

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		<p>after the end of the Strong Pilates Studio specifying the assets to be purchased (“Nominated Assets”) and the leases to be acquired. During this period you must not deal with the assets or leases. Ownership of the Nominated Assets passes to us (or our nominee) immediately on the date of exercise of the option. You must do all things necessary to deliver clear title in the Nominated Assets to us (or our nominee). The purchase price for the Nominated Assets is their fair market value as agreed between us and you but if they cannot agree on this within 14 days after notice, the fair market value must be determined by an independent appraiser appointed by us. In conducting the valuation, the appraiser: (a) must not include any component for goodwill or for leasehold improvements; and (b) acts as expert and not as an arbitrator. The appraiser’s decision is final and binding on us and you and the appraiser’s costs must be shared equally between us and you. We may set off against the purchase price any amounts owed to it by you.</p>
p. Death or disability of franchisee	32.9(1)(3) and (4)	<p>If you are a natural person or if your controlling shareholder suffers a Permanent Incapacity (as defined below), you (or where you are made up of only 1 natural person, your executor or personal representative) must within 4 months after the person becomes Permanently Incapacitated either: (a) sell the Strong Pilates Studio; or (b) procure the sale or transfer of the affected person’s interest in the Strong Pilates Studio.</p> <p>If you are a business entity and a director of you dies or suffers a Permanent Incapacity, you must within 2 months after the director dies or becomes permanently incapacitated, procure the removal of that director as a director of you and seek consent from us to either: (a) appoint a new director to the board of you; or (b) continue with the remaining directors of you.</p> <p>If you do not comply with the above, we may immediately terminate the Franchise Agreement and the Strong Pilates Studio by giving you reasonable written notice.</p>
q. Non-competition covenants during the term of the franchise	1.1(73), 1.1(74), 27.2, Item 19 and 20 in Schedule 1	<p>Neither you nor your Guarantor(s) will: (1) during the term of the Franchise Agreement invest in or have a financial interest in any business other than the Strong Pilates Studio or any other Pilates studio (other than the Strong Pilates Studio) owned by you, your Guarantor(s) or a Related Party of you or Guarantor(s) (an “Additional Business”) without our prior written consent; or (b) canvass or solicit with a view to supplying any product or service the same as or similar to those at any time supplied in the conduct of the Strong Pilates Studio, any person who is or has been in the 12 months before the end of the Strong Pilates Studio a customer of the Strong Pilates Studio or a customer of any other Strong Pilates Studio.</p>
r. Non-competition covenants after the franchise is terminated or expires	1.1(73), 1.1(74), 27.2, Item 19 and 20 in Schedule 1	<p>Neither you nor your Guarantor(s) will: (2) during the period 18 months after the expiration, termination, non-renewal or transfer of the Franchised Agreement (the “Restraint Period”), directly or indirectly do any of the following things: (a) at the Premises or within 25 kilometers of any other business using the System and the Trade Marks in existence as of the date of the expiration, termination, non-renewal or transfer of the Franchise Agreement (the “Restraint Area”), engage or be concerned or interested in</p>

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		any business that: (i) supplies the Rowformer Machine or any type of exercise class utilizing the Rowformer Machine; or (ii) could be reasonably regarded as a market competitor of the System or any Strong Pilates Studio; or (b) canvass or solicit with a view to supplying any product or service the same as or similar to those at any time supplied in the conduct of the Strong Pilates Studio, any person who is or has been in the 12 months before the end of the Strong Pilates Studio a customer of the Strong Pilates Studio or a customer of any other Strong Pilates Studio.
s. Modification of the agreement	41.6	No changes unless mutually agreed to in writing.
t. Integration/merger clause	41.5	Only written terms of Franchise Agreement and of the exhibits referred to are binding (subject to applicable state law). Any representations or promises outside the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	37.2	Subject to applicable state law, the parties must first seek to resolve any dispute by mutual negotiation. If not resolved by mutual negotiation within 21 days, either party may, by notice to the other, require that the dispute be dealt with by mediation. The mediation shall take place in the city in the United States where we have our then current principal place of business at a location to be decided by the mediator. If not resolved through mediation, the parties will submit the dispute to binding arbitration pursuant to the rules of an arbitration body selected by us. The arbitration proceedings will be conducted in the city in the United States where we have our then current principal place of business at a location to be decided by the arbitrator, unless otherwise prohibited by the laws of the state in which the Business is located, in which case the arbitration proceedings shall occur in such state, in a city selected by us. But see state specific amendments to the Franchise Agreement if applicable.
v. Choice of forum	37.2; 41.9(2)	Subject to applicable state law, the state in which we have our then current principal place of business (currently Texas). But see state specific amendments to the Development Agreement (if any).
w. Choice of law	41.9	Subject to applicable state law, Texas law. But see state specific amendments to the Development Agreement (if any).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the

information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

This Item 19 contains a financial performance representation regarding the historical Average Monthly Revenue earned by a subset of our franchised Strong Pilates Studios in the United States during the Measurement Period (defined below).

Background and Studio Population

As of March 31, 2026, eight (8) franchised Strong Pilates Studios were open and operating in the United States (the “Studios”). The financial performance representation set out below is based on the historical Revenue of five (5) of those Studios (the “Reporting Studios”) during the period from April 1, 2025 to March 31, 2026 (the “Measurement Period”).

Inclusion and Exclusion Criteria

We have applied the following criteria, which we consider necessary to produce a representation that is meaningful and reasonably representative of an established Studio operating under our system:

- Minimum operating period. We consider that a Studio requires a ramp-up period of approximately six (6) months following opening before its financial performance is reasonably representative of an established Studio operating under our system. Accordingly, only Studios that were open and operating for at least six (6) full calendar months during the Measurement Period have been included.
- First full calendar month. Where a Studio commenced operations partway through a calendar month, the Revenue for that partial month has been disregarded and Revenue has been counted from the first full calendar month of operations onwards.
- Studio manager continuity. A Studio that did not have a Studio manager in place for at least six (6) months of the Measurement Period has been excluded on the basis that, in the view of the Franchisor, that Studio is not representative of the operating model.

Applying the above criteria, three (3) Studios have been excluded from the Reporting Studios: two (2) Studios were excluded because they had not been open for more than six (6) months over the Measurement Period, and one (1) Studio was excluded on the studio manager continuity basis described above.

Composition of the Reporting Studios

The five (5) Reporting Studios comprise:

- One (1) Studio that was open and operating for the entirety of the Measurement Period (12 full calendar months);
- Two (2) Studios that were open and operating for at least nine (9) full calendar months of the Measurement Period;
- One (1) Studio that was open and operating for eight (8) full calendar months of the Measurement

Period; and

- One (1) Studio that was open and operating for seven (7) full calendar months of the Measurement Period.

Definition of Revenue

For the purposes of this Item 19, “Revenue” has the meaning given to that term in our Franchise Agreement and means the gross revenue derived by the franchisee from the operation of the Studio, before deduction of any taxes, fees, costs or expenses. Revenue figures used in this Item 19 have been extracted from the customer relationship management system used by the Studios, supplemented by reporting from third party aggregator platforms (such as ClassPass) where applicable. We have assumed that the data extracted from these systems is accurate. We have not independently audited or verified this data.

Table 1 — Average Monthly Revenue of Reporting Studios (Measurement Period)

Reporting Studio	Full Calendar Months Included	Average Monthly Revenue (USD)
Reporting Studio A	8	\$97,154.78
Reporting Studio B	7	\$84,180.09
Reporting Studio C	12	\$82,788.68
Reporting Studio D	9	\$79,550.36
Reporting Studio E	9	\$49,718.93
Average across the 5 Reporting Studios		\$78,678

Summary of Results

Across the five (5) Reporting Studios, the average monthly Revenue during the included months of the Measurement Period was \$78,678. The highest performing Reporting Studio achieved average monthly Revenue of \$97,154.78, and the median Reporting Studio achieved average monthly Revenue of \$82,788.68. Four (4) of the five (5) Reporting Studios (representing 80% of the Reporting Studios) achieved average monthly Revenue at or above the cross-Studio average of \$78,678.

General

Some Strong Businesses have sold this amount. Your individual results may differ. There is no assurance that you’ll sell as much.

Written substantiation for the financial performance representation set out in this Item 19 will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of our new franchises, you should report it to the franchisor's management by contacting Mark Francis Armstrong at Strong Pilates USA, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
SYSTEMWIDE OUTLET SUMMARY
FOR FISCAL YEARS 2023 TO 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	1	+1
	2025	1	7	+6
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	0	0	0
	2024	0	1	+1
	2025	1	7	+6

*Our fiscal year end is December 31. Therefore, the 2023 fiscal year ended December 31, 2023, the 2024 fiscal year ended December 31, 2024, and the 2025 fiscal year ended December 31, 2025.

**This chart and the other charts in Item 20 only include Strong Pilates Studios in the United States.

TABLE 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
FOR YEARS 2023 TO 2025

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Total	2023	0
	2024	0
	2025	0