(r) Non-competition covenants after the franchise is terminated or expires	24.2	For a two year period, no engaging in a similar business or providing similar products or services in your territory and within a ten mile radius of your former location or the location of any other franchisee; for a two year period, no enticing away any customers from the franchisor or other franchisees; and for a two year period, no attempts to hire away any employees of franchisor or other franchisees.
(s) Modification of the agreement	4.4, 5.4, and 33.8	The franchise agreement cannot be modified without written consent signed by both parties, but we can change the requirements in our Operations Manual and we can modify the Business System without franchisee's consent.
(t) Integration or merger clause	33.14	Only the terms of the franchise agreement are binding (subject to state law). Any other promises outside the disclosure document and franchise agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
(u) Dispute resolution by mediation	29.1	Except for certain claims, all disputes must be mediated under the JAMS mediation rules, at the JAMS office nearest to franchisee's studio, subject to state law.
(v) Choice of forum	29.2	Subject to applicable state law, except for certain claims, arbitration conducted by a single arbitrator under JAMS Rules at the JAMS office in New York, New York, or the JAMS office nearest the franchisor's principal office in the United States. Arbitration demand must be made within one year after the claim arises.
(w) Choice of law	33.22	Subject to applicable state law, Delaware law applies.

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 provides historical financial information, and observed trends and factors affecting financial performance, of the twelve (12) United States franchised Studio Pilates International studios ("**Representative Studios")** that were open and continuously operating during the twelve-month period beginning January 1, 2025 and ending December 31, 2025 (the "**Measurement Period**").

This information was provided to us by the owners of the Representative Studios.

Written substantiation of the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll sell as much.

Part 1 – Summary Financial Performance

The table below summarizes financial performance across the 12 Representative Studios during the Measurement Period.

Metric	Average	Median	High	Low
Gross Revenue	$707,077	$595,224	$1,542,940	$157,211

Explanatory Notes to the Figures Above

1. "Gross Revenue" refers to the total revenue of a franchised Studio, including all membership and class packages revenue and retail sales, excluding taxes. Gross Revenue may not include certain income that the Studio may have generated from third-party vendors by virtue of promotions run by the Studio through those third-party vendors because these vendors were not able to provide us with the full reports detailing the income at issue as of the Issue Date of this Disclosure Document.

2. Five (5) of the twelve (12) Representative Studios, or 42% of the Representative Studios, had Average Gross Revenues during the Measurement Period which surpassed the Average Gross Revenue of all of the Representative Studios during the Measurement Period.

Part 2 – Performance Distribution (Tiered Analysis)

To provide additional context, Franchisor has grouped the Representative Studios into performance tiers based on Gross Revenue during the Measurement Period, and listed their primary characteristics.

Tier	No. of Studios	Gross Revenue Range	Characteristics
Top Performing Studios	3	More than about $1 million - $1.5 million or more	Strong lead generation, higher conversion rates, and consistent operational execution
Mid Performing Studios	6	More than about $500,000 to about $800,000	Stable operations with opportunities to improve conversion and efficiency

Lower Performing Studios	3	More than about $150,000 to about $300,000	Lower lead volume and/or inconsistent execution impacting performance

Performance tier placement is influenced by multiple factors, including market conditions, studio maturity, owner involvement, and adherence to system processes.

Part 3 – Operational Performance Metrics

The Franchisor tracks certain operational metrics that may influence Studio performance:

Metric	Low	Average	High	Median
Leads Generated (Annual)	986	2,300 (approx.)	4,292	2,278
Lead → Orientation Conversion	36.12%	48% (approx.)	55.64%	48.30$
Orientation → Purchase Conversion	14.25%	25% (approx.)	38.68%	25.66%
Gross Revenue per Client	$20.39	$25 (approx.)	$29.61	$24.77
Average Weekly Active Clients	129	223 (approx.)	495	223
Average Class Size	5.8	8.5 (approx.)	11.2	8.5

Explanatory Notes to the Table Above:

1. "Leads Generated (Annual)" refers to the total number of prospective clients who expressed interest in the studio over a 12-month period. This includes all lead sources such as digital marketing, referrals, walk-ins, events, and partnerships. This metric reflects the effectiveness of a studio's marketing and lead generation efforts.

2. "Lead → Orientation Conversion" refers to the percentage of leads that attend an introductory session, consultation, or orientation after initially expressing interest. This measures how effectively a studio engages and follows up with prospects to move them into the first in-person experience.

3. "Orientation → Purchase Conversion" refers to the percentage of prospects who purchase a membership or package after attending an orientation. This metric reflects the studio's ability to convert engaged prospects into paying clients through the in-studio experience and sales process.

4. "Gross Revenue per Client" refers to the average amount of revenue generated per active client over a given period (typically monthly or annually). This includes membership fees, class packs, retail, and any additional services, and helps measure overall client value.

5. "Average Weekly Active Clients" refers to the average number of unique clients attending at least one class per week. This metric indicates the consistency of client engagement and overall utilization of the studio's membership base.
6. "Average Class Size" refers to the average number of clients attending each class over a given period. This reflects how full classes are on average and is a key driver of studio revenue and operational efficiency.

Part 4 – Monthly Gross Revenue Performance (affected by seasonality & consistency)

Franchisor provides the following analysis of monthly Gross Revenue among the Representative Studios to understand intra-year performance trends:

Metric	Value
Highest Monthly Revenue	$280,971
Average Monthly Revenue	$57,478
Median Monthly Revenue	$46,416
Lowest Monthly Revenue	$7,446

Observed Trends:

Based on the monthly data, Franchisor has observed that:

Revenue levels vary significantly month-to-month, reflecting differences in:
- Studio maturity
- Marketing campaigns
- Seasonal demand

Certain Studios demonstrate consistent monthly performance, while others show:
- Ramp-up periods
- Fluctuations tied to operational execution

Higher-performing Studios generally exhibit:
- More stable monthly Gross Revenue
- Stronger peak months

Differences between Studios may be influenced by:
- Local market conditions
- Stage of business development
- Operational consistency

Part 5 – Key Business Drivers

Based on the data, Franchisor has observed that certain factors may influence Studio performance:

Revenue Drivers:

Volume and consistency of lead generation
Effectiveness of converting leads into paying members
Ongoing client engagement and retention

Operational Drivers:

Instructor quality, training, and ongoing development
Owner involvement in daily operations
Consistency in executing Studio Pilates systems and processes

Cost Management Drivers:

Labor efficiency and scheduling practices
Rent and occupancy costs
Effectiveness of local area marketing investment

Studios demonstrating stronger performance across these areas tended to report higher revenue and profitability, although results varied.

Part 6 – Relationship Between Operations and Financial Results

Franchisor has observed that Studios with:

Higher lead generation
Stronger conversion rates, and
Greater client engagement

generally reported higher revenue levels and improved financial performance compared to Studios with lower such operational metrics.

Other than the preceding financial performance representation, Studio Pilates International does 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 your future income, you should report it to the franchisor's management by contacting Jade Winter at (011) (61) 412031550 or at franchising@studiopilates.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-Wide Outlet Summary
For Years 2023 to 2025

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2023	4	5	1
	2024	5	12	7
	2025	12	20	8
Company-Owned or Affiliate Owned				
	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets				
	2023	4	5	1
	2024	5	12	7
	2025	12	20	8

There were no company-owned outlets anywhere in the United States from 2023 to 2025.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2023 to 2025

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

Note: No outlets have been transferred to new owners from franchisees in any states in the years set forth in the table above.

Table No. 3
Status of Franchised Outlets
For Years 2023 to 2025