer employed by us due to the divestiture and closures of company-owned or managed clinics during 2025, and \$0.8 million related to a decrease in our deferred revenue liabilities due to the decrease in company-owned or managed clinics.

Cash provided by operating activities is subject to variability period over period as a result of the timing of collections and payments related to accounts receivable, accrued expenses, and other operating assets and liabilities. Royalties and other fees are collected from our franchisees semi-monthly, two working days after each sales period has ended.

Net cash provided by investing activities was \$6.3 million and net cash used in investing activities was \$0.6 million during the years ended December 31, 2025 and 2024, respectively. For the year ended December 31, 2025, net cash provided by investing activities was driven by \$7.8 million of proceeds from the sale of company-owned or managed clinics, partially offset by \$1.5 million of purchases of property and equipment. For the year ended December 31, 2024, net cash used in investing activities was driven by \$1.2 million of purchases of property and equipment, partially offset by \$0.6 million of proceeds from the sale of company-owned or managed clinics.

Net cash used in financing activities was \$9.8 million and \$2.0 million during the years ended December 31, 2025 and 2024, respectively. For the year ended December 31, 2025, net cash used in financing activities was driven by \$11.3 million of common stock purchases under the 2025 SRP, partially offset by cash receipts from stock option exercises of \$1.5 million. For the year ended December 31, 2024, net cash used in financing activities was driven by the payoff of the outstanding balance on our Debt under the Credit Agreement of \$2.0 million.

Capital Composition

In 2025, our Board of Directors approved the 2025 SRP to repurchase a total of \$17.0 million of our common stock. During the year ended December 31, 2025, we repurchased 1,295,295 shares under the 2025 SRP. Refer to the “Significant Events and/or Recent Developments” section above for more information and Part III, Item 12 – Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters of this Form 10-K for our monthly repurchase activity during the quarter ended December 31, 2025.

The following table summarizes our material contractual obligations from continuing operations at December 31, 2025 and the effect that such obligations are expected to have on our liquidity and cash flows in future periods:

Material Contractual Cash Requirements from Continuing Operations

	Payments Due by Fiscal Year						
	Total	2026	2027	2028	2029	2030	Thereafter
Operating leases	\$ 2,421,699	\$ 268,762	\$ 467,453	\$ 479,129	\$ 491,077	\$ 503,374	\$ 211,904

Recent Accounting Pronouncements

Please see Note 1, *Nature of Operations and Summary of Significant Accounting Policies* in the Notes to consolidated financial statements included in Item 8 of this Form 10-K for information regarding recently issued accounting pronouncements that may impact our financial statements.

Off-Balance Sheet Arrangements

During the year ended December 31, 2025, we did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities that were established for the purpose of facilitating off-balance sheet arrangements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Financial instruments held by us as of December 31, 2025 include cash and cash equivalents. A portion of our cash is affected by short-term interest rates, which are currently low. Given the higher interest income generated from our cash after investing a portion into higher yielding money market funds, any reduction in interest rates would not have a material impact on our interest income.

Borrowings under the Credit Agreement bear interest at a rate equal to an applicable margin plus a variable rate. As such, the Revolver exposes us to market risk for changes in interest rates. As we do not maintain a debt position under the Credit Agreement as of December 31, 2025, the effect of a change in interest rates would not have an impact to our interest expense.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

Shareholders and Board of Directors
The Joint Corp.
Scottsdale, Arizona

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of The Joint Corp. (the “Company”) as of December 31, 2025 and 2024, the related consolidated statements of income, changes in stockholders’ equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Impairment of Long-Lived Assets Held for Sale

As described in Notes 1, 3, and 5 to the consolidated financial statements, the Company recorded an estimated net loss on disposal on assets and liabilities held for sale of \$2.7 million for the year ended December 31, 2025. Long-lived assets that meet the criteria for the held for sale designation are reported at the lower of their carrying value or fair value less estimated cost to sell. The estimated fair values of the certain long-lived assets, including company-owned or managed clinics, is determined by management using fair values derived from an income approach based on a discounted cash flow model.

We identified the impairment of long-lived assets held for sale as a critical audit matter. Significant judgments are required to be made by management to determine the fair value for company-owned or managed clinics including the discount rate assumption used in the income approach. Auditing management’s assumption used in the impairment of long-lived assets held for sale involved especially challenging and subjective auditor judgment due to the nature and extent of audit effort required to address this matter and the extent of specialized skill or knowledge needed.

The primary procedure we performed to address this critical audit matter included:

- Utilizing professionals with specialized skill and knowledge to assist in assessing the reasonableness of the discount rate.

Impairment of Goodwill - Corporate Clinic Reporting Unit

As described in Notes 1 and 3 to the consolidated financial statements, the Company's consolidated goodwill balance was \$3.5 million as of December 31, 2025. The Company performs an annual impairment test of goodwill as of the first day of the fourth quarter or more frequently if a triggering event occurs. During each quarter of 2025, the Company determined it was necessary to re-evaluate goodwill of the corporate clinics reporting unit due to the reporting unit meeting the criteria to be classified as a discontinued operation.

We identified the impairment of goodwill specific to the corporate clinic reporting unit as a critical audit matter. Significant judgments are required to be made by management to determine the fair value for the corporate clinic reporting unit including the discount rate assumption used in the income approach. Auditing management's assumption used in the impairment assessment of goodwill involved especially challenging and subjective auditor judgment due to the nature and extent of audit effort required to address this matter and the extent of specialized skill or knowledge needed.

The primary procedure we performed to address this critical audit matter included:

- Utilizing professionals with specialized skill and knowledge to assist in assessing the reasonableness of the discount rate.

/s/ BDO USA, P.C.

We have served as the Company's auditor since 2021.

Phoenix, Arizona

March 12, 2026

**THE JOINT CORP.
CONSOLIDATED BALANCE SHEETS**

	December 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 23,601,810	\$ 25,051,355
Restricted cash	700,058	945,081
Accounts receivable, net	2,849,864	2,586,381
Deferred franchise and regional development costs, current portion	945,933	1,055,582
Prepaid expenses and other current assets	1,744,556	1,787,994
Discontinued operations current assets (\$1.0 million and \$1.1 million attributable to VIEs, respectively)	22,246,318	43,151,055
Total current assets	52,088,539	74,577,448
Property and equipment, net	3,159,226	3,206,754
Operating lease right-of-use asset	1,572,173	555,536
Deferred franchise and regional development costs, net of current portion	3,827,129	4,513,891
Deposits and other assets	319,460	300,779
Total assets	\$ 60,966,527	\$ 83,154,408
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,588,665	\$ 1,750,938
Accrued expenses	1,501,838	1,505,827
Co-op funds liability	700,058	945,082
Payroll liabilities	4,055,752	3,551,173
Operating lease liability, current portion	194,179	483,337
Deferred franchise fee revenue, current portion	2,519,018	2,546,926
Upfront regional developer fees, current portion	277,394	288,095
Other current liabilities	611,231	603,250
Discontinued operations current liabilities (\$6.1 million and \$7.1 million attributable to VIEs, respectively)	21,368,446	37,367,459
Total current liabilities	32,816,581	49,042,087
Operating lease liability, net of current portion	1,815,527	311,689
Deferred franchise fee revenue, net of current portion	10,899,271	12,450,179
Upfront regional developer fees, net of current portion	355,556	672,334
Total liabilities	45,886,935	62,476,289
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Series A preferred stock, \$0.001 par value; 50,000 shares authorized, zero issued and outstanding, respectively	—	—
Common stock, \$0.001 par value; 20,000,000 shares authorized, 15,471,715 shares issued and 14,142,626 shares outstanding and 15,192,893 shares issued and 15,159,878 shares outstanding, respectively	15,471	15,192
Additional paid-in capital	52,026,407	49,210,455
Treasury stock 1,329,089 shares and 33,015 shares, at cost, respectively	(12,192,081)	(870,058)
Accumulated deficit	(24,795,205)	(27,702,470)
Total The Joint Corp. stockholders' equity	15,054,592	20,653,119
Non-controlling Interest	25,000	25,000
Total equity	15,079,592	20,678,119
Total liabilities and stockholders' equity	\$ 60,966,527	\$ 83,154,408

See notes to consolidated financial statements.

**THE JOINT CORP.
CONSOLIDATED INCOME STATEMENTS**

	Year Ended December 31,	
	2025	2024
Revenues:		
Royalty fees	\$ 33,203,885	\$ 32,144,796
Franchise fees	3,371,504	2,997,850
Advertising fund revenue	10,451,281	9,180,281
Software fees	6,037,385	5,687,326
Other revenues	1,831,537	2,153,177
Total revenues	<u>54,895,592</u>	<u>52,163,430</u>
Cost of revenues:		
Franchise and regional development cost of revenues	9,500,559	10,063,644
IT cost of revenues	1,724,915	1,453,204
Total cost of revenues	<u>11,225,474</u>	<u>11,516,848</u>
Selling and marketing expenses	13,299,399	10,973,610
Depreciation and amortization	1,644,161	1,371,389
General and administrative expenses	29,632,036	30,124,589
Total selling, general and administrative expenses	<u>44,575,596</u>	<u>42,469,588</u>
Net loss on disposition or impairment	7,898	66,019
Loss from continuing operations	<u>(913,376)</u>	<u>(1,889,025)</u>
Other income, net	683,872	280,287
Loss from continuing operations before income tax expense	<u>(229,504)</u>	<u>(1,608,738)</u>
Income tax expense	38,653	5,606
Net loss from continuing operations	<u>\$ (268,157)</u>	<u>\$ (1,614,344)</u>
Discontinued operations:		
Income (loss) from discontinued operations before income tax expense	3,200,629	(3,972,286)
Income tax expense from discontinued operations	25,207	210,263
Net income (loss) from discontinued operations	<u>3,175,422</u>	<u>(4,182,549)</u>
Net income (loss)	<u>\$ 2,907,265</u>	<u>\$ (5,796,893)</u>
Net (loss) income from continuing operations per common share:		
Basic	<u>\$ (0.02)</u>	<u>\$ (0.11)</u>
Diluted	<u>\$ (0.02)</u>	<u>\$ (0.11)</u>
Net income (loss) from discontinued operations per common share:		
Basic	<u>\$ 0.21</u>	<u>\$ (0.28)</u>
Diluted	<u>\$ 0.21</u>	<u>\$ (0.28)</u>
Net income (loss) per common share:		
Basic	<u>\$ 0.19</u>	<u>\$ (0.39)</u>
Diluted	<u>\$ 0.19</u>	<u>\$ (0.38)</u>
Basic weighted average shares outstanding	15,134,215	14,919,091
Diluted weighted average shares outstanding	15,134,215	15,147,247

See notes to consolidated financial statements.

THE JOINT CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock			Treasury Stock			Total The Joint Corp. stockholder's equity	Non-controlling Interest	Total
	Shares	Amount	Additional Paid In Capital	Shares	Amount	Accumulated Deficit			
Balances, December 31, 2023	14,783,757	\$ 14,783	\$ 47,498,151	32,124	\$ (860,475)	\$ (21,905,577)	\$ 24,746,882	\$ 25,000	\$24,771,882
Stock-based compensation expense	—	—	1,679,005	—	—	—	1,679,005	—	1,679,005
Issuance of restricted stock	181,184	181	(181)	—	—	—	—	—	—
Exercise of stock options	227,952	228	33,480	—	—	—	33,708	—	33,708
Purchases of treasury stock under employee stock plans	—	—	—	891	(9,583)	—	(9,583)	—	(9,583)
Net loss	—	—	—	—	—	(5,796,893)	(5,796,893)	—	(5,796,893)
Balances, December 31, 2024	15,192,893	15,192	49,210,455	33,015	(870,058)	(27,702,470)	20,653,119	25,000	20,678,119
Stock-based compensation expense	—	—	1,297,433	—	—	—	1,297,433	—	1,297,433
Issuance of restricted stock	155,362	155	(155)	—	—	—	—	—	—
Exercise of stock options	123,460	124	1,518,674	—	—	—	1,518,798	—	1,518,798
Purchases of treasury stock under employee stock plans	—	—	—	779	(8,440)	—	(8,440)	—	(8,440)
Common stock repurchased under authorized stock repurchase programs	—	—	—	1,295,295	(11,313,583)	—	(11,313,583)	—	(11,313,583)
Net income	—	—	—	—	—	2,907,265	2,907,265	—	2,907,265
Balances, December 31, 2025	<u>15,471,715</u>	<u>\$ 15,471</u>	<u>\$ 52,026,407</u>	<u>1,329,089</u>	<u>\$ (12,192,081)</u>	<u>\$ (24,795,205)</u>	<u>\$ 15,054,592</u>	<u>\$ 25,000</u>	<u>\$ 15,079,592</u>

See notes to consolidated financial statements.

THE JOINT CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2025	2024
Cash flows from operating activities:		
Net income (loss)	\$ 2,907,265	\$ (5,796,893)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	1,713,719	4,722,137
Net loss on disposition or impairment	5,448,908	7,780,574
Net franchise fees recognized upon termination of franchise agreements	(347,097)	(239,335)
Deferred income taxes	93,066	(55,556)
Provision for credit losses	286,232	220,893
Stock-based compensation expense	1,297,433	1,679,005
Changes in operating assets and liabilities:		
Accounts receivable	1,534,554	(1,645,078)
Prepaid expenses and other current assets	(35,389)	101,167
Deferred franchise costs	547,192	499,285
Deposits and other assets	(5,276)	8,827
Accounts payable	(391,127)	68,258
Accrued expenses	(2,994,297)	4,609,759
Payroll liabilities	(839,892)	2,398,765
Operating leases	(5,103,266)	(3,796,648)
Deferred revenue	(1,444,410)	(597,489)
Upfront regional developer fees	(285,443)	(421,213)
Other liabilities	(543,663)	(121,408)
Net cash provided by operating activities	1,838,509	9,415,050
Cash flows from investing activities:		
Proceeds from sale of clinics	7,778,287	554,100
Purchase of property and equipment	(1,503,785)	(1,185,647)
Net cash provided by (used in) investing activities	6,274,502	(631,547)
Cash flows from financing activities:		
Payments of finance lease obligations	(4,354)	(25,484)
Purchases of treasury stock under employee stock plans	(8,440)	(9,583)
Purchases of common stock under stock repurchase programs	(11,313,583)	—
Proceeds from exercise of stock options	1,518,798	33,708
Repayment of Debt under the Credit Agreement	—	(2,000,000)
Net cash used in financing activities	(9,807,579)	(2,001,359)
(Decrease) increase in cash, cash equivalents and restricted cash	(1,694,568)	6,782,144
Cash, cash equivalents and restricted cash, beginning of period	25,996,436	19,214,292
Cash, cash equivalents and restricted cash, end of period	\$ 24,301,868	\$ 25,996,436
	December 31, 2025	December 31, 2024
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$ 23,601,810	\$ 25,051,355
Restricted cash	700,058	945,081
Total cash, cash equivalents and restricted cash	\$ 24,301,868	\$ 25,996,436

Supplemental cash flow disclosures:

The following table represents supplemental cash flow disclosures and non-cash investing and financing activities:

	Year Ended December 31,	
	2025	2024
Net cash paid for:		
Interest	\$ 50,694	\$ 69,445
Income taxes	626,752	610,492
Non-cash investing and financing activity:		
Unpaid purchases of property and equipment	245,250	124,699
Stock option exercise receivable	—	896,766

See notes to consolidated financial statements.

THE JOINT CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Basis of Presentation

These financial statements represent the consolidated financial statements of The Joint Corp., which includes its variable interest entities (“VIEs”), and its wholly owned subsidiary, The Joint Corporate Unit No. 1, LLC (collectively, the “Company”). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amount of assets, liabilities, revenue, costs, expenses, other (expenses) income, and income taxes that are reported in the consolidated financial statements and accompanying disclosures. These estimates are based on management’s best knowledge of current events, historical experience, actions that we may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. As a result, actual results may be different from these estimates. For a discussion of significant estimates and judgments made in recognizing revenue, accounting for leases, and accounting for income taxes, see Note 2, *Revenue Disclosures*, Note 9, *Income Taxes*, and Note 10, *Commitments and Contingencies*.

The results of operations of the corporate clinic segment are reported in Income (loss) from discontinued operations before income tax expense in its consolidated income statements for all periods presented and the related assets and liabilities associated with discontinued operations are classified as discontinued operation assets and liabilities in the consolidated balance sheets at December 31, 2025 and 2024. The consolidated statement of cash flows includes cash flows related to the discontinued operations and accordingly, cash flow amounts for discontinued operations are disclosed in Note 3, *Divestitures*. All results and information in the consolidated financial statements are presented as continuing operations and exclude the corporate clinic segment unless otherwise noted specifically as discontinued operations. For additional information, refer to Note 3, *Divestitures*.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of The Joint and its wholly owned subsidiary, The Joint Corporate Unit No. 1, LLC, which was dormant for all periods presented. We consolidate VIEs in which we are the primary beneficiary in accordance with Accounting Standards Codification 810, Consolidations (“ASC 810”). Non-controlling interests represent third-party equity ownership interests in VIEs. All significant inter-affiliate accounts and transactions between The Joint and its VIEs have been eliminated in consolidation.

Comprehensive Income (Loss)

Net income (loss) and comprehensive income (loss) are the same for the years ended December 31, 2025 and 2024.

Nature of Operations

The Joint Corp., a Delaware corporation, was formed on March 10, 2010 for the principal purpose of franchising, developing, selling regional developer rights, supporting the operations of franchised chiropractic clinics at locations throughout the United States of America. The franchising of chiropractic clinics is regulated by the Federal Trade Commission and various state authorities.

The following table summarizes the number of clinics in operation under franchise agreements and as company-owned or managed for the years ended December 31, 2025 and 2024. All company-owned or managed clinics operations are recorded as discontinued operations:

	Year Ended December 31,	
	2025	2024
Franchised clinics:		
Clinics open at beginning of year	842	800
Opened during the year	29	57
Acquired during the year	41	3
Sold during the year	—	—
Closed during the year	(27)	(18)
Clinics in operation at the end of the year	885	842
Company-owned or managed clinics:		
Clinics open at beginning of year	125	135
Opened during the year	—	—
Acquired during the year	—	—
Sold during the year	(41)	(3)
Closed during the year	(9)	(7)
Clinics in operation at the end of the year	75	125
Total clinics in operation at the end of the year	960	967
Clinic licenses sold but not yet developed	82	92
Executed letters of intent for future clinic licenses	57	53

Variable Interest Entities

Certain states prohibit the “corporate practice of chiropractic,” which restricts business corporations from practicing chiropractic care by exercising control over clinical decisions by chiropractic doctors. In states that prohibit the corporate practice of chiropractic, we typically enter into long-term management agreements with professional corporations (“PCs”) that are owned by licensed chiropractic doctors, which, in turn, employ or contract with doctors who provide professional chiropractic care in our clinics. Under these management agreements with PCs, we provide, on an exclusive basis, all non-clinical services of the chiropractic practice. We have entered into such management agreements with four PCs. In connection with the sale of five company-owned or managed clinics located in Kansas and Missouri, we terminated our management agreement with one PC as of June 30, 2025. For additional information on clinic sales, refer to Note 3, *Divestitures*. If an entity is deemed to be the primary beneficiary of a VIE, the entity is required to consolidate the VIE in its financial statements. An entity is deemed to be the primary beneficiary of a VIE if it has both of the following characteristics: (a) the power to direct the activities of a VIE that most significantly impact the VIE’s economic performance, and (b) the obligation to absorb the majority of losses of the VIE or the right to receive the majority of benefits from the VIE. In accordance with relevant accounting guidance, these PCs were determined to be VIEs, as fees paid by the PCs to us as our management service provider are considered variable interests because the fees do not meet all the following criteria: (1) the fees are compensation for services provided and are commensurate with the level of effort required to provide those services; (2) the decision maker or service provider does not hold other interests in the VIE that individually, or in the aggregate, would absorb more than an insignificant amount of the VIE’s expected losses or receive more than an insignificant amount of the VIE’s expected residual returns; and (3) the service arrangement includes only terms, conditions, or amounts that are customarily present in arrangements for similar services negotiated at arm’s length. Additionally, we have determined that we have the ability to direct the activities that most significantly impact the performance of these PCs and has an obligation to absorb losses or receive benefits which could potentially be significant to the PCs. Accordingly, the PCs are VIEs for which we are the primary beneficiary and are consolidated by us.

The revenues of VIEs represent the revenues of company-managed clinics in states that prohibit the corporate practice of chiropractic. Our involvement with VIEs affects our financial performance and cash flows primarily through amounts recorded as revenues from company-owned or managed clinics and general and administrative expenses, which are principally comprised of payroll and related expenses, merchant card fees and insurance expense, all of which are reported in Income (loss) from discontinued operations before income tax expense in our consolidated income statements. The management fees/income

provided by the management agreements are considered intercompany transactions and therefore eliminated upon consolidation of VIEs.

VIE net income (including the management fee) for the years ended December 31, 2025 and 2024 is included in Income (loss) from discontinued operations before income tax expense and income tax expense from discontinued operations in the consolidated income statements as follows:

	Year Ended December 31,	
	2025	2024
Income from discontinued operations before income tax expense	1,011,689	1,641,325
Income tax expense from discontinued operations	25,207	210,263
Net income	986,482	1,431,062

The carrying amount of the VIEs' assets and liabilities is included in discontinued operations as of December 31, 2025 and 2024 in the consolidated balance sheets as follows:

	December 31,	
	2025	2024
Discontinued operations current assets	\$ 994,138	\$ 1,087,203
Discontinued operations current liabilities	6,079,903	7,125,071

Cash and Cash Equivalents

We consider all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. We continually monitor our positions with, and the credit quality of, the financial institutions with which we invest. As of the balance sheet date and periodically throughout the period, we have maintained balances in various operating accounts in excess of federally insured limits. We invest our cash primarily in short-term bank deposits and money market funds. We had \$19.2 million and zero cash equivalents invested in money market funds as of December 31, 2025 and 2024, respectively.

Restricted Cash

Restricted cash relates to cash that franchisees and company-owned or managed clinics contribute to our National Marketing Fund and cash that franchisees provide to various voluntary regional Co-Op Marketing Funds. Cash contributed by franchisees to the National Marketing Fund is to be used in accordance with our Franchise Disclosure Document with a focus on regional and national marketing and advertising. While such cash balance is not legally segregated and restricted as to withdrawal or usage, our accounting policy is to classify these funds as restricted cash.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable primarily represent amounts due from franchisees for royalty and software fees. Receivables are unsecured; however, the franchise agreements provide us the right to withdraw funds from the franchisee's bank account or to terminate the franchise for nonpayment. We record an allowance for credit losses as a reduction to our accounts receivables for amounts that we do not expect to recover. An allowance for credit losses is determined through assessments of collectability based on historical trends, the financial condition of our franchisees, including any known or anticipated bankruptcies, and an evaluation of current economic conditions, as well as our expectations of conditions in the future. Actual losses ultimately could differ materially in the near term from the amounts estimated in determining the allowance. As of December 31, 2025, we had a \$0.4 million allowance for credit losses. As of December 31, 2024, we had a \$0.2 million allowance for credit losses on accounts receivable.

The following table provides a rollforward of the activity related to our allowance for credit losses:

	Allowance for credit losses
Balance at December 31, 2023	\$ —
Bad debt expense recognized during the year	220,893
Write-off of uncollectible amounts	—
Balance at December 31, 2024	\$ 220,893
Bad debt expense recognized during the year	286,232
Write-off of uncollectible amounts	(77,638)
Balance at December 31, 2025	\$ 429,487

Deferred Franchise Costs and Regional Development Costs

Deferred franchise and regional development costs represent commissions that are direct and incremental to us and are paid in conjunction with the sale of a franchise license or regional development rights. These costs are recognized as an expense, in franchise and regional development cost of revenues when the respective revenue is recognized, which is generally over the term of the related franchise or regional developer agreement.

Property and Equipment

Property and equipment are stated at cost and relate mostly to the corporate headquarters leasehold improvements, its furniture and fixtures and other office and computer equipment. Depreciation is computed using the straight-line method over estimated useful lives, which is generally three to ten years. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the assets. Maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income. We recorded Net loss on disposition or impairment of \$8 thousand and \$17 thousand in our consolidated income statements related to continuing operations for the years ended December 31, 2025 and 2024, respectively.

Capitalized Software

We capitalize certain software development costs, including costs to implement cloud computing arrangements that is a service contract. These capitalized costs are primarily related to software used by clinics for operations and by us for the management of operations. Costs incurred in the preliminary stages of development are expensed as incurred. Once an application has reached the development stage, internal and external costs, if direct, are capitalized as assets in progress until the software is substantially complete and ready for its intended use. Capitalization ceases upon completion of all substantial testing. We also capitalize costs related to specific upgrades and enhancements when it is probable the expenditures will result in additional functionality. Internally developed software is recorded as part of property and equipment. Maintenance and training costs are expensed as incurred. Internally developed software is amortized on a straight-line basis over its estimated useful life, which is generally three to five years. Implementation costs incurred in connection with a cloud computing arrangement that is a service contract are included in prepaid expenses in our consolidated balance sheets.

Leases

We lease property and equipment under operating and finance leases. We lease our corporate office space and the space for each of the company-owned or managed clinics in the portfolio. We recognize a right-of-use (“ROU”) asset and lease liability for all leases. The lease for our corporate office space is recognized as a ROU and lease liability in our consolidated balance sheets as continuing operations while all other leases for each of the company-owned or managed clinics are reported in discontinued operations. Certain leases include one or more renewal options, generally for the same period as the initial term of the lease. The exercise of lease renewal options is generally at our sole discretion and, as such, we typically determine that exercise of these renewal options is not reasonably certain. As a result, we do not include the renewal option period in the expected lease term and the associated lease payments are not included in the measurement of the ROU asset and lease liability. When available, we use the rate implicit in the lease to discount lease payments; however, the rate implicit in the lease is not readily determinable for substantially all of our leases. In such cases, we estimate our incremental borrowing rate as the interest rate we would pay to borrow an amount equal to the lease payments over a similar term, with similar collateral as in the lease, and in a similar economic environment. We estimate these rates using available evidence such as rates imposed by third-party lenders to us in recent financings or observable risk-free interest rate and credit spreads for commercial debt of a similar duration, with credit spreads correlating to our estimated creditworthiness.

For operating leases that include rent holidays and rent escalation clauses, we recognize lease expense on a straight-line basis over the lease term from the date we take possession of the leased property. Pre-opening costs are recorded as incurred in general and administrative expenses. Variable lease payments, such as percentage rentals based on location sales, periodic adjustments for inflation, reimbursement of real estate taxes, any variable common area maintenance and any other variable costs associated with the leased corporate office space are expensed as incurred in general and administrative expenses on the consolidated income statements. Any variable costs associated with the leased property for company-owned or managed clinics are expensed as incurred and are included in Income (loss) from discontinued operations before income tax expense in our consolidated income statements.

During the years ended December 31, 2025 and 2024, certain leases related to discontinued operations were terminated early with the landlord as a result of corporate clinic closures. The net losses to terminate the leases were recorded in Income (loss) from discontinued operations before income tax expense in our consolidated income statements of \$1.4 million for the year ended December 31, 2025 and \$0.4 million for the year ended December 31, 2024.

Intangible Assets

Intangible assets consist primarily of reacquired franchise rights and customer relationships. All of our intangible assets are reported in discontinued operations. We amortize the fair value of reacquired franchise rights over the remaining contractual terms of the reacquired franchise rights at the time of the acquisition, which generally range from one to nine years. The fair value of customer relationships is amortized over their estimated useful life of two to four years. Intangible assets are attributable entirely to discontinued operations.

Goodwill

Goodwill consists of the excess of the purchase price over the fair value of tangible and identifiable intangible assets acquired in the acquisitions of franchises. Goodwill and intangible assets deemed to have indefinite lives are not amortized but are tested for impairment annually and more frequently if a triggering event occurs that makes it more likely than not that the fair value of a reporting unit is below carrying value. As required, we perform an annual impairment test of goodwill as of the first day of the fourth quarter or more frequently if a triggering event occurs. Goodwill is attributable entirely to discontinued operations.

During the fourth quarter of 2025, we performed a quantitative assessment of the fair value of the reporting unit and concluded that the fair value of the corporate clinic reporting unit exceeded its carrying value. The fair value of the reporting unit was determined using Level 2 inputs, which includes a potential buyer agreed-upon selling price, or Level 3 inputs, which includes consideration of a market approach using a multiple of earnings assumption based on clinic-level historical financial performance as well as an income approach using discounted cash flow models that use significant unobservable inputs and assumptions.

No impairment of goodwill was recorded for the years ended December 31, 2025 and 2024.

Discontinued Operations

In determining whether a group of assets which has been disposed of (or is to be disposed of) should be presented as discontinued operations, we first analyze whether the group of assets being disposed of represents a component of the entity or group of components of the entity. A component typically has historic operations and cash flows that are clearly distinguishable for both operations and financial reporting purposes. In addition, we consider whether the disposal represents a strategic shift that has or will have a major effect on our operations and financial results. This strategic shift could include a disposal of a major geographical area, a major line of business, a major equity method investment or other major parts of an entity.

We report financial results for discontinued operations separately from continuing operations to distinguish the financial impact of disposal transactions from ongoing operations. The assets and liabilities of a discontinued operation held for sale, other than goodwill, are measured at the lower of its carrying amount or fair value less cost to sell. When a portion of a reporting unit that constitutes a business is to be disposed of, the goodwill associated with that business is included in the carrying amount of the business based on the relative fair values of the business to be disposed of and the portion of the reporting unit that will be retained. See Note 3, *Divestitures* for additional information.

Long-Lived Assets - Continuing Operations

We review our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recovered. We look primarily to estimated undiscounted future cash flows in our assessment of whether

or not long-lived assets are recoverable. We record an impairment loss when the carrying amount of the asset is not recoverable and exceeds its fair value. During the year ended December 31, 2024, certain long-lived asset groups were determined to not be recoverable and were written down from their carrying values to their respective fair values resulting in the following non-cash impairment losses which are included in Net loss on disposition or impairment related to continuing operations. Net impairment losses on long-lived assets were not material for the year ended December 31, 2025.

	Year Ended December 31, 2024		
	Carrying Value	Fair Value	Net loss on disposition or impairment related to continuing operations
Property and equipment, net	\$ 57,959	\$ 40,872	\$ 17,087
Operating lease right-of-use asset	703,682	667,314	36,368
Intangible assets, net	12,564	—	12,564
Total Net loss on disposition or impairment related to continuing operations			\$ 66,019

Long-Lived Assets - Discontinued Operations

During the year ended December 31, 2024, certain long-lived asset groups classified as held and used were determined to not be recoverable were written down from their carrying values to their respective fair values resulting in the following non-cash impairment losses which are included in Income (loss) from discontinued operations before income tax expense in the consolidated income statements.

	Year Ended December 31, 2024		
	Carrying Value	Fair Value	Net loss on disposition or impairment related to discontinued operations
Property and equipment, net	\$ 3,929,036	\$ 2,755,318	\$ 1,173,718
Operating lease right-of-use asset	5,779,712	4,347,457	1,432,255
Intangible assets, net	298,510	252,746	45,764
Total Net loss on disposition or impairment related to discontinued operations			\$ 2,651,737

Long-lived assets that meet the criteria for the held for sale designation are reported at the lower of their carrying value or fair value less estimated cost to sell. As a result of its evaluation of the recoverability of the carrying value of the assets and liabilities held for sale relative to the clinics estimated fair values, we recorded an estimated net loss on disposal, which is included in Income (loss) from discontinued operations before income tax expense in the consolidated income statements:

	Year Ended December 31,	
	2025	2024
Net loss on disposition or impairment related to discontinued operations	\$ 2,734,726	\$ 4,540,530

A valuation allowance of \$6.3 million and \$5.1 million as of December 31, 2025 and 2024, respectively, are included in Discontinued operations current assets on the consolidated balance sheets.

The following table shows the composition of our impairment losses and disposal gains and losses recorded in Income (loss) from discontinued operations before income tax expense for the years ended December 31, 2025 and 2024:

	Year Ended December 31,	
	2025	2024
<i>Impairment on long-lived assets held for use</i>		
Property and equipment, net	\$ —	\$ 1,173,718
Operating lease right-of-use asset	—	1,432,255
Intangible assets, net	—	45,764
<i>Impairment on assets held for sale</i>		
Assets held for sale	2,734,726	4,540,530
<i>Loss on disposal of assets other than by sale</i>		
Property and equipment, net	383,311	161,057
Operating lease right-of-use asset	1,396,870	406,038
<i>Loss (gain) on the sale of assets</i>	926,103	(44,807)
Total net loss on disposition or impairment related to discontinued operations	\$ 5,441,010	\$ 7,714,555

Advertising Fund

We have established an advertising fund for national or regional marketing and advertising of services offered by our clinics. The monthly marketing fee is 2% of clinic sales. We segregate the advertising funds collected and any unspent amounts, if applicable, are included in restricted cash on our consolidated balance sheets. As amounts are expended from the fund, we recognize a related expense. Such costs are included in selling and marketing expenses on the consolidated income statements.

Co-Op Marketing Funds

Some franchises have established regional Co-Ops for advertising within their local and regional markets. We maintain a custodial relationship under which the Co-Op Marketing Funds collected are segregated and used for the purposes specified by the Co-Ops' officers. The Co-Op Marketing Funds are included in restricted cash on our consolidated balance sheets.

Revenue Recognition

We generate revenue primarily through company-owned or managed clinics and through royalties, franchise fees, advertising fund contributions, IT related income and computer software fees from our franchisees.

Revenues from Company-Owned or Managed Clinics. We earn revenues from clinics that we own and operate or manage throughout the United States. Revenues from clinics that we own and operate are recognized when services are performed and are related to discontinued operations. We offer a variety of membership and wellness packages which feature discounted pricing as compared with our single-visit pricing. Amounts collected in advance for membership and wellness packages are recorded as deferred revenue and recognized when the service is performed. Any unused visits associated with monthly memberships are recognized on a month-to-month basis. We recognize a contract liability (or a deferred revenue liability) related to the prepaid treatment plans for which we have an ongoing performance obligation. We derecognize this contract liability, and recognize revenue, as the patient consumes his or her visits related to the package and we transfer our services. If we determine that it is not subject to unclaimed property laws for the portion of the package that we do not expect to be redeemed (referred to as "breakage"), then we recognize breakage revenue in proportion to the pattern of exercised rights by the patient.

Royalties and Advertising Fund Revenue. We collect royalties, as stipulated in the franchise agreement, equal to 7% of gross sales, and a marketing and advertising fee currently equal to 2% of gross sales. Royalties, including franchisee contributions to advertising funds, are calculated as a percentage of clinic sales over the term of the franchise agreement. The revenue accounting standard provides an exception for the recognition of sales-based royalties promised in exchange for a license (which generally requires a reporting entity to estimate the amount of variable consideration to which it will be entitled in the transaction price). As the franchise agreement royalties, inclusive of advertising fund contributions, represent sales-based royalties that are related entirely to our performance obligation under the franchise agreement, such sales-based royalties are recognized as franchisee clinic level sales occur. Royalties are collected semi-monthly, two working days after each sales period has ended.

Franchise Fees. We require the entire non-refundable initial franchise fee to be paid upon execution of a franchise agreement, which typically has an initial term of 10 years. Initial franchise fees are recognized ratably on a straight-line basis over the term of the franchise agreement. Our services under the franchise agreement include the training of franchisees and staff, site selection, construction/vendor management and ongoing operations support. We provide no financing to franchisees and offer no guarantees on their behalf. The services provided by us are highly interrelated with the franchise license and as such are considered to represent a single performance obligation. Renewal franchise fees, as well as transfer fees, are also recognized as revenue on a straight-line basis over the term of the respective franchise agreement.

Software Fees. We collect a monthly fee from our franchisees for the use of our proprietary chiropractic software, computer support and internet services support. These fees are recognized ratably on a straight-line basis over the term of the respective franchise agreement.

Capitalized Sales Commissions. Sales commissions earned by the regional developers and our sales force are considered incremental and recoverable costs of obtaining a franchise agreement with a franchisee. These costs are deferred and then amortized as the respective franchise fees are recognized ratably on a straight-line basis over the term of the franchise agreement.

Upfront Regional Developer Rights Fees

We have a regional developer program where regional developers are granted an exclusive geographical territory and commit to a minimum development obligation within that defined territory. Upon granting of the exclusive rights to develop a territory, a regional developer will pay an upfront fee to us. Upfront regional developer fees represent consideration received from a vendor to act as our agent within an exclusive territory. The upfront regional developer rights fee is accounted for as a reduction of cost of revenues, in franchise and regional development cost of revenues, to offset the respective future commissions paid to the regional developer. The fees are ratably recognized over the term of the related regional developer agreement.

Regional developers receive fees which are funded by the initial franchise fees collected from franchisees upon the sale of franchises within their exclusive geographical territory and a royalty of 3% of sales generated by franchised clinics in their exclusive geographical territory. Initial fees related to the sale of franchises within their exclusive geographical territory are initially deferred as deferred franchise costs and are recognized as an expense in franchise cost of revenues when the respective revenue is recognized, which is generally over the term of the related franchise agreement. Royalties of 3% of sales generated by franchised clinics in their regions are also recognized as franchise cost of revenues as franchisee clinic level sales occur. This 3% fee is funded by the 7% royalties we collect from the franchisees in their regions. Certain regional developer agreements result in the regional developer acquiring the rights to existing royalty streams from clinics already open in the respective territory. In those instances, fees collected from the sale of the royalty stream is recognized as a decrease to franchise and regional developer cost of revenues over the remaining life of the respective franchise agreements.

Regional Developer Rights Contract Termination Costs

From time to time, subject to our strategy, regional developer rights are reacquired by us, resulting in a termination of the contract. The termination costs to reacquire the regional developer rights are recognized at fair value, less any unrecognized upfront regional developer fee liability balance, as a general and administrative expense in the period in which the contract is terminated in accordance with the contract terms and are recorded within general and administrative expenses.

Advertising Costs

Advertising costs are advertising and marketing expenses incurred by us, primarily through advertising funds. We expense production costs of commercial advertising upon first airing and expenses the costs of communicating the advertising in the period in which the advertising occurs. Advertising expenses, excluding National Marketing Fund costs, were \$0.6 million and \$0.8 million for the years ended December 31, 2025 and 2024, respectively.

Income Taxes

Income taxes are accounted for using a balance sheet approach known as the asset and liability method. The asset and liability method accounts for deferred income taxes by applying the statutory tax rates in effect at the date of the consolidated balance sheets to differences between the book basis and the tax basis of assets and liabilities. Deferred tax assets and liabilities represent the future tax consequence for those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. The differences relate principally to depreciation of property and equipment and treatment of revenue for franchise fees and regional developer fees collected. Tax positions are reviewed at least quarterly and adjusted as

new information becomes available. The recoverability of deferred tax assets is evaluated by assessing the adequacy of future expected taxable income from all sources, including reversal of taxable temporary differences, forecasted operating earnings and available tax planning strategies. These estimates of future taxable income inherently require significant judgment. To the extent it is considered more likely than not that a deferred tax asset will be not recovered, a valuation allowance is established. We applied the intra-period allocation rules under ASC 740-20-45-1 to allocate the tax provision between continuing operations and discontinued operations. The tax provision amount reported as Income tax expense and disclosed at Note 9, *Income Taxes* is all related to continuing operations and the remaining provision amount is allocated as discontinued operations and reported as Income tax expense from discontinued operations for the years ended December 31, 2025 and 2024.

We account for uncertainty in income taxes by recognizing the tax benefit or expense from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by the taxing authorities, based on the technical merits of the position. We measure the tax benefits and expenses recognized in the consolidated financial statements from such a position based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate resolution. We have identified \$0.6 million and \$0.9 million in uncertain tax positions related to our VIEs in discontinued operations as of December 31, 2025 and 2024, respectively. Interest and penalties associated with tax positions are recorded in the period assessed as general and administrative expenses.

With exceptions due to the generation and utilization of net operating losses or credits, as of December 31, 2025, we are no longer subject to federal and state examinations by taxing authorities for tax years before 2022 and 2021, respectively.

Earnings (Loss) per Common Share

Basic earnings (loss) per common share is computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the period. Diluted earnings (loss) per common share is computed by giving effect to all potentially dilutive common shares including restricted stock and stock options. Diluted earnings (loss) per common share considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect.

	Year Ended December 31,	
	2025	2024
Net loss from continuing operations	\$ (268,157)	\$ (1,614,344)
Net income (loss) from discontinued operations	3,175,422	(4,182,549)
Net income (loss)	<u>\$ 2,907,265</u>	<u>\$ (5,796,893)</u>
Weighted average common shares outstanding — basic	15,134,215	14,919,091
Effect of dilutive securities:		
Unvested restricted stock and stock options	52,653	228,156
Weighted average common shares outstanding — diluted	<u>15,186,868</u>	<u>15,147,247</u>
Earnings (loss) per share:		
Basic earnings (loss) per share:		
Continuing operations	\$ (0.02)	\$ (0.11)
Discontinued operations	0.21	(0.28)
Net earnings (loss) per share	0.19	(0.39)
Diluted earnings (loss) per share		
Continuing operations	\$ (0.02)	\$ (0.11)
Discontinued operations	0.21	(0.28)
Net earnings (loss) per share	0.19	(0.38)

Potentially dilutive securities excluded from the calculation of diluted net income (loss) per common share as the effect would be anti-dilutive were as follows:

	Year Ended December 31,	
	2025	2024
Stock options	71,030	87,651

Stock-Based Compensation

We account for share-based payments by recognizing compensation expense based upon the estimated fair value of the awards on the date of grant. We determine the estimated grant-date fair value of restricted shares using the closing price on the date of the grant and the grant-date fair value of stock options using the Black-Scholes-Merton model. In order to calculate the fair value of the options, certain assumptions are made regarding the components of the model, including risk-free interest rate, volatility, expected dividend yield and expected option life. Changes to the assumptions could cause significant adjustments to the valuation. We recognize compensation costs ratably over the period of service using the straight-line method. Forfeitures are estimated based on historical and forecasted turnover, which is approximately 5%.

Retirement Benefit Plan

Our employees are eligible to participate in a defined contribution retirement plan, the Joint Corp. 401(k) Retirement Plan (the “401(k) Plan”), under Section 401(k) of the Internal Revenue Code. Under the 401(k) Plan, employees may contribute their eligible compensation, not to exceed the annual limits set by the IRS. The 401(k) Plan allows us to match participants’ contributions in an amount determined in our sole discretion. We matched participants’ contributions for the years ended December 31, 2025 and 2024, up to a maximum of 4% of the employee’s eligible compensation. Employer contributions for both continuing and discontinued operations totaled \$0.6 million for each of the years ended December 31, 2025 and 2024.

Loss Contingencies

ASC Topic 450 governs the disclosure of loss contingencies and accrual of loss contingencies in respect of litigation and other claims. We record an accrual for a potential loss when it is probable that a loss will occur and the amount of the loss can be reasonably estimated. When the reasonable estimate of the potential loss is within a range of amounts, the minimum of the range of potential loss is accrued, unless a higher amount within the range is a better estimate than any other amount within the range. Moreover, if an accrual is not required, we provide additional disclosure related to litigation and other claims when it is reasonably possible (i.e., more than remote) that the outcomes of such litigation and other claims include potential material adverse impacts on us. Legal costs to be incurred in connection with a loss contingency are expensed as such costs are incurred.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Items subject to significant estimates and assumptions include loss contingencies, share-based compensations, useful lives and realizability of long-lived assets, deferred revenue and revenue recognition related to breakage, deferred franchise costs, calculation of ROU assets and liabilities related to leases, realizability of deferred tax assets, impairment of goodwill, intangible assets, other long-lived assets, and purchase price allocations and related valuations. Deferred revenue related to breakage, goodwill and intangible assets are related to discontinued operations. Refer to Note 3, *Divestitures* for more information on discontinued operations.

Recently Adopted Accounting Guidance and Accounting Pronouncements Not Yet Adopted

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures (“ASU 2023-09”), which requires public entities to provide greater disaggregation within their annual rate reconciliation, including new requirements to present reconciling items on a gross basis in specified categories, disclose both percentages and dollar amounts, and disaggregate individual reconciling items by jurisdiction and nature when the effect of the items meet a quantitative threshold. ASU 2023-09 also requires disaggregating the annual disclosure of income taxes paid, net of refunds received, by federal (national), state, and foreign taxes, with separate presentation of individual jurisdictions that meet a quantitative threshold. ASU 2023-09 is effective for annual periods beginning after December 15, 2024 on a prospective basis, with a retrospective option, and early adoption is permitted. We have adopted ASU 2023-09 for the 2025 annual period on a retrospective basis. Refer to Note 9, *Income Taxes* for the revised disclosures.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (“ASU 2023-07”), which requires public entities with a single reportable segment to provide all the disclosures required by this standard and all existing segment disclosures in Topic 280 on an interim and annual basis, including new requirements to disclose significant segment expenses that are regularly provided to the Chief Operating Decision Maker (“CODM”) and included within the reported measure(s) of a segment’s profit or loss, the amount and composition of any other segment items, the title and position of the CODM, and how the CODM uses the reported measure(s) of a segment’s profit or loss to assess performance and decide how to allocate resources. ASU 2023-07 is effective for annual periods beginning after December 15, 2023 and interim periods beginning after December 15, 2024, applied retrospectively with early adoption permitted. We have adopted ASU 2023-07 for the 2024 annual period and have identified no material effect on our consolidated financial statements or disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”), and in January 2025, the FASB issued ASU No. 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, which clarified the effective date of ASU 2024-03. ASU 2024-03 will require us to disclose the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization, as applicable, included in certain expense captions in the consolidated statements of operations, as well as qualitatively describe remaining amounts included in those captions. ASU 2024-03 will also require us to disclose both the amount and our definition of selling expenses. The transition method is prospective with the retrospective method permitted and will be effective for our annual period ending December 31, 2027 and interim periods for the interim period beginning January 1, 2028. We are currently evaluating the impact of adoption of ASU 2024-03 on our consolidated financial statements and disclosures.

Note 2: Revenue Disclosures

Franchising Fees, Royalty Fees, Advertising Fund Revenue, and Software Fees

As of December 31, 2025, we had 885 franchised clinics in operation, 82 clinic licenses sold but not yet developed and 57 executed letters of intent for future clinic licenses. The franchise arrangement is documented in the form of a franchise agreement. The franchise arrangement requires us to perform various activities to support the brand that do not directly transfer goods and services to the franchisee, but instead represent a single performance obligation, which is the transfer of the franchise license. The intellectual property subject to the franchise license is symbolic intellectual property as it does not have significant standalone functionality, and substantially all of the utility is derived from its association with our past or ongoing activities. The nature of our promise in granting the franchise license is to provide the franchisee with access to the brand’s symbolic intellectual property over the term of the license. The services provided by us are highly interrelated with the franchise license and as such are considered to represent a single performance obligation.

The transaction price in a standard franchise arrangement primarily consists of (a) initial franchise fees, (b) continuing franchise fees (royalties), (c) advertising fees, and (d) software fees. The revenue accounting standard provides an exception for the recognition of sales-based royalties promised in exchange for a license (which otherwise requires a reporting entity to estimate the amount of variable consideration to which it will be entitled in the transaction price).

We recognize the primary components of the transaction price as follows:

- Initial and renewal franchise fees, as well as transfer fees, are recognized as revenue ratably on a straight-line basis over the term of the respective franchise agreement commencing with the execution of the franchise, renewal, or transfer agreement. As these fees are typically received in cash at or near the beginning of the contract term, the cash received is initially recorded as a contract liability until recognized as revenue over time.
- We are entitled to royalties and advertising fees based on a percentage of the franchisee’s gross sales as defined in the franchise agreement. Royalty and advertising revenue are recognized when the franchisee’s sales occur. Depending on timing within a fiscal period, the recognition of revenue results in either what is considered a contract asset (unbilled receivable) or, once billed, accounts receivable, on the consolidated balance sheets.
- We are entitled to a software fee, which is charged monthly. We recognize revenue related to software fees ratably on a straight-line basis over the term of the franchise agreement.

In determining the amount and timing of revenue from contracts with customers, we exercise significant judgment with respect to collectability of the amount; however, the timing of recognition does not require significant judgment as it is based on either the franchise term or the reported sales of the franchisee, neither of which requires estimation. We believe that our franchising arrangements do not contain a significant financing component.

We recognize advertising fees received under franchise agreements as advertising fund revenue.

Capitalized Sales Commissions

Sales commissions earned by the regional developers and our sales force are considered incremental and recoverable costs of obtaining a franchise agreement with a franchisee. These costs are deferred and then amortized as the respective franchise fees are recognized ratably on a straight-line basis over the term of the franchise agreement.

Disaggregation of Revenue

We believe that the captions contained on the consolidated income statements appropriately reflect the disaggregation of our revenue by major type for the years ended December 31, 2025 and 2024. Other revenues primarily consist of merchant income associated with preferred vendor royalties associated with franchisees' credit card transactions.

The following table shows our revenues disaggregated according to the timing of transfer of services:

	December 31,	
	2025	2024
Revenue recognized at a point in time	\$ 45,486,703	\$ 43,478,254
Revenue recognized over time	9,408,889	8,685,176
Total revenue	<u>\$ 54,895,592</u>	<u>\$ 52,163,430</u>

Rollforward of Accounts Receivable

Changes in our accounts receivable, net during the years ended December 31, 2025 and 2024 were as follows:

	Accounts Receivable, Net
Balance at December 31, 2023	\$ 2,580,589
Cash received against accounts receivable included at the beginning of the year	(2,387,577)
Net increase during the year ended December 31, 2024	2,614,262
Allowance for credit losses	(220,893)
Balance at December 31, 2024	\$ 2,586,381
Cash received against accounts receivable included at the beginning of the year	(2,067,962)
Net increase during the year ended December 31, 2025	2,760,932
Allowance for credit losses	(429,487)
Balance at December 31, 2025	<u>\$ 2,849,864</u>

Changes in our contract liability for deferred franchise fees during the years ended December 31, 2025 and 2024 were as follows:

	Deferred Revenue Short and Long-Term
Balance at December 31, 2023	\$ 16,113,879
Revenue recognized that was included in the contract liability at the beginning of the year	(2,841,085)
Net increase during the year ended December 31, 2024	1,724,311
Balance at December 31, 2024	\$ 14,997,105
Revenue recognized that was included in the contract liability at the beginning of the year	(3,006,059)
Net increase during the year ended December 31, 2025	1,427,243
Balance at December 31, 2025	<u>\$ 13,418,289</u>

Our deferred franchise and development costs represent capitalized sales commissions. Changes during the years ended December 31, 2025 and 2024 were as follows:

	Deferred Franchise and Development Costs Short and Long-Term	
Balance at December 31, 2023	\$	6,251,366
Recognized as cost of revenue during the year		(1,221,140)
Net increase during the year ended December 31, 2024		539,247
Balance at December 31, 2024	\$	5,569,473
Recognized as cost of revenue during the year		(1,190,555)
Net increase during the year ended December 31, 2025		394,144
Balance at December 31, 2025	\$	4,773,062

The following table illustrates revenues expected to be recognized in the future related to performance obligations that were unsatisfied (or partially unsatisfied) as of December 31, 2025. We have elected to exclude short term contracts, sales and usage-based royalties and any other variable consideration recognized on an “as invoiced” basis.

Contract liabilities expected to be recognized in:	Amount	
2026	\$	2,519,018
2027		2,413,277
2028		2,254,336
2029		1,899,640
2030		1,630,838
Thereafter		2,701,180
Total	\$	13,418,289

Note 3: Divestitures

Corporate Clinic Segment Divestiture

In 2023, we initiated plans to rebrand the majority of our company-owned or managed clinics with plans to retain a small portion of high-performing clinics. During the third quarter of 2024, we expanded the rebranding plan to include additional clinic markets of company-owned or managed clinics, marketing the clinics in clusters grouped by proximity to larger private equity firms. Because we have formalized a plan to sell our entire corporate clinic reportable segment, we have concluded that the overall rebranding plan represents a strategic shift that will have a major effect on our operations and financial results.

Since December 31, 2024, the corporate clinics classified as held for sale are reported separately as discontinued operations in the consolidated income statements and consolidated balance sheets. As permitted, we elected not to adjust the consolidated statements of cash flows for the years ended December 31, 2025 and 2024 to exclude cash flows attributable to discontinued operations. Accordingly, we disclosed the depreciation and amortization, capital expenditures and significant operating and investing non-cash items related to the corporate clinic segment below.

The key components of Net income (loss) from discontinued operations that were included in our consolidated income statements are as follows:

	Year Ended December 31,	
	2025	2024
Revenues:		
Revenues from company-owned or managed clinics	\$ 54,038,508	\$ 69,982,344
Total revenues	54,038,508	69,982,344
Cost of revenues:		
IT cost of revenues	20,971	47,817
Total cost of revenues	20,971	47,817
Selling and marketing expenses	5,755,830	7,850,616
Depreciation and amortization	69,558	3,350,748
General and administrative expenses	39,450,918	54,988,780
Total selling, general and administrative expenses	45,276,306	66,190,144
Net loss on disposition or impairment from discontinued operations	5,441,010	7,714,555
Income (loss) from discontinued operations	3,300,221	(3,970,172)
Other expense, net	99,592	2,114
Income (loss) before income tax expense	3,200,629	(3,972,286)
Income tax expense from discontinued operations	25,207	210,263
Net income (loss) from discontinued operations	\$ 3,175,422	\$ (4,182,549)

The following table summarizes the major classes of assets and liabilities of discontinued operations that were included in our consolidated balance sheets:

	December 31, 2025	December 31, 2024
ASSETS		
Accounts receivable	\$ 315,201	\$ 2,484,248
Prepaid expenses and other assets	581,504	549,605
Assets held for sale	20,051,965	38,395,986
Property and equipment, net	67,779	208,074
Deferred tax assets (attributable to VIEs)	994,138	1,087,204
Deposits and other assets	235,731	425,938
Total assets, discontinued operations	\$ 22,246,318	\$ 43,151,055
LIABILITIES		
Accounts payable	\$ 83,503	\$ 67,107
Accrued expenses	2,519,433	5,066,941
Payroll liabilities (\$0.6 million and \$0.9 million attributable to VIEs, respectively)	988,865	2,333,335
Operating lease liability	651,844	153,517
Finance lease liability	—	38,015
Other current liabilities (attributable to VIEs)	756,483	1,079,441
Liabilities to be disposed of (\$4.7 million and \$5.2 million attributable to VIEs, respectively)	16,368,318	28,629,103
Total liabilities, discontinued operations	\$ 21,368,446	\$ 37,367,459

The key components of cash flows from discontinued operations are as follows:

	Year Ended December 31,	
	2025	2024
Significant operating and investing non-cash items		
Depreciation and amortization	\$ 69,558	\$ 3,350,748
Net loss on disposition or impairment	5,441,010	7,714,555
Capital expenditures		
Purchase of property and equipment	84,256	664,423

The clustered clinics are in varying stages of sales negotiations with approximately all of the company-owned or managed clinics expected to be recognized as a completed sale within one year with an estimated fair value of \$2.6 million at December 31, 2025. Effective with the designation as held for sale, we discontinued recording depreciation on property and equipment, net, amortization of intangible assets, net and amortization of ROU assets for the clinics as required by GAAP. We reported the related assets and liabilities of the clinics as held for sale as discontinued operations in our December 31, 2025 and 2024 consolidated balance sheets.

Long-lived assets that meet the criteria for the held for sale designation are reported at the lower of their carrying value or fair value less estimated cost to sell. As a result of our evaluation of the recoverability of the carrying value of the assets and liabilities held for sale relative to the clinics estimated fair values, we recorded an estimated loss on disposal of \$2.7 million and \$4.5 million for the years ended December 31, 2025 and 2024, respectively, in Income (loss) from discontinued operations before income tax expense in our consolidated income statements and a valuation allowance included in discontinued operations current assets in our consolidated balance sheets.

During the year ended December 31, 2025, in connection with the sale of company-owned or managed clinics classified as held for sale as of December 31, 2024 for a combined sales price of \$7.8 million, we sold \$16.4 million assets held for sale, net of a \$1.0 million valuation allowance and \$7.4 million of liabilities to be disposed of in the consolidated balance sheets as of December 31, 2024. As a result of the sales, we recorded a loss of \$0.6 million included in Income (loss) from discontinued operations before income tax expense on the consolidated income statements for the year ended December 31, 2025.

During the year ended December 31, 2024, in connection with the sale of company-owned or managed clinics classified as held for sale as of December 31, 2023 for a combined sales price of \$0.6 million, we sold \$1.3 million assets held for sale, net of a \$0.1 million valuation allowance and \$0.8 million of liabilities to be disposed of in the consolidated balance sheets as of December 31, 2023. As a result of the sales, we recorded a gain of \$0.1 million included in Income (loss) from discontinued operations before income tax expense on the consolidated income statements for the year ended December 31, 2024.

The principal components of the held for sale assets and liabilities to be disposed of as of December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
ASSETS		
Property and equipment, net	\$ 4,497,545	\$ 8,457,627
Operating lease right-of-use asset	14,111,081	19,643,917
Intangible assets, net	4,288,265	6,906,807
Goodwill	3,482,718	8,459,238
Valuation allowance	(6,327,644)	(5,071,603)
Total assets held for sale	<u>\$ 20,051,965</u>	<u>\$ 38,395,986</u>
LIABILITIES		
Operating lease liability	\$ 11,065,542	\$ 20,526,714
Deferred revenue from company-owned or managed clinics	5,302,776	8,102,389
Total liabilities to be disposed of	<u>\$ 16,368,318</u>	<u>\$ 28,629,103</u>

The pre-tax income of the clinics designated as held for sale as of December 31, 2025 was \$4.6 million and \$4.7 million for the years ended December 31, 2025 and 2024, respectively, the results of which exclude the allocation of corporate overhead.

Note 4: Property and Equipment

Property and equipment consist of the following:

	December 31,	
	2025	2024
Office and computer equipment	\$ 982,766	\$ 937,551
Leasehold improvements	1,594,291	1,585,609
Internally developed software	7,103,852	5,914,254
	9,680,909	8,437,414
Accumulated depreciation and amortization	(7,511,832)	(5,982,533)
	2,169,077	2,454,881
Construction in progress	990,149	751,873
Property and Equipment, net	\$ 3,159,226	\$ 3,206,754

Depreciation expense was \$1.6 million and \$1.4 million for the years ended December 31, 2025 and 2024, respectively.

Construction in progress at December 31, 2025 and 2024 related primarily to internal use software in development.

Note 5: Fair Value Consideration

Our financial instruments include cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued expenses. The carrying amounts of our financial instruments, excluding cash equivalents, approximate their fair value due to their short maturities. Cash equivalents consist of money market funds for which cost approximates fair values. Cash equivalents have an approximate fair value of \$19.2 million as of December 31, 2025, which was determined using Level 1 inputs.

Authoritative guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. The guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability, developed based on market data obtained from sources independent of our company. Unobservable inputs are inputs that reflect our assumptions of what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on reliability of the inputs as follows:

Level 1: Observable inputs such as quoted prices in active markets;

Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

As of December 31, 2025 and 2024, we did not have any financial instruments that were measured on a recurring basis as Level 1, 2 or 3.

Our non-financial assets, included in both continuing and discontinued operations, which primarily consist of goodwill, intangible assets, property, plant and equipment, and operating lease ROU assets, are not required to be measured at fair value on a recurring basis, and instead are reported at their carrying amount. However, on a periodic basis whenever events or changes in circumstances indicate that their carrying amount may not be fully recoverable (and at least annually for goodwill), non-financial assets are assessed for impairment. If the fair value is determined to be lower than the carrying amount, an impairment charge is recorded to write down the asset to its fair value, which is considered Level 3 within the fair value hierarchy.

The assets and liabilities resulting from acquisitions, included in discontinued operations, were recorded at fair values on a nonrecurring basis at the date of acquisition and are considered Level 3 within the fair value hierarchy.

Long-lived assets that meet the held for sale criteria are reported at the lower of their carrying value or fair value, less estimated costs to sell. The estimated fair values of the company-owned or managed clinics classified as Held for Sale (see Note 3, *Divestitures*) were recorded in discontinued operations current assets at fair values on a nonrecurring basis and are based upon Level 2 inputs, which includes a potential buyer agreed-upon selling price or Level 3 inputs, which includes consideration of a market approach using a multiple of earnings assumption based on clinic-level historical financial performance as well as an income approach using discounted cash flow ("DCF") models that use significant unobservable inputs and assumptions. Key inputs in the DCF models included projected cash flows over a 10-year forecast period, based on clinic-level historical financial performance and management's expectations of future operating results. A terminal value was estimated using the Gordon Growth Model for locations with positive cash flows. For locations with projected negative cash flows, no terminal value was assigned, as these clinics were assumed to cease operations upon lease termination. The future cash flows and terminal value were discounted to present value using a discount rate of 13.5% for clinics with positive cash flows and 4.2% for clinics with negative cash flows, which reflect the risk profile of the underlying operations and market conditions as of the measurement date. The fair value measurement of the assets held for sale as of December 31, 2025, which included all company-owned or managed clinics, was recorded as \$0.1 million based upon Level 2 inputs and \$2.5 million based upon Level 3 inputs. As a result, we maintain a valuation allowance of \$6.3 million to adjust the carrying value of the disposal group to fair value less cost to sell as of December 31, 2025. The fair value measurement of the assets held for sale as of December 31, 2024, which included all company-owned or managed clinics, was recorded as \$0.4 million based upon Level 2 inputs and \$26.9 million based upon Level 3 inputs as of December 31, 2024. As a result, we recorded a valuation allowance of \$5.1 million to adjust the carrying value of the disposal group to fair value less cost to sell during the year ended December 31, 2024.

Long-lived assets classified as held and used where the asset group was not determined to be recoverable are tested for impairment. During the years ended December 31, 2025 and 2024, in connection with the planned sale or determined closure of certain company-owned or managed clinics, we recorded an impairment loss of zero and \$2.7 million, respectively, included in Income (loss) from discontinued operations before income tax expense in our consolidated income statements for impairment of long-lived assets classified as held and used where the asset group was not determined recoverable. The asset group was determined to be the clinic level, as this is the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. The long-lived assets fair values were determined by the following: Level 1 inputs, which included observable inputs from executed lease termination agreements; Level 2 inputs where available, which included using a valuation multiple (e.g., price per square foot) based on observable prices for comparable long-lived assets; and Level 3 inputs, which included a multiple of earnings assumption using our historical earnings trend data, comparable historical asset sales by us and franchisees that were not exact matches, and (for calculating the fair value of intangible assets specifically) our historical experience, future projections and comparable market data include future cash flows, long-term growth rates, attrition rates and discount rates. Generally, a change in the assumption used for the multiple inputs would have resulted in a directionally similar change of the fair value measurement where a multiple of earnings assumption was used.

The carrying values of these asset groups impaired to their fair value during the year ended December 31, 2024 included ROU assets of \$5.8 million that were written down to \$4.3 million determined by Level 1 and Level 2 inputs. The carrying values of these asset groups impaired to their fair value also included property and equipment of \$3.9 million that were written down to \$2.8 million and reacquired rights of \$299 thousand that were written down to \$253 thousand both determined by Level 3 inputs discussed above. The carrying value for nearly all company-owned or managed asset groups were reclassified to assets held for sale as of December 31, 2024.

Note 6: Debt

Credit Agreement

On February 28, 2020, we entered into a Credit Agreement (the "Credit Agreement"), with JPMorgan Chase Bank, N.A., individually, and as Administrative Agent and Issuing Bank ("JPMorgan Chase" or the "Lender"). The Credit Agreement provided for senior secured credit facilities (the "Credit Facilities") in the amount of \$7.5 million, including a \$2.0 million revolver (the "Revolver") and a \$5.5 million development line of credit (the "Line of Credit"). The Revolver included amounts available for letters of credit of up to \$1.0 million and an uncommitted additional amount of \$2.5 million. All outstanding principal and interest on the Revolver were due on February 28, 2022.

On February 28, 2022, we entered into an amendment to the Credit Facilities (as amended, the "2022 Credit Facility") with the Lender. Under the 2022 Credit Facility, the Revolver increased to \$20.0 million (from \$2.0 million), the portion of the Revolver available for letters of credit increased to \$5.0 million (from \$1.0 million), the uncommitted additional amount increased to

\$30.0 million (from \$2.5 million) and the developmental line of credit of \$5.5 million was terminated. The Revolver will be used for working capital needs, general corporate purposes and for acquisitions, development and capital improvement uses. At our option, borrowings under the 2022 Credit Facility bear interest at: (i) the adjusted Secured Overnight Financing Rate (“SOFR”), which is the daily simple SOFR, plus 0.10%, plus 1.75%, payable on the last day of the selected interest period of one, three or six months, and on the three-month anniversary of the beginning of any six-month interest period, if applicable; or (ii) an Alternative Base Rate (ABR), plus 1.00%, payable monthly. The ABR is the greatest of: (A) the prime rate (as published by the Wall Street Journal), (B) the Federal Reserve Bank of New York rate, plus 0.5%, and (C) the adjusted one-month term SOFR rate. Amounts outstanding under the Revolver on February 28, 2022 continued to bear interest at the rate selected under the Credit Facilities prior to the amendment until the last day of the interest period in effect, at which time, if not repaid, the amounts outstanding under the Revolver will bear interest at the 2022 Credit Facility rate. The 2022 Credit Facility will terminate and all principal and interest will become due and payable on the fifth anniversary of the amendment (February 28, 2027). On January 17, 2024, we paid down the outstanding balance on our Debt under the Credit Agreement of \$2.0 million.

The Credit Facilities contain customary events of default, including but not limited to nonpayment; material inaccuracy of representations and warranties; violations of covenants; certain bankruptcies and liquidations; cross-default to material indebtedness; certain material judgments; and certain fundamental changes such as a merger or sale of substantially all assets (as further defined in the Credit Facilities). The Credit Facilities require us to comply with customary affirmative, negative and financial covenants, including minimum interest coverage and maximum net leverage. A breach of any of these operating or financial covenants would result in a default under the Credit Facilities. If an event of default occurs and is continuing, the lenders could elect to declare all amounts then outstanding, together with accrued interest, to be immediately due and payable. The Credit Facilities are collateralized by substantially all of our assets, including the assets in our company-owned or managed clinics. We intend to use the Revolver for general working capital needs.

On September 30, 2025, we entered into a consent and third amendment to the Credit Agreement (as amended, the “2025 Credit Facility”) with the Lender. Among other things, the 2025 Credit Facility contains the consent of the Lender to our franchising of all company-owned or managed clinics which would have triggered certain default events included in the Credit Agreement. The 2025 Credit Facility also extended the maturity date of the Credit Facilities to August 31, 2027.

As of December 31, 2025, there are no outstanding balances under our Credit Facilities or the 2025 Credit Facility. As of December 31, 2025, we were in default of our Credit Facilities due to a violation of our fixed charge coverage ratio covenant primarily due to stock repurchases under the 2025 SRP, which constitute restricted payments. This prohibits our ability to draw upon our \$20.0 million Revolver under the 2022 Credit Facility until the covenant violation is resolved.

In connection with the issuance of the Credit Facilities and the 2022 Credit Facility, we incurred debt issuance costs of \$53 thousand and \$76 thousand, respectively. Interest expense and amortization expense related to debt issuance costs are being amortized to “Other expense, net” and was \$22 thousand and \$79 thousand for the years ended December 31, 2025 and 2024, respectively.

Note 7: Stockholders’ Equity

Stock Repurchase Program

On June 3, 2025, our Board of Directors approved the 2025 SRP to repurchase up to \$5.0 million of our common stock, par value \$0.001 per share, from time to time until June 3, 2027 or such other date as we have exhausted, or the Board of Directors otherwise terminates, the repurchase authorization. On November 4, 2025, the Board of Directors authorized an additional \$12.0 million under the 2025 SRP and extended the repurchase date through November 4, 2027.

The timing, volume, price, and terms of the repurchases will depend on market and business conditions, applicable legal requirements, and other factors. The repurchases may be made on the open market, in privately negotiated transactions, or in such other manner (e.g., accelerated share repurchase transactions, block trades, derivatives, or otherwise) that complies with the terms of applicable federal and state securities laws and regulations.

During the year ended December 31, 2025, we repurchased \$11.3 million of common stock at an average price of \$8.73 per share, excluding related costs and fees. As of December 31, 2025, we had a remaining \$5.7 million authorized for repurchasing shares of our common stock. All shares of common stock that we repurchased are held as treasury stock.

Treasury Stock

During the years ended December 31, 2025 and 2024, shares of common stock at a total cost of \$8 thousand and \$10 thousand, respectively, were netted and surrendered as payment for minimum statutory withholding obligations in connection with the vesting of outstanding stock awards. Shares surrendered by the participants in accordance with the applicable award agreements and plan are deemed repurchased by us but are not part of publicly announced stock repurchase programs.

Note 8: Stock-Based Compensation

We grant stock-based awards under our 2024 Incentive Stock Plan (the “2024 Plan”). The shares issued as a result of stock-based compensation transactions generally have been funded with the issuance of new shares of our common stock.

We may grant the following types of incentive awards under the 2024 Plan: (i) non-qualified stock options; (ii) incentive stock options; (iii) stock appreciation rights; (iv) restricted stock; and (v) restricted stock units. Each award granted under the 2024 Plan is subject to an award agreement that incorporates, as applicable, the exercise price, the term of the award, the periods of restriction, the number of shares to which the award pertains, and such other terms and conditions as the plan committee determines. Awards granted under the 2024 Plan are classified as equity awards, which are recorded in stockholders’ equity in our consolidated balance sheets. Through December 31, 2025, we have granted under the 2024 Plan (i) non-qualified stock options; (ii) incentive stock options; and (iii) restricted stock. There were no stock appreciation rights or restricted stock units granted under the 2024 Plan as of December 31, 2025. As of December 31, 2025, 1,725,057 shares of common stock remained available for issuance under the 2024 Plan.

Stock Options

Our closing price on the date of grant is the basis of fair value of its common stock used in determining the value of share-based awards. To the extent that the value of our share-based awards involves a measure of volatility, we use available historical volatility of our common stock over a period of time corresponding to the expected stock option term. We use the simplified method to calculate the expected term of stock option grants to employees. Accordingly, the expected life of the options granted is based on the average of the vesting term, which is generally four years and the contractual term, which is generally ten years. The risk-free interest rate is based on United States Treasury yields in effect at the date of grant for periods corresponding to the expected stock option term. Forfeitures are estimated based on historical and forecasted turnover, which is approximately 5%.

We did not grant any options during the year ended December 31, 2025. We have computed the fair value of all options granted using the Black-Scholes-Merton model during the year ended December 31, 2024, using the following assumptions:

	Year Ended December 31, 2024
Expected volatility	64%
Expected dividends	None
Expected term (years)	6.25
Risk-free rate	3.86%

The information below summarizes the stock options activity:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Outstanding at December 31, 2023	486,334	\$ 8.88	3.7	\$ 1,903,699
Granted at market price	38,059	10.51		
Exercised	(227,952)	4.08		\$ 1,435,074
Expired	(9,201)	26.52		
Cancelled	(5,263)	41.18		
Outstanding at December 31, 2024	281,977	\$ 11.80	3.3	\$ 777,566
Exercised	(123,460)	5.04		\$ 656,751
Expired	(89,604)	19.01		
Cancelled	(432)	45.39		
Outstanding at December 31, 2025	68,481	\$ 14.33	6.0	\$ 59,412
Exercisable at December 31, 2025	39,936	\$ 17.06	4.0	\$ 59,412
Vested and expected to vest at December 31, 2025	66,000	\$ 14.47	5.9	\$ 59,412

The weighted-average grant-date fair value of our stock options granted during the year ended December 31, 2024 was \$6.21.

The aggregate fair value of our stock options vested during 2025 and 2024 was \$157 thousand and \$319 thousand, respectively.

We recognize compensation costs ratably over the period of service using the straight-line method. Forfeitures are estimated based on historical and forecasted turnover, which is approximately 5%. For the years ended December 31, 2025 and 2024, stock-based compensation expense for stock options was \$73 thousand and \$141 thousand, respectively.

Unrecognized stock-based compensation expense for stock options as of December 31, 2025 was \$166 thousand, which is expected to be recognized ratably over the next 2.8 years.

Restricted Stock

Restricted stock awards granted to employees generally vest in four equal annual installments. Restricted stock awards granted to non-employee directors vest on the earlier of (i) one year from the grant date and (ii) the date of the next annual meeting of the shareholders of our company occurring after the date of grant.

The information below summarizes the restricted stock activity:

	Shares	Weighted Average Grant-Date Fair Value per Award
Non-vested at December 31, 2023	231,901	\$ 17.32
Granted	285,656	9.95
Vested	(107,103)	16.17
Cancelled	(104,472)	14.05
Non-vested at December 31, 2024	305,982	11.97
Granted	301,896	10.54
Vested	(107,854)	12.61
Cancelled	(146,534)	11.24
Non-vested at December 31, 2025	353,490	\$ 10.86

For the years ended December 31, 2025 and 2024, stock-based compensation expense for restricted stock was \$1.2 million and \$1.5 million, respectively. Unrecognized stock-based compensation expense for restricted stock awards as of December 31, 2025 was \$2.9 million to be recognized ratably over 2.9 years.

Tax Benefits

Net income (loss) for 2025 and 2024 included pre-tax expense related to stock-based compensation of \$1.3 million and \$1.7 million, respectively. We recognized federal income tax benefits of zero and \$0.1 million from the exercises of stock options and restricted stock awards for 2025 and 2024, respectively.

Note 9: Income Taxes

The components of loss from continuing operations before the provision for income taxes, by taxing jurisdiction are as follows:

	December 31,	
	2025	2024
Domestic	\$ (229,504)	\$ (1,608,738)
Total	\$ (229,504)	\$ (1,608,738)

Income tax expense reported in the consolidated income statements is comprised of the following:

	December 31,	
	2025	2024
Current expense:		
State, net of state tax credits	\$ 38,653	\$ 62,759
Total current expense	38,653	62,759
Deferred expense (benefit):		
Federal	—	(57,153)
Total deferred expense (benefit)	—	(57,153)
Total income tax expense	\$ 38,653	\$ 5,606

The tax effects of temporary differences that give rise to significant components of the deferred tax assets and liabilities are provided below:

	December 31,	
	2025	2024
Deferred income tax assets:		
Accrued expenses	\$ 757,576	\$ 1,607,324
Deferred revenue	3,535,528	3,909,555
Lease liabilities	3,795,895	5,710,136
Goodwill - component 1	383,987	—
Goodwill - component 2	49,829	55,368
Fixed assets	471,855	—
Nonqualified stock options	117,962	322,376
Net operating loss carryforwards	3,261,907	3,029,413
Tax credits	35,850	35,850
Intangible assets	3,416,636	3,921,742
Stock-based compensation expense	141,563	139,038
Total	15,968,588	18,730,802
Less: valuation allowance	(11,327,659)	(12,307,555)
Total deferred income tax assets	4,640,929	6,423,247
Deferred income tax liabilities:		
Lease ROU asset	(4,320,092)	(5,392,996)
Deferred franchise costs	(320,837)	(75,284)
Goodwill - component 1	—	(807,824)
Fixed assets	—	(147,143)
Total deferred income tax liabilities	(4,640,929)	(6,423,247)
Net deferred income taxes	\$ —	\$ —

A valuation allowance of \$11.3 million and \$12.3 million was recorded against the deferred tax asset balance of The Joint Corp., without its VIEs, as of December 31, 2025 and 2024, respectively. During the year ended December 31, 2025, the valuation allowance decreased by \$1.0 million. As of each reporting date, we consider new evidence, both positive and negative, that could impact our view with regard to future realization of deferred tax assets in each reporting jurisdiction. A significant piece of objective evidence evaluated was the cumulative loss incurred in each jurisdiction over the three-year period ended December 31, 2025. Such objective evidence limits the ability to consider other subjective evidence, such as projections for future growth, in evaluating the need for a valuation allowance. As a result, we determined that it is more likely than not that The Joint Corp. will not realize its deferred tax assets as of December 31, 2025, and has recorded a valuation allowance after consideration of any recorded deferred tax liabilities.

Additionally, deferred tax assets attributable to its VIEs of \$1.0 million and \$1.1 million were classified as discontinued operations as of December 31, 2025 and 2024, respectively, and are related to deferred revenue. See Note 3, *Divestitures* for more information on discontinued operations.

The Joint Corp., without the VIEs, has federal gross net operating loss carryforwards of \$10.2 million and \$12.3 million as of December 31, 2025 and 2024, respectively. The federal tax effected impacts of these net operating losses were \$2.1 million and \$2.6 million as of December 31, 2025 and 2024, respectively. \$7.8 million of the federal net operating loss as of December 31, 2025 is subject to a 20-year carryforward, with a portion beginning to expire in 2036. \$2.3 million of the federal net operating loss as of December 31, 2025 has an indefinite carryforward period.

The Joint Corp., without the VIEs, has state net operating loss carryforwards of \$10.2 million and \$3.6 million as of December 31, 2025 and 2024, respectively. The determination of the state net operating loss carryforwards is dependent upon apportionment percentages and state laws that can change from year to year and impact the amount of such carryforwards. If such net operating loss carryforwards are not utilized, a portion will begin to expire in 2026.

We have research and development credits of \$14 thousand that will begin to expire in 2031 and California Alternative Minimum Tax credits of \$22 thousand that do not expire.

The provision for income taxes differs from the amount calculated using the statutory federal corporate income tax rate of 21% due to the following items:

	For the Years Ended December 31,			
	2025		2024	
	Amount	Percent	Amount	Percent
Loss from continuing operations before provision for income taxes	\$ (229,504)		\$ (1,608,738)	
Expected federal tax expense at U.S. federal statutory rate	(48,388)	21.0 %	(337,835)	21.0 %
State and local income taxes (net of federal income tax effect) (1)	(128,782)	56.1 %	79,774	(5.0)%
Changes in valuation allowances	(507,419)	221.1 %	66,503	(4.1)%
Nontaxable or nondeductible items:				
Section 162(m) officer compensation	—	— %	85,992	(5.3)%
Share based compensation (2)	(28,302)	12.3 %	(119,263)	7.4 %
Payroll tax penalty	(45,749)	19.9 %	—	— %
Meals and entertainment	23,549	(10.2)%	30,462	(1.9)%
Other items	17,710	(7.7)%	26,572	(1.6)%
Changes in unrecognized tax benefits	300,582	(130.9)%	212,687	(13.2)%
Other adjustments:				
Deferred true-up to deferred franchise costs	285,915	(124.5)%	—	— %
Current year expirations of non-qualified stock options	217,356	(94.7)%	—	— %
Other items	(47,819)	20.8 %	(39,286)	2.4 %
Total income tax expense and effective rate	\$ 38,653	(16.8)%	\$ 5,606	(0.3)%

(1) State taxes in Arizona, California and Texas made up the majority (greater than 50%) of the tax effect in this category.

(2) Share based compensation includes incentive stock options, non-qualified stock options and restricted stock awards.

Changes in our income tax expense relate primarily to state income taxes (net of federal tax and permanent differences), changes in tax rates, stock compensation, shortfall/windfall on stock compensation expense, change in valuation allowance and uncertain tax positions during the year ended December 31, 2025, as compared to the year ended December 31, 2024. For the years ended December 31, 2025 and 2024, effective tax rates were (16.8)% and (0.3)%, respectively. The difference between the statutory federal income tax rate and our effective tax rate was primarily due to the uncertain tax position net impact and state taxes (net of federal taxes) for the year ended December 31, 2025. The difference between the statutory federal income tax rate and our effective tax rate was primarily due to the valuation allowance, change in tax rate and uncertain tax position for the year ended December 31, 2024.

We apply a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit or obligation as the largest amount that is more than 50% likely of being realized upon ultimate settlement. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments.

For the years ended December 31, 2025 and 2024, we had gross uncertain tax positions attributable to the VIEs, recorded as discontinued operations, of \$0.6 million and \$0.9 million, respectively.

	December 31,	
	2025	2024
Beginning balance	\$ 948,182	\$ 1,175,766
Reductions for expiration of the statute of limitations	(314,468)	(227,584)
Ending balance	\$ 633,714	\$ 948,182

As of December 31, 2025 and December 31, 2024, there were \$20 thousand and \$22 thousand, respectively, of unrecognized tax benefits that if recognized would affect the annual effective tax rate.

Interest and penalties associated with tax positions are recorded in the period assessed as general and administrative expenses. Accrued interest and penalties were \$178 thousand and \$202 thousand for the years ended December 31, 2025 and 2024, respectively, and recorded as other liabilities.

The amount of cash paid for income taxes (net of refunds received) was as follows:

	December 31,	
	2025	2024
Federal	\$ 321,000	\$ 285,510
State:		
Arizona	62,000	—
California	168,000	182,000
Texas	62,000	51,026
Other state jurisdictions	13,752	91,956
Income taxes paid (net of refunds received)	<u>\$ 626,752</u>	<u>\$ 610,492</u>

With exceptions due to the generation and utilization of net operating losses or credits, as of December 31, 2025, we are no longer subject to federal and state examinations by taxing authorities for tax years before 2022 and 2021, respectively.

Note 10: Commitments and Contingencies

Leases

The table below summarizes the components of lease expense and income statement location for the years ended December 31, 2025 and 2024:

	Line Item in our Consolidated Income Statements	Years Ended December 31,	
		2025	2024
Operating lease costs:			
Operating lease costs	General and administrative expenses	\$ 355,912	\$ 325,396
Total lease costs		<u>\$ 355,912</u>	<u>\$ 325,396</u>

Supplemental information and balance sheet location related to leases for the years ended December 31, 2025 and 2024 was as follows:

	Years Ended December 31,	
	2025	2024
Operating Leases:		
Operating lease right-of-use asset	\$ 1,572,173	\$ 555,536
Operating lease liability, current portion	\$ 194,179	\$ 483,337
Operating lease liability, net of current portion	1,815,527	311,689
Total operating lease liability	\$ 2,009,706	\$ 795,026
Weighted average remaining lease term (in years):		
Operating leases	5.4	3.6
Weighted average discount rate:		
Operating leases	6.5 %	6.5 %

Supplemental cash flow information related to leases for the years ended December 31, 2025 and 2024 were as follows:

	Years Ended December 31,	
	2025	2024
Cash paid for amounts included in measurement of liabilities:		
Operating cash flows from operating leases	\$ 460,056	\$ 505,577
Non-cash transactions: ROU assets obtained in exchange for lease liabilities		
Operating lease	1,554,504	—

Maturities of lease liabilities as of December 31, 2025 were as follows:

	Operating Leases
2026	\$ 268,762
2027	467,453
2028	479,129
2029	491,077
2030	503,374
Thereafter	211,904
Total lease payments	2,421,699
Less: Imputed interest	(411,993)
Total lease obligations	2,009,706
Less: Current obligations	(194,179)
Long-term lease obligations	\$ 1,815,527

Guaranties in Connection with the Sale of the Divested Business

In connection with the sale of company-owned or managed clinics, we guaranteed 39 future operating lease commitments assumed by the buyers. We are obligated to perform under the guaranties if the buyers fail to perform under the lease agreements at any time during the remainder of the term of the lease agreements, the latest of which expires on December 31, 2033. As of December 31, 2025, the undiscounted maximum remaining lease payments totaled \$5.0 million. We have not recorded a liability with respect to our obligations under the guaranties as of December 31, 2025, as we concluded that payment under the guaranties was not probable.

Litigation

In the normal course of business, we are party to litigation and claims from time to time. We maintain insurance to cover certain litigation and claims, subject to policy limits.

During the second quarter of 2024, we entered into settlement agreements from litigation related to employment matters of \$1.5 million that was outside the normal course of business which we have accrued for in discontinued operations current liabilities as of December 31, 2025. The settlement is expected to be paid out during the first quarter of 2026.

Additionally, ongoing litigation related to a medical injury claim between a patient (“the Claimant”) and us filed on September 5, 2023 reached a settlement agreement on February 25, 2025. Per the terms of the settlement agreement, we and our insurance will pay the claimant \$3.4 million. We accrued the settlement recorded in discontinued operations current liabilities for \$3.4 million as of December 31, 2024. The expense from the accrual was offset by a receivable recorded as discontinued operations current assets from our insurance providers for \$1.9 million as of December 31, 2024. The settlement was paid in full during the first quarter of 2025.

In 2025, we determined that the likelihood of a loss related to multiple lawsuits, including three cases consolidated into one class action lawsuit (but not yet certified), six individual cases related to each other by the court and two unrelated individual cases, all filed against us and a chiropractor employed by the professional corporation providing clinical services in 2024, 2025 and 2026 in the State of California became probable. The initial lawsuit was filed against us on June 6, 2024 with the Superior Court of California in Los Angeles County. The lawsuits allege, among other claims, an invasion of privacy, negligence, emotional distress, sexual harassment, unlawful recording, failure to provide a safe environment and trespass on person at one of our company-owned or managed clinics. The lawsuits are currently in discovery and trial is scheduled to begin in early 2027. We intend to continue to defend these cases vigorously, but it is not possible at this time to reasonably estimate the outcome of or any potential liability from these cases and therefore, no accrual exists as of December 31, 2025. We also note that our exposure to these cases may be limited by our insurance coverage, but the potential exposure is undetermined as of December 31, 2025.

During the year ended December 31, 2025, we incurred litigation expenses, including settlement costs related to employment matters that were outside the normal course of business, of \$0.4 million, included as Income (loss) from discontinued operations before income tax expense in our consolidated income statements.

During the year ended December 31, 2024, we incurred litigation expenses, including settlement costs related to employment matters that were outside the normal course of business and a medical injury claim, of \$3.0 million, included as Income (loss) from discontinued operations before income tax expense in our consolidated income statements.

Note 11: Segment Reporting

An operating segment is defined as a component of an enterprise for which discrete financial information is available and is reviewed regularly by the Chief Operating Decision Maker (“CODM”) to evaluate performance and make operating decisions. We have identified the Chief Executive Officer as our CODM.

Historically, we had two operating business segments: (1) Corporate Clinics, and (2) Franchise Operations. The Corporate Clinics segment is comprised of the activities of the company-owned or managed clinics. In the fourth quarter of 2024, as part of our refranchising strategy, all but one of the company-owned or managed clinics in the Corporate Clinic segment met the criteria to be reported as discontinued operations as of December 31, 2024 (Refer to Note 3, *Divestitures* for financial information on the discontinued operating Corporate Clinics segment). Therefore, since December 31, 2024, we have had one reportable segment: Franchise Operations. As of December 31, 2025, all company-owned or managed clinics in the Corporate Clinic segment met the criteria to be reported as discontinued operations. In accordance with Accounting Standards Codification 205-20, Discontinued Operations, expenses that in prior periods were partially allocated to the Corporate Clinic segment that are not wholly related to the activity of the segment have been recast to be presented in continuing operations, which is now Franchise Operations. Additionally, any expenses previously identified as Corporate Unallocated have been allocated entirely to the Franchise Operations segment.

The Franchise Operations segment is comprised of the operating activities of the franchise business unit. The Franchise Operations segment derives revenue primarily from customers by providing access to our franchise license, which represents symbolic intellectual property (See Note 2, *Revenue Disclosures* for additional details). The Franchise Operations segment is managed on a consolidated basis because all operations are located within a similar economic and regulatory environment, provide the same services and share the same business model and pricing strategies. As of December 31, 2025, the franchise system consisted of 885 clinics in operation. The accounting policies for the franchise segment are the same as those described in Note 1, *Nature of Operations and Summary of Significant Accounting Policies*. The CODM uses the following metrics to

assess performance and determine how to allocated resources; Net Income, Gross Profit, Operating Income, and Adjusted EBITDA. Net Income, Gross Profit, and Operating Income are reported on the consolidated income statements. Adjusted EBITDA is presented in *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, Non-GAAP Financial Measures* and is reconciled back to consolidated Net loss from continuing operations on the consolidated income statements. The measure of segment assets is reported on the balance sheet as total consolidated assets. The CODM uses these financial measures to evaluate income generated from segment assets (return on assets) in deciding whether to reinvest profits in the Franchise Segment or into other parts of the entity, such as new products or services, expanding into new geographic territories, acquisitions or reacquisitions, or stock buybacks. Net Income and Adjusted EBITDA are used to monitor budget verses actual results. The CODM also uses Net Income and Adjusted EBITDA in conjunction with certain non-financial metrics in competitive analysis by benchmarking to our competitors. The competitive analysis along with the monitoring of budgeted verses actual results are used in assessing performance of the segment and in establishing management's compensation.

The following table summarizes total revenue and significant expense categories and amounts for our reportable segment that aligns with the segment level information that is regularly provided to the CODM:

	Years Ended December 31,	
	2025	2024
Revenue	\$ 54,895,592	\$ 52,163,430
Less:		
Franchise and regional developer cost of revenues	9,500,559	10,063,644
IT cost of revenues	1,724,915	1,453,204
Selling and marketing expenses	13,299,399	10,973,610
Adjusted General and administrative expenses	27,256,923	27,359,643
Stock compensation expense	1,297,433	1,679,005
Other segment items, net ^(a)	401,706	871,673
Depreciation and amortization expense	1,644,161	1,371,389
Income tax expense	38,653	5,606
Segment loss	\$ (268,157)	\$ (1,614,344)
Reconciliation of loss		
Net loss from continuing operations	(268,157)	(1,614,344)
Net income (loss) from discontinued operations	3,175,422	(4,182,549)
Net income (loss)	\$ 2,907,265	\$ (5,796,893)

^(a) Other segment items, net includes interest income, acquisition related expenses, net loss on disposition or impairment, costs related to restatement filings, and restructuring costs.

Note 12: Related Party Transactions

Mr. Jefferson Gramm, Managing Partner of Bandera Partners LLC, who is a beneficial holder of more than 5% of our outstanding common stock (approximately 28% as of December 31, 2025), was appointed to the Board of Directors effective as of January 2, 2024.

In December 2020, we sold two franchise licenses at \$40 thousand and \$30 thousand each (which reflects the \$10 thousand multi-unit discount for the second license per the Franchise Disclosure Document) to Marshall Gramm, who is a family member of Mr. Jefferson Gramm. In April 2020 and 2021, we sold two franchise licenses at \$40 thousand and \$30 thousand, respectively (which reflects the \$10 thousand multi-unit discount for the second license per the Franchise Disclosure Document), to a franchisee of which Mr. Jefferson Gramm is a 50% co-partner in the business. In the fourth quarter of 2024, Mr. Jefferson Gramm divested his interest in the clinics to which he is a 50% co-partner in the business.

These transactions involved terms no less favorable to us than those that would have been obtained in the absence of such affiliation. Although we have no way of estimating the aggregate amount of franchise fees, royalties, advertising fund fees, IT

related income and computer software fees that these franchisees will pay over the life of the franchise licenses, the franchisees affiliated with Mr. Gramm are subject to such fees under the same terms and conditions as all other franchisees.

In October 2020, Mr. Gramm loaned approximately \$370 thousand to an unaffiliated franchisee that owns and operates one franchise clinic. The loan is not secured by the assets of the business and there are no foreclosure rights. As of December 31, 2025, the remaining balance on the unsecured loan was approximately \$196 thousand.

Note 13: Quarterly Financial Data (Unaudited)

Selected quarterly financial data for the years ended December 31, 2025 and 2024 is summarized below:

	2025					2024				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Total revenues	\$ 13,077,590	\$ 13,270,270	\$ 13,380,685	\$ 15,167,047	\$ 54,895,592	\$ 12,184,716	\$ 12,610,036	\$ 12,654,396	\$ 14,714,282	\$ 52,163,430
Total costs of revenues	2,972,126	2,772,607	2,661,234	2,819,507	11,225,474	2,704,512	2,812,389	2,814,963	3,184,984	11,516,848
Selling and marketing expenses	3,505,150	3,483,844	2,816,081	3,494,324	13,299,399	2,237,583	3,440,391	2,504,168	2,791,468	10,973,610
Depreciation and amortization	361,930	402,295	446,736	433,200	1,644,161	329,634	342,454	345,835	353,466	1,371,389
General and administrative expenses	6,914,945	7,745,251	7,295,719	7,676,121	29,632,036	7,339,308	7,793,465	7,478,669	7,513,147	30,124,589
Total selling, general and administrative expenses	10,782,025	11,631,390	10,558,536	11,603,645	44,575,596	9,906,525	11,576,310	10,328,672	10,658,081	42,469,588
Net loss on disposition or impairment	1,973	4,440	—	1,485	7,898	275	662	3,581	61,501	66,019
(Loss) income from continuing operations	(678,534)	(1,138,167)	160,915	742,410	(913,376)	(426,596)	(1,779,325)	(492,820)	809,716	(1,889,025)
Other income, net	185,917	159,922	139,801	198,232	683,872	36,259	80,471	83,828	79,729	280,287
(Loss) income from continuing operations before income tax expense	(492,617)	(978,245)	300,716	940,642	(229,504)	(390,337)	(1,698,854)	(408,992)	889,445	(1,608,738)
Income tax expense (benefit)	13,404	11,390	10,346	3,513	38,653	8,582	11,169	5,391	(19,536)	5,606
Net (loss) income from continuing operations	(506,021)	(989,635)	290,370	937,129	(268,157)	(398,919)	(1,710,023)	(414,383)	908,981	(1,614,344)
Income (loss) from discontinued operations before income tax expense	1,577,229	1,183,199	664,269	(224,068)	3,200,629	1,516,243	(1,719,222)	(2,693,562)	(1,075,745)	(3,972,286)
Income tax expense(benefit) from discontinued operations	103,412	100,201	99,630	(278,036)	25,207	170,345	167,153	57,194	(184,429)	210,263
Net income (loss) from discontinued operations	1,473,817	1,082,998	564,639	53,968	3,175,422	1,345,898	(1,886,375)	(2,750,756)	(891,316)	(4,182,549)
Net income (loss)	967,796	93,363	855,009	991,097	2,907,265	946,979	(3,596,398)	(3,165,139)	17,665	(5,796,893)
Net (loss) income from continuing operations per common share										
Basic	\$ (0.03)	\$ (0.06)	\$ 0.02	\$ 0.06	\$ (0.02)	\$ (0.03)	\$ (0.11)	\$ (0.03)	\$ 0.06	\$ (0.11)
Diluted	\$ (0.03)	\$ (0.06)	\$ 0.02	\$ 0.06	\$ (0.02)	\$ (0.03)	\$ (0.11)	\$ (0.03)	\$ 0.06	\$ (0.11)
Net income (loss) from discontinued operations per common share:										
Basic	\$ 0.09	\$ 0.07	\$ 0.04	\$ 0.01	\$ 0.21	\$ 0.09	\$ (0.13)	\$ (0.18)	\$ (0.06)	\$ (0.28)
Diluted	\$ 0.09	\$ 0.07	\$ 0.04	\$ 0.01	\$ 0.21	\$ 0.09	\$ (0.12)	\$ (0.18)	\$ (0.06)	\$ (0.28)
Net income (loss) per common share:										
Basic	\$ 0.06	\$ 0.01	\$ 0.06	\$ 0.07	\$ 0.19	\$ 0.06	\$ (0.24)	\$ (0.21)	\$ —	\$ (0.39)
Diluted	\$ 0.06	\$ 0.01	\$ 0.06	\$ 0.07	\$ 0.19	\$ 0.06	\$ (0.24)	\$ (0.21)	\$ —	\$ (0.38)

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

Our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to provide reasonable assurance that information required to be disclosed in our reports filed under the Exchange Act, such as this Form 10-K, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures also include, without limitation, controls and procedures that are designed to provide reasonable assurance that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The Chief Executive Officer and the Chief Financial Officer, with assistance from other members of management, have reviewed the effectiveness of our disclosure controls and procedures as of December 31, 2025 and, based on their evaluation, have concluded that the disclosure controls and procedures were effective as of such date due to the material weakness remediation in internal control over financial reporting, described below.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act). Internal control over financial reporting is the process designed under the Chief Executive Officer's and the Chief Financial Officer's supervision, and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States.

Internal control over financial reporting has inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements will not be prevented or detected on a timely basis by internal control over financial reporting. Therefore, it is possible to design safeguards into the process to reduce, though not eliminate, this risk.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2025, as required by Exchange Act Rule 13a-15(c). In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in the 2013 Internal Control Integrated Framework (2013).

As disclosed in Part II, Item 9A – Controls and Procedures in our Form 10-K/A for the year ended December 31, 2024, we previously identified a material weakness as discussed below. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

We identified a material weakness in internal controls related to the accounting treatment for non-routine, unusual or complex transactions. Specifically, we did not adequately design, implement and maintain controls to timely analyze and account for the impairment associated with certain assets held for sale within discontinued operations and for the application of valuation methodologies impacting impairment charges related to assets held for sale.

During 2025, management implemented our previously disclosed remediation plan that included modifying internal controls to address the accounting treatment for non-routine, unusual or complex transactions and the application of valuation methodologies impacting impairment charges, specifically through the utilization of subject matter experts to review conclusions over our impairment methodologies.

During the fourth quarter of 2025, we completed our testing of the operating effectiveness of the implemented controls and found them to be effective. As a result, we have concluded the material weakness has been remediated as of December 31, 2025. Our Chief Executive Officer and Chief Financial Officer have certified that, based on their knowledge, the financial

statements and other financial information included in this Form 10-K fairly present in all material respects the financial condition, results of operations and cash flows of our company as of, and for, the periods presented in this Form 10-K.

This on Form 10-K does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Our report was not subject to attestation by our registered public accounting firm pursuant to an exemption for non-accelerated filers from the internal control audit requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002.

Limitations on effectiveness of controls and procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of our controls and procedures relative to their costs.

Changes in Internal Controls over Financial Reporting

Other than the changes in connection with our implementation of the remediation plan discussed above, no other changes in our internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) of the Exchange Act) that occurred during the fourth quarter of 2025 have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

During the quarter ended December 31, 2025, no director or officer of our company adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” (in each case, defined in Item 408 of Regulation S-K).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item will be included in our Proxy Statement to be filed pursuant to Regulation 14A within 120 days after our year ended December 31, 2025 in connection with our 2026 Annual Meeting of Stockholders (the “2026 Proxy Statement”) and is incorporated herein by reference.

Code of Ethics and Business Conduct

The information required by this item will be included in the 2026 Proxy Statement and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be included in the 2026 Proxy Statement and is incorporated herein by reference, except for the information required by Item 402(v) of Regulation S-K, which is specifically not incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item will be included in the 2026 Proxy Statement and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item will be included in the 2026 Proxy Statement and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item will be included in the 2026 Proxy Statement and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

- (a) Documents filed as part of this report.
- (1) *Financial Statements*. The consolidated financial statements listed on the index to Item 8 of this Form 10-K are filed as a part of this Annual Report.
- (2) *Financial Statement Schedules*. All financial statement schedules have been omitted since the information is either not applicable or required or is included in the consolidated financial statements or notes thereof.
- (3) *Exhibits*.

EXHIBIT INDEX

Exhibit Number	Description	Incorporated by Reference				Provided Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Incorporation of the Registrant.	S-1	333-198860	3.2	9/19/2014	
3.2	Fourth Amended and Restated Bylaws	10-Q	001-36724	3.2	9/26/2023	
4.1	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934	10-K	001-36724	4.1	3/6/2020	
10.1#	Form of Indemnification Agreement between the Registrant and each of its directors and officers and related schedule.	S-1	333-198860	10.1	9/19/2014	
10.2#	Amended and Restated 2014 Incentive Stock Plan.	8-K	001-136724	10.1	5/25/2023	
10.3#	Amendment to Amended and Restated 2014 Incentive Stock Plan	10-K	001-36724	10.6	3/6/2020	
10.4#	Amendment to Amended and Restated 2014 Incentive Stock Plan	10-K	001-36724	10.5	3/14/2022	
10.5#	Form of Incentive Stock Option Agreement under 2014 Stock Plan.	S-1	333-207632	10.4	10/27/2015	
10.6#	Form of Incentive Stock Option Agreement under Amended and Restated 2014 Stock Plan	8-K	333-207632	10.1	4/3/2019	
10.7#	2020 Amended Form of Incentive Stock Option Agreement under Amended and Restated 2014 Stock Plan	10-K	001-36724	10.9	3/6/2020	
10.8#	Form of Nonstatutory Stock Option Agreement under 2014 Stock Plan.	S-1	333-207632	10.5	10/27/2015	
10.9#	Form of Nonstatutory Stock Option Agreement under Amended and Restated 2014 Stock Plan	8-K	333-207632	10.2	4/3/2019	
10.10#	Amended Form of Nonstatutory Stock Option Agreement under Amended and Restated 2014 Stock Plan	10-K	001-36724	10.12	3/6/2020	
10.11#	Form of Nonstatutory Stock Option Agreement under 2014 Stock Plan for Article 7, Annual Option Grants.	S-1	333-207632	10.6	10/27/2015	
10.12#	Form of Restricted Stock Award under Amended and Restated 2014 Stock Plan	10-K	001-36724	10.54	3/9/2018	
10.13#	2019 Amended Form of Restricted Stock Award Agreement under Amended and Restated 2014 Stock Plan	8-K	333-207632	10.3	4/3/2019	
10.14#	2020 Amended Form of Restricted Stock Award Agreement under Amended and Restated 2014 Stock Plan	10-K	001-36724	10.16	3/6/2020	
10.15#	Executive Short-Term Incentive Plan (amended January 25, 2021)	8-K	001-36724	10.1	1/27/2021	
10.16#	Executive Short-Term Incentive Plan (amended May 2, 2021)	10-Q	001-36724	10.1	8/6/2021	
10.17#	Employment Letter Agreement between The Joint Corp. and Jake Singleton dated November 6, 2018	8-K	001-36724	10.1	11/8/2018	
10.18#	Confidentiality, Noncompetition and Nonsolicitation Agreement between the Registrant and Jake Singleton dated November 6, 2018	8-K	001-36724	10.2	11/8/2018	
10.19#	Amendment to Employment Letter Agreement between the Registrant and Jake Singleton dated March 3, 2020	10-K	001-36724	10.32	3/6/2020	
10.20#	Employment Letter Agreement between the Registrant and Peter Holt dated December 11, 2018	8-K	001-36724	10.1	12/6/2018	

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10.21#	Confidentiality, Noncompetition and Nonsolicitation Agreement between the Registrant and Peter Holt dated December 11, 2018	10-K	001-36724	10.47	3/11/2019
10.22	Lease Agreement dated May 17, 2019 between the Registrant and Terra Verde Owner LLC for the Registrant's office located at 16767 North Perimeter Drive, Suite 110, Scottsdale, Arizona 85260	10-K	001-36724	10.20	3/6/2020
10.23	Form of the Registrant's Regional Developer License Agreement.	10-K/A	001-36724	10.24	9/26/2023
10.24	Form of the Registrant's Franchise Agreement.	10-K/A	001-36724	10.25	9/26/2023
10.25	Credit Agreement, dated as of February 28, 2020, among the Registrant JPMorgan Chase Bank, N.A., as the Lender, and JPMorgan Chase Bank, N.A., as Administrative Agent and Sole Bookrunner and Sole Lead Arranger	8-K	001-36724	10.1	3/3/2020
10.26	Pledge and Security Agreement, dated as of February 28, 2020, among the Registrant and JPMorgan Chase Bank, N.A., as Administrative Agent	8-K	001-36724	10.2	3/3/2020
10.27	Term A Loan Note dated February 28, 2020	8-K	001-36724	10.3	3/3/2020
10.28	Revolving Loan Note dated February 28, 2020	8-K	001-36724	10.4	3/3/2020
10.29	Loan Note dated as of April 9, 2020	8-K	001-36724	10.1	4/15/2020
10.30	Corrected Second Amendment to Credit Agreement, dated as of February 28, 2022 (the "2022 Amendment") with Annex 1 Credit	10-Q	001-36724	10.1	5/6/2022
10.31	Amended and Restated Revolving Loan Note dated February 28, 2022	8-K	001-36724	10.2	3/4/2022
10.32	Asset Purchase Agreement dated July 17, 2019, by and among the Registrant, TJ of Savannah – Twelve Oaks, LLC, a Georgia limited liability company, TJ of Pooler, LLC, a Georgia limited liability company, and TJ of Bluffton, LLC, a Georgia limited liability company, Robyn Meglin and Allen Meglin, as amended	8-K	001-36724	10.1	7/23/2019
10.33	Asset and Franchise Purchase Agreement, dated August 1, 2019, among the Registrant, RJJ, LLC a South Carolina limited liability company, Robin Willey and Judy Willey.	8-K	001-36724	10.1	8/5/2019
10.34	North Carolina Regional Developer License Purchase Agreement dated as of December 31, 2020 by and among the Registrant as purchaser, Wellness Incorporated, a North Carolina corporation as seller, and Paul Trindel as guarantor	10-K	001-36724	10.40	3/5/2021
10.35	Georgia Regional Developer License Purchase Agreement dated as of January 1, 2021 by and among the Registrant as purchaser, Midtown Health Solutions, Inc., a Georgia corporation as seller, and Dr. Patrick Greco as guarantor	10-K	001-36724	10.41	3/5/2021

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10.36	Asset and Franchise Purchase Agreement dated May 19, 2022 among the Registrant, SJV Tempe Marketplace, LLC, an Arizona limited liability company (“ TM ”), Shakarian Joint Ventures, LLC, an Arizona limited liability company (“ SJV ”), SJV East Mesa, LLC, an Arizona limited liability company (“ EM ”), SJV Apache Junction, LLC, an Arizona limited liability company (“ AJ ”), Dr. Aaron Shakarian, an individual and Stacie Shakarian, an individual (TM, SJV, EM, AJ, Dr. Aaron Shakarian and Stacie Shakarian, collectively, the “Seller”), and Shakarian Holdings, LLC, an Arizona limited liability company, Dr. Aaron Shakarian, an individual and Stacie Shakarian, an individual (collectively, the “ Shareholder ”)	10-Q	001-36724	10.1	8/5/2022
10.37#	Executive Short-Term Incentive Plan (STIP) (Amended March 7, 2023)	10-Q/A	001-36724	10.16	10/30/2023
10.38#	Confidentiality Agreement	8-K	001-36724	10.2	11/8/2023
10.39#	The Joint Corp. 2024 Incentive Stock Plan	8-K	001-36724	10.1	5/24/2024
10.40#	Form of Stock Option Agreement (Incentive Stock Option Granted Under The Joint Corp. 2024 Incentive Stock Plan)	10-K	001-36724	10.41	3/14/2025
10.41#	Form of Stock Option Agreement (Nonstatutory Stock Option Granted Under The Joint Corp. 2024 Incentive Stock Plan)	10-K	001-36724	10.42	3/14/2025
10.42#	Form of Restricted Stock Award (The Joint Corp. 2024 Incentive Stock Plan)	10-K	001-36724	10.43	3/14/2025
10.43#	Form of Confidentiality and Nonsolicitation Agreement	10-K	001-36724	10.44	3/14/2025
10.44#	Separation Agreement and Release, dated October 13, 2024, by and between the Registrant and Peter D. Holt	8-K	001-36724	10.1	10/15/2024
10.45#	Employment Agreement, dated October 14, 2024, by and between the Registrant and Sanjiv Razdan	8-K	001-36724	10.2	10/15/2024
10.46#	Restricted Stock Award Grant Agreement, dated as of October 14, 2024, by and between the Registrant and Sanjiv Razdan	8-K	001-36724	10.3	10/15/2024
10.47#	Stock Option Agreement, dated as of October 14, 2024, by and between the Registrant and Sanjiv Razdan	8-K	001-36724	10.4	10/15/2024
10.48#	Confidentiality and Nonsolicitation Agreement, dated as of October 14, 2024, by and between the Registrant and Sanjiv Razdan	8-K	001-36724	10.5	10/15/2024
10.49	Amended and Restated Nomination and Standstill Agreement, dated as of December 19, 2024, by and among The Joint Corp., Bandera Master Fund L.P., Bandera Partners LLC, Gregory Bylinsky, and Jefferson Gramm	8-K	001-36724	10.1	12/23/2024
10.50#	Executive Short-Term Incentive Plan (STIP) (Amended March 10, 2025)	10-K	001-36724	10.51	3/14/2025
10.51#	Employment Agreement, dated June 10, 2025, by and between the Registrant and Scott J. Bowman	8-K	001-36724	10.1	6/10/2025
10.52***	Asset Purchase Agreement, dated June 23, 2025, by and between the Registrant and Joint Ventures, LLC, a Nevada limited liability company	10-Q	001-36724	10.2	8/12/2025
10.53#	Separation Agreement and Release, dated August 22, 2025, by and between the Registrant and Jake Singleton	8-K	001-36724	10.1	8/27/2025

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10.54	Consent and Third Amendment to Credit Agreement, dated as of September 30, 2025, by and between the Registrant and JPMorgan Chase Bank, N.A.	8-K	001-36724	10.1	10/6/2025	
10.55	Asset Purchase Agreement, dated November 2, 2025, by and among the Registrant, Elite Chiro Group, and Gadi Ermein					X
10.56	Asset Purchase Agreement, dated December 5, 2025, by and among the Registrant, Addisco Value, LLC, Triangle Chiropractic Associates P.C., Bluffton TJ, LLC, Alex Klaus, Todd Wegerski, DC, Lisa Ezell, Andrew Michael Evec, and Susan Ruth Train					X
10.57	Letter Agreement, dated as of January 5, 2026, by and among the Registrant, Bandera Partners LLC, and Jefferson Gramm	8-K	001-36724	10.1	1/9/2026	
19.1	Insider trading policies and procedures	10-K	001-36724	19.1	3/14/2025	
21	List of subsidiaries of the Registrant	S-1	333-198860	21.1	9/19/2014	
23.1	Consent of BDO USA, P.C.					X
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32**	Certification by Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
97	The Joint Corp. Executive Officer Clawback Policy	10-K/A	001-36724	97	8/12/2025	
101.INS	XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document)					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					X

Management contract or compensatory plan or arrangement

** Furnished, not filed

*** Certain schedules and exhibits have been omitted from this filing pursuant to Item 601(a)(5) of Regulation S-K. We agree to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on March 12, 2026.

The Joint Corp.

By: /s/ Scott J. Bowman
Scott J. Bowman, Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Sanjiv Razdan</u> Sanjiv Razdan	President, Chief Executive Officer and Director (Principal Executive Officer) and Director	March 12, 2026
<u>/s/ Scott J. Bowman</u> Scott J. Bowman	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 12, 2026
<u>/s/ Matthew E. Rubel</u> Matthew E. Rubel	Lead Director	March 12, 2026
<u>/s/ Ronald V. DaVella</u> Ronald V. DaVella	Director	March 12, 2026
<u>/s/ Suzanne M. Decker</u> Suzanne M. Decker	Director	March 12, 2026
<u>/s/ Jefferson Gramm</u> Jefferson Gramm	Director	March 12, 2026
<u>/s/ Christopher Grandpre</u> Christopher Grandpre	Director	March 12, 2026
<u>/s/ Abe Hong</u> Abe Hong	Director	March 12, 2026
<u>/s/ Sandi Karrmann</u> Sandi Karrmann	Director	March 12, 2026

ASSET PURCHASE AGREEMENT

BY AND BETWEEN

THE JOINT CORP., as Seller

ELITE CHIRO GROUP,, as Buyer

GADI EMEIN, as Guarantor

Effective Date: November 2, 2025

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EXHIBITS

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Exhibit I	Seller's Certificate
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SCHEDULES

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Schedule 6(h)	Contracts

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (“Agreement”) is made and entered into as of November 2, 2025 (“Effective Date”), by and between **THE JOINT CORP**, a Delaware corporation doing business as *The Joint Chiropractic* with its principal place of business at 16767 N. Perimeter Dr., Suite 110, Scottsdale, Arizona 85260 (“Seller”), on the one hand, and on the other hand, **ELITE CHIRO GROUP**, a California corporation with a principal place of business at 10660 Wilshire Blvd, Unit 409, Los Angeles, CA 90024 (“Buyer”), and GADI EMEIN, an individual residing at 1237 S Holt St, Apr 203, Los Angeles, CA 90035 (“Guarantor”). Seller and Buyer shall at times be collectively referred to as the “Parties.”

Background:

- A. The Seller is the franchisor of *The Joint Chiropractic* franchise system, and owns the assets of, and contractually engages a professional chiropractic company to operate forty-five (45) *The Joint Chiropractic* “Clinics” listed in Schedule A attached hereto (the physical locations of the Clinics are collectively referred to herein as the “Premises”, and the Clinics are also referred to herein collectively as the “Businesses”);
- B. Except for the Excluded Assets (as defined herein), Seller will sell to Buyer, and Buyer will purchase from Seller, all of Seller’s interest in the Businesses, on the terms and conditions set forth in this Agreement (the “Transaction”); and
- C. The Parties acknowledge that Seller will franchise the Businesses to the Buyer pursuant to forty-five (45) *The Joint Chiropractic* franchise agreements entered into by the Parties through separate transactions at Closing, and copies of which will be attached hereto in **Exhibit A** (“Franchise Agreements”); and
- D. Seller will acquire the non-exclusive development rights for ten (10) *The Joint Chiropractic*® clinic pursuant to a development agreement entered into by the Parties through a separate transaction at Closing as further described herein, and a copy of which will be attached hereto in **Exhibit B** (the “Development Agreement”).

NOW, THEREFORE, in consideration of the mutual agreements, covenants and undertakings herein contained and other valuable consideration, the adequacy of which is acknowledged by all Parties, the Parties hereby agree as follows:

1. Purchase and Sale

- (a) Except as provided herein, at the “Closing” (as hereinafter defined in Section 5) of the transactions contemplated hereby, Seller shall sell, assign, transfer and deliver, or cause its affiliates to assign, transfer and deliver, to Buyer, and Buyer shall purchase and accept from Seller the “Assets” (as defined below at Section 1(b)); free and clear of any and all liens, claims (including, without limitation, title claims and claims of taxing authorities), encumbrances, pledges, security interests or charges of any kind whatsoever, and shall assume the obligations only as specifically stated herein, for the purchase price set forth in Section 4 hereof.
- (b) For purposes of this Agreement, “Acquired Assets” shall mean:

- (i) all of Seller's interest in equipment, machinery, tools, maintenance supplies, fixed assets, office equipment, leasehold improvements, furniture, fixtures, inventories and supplies and other similar items of tangible personal property (together the "Personal Property") used or held for use by Seller in the Businesses, which is more particularly listed and described in Schedule 1(b)(i) attached hereto and made a part hereof;
 - (ii) all of Seller's interest in any membership agreements, prepaid services packages and other agreements or arrangements Seller has made with patients of the Businesses; provided however for the avoidance of doubt, that all gross Business sales received by the Seller prior to the Closing, shall remain wholly the Seller's gross sales;
 - (iii) all of Seller's goodwill attributable to the Businesses (the Buyer specifically acknowledges that any intellectual property used for the benefit of the Businesses shall remain the sole property of Seller, and the applicable intellectual property rights necessary to operate the Businesses have been licensed to the Buyer through the Franchise Agreements);
 - (iv) the telephone numbers utilized by the Businesses listed in Schedule 1(b)(iv) attached hereto and made a part hereof;
 - (v) copies of all medical records with respect to patients of the Businesses and all documents and records in the possession of Seller pertaining to patients and employees of the Businesses, to the extent held by the Seller;
 - (vi) to the extent transferable, all licenses, government approvals and permits and all other approvals and permits relating to the Businesses;
 - (vii) all of Seller's interests as tenant (including leasehold improvements) under its six (6) leases for the Premises, a copy of which are attached hereto as Exhibit D and made a part hereof (hereinafter, the "Leases"); such transfer completed through forty-five (45) "Lease Assignment Agreements" entered into contemporaneously with the execution of this Agreement and attached hereto as Exhibit E; and
 - (viii) the agreements and contracts which Buyer has expressly agreed to assume and which are listed on Schedule 1(b)(viii) (together, the "Assumed Contracts").
- (c) The Buyer agree and acknowledge a "Due Diligence Request List" was submitted through the "Letter of Intent" on or about September 11, 2025 that is attached hereto as Exhibit C, the Seller has responded to the Due Diligence Request List and provided the materials requested therein to the Buyer's satisfaction. The Buyer further agrees and acknowledges that as of the Effective Date of this Agreement, the Buyer has no additional Due Diligence requests and waives any claims against the Seller that the Seller failed to timely or fully furnish any Due Diligence materials to the Buyer's satisfaction.
- (d) Required Approval of the Professional Corporation. The Buyer acknowledges that in accordance with California laws and regulations, the forty-five (45) California Clinics are currently operated from a clinical standpoint by **FENTON CHIROPRACTIC CORPORATION OF CALIFORNIA**, a California professional service corporation having its principal place of business at 11033 La Maida Street, North Hollywood, California 91601, and its owner **MARK FENTON, DC** (collectively, the "PC"). The Buyer agrees and acknowledges that the execution of this Agreement is conditioned upon the PC's acceptance and acknowledgement of this Agreement. The PC, through the acknowledgement below, agrees to be bound by certain terms of this Agreement (i.e., Confidentiality and Use of Information, Public Announcements, and acting in good faith). The Buyer further agrees and acknowledges that the Buyer shall be required to provide (and disclose to Seller) its own California

professional chiropractic corporation (or proof of California chiropractic licensing) prior to the Closing to ensure regulatory compliance regarding the transfer of patient records and the post-Closing clinical operation of the Clinics. The Buyer agrees and acknowledges that it shall be required to enter into the transfer of patient records agreement attached hereto as **Exhibit F** (the “Records Transfer Agreement”), which shall be furnished by the Seller prior to the Closing.

(e) For purposes herein, the following definitions shall apply:

(i) “Seller Parties” shall include The Joint Corp., and any and all of its past, present and future affiliates, parents, subsidiaries or related companies, divisions and partnerships, past, present and future officers, directors, shareholders, members, owners, members, predecessors, successors, assigns, heirs, beneficiaries, trustees, franchise owners, attorneys, accountants, auditors, representatives, chiropractors, related chiropractic corporations, contractors, vendors, insurance carriers, insurance brokers);

(ii) “Buyer Parties” shall include Elite Chiro Group and Gadi Emein, and any and all of his past, present and future affiliates, spouses, parents, subsidiaries or related companies, divisions and partner-ships, past, present and future officers, directors, shareholders, members, owners, members, predecessors, successors, assigns, heirs, beneficiaries, trustees, attorneys, accountants, auditors, representatives, chiropractors, related chiropractic corporations, contractors, vendors, insurance carriers, and insurance brokers;

(iii) “Financing Commitment” means proof of funds or a binding financing commitment;

(iv) “Purchase Agreement Response Deadline” means October 27, 2025;

(v) “Financing Commitment Extension” means November 8, 2025;

(vi) “LOI” means the letter of intent signed by the parties on the LOI Execution Date defined below; and

(vii) “LOI Execution Date” means September 11, 2025.

2. Assumed Liabilities; Excluded Assets

(a) Buyer shall assume and agree to pay, discharge and perform according to their terms the following liabilities and obligations of Seller (collectively, the “Assumed Liabilities”):

- (i) All liabilities and obligations arising out of operation of the Businesses or the use or ownership of the Acquired Assets from and after the Closing;
- (ii) All liabilities and obligations under or arising out of the Assumed Contracts and the Leases from and after the Closing; in addition, Buyer shall not assume any liabilities or obligations arising out of or in connection with Seller’s breach or alleged breach of such Assumed Contracts or Leases which occurred prior to the Closing;
- (iii) All liabilities and obligations arising under any business licenses, registrations, expenses and similar obligations from and after the Closing, to the extent such liabilities and obligations relate solely to Buyer’s use or ownership of the Businesses or the Assets, except to the extent that such liabilities and obligations otherwise constitute Excluded Liabilities or Excluded Assets;

- (iv) Safeguarding of all medical records (including compliance with all related privacy and HIPAA laws and regulations) and other materials delivered by the Buyer to the Seller in accordance with this Agreement; and
 - (v) All liabilities and obligations relating to the employment of any employees or contractors that continue from and after the Closing.
- (b) Notwithstanding anything to the contrary contained in this Agreement, it is expressly acknowledged by Buyer that Seller will not convey to Buyer the following (collectively, the “Excluded Assets”): (i) any cash, cash equivalents, working capital, accounts receivable, or any Tenant Improvement Allowances (defined below) (ii) any of the proceeds of the Transaction described in this Agreement, (iii) the books and records of Seller, except that Seller shall provide copies of any separate patient listings and employee records, (iv) the items listed on the attached **Schedule 2(b)**, (v) any other assets, properties or rights of Seller owned or used by Seller but not used in or directly related to the Businesses; (vi) six (6) clinics located at Midtown Crossing, Inglewood, West Hollywood, Santa Monica, Mission Viejo, and San Marcos in California (the aforementioned clinics are collectively referred to herein as the “Excluded Clinics”); (vii) the gross sales received by the Seller for all patient adjustment packages sold prior to the Closing Date; and (viii) any asset not specifically identified herein as an Acquired Asset.
- (c) Further to the above regarding Excluded Assets, the Buyer agrees and acknowledges that as of the Closing, the Seller may hold at certain Clinics, tenant improvement allowances (“Tenant Improvement Allowances”) that the Seller shall endeavor to collect from the applicable landlords following the Closing, and that the Buyer is not entitled to collection of any of the Tenant Improvement Allowances (or allocation or credit of the Tenant Improvement Allowances for any purpose, including without limitation, the Post Closing Adjustments (as defined below)). The Buyer further agrees and acknowledges that the Seller shall, following the Closing, have the continued right to communicate with the applicable landlords regarding the administration and collection of the Tenant Improvement Allowances, and that such communications shall not constitute a breach of this Agreement, the applicable Lease Assignment Agreements, or any laws in equity or common laws. Last, the Buyer agrees and acknowledges that it shall reasonably cooperate with the Seller and the applicable landlords in the Seller’s collection of the Tenant Improvement Allowances.

3. Purchase Price

The aggregate purchase price for this acquisition to purchase the Acquired Assets to be paid by the Buyer to the Seller will be a wire transfer payment in immediately available funds of **Four Million, Five Hundred Thousand and NO/100 Dollars (\$4,500,000.00)** (“Purchase Price”), consisting of the following:

- (a) the cash consideration for the Acquired Assets in the amount of Three Million, One Hundred and Fifty-four Thousand, Five Hundred and NO/100 Dollars (\$3,154,500.00) (the “Cash Consideration”); plus
- (b) the pro-rated franchise fees in the amount of One Million, Three Hundred Forty-Five Thousand Five hundred and NO/100 (\$1,345,500.00) which shall be remitted by the Buyer to the Seller pursuant to the Franchise Agreements and as required of the Seller to acquire franchise rights to the Clinics pursuant to the terms therein (the “Franchise Fees”); plus

- (c) the development fee in the amount of Ninety Thousand and NO/Dollars (\$90,000.00) which shall be remitted by the Buyer to the Seller pursuant to the Development Agreement and as required of the Seller to acquire development rights pursuant to the terms therein (the “Development Fee”).

4. Payment of Purchase Price; Post-Closing Reconciliation

(a) Payment of Purchase Price.

- (i) *Downpayment and Exclusivity Conditions.* Seller has the option to offer the Clinics for sale or accept another offer to purchase the Clinics after execution of this Agreement and until the Closing Date until Seller receives the Downpayment (as hereinafter defined). After Seller receives the Downpayment, Seller will not have the right to offer the Clinics for sale or accept another offer to purchase the Clinics unless Buyer does not satisfy the Financing Commitment or meet the Purchase Agreement Response Deadline.
- (ii) *Downpayment.* Subject to Section 4(a)(i) herein, Buyer shall pay to Seller a downpayment of the Purchase Price in the amount of One Hundred Thousand and NO/100 Dollars (\$100,000.00) (the “Downpayment”), and remit the balance of the Purchase Price to the Seller at Closing (the “Purchase Price Balance”). The Downpayment shall be deemed fully-earned when paid, and is not refundable.
- (iii) *Method of Payment.* The Purchase Price shall be paid by Buyer to the Seller for the Acquired Assets subject to adjustments as set forth herein. Buyer will pay to Seller the Purchase Price by wire transfer on the day of the Closing in accordance with certain wire instructions and details, which the Seller shall send to the Buyer by separate electronic delivery prior to the Closing.
- (iv) *Funding Contingency.* If Buyer cannot pay the Purchase Price Balance at Closing, sign the promissory Note attached hereto as Exhibit K (the “Promissory Note”) in the amount of the Purchase Price Balance.

Following Seller’s full receipt of the Purchase Price, the Seller shall execute its obligations herein and initiate the transfer of the Acquired Assets to the Buyer. Buyer’s failure to timely or fully remit the Purchase Price shall constitute a material breach of the terms of this Agreement; for which the Seller may immediately and unilaterally terminate this Agreement upon delivery of Notice of termination to the Buyer.

(d) Reconciliation.

(i) Within ninety (90) days after Closing, the Parties shall conduct a “Reconciliation” to tally the various costs borne between the Parties by the following items, as determined and applicable by the Parties: (A) any amounts required to be paid to the landlords in connection with the assignment of the Leases; (B) decreases for any cash (or cash equivalents) collected by the Seller for patient membership plans or package plan services transacted after the Closing; and (C) any outstanding or accrued royalties, advertising contributions and other fees under the Franchise Agreements, appropriate pro-rations for rent, state and local real estate taxes and transfer taxes, sales tax, service and utility contracts, any merchant card collections on account of the Businesses, balance of any security deposits held by the landlords under the Leases that transfer to the Buyer, or other expenses charged to the Buyer that are the obligations of the Seller as of and subsequent to the Closing

(collectively, the “Post Closing Adjustments”). Notwithstanding the foregoing, the gross sales received by the Seller for all patient adjustment packages or treatments sold prior to the Closing of the Transaction shall remain wholly the Seller’s gross sales. For the avoidance of doubt, there shall be no payment or compensation remitted at any time by the Seller to the Buyer for any sales proceeds collected by the Seller prior to the Closing.

(ii) The Buyer agrees that as part of the Reconciliation, it shall fully compensate the Seller for any fees incurred by the Seller related to the Lease assignments, or the transfers of the Security Deposits. The Parties shall endeavor to complete the Reconciliation within such ninety (90) day period, and if the Parties are unable to do so, the Parties shall agree to extend such period for a reasonable amount of time.

(iii) Regarding the Leases, the Buyer shall be responsible for reconciliation payment to the Seller of the current “Security Deposits” in the amounts for the Clinics listed in **Schedule 4(b)(iii)** attached hereto. The foregoing Security Deposits shall transfer from the Seller to the Buyer by separate lease assignment agreements, and the Buyer shall also compensate the Seller for any lease assignment fees paid by the Seller to the applicable landlords to transfer the Leases, and other related applicable lease expenditures. The Buyer acknowledges that the above recitation of Security Deposits reflects the current information in the applicable Leases, and may not reflect other fees and costs added by the applicable landlord.

(iv) Also regarding the Leases, in recognition of the fact that the applicable forty-five (45) landlords may not timely provide formal assignment approvals, the Parties agree that as a Closing condition, the Seller must obtain, with the Buyer/Guarantor’s cooperation, and at least two (2) weeks prior to the Closing, lease assignments or landlord consents for no less than thirty-eight (38) of the forty-five (45) leases (“Lease Assignment Threshold”). The term of the Lease Assignments shall be at least ten (10) years, including options. In the event the Lease Assignment Threshold is met, the Parties agree that the Closing may proceed as scheduled, and the Parties shall continue to complete the remaining lease assignments as soon as practicable (and that those applicable Clinics may transfer subsequent to the Closing). The Buyer/Guarantor agrees that it shall reasonably and timely cooperate with the Seller in securing any approvals or furnishing any information requested or required by the landlords for the Premises. In the event the Lease Assignment Threshold is not met, the following shall occur:

- (A) The Parties will complete a Closing for the Clinics that have secured a Lease Assignment, and the Parties shall continue to obtain the remaining lease assignments as soon as practicable;
- (B) For the Clinics that are located in a state *without* professional corporation requirements for the provision of chiropractic care, Seller and Buyer shall execute the management Agreement attached hereto as Exhibit K-1 (the “Management Agreement”) which shall terminate for any Clinic once a Lease Assignment is obtained and Closing occurs, and
- (C) For the Clinics that are located in a state *with* professional corporation requirements for the provision of chiropractic care, Seller and Buyer’s P.C. shall execute the P.C. management agreement attached hereto as Exhibit K-2 (the “P.C. Management Agreement”), and Seller and Buyer shall execute the sub management agreement attached hereto as Exhibit K-3 (the “Submanager Agreement”), both of which shall terminate for any Clinic once a Lease Assignment is obtained and Closing occurs.

(v) The Parties shall cooperate to determine the amounts of the Post Closing Adjustments and shall use commercially reasonable efforts to determine amounts within sixty (60) days after the

Closing and shall reimburse the other party as necessary and as detailed below. The agreed amount of the Post Closing Adjustments shall be documented by a written calculation signed by the Parties hereto (the "Post Closing Adjustment Agreement") no later than ninety (90) days after the Closing. Following the documentation of the written calculation, the Party owing the net of the Post Closing Adjustments shall remit such amounts to the other Party within thirty (30) days following the date of the documentation of the written calculation.

(e) Refresh Schedule. Buyer acknowledges and agrees that Buyer's agreement to refresh the Clinics in accordance with the refresh schedule set forth in **Exhibit G** attached hereto is a material inducement for Seller's agreement to execute the Franchise Agreements and this Agreement. The Refresh Schedule shall be incorporated in an amendment to the Franchise Agreements. As of September 3, 2025, capex for the remodels are estimated to be approximately Two Hundred and Forty-Eight Thousand and NO/100 Dollars (\$248,000.00) not including any necessary IT upgrades. (e) Refresh Schedule. Buyer acknowledges and agrees that Buyer's agreement to refresh the Clinics in accordance with the refresh schedule set forth in **Exhibit G** attached hereto is a material inducement for Seller's agreement to execute the Franchise Agreements and this Agreement. The Refresh Schedule shall be incorporated in an amendment to the Franchise Agreements. As of September 3, 2025, capex for the remodels are estimated to be approximately Two Hundred and Forty-Eight Thousand and NO/100 Dollars (\$248,000.00) not including any necessary IT upgrades.

(f) Development Agreement. Buyer agrees and acknowledges that as a condition of the Seller's agreement to the Transaction, Buyer shall execute the Development Agreement for the development of ten (10) clinics. This additional development agreement shall be non-exclusive and have commercially reasonable terms granting Buyer the right to develop a clinic in the metropolitan statistical areas ("MSAs") of an area agreed upon by the Parties (the "Development Area") in accordance with the schedule shown in the table below:

Clinic	Clinic Opening Deadline
Clinic 1	Month 24
Clinic 2 and 3	Month 30 - 36
Clinic 4 and 5	Month 36 - 42
Clinic 6 and 7	Month 42 - 48
Clinic 8, 9 and 10	Month 48 - 60

5. Closing

Subject to the satisfaction or waiver of the conditions described in Sections 9 and 10, the "Closing" of the transactions described herein shall take place shall take place remotely via electronic exchange of documents which the parties agree shall be effective as of 11:59 a.m. Arizona Time on a date agreed upon by the parties, but in any event no later than November 11, 2025 or November 25, 2025 if the Financing Commitment Deadline is extended, and on the "Bill of Sale Effective Date" (defined at Exhibit H). At the Closing, Seller and shall deliver, the "Bill of Sale and Assignment," attached hereto at Exhibit H. Following the Closing, the Parties shall cooperate fully with each other and shall make available to the other, as reasonably requested and at the expense of the requesting party, and to any taxing or regulatory authority, all information, records or documents relating to tax obligations and regulatory compliance matters of Seller for all periods on or prior to the Closing, and shall preserve all

such information, records and documents until the expiration of any applicable statute of limitations and extensions thereof.

6. Representations, Warranties and Covenants of Seller

Seller hereby represents and warrants to Buyer as follows, and further memorialized hereto at Exhibit I – Seller’s Certificate:

(a) Organization. Seller is a corporation duly organized and validly subsisting under the laws of the State of Delaware, and has full power and authority to conduct its business as it is now being conducted, and to execute, deliver and perform this Agreement.

(b) Authority. Seller is not a party to, subject to, or bound by any agreement, judgment, order, writ, injunction, or decree of any court or governmental body that prevents or impairs the carrying out of this Agreement. The execution, delivery and performance of this Agreement and all other documents, instruments and agreements contemplated hereby have been duly authorized by all required corporate, limited liability company or limited partnership action of Seller. All other actions (including all action required by state law and by the organizational documents of Seller) necessary to authorize the execution, delivery and performance by Seller of this Agreement, the bills of sale transferring the Acquired Assets, the assignments in connection herewith and the other documents, instruments and agreements necessary or appropriate to carry out the transactions herein contemplated, have been taken by Seller. Upon the execution of this Agreement and the other documents and instruments contemplated hereby by Seller (and assuming the due execution and delivery by the other parties), this Agreement and such other documents and instruments will be the valid and legally binding obligations of Seller, enforceable against it in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity). Except as set forth on Schedule 6(b), no authorization, consent, approval or other order of, declaration to or filing with any third party, including any governmental body or authority is required for the approval or consummation by Seller of the transactions contemplated by this Agreement.

(c) Taxes. Seller has filed when due in accordance with all applicable laws (or properly and timely filed an extension therefor) all tax returns required under applicable statutes, rules or regulations to be filed by it. As of the time of filing, such returns were accurate and complete in all material respects. All taxes due with respect to Seller and the Acquired Assets, and all additional assessments received, have been paid. Seller is not delinquent in the payment of any such tax and none has requested any extension of time within which to file any tax return, which return has not since been filed. There are no federal, state, local or other tax liens outstanding on any of the Acquired Assets being sold hereunder.

(d) Title to and Condition of Acquired Assets. Seller has good and marketable title to (or, with respect to any Acquired Assets that are leased, a valid leasehold interest in) all of the Acquired Assets to be acquired by Buyer at the Closing, free from any liens, adverse claims, security interest, rights of other parties or like encumbrances of any nature. The Acquired Assets consisting of physical property are in good condition and working order, normal wear and tear excepted, and function properly for their intended uses. To the best of Seller’s knowledge, except as described in Schedule 6(b), no party has sold, encumbered, assigned, or transferred any assets or properties which would have been included in the Assets, except for the sale, use, or consumption of inventory in the ordinary course of business consistent with past practice.

(e) Compliance with Laws. To the best of Seller's knowledge, except as referenced on Schedule 6(e), neither Seller nor the Businesses are in violation of, nor are they or any of them subject to any liability in respect of, any federal, state, county, township, city or municipal laws, codes, regulations or ordinances (including without limitation those relating to environmental protection, health, hazardous or toxic substances, fire or safety hazards, occupational safety, labor laws, employment discrimination, subdivision, building or zoning) with respect to the conduct of the Businesses, nor has Seller received any notices of investigation or violation pertaining to any such matters. To the best of Seller's knowledge, Seller has, and all professional employees or agents of Seller have, all licenses, franchises, permits, authorizations or approvals from all governmental or regulatory authorities required for the conduct of the Businesses and neither Seller nor the professional employees or agents of Seller have violated any such license, franchise, permit, authorization or approval or any terms or conditions thereof.

(f) Claims Against Acquired Assets or the Businesses. To the best of Seller's knowledge, except as referenced on Schedule 6(f), Seller represents and warrants that it has no knowledge of any action, claim, judgment, demand, lawsuit or proceeding pending, threatened against or affecting the Acquired Assets or the Businesses (or against the Seller that has or may affect the Acquired Assets or the Businesses), or relating to or arising out of, the ownership or operation of the Acquired Assets or the Businesses; including without limitation claims by employees of the Businesses or the applicable professional chiropractic entity.

(g) Employees.

i. Schedule 6(g)(i) referenced hereto contains a complete and correct list of the name, position, current rate of compensation and any vacation or holiday pay and any other compensation arrangements or fringe benefits, of each current employee of Seller or the professional chiropractic entity overseeing the clinical components at the Clinics, who is directly employed in the Businesses (collectively, the "Employees"). Buyer hereby agrees to hire (or, as applicable, to negotiate with the applicable professional chiropractic entity do the same) all of the Employees as of the Closing and pay any and all compensation due the Employees after the Closing; including, but not limited to, all base pay, hourly pay, bonuses and commission, vacation and sick time, and any severance obligations. Seller agrees to pay, by the Closing Date, any and all compensation due the Employees prior to the Closing; including, but not limited to, all base pay and hourly pay. Such hiring or contracting shall constitute a closing condition.

ii. Buyer will also retain an upper-level management team for the Clinics and implement a portion of the existing infrastructure to help grow Buyer's team shown in the Organizational Chart and Business Plan attached as Schedule 6(g)(ii).

iii. For the avoidance of doubt, the Buyer agrees and acknowledges that only the incoming licensed California chiropractor operating the clinic and managing all clinical decisions may hire Doctors of Chiropractic, and that therefore, the Seller cannot exert any influence over such hiring practices or make any representations regarding such hiring decisions.

(h) Contracts. Seller has delivered to Buyer copies of the Leases. Except as set forth in Schedule 6(h), no consent or approval of any third party is required for the assignment to Buyer of any contracts that Buyer is assuming pursuant to Section 1(b).

(i) Financial Statements. Seller has delivered to Buyer the financial statements requested in the Due Diligence Request for the Businesses (collectively, the "Financial Statements").

7. Representations and Warranties of Buyer

Buyer represents and warrants to Seller as follows, and further memorialized hereto at Exhibit K – Buyer’s Certificate:

(a) Organization of Buyer. Buyer consists of one legal entity organized and operating in the State of California, and Buyer has full power and authority to conduct its business as it is now being conducted, and to execute, deliver and perform this Agreement.

(b) Authorization. Buyer is not a party to, subject to or bound by any agreement, judgment, order, writ, injunction, or decree of any court or governmental body that prevents or impairs the carrying out of this Agreement. All actions (including all action required by state law) necessary to authorize the execution, delivery and performance by Buyer of this Agreement, the bill of sale transferring the Acquired Assets, the assignments in connection herewith and the other documents, instruments and agreements necessary or appropriate to carry out the transactions herein contemplated, have been taken by Buyer. Upon the execution of this Agreement and the other documents and instruments contemplated hereby by Buyer, this Agreement and such other documents and instruments will be the valid and legally binding obligations of Buyer, enforceable against each in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

(c) No Consent or Approval Required. No authorization, consent, approval or other order of, declaration to or filing with any governmental body or authority, including, without limitation, with respect to environmental matters, is required for the consummation by Buyer or of the transactions contemplated by this Agreement.

(d) No Violation of Other Agreements. Neither the execution and delivery of this Agreement nor compliance with the terms and conditions of this Agreement by Buyer will breach or conflict with any of the terms, conditions or provisions of any agreement or instrument to which Buyer is or may be bound or constitute a default thereunder or result in a termination of any such agreement or instrument.

(e) Financial Capability. Buyer will have at Closing, sufficient internal funds available to pay the Purchase Price and any fees or expenses incurred by Buyer in connection with the transactions contemplated hereby.

8. Pre-Closing Events

(a) General. Pending Closing, the Parties shall use commercially reasonable efforts to take all actions that may be necessary to close the transaction in accordance with the terms of this Agreement (but Buyer shall not be required to waive any of the Buyer Closing Conditions, and Seller shall not be required to waive any of the Seller Closing Conditions).

(b) Conduct of Businesses. Pending Closing, Seller shall:

(i) operate the Businesses in the ordinary course; and

(ii) not take any affirmative action that results in the occurrence of an event of default under any contract or agreement to which Seller is a party and take any reasonable action within Seller's control that would avoid the occurrence of such default.

(c) Access to Information. Pending Closing, Seller shall:

(i) afford Buyer and its representatives (including its lawyers, accountants, consultants and the like) reasonable access during normal business hours, but without unreasonable interference with operations, to the Seller's books and records and other documents relating to the Businesses;

(ii) promptly respond to reasonable inquiries by Buyer and its representatives regarding Seller;

(iii) cause Seller to furnish Buyer and its representatives with all information and copies of all documents concerning Seller that Buyer and its representatives reasonably request; and

(iv) otherwise cooperate with Buyer in its due diligence activities.

(d) Notice of Developments. Pending Closing, Seller shall promptly give Notice to Buyer of:

(i) any fact or circumstance of which Seller becomes aware that causes or constitutes a material inaccuracy in or material breach of any of Seller's representations and warranties in Section 6 as of the date of this Agreement;

(ii) any fact or circumstance of which Seller becomes aware that would cause or constitute a material inaccuracy in or material breach of any of Seller's representations and warranties in Section 6 if those representations and warranties were made on and as of the date of occurrence or discovery of the fact or circumstance; or

(iii) the occurrence of any event of which Seller becomes aware that reasonably could be expected to make satisfaction of any Buyer Closing Condition impossible or unlikely.

(e) Supplements to Schedules. Pending Closing, Seller may supplement or correct the Schedules to this Agreement as necessary to ensure their completeness and accuracy. No supplement or correction to any Schedule or Schedules to this Agreement shall be effective, however, to cure any breach or inaccuracy in any of the representations and warranties; but if Buyer does not exercise its right to terminate this Agreement under Section 12 and closes the transaction, the supplement or correction shall constitute an amendment of the Schedule or Schedules to which it relates for all purposes of this Agreement.

9. Buyer Closing Conditions

Except as provided herein, Buyer's obligation to close the transaction is subject to the satisfaction of each of the following conditions (the "Buyer Closing Conditions") at or prior to Closing:

(a) Seller's representations, warranties and covenants in Section 6, as qualified or limited by any exceptions in the Schedules to Section 6, are true, correct and fulfilled on the Closing as if

made at and as of Closing (other than representations and warranties that address matters as of a certain date, which were true and correct as of that date);

(b) Seller has executed and delivered all the documents, including but not limited to, the information requested by Buyer during Due Diligence, and instruments that they are required to execute and deliver or enter into prior to or at Closing;

(c) no material adverse change in the Seller's assets, financial condition, operations, operating results or prospects relating to the Businesses has occurred since the date of this Agreement;

(d) no suit has been initiated or, to the Seller's knowledge, threatened by a third party that challenges or seeks damages or other relief in connection with the transaction or that could have the effect of preventing, or making illegal the transaction;

(e) Seller has obtained and delivered to Buyer all consents listed on Schedule 6(b);

(f) Seller has confirmed the assignments of at least the amount of the Lease Assignment Threshold in forms reasonably acceptable to Buyer, such Lease Assignments are attached hereto as Exhibit D, and delivered such executed lease assignment documentation to Buyer (Buyer acknowledges that the Buyer shall be solely responsible for any post-Closing negotiations with the Landlord regarding any revisions or changes to the existing Lease terms) or, if the Lease Assignment Threshold is not met, Seller and Buyer have executed the Management Agreement and, if applicable, the PC Management Agreement and Submanager Agreement; and

(g) If applicable, Seller has delivered payoff letters and releases of security interests or liens from any secured lenders or lessors.

Buyer may waive any condition specified in this Section 9 by a written waiver delivered to Seller at any time prior to or at Closing.

10. Seller Closing Conditions

Seller's obligation to close the transaction is subject to the satisfaction of each of the following conditions (the "Seller Closing Conditions") at or prior to Closing:

(a) Buyer's representations and warranties in Section 7 were true and correct as of the date of this Agreement and are true and correct on the Closing as if made at and as of Closing;

(b) Buyer has executed and delivered all of the documents and instruments that it is required to execute and deliver or enter into prior to or at Closing (including signing the Promissory Note if Buyer does not pay the Purchase Price Balance at Closing), and has performed, complied with or satisfied in all material respects all of the other obligations, agreements and conditions under this Agreement that it is required to perform, comply with or satisfy prior to or at Closing;

(c) no suit has been initiated or, to Buyer's knowledge, threatened by a third party since the date of this Agreement that challenges or seeks damages or other relief in connection with the transaction or that could seek to prevent the transaction.

Seller may waive any condition specified in this Section 10 by a written waiver delivered to Buyer at any time prior to or at Closing.

11. Confidential Information; Non-Disparagement; Personal Guaranty

(a) Definitions. Wherever used in this Section 11, the term “Seller” shall refer to The Joint Corp. and any affiliate, subsidiary, or any successor or assign of Seller. Wherever used in this Section, the phrase “directly or indirectly” includes, but is not limited to, acting, either personally or as principal, owner, member, employee, independent contractor, agent, manager, partner, joint venturer, consultant, or in any other capacity or by means of any corporate or other device, or acting through the spouse, children, parents, brothers, sisters, or any other relatives, friends, invitees, agents, or associates of any of the undersigned parties. Wherever used in this Section, the term “employees” shall refer to employees of The Joint Corp.; any affiliate, subsidiary, or any successor or assign of The Joint Corp.; and any franchisee of The Joint Corp. existing as of the date of this Agreement and, to the extent allowable by law, any other person that has been an employee (as defined above) in the twelve (12) months preceding the date of this Agreement. Whenever used in this Section, the term “Confidential Information” shall be defined as provided in the Franchise Agreements, which provisions are hereby incorporated by reference and shall expressly further include any audio or video recordings possessed by Seller of conversations between Seller’s employees and both Seller. “Confidential Information” shall also include the terms of this Agreement, and any related communications or negotiations thereto; unless the disclosure of such information shall be required of the Parties for the purposes of tax or legal disclosures.

(b) Consideration. The undersigned parties acknowledge that consideration for this Agreement has been provided and is adequate.

(c) Need for this Agreement. The undersigned parties recognize that in the highly competitive business in which Seller and its affiliates and franchisees are engaged, preservation of Confidential Information is crucial and personal contact is important in securing new franchisees and employees, and retaining the goodwill of present franchisees, employees, customers, and suppliers. Personal contact is a valuable asset and is an integral part of protecting the business of Seller.

(d) Confidential Information. Buyer agrees at all times following the date of this Agreement, to hold the Confidential Information in the strictest confidence and not to use such Confidential Information for Buyer’s personal benefit, or the benefit of any other person or entity other than Seller, Guarantor, and Buyer and its employees, affiliates, agents, and officers, or disclose it directly or indirectly to any person or entity without Seller’s express authorization or written consent. Buyer fully understands the need to protect the Confidential Information and all other confidential materials and agree to use all reasonable care to prevent unauthorized persons from obtaining access to Confidential Information at any time.

(e) Tolling. To ensure that Seller will receive the full benefit of this Section 11, the provisions of Subsections (e) and (f) of this Section 11 will shall be extended by a length of time equal to (i) the period during which Buyer is in violation of Buyer’s agreements under such Subsections, and (ii) without duplication, any period during which litigation that Seller institutes to enforce the Buyer’s agreements under such Subsections is pending (to the extent that Buyer is in violation of Buyer’s agreements under such Subsections during this period).

(f) Non-Disparagement. Each of the Parties expressly covenant and agree not to make any false representations, or to defame, disparage, discredit or deprecate any of the other Parties or otherwise communicate with any person or entity in a manner intending to damage any of the other Parties, the business conducted by any of the other Parties, or the reputation of any of the

other Parties. For purposes of clarity, the obligations in this Section apply to all methods of communications, including the making of statements or representations through direct verbal or written communication as well as the making of statements or representations on the Internet, through social media sites or through any other verbal, digital or electronic method of communication. The obligations in this Section also prohibit the Parties from indirectly violating this Section by influencing or encouraging third parties to engage in activities that would constitute a violation of this Section if conducted directly by one of the Parties.

(g) Personal Guaranty. The Guarantor personally and unconditionally agrees to perform and keep of this Agreement, each and every covenant, obligation, payment, agreement, and undertaking on the part of Guarantor in this Agreement (“Guaranty”). The Guarantor consents and agrees that: (1) the direct and immediate liability under this Guaranty shall be joint and several; (2) Guarantor will make any payment or render any performance required under the Agreement on demand if Guarantor fails or refuses to do so when required; (3) the Guarantor’s liability will not be contingent or conditioned on our pursuit of any remedies against Guarantor or any other person or legal entity; (4) the Guarantor’s liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Seller may from time to time grant to Guarantor or to any other person or legal entity, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims; and (5) this Guaranty will continue and be irrevocable and incorporated into this Agreement at all periods, and afterward for so long as the Guarantor has any obligations under this Agreement. If the Seller is required to enforce this Guaranty in a judicial proceeding or defense of a claim or action, the Seller will be entitled to reimbursement of its reasonable costs and expenses, including, but not limited to, reasonable accountants’, attorneys’, attorneys’ assistants’, mediation, arbitrators’ and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If the Seller is required to engage legal counsel in connection with any failure by the Guarantor to comply with this Guaranty, the Guarantor agrees upon receipt of written demand to reimburse the Seller for any of the above-listed costs and expenses incurred by the Seller or its affiliates, employees, insurance carriers, contractors, directors, attorneys, agents, or other representatives.

12. Termination

- (a) This Agreement may be terminated by Buyer, upon Notice to Seller, if prior to or at Closing:
- (i) Seller defaults in the performance of any of their material obligations under this Agreement and the default is not cured within five (5) business days after Buyer gives Notice of the default to Seller;
 - (ii) the Lease Assignments Threshold is not met;
 - (iii) any Seller Closing Condition is not satisfied as of the Closing Date, or satisfaction of any Seller Closing Condition is or becomes impossible (other than as a result of Buyer’s breach of or failure to perform its obligations under this Agreement), and Buyer does not waive satisfaction of the condition; or
 - (iv) Closing does not occur on or before November 11, 2025 or November 25, 2025 if the Financing Commitment Deadline is extended (other than as a result of Buyer’s breach of or failure to perform its obligations under this Agreement).
- (b) This Agreement may be terminated by Seller, upon Notice to Buyer, if prior to or at Closing:
- (i) Buyer fails to obtain proof of funds or a binding financing commitment by the Financing Commitment Deadline;

- (ii) Buyer does not provide comments to this Agreement, if any, on or before October 27, 2025 or November 8, 2025 if the Financing Commitment Deadline is extended;
- (iii) Buyer defaults in the performance of any of its material obligations under this Agreement and the default is not cured within five (5) Business Days after Seller gives Notice of the default to Buyer;
- (iv) the Lease Assignment Threshold is not met;
- (v) any Buyer Closing Condition is not satisfied as of the Closing Date, or satisfaction of any Buyer Closing Condition is or becomes impossible (other than as a result of Seller's breach of or failure to perform its obligations under this Agreement) and Seller does not waive satisfaction of the condition; or
- (vi) Closing has not occurred by November 11, 2025 (other than as a result of Seller's breach of or failure to perform their obligations under this Agreement); or

(c) The Parties agree to terminate this Agreement.

(d) The right of termination under this Section 12 is in addition to any other rights that a party may have under this Agreement or otherwise, and a party's exercise of its right of termination shall not be considered an election of remedies. Notwithstanding the termination of this Agreement pursuant to this Section 12, the Parties' confidentiality obligations under Section 11(g) shall survive termination and continue indefinitely.

13. Indemnification of Buyer

(a) Subject to Sections 15 and 16, Seller agrees to indemnify the Buyer against, and hold Buyer harmless from:

(i) and any loss, liability, damage, cost or expense, including reasonable attorneys' fees, expert witness fees, court expenses, travel costs, and cost of investigation ("Loss") that Buyer may suffer or incur that is caused by, arises out of or relates to the Acquired Assets, or the Seller's operation of the Businesses prior to the Closing, or arising from or related to the Seller's inaccuracy in, or breach of any representation and warranty by Seller in Section 6 of this Agreement;

(ii) any Loss that Buyer may suffer or incur that is caused by, arises out of or relates to Seller's negligence, breach of or failure to perform any of their covenants and obligations in this Agreement in any material respect; or

(iii) any Loss that Buyer may suffer or incur that is caused by, arises out of or relates to the assertion against Buyer of an Excluded Liability.

(b) Claims asserted by the Buyer under subsections 13(a)(i), (ii) and (iii) above are hereinafter referred to as Buyer's "Indemnification Claim(s)."

(c) The benefit of Seller's indemnification obligations under this Section 13 shall extend to the Buyer Parties.

14. Indemnification of Seller

(a) Subject to Sections 15 and 16, Buyer agrees to indemnify Seller against, and hold each of them harmless from:

- (i) any Loss that Seller may suffer or incur that is caused by, arises out of or relates to any inaccuracy in or breach of any representation and warranty by Buyer in Section 7 of this Agreement;
 - (ii) any Loss that Seller may suffer incur that is caused by, arises out of or relates to Buyer's negligence, breach of or failure to perform any of its obligations in this Agreement in any material respect; or
 - (iii) any Loss that Seller may suffer or incur that is caused by, arises out of or relates to Buyer's operation of the Businesses on or after Closing.
- (b) Claims asserted by Seller under subsections 14(a)(i), (ii) and (iii) above are hereinafter referred to as Seller's "Indemnification Claim(s)."
- (c) The benefit of Buyer's indemnification obligation under this Section 14 shall extend to the Seller Parties.

15. Indemnification Threshold and Cap

- (a) In respect of Buyer's assertion of an Indemnification Claim under Section 13(a), Buyer shall not be entitled to indemnification until the aggregate amount for which indemnification is sought exceeds \$5,000.00. If this threshold is reached, Buyer may assert an Indemnification Claim for the full amount of the claim (going back to the first dollar) and may assert any subsequent Indemnification Claim under Section 13(a) without regard to any threshold. The maximum aggregate amount for which Buyer may assert Indemnification Claims, including any Loss caused by, arising out of or relating to any fraud or intentional misrepresentation, shall be Two Million, Two Hundred and Fifty Thousand and 00/100 US Dollars (\$2,250,000) ("Indemnification Cap" with respect to this Section 15(a) and Section 15(b)).
- (b) In respect of Seller's assertion of an Indemnification Claim under Section 14(a), Seller shall not be entitled to indemnification until the aggregate amount for which indemnification is sought collectively exceeds \$5,000.00. If this threshold is reached, Seller may assert an Indemnification Claim for the full amount of the claim (going back to the first dollar) and may assert any subsequent Indemnification Claim under Section 14(a) without regard to any threshold. The maximum aggregate amount for which Seller may assert Indemnification Claims shall not exceed the Indemnification Cap, except that any Loss caused by, arising out of or relating to any fraud or intentional misrepresentation, shall not be subject to the Indemnification Cap.
- (c) In no event shall any indemnifying party hereunder be liable to any indemnified party hereunder for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple.
- (d) Payments by an indemnifying party hereunder in respect of any Loss shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment received or reasonably expected to be received by the indemnified party hereunder in respect of any such claim. The indemnified party hereunder shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Losses prior to seeking indemnification under this Agreement.
- (e) Notwithstanding the foregoing, the Indemnification Cap shall not be implicated, waived or reduced if a party's applicable insurance coverage provides coverage and/or insurance proceeds in relation to, or in the defense or settlement of, an Indemnification Claim.

16. Survival

(a) An Indemnification Claim under Sections 13(a) and 14(a) may be asserted at any time prior to the fifth (5th) anniversary following the Closing, with the exception that:

(i) an Indemnification Claim under Section 13(a)(i) in respect of any inaccuracy in or breach of any of the representations and warranties in Section 6(c) (“Taxes”) may be asserted at any time prior to the expiration of the applicable statute of limitation; and

(ii) an Indemnification Claim under Section 13(a)(i) in respect of any inaccuracy in or breach of any of the representations and warranties in Sections 6(b) (“Authority”) and 6(d) (“Title to and Condition of Acquired Assets”), may be asserted at any time without limit, but only as to Indemnification Claims related to title to Acquired Assets, not the condition of Acquired Assets.

(b) An Indemnification Claim under Sections 13(a)(ii) and (iii) and Sections 14(a)(ii) and (iii) may be asserted at any time prior to ninety (90) days after the expiration of the applicable statute of limitation.

17. Notice of Indemnification Claim

(a) The indemnified party may assert an Indemnification Claim by giving Notice of the Indemnification Claim to the indemnifying party. The indemnified party’s Notice shall provide reasonable detail of the facts giving rise to the Indemnification Claim and a statement of the indemnified party’s Loss or an estimate of the Loss that the indemnified party reasonably anticipates that it will suffer. The indemnified party may amend or supplement its Indemnification Claim at any time, and more than once, by Notice to the indemnifying party.

(b) If or to the extent that the Indemnification Claim is not in respect of a Third-Party Suit, Section 18 shall apply. If or to the extent that the Indemnification Claim is in respect of a Third-Party Suit, Section 19 shall apply.

18. Resolution of Claims

(a) If the indemnifying party does not object to an Indemnification Claim during the thirty (30)-day period following receipt of the indemnified party’s Notice of its Indemnification Claim, the indemnified party’s Indemnification Claim shall be considered undisputed, and the indemnified party shall be entitled to recover the actual amount of its indemnifiable loss from the indemnifying party, subject to the Indemnification Cap.

(b) If the indemnifying party gives Notice to the indemnified party within the thirty (30)-day objection period that the indemnifying party objects to the indemnified party’s Indemnification Claim, the indemnifying party and the indemnified party shall attempt in good faith to resolve their differences during the thirty (30)-day period following the indemnified party’s receipt of the indemnifying party’s Notice of its objection. If they fail to resolve their disagreement during this 30-day period, either party may seek remedy in a state or federal court in Maricopa County, Arizona in accordance with Section 34 below.

19. Third Party Suits

(a) Indemnified party shall promptly give Notice to indemnifying party of any suit, demand, or claim by a third person against indemnified party, for which indemnified party is entitled to indemnification under Section 13(a) or Section 14(a) (a “Third Party Suit”), which may be given

by Notice of an Indemnification Claim in respect of the Third-Party Suit. Indemnified party's failure or delay in giving this Notice shall not relieve indemnifying party from its indemnification obligation under this Section 19(a) in respect of the Third-Party Suit, except to the extent that indemnifying party suffers or incurs a loss or is prejudiced by reason of indemnified party's failure or delay.

(b) The indemnifying party shall have the right to participate in, or by giving Notice to the indemnified party, to assume the defense of any Third-Party Suit at the indemnifying party's expense and by the indemnifying party's own counsel, and the indemnified party shall cooperate in good faith in such defense. If the indemnifying party assumes the defense of any Third-Party Suit, subject to Section 19(c), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third-Party Suit in the name and on behalf of the indemnified party. The indemnified party shall have the right, at its own cost and expense, to participate in the defense of any Third-Party Suit with counsel selected by it subject to the indemnifying party's right to control the defense thereof. If the indemnifying party elects not to compromise or defend such Third-Party Suit or fails to promptly notify the indemnified party in writing of its election to defend as provided in this Agreement, the indemnified party may, subject to Section 19(c), pay, compromise, defend such Third-Party Suit and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Suit. Seller and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Suit, including making available records relating to such Third-Party Suit and furnishing to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third-Party Suit.

(c) Notwithstanding any other provision of this Agreement, the indemnifying party shall not enter into settlement of any Third-Party Suit without the prior written consent of the indemnified party (which consent shall not be unreasonably withheld or delayed), except as provided in this Section 19(c). If a firm offer is made to settle a Third-Party Suit without leading to liability or the creation of a financial or other obligation on the part of the indemnified party and provides, in customary form, for the unconditional release of each indemnified party from all liabilities and obligations in connection with such Third-Party Suit and the indemnifying party desires to accept and agree to such offer, the indemnifying party shall give Notice to that effect to the indemnified party. If the indemnified party fails to consent to such firm offer within ten (10) business days after its receipt of such Notice, the indemnified party may continue to contest or defend such Third-Party Suit and in such event, the maximum liability of the indemnifying party as to such Third-Party Suit shall not exceed the amount of such settlement offer. If the indemnified party fails to consent to such firm offer and also fails to assume defense of such Third-Party Suit, the indemnifying party may settle the Third-Party Suit upon the terms set forth in such firm offer to settle such Third-Party Suit. If the indemnified party has assumed the defense pursuant to Section 19(b), it shall not agree to any settlement without the written consent of the indemnifying party (which consent shall not be unreasonably withheld or delayed).

(d) Indemnified party's failure to defend a Third-Party Suit shall not relieve indemnifying party of its indemnification obligation under Section 13 or Section 14 of this Agreement if indemnified party gives indemnifying party at least thirty (30) days' prior Notice of indemnified party's intention not to defend the Third-Party Suit and affords indemnifying party the opportunity to assume the defense without having to satisfy the conditions in Section 19(c) for assuming the defense.

20. Damages

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, EACH OF THE PARTIES WILL BE LIABLE TO THE OTHER ONLY FOR ANY DIRECT DAMAGES ARISING OUT OF OR RELATING TO ITS PERFORMANCE OR FAILURE TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. UNDER NO CIRCUMSTANCES WILL A PARTY BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE, LIQUIDATED, OR INCIDENTAL DAMAGES, OR CLAIMS FOR LOST PROFITS, LOST REVENUES OR LOSS OF USE, ARISING FROM OR RELATED TO THE BUSINESSES, THE PREMISES, THE ASSETS, , OR OTHER SUBJECT MATTERS RELATING TO, OR ARISING FROM, THIS AGREEMENT.

21. Expenses

Each party shall pay its own expenses in connection with the negotiation and preparation of this Agreement and the Closing of this transaction, including the process of determining and paying the amount of the Post Closing Adjustments under Section 4(d) above. In the event of termination of this Agreement prior to Closing pursuant to Section 12, each Party's obligation to pay its own expenses shall be subject to any right of recovery as a result of a default under this Agreement by the other party.

22. Schedules

Nothing in any Schedule to Section 6 shall be considered adequate to constitute an exception to the related representation and warranty in Section 6 unless the Schedule describes the relevant facts in reasonable detail. Any exception in a Schedule to Section 6 shall be considered an exception to any other representation and warranty in Section 6 to which the exception relates if it is reasonably apparent on its face that the exception in question relates to such other representation and warranty.

23. Parties' Review

Any knowledge acquired by a party (or that should have been or could have been acquired) as a result of any due diligence or other review or investigation in connection with the negotiation and execution of this Agreement and the Closing of the transaction shall not limit that party's right to rely on the other party's representations and warranties in this Agreement or circumscribe that party's entitlement to indemnification under this Agreement.

24. Publicity

Any public announcement or similar publicity regarding this Agreement or the transaction shall be issued only as, when and in the manner and form that Seller determines.

25. Notices

(a) All notices under this Agreement shall be in writing and sent by certified or registered mail, overnight messenger service, or personal delivery ("Notice"), as follows:

(i) if to Buyer, or in the care of:
Gadi Emein
Email: Gadiemein@gmail.com

with a required copy to: Michael Aminpour

Email Shall Suffice To: Michael@elitefamilymedicine.com

(ii) if to Seller, to:

The Joint Corp.
16767 N. Perimeter Dr. Suite 110
Scottsdale, AZ 85260
Attention: Craig Sherwood
craig.sherwood@thejoint.com

with a required copy to:

The Joint Corp.
16767 N. Perimeter Dr. Suite 110
Scottsdale, AZ 85260
Attention: Andra Terrell, SVP-Legal
andra.terrell@thejoint.com and notices@thejoint.com

(b) A Notice sent by certified or registered mail shall be considered to have been given five business days after being deposited in the mail. A Notice sent by overnight courier service or personal delivery shall be considered to have been given when actually received by the intended recipient. A party may change its address for purposes of this Agreement by Notice in accordance with this Section 25.

26. Further Assurances and Cooperation

(a) The Parties agree to (i) furnish to one another other such further information, (ii) execute and deliver to one another such further documents and (iii) do such other acts and things that any party reasonably requests for the purpose of carrying out the intent of this Agreement and the documents and instruments referred to in this Agreement. The Parties acknowledge that Seller may be required to conduct audits of the financial statements of the businesses operated using the Acquired Assets, and the Buyer agrees to cooperate with Seller and to provide it with any information reasonably available to the Buyer to assist Seller and its representatives in conducting such audits. For ninety (90) days following the Closing, Buyer shall provide to Seller such assistance as Seller reasonably requests to help ensure a smooth and orderly transition of ownership of the Business.

(b) The Parties acknowledge that Seller is a publicly traded company and may be required by applicable laws and regulations to include financial statements and information relating to the Business and this Agreement in its financial statements, and Seller may be required to perform audits of the Business' financial statements. Accordingly, during the period prior to Closing, the Buyer agrees to cooperate with Seller and to provide it with any information reasonably available to the Buyer to assist Seller and its representatives in obtaining such financial statements, conforming such financial statements to applicable accounting standards and conducting such audits ("Section 26(b) Duties"). Such information includes, but is not limited to, the financial books, records and work papers of Buyer.

27. Waiver

The failure or any delay by any party in exercising any right under this Agreement or any document referred to in this Agreement shall not operate as a waiver of that right, and no single or partial exercise of any right shall preclude any other or further exercise of that right or the exercise of any other right. All waivers shall be in writing and signed by the party to be charged with the waiver, and no waiver that may be given by a party shall be applicable except in the specific instance for which it is given.

28. Entire Agreement

This Agreement supersedes all prior agreements between the parties with respect to its subject matter and constitutes (together with (a) the Exhibits, (b) the Schedules and (c) the Parties' Closing Documents) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended except by a written agreement signed by the party to be charged with the amendment.

29. Assignment

No party may assign any of its rights under this Agreement without the prior written consent of the other party.

30. No Third-Party Beneficiaries

Nothing in this Agreement shall be considered to give any person other than the parties any legal or equitable right, claim or remedy under or in respect of this Agreement or any provision of this Agreement. This Agreement and all of its provisions are for the sole and exclusive benefit of the parties and their respective successors, permitted assigns, heirs and legal representatives.

31. Construction

- (a) All references in this Agreement to "Section" or "Sections" refer to the corresponding section or sections of this Agreement.
- (b) All words used in this Agreement shall be construed to be of the appropriate gender or number as the context requires.
- (c) Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms.
- (d) The captions of articles and sections of this Agreement are for convenience only and shall not affect the construction or interpretation of this Agreement.

32. Severability

The invalidity or unenforceability of any term or provision, or part of any term or provision, of this Agreement shall not affect the validity and enforceability of the other terms and provisions of this Agreement, and this Agreement shall be construed in all respects as if the invalid or unenforceable term or provision, or part, had been omitted. In the event that any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable because it is too broad, such provision shall be interpreted to be only as broad as is enforceable.

33. Counterparts

This Agreement may be signed in any number of counterparts (including by facsimile or portable document format (pdf)), all of which together shall constitute one and the same instrument.

34. Governing Law

This Agreement shall be governed by the Laws of the State of Arizona, without giving effect to any choice of law provision or rule (whether of the State of Arizona or any other state) that would cause the laws of any state other than the State of Arizona to govern this Agreement. The Parties agree that any appropriate state or federal court located in Maricopa County, Arizona has exclusive jurisdiction over any dispute arising under or in connection with this Agreement and is the proper forum in which to adjudicate the case or controversy; provided, however, that notwithstanding the foregoing any action initiated by TJC may, at TJC's election, be brought in any jurisdiction where Buyer is domiciled or that has jurisdiction over Buyer. The Parties hereto irrevocably submit to the jurisdiction of, and venue in, any such court, and hereby waive any objection or defense thereto. THE PREVAILING PARTY, UPON DELIVERY OF WRITTEN DEMAND TO THE NON-PREVAILING PARTY, SHALL BE ENTITLED TO FULL COMPENSATION OF ITS FEES AND EXPENSES (INCLUDING WITHOUT LIMITATION, ATTORNEYS' FEES, COURT AND EXPERT WITNESS FEES, TRAVEL EXPENSES, AND RELATED REASONABLE EXPENSES INCURRED IN SUCH ACTION).

35. No Multi-Party Actions

The Buyer Parties hereby waives the right to initiate or participate in a class, consolidated or multi-party action in any forum against The Seller Parties, including without limitation, any suits, actions, arbitrations or other type of disputes, and waive the right to seek or collect any damages, including but not limited to, punitive, consequential and special damages in any forum, including in arbitration or by any forum. The Buyer Parties hereby further waive the right, if any, of any association or membership group to assert claims on its behalf in any action. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, THE BUYER PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO ASSERT ANY CLAIMS AGAINST THE SELLER PARTIES AS A REPRESENTATIVE OR MEMBER OF ANY CLASS ACTION, REPRESENTATIVE ACTION, JOINT ACTION, SINGLE ACTION, OR ARBITRATION. THE BUYER PARTIES HEREBY ACKNOWLEDGE AND CERTIFY TO THE SELLER PARTIES (A) THAT THE BUYER PARTIES HAVE CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (B) THAT THE BUYER PARTIES MAKE THIS WAIVER VOLUNTARILY, AND (C) THAT THE BUYER PARTIES HAVE BEEN INDUCED IN GOOD FAITH TO ENTER INTO THIS AGREEMENT.

36. Counsel

The Parties hereto have been represented by separate counsel of their choice in connection with the preparation and execution of this Agreement, or such persons have elected to not be represented by counsel. Accordingly, this Agreement shall be construed only in accordance with its fair meaning.

37. Binding Effect

This Agreement shall apply to, be binding in all respects upon and inure to the benefit of parties and their respective heirs, legal representatives, successors and permitted assigns.

38. Fully Informed Parties and Capacity

The Parties have been represented in the negotiations for and in the preparation of this Agreement by counsel of their own choosing; they have reviewed and understand the provisions of this Agreement; they have had it fully explained to them by their counsel; and they are fully aware of and understand its contents and its legal effect. Each Party acknowledges that it enters into this Agreement freely and voluntarily and is not acting under coercion, duress, economic compulsion, nor is entering into this Agreement because of any supposed disparity in bargaining power; rather, each party is freely and voluntarily signing this Agreement for its own benefit. Furthermore, each of the individuals signing this Agreement represents and warrants that he or she has full power and authority to bind the Party identified above his or her name.

39. Specific Performance

The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof (including if the Parties fail to take such actions as are required to consummate the transactions contemplated hereby) or were otherwise breached. Each Party hereto shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts described in Section 34 without proof of actual damages, in addition to any other remedy to which it is entitled at law or in equity. No Party will oppose the granting of an injunction, specific performance, or other equitable relief provided herein on the basis that the other Party has an adequate remedy at law or that an award of specific performance is not an appropriate remedy for any reason at law or equity. No other party or any other person or legal entity shall be required to obtain, furnish, or post any bond or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section, and each party hereto irrevocably waives any right it may have to require the obtaining, furnishing, or posting of any such bond or similar instrument. The right of specific enforcement is an integral part of the transactions contemplated hereby and without that right, neither party would have entered into this Agreement.

[SIGNATURES FOLLOW BELOW]

IN WITNESS WHEREOF, the Parties hereto affix their signatures and execute this Asset Purchase Agreement as of the Effective Date.

“BUYER”

ELITE CHIRO GROUP, a California corporation

Sign: /s/ Gadi Emein
Print: Gadi Emein
Title: Buyer
Date: November 3, 2025

“SELLER”

THE JOINT CORP., a Delaware corporation liability company

Sign: /s/ Sanjiv Razdan
Print: Sanjiv Razdan
Title: Chief Executive Officer
Date: November 2, 2025

“GUARANTOR”

Gadi Emein, an individual

Sign: /s/ Gadi Emein
Print: Gadi Emein
Date: November 3, 2025

Sign: /s/ Scott Bowman
Print: Scott Bowman
Title: Chief Financial Officer
Date: November 3, 2025

ACKNOWLEDGED AND ACCEPTED BY THE “PC”:

FENTON CHIROPRACTIC CORPORATION OF CALIFORNIA, a California professional service corporation

Sign: _____
Print: _____
Title: _____
Date: _____

ASSET PURCHASE AGREEMENT

between and among

**Addisco Value, LLC, a North Carolina limited liability company
Triangle Chiropractic Associates P.C., a North Carolina professional corporation
Bluffton TJ, LLC a South Carolina limited liability company**

And

The Joint Corp., a Delaware corporation

Dated as of December 5, 2025

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “Agreement”) is entered into as of December 5, 2025, between and among:

Addisco Value, LLC, a North Carolina limited liability company as owned by Alexander Klaus (“Addisco”), **Triangle Chiropractic Associates P.C.**, a North Carolina professional corporation as owned by Todd Wegerski, DC (“Triangle Chiropractic”), and **Bluffton TJ, LLC**, a South Carolina limited liability company as owned by Andrew Michael Evec and Susan Ruth Train (“Bluffton”) (Addisco, Triangle Chiropractic and Bluffton collectively referred to herein as the “Buyer(s)”) (Alex Klaus, Lisa Ezell, Andrew Michael Evec, and Susan Ruth Train (collectively the “Guarantor(s)”); and

The Joint Corp., a Delaware corporation doing business as *The Joint Chiropractic* (hereafter, as “The Joint” or “Seller”).
Buyer(s) and Seller are referred to collectively herein as the “Parties” and individually as a “Party.”

RECITALS

WHEREAS, is the franchisor of *The Joint Chiropractic*® franchise system, and owns the assets of, and contractually engages a professional chiropractic company to operate twenty-two (22) *The Joint Chiropractic*® clinics listed in Schedule A attached hereto (collectively referred to herein as the “Clinics” or the “Businesses”, each as a “Clinic” or a “Business”, the physical locations of the Clinics are collectively referred to herein as the “Premises”;

WHEREAS, Addisco, Triangle Chiropractic, and Bluffton each desire to purchase and assume from Seller the assets and liabilities of their respective clinics specifically allocated to said Buyer(s) on Schedule A-1 for Addisco, Schedule A-2 for Triangle Chiropractic and Schedule A-3 for Bluffton (collectively the “Allocated Clinics”), and to close contemporaneously under this single Agreement;

WHEREAS, the Seller desires to sell, transfer and assign to Buyer(s), and Buyer(s) desires to purchase and assume from Seller, substantially all the assets of the Clinics, which transfer includes and assignment of all the leasehold interests for the Premises, subject to the terms and conditions set forth herein ("Transaction");

WHEREAS, Seller will franchise the Businesses to the Buyer(s) pursuant to The Joint Chiropractic franchise agreements for each Clinic and entered into by the Parties through separate transactions at Closing as further described herein, copies of which will be attached hereto in **Exhibit A** (collectively, the "Franchise Agreements", and each a "Franchise Agreement");

WHEREAS, the Franchise Agreements shall each be amended pursuant to the amendments as further described herein, copies of which will be attached hereto as **Exhibit B** (collectively, the "Franchise Agreement Amendments", and each a "Franchise Agreement Amendment");

WHEREAS, Addisco will acquire the non-exclusive development rights for one (1) *The Joint Chiropractic*® clinic pursuant to a development agreement entered into by the Parties through a separate transaction at Closing as further described herein, and a copy of which will be attached hereto in **Exhibit C** (the "Development Agreement"); and

WHEREAS, Seller will sell, transfer and assign the leases, as further described herein and copies of which will be attached hereto as **Exhibit D** (the "Leases"), to Buyer(s) pursuant to twenty-two (22) lease assignments, as further described herein and copies of which will be attached hereto as **Exhibit E** (the "Lease Assignments").

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1

PURCHASE AND SALE OF ASSETS

1.1 Basic Transaction. At the Closing, Seller shall sell, assign, transfer, convey and deliver to each Buyer(s), and each Buyer(s) shall purchase from Seller, free and clear of all Liens, all right, title and interest in and to the Acquired Assets associated with such Buyer(s)'s Allocated Clinics. To be clear, this Agreement is to purchase the Acquired Assets from all the Clinics, as such, this Agreement is expressly conditioned upon the acquisition of the Acquired Assets of all the Clinics and is in no way to be interpreted as allocating value to, or offering to acquire any specific clinic, singularly. Notwithstanding the terms herein, this shall not conflict with Buyer(s)'s ability to assign and manage the acquisition in accordance with the terms and conditions set forth herein, as well as the terms and conditions of the Franchise Agreements and the Development Agreement. For avoidance of doubt, each Buyer(s)'s obligations, representations, and liabilities under this Agreement apply only to its Allocated Clinics, and no Buyer(s) shall have any responsibility for the obligations or liabilities of another Buyer(s) hereunder.

1.2 Assumption of Liabilities. In accordance with the terms and upon the conditions of this Agreement, at the Closing, Buyer(s) shall assume all the Assumed Liabilities referenced in Schedule 1.2, if any, which the Parties shall continue to negotiate, and shall amend in accordance with such negotiations, through the Closing. Unless Buyer(s) explicitly agrees that an item is an Assumed Liability on Schedule 1.2, such item shall constitute an Excluded Liability notwithstanding anything to the contrary herein. Buyer(s) shall not assume and shall not have any responsibility with respect to the Excluded Liabilities.

1.3 Purchase Price. The aggregate purchase price for the Acquired Assets is **One Million, Four Hundred and Eighty-two Thousand, Eight Hundred and NO/Dollars (\$1,482,800.00)** (the "Aggregate Purchase Price"). The Aggregate Purchase Price shall be allocated among the Buyer(s) according to the Allocated Clinics. Each Buyer(s) shall pay the portion of the Purchase Price applicable to its Allocated Clinics as set forth in Schedule 1.3 attached hereto (the "Allocated Purchase Price"), and all references herein to 'Buyer(s)' in respect of payments, proration, or liabilities shall mean the Buyer(s) responsible for such Allocated Clinics. The Aggregate Purchase Price is comprised of the following:

(a) the Cash Consideration of One Million and NO/100 Dollars (\$1,000,000.00) (as hereinafter defined), including any Cash Consideration Downpayment (as hereinafter defined) plus

(b) the Pro-Rated Franchise Fees (as hereinafter defined), estimated to be in the amount of Six Hundred Sixty-Seven Thousand, Eight Hundred and NO/Dollars (\$667,800.00) which shall be remitted by the Buyer(s) to the Seller pursuant to the Franchise Agreements and as required of the Seller to acquire franchise rights to the Clinics pursuant to the terms therein (the "Franchise Fees"); less

(c) a credit of One Hundred and Eighty-five Thousand and NO/100 Dollars (\$185,000.00) for Clinic refreshes as set forth in the Revised Refresh Schedule (as defined below).

1.4 Aggregate Purchase Price Contingency. Notwithstanding anything to the contrary herein, the Parties acknowledge and agree that the Aggregate Purchase Price is based upon the Seller's trailing twelve-month ("TTM") unadjusted EBITDA as of October 31, 2025. As a condition precedent to the consummation of the Transaction, the Seller's unadjusted TTM EBITDA shall not (i) fall below Five Hundred Fifty-Seven Thousand and No/100 Dollars (\$557,000), nor (ii) rise above Six Hundred Fifty-Three Thousand and No/100 Dollars (\$653,000) (the "EBITDA Collar"), prior to Closing. In the event that the Seller's unadjusted TTM EBITDA falls outside the EBITDA Collar, the Aggregate Purchase Price shall be adjusted in accordance with Exhibit J attached hereto and incorporated herein by reference (the "Adjusted Aggregate Purchase Price"). If the unadjusted TTM EBITDA remains within the EBITDA Collar, the Aggregate Purchase Price shall remain \$1,750,000, and Exhibit J shall be deemed null and of no effect in the final version of this Agreement.

1.5 Payment and Delivery of Aggregate Purchase Price or Allocated Purchase Price.

(a) Downpayment. Seller shall have the right to require Buyer(s) to pay, via wire transfer to Seller, a total of One Hundred Thousand and NO/Dollars (\$100,000.00) upon execution of this Agreement (the "Cash Consideration Downpayment"), which shall be credited against the Cash Consideration set forth in Section 1.3(a). The Cash Consideration Downpayment shall be non-refundable and fully-earned upon receipt. The

Cash Consideration Downpayment shall be refundable to Buyer(s) in the event Seller fails to satisfy any condition precedent in Article 7 or breaches any pre-Closing covenant.

- (b) Signing Commitment. Upon execution of this Agreement, Buyer(s) shall each:
- (i) sign a promissory note for the adjusted allocated Purchase Price for their respective Clinics attached hereto in Exhibit K-1 for Addisco and Exhibit K-2 for Bluffton (collectively, the "Promissory Note(s)" and each a "Promissory Note") in the amount of the Adjusted Aggregate Purchase Price less the Cash Consideration Downpayment, if applicable (collectively, the "Adjusted Allocated Purchase Price"), and
 - (ii) sign the Management Agreements as described in Section 7.1(d)(ii).
- (c) At Closing, the Buyer(s) shall:
- (i) For each Clinic with an executed Lease Assignment, at a Closing for that Clinic, pay to Seller the pro-rated amount for each Clinic in accordance with the formula or allocation described in Schedule 1.5(c)(i) (the "Clinic Pro-Rated Purchase Price"), which shall be applied to the principal of the Promissory Note for those Allocated Clinics;
 - (ii) pay Three Hundred and Four Hundred Thirty-Six Thousand Five Hundred Forty and NO/100 (\$436,540.00) of the Franchise and Transfer Fees (subject to Section 4.7(f)) (collectively, the "Franchise Fee Downpayment");
 - (iii) pay the development fee in the amount of Ten Thousand and NO/Dollars (\$10,000.00) which shall be remitted by the Buyer(s) to the Seller pursuant to the Development Agreement and as required of the Seller to acquire development rights pursuant to the terms therein (the "Development Fee"); and
 - (iv) pay the Debt Amount, if any, pursuant to the payoff letters delivered by Seller to Buyer(s) pursuant to Section 5.1(e); or

© Post Closing Reconciliation.

(i) Within ninety (90) days following the Closing, Seller shall prepare and deliver to Buyer(s) a statement (the "Post-Closing Statement") setting forth its calculation and reconciliation of the various costs or expenses borne between the Parties by the following items, as determined and applicable by the Parties (the "Reconciliation"), including without limitation: (A) the total Pro-Rated Franchise Fees (as defined below) less the Franchise Fee Downpayment (as defined below); (B) any appropriate pro-rations for rent, state and local real estate taxes and transfer taxes, sales taxes, service and utility or vendor contracts, or other expenses charged to the Seller that are the obligations of the Buyer(s) as of, or subsequent to the Closing, (C) as credits to the Seller, cash deposit collections received after the Closing, resulting from pre-Closing gross sales (collectively, the "Post-Closing Adjustments"), and (D) any outstanding Deficit Advances as defined in the Management Agreement for that Clinic. For the various Lease Assignments, Seller agrees that it shall be responsible for the payment of any the Lease Assignment or transfer fees ("Lease Assignment Fees") imposed by any of the landlords for the Clinics, and that the various security deposits that are listed in Schedule 1.5(d)(i) (the "Security Deposits") for the Leases are an Acquired Asset which Seller represents and warrants constitutes all security deposits for the Leases. The Lease Assignments shall stipulate the Security Deposits are assigned from Seller to Buyer(s). Buyer(s) agree and acknowledge that the gross sales

received by the Seller for all patient adjustment packages or treatments sold prior to the Closing of the Transaction shall remain wholly the Seller's property.

(ii) The items set forth at Section 1.5(d)(i) are not exhaustive and the Seller may include any applicable items in the Post-Closing Statement for obligations of the Buyer(s) as of, or after the Closing. Notwithstanding the foregoing, the gross sales received by the Seller for all patient adjustment packages or treatments sold prior to the Closing of the Transaction shall remain wholly the Seller's gross sales.

(iii) After receiving the Post-Closing Statement, Buyer(s) shall have thirty (30) days (the "Review Period") to review the Post-Closing Statement. During the Review Period, Buyer(s) shall have full access to the records reviewed and prepared by Seller and/or Seller's accounting professionals to the extent that they relate to the Post-Closing Statement and to such historical financial information (to the extent in Seller's possession and used as a basis for the Post-Closing Statement) relating to the Post-Closing Statement as Buyer(s) may reasonably request for the purpose of reviewing the Closing Statement and to prepare a Statement of Objections as defined below.

(iv) On or prior to the last day of the Review Period, Buyer(s) may object to the Post-Closing Statement by delivering to Seller a written statement setting forth Buyer(s)'s objections in reasonable detail (the "Statement of Objections"). If Buyer(s) fails to deliver the Statement of Objections before the expiration of the Review Period, the Post-Closing Statement, and the Post-Closing Adjustments, as the case may be, reflected in the Post-Closing Statement shall be deemed to have been accepted by Buyer(s). If Buyer(s) delivers the Statement of Objections before the expiration of the Review Period, Buyer(s) and Seller shall negotiate in good faith to resolve such objections within thirty (30) days after the delivery of the Statement of Objections (the "Resolution Period"), and, if the same are so resolved within the Resolution Period, the Post-Closing Adjustments and the Post-Closing Statement with such changes as may have been previously agreed in writing by Buyer(s) and Seller, shall be final and binding.

(v) If Seller and Buyer(s) fail to reach an agreement with respect to all of the matters set forth in the Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute (the "Disputed Amounts" and, any amounts not so disputed, the "Undisputed Amounts") shall be submitted for resolution to Independent Accountants as defined below. Buyer(s) and Seller shall appoint by prior mutual agreement an independent accounting individual or firm (the "Independent Accountants") who, acting as experts and not arbitrators, shall resolve the Disputed Amounts only, and adjust the Post-Closing Adjustments and the Post-Closing Statement, as applicable (collectively, the "Independent Accountants Assessment"). The Parties hereto agree that all Post-Closing Adjustments shall be made without regard to materiality. The Independent Accountants shall only assess and determine the Disputed Amounts by the Parties and their decision for each Disputed Amount must be within the range of values assigned to each such item in the Post-Closing Statement and the Statement of Objections, respectively.

(vi) The fees and expenses of the Independent Accountants shall be paid one-half by Seller and one-half by Buyer(s).

(vii) The Independent Accountants shall make a determination within sixty (60) days following the formal engagement of the Independent Accountants (and instruction by one or both Parties to commence assessment of the Post-Closing Adjustments) (or such other time as the Parties hereto shall agree in writing), and their resolution of the Disputed Amounts and their adjustments to the Post-Closing Statement and/or the Post-Closing Adjustments shall be conclusive and binding upon the Parties hereto.

(e) The Parties agree that any Undisputed Amounts shall be reconciled separately and independent of the Independent Accountants Assessment, and that the Party owing the net of the Undisputed Amounts pursuant to Section 1.4(c) shall deliver to the other Party by wire transfer such amount in immediately available funds within thirty (30) days following the Resolution Period.

(f) The Parties agree that following the Independent Accountants Assessment, the Party owing the net of the Disputed Amounts shall deliver to the other Party by wire transfer such amount in immediately available funds within thirty (30) days following the receipt of the findings of the Independent Accountant Assessment.

(g) Withholding. The Parties and any other applicable withholding agent will be entitled to deduct and withhold from any amounts payable pursuant to or as contemplated by this Agreement any Taxes or other amounts required under the Code or any applicable Law to be deducted and withheld, and, to the extent that any amounts are so deducted or withheld, such amounts will be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made.

(h) Reconciliation Communications. Any communication contemplated by this Section 1.4 may be delivered by and between the Parties by email or by written notice. Any emails shall be deemed delivered and received within twenty-four (24) hours of the time the email was sent to the applicable Party. The Parties may utilize other email addresses for compliance with this Section 1.4. However, the Parties agree that the following primary sender/recipient names and email addresses for Section 1.4 communications shall be designated as set forth in Section 12.7 herein.

1.6 Allocation. The Parties agree that the Purchase Price shall be allocated among the Assets as follows, and each Party shall utilize appropriate tax forms to report the sale and purchase for tax purposes in a manner consistent with this allocation. Specifically, an amount of \$591,500 shall be allocated to Class V assets, consisting of tangible personal property, furniture, fixtures, and equipment, and an amount of \$223,500 shall be allocated to Class VI assets, consisting of certain identifiable intangible assets other than goodwill (the "Total Allocation"). The Total Allocation equals the Aggregate Purchase Price, and the Parties shall file all tax returns and related filings consistent with this allocation and shall not take any position inconsistent therewith unless required by law. The Parties agree to modify the Total Allocation if the Aggregate Purchase Price must be adjusted in accordance with Section 1.4 herein.

1.7 Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the “Closing”) for each of the Clinics shall take place:

(a) effective as of 11:59 p.m. Eastern Time on the date Closing occurs (the “Closing Date”), which shall be the 10th or the 25th of the month following the date a Lease Assignment is signed or effective (the “Closing Date Deadline”); and

(b) remotely via electronic exchange of documents once all the conditions to the Closing set forth in Article 7 have been either satisfied or waived for any Clinic (other than conditions which, by their nature, are to be satisfied on the Closing Date).

If Closing is done separately for any Clinic, Seller and Buyer(s) agree to enter into an amendment to this Agreement to memorialize the Closing Date.

1.8 Excluded Assets and Tenant Improvement Allowances.

(a) Notwithstanding anything to the contrary contained in this Agreement, it is expressly acknowledged by Buyer(s) that Seller will not be conveying to Buyer(s) (i) any cash, cash equivalents, working capital, accounts receivable, or any Tenant Improvement Allowances (as hereinafter defined) (ii) any of the proceeds of the Transaction described in this Agreement, (iii) the books and records of Seller, except that Seller shall provide copies of any separate patient listings and employee records, and (iv) any other assets, properties or rights of Seller owned or used by Seller but not used in or directly related to the Clinics (collectively, the “Excluded Assets”).

(b) Further to the above regarding the Excluded Assets, the Buyer(s) agrees and acknowledges that as of the Closing, the Seller holds at certain Clinics, tenant improvement allowances (“Tenant Improvement Allowances”) that the Seller shall endeavor to collect from the applicable landlords following the Closing, and that the Buyer(s) is not entitled to collection of any of the Tenant Improvement Allowances (or allocation or credit of the Tenant Improvement Allowances for any purpose, including without limitation, the adjustments related to the Reconciliation). The Buyer(s) further agrees and acknowledges that the Seller shall, following the Closing, have the continued right to communicate with the applicable landlords regarding the administration and collection of the Tenant Improvement Allowances, and that such communications shall not constitute a breach of this Agreement, the applicable Lease Assignment Agreements, or any laws in equity or common laws. Last, the Buyer(s) agrees and acknowledges that it shall reasonably cooperate with the Seller and the applicable landlords in the Seller’s collection of the Tenant Improvement Allowances.

1.8 Non-Assignable Assets. Notwithstanding anything to the contrary in this Agreement, and subject to the provisions herein, to the extent that the sale, assignment, transfer, conveyance or delivery, or attempted sale, assignment, transfer, conveyance or delivery, to Buyer(s) of any Acquired Asset would result in a violation of applicable law, or would require the consent, authorization, approval or waiver of a party who is not a party to this Agreement (including any governmental authority), and such consent, authorization, approval or waiver shall not have been obtained prior to the Closing, this Agreement shall not constitute a sale, assignment, transfer, conveyance or delivery, or an attempted sale, assignment, transfer, conveyance or delivery, thereof; *provided, however*, that the Closing shall occur notwithstanding the foregoing without any adjustment to the Purchase Price on account thereof. Following the Closing, Seller and

Buyer(s) shall use commercially reasonable efforts, and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver, or any release, substitution or amendment required to assign or novate all Contracts and liabilities that constitute Assumed Liabilities or to obtain in writing the unconditional release of all parties to such arrangements, so that, in any case, Buyer(s) shall obtain all Acquired Assets and shall all be solely responsible for such Assumed Liabilities from and after the Closing; *provided, however*, that neither Seller nor Buyer(s) shall be required to pay any consideration therefor, except that Seller shall be solely responsible for and shall pay all Lease assignment transfer fees imposed by any of the landlords for the Clinics. Once such consent, authorization, approval, waiver, release, substitution or amendment is obtained, Seller shall sell, assign, transfer, convey and deliver to Buyer(s) the relevant Acquired Asset to which such consent, authorization, approval, waiver, release, substitution or amendment relates for no additional consideration. The Parties shall pay their own income taxes in connections with the transactions contemplated in this Agreement.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer(s) represents and warrants to Seller that the statements contained in this Article 2 with respect to Buyer(s) are correct and complete as of the date hereof and as of the Closing Date.

2.1 Organization of Buyer(s). Buyer(s) are limited liability companies duly formed, validly existing and in good standing under the Laws of their state of organization.

2.2 Authorization of Transaction. Buyer(s) has full company power and authority to execute and deliver this Agreement and to perform Buyer(s)'s obligations hereunder. Buyer(s) has full company power and authority to execute and deliver the Ancillary Agreements to which Buyer(s) is a party and to perform Buyer(s)'s obligations thereunder. The execution and delivery by Buyer(s) of this Agreement and the Ancillary Agreements to which Buyer(s) is a party and the performance by Buyer(s) of the transactions contemplated hereby and thereby have been duly approved by all requisite company action of Buyer(s). Assuming the due authorization, execution and delivery of this Agreement and the Ancillary Agreements by the other parties thereto, this Agreement and each Ancillary Agreement to which Buyer(s) is a party constitute the valid and legally binding obligation of Buyer(s), enforceable against Buyer(s) in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors generally and by the availability of equitable remedies.

2.3 Non-contravention. Neither the execution and the delivery of this Agreement nor the Ancillary Agreements to which Buyer(s) is a party, nor the consummation of the transactions contemplated hereby and thereby, will (i) violate or conflict with any Law or Order to which Buyer(s) is subject, (ii) violate any provision of the Organizational Documents of Buyer(s), or (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice or Consent under any Contract to which Buyer(s) is a party or by which it is bound or to which any of its assets is subject.

2.4 Brokers' Fees. Buyer(s) does not have any obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

2.5 Information to Obtain Consents. Buyer(s) covenants and agrees to provide any and all information reasonably requested by any third-party from whom a Consent is requested pursuant to the terms of this Agreement to facilitate obtaining such Consent. Buyer(s) further agrees to provide such requested information within three (3) business days of any such request for information, and further represents and warrants that such information provided shall be true and correct in all material respects. The Buyer acknowledges that in accordance with North Carolina laws and regulations, the Clinics located in North Carolina are currently operated from a clinical standpoint by TRIANGLE CHIROPRACTIC ASSOCIATES PC, a North Carolina professional corporation having its principal place of business at 1012 Market Center Drive, Morrisville, NC 27560, and its owner TODD WEGERSKI, DC (collectively, the "PC"). Addisco agrees and acknowledges that the execution of this Agreement for Clinic 12033 - PARK TOWNE VILLAGE is conditioned upon the PC's acceptance and acknowledgement of this Agreement. The PC, through the acknowledgement below, agrees to be bound by certain terms of this Agreement (i.e., Confidentiality and Use of Information, Public Announcements, and acting in good faith). Addisco further agrees and acknowledges that Addisco shall be required to provide (and disclose to Seller) its own North Carolina professional chiropractic corporation (or proof of North Carolina chiropractic licensing) prior to the Closing to ensure regulatory compliance regarding the transfer of patient records and the post-Closing clinical operation of 12033 - PARK TOWNE VILLAGE. The Buyer agrees and acknowledges that to acquire the patient records of Clinic 12033 - PARK TOWNE VILLAGE, Buyer (or its authorized North Carolina chiropractic company) shall be required to enter into the transfer of patient records agreement attached hereto as Exhibit M (the "Records Transfer Agreement"), which shall be furnished by the Seller prior to the Closing.

2.6 Solvency.

(a) As of the Closing, the Buyer(s) or the Guarantors (including without limitation the Buyer(s)'s affiliates, subsidiaries, owners, members, directors, or parent companies) (a) have not filed, nor otherwise sought any protections, or are not parties to such actions, in accordance with any United States state or federal bankruptcy statutes (as further provided below and in Section 10.3 herein); or (b) are not parties (or subject to any related obligations) to any threatened or pending criminal or civil actions which may result in financial penalties, judgments, reputational impacts, or similar adverse results that could disrupt or interfere with the Buyer(s)'s ability to perform its obligations hereunder.

(b) Immediately after giving effect to the transactions contemplated hereby, Buyer(s) shall be solvent and shall: (i) be able to pay its debts as they become due; (ii) own property that has a fair saleable value greater than the amounts required to pay its debts (including a reasonable estimate of the amount of all contingent liabilities); and (iii) have adequate capital to carry on its business. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors of Buyer(s) or Seller. In connection with the transactions contemplated hereby, Buyer(s) has not incurred, nor plans to incur, debts beyond its ability to pay as they become absolute and matured.

2.7 Sufficiency. Buyer(s) has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price, and consummate the transactions contemplated by this Agreement.

2.8 Legal Proceedings. There are no actions, suits, claims, investigations or other legal proceedings pending or, to Buyer(s)'s Knowledge, threatened against or by Buyer(s) or any Affiliate of Buyer(s) that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.

2.9 Independent Investigation.

1. Buyer(s) has conducted its own independent investigation, review and analysis of the Clinics, the Acquired Assets, the Premises and other related documentation, and acknowledges that it has been provided adequate access to the Clinics, Employees, personnel, Premises, Acquired Assets, books and records, and other documents and data of Seller for such purposes. Buyer(s) has inspected the Acquired Assets that Buyer(s) is purchasing, the Clinics and the Premises, and has carefully reviewed Seller's representations regarding them.
2. Buyer(s) agrees and acknowledges that, as of the Closing, the Buyer(s) has no outstanding due diligence requests provided to Seller during the Due Diligence Period (as hereinafter defined), and waives any claims against the Seller that the Seller failed to timely or fully furnish any due diligence materials to the Buyer(s)'s satisfaction.
3. Buyer(s) acknowledges that:
 - i. neither Seller nor any other Person on behalf of Seller has made any representation or warranty, express or implied, as to Seller, the Businesses, the Assets, or the accuracy or completeness of any information regarding Seller, or the Assets furnished or made available to Buyer(s) and its representatives, or any other matter related to the transactions contemplated herein, other than those representations and warranties expressly set forth herein (including the related portions of the Exhibits and Schedules);
 - ii. in determining to enter into this Agreement, Buyer(s) has not relied on any representation or warranty from Seller or any other party on behalf of Seller, or upon the accuracy or completeness of any information regarding the regarding Seller, the Clinics, or the Acquired Assets furnished or made available to Buyer(s) and its representatives, other than those representations and warranties expressly set forth herein (including the related portions of the Exhibits and Schedules); and
 - iii. neither Seller nor any other party acting on behalf of Seller shall have any liability to Buyer(s) or any other party with respect to any projections, forecasts, estimates, plans, or budgets of future revenue, expenses, or expenditures, future results of operations, future cash flows, or the future financial condition of the Acquired Assets, the Clinics, the Premises or the future business, operations, or affairs of the Clinics.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrant to Buyer(s) that the statements contained in this Article 3 are correct as of the date hereof and as of the Closing Date, except as set forth in the corresponding section of the Schedules or any disclosure schedule. For the avoidance of doubt, for the purpose of this Article 3, each instance where the use of “each Clinic”, “any Clinic”, or similar phrase occurs, it shall be read as meaning each of the Clinics, such that each of the representations and warranties contained in this Article 3 shall pertain and relate to each of the Clinics, respectively.

3.1 Organization, Qualification, and Power. Seller is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware. Seller, and its operation of each respective Clinic, is duly authorized to conduct its business and is in good standing under the Laws of each jurisdiction where such qualification is required. Seller, and its ownership and operation of each Clinic, has full company power and authority and all Permits necessary to carry on the Business and to own, lease and use the properties owned, leased and used by the Clinics.

3.2 Authorization of Transaction. Seller has full power, authority, and legal capacity (including, in the case of each Clinic, full company power and authority) to execute and deliver this Agreement and the Ancillary Agreements to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by Seller of this Agreement and the Ancillary Agreements to which the Seller is a party and the performance by Seller of the transactions contemplated hereby and thereby have been duly approved by all requisite action. Assuming the due authorization, execution and delivery of this Agreement and the Ancillary Agreements by the other parties thereto, this Agreement and each Ancillary Agreement to which the Seller is a party constitute the valid and legally binding obligation of the Seller, as applicable, enforceable against the Seller in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors generally and by the availability of equitable remedies. Except as set forth on Schedule 3.2, Seller is not required to give any notice to, make any filing with, or obtain any Consent of any Governmental Body or any other Person in order to consummate the transactions contemplated by this Agreement or the Ancillary Agreements to which Seller is a party.

3.3 Capitalization. All the Clinics are owned solely, beneficially and of record by Seller. There are no other shares of stock, membership or other ownership interests in any one (1) of the Clinics or outstanding securities convertible or exchangeable into shares of stock, membership or other ownership interests of any Clinic, and there are no options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, calls, puts, rights of first refusal or other Contracts that could require Seller to issue, sell or otherwise cause to become outstanding or to acquire, repurchase or redeem stock, membership or other ownership interests in any Clinic. There are no profit participation or similar rights with respect to any of the Clinics. Upon the Closing, the Acquired Assets will be delivered to Buyer(s) free and clear of all Liens (other than any Liens which may result from any actions taken by Buyer(s) or Permitted Liens), Buyer(s) will have good and marketable title to the Acquired Assets, and Buyer(s) will be the sole owner, beneficially and of record, of one hundred percent (100%) of the Acquired Assets.

3.4 Non-contravention. Neither the execution and the delivery of this Agreement nor the Ancillary Agreements, nor the consummation of the transactions contemplated hereby or thereby, will (a) violate or conflict with any Law or Order to which any Seller is subject, (b)

violate or conflict with any provision of the Organizational Documents of Seller, or (c) except as set forth on Schedule 3.4, conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice, Consent or payment under any Contract or Permit to which any of Seller or a Clinic, respectively, is a party or by which any Seller or Clinic is bound or to which any of the Seller or an individual Clinic's assets is subject (or result in the imposition of any Lien upon any of the Acquired Assets).

3.5 Brokers' Fees. Except for advisory fees to Capstone Partners, which are the sole and exclusive responsibility of Seller, Seller has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement or any Ancillary Agreement.

3.6 Assets.

1. Seller has good and marketable title to, or a valid leasehold interest or license in, the properties and assets (tangible and intangible) used by the Clinics, located on the Clinics' premises, or listed in Schedule 3.6(a), free and clear of all Liens, except for Permitted Liens and as set forth on Schedule 3.6(b). The Acquired Assets are all the assets, properties and rights used or held for use by each Clinic in the operation of the Business, and the Acquired Assets are sufficient for the continued conduct of the Business, consistent with past practice. The Acquired Assets include all the operating assets of the Clinics except for the Excluded Assets.
2. The physical Acquired Assets are provided and delivered to the Buyer(s) in its "**AS-IS, WHERE-IS**" "**WITH ALL FAULTS**" condition without representation or warranty whatsoever. Schedule 3.6(a) lists, by Clinic, each piece of equipment or other tangible personal property included in the Transaction and having a value exceeding Two Thousand, Five Hundred and 00/100 Dollars (\$2,500), including, but not limited to, all chiropractor chairs.

3.7 Financial Statements; Interim Conduct.

1. **Exhibit F** of this Agreement includes correct and complete copies of the following consolidated financial statements of Seller relating to each Clinic and the Clinics, as follows: (i) reviewed and compiled statements of profit and loss (collectively, the "Financial Statements"), each as of and for the fiscal years ended December 31, 2021, December 31, 2022, December 31, 2023, and December 31, 2024 (the "Most Recent Fiscal Year End"); (ii) reviewed and compiled statements of profit and loss (the "Most Recent Financial Statements") as of and for the three (3) month period ended August 31, 2025 (the "Most Recent Fiscal Month End"); and (iii) reviewed and compiled trailing twelve month statements of profit and loss for the trailing twelve month periods ending June 30, 2024, October 31, 2024, November 30, 2024, and August 31, 2025. Except as set forth in Schedule 3.7(a), the Financial Statements are correct and complete and consistent with the books and records of the Clinics (which are in turn correct and complete), have been prepared in accordance with GAAP consistently applied, and present fairly in all material respects the financial

condition, results of operation, collectively, as of and for their respective dates and for the periods then ending; provided, however, that the Most Recent Financial Statements are subject to normal, recurring year-end adjustments and lack notes required by GAAP (none of which will be material individually or in the aggregate). Seller maintains a standard system of accounting that is uniform for all the Clinics and which is established and administered in accordance with GAAP.

2. Since the Most Recent Fiscal Year End, the Businesses have been conducted in the Ordinary Course of Business, and there has not been any Material Adverse Change and no event has occurred which could reasonably be expected to result in a Material Adverse Change. Without limiting the generality of the foregoing, except as set forth on Schedule 3.7(b), since the Most Recent Fiscal Year End the Seller, on behalf of any Clinic, has not:
 - a. sold, leased, transferred or assigned any assets or property (tangible or intangible) with a value greater than \$1,000;
 - b. engaged in any promotional, sales or discount or other activity that has or could reasonably be expected to have the effect of accelerating sales prior to the Closing that would otherwise be expected to occur subsequent to the Closing;
or
 - c. taken or omitted to take any action which could be reasonably anticipated to have a Material Adverse Effect;

3.8 Undisclosed Liabilities. To the Knowledge of Seller, neither the Seller nor any of the respective Clinics, have any, and there is no basis for any, liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), except for liabilities that (a) are accrued or reserved against in the Most Recent Financial Statements, (b) were incurred subsequent to the Most Recent Fiscal Month End in the Ordinary Course of Business, or (c) are liabilities and obligations pursuant to any Contract listed in Schedule 5.1(a)(i) or not required by the terms of Section 5.1(a)(i) to be listed in Schedule 5.1(a)(i), in either case which arose in the Ordinary Course of Business and did not result from any default, tort, breach of contract or breach of warranty.

3.9 Legal Compliance.

1. To the Knowledge of Seller, the Seller has complied with and is compliant with all applicable Laws and Orders, and no Proceeding has been filed or commenced or, to the Knowledge of Seller, threatened against any of Seller or the Clinics alleging any failure so to comply. Since January 1, 2023, Seller and the Clinics have not received any notice or communication alleging any non-compliance of the foregoing, except as set forth on Schedule 3.9(a).
2. To the Knowledge of Seller, Schedule 3.9(b) sets forth a correct and complete list and description of all Permits held by Seller for each Clinic. Such Permits (i) constitute all material Permits necessary for the operation of the Business and (ii) are in full force and effect. No Proceeding is pending or, to the Knowledge of Seller, threatened to revoke or limit any Permit and no violations have been alleged in respect of any Permit.

3. To the Knowledge of Seller, neither the Seller, nor any of its officers, directors, , agents, employees, contractors, or any other Persons acting on its behalf has (i) made any illegal payment or provided any unlawful compensation or gifts to any officer or employee of any Governmental Body, or any employee, customer or supplier of any one (1) Clinic, or (ii) accepted or received any unlawful contributions, payments, expenditures or gifts; and no Proceeding has been filed or commenced alleging any such payments, contributions, expenditures or gifts.
4. To the Knowledge of Seller, in the past one (1) year, and as of the date hereof there are not, nor have there been, any internal investigations or inquiries being conducted by Seller or, to the Knowledge of Seller, any third party or Governmental Body concerning any conflict of interest, self-dealing, fraudulent or deceptive conduct or other misfeasance or malfeasance issues relating to the operation or the business of the Clinics. Except as provided in Schedule 3.9(d) attached hereto, Seller represents that, as of the Closing Date, no arrearages exist under any Lease and no landlord has delivered any default or termination notice.

3.10 Tax Matters.

1. To the Knowledge of Seller, the Seller and each Clinic have filed with the appropriate taxing authorities all Tax Returns each has been required to file. All such Tax Returns are true, correct and complete and prepared in accordance with applicable Laws. All Taxes required to be paid by Seller and each Clinic (whether or not shown on any Tax Return) have been paid. Each Tax election made by or on behalf of Seller and any specific Clinic has been timely and properly made. Seller is not currently the beneficiary of any extension of time within which to file any Tax Return or pay any Tax. There are no Liens for Taxes (other than Permitted Liens) upon the ownership interests or any of the assets of Seller.
2. To the Knowledge of Seller, the unpaid Taxes of Seller and each Clinic (i) did not, as of the Most Recent Fiscal Month End, exceed the reserve for Tax liabilities (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the Most Recent Financial Statements (rather than in any notes thereto) and (ii) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of Seller in filing its Tax Returns.
3. To the Knowledge of Seller, no deficiency or proposed adjustment for any amount of Tax has been proposed, asserted or assessed by any taxing authority against Seller or with respect to each Clinic that has not been paid, settled or otherwise resolved. There is no Proceeding or audit now pending, proposed or, to the Knowledge of Seller, threatened against Seller which concerns any Clinic with respect to any Taxes. Seller has not been notified by any taxing authority that any issues have been raised with respect to any North Carolina, South Carolina or Georgia Tax Return. There has not been, within the past five (5) calendar years, an examination or written notice of potential examination in respect of Taxes of Seller by any North Carolina, South Carolina or Georgia taxing authority.

4. To the Knowledge of Seller, all Taxes that are required to be withheld or collected by Seller and each Clinic, including, but not limited to, Taxes arising as a result of payments (or amounts allocable) to foreign persons or to employees, agents, contractors or shareholders of Seller, have been duly withheld and collected and, to the extent required, have been properly paid or deposited (or, in circumstances where such Taxes have not yet become due and payable, have been set aside in segregated accounts to be paid to the proper Governmental Body) as required by applicable Laws, and all required information returns with respect to any such amounts have been correctly prepared and timely filed to the extent such return were required to have been filed on or before the Closing Date.
5. To the Knowledge of Seller, no claim has ever been made by any taxing authority in a jurisdiction where Seller and each Clinic does not file Tax Returns that they are or may be subject to taxation by that jurisdiction.
6. To the Knowledge of Seller, the Seller and each Clinic is not party to any Tax allocation, sharing, indemnity, or reimbursement agreement or arrangement.
7. Except as described in Schedule 3.10(g), Seller has filed all Tax Returns for the Tax periods ended on or after December 31, 2021, which Tax Returns are true, correct, and complete in all material respects and are listed on Schedule 3.10(g).

3.11 Real Property.

1. Schedule 3.11(a) sets forth the address of each parcel of Leased Real Property, and a true and complete list of all Leases for each parcel of Leased Real Property. Seller has made available to Buyer(s) a true and complete copy of each Lease, and in the case of any oral Lease, a written summary of the material terms of such Lease.
2. Subject to the respective terms and conditions in the Leases, Seller and each Clinic, as applicable, is the sole legal and equitable owner of the leasehold interest in the Leased Real Property and possesses good and marketable, indefeasible title thereto, free and clear of all Liens (other than Permitted Liens and except as set forth on Schedule 3.6(b)).
3. To the Knowledge of Seller, with respect to each parcel of Leased Real Property: (i) there are no pending or threatened condemnation Proceedings, suits or administrative actions relating to any such parcel or other matters affecting adversely the current use, occupancy or value thereof; (ii) the ownership and operation of the Leased Real Property in the manner in which it is now owned and operated comply with all zoning, building, use, safety or other similar Laws; (iii) all Improvements on any such parcel are in good operating condition, ordinary wear and tear excepted, are supplied with utilities and other services necessary for the operation of the Businesses as currently conducted at such facilities and safe for their current occupancy and use; (iv) Seller has not received any notice of any special Tax, levy or assessment for benefits or betterments that affect any parcel of Leased Real Property and no such special Taxes, levies or assessments are pending or contemplated; (v) there are no Contracts granting to any third party or parties the right of use or occupancy of any such parcel, and there are no third parties (other than

Seller) in possession of any such parcel; and (vi) each such parcel abuts on and has adequate direct vehicular access to a public road and there is no pending or threatened termination of such access. The Leased Real Property comprises all the real property used or intended to be used in the Businesses, and the Seller is not a party to any Contract or option to purchase any real property or any portion thereof or interest therein.

3.12 Intellectual Property.

1. As disclosed to Buyer(s) in Seller's franchise disclosure document, the Seller owns and possesses or has the right to use pursuant to a valid and enforceable written Contract, all Intellectual Property necessary to franchise and operate the Businesses pursuant to the Franchise Agreements. For avoidance of doubt, Seller's Intellectual Property is an Excluded Asset, except however, Seller shall include all of Seller's social media accounts for the Clinics (and related password and login information) as Acquired Assets and listed in Schedule 3.12(a) attached hereto, provided Seller is able to obtain and transfer title of the foregoing to Buyer(s) (the "Transferable Social Media Accounts").
2. Seller owns and possesses or has the right to use, pursuant to a valid and enforceable written Intellectual Property Agreement, all Software used by the Clinics in the operation of the Businesses.
3. To the Knowledge of Seller, the Systems are adequate in all material respects for the operations of Clinics by Seller. Seller has taken commercially reasonable measures to (i) protect the integrity of the Systems, including any data stored or contained therein or transmitted thereby, and (ii) maintain commercially reasonable and industry standard data security, disaster recovery, and business continuity plans, procedures, systems and facilities. For the past year there has not been (1) any material failure, outage or other adverse event with respect to the Systems that has not been remedied in all material respects or (2) any material security breaches relating to, or violations of any security policy regarding, or any unauthorized access of, any Systems, including any data or information stored or contained therein or used in the Business.

3.13 Contracts.

1. Schedule 3.13(a) lists the following Contracts, if any, that are an Assumed Liability of Buyer(s) and to which Seller and each Clinic is a party:
 - a. each Contract with any customer or client or supplier of the Seller and each Clinic;
 - b. any individual or employer group subscription Contract or membership Contract providing for the participation in a network;
 - c. each lease, rental or occupancy agreement, license, installment and conditional sale agreement, and other Contract affecting the ownership of, leasing of, title to, use of, or any leasehold or other interest in, any real or personal property;
 - d. each Contract containing any covenant that purports to restrict the business activity of Seller or limit the freedom of Seller to engage in any line of business or to compete with any Person;
 - e. each Contract in which a Governmental Body is a counterparty;

- f. each Contract related to professional services, management services or administrative services;
 - g. each Contract related to Debt;
 - h. each Contract providing for the payment of any cash or other compensation or benefits in connection with the transactions contemplated by this Agreement;
 - i. each Contract with any labor union or any bonus, pension, profit sharing, retirement or any other form of deferred compensation plan or practice, whether formal or informal, or any severance agreement or arrangement;
 - j. each vendor or service center agreements;
 - k. each employment or consulting Contract or other Contract with any of its officers, directors, independent contractors, consultants, or employees;
 - l. each Contract that provide for the indemnification of any Person or the assumption of any Tax, environmental or other liability of any Person;
 - m. each Contract which purports to be binding on Affiliates of Seller; and
 - n. any other agreement material to Seller relating to any Clinic, whether or not entered into in the Ordinary Course of Businesses.
2. To the Knowledge of the Seller, the Seller has delivered to Buyer(s) a correct and complete copy of each written Material Contract, together with all amendments, exhibits, attachments, waivers or other changes thereto. Schedule 3.13(b) contains an accurate and complete description of all material terms of all oral Material Contracts (if any).
3. To the Knowledge of the Seller, each Material Contract is legal, valid, binding, enforceable, in full force and effect and will continue to be legal, valid, binding and enforceable on identical terms following the Closing Date. Except as specifically disclosed and described in Schedule 3.13(c), (i) no Material Contract has been breached or cancelled by Seller or, to the Knowledge of Seller, any other party thereto, (ii) Seller has performed all obligations under such Material Contracts required to be performed by Seller, (iii) there is no event which, upon giving of notice or lapse of time or both, would constitute a breach or default under any such Material Contract or would permit the termination, modification or acceleration of such Material Contract, and (iv) Seller has not assigned, delegated or otherwise transferred to any Person any of its rights, title or interest under any such Material Contract.
4. Seller has not entered into any promissory note, payment plan, or Contract with any patient of the Clinics whereby any patient will pay cash after the Closing for services purchased prior to the Closing to Seller's Knowledge; provided, however, that the parties acknowledge and agree that certain cash transactions made up to forty-eight (48) hours before the Closing might not officially be deposited into Seller's bank accounts until after the Closing and that such delay is not a breach of this Section 3.13(d).

3.14 Insurance. There is no claim by Seller relating to any Clinic or any other Person relating to any Clinic pending under any such policies and bonds as to which coverage has been questioned, denied or disputed. All premiums payable under all such policies and bonds have been paid. There are no threatened terminations of, or material premium increases with respect to, any of such policies or bonds. Schedule 3.14 sets forth a list of all open claims made under the Company Insurance Agreements for the benefit of any Clinics, or under any other insurance policy, bond or agreement covering Seller or its operations relating to the Clinics for the period December 31, 2023 through the Closing Date (the “Open Insurance Claims”).

i. General Litigation; Professional Liability; Product Liability.

1. Except as set forth in Schedule 3.15(a), there are no (and during the last two (2) years, there have not been any) unresolved complaints, charges, Proceedings, Orders, or investigations pending or, to the Knowledge of Seller, threatened or anticipated relating to or affecting Seller in relation to any Clinic (collectively, the “Unresolved Complaints”). There is no outstanding Order relating to any Clinic to which Seller is subject. The Seller and each Clinic (or the applicable insured individual or legal entity) is fully insured with respect to each of the matters set forth on Schedule 3.15(a).
2. Except as set forth in Schedule 3.15(a), the Seller nor any Clinic is engaged in or a party to or, to the Knowledge of Seller, threatened with any complaint, charge, Proceeding, Order or other process or procedure for settling disputes or disagreements with respect to Seller and each Clinic or the transactions contemplated by this Agreement, and none of the Seller or any Clinic has received written or, to the Knowledge of Seller, oral notice of a claim or dispute that is reasonably likely to result in any such complaint, charge, Proceeding, Order or other process or procedure for settling disputes or disagreements with respect to the Seller or the transactions contemplated by this Agreement.

3.16 Employees.

Schedule 3.16(a) sets forth a complete and correct list of all employees, including employees on temporary leave of absence (including family medical leave, military leave, temporary disability and sick leave) of the Seller with respect to each Clinic, showing for each: (i) name, (ii) hire date, (iii) current job title, (iv) current job assignment, start date of such assignment, and anticipated end date of such assignment, (v) accrued but unused vacation, paid time off, and sick leave, (vi) full-time or part-time status, (vii) hourly or salary status, (viii) exempt or non-exempt status, and (ix) leave status (i.e., military, medical, disability, workers’ compensation or otherwise) and the date such employee became inactive as well as the expected return to work date, (x) actual base salary, bonus, commission or other remuneration paid during 2024, (xi) 2025 base salary level and 2025 target bonus, and (xii) indication of whether there has been any increase in compensation, bonus, incentive, or service award or any grant of any severance or termination pay or any other increase in benefits or any commitment to do any of the foregoing since January 1, 2025. The employees set forth in Schedule 3.16(a) are, in Seller’s opinion, all the employees reasonably necessary to operate the Clinics, consistent with past practice. The Buyer(s) acknowledges that as referenced in Section 4.4, Buyer(s) hereby agrees to hire (or, as applicable, to negotiate with the applicable professional chiropractic entity do the same) all of the Employees as of the earlier of the date of a Management Services Agreement or the Closing (the

“Employee Transfer Date”) and pay any and all compensation due the Employees after the Employee Transfer Date; including, but not limited to, all base pay, hourly pay, bonuses and commission, vacation and sick time, and any severance obligations. Seller agrees to pay, by the Employee Transfer Date, any and all compensation due the Employees prior to the Employee Transfer Date; including, but not limited to, all base pay and hourly pay. Such hiring or contracting shall constitute a closing condition. For the avoidance of doubt, the Buyer(s) agrees and acknowledges that only the incoming licensed North Carolina, South Carolina or Georgia chiropractor, as the case may be, operating the clinic and managing all clinical decisions may hire Doctors of Chiropractic, and that therefore, the Seller cannot exert any influence over such hiring practices or make any representations regarding such hiring decisions.

Schedule 3.16(b), to the Knowledge of Seller, sets forth a complete and correct list of all independent contractors or consultants of the each Clinic, including for each: (i) his or her start date, (ii) whether he or she is contracted in his or her individual status or with a corporation or other entity, (iii) type of services to be provided, including any exclusivity of such services, (iv) anticipated completion date, and (v) hourly or per diem rate or other form of pay of such contractor.

To the Knowledge of Seller, the Seller has provided Buyer(s) with complete and correct copies of (i) all existing severance, accrued vacation or other leave agreement, policies or retiree benefits of any such officer, employee, independent contractor, or consultant, (ii) all employee trade secret, non-compete, non-disclosure and invention assignment agreements and (iii) all manuals and handbooks applicable to any current or former manager, officer, employee, independent contractor or consultant of each Clinic. Except as set forth on Schedule 3.16(c), the employment or consulting arrangement of each manager, officer, employee, independent contractor, or consultant of the Clinics are, subject to applicable Laws involving the wrongful termination of employees, terminable at will (without the imposition of penalties or damages) by Seller, and the Seller does not have any severance obligations if any such manager, officer, employee, independent contractor, or consultant is terminated. Except as set forth on Schedule 3.16(c), to the Knowledge of Seller, no executive or key employee of the Clinics or any group of employees of the Clinics have any plans to terminate employment with the Clinics.

To the Knowledge of Seller, the Clinics have not experienced (nor, to the Knowledge of Seller, have they been threatened with) any strike, slowdown, work stoppage or material grievance, claim of unfair labor practices, or other collective bargaining dispute within the past one (1) year.

To the Knowledge of Seller, the Clinics have not committed any material unfair labor practice. The Seller has no Knowledge of any organizational effort presently being made or threatened by or on behalf of any labor union with respect to employees of the Clinics. Seller has paid in full to all its employees and independent contractors all wages, salaries, commissions, bonuses, benefits and other compensation due and payable to such employees and independent contractors, excluding any severance obligations, which will remain sole and exclusive obligation of Seller.

To the Knowledge of Seller, the Seller, with respect to the Clinics is, and has at all times been, in compliance in all material respects with all Laws relating to the employment of labor, including all such Laws relating to wages and hours (including compliance with Laws relating to overtime pay, meal and rest periods, travel time, off-the-clock work, on-call pay, and piece rate pay), the

WARN Act and similar state laws, collective bargaining, equal opportunity, discrimination and harassment, retaliation, whistleblowing, safety and health and workers' compensation, engagement of independent contractors (including the classification of individuals as employees or independent contractors), government contracting (including compliance with all Orders, background and exclusion screening requirements, government submissions and affirmative action plans), immigration control and naturalization, drug testing, data privacy, background checks, termination pay, vacation pay, paid sick leave, fringe benefits, unemployment insurance and the withholding and payment of income and employment taxes any similar Tax.

To the Knowledge of Seller, the Seller and the Clinics have no unsatisfied payment of any salary, wage, benefit, bonus, vacation pay, sick leave, insurance, employment tax or similar liability of Seller with respect to any Clinic for any employee, independent contractor, director or other person or entity allocable to services performed on or prior to the Closing Date. To the Knowledge of Seller, there has been no "mass layoff" or "plant closing" as defined by the WARN Act or any similar layoff or closing as defined by any Law with respect to Seller and the Clinics.

To the Knowledge of Seller, the Seller is in compliance and has complied with all applicable Laws pertaining to employment and employment practices to the extent they relate to employees, volunteers, interns, consultants and independent contractors, including but not limited to all Laws relating to the classification of individuals as an employee, non-employee, or an independent contractor.

To the Knowledge of Seller, all individuals who have performed services for the Clinics have been properly classified as: (i) exempt or non-exempt under the Fair Labor Standards Act and all similar Laws.

To the Knowledge of Seller, all individuals characterized and treated by Seller as independent contractors or consultants are properly treated as independent contractors under all applicable Laws.

To the Knowledge of Seller, there are no filed or threatened inquiries, audits or actions by any Governmental Body or arbitrator concerning such classifications, without limitation, any charge, investigation, or claim relating to wages, hours, overtime compensation, working conditions, workers' compensation, unemployment insurance, employee classification, or any other employment related matter arising under any applicable law.

To the Knowledge of Seller, the Seller is compliant with and has complied with all immigration laws. Seller has completed and maintained in its files Form I-9 with respect to each of its employees. Seller has been, and is, in compliance with all requirements applicable to government contractors and subcontractors. In the past one (1) year, to the Knowledge of Seller, the Seller has not received any written notice from any governmental authority that any of their employees has a name or Social Security Number that does not match the name or Social Security Number maintained by such governmental authority.

To the Knowledge of Seller, all employees of the Seller and the Clinics working in the United States are legally authorized to work in the United States.

To the Knowledge of Seller, all individuals who have performed services for Seller or who otherwise have claims for compensation from Seller have been properly classified as an employee or an independent contractor pursuant to all applicable Laws, including, but not limited to, the Code and ERISA.

To the Knowledge of Seller, neither Seller nor any Clinic is, nor has been for the past three (3) years, the subject of any audit, investigation or enforcement action by any Governmental Authority in connection with any Government Contract or related compliance with Section 503, VEVRAA or E.O. 13706.

To the Knowledge of Seller, neither Seller nor any Clinic has been debarred, suspended or otherwise made ineligible from doing business with the United States government or any government contractor.

3.17 Employee Benefits.

1. Schedule 3.17(a) lists each Employee Benefit Plan that the Seller maintains or to which it contributes or has any obligation to contribute, with respect to which any employee of a respective Clinic is a participant.
 - a. Each Employee Benefit Plan (and each related trust, insurance Contract, or fund) has been maintained, funded and administered in accordance with the terms of such Employee Benefit Plan and complies in form and in operation in all respects with the applicable requirements of ERISA, the Code, and other applicable Laws.
 - b. As further described in Schedule 3.17(a)(ii), all required reports and descriptions (including Form 5500 annual reports, summary annual reports, and summary plan descriptions) have been timely filed and/or distributed in accordance with the applicable requirements of ERISA and the Code with respect to each such Employee Benefit Plan. The requirements of COBRA have been met in all material respects with respect to each Employee Benefit Plan and each Employee Benefit Plan maintained by an ERISA Affiliate that is an Employee Welfare Benefit Plan subject to COBRA.
 - c. All contributions (including all employer contributions and employee salary reduction contributions) that are due have been made within the time periods prescribed by ERISA and the Code to each such Employee Benefit Plan that is an Employee Pension Benefit Plan and all contributions for any period ending on or before the Closing Date which are not yet due have been made to each such Employee Pension Benefit Plan or accrued in accordance with the past custom and practice of Seller. All premiums or other payments for all periods ending on or before the Closing Date have been paid with respect to each such Employee Benefit Plan that is an Employee Welfare Benefit Plan.
 - d. Each such Employee Benefit Plan which is intended to meet the requirements of a “qualified plan” under Code §401(a) is so

qualified and has received a determination from the Internal Revenue Service that such Employee Benefit Plan is so qualified, and nothing has occurred since the date of such determination that could adversely affect the qualified status of any such Employee Benefit Plan.

- e. Each Employee Benefit Plan which is intended to be qualified under Section 401(a) of the Code and each trust forming a part thereof has been timely amended within the applicable Remedial Amendment Period (as that term is defined in Code Section 401(b)) and in accordance with applicable procedures set forth in Revenue Procedure 2005-66. All master, prototype and volume submitter plans which are part of any Employee Benefit Plan were submitted to the IRS for an opinion or advisory letter within the applicable Remedial Amendment Period, set forth in Revenue Procedure 2005-66.
 - f. There have been no Prohibited Transactions with respect to any such Employee Benefit Plan or any Employee Benefit Plan maintained by an ERISA Affiliate. No Fiduciary has any liability for material breach of fiduciary duty or any other failure to act or comply in connection with the administration or investment of the assets of any such Employee Benefit Plan. No Proceeding with respect to the administration or the investment of the assets of any such Employee Benefit Plan (other than routine claims for benefits) is pending or, to the Knowledge of Seller, threatened.
 - g. Seller has made available to Buyer(s) correct and complete copies of the plan documents and summary plan descriptions, the three (3) most recent determination letter received from the Internal Revenue Service, the most recent annual report (Form 5500, with all applicable attachments), and all related trust agreements, insurance Contracts, and other funding arrangements which implement each such Employee Benefit Plan.
1. Neither Seller nor any ERISA Affiliate contributes to, has any obligation to contribute to, or has any liability under or with respect to any Employee Pension Benefit Plan that is a “defined benefit plan” (as defined in ERISA §3(35)) or a Multiemployer Plan.
 2. Schedule 3.17(c) lists each written agreement, contract, or other arrangement, whether or not an Employee Benefit Plan (collectively, a “Plan”), to which Seller is a party that is a “nonqualified deferred compensation plan” subject to Code Section 409A. Each such Plan complies in all material respects with the requirements of Code Section 409A(a)(2), (3), and (4) and any Internal Revenue Service guidance issued thereunder.

3.18 Debt. Except as set forth on Schedule 3.6(b), the Seller does not have any Debt that encumbers the Acquired Assets, and is not liable for any Debt of any other Person, that encumber the Acquired Assets.

3.19 Environmental, Health, and Safety Matters. To the Knowledge of Seller, the Seller, and each Clinic, are and for the prior two (2) years has been in material compliance with all Environmental, Health, and Safety Requirements. To the Knowledge of Seller, the Seller has obtained and is and for the prior two (2) years has been in compliance with all Permits and other authorizations that are required pursuant to Environmental, Health, and Safety Requirements for the occupation of the Leased Real Property and the operation of the business of the Clinics and each such Permit is in full force and effect and there is no action pending or threatened to revoke, terminate, cancel or modify any Permits required pursuant to Environmental, Health, and Safety Requirements. A list of all such Permits is set forth on Schedule 3.19. To the Knowledge of Seller, the Seller has not received any notice, suit, complaint, citation, demand, order, report or other communication regarding any actual or alleged violation of Environmental, Health, and Safety Requirements, or any liabilities or potential liabilities arising under Environmental, Health, and Safety Requirements. To the Knowledge of Seller, the Seller has not entered into any consent order, consent decree, settlement agreement or other similar agreement with any Government Body that imposes ongoing or outstanding obligations under any Environmental, Health, and Safety Requirement on Seller, the Leased Real Property, or the Acquired Assets. To the Knowledge of Seller no Leased Real Property contains any (i) underground storage tanks currently, nor, to the Knowledge of Seller, has contained any underground storage tanks in the past or (ii) friable or damaged asbestos containing materials that must be removed or abated to comply with Environmental, Health, and Safety Requirements. Seller has not treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, released or exposed any Person to any substance, including without limitation any Hazardous Substance, or owned or operated any property or facility (and no such property or facility is contaminated by any such substance) either in violation of any Environmental, Health, and Safety Requirement or in a manner that could result in any liability under any Environmental, Health, and Safety Requirement.

3.20 Privacy Laws. To the Knowledge of Seller, the Seller is conducting and has conducted at all times its business in compliance in all material respects with all applicable Laws governing the privacy, security, confidentiality or breach of “personal information” (or similar terms such as “personally identifiable information” or “sensitive personal information”) as defined by applicable Laws, medical records, or other records generated in the course of providing or paying for health care services (collectively, the “Privacy Laws”). To the Knowledge of Seller, there have been no complaints to or investigations by the U.S. Department of Health and Human Services Office for Civil Rights or other state or federal regulators with respect to Privacy Law compliance by Seller, its business associates or its subcontractors. To the Knowledge of Seller, no Clinic nor any of its business associates or subcontractors has experienced any “breach of security” (or similar terms such as “breach of security of the system”) as defined by the Privacy Laws with respect to personal information. Reserved.

3.22 Healthcare Compliance. Except as set forth on Schedule 3.22(a), to the Knowledge of Seller, the Seller, and each Clinic, are currently operating, and have at all times during the last year operated, in compliance in all material respects with all applicable Health Care Laws. Except as set forth on Schedule 3.22(a), to the Knowledge of the Seller, none of the Clinics nor any of their officers, or professional personnel (whether employees or independent contractors) is, or has been within the last one (1) year, under investigation for, violation of any Health Care Law by which such Person is bound or to which any business activity or professional services performed by such Person for the Clinics is subject. To the Knowledge of Seller, the Seller has

timely filed all material regulatory reports, schedules, statements, documents, filings, submissions, forms, registrations and other documents, together with any amendments required to be made with respect thereto, that each was required to file with any Governmental Body, including state health and insurance regulatory authorities and any applicable federal regulatory authorities. To the Knowledge of Seller, all such regulatory filings complied in all material respects with applicable Health Care Laws.

3.23 Disclosure. Neither this Agreement nor any agreement, attachment, schedule, exhibit, certificate, document delivered to Buyer(s) as part of Buyer(s)'s due diligence or other statement delivered pursuant to this Agreement or in connection with the transactions contemplated hereby includes any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements and information contained herein or therein, not misleading. To the Knowledge of Seller, the Seller is not aware of any information necessary to enable a prospective purchaser of the Acquired Assets or the Businesses to make an informed decision with respect to the purchase of such Acquired Assets or Businesses that has not been expressly disclosed herein. To the Knowledge of Seller, the Buyer(s) has been provided full and complete copies of all documents referred to in the Schedules. All documents provided to Buyer(s) in due diligence are true, correct, and complete in all material respects.

3.24 No Other Representations or Warranties. Except for the representations and warranties contained in this Agreement (including the related portions of the Schedules or Exhibits), neither Seller nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Seller, including any representation or warranty as to the accuracy or completeness of any information regarding the Clinics, the Premises, the Businesses, or the Acquired Assets furnished or made available to Buyer(s) (including the Buyer(s)'s representatives) of any information, documents or materials delivered to Buyer(s) (including the Buyer(s)'s representatives), or management presentations or in any other form in expectation of the transactions contemplated hereby, or as to the future revenue, profitability or success of the Businesses or the Clinics, or any representation or warranty arising from statute or otherwise in law.

ARTICLE 4

POST-CLOSING COVENANTS

The Parties agree as follows with respect to the period following the Closing.

4.1 Further Assurances. In case at any time after the Closing any further action is necessary to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request, all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Article 8 below). Notwithstanding anything to the contrary in this Agreement, in the event that: (i) an assignment or purported assignment to Buyer(s) of any Acquired Asset, or any claim, right or benefit arising thereunder or resulting therefrom, without the consent of other parties thereto, would constitute a breach thereof or would not result in Buyer(s) receiving all of the rights thereunder of the respective Clinic; and (ii) such consent shall not have been obtained prior to the Closing, then the Seller

will use their Commercially Reasonable Efforts to obtain any such consent after the Closing and Buyer(s) shall use Commercially Reasonable Efforts to cooperate to give effect to the foregoing. If such consent is not obtained, the Seller shall reasonably cooperate with Buyer(s) in any reasonable arrangement to provide Buyer(s) with the full claims, rights and benefits under any such Acquired Asset, including enforcement at the cost and for the benefit of Buyer(s) of any and all rights of the respective Clinic against a third party thereto arising out of the breach or cancellation by such third party or otherwise, and any amount received by the Clinic in respect thereof shall be held for and paid over to Buyer(s).

4.2 Litigation Support. In the event and for so long as Buyer(s) actively is contesting or defending against any Proceeding in connection with any fact, situation, circumstance, action, failure to act or transaction that occurred on or prior to the Closing Date involving the Acquired Assets or Assumed Liabilities, Seller will cooperate with Buyer(s) (as the case may be) and its or their counsel in the contest or defense and provide such testimony and access to Seller's books and records as shall be necessary in connection with the contest or defense, all at the sole cost and expense of Buyer(s) (unless Buyer(s) is entitled to indemnification therefor under Article 8 below).

4.3 Transition. Seller shall not take any action that is designed or intended to have the effect of discouraging any lessor, licensor, customer, supplier, or other business associate of the Seller from maintaining the same business relationships with Buyer(s) after the Closing as it maintained with the Clinics prior to the Closing.

4.4 Hired Employees. As of the Closing, Buyer(s) will extend an offer of employment to Seller's Employees listed on Schedule 3.16(a). Buyer(s)'s offers may be conditioned upon the execution of Buyer(s)'s standard written employment terms, but will include Seller's existing paid time off structure and assumption of the paid time off balances ("Buyer(s)'s Offers"). Seller's Employees who accept Buyer(s)'s Offers upon the Closing Date are hereinafter defined as the "Hired Employees". All Hired Employees terms of employment will be "at will," with Buyer(s) retaining the right to terminate any Hired Employee's continued employment, in Buyer(s)'s sole and absolute discretion. Buyer(s) shall timely pay all amounts due to employees of Buyer(s) whose employment with Buyer(s) terminates as of the Closing because of the transactions contemplated by this Agreement, including all accrued but used vacation, sick pay, and paid time off accrued, but unused as of the Closing. 4.5

4.5 Chiropractic Physicians' Board of Relevant States. The Parties shall work together in good faith to comply with all requirements necessary or appropriate to effectuate the sale of the Acquired Assets, and take all reasonable actions, and negotiate, execute, deliver and perform under any documents or agreements, necessary or appropriate to comply with any applicable state or local laws.

4.6 Guarantor(s). Guarantors are the primary beneficial owners of Buyer(s) and join in the execution of this Agreement to guaranty the obligations of each Guarantors corresponding Buyer(s) only ("Guaranty"), up to and for which such Guaranty, shall not exceed a maximum aggregate liability of Two Hundred Fifty Thousand dollars (\$250,000.00) or the amount of any Promissory Note or Seller's liability under any Lease Assignment (the "Guaranty Cap"). The Guarantors consent and agree that Guarantors will make any payment or render any performance required under the Agreement on demand if Buyer(s) fails or refuses to do so when required as

finally determined by agreement, arbiter, or non-appealable court order. Each Guarantor shall guarantee only the obligations of its respective Buyer(s). No Guarantor shall be liable for any obligations of another Buyer(s). Seller shall have the right to require Triangle Chiropractic and/or Todd Wegerski, DC and Lisa Ezell to obtain an additional guarantor meeting Seller's then-current financial requirements for a franchisee.

4.7 Franchise Agreements.

Pro-Rated Franchise Fees. Seller agrees to amend the Franchise Agreements pursuant to the amendment attached hereto as **Exhibit B-1**, to include a pro-ration the Franchise Fees based on the total Lease Term, including options, set forth in the Lease Assignments (the "Pro-Ration Amendment"). Such pro-ration is based upon a ten-year Term of the Franchise Agreement equal to a Franchise Fee of Two Thousand, Nine Hundred and Ninety and NO/100 Dollars (\$2,990.00) per year (the "Yearly Pro-Ration"). The parties agree the Yearly Pro-Ration shall not be further adjusted, thus if the Lease Term is less than a full year, the full amount of the Yearly Pro-Ration shall be due. *Franchise Agreement Term.* Seller agrees to amend twelve (12) Franchise Agreements pursuant to the amendment attached hereto as **Exhibit B-2**, to include a Term (as defined therein), that is equal to the initial term plus extensions of the Leases transferred to Buyer(s) and set forth in the Lease Assignments (the "FA Term Alignment Amendment"). For avoidance of doubt, the Franchise Agreement Term will not be further extended if Buyer(s) negotiates additional term on the Leases after the Closing Date. *Revised Refresh Schedule.* The Parties have agreed to a "Revised Refresh Schedule" regarding certain Clinics that will be incorporated into an addendum to the Franchise Agreements attached hereto as **Exhibit B-3** (the "Refresh Addendum"). *National Marketing Fund Cap and Local Marketing Commitment Reduction.* Seller agrees to amend the Franchise Agreements to include the following pursuant to the addendum attached hereto as **Exhibit B-4** (collectively, the "National Marketing Fund and Local Marketing Commitment Addendum"): during the period from the Closing through January 1, 2029, if Seller elects to increase its franchisee's contribution to the National Marketing Fund (as defined in the Franchise Agreements) to three percent (3%) per month, Buyer(s)'s National Marketing Fund Fee in the Franchise Agreements shall increase to two and one-half percent (2.5%) per month through the end of the initial Term of the Franchise Agreements or the duration of the increase (the "National Marketing Fund Cap"); and during the period from the Closing through January 1, 2029, if Seller increases the National Marketing Fund Fee as previously described, Buyer(s) may reduce their Local Marketing Commitment (as defined in the Franchise Agreements), to the greater of four and one-half percent (4.5%) per month or Two Thousand, Seven Hundred and NO/100 Dollars (\$2,700.00) per month through the end of the initial Term of the Franchise Agreements or the duration of the increase (the "Local Marketing Commitment Reduction"). *Personal Guaranty.* Seller agrees to amend the Franchise Owner Agreement pursuant to the amendment attached hereto as **Exhibit B-5**, for each Franchise Owner Agreement to limit the liability of each Guarantor to a maximum aggregate liability of Two Hundred Fifty Thousand dollars (\$250,000.00) or the amount of any Promissory Note or Seller's liability under any Lease Assignment (the "Franchise Owner Agreement Amendment"). Subject to any assignments described herein. *Franchise Agreement Transfers.* Seller agrees to amend the Transfer Addendum of the Franchise Agreements pursuant to the amendment attached hereto as **Exhibit B-6**, to permit Buyer(s) to assign any or all the Franchise Agreements to Buyer(s)'s subsidiaries in accordance with the transfer provisions of the Franchise Agreements (the "Transfer Addendum Amendment"). Additionally, the Transfer Addendum Amendment shall state if such assignment occurs within six (6) months from the Closing Date and in accordance the applicable Franchise Agreement, Seller agrees to waive the transfer fee for

that assignment only. *No cross default.* The Parties acknowledge and agree that the Clinics and related Acquired Assets purchased under this Agreement being acquired in a stand-alone transaction. Accordingly, Buyer(s)'s obligations, liabilities, or performance defaults (if any) relating to these specific Clinics or Franchise Agreements shall not constitute or be deemed to cause a default, breach, or cross-default under any other franchise agreement, development agreement, lease, loan, guaranty, or other obligation of Buyer(s), its affiliates, or their respective principals. The Seller acknowledges that this separation is intentional and necessary due to the distressed condition of the assets being acquired, and that each Clinic and Franchise Agreement is isolated for purposes of Buyer(s)' ongoing operations, liabilities, and franchise compliance. Nothing in Seller's loan or guaranty agreements shall encumber, restrict, or otherwise affect Buyer(s)'s ownership, operation, or rights in and to non-related Franchise Agreements or assets. Furthermore, Seller agrees to incorporate the foregoing understanding regarding cross-default pursuant to the addendum attached hereto as **Exhibit B-8** (the "Cross-Default Addendum").

4.8 Development Agreement. Buyer(s) agrees and acknowledges that as a condition of the Seller's agreement to the Transaction, Buyer(s) shall execute the Development Agreement for the development of one (1) clinic. This additional development agreement shall be non-exclusive and have commercially reasonable terms granting Buyer(s) the right to develop one (1) clinic in the metropolitan statistical areas ("MSAs") of Myrtle Beach, South Carolina (collectively, the "Development Area"), by the deadlines shown below: **Clinic Opening Deadline** Clinic 1 Month 24 In accordance with the terms of the Development Agreement, in addition to the Purchase Price and the Franchise Fees, the Buyer(s) shall remit to Seller the Development Fee. Moreover, the Buyer(s) agrees and acknowledges that all individual owners and signatories (whether as individuals or as members, officers, or owners of a legal entity) to the Development Agreement shall also enter into personal guarantees to fully and severally personally guarantee the performance of all obligations of the Buyer(s), as franchisee, that are set forth in the Franchise Agreements. Exclusivity. Seller agrees to amend the Franchise Agreements pursuant to the amendment attached hereto as **Exhibit B-7** to provide that for a period of eighteen (18) months following Closing, neither Seller nor any affiliate shall establish, develop, or franchise any new *The Joint Chiropractic*® clinic within fifteen (15) miles of the geographic areas containing the Clinics acquired by Buyer(s) (the "Exclusivity Period"), excepting Charlotte store 12033. This restriction is intended to preserve the value of the Acquired Assets and shall survive Closing. Seller's Chiropractors. Seller is assisting certain employees and/or independent contractors of the Clinics with student loan payments. Seller shall retain all liability for such student loan payments from and after the Closing regardless of whether Buyer(s) makes an offer of employment to, or assumes the employment agreement of any such person ("Seller's Student Loan Repayments"). The Parties acknowledge and agree that Seller's Student Loan Repayments constitute Excluded Liabilities. Seller represents and warrants that Seller's Loan Repayments listed on Schedule 4.10 is a complete and correct summary of Seller's Student Loan Repayments as of the Closing.

ARTICLE 5

CLOSING DELIVERIES

5.1 Closing Deliveries of Seller. At or prior to the Closing, Seller shall deliver to Buyer(s): possession of Acquired Assets (provided, however, that notwithstanding anything to the contrary herein, (i) only those Contracts that are listed on Schedule 3.13(a) shall be part of the Acquired

Assets acquired by Buyer(s), and (ii) any and all equipment listed on Schedule 5.1(a)(ii) shall be part of the Excluded Assets); a certificate of the Secretary of Seller, dated as of the Closing Date, attaching and certifying the (i) Organizational Documents of Seller, (ii) resolutions of the board of directors of Seller authorizing the execution and delivery by Seller of this Agreement and the Ancillary Agreements to which Seller is a party and the consummation of the transactions contemplated hereby and thereby, (iii) the incumbency and signatures of the Persons signing this Agreement and the Ancillary Agreements to which Seller is a party, and (iv) good standing certificates for Seller from its jurisdiction of organization and each jurisdiction in which Seller is qualified to do business; a counterpart signature page to the Bill of Sale signed by Seller; if applicable, all documentation necessary to obtain releases of all Liens (other than the Permitted Liens), including appropriate UCC termination statements; if applicable, payoff and release letters from the holders of the Debt set forth on Schedule 5.1(e) that (i) reflect the amounts required in order to pay in full such Debt and (ii) provide that, upon payment in full of the amounts indicated, all Liens with respect to the assets of the Seller shall be terminated and of no further force and effect, together with UCC-3 termination statements with respect to the financing statements filed against the assets of the Seller by the holders of such Liens; if applicable, any Consent or Order required to be obtained or made in connection with the execution and delivery of this Agreement or the performance of the transactions contemplated herein and any Consent required under any Contract or Permit set forth on Schedule 5.1(f); a counterpart signature page to the Franchise Agreements; a counterpart signature page to the Pro-Ration Amendment, the FA Term Alignment Amendment, the Refresh Amendment, the National Marketing Fund and Local Marketing Commitment Amendment, the Guaranty Amendment, and the Franchise Agreement Transfer Amendment; a counterpart signature page to the Development Agreement; a counterpart signature page to each Assignment and Assumption of Lease; Seller Closing Certificate, stating that, as of the Closing, all of Seller's representations and warranties are true and correct, all Seller's conditions precedent have been satisfied and all Seller's covenants have been duly performed. Certification of TTM EBITDA to the best of Seller's knowledge, signed by Seller and accompanied by supporting financial workpapers; all other instruments and documents required by this Agreement to be delivered by the Seller to Buyer(s), and such other instruments and documents which Buyer(s) or its counsel may reasonably request to effectuate the transactions contemplated hereby. All such agreements, documents and other items shall be in form and substance satisfactory to Buyer(s).

5.2 Closing Deliveries of Buyer(s). At or prior to the Closing, Buyer(s) shall deliver to Seller: a certificate from a duly authorized officer of Buyer(s), dated as of the Closing Date, attaching and certifying (i) the Organizational Documents of Buyer(s), (ii) the authorizing resolutions of Buyer(s), and (iii) the incumbency and signatures of the Persons signing this Agreement and the other Ancillary Agreements to which Buyer(s) is a party; counterpart signature pages, signed by Buyer(s), to: the Bill of Sale; the Franchise Agreements; the Pro-Ration Amendment, the FA Term Alignment Amendment, the Refresh Amendment, the National Marketing Fund and Local Marketing Commitment Amendment, the Guaranty Amendment, and the Franchise Agreement Transfer Amendment; the Development Agreement; each Assignment and Assumption of Lease; and Buyer(s) Closing Certificate, stating that, as of the Closing, all of Buyer(s)'s representations and warranties are true and correct, all Buyer(s)'s conditions precedent have been satisfied and all Buyer(s)'s covenants have been duly performed. all other instruments and documents required by this Agreement to be delivered by Buyer(s) to Seller, and such other instruments and documents which Seller or their counsel may reasonably request to

effectuate the transactions contemplated hereby. All such agreements, documents and other items shall be in form and substance satisfactory to the Seller.

ARTICLE 6

COVENANTS

6.1 Conduct of Business Prior to the Closing. From the date hereof until the Closing, except as otherwise provided in this Agreement or consented to in writing by Buyer(s) (which consent shall not be unreasonably withheld or delayed), Seller shall: (a) conduct the Businesses in the ordinary course of business consistent with past practice; and (b) use commercially reasonable efforts to maintain and preserve intact its current business organization, operations, and franchise, and to preserve the rights, franchises, goodwill, and relationships of its employees, customers, lenders, suppliers, regulators, and others having relationships with the Businesses. Without limiting the foregoing, from the date hereof until the Closing Date, Seller shall: Preserve and maintain all Permits required for the conduct of the Businesses as currently conducted or the ownership and use of the Acquired Assets; Pay the debts, Taxes, and other obligations of the Businesses when due, unless contested by lawful proceedings and with adequate reserves set aside; Continue to collect Accounts Receivable in a manner consistent with past practice, without discounting such Accounts Receivable except in a manner consistent with past practice; Maintain the properties and assets included in the Acquired Assets in the same condition as they were on the date of this Agreement, subject to reasonable wear and tear; Continue in full force and effect without modification all Insurance Policies, except as required by applicable Law; Take commercially reasonable actions to defend and protect the Acquired Assets from infringement or usurpation; Perform all of its obligations under all Assigned Contracts in the ordinary course consistent with past practice; Maintain the books and records in accordance with past practice; Comply in all material respects with all Laws applicable to the conduct of the Business or the ownership and use of the Acquired Assets; and Not take or permit any action that would cause any of the changes, events, or conditions described in Section 3.7(b) to occur.

6.2 Due Diligence & Access to Information. (a) Buyer(s)'s due diligence period will terminate fifteen (15) days prior to the Closing Date Deadline, subject to the terms and conditions, including any conditions precedent, set forth in this Agreement (the "Due Diligence Period"). (b) During the Due Diligence Period, Seller shall: (i) afford Buyer(s) and its Representatives reasonable access to tour the clinics and the right to inspect all of the properties, assets, premises, books and records, Contracts, and other documents and data related to the Businesses at reasonable times and with reasonable prior notice; (ii) furnish Buyer(s) and its Representatives with such financial, operating, and other data and information related to the Businesses as Buyer(s) or any of its Representatives may reasonably request (which shall include, but not be limited to, immediately upon the Parties executing this Agreement, providing Buyer(s) and its representatives with a complete and accurate census of all employees of the Clinics and their emails and phone numbers); and (iii) instruct the Representatives of Seller to cooperate with Buyer(s) in its investigation of the Businesses. Any investigation shall be conducted in such manner as not to interfere unreasonably with the conduct of the Businesses. No investigation by Buyer(s) or other information received by Buyer(s) shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Seller in this Agreement. Notwithstanding any other provision of this Agreement, upon the Parties execution of this Agreement, Buyer(s) and/or its Representatives may reasonably communicate with any

employee of the Clinics to offer employment to any such employee as of the Closing and to begin the employment onboarding process with respect to such employee, all without further notice to Seller.

6.3 No Solicitation of Other Bids. (a) For a period of sixty (60) days after the Effective Date of this Agreement or the Closing, whichever occurs first (the “Exclusivity Period”), pursuant to Article 10, Seller shall not authorize or permit any of its Affiliates or any of its or their Representatives to, directly or indirectly, do any or all of the following: (i) encourage, solicit, initiate, facilitate, or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. For purposes hereof, “Acquisition Proposal” means any inquiry, proposal or offer from any Person (other than Buyer(s) or any of its Affiliates) relating to the direct or indirect disposition, whether by sale, merger or otherwise, of all or any portion of Seller, the Business, or the Acquired Assets. (b) In addition to the other obligations under this Section 6.3, after the Exclusivity Period, Seller shall promptly (and in any event within five (5) Business Days after receipt thereof by Seller or its Representatives) advise Buyer(s) orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal, and the material terms and conditions of such request, Acquisition Proposal or inquiry.

6.4 Notice of Certain Events. (a) From the date hereof until the Closing, Seller shall promptly notify Buyer(s) in writing of: (i) Any fact, circumstance, event, or action the existence, occurrence, or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by Seller hereunder not being true and correct in any material respect, or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.2 to be satisfied; (ii) Any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (iii) Any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and (iv) Any Actions commenced or, to Seller’s Knowledge, threatened against, relating to, or involving or otherwise affecting the Business, the Acquired Assets or the Assumed Liabilities that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.1(b) or that relates to the consummation of the transactions contemplated by this Agreement.

6.5 No Waiver. Buyer(s)’s receipt of information from Seller shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Seller in this Agreement and shall not be deemed to amend or supplement any of the Schedules. Confidentiality. All information provided by Seller to Buyer(s) shall be subject to the following confidentiality obligations (which shall terminate upon the Closing of the Transaction): (a) The information Seller furnishes or has furnished to Buyer(s) or its agents may include information that is nonpublic, confidential, or proprietary in nature (the “Information”). Buyer(s) agrees to use the Information solely in connection with performing his due diligence and consummating the Transaction contemplated by this Agreement. Buyer(s) will transmit the Information only to its representatives who need to know it as determined by Buyer(s) in its

discretion. (b) Buyer(s) will maintain the confidentiality of all Information. If the Transaction is not consummated, Buyer(s) shall redeliver to Seller all documents or papers (including other media for electronic storage of information) relating to any Information pertaining to Seller that are in the possession or under the control of Buyer(s) without making copies or summaries of any such Information. If the Transaction is completed, Buyer(s) may retain the Information. (c) Buyer(s) agrees that if it should violate the provisions of this Section, Seller may suffer irreparable harm if Buyer(s) fails to comply with any of the obligations under this Agreement and that monetary damages will be inadequate to compensate Seller for such breach. Accordingly, Buyer(s) agrees that Seller shall be entitled, in addition to any other remedies available to Seller either at law or in equity, to injunctive relief to enforce the terms of this Agreement. Seller agrees to maintain as confidential any non-public information disclosed to it by Buyer(s) and his authorized agents and, if the Transaction is not consummated, Seller will return all confidential information to Buyer(s). Seller agrees not to use any confidential information disclosed to it by Buyer(s) for any purpose other than determining the feasibility of this Transaction. With respect to Buyer(s), Seller agrees to abide by rules identical to those described herein.

6.7 Waiver of Transfer Fees. Seller covenants and agrees to waive any and all applicable transfer fees associated with a traditional franchise license sale. The Buyer(s) shall remain obligated to remit the standard Franchise Fees for the twenty-two (22) Clinics.

6.8 Lease Assignment Costs. Seller shall pay, and shall be solely responsible for, all costs and expenses relating to any assignment of any Lease regardless of whether such assignment became effective before, on, or after the Closing.

ARTICLE 7

CONDITIONS TO CLOSING

7.1 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions: (a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary, or permanent), that is then in effect and that enjoins, restrains, makes illegal, or otherwise prohibits the consummation of the transactions contemplated by this Agreement. (b) All material consents of, or registrations, declarations, or filings with, any Governmental Authority legally required for the consummation of the transactions contemplated by this Agreement shall have been obtained or filed in form and substance reasonable satisfactory to Buyer(s) and Seller. (c) No temporary or permanent restraining order or preliminary or permanent injunction or other order shall have been issued by, any Governmental Authority, that would prohibit the consummation of the transactions contemplated by this Agreement. (d) Seller shall seek assignment approval from the twenty-two (22) landlords, for the Leased Real Property set forth on Schedule 3.11(a), with the intent to have all leases assigned by the Closing. In recognition of the fact that the applicable twenty-two (22) landlords may not timely provide formal assignment approvals, the Parties agree that as a Closing condition, Seller must obtain, with the Buyer(s)'s cooperation, and at least one (1) week prior to the Closing, lease assignments or landlord consents. If Buyer(s) has executed a Promissory Note, if Seller obtains at least seventeen (17) of the twenty-two (22) leases (the "Lease Assignment Threshold"), Buyer(s) agrees to pay the

amount remaining due on the Promissory Note. Such payment shall be due within five (5) days from Seller achieving the Lease Assignment Threshold. In the event the Lease Assignment Threshold is not met, the following shall occur: The Parties will complete a Closing for the Clinics that have secured a Lease Assignment, and the Parties shall continue to obtain the remaining lease assignments as soon as practicable, For the Clinics that are located in a state *without* professional corporation requirements for the provision of chiropractic care, Seller and Buyer(s) shall execute the management Agreement attached hereto as Exhibit L-1 (the "Management Agreement") which shall terminate for any Clinic once a Lease Assignment is obtained and Closing occurs, and For the Clinics that are located in a state *with* professional corporation requirements for the provision of chiropractic care and Buyer(s) is not a professional corporation ("P.C."), Seller and Buyer(s)'s P.C. shall execute the P.C. management agreement attached hereto as Exhibit L-2 (the "P.C. Management Agreement"), and Seller and Buyer(s) shall execute the sub management agreement attached hereto as Exhibit L-3 (the "Submanager Agreement"), both of which shall terminate for any Clinic once a Lease Assignment is obtained and Closing occurs. Prior to the Closing, Seller shall have worked in good faith with Buyer(s), and with Buyer(s)'s meaningful input and consent, to obtain from the landlord for the Pooler Clinic Number 4018 renewal options or extensions of the existing lease term, on terms substantially consistent with the current lease or otherwise reasonably acceptable to Buyer(s).

7.2. Conditions to Obligations of Buyer(s). The obligations of Buyer(s) to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Buyer(s)'s waiver, at or prior to the Closing, of each of the following conditions: (a) The representations and warranties of Seller contained in this Agreement, the Ancillary Documents, and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). (b) Seller shall have duly performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement and each of the Ancillary Documents to be performed or complied with by Seller prior to or on the Closing Date. (c) No Action shall have been commenced against Buyer(s) or Seller which could be reasonably foreseen to prevent the Closing. (d) The Required Consents and such other consents from the parties to the Assigned Contracts which require consent to the transfer of the rights of Seller thereunder to Buyer(s) shall have been received and executed counterparts thereof shall have been delivered to Buyer(s) at or prior to the Closing; provided, however, that with regard to the Premises, Closing can occur once the Lease Assignment Threshold is met. (e) From the date of this Agreement there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, is reasonably likely to result in a Material Adverse Effect. (f) Seller shall have delivered to Buyer(s) duly executed counterparts to the Ancillary Documents and such other documents and deliveries set forth in Section 5.1. (g) Buyer(s) shall have received all Permits that are necessary for it to conduct the Business as conducted by Seller as of the Closing Date. (h) As applicable, all Encumbrances (other than Permitted Encumbrances) relating to the Acquired Assets shall have been released in full, and Seller shall have delivered to Buyer(s) written evidence, in form satisfactory to Buyer(s) in its reasonable discretion, of the release of such Encumbrances. (i)

Buyer(s) shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Seller, that each of the conditions set forth in Section 7.2(a) and Section 7.2(b) have been satisfied, and such certificate shall be attached hereto as **Exhibit G** (the “Seller Closing Certificate”). (j) Buyer(s) shall have received a certificate of a duly authorized officer of Seller certifying that attached thereto are true and complete copies of resolutions adopted by the appropriate officers/directors of Seller authorizing the execution, delivery, and performance of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby, by Seller, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby. (k) Buyer(s) shall have received a certificate of an officer of Seller certifying the names and signatures of the officers of Seller authorized to sign this Agreement, the Ancillary Documents and the other documents to be delivered hereunder and thereunder. Seller shall have received a certificate pursuant to Treasury Regulations Section 1.1445-2(b) (the “FIRPTA Certificate”) that Buyer(s) are not foreign persons within the meaning of Section 1445 of the Code duly executed by Buyer(s). (m) Seller shall have delivered to Buyer(s) such other documents or instruments as Buyer(s) reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement. (n) Buyer(s) shall purchase the Acquired Assets of all twenty-two (22) Clinics, as such, this Agreement is expressly conditioned upon the acquisition of the Acquired Assets of all Clinics and is in no way to be interpreted as allocating value to, or offering to acquire any specific clinic, singularly. (o) The Parties shall have mutually agreed on the final form of all Exhibits and shall have mutually agreed on the final drafts of the Schedules to be incorporated into this Agreement at the Closing.

7.3. Conditions to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Seller’s waiver, at or prior to the Closing, of each of the following conditions: (a) The representations and warranties of Buyer(s) contained in this Agreement, the Ancillary Documents, and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). (b) Buyer(s) shall have duly performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement and each of the Ancillary Documents to be performed or complied with by Buyer(s) prior to or on the Closing Date. (c) No Action shall have been commenced against Buyer(s) or Seller which could be reasonably foreseen to prevent the Closing. (d) The Required Consents and such other consents from the parties to the Assigned Contracts which require consent to the transfer of the rights of Seller thereunder to Buyer(s) shall have been received and executed counterparts thereof shall have been delivered to Buyer(s) at or prior to the Closing. (e) Buyer(s) shall have delivered to Seller duly executed counterparts to the Ancillary Documents and such other documents and deliveries set forth in Section 5.2. (f) Seller shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Buyer(s), that each of the conditions set forth in Section 7.3(a) and Section 7.3(b) have been satisfied, and such certificate shall be attached hereto as **Exhibit H** (the “Buyer(s) Closing Certificate”). (g) Seller shall have received a certificate of a duly authorized officer of Buyer(s) certifying that attached thereto are true and complete copies of resolutions adopted by

the board of directors of Buyer(s) authorizing the execution, delivery, and performance of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby. (h) Seller shall have received a certificate of an officer of Buyer(s) certifying the names and signatures of the officers of Buyer(s) authorized to sign this Agreement, the Ancillary Documents and the other documents to be delivered hereunder and thereunder. Seller shall have received from Buyer(s) shall the executed Franchise Agreements, which Franchise Agreements shall include executed guaranty(s) from the beneficial owners of Buyer(s) severally guarantying the obligations of Buyer(s) under the Franchise Agreements. (j) Buyer(s) have provided all documents requested by Seller to complete an assessment of the Buyer(s) and the Guarantors and such financial assessment meets Seller's then-current financial qualifications for Seller's franchisees.

ARTICLE 8

REMEDIES FOR BREACHES OF THIS AGREEMENT

8.1 Indemnification by Seller.

Subject to the terms and conditions of this Article 8, Seller will indemnify and hold harmless Buyer(s) and each of its Affiliates, and its successors and assigns (the "Buyer(s) Indemnitees") from and against the entirety of any Adverse Consequences that any Buyer(s) Indemnitee may suffer or incur (including any Adverse Consequences they may suffer or incur after the end of the survival period set forth in Section 8.3 below, provided that an indemnification claim with respect to such Adverse Consequence is made pursuant to this Article 8 prior to the end of any applicable survival period set forth in Section 8.3 below) resulting from, arising out of, relating to, in the nature of, or caused by (i) any breach or inaccuracy of any representation or warranty made in Article 3 or made by Seller in any Ancillary Agreement; (ii) any breach of any covenant or agreement of the Seller in this Agreement or in any Ancillary Agreement; (iii) Indemnified Taxes; or (iv) any Excluded Liability. Seller agrees that it shall pay and otherwise fully satisfy and discharge all Excluded Liabilities, and shall indemnify and hold all Buyer(s) Indemnitees harmless from, and shall reimburse all Buyer(s) Indemnitees for, all Adverse Consequences that any Buyer(s) Indemnitee may suffer or incur in connection with any Excluded Liabilities.

8.2 Indemnification by Buyer(s). Subject to the terms and conditions of this Article 8, Buyer(s) will indemnify and hold harmless Seller, their respective Affiliates, and their respective successors and assigns (the "Seller Indemnitees") from and against the entirety of any Adverse Consequences they may suffer or incur (including any Adverse Consequences they may suffer or incur after the end of any applicable survival period, provided that an indemnification claim with respect to such Adverse Consequence is made pursuant to this Article 8 prior to the end of the survival period set forth in Section 8.3 herein) resulting from, arising out of, relating to, in the nature of, or caused by (a) any breach or inaccuracy of any representation or warranty made by Buyer(s) in Article 2 or in any Ancillary Agreement, (b) any breach of any covenant or agreement of Buyer(s) in this Agreement or in any Ancillary Agreement, or (c) any of the Acquired Assets including, without limitation, the Assumed Accounts Payable, Assumed

Accounts Receivable, Assumed Liabilities, Clinics, Leases, and the Premises, from and after the Closing Date.

8.3 Survival and Time Limitations. All representations, warranties, covenants and agreements of the Parties in this Agreement or any other certificate or document delivered pursuant to this Agreement will survive the Closing. Seller will not have liability with respect to any claim under Section 8.1(a) or Section 8.1(b) unless Buyer(s) notifies Seller of such a claim on or before the twenty-four (24) month anniversary of the Closing Date; provided, however, that, notwithstanding the foregoing, any claim related Excluded Liabilities or to intentional or fraudulent breaches of the representations and warranties may be made by the Buyer(s) at any time without limitation. Buyer(s) will have no liability with respect to any claim under Section 8.2 unless the Seller notifies Buyer(s) of such a claim on or before the twenty-four (24) month anniversary of the Closing Date; provided, however, that Buyer(s) shall have ongoing liability beyond the twenty-four (24) month anniversary of the Closing Date for any claim related to intentional or fraudulent breaches of the representations and warranties, and such claim may be made by the Seller at any time without limitation. If Buyer(s) or Seller, as applicable, provides proper notice of a claim within the applicable time period set forth above, then liability for such claim will continue until such claim is resolved.

8.4 Limitation on Indemnification by Seller; Payment by Seller. With respect to the matters described in Section 8.1(a)(i)–(ii), Seller will not have liability with respect to such matters until Buyer(s) Indemnitees have suffered aggregate Adverse Consequences by reason of all such breaches in excess of Two Hundred Fifty Thousand and NO/100 US Dollars (\$250,000.00) (the “Indemnification Threshold”), after which point the Seller will be obligated to indemnify Buyer(s) Indemnitees from and against all Adverse Consequences from and including the first dollar; provided, that the foregoing limitations shall not apply in respect of any Adverse Consequences relating to (i) Indemnified Taxes, (ii) breaches of the Excluded Liabilities, or (iii) any intentional misrepresentation or fraud. With respect to the matters described in Section 8.1(a)(i)–(iii), the aggregate maximum liability of Seller shall be Eight Hundred and Seventy-Five Thousand NO/100 US Dollars (\$875,000.00) (the “Indemnification Cap”); provided, however, that, notwithstanding the foregoing, from and after the Closing, there is no limit on Seller’s liability resulting from any Adverse Consequences related to Excluded Liabilities or any intentional misrepresentation or fraud. To the extent Indemnified Taxes also constitute Excluded Liabilities, they shall be deemed Excluded Liabilities under this Article 8. From and after the Closing, subject to the Indemnification Cap set forth in Section 8(b) above, Seller shall promptly Buyer(s), in immediately available funds, all amounts due related to Adverse Consequences of Buyer(s) arising out of and subject to the limitations above.

8.5 Limitations on Indemnification by Buyer(s); Payment by Buyer(s). With respect to the matters described in Section 8.2, Buyer(s) will have no liability with respect to such matters until Seller Indemnitees have suffered Adverse Consequences by reason of all such breaches in excess of the Indemnification Threshold, after which point Buyer(s) will be obligated to indemnify Seller Indemnitees from and against all Adverse Consequences from and including the first dollar; provided, that the foregoing limitations shall not apply in respect of any Adverse Consequences relating to any intentional misrepresentation or fraud. With respect to the matters described in Section 8.2, the aggregate maximum liability of Buyer(s) shall be the Indemnification Cap for ALL Seller indemnification claims, regardless of the number of Clinics implicated by an indemnification claim, or the number of total indemnification claims. The

Indemnification Cap on aggregate maximum liability of Buyer(s) shall not apply in respect of any Adverse Consequences relating to (a) any intentional misrepresentation or fraud, or (b) the Purchase Price due hereunder.

8.6 Third-Party Claims. If a third party initiates a claim, demand, dispute, lawsuit or arbitration (a “Third-Party Claim”) against any Person (the “Indemnified Party”) with respect to any matter that the Indemnified Party might make a claim for indemnification against any Party (the “Indemnifying Party”) under this Article 8, then the Indemnified Party must promptly notify the Indemnifying Party in writing of the existence of such Third-Party Claim and must deliver copies of any documents served on the Indemnified Party with respect to the Third-Party Claim; *provided, however*, that any failure on the part of an Indemnified Party to so notify an Indemnifying Party shall not limit any of the obligations of the Indemnifying Party under this Article 8 (except to the extent such failure materially prejudices the defense of such proceeding). Upon receipt of the notice described in Section 8.6(a), the Indemnifying Party will have the right to defend the Indemnified Party against the Third-Party Claim with counsel reasonably satisfactory to the Indemnified Party, *provided*, that (i) the Indemnifying Party notifies the Indemnified Party in writing within fifteen (15) days after the Indemnified Party has given notice of the Third-Party Claim that the Indemnifying Party will indemnify the Indemnified Party from and against the entirety of any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third-Party Claim, (ii) the Indemnifying Party provides the Indemnified Party with evidence reasonably acceptable to the Indemnified Party that the Indemnifying Party will have the financial resources to defend against the Third-Party Claim and fulfill its indemnification obligations hereunder, (iii) the Third-Party Claim involves only money damages and does not seek an injunction or other equitable relief, (iv) settlement of, or an adverse judgment with respect to, the Third-Party Claim is not, in the good faith judgment of the Indemnified Party, likely to establish a precedential custom or practice adverse to the continuing business interests or the reputation of the Indemnified Party, and (v) the Indemnifying Party conducts the defense of the Third-Party Claim actively and diligently. The Indemnifying Party will keep the Indemnified Party apprised of all material developments, including settlement offers, with respect to the Third-Party Claim and permit the Indemnified Party to participate in the defense of the Third-Party Claim. So long as the Indemnifying Party is conducting the defense of the Third-Party Claim in accordance with this Section 8.6(b), the Indemnifying Party will not be responsible for any attorneys’ fees or other expenses incurred by the Indemnified Party regarding the defense of the Third-Party Claim. In the event that any of the conditions under Section 8.6(b) is or becomes unsatisfied, however, (i) the Indemnified Party may defend against, and consent to the entry of any judgment on or enter into any settlement with respect to, the Third-Party Claim in any manner it may reasonably deem appropriate subject to the commercially reasonable approval of the Indemnifying Party, which shall not be unreasonably withheld, conditioned or delayed, (ii) the Indemnifying Parties will reimburse the Indemnified Party promptly and periodically for the costs of defending against the Third-Party Claim (including reasonable attorneys’ fees and expenses), and (iii) the Indemnifying Parties will remain responsible for any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third-Party Claim to the fullest extent provided in this Article 8. Except in circumstances described in Section 8.6(c), neither the Indemnified Party nor the Indemnifying Party will consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the other party, which consent will not be unreasonably withheld or delayed.

8.7 Other Indemnification Matters. All indemnification payments under this Article 8 will be deemed adjustments to the Cash Payment for Tax purposes, unless otherwise required by Law. For purposes of determining whether there has been any misrepresentation or breach of a representation or warranty, and for purposes of determining the amount of Adverse Consequences resulting therefrom, all qualifications or exceptions in any representation or warranty relating to or referring to the terms “material”, “materiality”, “in all material respects”, “Material Adverse Effect” or any similar term or phrase shall be disregarded, it being the understanding of the Parties that for purposes of determining liability under this Article 8, the representations and warranties of the Parties contained in this Agreement shall be read as if such terms and phrases were not included in them.

ARTICLE 9

TAX MATTERS

The following provisions will govern the allocation of responsibility as between Buyer(s) and Seller for certain tax matters following the Closing Date:

9.1 Tax Indemnification. In addition to the indemnification provisions of Article 8, Seller shall be liable for, and indemnify and hold Buyer(s) Indemnitees harmless from all Taxes of Seller.

9.2 Straddle Period. In the case of any Straddle Period, the amount of any Taxes based on or measured by income, receipts, or payroll for the Pre-Closing Tax Period shall be determined based on an interim closing of the books as of the close of business on the Closing Date, and the amount of other Taxes for a Straddle Period which relate to the Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in the Straddle Period.

9.3 Cooperation on Tax Matters. Buyer(s) and Seller will cooperate, as and to the extent reasonably requested by the other Party, in connection with the filing and preparation of Tax Returns and any Proceeding related thereto. Such cooperation will include the retention and (upon the other Party’s request) the provision of records and information that are reasonably relevant to any such Proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Buyer(s) and Seller will retain all books and records with respect to Tax matters pertinent to the Clinics relating to any Tax period beginning before the Closing Date until thirty (30) days after the expiration of the statute or period of limitations of the respective Tax periods.

ARTICLE 10

TERMINATION

10.1 Termination. This Agreement may be terminated at any time prior to the Closing: By the mutual written consent of Seller and Buyer(s); By Buyer(s) by written notice to Seller if: Buyer(s) is not then in material breach of any provision of this Agreement and there has been a

breach, inaccuracy in, or failure to perform any representation, warranty, covenant, or agreement made by Seller pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article 7 and such breach, inaccuracy, or failure has not been cured by Seller within ten (10) days of Seller's receipt of written notice of such breach from Buyer(s); or any of the conditions set forth in Section 7.1 or Section 7.2 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by July 15th, 2025, unless such failure shall be due to the failure of Buyer(s) to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing; by Seller by written notice to Buyer(s) if: Seller is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant, or agreement made by Buyer(s) pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article 7 and such breach, inaccuracy or failure has not been cured by Buyer(s) within ten (10) days of Buyer(s)'s receipt of written notice of such breach from Seller; or any of the conditions set forth in Section 7.1 or Section 7.3 shall not have been, or if Seller reasonably determines in good faith and in consultation with Buyer(s) that any of such conditions will not be, fulfilled by September 30, 2025, unless such failure shall be due to the failure of Seller to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing; or by Buyer(s) or Seller in the event that (i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited or (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable. 10.2

10.2 Effect of Termination. In the event of termination of this Agreement as provided in Section 10.1, this Agreement shall forthwith become void and there shall be no liability on the part of any Party except as to the provisions relating to confidentiality, public announcements, this Section 10.2, and Article 12, and (b) that nothing herein shall relieve any party from liability for any breach of the foregoing surviving provisions of this Agreement or any agreement made as of the date hereof or subsequent thereto pursuant to this Agreement.

10.3 Bankruptcy Proceedings. If within ninety-one (91) days after the payment of the Purchase Price clears the Seller's bank account, the Buyer(s) becomes the subject of a voluntary or involuntary bankruptcy petition (as set forth in any state proceeding or the "United States Bankruptcy Code" (e.g., Title 11 of the "United States Code"), and the applicable "Federal Rules of Bankruptcy Procedure"), or makes an assignment for the benefit of creditors, and the Seller is required to disgorge any portion or all of the Purchase Price, then this Agreement shall be of no force or effect whatsoever, and the Seller shall immediately have the right to avail itself of all remedies under this Agreement, or any remedies available at law or in equity. In the event an attempt is made by a trustee, debtor, or any other party which alleges standing to recover all or any portion of the Purchase Price as a preferential transfer under section of the United States Bankruptcy Code or similar state or federal statute, the Seller shall immediately be released from all of its obligations herein, and recover from the Buyer(s) and the Guarantors all monies owed to the Seller under this Agreement, less any portion that is not recovered as a preferential transfer.

ARTICLE 11

DEFINITIONS

“Acquired Assets” means all right, title, and interest in and to all of the assets of Seller that relate to any Clinic, including but not limited to: (a) all Assumed Accounts Receivable to the extent not collected prior to the Closing; (b) all prepayments, prepaid expenses or other deferred items, including those arising under any Contract listed in Schedule 3.13(a), (c) all machinery, equipment, vehicles, supplies and inventory, including, but not limited to all tangible personal property listed on Schedule 3.6(a); (d) all Contracts listed on Schedule 3.13(a), including all rights and benefits under any such Contract, all franchise rights (including all rights under the Franchise Agreement(s), personal property lease, real property lease, purchase option, customer order, purchase order, plan, instrument, document, commitment, arrangement, undertaking or authorization of each Clinic; (e) all Permits relating to operation of the Businesses by each Clinic; (f) all rights and benefits under all insurance policies (except as related to Employee Benefit Plans); (g) all computer programs (including any licenses to such items licensed by each Clinic), subject to the terms of applicable software agreements; (h) all logs, client lists, books of insurance business, expiration lists, customer and supplier lists, customer relationships, drawings, and specifications, creative materials, business and financial records and files (other than original company records and minute books), employee files, data and books of account, payroll, personnel and medical records, whether printed or computerized; (i) all intangible rights and goodwill of Seller relating to each Clinic; (j) all Intellectual Property and other general intangibles of Seller relating to each Clinic; telephone numbers, facsimile numbers of each Clinic, and the internet addresses and e-mail addresses of employees of Seller who work for any Clinic; (k) all advertising and marketing materials and supplier information; (l) all rights, causes of action, rights of recovery, set off and claims, counterclaims, credits, rights and interests, rights to indemnification or similar rights, known or unknown, matured or unmatured, assumed or contingent, against third parties; (k) all security or other deposits relating to any of the foregoing; and (l) all other tangible and intangible assets, wherever located; provided, however, in each case, that the Acquired Assets shall not include the Excluded Assets.

“Adverse Consequences” means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, Orders, dues, penalties, fines, costs, amounts paid in settlement, liabilities, obligations, Taxes, Liens, losses, damages, deficiencies, costs of investigation, court costs, and other expenses (including interest, penalties and reasonable attorneys’ fees and expenses, whether in connection with Third Party Claims or claims among the Parties related to the enforcement of the provisions of this Agreement).

“Affiliate” means, with respect to the Person to which it refers, (a) a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, such Person, (b) any officer, director, manager or member of such Person, (c) any parent, sibling, descendant or spouse of such Person or of any of the Persons referred to in clauses (a) and (b), and (d) any corporation, limited liability company, general or limited partnership, trust, association or other business or investment entity that directly or indirectly, through one or more intermediaries controls, is controlled by or is under common control with any of the foregoing individuals. For purposes of this definition, the term “control” of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning set forth in the preface above.

“Allocation Schedule” has the meaning set forth in Section 1.5 above.

“Ancillary Agreements” means all of the agreements and instruments being executed and delivered pursuant to this Agreement.

“Assignment and Assumption of Lease” means certain Assignment and Assumption of Lease dated as of the date hereof for the Premises, between the landlords under the Leases outlined on Schedule 3.11(a), and Seller and Buyer(s) and attached hereto in **Exhibit E**.

“Assumed Accounts Payable” means amounts related to the provision of services that are included as account payables on the books of each Clinic, that are payable to Persons other than Affiliates of Seller, which arose in the ordinary course of business, and only to the extent accrued for and included as a current liability and assumed, in writing, by Buyer(s).

“Assumed Accounts Receivable” means all amounts owed to each Clinic any of its customers or clients arising from the provision of services to such customers or clients by each Clinic whether said amounts are billed or unbilled or recorded on the books of Seller. For purposes hereof, all Assumed Accounts Receivable are deemed to arise immediately upon the provision of such services by each Clinic to a customer or client.

“Assumed Liabilities” or “Assumed Liability” means: (a) Assumed Accounts Payable; (b) all obligations of each Clinic under the Contracts listed on Section 3.13(a)(i), either (i) to furnish goods, services, and other non-Cash benefits to another party after the Closing or (ii) to pay for goods, services, and other non-Cash benefits that another party will furnish to it after the Closing but, for the avoidance of doubt, not obligations for any breach or violation of such Contracts that occurred prior to the Closing; (c) all deferred revenue of the Clinics relating to customer prepayments for services that should be accrued as of the Closing Date; (d) all liabilities and obligations arising out of operation of the Businesses or the use or ownership of the Acquired Assets arising from and after the Closing; (e) Hired Employees as set forth in Section 4.4; and (f) all deferred maintenance obligations relating to any equipment or under the Leases; provided, however, that the Assumed Liabilities shall not include the Excluded Liabilities, and provided, further, that no item shall constitute an Assumed Liability unless it is included on Schedule 1.2 as of the Closing.

“Bill of Sale” means that certain Assignment, Bill of Sale and Assumption of Liabilities Agreement dated as of the date hereof between Seller and Buyer(s) and attached hereto as **Exhibit I**.

“Business” and “Businesses” means, with respect to each Clinic and all of the Clinics, collectively, the business of providing chiropractic, pain relief and preventative care.

“Business Day” means any day that is not a Saturday, Sunday or any other day on which banks are required or authorized by Law to be closed where the Clinic is located. “Buyer(s)” has the meaning set forth in the preface above.

“Buyer(s) Closing Certificate” means that certain Buyer(s)’s certificate dated as of the date hereof, executed by Buyer(s) and attached hereto as Exhibit H.

“Buyer(s) Indemnitees” has the meaning set forth in Section 8.1(a) above.

“Cap” has the meaning set forth in Section 8.4(b) above.

“CARES Act” means the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. 116-136) and any administrative or other guidance published with respect thereto by any Governmental Entity (including IRS Notices 2020-22 and 2020-65), or any other Law or executive order or executive memorandum (including the Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster, dated August 8, 2020) intended to address the consequences of COVID-19 (in each case, including any comparable provisions of state, local or non-U.S. Law and including any related or similar orders or declarations from any Governmental Entity).

“Cash” means the aggregate amount of cash and cash equivalents of Seller on a consolidated basis as determined in accordance with GAAP, consistently applied; provided, that if such aggregate amount of cash and cash equivalents is a negative number, then it shall include the amount of all fees, penalties or interest related to such negative amount of Cash.

“Cash Consideration” means as described herein.

“Cash Payment” means the amount equal to (a) the Cash Consideration, plus (b) the Franchise Fees, minus the Debt Amount, if any.

“Clinics” and/or “Clinic” has the meaning set forth in the preface above.

“Closing” has the meaning set forth in Section 1.7 above.

“Closing Date” has the meaning set forth in Section 1.7 above.

“COBRA” means the requirements of Part 6 of Subtitle B of Title I of ERISA and Code §4980B and of any similar state Law.

“Code” means the Internal Revenue Code of 1986, as amended, and any applicable rules and regulations thereunder, and any successor to such statute, rules or regulations.

“Company Insurance Agreements” has the meaning set forth herein.

“Confidential Information” means any information concerning the business and affairs of Seller or the Business not already generally available to the public.

“Consent” means, with respect to any Person, any consent, approval, authorization, permission or waiver of, or registration, declaration or other action or filing with or exemption by such Person.

“Contract” means any oral or written contract, obligation, understanding, commitment, lease, license, purchase order, bid or other agreement.

“Copyrights” has the meaning set forth in the definition of Intellectual Property below.

“Customer” means any Person who (a) purchased products or services from Seller (or its predecessors) during the three (3) years prior to the Closing Date, (b) was called upon or solicited by Seller (or its predecessors) during such three (3) year period, or (c) was a distributor, sales representative, agent or broker for Seller during such three (3) year period.

“Data Security Requirements” means, collectively, all of the following to the extent related to the collection, use, processing, storage, protection, transfer or disposition of data, or otherwise relating to privacy, data protection and security, anti-spam, security breach notification requirements applicable to the Seller: (a) all applicable Laws, including any legislation currently in force in any jurisdiction worldwide concerning the protection or processing of personal data, such as the Children’s Online Privacy Protection Act (COPPA), the Computer Fraud and Abuse Act (CFAA), the California Consumer Privacy Act (CCPA), the Telephone Consumer Protection Act (TCPA), and the Data Protection Act 2018, the General Data Protection Regulation ((EU) 2016/679), the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) and any legislation which implements the European Union’s Directive 95/46/EC and the Privacy and Electronic Communications Directive (2002/58/EC), each as amended, or which implements any other current legal act of the European Union or the United Kingdom concerning the protection and processing of personal data, as applicable; (b) Seller’s own rules, policies and procedures; (c) industry standards applicable to the industry in which Seller operates, such as the Payment Card Industry (PCI) Data Security Standards; and (d) all contractual commitments of Seller.

“Debt” means any (a) obligations relating to indebtedness for borrowed money, (b) obligations evidenced by bonds, notes, debentures or similar instruments, (c) obligations in respect of capitalized leases (calculated in accordance with GAAP), (d) the principal or face amount of banker’s acceptances, surety bonds, performance bonds or letters of credit (in each case whether or not drawn), (e) obligations for the deferred purchase price of property or services, including, without limitation, the maximum potential amount payable with respect to earnouts, purchase price adjustments or other payments related to acquisitions (other than current accounts payable to suppliers and similar accrued liabilities incurred in the Ordinary Course of Business, paid in a manner consistent with industry practice), (f) obligations under any existing interest rate, commodity or other swap, hedge or financial derivative agreement entered into by Seller prior to Closing, (g) Off-Balance Sheet Financing of Seller in existence immediately prior to the Closing, (h) other long term or non-ordinary course liabilities (i) any liabilities or obligations resulting from Seller’s deferral of any employment and payroll taxes pursuant to the CARES Act, (j) indebtedness or obligations of the types referred to in the preceding clauses (a) through (i) of any other Person secured by any Lien on any assets of Seller, even though Seller has not assumed or otherwise become liable for the payment thereof, and (k) obligations in the nature of guarantees of obligations of the type described in clauses (a) through (g) above of any other Person, in each case together with all accrued interest thereon and any applicable prepayment, redemption, breakage, make-whole or other premiums, fees or penalties.

“Debt Amount” means all Debt of Seller applicable to assets of any specific Clinic (on a consolidated basis) as of the Closing Date plus, without duplication, any amounts required to fully pay or otherwise satisfy all such Debt (including, but not limited to, any prepayment premium or penalty, breakage costs, accrued interest and costs and expenses), including any Deferred Payroll Taxes.

“Deferred Payroll Taxes” means any “applicable employment taxes” (as defined in Section 2302(d)(1) of the CARES Act) that the Practice has elected to defer pursuant to Section 2302 of the CARES Act.

“Designated Courts” has the meaning set forth in Section 12.10 below.

“Disclosure Schedules” means the disclosure schedule, if any, delivered by Seller to Buyer(s) on the date hereof.

“Employee Benefit Plan” means the plans listed in Schedule 3.17(a) that include any (a) qualified or nonqualified Employee Pension Benefit Plan or deferred compensation or retirement plan, fund, program, or arrangement, (b) Employee Welfare Benefit Plan, (c) “employee benefit plan” (as such term is defined in ERISA §3(3)), (d) equity-based plan, program, or arrangement (including any equity option, equity purchase, equity ownership, equity appreciation, phantom equity, or restricted equity plan) or (e) other retirement, severance, bonus, profit-sharing, incentive, health, medical, surgical, hospital, indemnity, welfare, sickness, accident, disability, death, apprenticeship, training, day care, scholarship, tuition reimbursement, education, adoption assistance, prepaid legal services, termination, unemployment, vacation or other paid time off, change in control, or other similar plan, fund, program, or arrangement, whether written or unwritten, that is sponsored, maintained, or contributed to, or required to be maintained or contributed to, by Seller or any ERISA Affiliate for the benefit of any present or former officers, employees, agents, managers, directors, consultants, or independent contractors of Seller or an ERISA Affiliate.

“Employee Pension Benefit Plan” has the meaning set forth in ERISA §3(2).

“Employee Welfare Benefit Plan” has the meaning set forth in ERISA §3(1).

“Environmental, Health, and Safety Requirements” means all Laws and Orders concerning public health and safety, worker and occupational health and safety, natural resources and pollution or protection of the environment, including all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, recycling, discharge, release, threatened release, control, or cleanup of any Hazardous Substances.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means any Person that, together with Seller, would be treated as a single employer under Section 414 of the Code or Section 4001 of ERISA and the regulations thereunder.

“Excluded Assets” shall mean (a) Cash, (b) the articles of organization, operating agreements, buy sell agreements, qualifications to conduct business as a foreign company, arrangements with registered agents relating to foreign qualifications, taxpayer, and other identification numbers, seals, minute books, transfer books, blank interest certificates, and other documents relating to the formation, maintenance, and existence of each Clinic as a limited liability company, (c) all rights of Seller under this Agreement, (d) any assets of, or specifically relating to, any Employee

Benefit Plans of Seller including Student Loans, (e) certain personal assets not related to the operations of the Clinics, (f) all Contracts not referenced on Schedule 3.13(a), and (g) all equipment referenced on Schedule 3.6(a).

“Excluded Liabilities” or “Excluded Liability” means any liability or obligation of Seller for which Buyer(s) is alleged to be liable, that is not an Assumed Liability, including but not limited to, (a) any Debt of Seller, (b) all Transaction Expenses, (c) any obligation of Seller to indemnify or hold harmless any current or former director or officer of Seller for claims that relate to periods prior to the Closing, (d) any refunds, overpayments or other similar amounts payable to a Governmental Body or any other Person, (e) any liability or obligation related to any Excluded Asset, (f) all accounts payable that do not constitute Assumed Accounts Payable, (g) all accrued payroll or other ordinary course expenses that are not Assumed Employee Obligations including Seller’s Student Loan Repayments, (h) any liability or obligation of Seller for Taxes, including income, transfer, sales, use, and other Taxes arising in connection with the consummation of the transactions contemplated hereby, (i) any liability or obligation of Seller under their Employee Benefit Plans, and (j) any liability or obligation set forth on Schedule 8(b), in each case (A) including, without limitation, any of the foregoing arising from matters disclosed to Buyer(s) or its Affiliates or otherwise referenced in this Agreement, and whether any related claim arises before or after the Closing and (B) whether such matters are known or unknown, contingent or otherwise, whether accrued, liquidated, matured or unmatured.

“Excluded Representations” has the meaning set forth in Section 8.3 above.

“Federal Health Care Program” means any “federal health care program” as defined in 42. U.S.C. §1320a-7b(f) (including Medicare, state Medicaid programs, state CHIP programs, TRICARE and similar or successor programs with or for the benefit of any Governmental Body). “Fiduciary” has the meaning set forth in ERISA §3(21).

“Financial Statements” has the meaning set forth in Section 3.7(a) above.

“Franchise Agreement(s)” means the thirty (30) separate Franchise Agreements to be entered into between Buyer(s) and Seller in the form of the standard “The Joint Chiropractic Franchise Agreements” customarily entered into by franchisees of The Joint Corp.

“Franchisor” means Seller. “GAAP” means generally accepted accounting principles in effect from time to time in the United States as set forth in pronouncements of the Financial Accounting Standards Board (and its predecessors) and the American Institute of Certified Public Accountants.

“Governmental Authority” means any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

“Governmental Body” means any foreign or domestic federal, state or local government or quasi-governmental authority or any department, agency, subdivision, court or other tribunal of any of the foregoing.

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“Hazardous Substances” means (a) petroleum or petroleum products, byproducts, flammable materials, explosives, radioactive materials, radon gas, lead-based paint, asbestos in any form, urea formaldehyde foam insulation, polychlorinated biphenyls (PCBs), transformers or other equipment that contain dielectric fluid containing PCBs, toxic mold or fungus of any kind or species, materials, or wastes, chemical substances, or mixtures, pesticides, noise, or radiation, (b) any chemicals or other materials or substances which are defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “toxic substances,” “toxic pollutants,” “contaminants,” “solid waste,” “pollutants,” or words of similar import under any applicable Environmental, Health, and Safety Requirements, and (c) any other chemical, material or substance exposure to which is prohibited, limited or regulated under any applicable Environmental, Health, and Safety Requirements.

“Health Care Laws” means all Laws and Orders relating to health care providers and facilities, participation in Federal Health Care Programs, the practice of medicine, institutional, equipment and professional licensure, pharmacology and the securing, administering and dispensing of drugs, devices, medicines and controlled substances, medical documentation, physician orders, medical record retention, laboratory services, surgery, radiation therapy, research, unprofessional conduct, fee-splitting, referrals, billing and submission of false or fraudulent claims, claims processing, quality, safety, medical necessity, appropriate use, medical privacy and security, patient confidentiality, informed consent, the hiring of employees or acquisition of services or supplies from Persons excluded from participation in Federal Health Care Programs, standards of care, quality assurance, risk management, utilization review, peer review, mandated reporting of incidents, occurrences, diseases and events and advertising or marketing of health care services, including Medicare, Medicaid, CHIP, the TRICARE laws (10 U.S.C. § 1071, et seq.), the False Claims Act (31 U.S.C. § 3729, et seq.), the Civil Monetary Penalties Law (42 U.S.C. § 1320a -7a), federal and state anti-kickback statutes (including 42 U.S.C. § 1320a 7b), federal and state referral laws (including 42 U.S.C. § 1395nn), criminal false claims statutes (e.g. 18 U.S.C. §§ 287 and 1001), the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. § 3801, et seq.), the Beneficiary Inducement Statute (42 U.S.C. § 1320a-7 a(a)(5)), the Clinical Laboratory Improvement Act (42 U.S.C. § 263a, et seq.), the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (P.L. 108-173, 117 Stat. 2066), the Food, Drug and Cosmetic Act of 1938 (21 U.S.C. § 301, et seq.), the Prescription Drug Marketing Act of 1987 (P.L. 100-293, 102 Stat. 95), the Deficit Reduction Act of 2005 (P.L. 109-171, 120 Stat. 4), the Controlled Substances Act (21 U.S.C. § 801, et seq.) and HIPAA, the rules and regulations promulgated under the foregoing statutes, and any other similar state and local Law.

“HIPAA” means the Health Insurance Portability and Accountability Act of 1996, (42 U.S.C. §1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and any implementing regulations promulgated thereunder (including the Standards for Privacy of Individually Identifiable Health Information, the Security Standards for the Protection of Electronic Protected Health Information and the Standards for Electronic

Transactions and Code Sets promulgated thereunder) and applicable state Laws regarding patient privacy and the security, use or disclosure of health care records.

“Hired Employees” has the meaning set forth in Section 4.4 above. “Improvements” means all buildings, structures, fixtures, building systems and equipment, and all components thereof (including the roof, foundation and structural elements), included in the Leased Real Property.

“Indemnified Party” has the meaning set forth in Section 8.6(a) above.

“Indemnified Taxes” means (a) all Taxes (or the non-payment thereof) of Seller for any Pre-Closing Tax Period, (b) any and all Taxes of any member of an affiliated consolidated, combined or unitary group of which Seller (or any predecessor thereof) is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulations section 1.1502-6 or any analogous or similar state, local or foreign Law, (c) any and all Taxes of any Person imposed on Seller as a transferee or successor, by Contract or pursuant to any Law, which Taxes are imposed on Seller as a result of an event or transaction occurring on or prior to the Closing Date, and (d) all Taxes imposed on or incurred by Seller. “Indemnifying Party” has the meaning set forth in Section 8.6(a) above.

“Independent Accountants” refers to the future mutual appointment by the Buyer(s) and the Seller of an independent accounting individual or firm who, acting as experts and not arbitrators, shall resolve (a) the Disputed Amounts and make adjustments to the Post-Closing Adjustments and the Closing Statement as set forth in Section 1.4(c), and (b) any disputes regarding the Purchase Price Allocation as set forth in Section 1.5.

“Information” has the meaning set forth in Section 6.6(a) above.

“Intellectual Property” means all intellectual property and other similar proprietary rights, whether registered or unregistered, including all of the following in any jurisdiction throughout the world: (a) all inventions and discovery inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and counterparts claiming priority therefrom, and related patent disclosures, together with all reissuances, continuations, continuations-in-part, divisions, extensions, and reexaminations thereof and all rights associated with any of the foregoing (together, the “Patents”), (b) all trademarks, service marks, trade dress, logos, slogans, trade names, corporate and business names, and other source or business identifiers, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith (together, the “Trademarks”), (c) all copyrights and works of authorship, and other copyrightable works, whether or not copyrightable, and whether published or unpublished, including software code, translations, documentation, marketing and training materials, user interface designs, compilations, and databases, and all applications, registrations, and renewals in connection therewith, and all derivative works, adaptations, compilations, and combinations of the foregoing (together, the “Copyrights”), (d) all trade secrets and other confidential and proprietary business information and other information that derives economic value from not being generally known (including ideas, research and development, know-how, formulas, compositions, processes and techniques, technical data and information, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals)

(together, the “Proprietary Information”), (e) all Software, (f) all social media accounts (including, but not limited to, Facebook, Instagram, X, LinkedIn, and YouTube relating to each Clinic, along with passwords and access to all each social media accounts, and (g) all other proprietary rights.

“Intellectual Property Agreements” means (a) any Contract for the development of any Intellectual Property by any third party for, with or on behalf of Seller, and (b) all licenses, sublicenses and other agreements whereby (i) Seller is authorized to use or access any Intellectual Property (other than for off-the-shelf commercially available Software, freeware, or Open Source Software, in each case, that do not require payment of any recurring license fees, subscription fees, or any recurring support and maintenance and which have not been customized in any material way) or (ii) Seller licenses or otherwise authorizes a third party to use or access any Intellectual Property. “Knowledge” means (a) in the case of an individual, the actual knowledge of such individual, upon reasonable inquiry, (b) in the case of Buyer(s), the actual knowledge of Chris O’Neal, upon reasonable inquiry, and (c) in the case of Seller, the actual knowledge of the applicable Seller’s employee, upon reasonable inquiry.

“Law” means any foreign or domestic federal, state or local law, statute, code, ordinance, regulation, rule, consent agreement, constitution or treaty of any Governmental Body, including common law. “Leased Real Property” means all leasehold or subleasehold estates and other rights to use or occupy any land, buildings, structures, Improvements, fixtures or other interest in real property held by each Clinic, as described on Schedule 3.11(a).

“Leases” means all written or oral leases, subleases, licenses, concessions and other agreements, including all amendments, extensions, renewals, guaranties, and other agreements with respect thereto, pursuant to which Seller holds any Leased Real Property.

“Lien” means any lien, mortgage, pledge, encumbrance, charge, security interest, adverse claim, liability, interest, charge, preference, priority, proxy, transfer restriction (other than restrictions under the Securities Act and state securities laws), encroachment, Tax, order, community property interest, equitable interest, option, warrant, right of first refusal, easement, profit, license, servitude, right of way, covenant or zoning restriction.

“Material Adverse Effect” or “Material Adverse Change” means any event, change, development, or effect that, individually or in the aggregate, will or could reasonably be expected to have a materially adverse effect on (a) the business, operations, condition (financial or otherwise), value of the Acquired Assets (including intangible assets), liabilities, prospects, operating results, value, employee, customer or supplier relations, or financial condition of Seller or (b) the ability of Seller to timely consummate the transactions contemplated by this Agreement.

“Material Contracts” means, collectively, the Contracts required to be listed in Schedule 3.13(a), the Leases, and the Company Insurance Agreements (which Insurance Agreements shall not be transferred to Buyer(s)).

“Medicaid” means the medical assistance program established by Title XIX of the Social Security Act of 1965, 42 U.S.C. § 1396, et seq.

“Medical Waste” means (a) pathological waste, (b) blood, (c) wastes from surgery or autopsy, (d) dialysis waste, including contaminated disposable equipment and supplies, (e) cultures and stocks of infectious agents and associated biological agents, (f) contaminated animals, (g) isolation wastes, (h) contaminated equipment, (i) laboratory waste, and (j) various other biological waste and discarded materials contaminated with or exposed to blood, excretion, or secretions from human beings or animals. “Medical Waste” also includes any substance, pollutant, material, or contaminant listed or regulated under the Medical Waste Tracking Act of 1988, 42 U.S.C. §§6992, et seq.

“Medicare” means the health insurance program established by Title XVIII of the Social Security Act of 1965, 42 U.S.C. § 1395, et seq. “Most Recent Financial Statements” has the meaning set forth in Section 3.7(a) above. “Most Recent Fiscal Month End” has the meaning set forth in Section 3.7(a) above.

“Most Recent Fiscal Year End” has the meaning set forth in Section 3.7(a) above.

“Objection Statement” has the meaning set forth in Section 1.5 above.

“Off-Balance Sheet Financing” means (a) any liability of Seller under any sale and leaseback transactions which does not create a liability on the consolidated balance sheet of Seller and (b) any liability of Seller under any synthetic lease, Tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product where the transaction is considered indebtedness for borrowed money for federal income Tax purposes but is classified as an operating lease in accordance with GAAP for financial reporting purposes.

“Open Source” means any software or other material that is made generally available to the public, under “open source” licenses (including but not limited to the GNU General Public License (GPL), GNU Lesser General Public License (LGPL), Mozilla Public License (MPL), BSD, the Apache License or any similar license arrangement) and without requiring the payment of any fees or royalties.

“Order” means any order, award, decision, injunction, judgment, ruling, decree, charge, writ, subpoena or verdict entered, issued, made or rendered by any Governmental Body or arbitrator. “Ordinary Course of Business” means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

“Organizational Documents” means (a) any certificate or articles of organization, operating agreement or buy sell agreements, (b) any documents comparable to those described in clause (a) as may be applicable pursuant to any Law and (c) any amendment or modification to any of the foregoing.

“Party” has the meaning set forth in the preface above.

“Patents” has the meaning set forth in the definition of Intellectual Property above.

“Permit” means any license, import license, export license, franchise, Consent, permit, certificate, certificate of occupancy or Order issued by any Person.

“Permitted Lien” means any (a) liens for Taxes not yet due or payable or for Taxes that Seller is contesting in good faith through appropriate proceedings in a timely manner, in each case for which adequate reserves have been established, (b) liens of landlords, carriers, warehousemen, workmen, repairmen, mechanics, material men and similar liens arising in the Ordinary Course of Business and not incurred in connection with the borrowing of money, (c) restrictions, easements, covenants, reservations, rights of way or other similar matters of title to the Leased Real Property of record, and (d) zoning ordinances, restrictions, prohibitions and other requirements imposed by any Governmental Body, all of which do not materially interfere with the conduct of the business of Seller. “Person” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Body or other entity.

“Privacy Laws” has the meaning set forth in Section 3.20 above.

“Proceeding” means any action, audit, lawsuit, litigation, investigation or arbitration (in each case, whether civil, criminal or administrative) pending by or before any Governmental Body or arbitrator. “Prohibited Transaction” has the meaning set forth in ERISA §406 and Code §4975.

“Proprietary Information” has the meaning set forth in the definition of Intellectual Property above.

“Public Software Licenses” means any license for Software pursuant to which: (a) such Software is made generally available to the public without requiring payment of fees or royalties; or (b) any derivative of such Software is or may be required to be disclosed or licensed on the same terms as such license.

“Purchase Price” means the Base Purchase Price, as adjusted upwards or downwards as set forth in Section 1.3 above.

“RDA” means *The Joint Chiropractic Regional Development Agreement* (“RDA”) dated June 26, 2013, as amended on July 1, 2016, July 18, 2017 and June 23, 2023.

“Referral Recipient” means any Person to whom a Referral Source refers, recommends or arranges for the referral of patients or other health care business to the Group Companies or any of their Affiliates.

“Referral Source” means any past, present or potential patient, physician, supplier, contractor, customer, Third-Party Payor or other Person in a position to refer, recommend or arrange for the referral of patients or other health care business.

“Representative” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

“Required Consents” means the consent required of any third party, included any applicable consent of Landlords and the persons or entities referenced in Section 6.7 above, to close the Transaction on the terms described in this Agreement.

“Securities Act” means the Securities Act of 1933, as amended, and any applicable rules and regulations thereunder, and any successor to such statute, rules or regulations. “Securities Exchange Act” means the Securities Exchange Act of 1934, as amended, and any applicable rules and regulations thereunder, and any successor to such statute, rules or regulations. “Seller” has the meaning set forth in the preface above.

“Seller Closing Certificate” means that certain Seller’s certificate dated as of the date hereof, executed by Buyer(s) and attached hereto as **Exhibit G**.

“Seller Indemnitees” has the meaning set forth in Section 8.2 above. “Software” means computer software programs (and all enhancements, versions, releases, and updates thereto), including software compilations, software tool sets, compilers, higher level or “proprietary” languages and all related programming and user documentation, whether in source code, object code or human readable form, or any translation or modification thereof that substantially preserves its original identity.

“Straddle Period” means any taxable period that includes (but does not end on) the Closing Date.

“Systems” means all computers, software, databases, hardware, firmware, middleware, servers, workstations, routers, hubs, switches, circuits, networks, databases, data communications and telecommunication lines and all other information technology systems and equipment (including communications equipment, terminals, and hook-ups that interface with third-party software or systems), including any outsourced systems and processes reasonably within Seller’s control, that are owned, licensed, leased or otherwise used or relied on by Seller.

“Tax” or “Taxes” means (a) any federal, state, local and foreign net income, alternative or add-on minimum, estimated, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, capital profits, lease, service, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, abandoned property or escheat, environmental or windfall profit tax, customs duty or other tax, governmental fee or other like assessment or charge, (b) any interest, fines, penalties, assessments, deficiencies or additions thereto, or incurred in connection with or in lieu of any items described herein or any related contest or dispute, (c). and any liability for Taxes of another Person incurred or borne by virtue of the application of Treasury Regulation Section 1.1502-6 (or any similar or corresponding provision of state, local or foreign Law), as a transferee or successor, by Contract or otherwise.

“Tax Return” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof. “Third-Party Claim” has the meaning set forth in Section 8.6(a) above.

“Trademarks” has the meaning set forth in the definition of Intellectual Property above.

“Trademark Assignment” means that certain Trademark Assignment dated as of the date hereof between Seller and Buyer(s).

“Transaction Expenses” means any and all legal, accounting, tax, financial advisory, investment bank, environmental consultants and other professional or transaction related costs, fees and expenses incurred by Seller in connection with this Agreement or in investigating, pursuing or

completing the transactions contemplated hereby (including any amounts owed to any consultants, auditors, accountants, attorneys, brokers or investment bankers), (b) payments, bonuses or severance which become due or are otherwise required to be made as a result of or in connection with the Closing, and (c) payroll, employment or other Taxes, if any, required to be paid by Buyer(s) with respect to the amounts payable pursuant to this Agreement or the amounts described in clause (a) and (b).

“Transaction Expenses Amount” means an amount equal to all Transaction Expenses that have not been paid prior to the Closing Date, whether or not Seller has been billed for such expenses.

ARTICLE 12

MISCELLANEOUS

12.1 Press Releases and Public Announcements.

Neither Party shall make any announcement of the Transaction contemplated by this Agreement without the prior written approval of the other Party, which approval will not be unreasonably withheld or delayed; provided however that if any announcement or disclosure of the Transaction is required by applicable rule or regulations of the Securities and Exchange Commission (since the Seller is a publicly traded company), the Seller shall not be required to secure such prior written approval from Buyer(s). The foregoing shall not restrict in any respect either Party’s ability to communicate information concerning the transactions contemplated hereby to the Parties’ respective affiliates’, officers, directors, employees, attorneys, accountants and professional advisers, and, to the extent relevant, to third parties whose consent is required in connection with the Transaction contemplated by this Agreement.

12.2 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

12.3 Entire Agreement. This Agreement (including the documents referred to herein) and the Ancillary Agreements constitute the entire agreement among the Parties and supersedes any prior understandings, agreements, or representations by or among the Parties, written or oral, to the extent they relate in any way to the subject matter hereof.

12.4 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of Buyer(s) and the Seller; provided, however, that Buyer(s) may (a) assign any or all of its rights and interests hereunder to one or more of its Affiliates and designate one or more of its Affiliates to perform its obligations hereunder (in any or all of which cases Buyer(s) nonetheless shall remain responsible for the performance of all of its obligations hereunder), (b) assign its rights under this Agreement for collateral security purposes to any lenders providing financing to Buyer(s) or any of its Affiliates or (c) assign its rights under this Agreement to any Person that acquires Buyer(s) or any of its assets.

12.5 Counterparts. This Agreement may be executed in one or more counterparts (including by means of facsimile or portable document format (.PDF)), each of which shall be deemed an original but all of which together will constitute one and the same instrument.

12.6 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

12.7 Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given (a) when delivered personally to the recipient, (b) when sent by electronic mail or facsimile, on the date of transmission to such recipient, (c) one (1) Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), or (d) four (4) Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and addressed to the intended recipient as set forth below:

If to the Seller: The Joint Corp.
ATTN: Scott Bowman, Chief Financial Officer
16767 N. Perimeter Drive, Suite 110
Scottsdale, Arizona 85260
E-mail: scott.bowman@thejoint.com

Copy to: The Joint Corp
ATTN: Andra Terrell, Sr. VP of Legal and Secretary
16767 N. Perimeter Drive, Suite 110
Scottsdale, Arizona 85260
E-mail: notices@thejoint.com

If to Buyer(s): Addisco Value, LLC
Address:
Phone Number:
Email Address:

Triangle Chiropractic Associates P.C
Address:
Phone Number:
Email Address:

Bluffton TJ, LLC,
Address:
Phone Number:
Email Address:

Copy to: Grabowski Law Firm, PLLC
Attn: Austin Grabowski
4539 Hedgemore Dr, suite 103
Charlotte, NC 28209
info@grabowskilawfirm.com
704 644 5997

Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Parties notice in the manner herein set forth.

12.8 Governing Law. This Agreement and any claim, controversy or dispute arising out of or related to this Agreement, any of the transactions contemplated hereby, the relationship of the Parties, and/or the interpretation and enforcement of the rights and duties of the Parties, whether arising in contract, tort, equity or otherwise, shall be governed by and construed in accordance with the domestic Laws of the State of Delaware (including in respect of the statute of limitations or other limitations period applicable to any such claim, controversy or dispute), without giving effect to any choice or conflict of Law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware.

12.9 Waiver of Jury Trial. EACH OF THE PARTIES WAIVES THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OR RELATED TO THIS AGREEMENT IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY AFFILIATE OF ANY OTHER SUCH PARTY, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS OR OTHERWISE. THE PARTIES AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT.

12.10 Exclusive Venue. THE PARTIES AGREE THAT ALL DISPUTES, LEGAL ACTIONS, SUITS AND PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT MUST BE BROUGHT EXCLUSIVELY IN A FEDERAL DISTRICT COURT FOR THE DISTRICT OF ARIZONA LOCATED IN MARICOPA COUNTY, ARIZONA OR AN ARIZONA STATE COURT LOCATED IN MARICOPA COUNTY, ARIZONA (COLLECTIVELY THE “DESIGNATED COURTS”). EACH PARTY HEREBY CONSENTS AND SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE DESIGNATED COURTS. NO LEGAL ACTION, SUIT OR PROCEEDING WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN ANY OTHER FORUM. EACH PARTY HEREBY IRREVOCABLY WAIVES ALL CLAIMS OF IMMUNITY FROM JURISDICTION AND ANY OBJECTION WHICH SUCH PARTY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING IN ANY DESIGNATED COURT, INCLUDING ANY RIGHT TO OBJECT ON THE BASIS THAT ANY DISPUTE, ACTION, SUIT OR PROCEEDING BROUGHT IN THE DESIGNATED COURTS HAS BEEN BROUGHT IN AN IMPROPER OR INCONVENIENT FORUM OR VENUE. EACH OF THE PARTIES ALSO AGREES THAT DELIVERY OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT TO A PARTY IN COMPLIANCE WITH SECTION 12.7 OF THIS AGREEMENT SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY ACTION, SUIT OR PROCEEDING IN A

DESIGNATED COURT WITH RESPECT TO ANY MATTERS TO WHICH THE PARTIES HAVE SUBMITTED TO JURISDICTION AS SET FORTH ABOVE. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (ii) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. THE PARTIES FURTHER AGREE THAT ALL DISPUTES SUBMITTED TO THE COURT PURSUANT TO THIS SECTION SHALL BE TRIED TO THE COURT SITTING WITHOUT A JURY, NOTWITHSTANDING ANY STATE OR FEDERAL CONSTITUTIONAL OR STATUTORY RIGHTS OR PROVISIONS. THE PREVAILING PARTY, UPON DELIVERY OF WRITTEN DEMAND TO THE NON-PREVAILING PARTY, SHALL BE ENTITLED TO FULL COMPENSATION OF ITS FEES AND EXPENSES (INCLUDING WITHOUT LIMITATION, ATTORNEYS' FEES, COURT AND EXPERT WITNESS FEES, TRAVEL EXPENSES, AND RELATED REASONABLE EXPENSES INCURRED IN SUCH ACTION).

12.11 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each of the Parties hereto. No waiver by any Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

12.12 Injunctive Relief, Specific Performance. The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof (including if the Parties fail to take such actions as are required to consummate the transactions contemplated hereby) or were otherwise breached. Each Party hereto shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts described in Section 12.10 without proof of actual damages, in addition to any other remedy to which it is entitled at law or in equity. No Party will oppose the granting of an injunction, specific performance, or other equitable relief provided herein on the basis that the other Party has an adequate remedy at law or that an award of specific performance is not an appropriate remedy for any reason at law or equity. No other party or any other person or legal entity shall be required to obtain, furnish, or post any bond or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section, and each Party hereto

irrevocably waives any right it may have to require the obtaining, furnishing, or posting of any such bond or similar instrument. The right of specific enforcement is an integral part of the transactions contemplated hereby and without that right, neither party would have entered into this Agreement.

12.13 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

12.14 Expenses. Except as otherwise expressly provided in this Agreement, each Party will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby; provided, that all Transaction Expenses incurred by the Seller in connection with this Agreement shall be paid by the Seller.

12.15 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word “including” shall mean including without limitation.

12.16 Incorporation of Exhibits, Schedules and Disclosure Schedules. At Closing, the Exhibits, Disclosure Schedules, and other Schedules identified in this Agreement will be agreed to by the Parties, will be incorporated herein by reference, and will be made a part hereof. After the Parties’ execution of this Agreement, the Parties shall work in good faith to mutually agree on the final form of the Exhibits and on the final Schedules and Disclosure Schedules.

12.17 Schedules. Nothing in the schedules hereto shall be deemed adequate to disclose an exception to a representation or warranty made herein unless the schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail. Without limiting the generality of the foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be deemed adequate to disclose an exception to a representation or warranty made herein (unless the representation or warranty has to do with the existence of the document or other item itself). The Parties intend that each representation, warranty, and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) which the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty, or covenant.

12.18 Remedies Cumulative. No remedy set forth or referred to in this Agreement is intended to be exclusive, but shall be cumulative and in addition to any other remedy set forth or referred to in this Agreement, in any other agreement between the Parties, or otherwise available under applicable Law.

12.19 Damages. EACH OF THE PARTIES WILL BE LIABLE TO THE OTHER FOR ANY DIRECT DAMAGES ARISING OUT OF OR RELATING TO A BREACH OF ITS REPRESENTATIONS OR WARRANTIES, OR ITS PERFORMANCE OR FAILURE TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. UNDER NO CIRCUMSTANCES WILL A PARTY BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE, LIQUIDATED, OR INCIDENTAL DAMAGES, OR CLAIMS FOR LOST PROFITS.

12.20 Fully Informed Parties and Capacity. The Parties have been represented in the negotiations for and in the preparation of this Agreement by counsel of their own choosing; they have reviewed and understand the provisions of this Agreement; they have had it fully explained to them by their counsel; and they are fully aware of and understand its contents and its legal effect. Each Party acknowledges that it enters into this Agreement freely and voluntarily and is not acting under coercion, duress, economic compulsion, nor is entering into this Agreement because of any supposed disparity in bargaining power; rather, each party is freely and voluntarily signing this Agreement for its own benefit. Furthermore, each of the individuals signing this Agreement represents and warrants that he or she has full power and authority to bind the Party identified above his or her name.

12.21 Force Majeure. Neither Party shall be responsible for any loss or damage resulting from any delay or failure in performing any provision of this Agreement due to any act of God, fire, explosion, flood, storm, pandemic, earthquake, war, riot, disease or from any delay or failure, or by any cause beyond either Party's control or by the order, requisition, request or recommendation of any governmental agency or acting body, or compliance therewith or by governmental proration, regulation or priority or the inability of a Party to perform its obligations herein as a result from any other delay or failure due to any cause beyond the affected Party's control, similar or dissimilar to any such causes ("Force Majeure Event"). A Force Majeure Event shall not affect another Party's obligations hereunder. Notwithstanding the foregoing, performance times under this Agreement shall be considered extended for a period of time equivalent to the time lost because of any delay which is excusable under this Section; provided, however, that if any such delay continues for a period of more than thirty (30) calendar days, the Party not claiming excusable delay may terminate this Agreement, upon five (5) day written notice to the other Party.

12.22 Buyer(s) Interpretation. Each Buyer(s) executes this Agreement solely with respect to its Allocated Clinics. Any reference to 'Buyer(s)' shall be construed to apply separately and severally to each Buyer(s) as to its Allocated Clinics. The term "Buyer(s)," as used throughout this Agreement, shall refer collectively to Addisco Value, LLC, Triangle Chiropractic Associates P.C., and Bluffton TJ, LLC. Unless expressly stated otherwise, any reference to "Buyer(s)" shall be construed as applying both to all Buyer(s) collectively and to each Buyer(s) severally, as applicable to that Buyer(s)'s Allocated Clinics, Acquired Assets, Assumed Liabilities, and related representations, warranties, covenants, and obligations. Each Buyer(s)'s obligations are several and not joint, and no Buyer(s) shall be liable for the performance or obligations of any other Buyer(s).

[Signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

BUYERS:

ADDISCO VALUE, LLC, a North Carolina limited liability company

By: Name: Alexander Klaus Title: Mana

Date: _____

ADDISCO VALUE, LLC, a North Carolina limited liability company

By: */s/ Alexander Klaus*

Name: Alexander Klaus

Title: Manager

Date: 12/5/2025

TRIANGLE CHIROPRACTIC

ASSOCIATES P.C., a North Carolina limited liability company

By: */s/ Todd Wegerski, DC*

Name: Todd Wegerski, DC

Title: Manager

Date: 12/6/2025

By: */s/ Lisa Ezell*

Name: Lisa Ezell

Title: Manager

Date: 12/6/2025

BLUFFTON TJ, LLC a South Carolina limited liability company

By: */s/ Andrew Michael Evec*

Name: Andrew Michael Evec

Title: Manager

Date: 12/5/2025

By: */s/ Susan Ruth Train*

Name: Susan Ruth Train

Title: Manager

Date: 12/5/2025

SELLER:

THE JOINT CORP., a Delaware corporation

By: Name: Sanjiv Razdan Title: Chief Executive Offi

Date: _____

THE JOINT CORP., a Delaware corporation

By: */s/ Sanjiv Razdan*

Name: Sanjiv Razdan

Title: Chief Executive Officer

Date: 12/6/2025

By: */s/ Scott Bowman*

Name: Scott Bowman

Title: Chief Financial Officer

Date: 12/6/2025

**GUARANTORS:
(As to Section 4.6 Guaranty Obligations)**

By: */s/ Alex Klaus*
Name: Alex Klaus
Date: 12/5/2025

By: */s/ Todd Wegerski, DC*
Name: Todd Wegerski, DC
Date: 12/6/2025

By: */s/ Lisa Ezell*
Name: Lisa Ezell
Date: 12/6/2025

By: */s/ Andrew Evec, DC*
Name: Andrew Michael Evec
Date: 12/5/2025

By: */s/ Susan Ruth Train*
Name: Susan Ruth Train
Date: 12/5/2025

ACKNOWLEDGED AND ACCEPTED BY THE "PC":
TRIANGLE CHIROPRACTIC ASSOCIATES, PC, a North Carolina
professional corporation

Sign: */s/ Todd Wegerski, DC*
Print: Todd Wegerski, DC
Title: President
Date: 12/6/2025

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-208262, 333-225898, 333-272190, 333-279792 and 333-290541) of The Joint Corp. (the Company) of our reports dated March 12, 2026, relating to the consolidated financial statements which appear in this Annual Report on Form 10-K.

/s/ BDO USA, P.C.

Phoenix, Arizona

March 12, 2026

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Sanjiv Razdan, certify that:

1. I have reviewed this annual report on Form 10-K of The Joint Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2026

/s/ Sanjiv Razdan

Sanjiv Razdan
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Scott Bowman, certify that:

1. I have reviewed this annual report on Form 10-K of The Joint Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2026

/s/ Scott Bowman

Scott Bowman
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

For purposes of Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of The Joint Corp., a Delaware corporation (“Company”), does hereby certify, to such officer’s knowledge, that:

The Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (“Form 10-K”) of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 12, 2026

/s/ Sanjiv Razdan

Sanjiv Razdan
President and Chief Executive Officer
(Principal Executive Officer)

Dated: March 12, 2026

/s/ Scott Bowman

Scott Bowman
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)